

# GOODWIN PLC

IVY HOUSE FOUNDRY, HANLEY, STOKE-ON-TRENT

INTERIM REPORT  
31<sup>st</sup> OCTOBER 2011

# **GOODWIN PLC**

## **CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS for the half year ended 31st October 2011**

### **CHAIRMAN'S STATEMENT**

I am pleased to report that the pre-tax profits for the Group for the six month period ending 31st October 2011 were £6.1 million (*2010 £5.8 million*) on revenue of £54.3 million, which was up by 18% on the revenue of £45.9 million for the same period last year.

Gross margin earned by the Group for the first half year increased by 8.4%. The order book for the Group remains healthy in these difficult times and represents an order backlog on average of just over six months.

I am happy to report that Goodwin International Ltd and Shell International Global Solutions B.V. have signed a five year Enterprise Framework Agreement that makes Goodwin International Ltd the single-source supplier of dual plate check valves for Shell's capital expenditure projects and MRO (Maintenance, Repairs and Operations) on a global basis.

Two of our Refractories Engineering companies, Dupré Minerals and Hoben International have performed particularly well in the first half year and are well positioned to complete the year in a similarly satisfactory manner.

Also our Brazilian pump company which we set up three years ago has now started to make significant profits and has achieved good market penetration with companies such as Vale S.A. with the Goodwin submersible pump.

As we wrote in our half yearly report this time last year, our biggest risk / unknown is the relationship of the major currency pairs and with the current topical news on the Euro this situation remains. Our global competitiveness should in part be protected by our overseas manufacturing activities, but the continued volatility of exchange rates remains a concern as it must be to all international trading companies.

As at the time of writing, the order input so far this financial year is 14% up on this time last year and is at an historical high for the Group.

J. W. Goodwin  
Chairman

21st December 2011

# GOODWIN PLC

## CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS for the half year ended 31st October 2011

### Management report

Increased investment by the oil and gas energy industry has enabled us to win increased levels of order input.

The sales order backlog stands at just over six months at the end of October 2011.

### Financial Highlights

	<b>Unaudited Half Year to 31st October 2011 £'m</b>	Unaudited Half Year to 31st October 2010 £'m	Audited Year Ended 30th April 2011 £'m
<b>Consolidated Results</b>			
Sales revenue	<b>54.28</b>	45.93	92.91
Operating profit	<b>6.48</b>	6.06	8.92
Profit before tax	<b>6.10</b>	5.80	8.21
Profit after tax	<b>4.50</b>	4.15	4.21
Capital Expenditure	<b>2.89</b>	2.71	5.15
Earnings per share (Basic and Diluted)	<b>57.44p</b>	49.90p	50.39p

### Turnover

Sales revenue of £54.3 million for the half year represents a 18% increase over the £45.9 million achieved during the same period last year.

### Profit Before Tax

Profit before tax for the six months of £6.1 million is up 5% from the £5.8 million achieved for the same period last year.

### Risks and Uncertainties

The Group has in place internal control procedures which, in conjunction with its centralised management structure, identify and manage the key risks and uncertainties affecting the Group.

We would refer you to note 19 (page 33) of the Group annual accounts to 30th April 2011 which describes in detail the key risks and uncertainties affecting the business such as credit risk and foreign exchange risk. This position remains unchanged at the end of October 2011.

As we wrote in our half yearly report this time last year, our biggest risk / unknown is the relationship of the major currency pairs and with the current topical news on the Euro this situation remains. Our global competitiveness should in part be protected by our overseas manufacturing activities, but the continued volatility of exchange rates remains a concern as it must be to all international trading companies.

# GOODWIN PLC

## CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS for the half year ended 31st October 2011

### Management report *(continued)*

#### **Report on Expected Developments**

This report describes the expected developments of the Group during the year ended 30th April 2012. The report may contain forward-looking statements and information based on current expectations, and assumptions and forecasts made by the Group. These expectations and assumptions are subject to various known and unknown risks, uncertainties and other factors, which could lead to substantial differences between the actual future results, financial performance and the estimates and historical results given in this report. Many of these factors are outside the Group's control. The Group accepts no liability to publicly revise or update these forward-looking statements or adjust them to future events or developments, whether as a result of new information, future events or otherwise, except to the extent legally required.

#### **2012 Outlook**

The order input so far this financial year is 14 % up on this time last year and is at an historical high for the Group providing good opportunity for the second half of the year.

#### **Responsibility statement of the directors in respect of the half-yearly financial report**

The directors confirm to the best of their knowledge that this condensed set of financial statements has been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and that the Interim Management Report and condensed financial statements include a fair review of the information required by Disclosure and Transparency Rules 4.2.7R (being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year) and 4.2.8R (being related party transactions that have taken place in the first six months of the financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so) of the United Kingdom's Financial Service Authority.

J. W. Goodwin  
Chairman

21st December 2011

# GOODWIN PLC

## CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS for the half year ended 31st October 2011

### Condensed consolidated income statement for the half year to 31st October 2011

	<b>Unaudited Half Year to 31st October 2011 £'000</b>	Unaudited Half Year to 31st October 2010 £'000	Year Ended 30th April 2011 £'000
<b>Continuing operations</b>			
Revenue	<b>54,279</b>	45,933	92,908
Cost of sales	<b>(39,258)</b>	(32,078)	(67,480)
<b>Gross profit</b>	<b>15,021</b>	13,855	25,428
Distribution costs	<b>(1,501)</b>	(1,475)	(3,243)
Administrative expenses	<b>(7,039)</b>	(6,319)	(13,268)
<b>Operating profit</b>	<b>6,481</b>	6,061	8,917
Financial expenses	<b>(608)</b>	(436)	(1,054)
Share of profit of associates	<b>224</b>	181	342
<b>Profit before taxation</b>	<b>6,097</b>	5,806	8,205
Tax on profit	<b>(1,598)</b>	(1,659)	(3,997)
<b>Profit after taxation</b>	<b>4,499</b>	4,147	4,208
<b>Attributable to:</b>			
Equity holders of the parent	<b>4,136</b>	3,593	3,628
Minority interest	<b>363</b>	554	580
<b>Profit for the period</b>	<b>4,499</b>	4,147	4,208
<b>Basic and diluted earnings per ordinary share</b>	<b>57.44p</b>	49.90p	50.39p

# GOODWIN PLC

## CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS for the half year ended 31st October 2011

### Condensed consolidated statement of comprehensive income for the half year to 31st October 2011

	<b>Unaudited Half Year to 31st October 2011 £'000</b>	Unaudited Half Year to 31st October 2010 £'000	Year Ended 30th April 2011 £'000
<b>Profit for the period</b>	<b>4,499</b>	4,147	4,208
<b>Other comprehensive income</b>			
Foreign exchange translation differences	<b>(141)</b>	(159)	(245)
Effective portion of changes in fair value of cash flow hedges	<b>1,825</b>	2,067	(352)
Change in fair value of cash flow hedges transferred to profit and loss	<b>(3,237)</b>	(363)	3,726
Tax recognised on income and expenses recognised directly in equity	<b>367</b>	(477)	(878)
<b>Other comprehensive (expenditure)/income for the period, net of income tax</b>	<b>(1,186)</b>	1,068	2,251
<b>Total comprehensive income for the period</b>	<b>3,313</b>	5,215	6,459
Attributable to:			
Equity holders of the parent	<b>2,889</b>	4,699	5,953
Minority interest	<b>424</b>	516	506
	<b>3,313</b>	5,215	6,459

# GOODWIN PLC

## CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS for the half year ended 31st October 2011

### Condensed consolidated statement of changes in equity for the half year to 31st October 2011

	Share capital £'000	Translation reserve £'000	Cash flow hedging reserve £'000	Retained earnings £'000	Total £'000	Minority interest £'000	Total equity £'000
<b>Half year to 31st October 2011</b>							
Balance at 1st May 2011	720	1,028	2,422	36,710	40,880	3,437	44,317
Total comprehensive income for the period	–	(202)	(1,045)	4,136	2,889	424	3,313
Dividends paid	–	–	–	(2,100)	(2,100)	(59)	(2,159)
Balance at 31st October 2011 (Unaudited)	<u>720</u>	<u>826</u>	<u>1,377</u>	<u>38,746</u>	<u>41,669</u>	<u>3,802</u>	<u>45,471</u>
<b>Half year to 31st October 2010</b>							
Balance at 1st May 2010	720	1,199	(74)	35,082	36,927	3,242	40,169
Total comprehensive income for the period	–	(120)	1,227	3,592	4,699	516	5,215
Dividends paid	–	–	–	(2,000)	(2,000)	(256)	(2,256)
Balance at 31st October 2010 (Unaudited)	<u>720</u>	<u>1,079</u>	<u>1,153</u>	<u>36,674</u>	<u>39,626</u>	<u>3,502</u>	<u>43,128</u>
<b>Year ended 30th April 2011</b>							
Balance at 1st May 2010	720	1,199	(74)	35,082	36,927	3,242	40,169
Total comprehensive income for the period	–	(171)	2,496	3,628	5,953	506	6,459
Dividends paid	–	–	–	(2,000)	(2,000)	(311)	(2,311)
Balance at 30th April 2011	<u>720</u>	<u>1,028</u>	<u>2,422</u>	<u>36,710</u>	<u>40,880</u>	<u>3,437</u>	<u>44,317</u>

# GOODWIN PLC

## CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS for the half year ended 31st October 2011

### Condensed consolidated balance sheet as at 31st October 2011

	Unaudited as at 31st October 2011 £'000	Unaudited as at 31st October 2010 £'000	As at 30th April 2011 £'000
<b>Non-current assets</b>			
Property, plant and equipment	26,495	24,596	25,431
Intangible assets	10,498	11,094	10,035
Investments in associates	1,366	1,055	1,137
	<u>38,359</u>	<u>36,745</u>	<u>36,603</u>
<b>Current assets</b>			
Inventories	26,867	20,227	25,096
Trade and other receivables	26,711	26,247	25,664
Derivative financial assets	1,952	2,934	4,349
Cash and cash equivalents	5,236	3,485	4,049
	<u>60,766</u>	<u>52,893</u>	<u>59,158</u>
<b>Total assets</b>	<u>99,125</u>	<u>89,638</u>	<u>95,761</u>
<b>Current liabilities</b>			
Bank overdrafts	3,611	1,882	834
Other interest-bearing loans and borrowings	223	680	226
Trade and other payables	21,704	21,690	26,185
Deferred consideration	3,128	2,617	2,774
Derivative financial liabilities	269	1,051	1,246
Liabilities for current tax	1,861	2,379	1,713
	<u>30,796</u>	<u>30,299</u>	<u>32,978</u>
<b>Non-current liabilities</b>			
Other interest-bearing loans and borrowings	18,854	10,768	12,326
Deferred consideration	–	3,479	2,677
Derivative financial liabilities	700	–	–
Deferred tax liabilities	3,304	1,964	3,463
	<u>22,858</u>	<u>16,211</u>	<u>18,466</u>
<b>Total liabilities</b>	<u>53,654</u>	<u>46,510</u>	<u>51,444</u>
<b>Net assets</b>	<u>45,471</u>	<u>43,128</u>	<u>44,317</u>
<b>Equity attributable to equity holders of the parent</b>			
Share capital	720	720	720
Translation reserve	826	1,079	1,028
Cash flow hedge reserve	1,377	1,153	2,422
Retained earnings	38,746	36,674	36,710
	<u>41,669</u>	<u>39,626</u>	<u>40,880</u>
<b>Minority interest</b>	<u>3,802</u>	<u>3,502</u>	<u>3,437</u>
<b>Total equity</b>	<u>45,471</u>	<u>43,128</u>	<u>44,317</u>



# GOODWIN PLC

## CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS for the half year ended 31st October 2011

### Condensed consolidated cash flow statement for the half year ended 31st October 2011

	<b>Unaudited Half Year to 31st October 2011 £'000</b>	Unaudited Half Year to 31st October 2010 £'000	Year Ended 30th April 2011 £'000
<b>Cash flow from operating activities</b>			
Profit for the period	<b>4,499</b>	4,147	4,208
Adjustments for:			
Depreciation	<b>1,442</b>	1,231	2,817
Amortisation of intangible assets	<b>342</b>	232	478
Financial expense	<b>608</b>	436	1,054
(Profit) / loss on sale of property, plant and equipment	<b>(126)</b>	4	10
Share of profit of associate companies	<b>(224)</b>	(181)	(342)
Tax expense	<b>1,598</b>	1,659	3,997
<b>Operating profit before changes in working capital and provisions</b>	<b>8,139</b>	7,528	12,222
Increase in trade and other receivables	<b>(820)</b>	(5,590)	(3,916)
Increase in inventories	<b>(1,713)</b>	(2,181)	(7,006)
(Decrease) / increase in trade and other payables (excluding payments on account)	<b>(3,048)</b>	14	1,653
(Decrease) / increase in payments on account	<b>(925)</b>	(617)	737
<b>Cash generated from operations</b>	<b>1,633</b>	(846)	3,690
Interest paid	<b>(445)</b>	(237)	(647)
Corporation tax paid	<b>(1,244)</b>	(1,489)	(2,517)
Interest element of finance lease obligations	<b>(23)</b>	(14)	(35)
<b>Net cash (outflow) / inflow from operating activities</b>	<b>(79)</b>	(2,586)	491
<b>Cash flow from investing activities</b>			
Proceeds from sale of property, plant and equipment	<b>318</b>	12	96
Acquisition of property, plant and equipment	<b>(2,890)</b>	(3,504)	(6,274)
Acquisition of intangible assets	<b>-</b>	(655)	(674)
Acquisition of subsidiary net of cash acquired	<b>(502)</b>	-	-
Acquisition of associated undertaking	<b>-</b>	-	(237)
Payment of deferred purchase creditor	<b>(2,800)</b>	-	-
Dividends received from associate company	<b>-</b>	-	247
<b>Net cash from investing activities</b>	<b>(5,874)</b>	(4,147)	(6,842)
<b>Cash flows from financing activities</b>			
Payment of capital element of finance lease obligations	<b>(108)</b>	(177)	(304)
Dividends paid	<b>(2,100)</b>	(2,000)	(2,000)
Dividends paid to minority interests	<b>(59)</b>	-	(311)
Proceeds from new loans / lease agreements	<b>6,633</b>	696	2,359
<b>Net cash from financing activities</b>	<b>4,366</b>	(1,481)	(256)
<b>Net decrease in cash and cash equivalents</b>	<b>(1,587)</b>	(8,214)	(6,607)
Opening cash and cash equivalents	<b>3,215</b>	9,823	9,823
Effect of exchange rate fluctuations on cash held	<b>(3)</b>	(6)	(1)
<b>Closing cash and cash equivalents</b>	<b>1,625</b>	1,603	3,215

# GOODWIN PLC

## CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS for the half year ended 31st October 2011

### Notes

#### *to the condensed consolidated financial statements*

#### **1. Reporting entity**

Goodwin PLC (the "Company") is a company incorporated in England. The condensed consolidated interim financial statements of the Company as at and for the six months ended 31st October 2011 comprises the Company, its subsidiaries and the Group's interests in associates (together referred to as the "Group").

The consolidated financial statements of the Group as at and for the year ended 30th April 2011 are available upon request from the Company's registered office at Ivy House Foundry, Hanley, Stoke on Trent ST1 3NR or via the Company's web site: [www.goodwin.co.uk](http://www.goodwin.co.uk)

#### **2. Statement of compliance**

These unaudited condensed consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted in the EU. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 30th April 2011.

The comparative figures for the financial year ended 30th April 2011 are extracts and not the full Group's statutory accounts for that financial year. Those accounts have been reported on by the company's auditors and delivered to the Registrar of Companies. The report of the auditors was (i) unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

These condensed consolidated interim financial statements were approved by the Board of Directors on 21st December 2011.

#### **3. Significant accounting policies**

The accounting policies applied by the Group in these condensed consolidated financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 30th April 2011.

# GOODWIN PLC

## CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS for the half year ended 31st October 2011

### Notes *(continued)*

#### 4. Estimates

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30th April 2011.

#### 5. Business Segments

##### **Products and services from which reportable segments derive their revenues**

In accordance with the requirements of IFRS8 "Operating Segments" the Group's reportable segments based on information reported to the Group's Board of Directors for the purposes of resource allocation and assessment of segment performance are as follows:

- Engineering - casting, machining and general engineering
- Refractories Engineering - powder manufacture and mineral processing

Information regarding the Group's operating segments is reported below.

# GOODWIN PLC

## CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS for the half year ended 31st October 2011

Notes (continued)

### Segment revenues and profits

	Engineering			Refractories Engineering			Sub Total		
	Unaudited Half Year Ended 31st October 2011 £'000	Unaudited Half Year Ended 31st October 2010 £'000	Year Ended 30th April 2011 £'000	Unaudited Half Year Ended 31st October 2011 £'000	Unaudited Half Year Ended 31st October 2010 £'000	Year Ended 30th April 2011 £'000	Unaudited Half Year Ended 31st October 2011 £'000	Unaudited Half Year Ended 31st October 2010 £'000	Year Ended 30th April 2011 £'000
<b>Revenue</b>									
External sales	<b>39,507</b>	33,008	65,139	<b>14,772</b>	12,988	27,769	<b>54,279</b>	45,996	92,908
Intra-Group sales	<b>10,762</b>	7,004	18,014	<b>2,639</b>	2,337	4,046	<b>13,401</b>	9,341	22,060
Total revenue	<b>50,269</b>	40,012	83,153	<b>17,411</b>	15,325	31,815	<b>67,680</b>	55,337	114,968
Reconciliation to consolidated revenues:									
Intra-Group sales							<b>(13,401)</b>	(9,341)	(22,060)
Net consolidation adjustments							-	(63)	-
Consolidated revenue for the period							<b>54,279</b>	45,933	92,908

	Engineering			Refractories Engineering			Sub Total		
	Unaudited Half Year Ended 31st October 2011 £'000	Restated* Unaudited Half Year Ended 31st October 2010 £'000	Year Ended 30th April 2011 £'000	Unaudited Half Year Ended 31st October 2011 £'000	Restated* Unaudited Half Year Ended 31st October 2010 £'000	Year Ended 30th April 2011 £'000	Unaudited Half Year Ended 31st October 2011 £'000	Restated* Unaudited Half Year Ended 31st October 2010 £'000	Year Ended 30th April 2011 £'000
<b>Profits</b>									
Segment result including associates	<b>4,230</b>	4,945*	6,303	<b>3,010</b>	1,898*	4,275	<b>7,240</b>	6,843*	10,578
Group administration costs							<b>(535)</b>	(601)*	(1,319)
Group finance and treasury costs							<b>(608)</b>	(436)*	(1,054)
Consolidated profit before tax for the period							<b>6,097</b>	5,806	8,205
Tax							<b>(1,598)</b>	(1,659)	(3,997)
Consolidated profit after tax for the period							<b>4,499</b>	4,147	4,208

\* Following a review by the directors during the year ended 30th April 2011, where certain administration, finance and treasury costs for the prior year were reclassified in the segmental analysis, the half year figures for 31st October 2010 in the above segmental analysis have been restated to ensure consistency in treatment between the subsidiaries in the Group and comparability with the current half year's segmental figures.

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## CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS for the half year ended 31st October 2011

Notes (continued)

### Segmental assets and liabilities

	Segmental total assets			Segmental total liabilities			Segmental net assets		
	Unaudited Half Year Ended 31st October 2011 £'000	Restated* Unaudited Half Year Ended 31st October 2010 £'000	Year Ended 30th April 2011 £'000	Unaudited Half Year Ended 31st October 2011 £'000	Restated* Unaudited Half Year Ended 31st October 2010 £'000	Year Ended 30th April 2011 £'000	Unaudited Half Year Ended 31st October 2011 £'000	Unaudited Half Year Ended 31st October 2010 £'000	Year Ended 30th April 2011 £'000
Engineering	<b>57,018</b>	47,581*	54,891	<b>42,406</b>	31,214*	42,998	<b>14,612</b>	16,367	11,893
Refractories Engineering	<b>23,227</b>	20,972*	20,461	<b>10,427</b>	9,971*	9,548	<b>12,800</b>	11,001	10,913
Sub total reportable segment	<b>80,245</b>	68,553*	75,352	<b>52,833</b>	41,185*	52,546	<b>27,412</b>	27,368	22,806
Goodwin PLC (the Company) net assets							<b>25,631</b>	22,672	27,996
Investments elimination / goodwill adjustments							<b>(7,668)</b>	(6,062)	(7,374)
Other consolidation adjustments							<b>(981)</b>	(3,324)	(1,499)
Foreign exchange / IAS 39							<b>1,077</b>	2,474	2,388
Consolidated total net assets							<b>45,471</b>	43,128	44,317

\* Segmental total assets and segmental total liabilities at 31st October 2010 have been restated to ensure consistency in treatment between subsidiaries in the Group and comparability with the current half year's segmental figures. Segmental net assets are not affected by this restatement.

# GOODWIN PLC

## CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS for the half year ended 31st October 2011

Notes (continued)

### Geographical segments

	Half year ended 31st October 2011				Half year ended 31st October 2010			
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
	Revenue £'000	Operational assets £'000	Non current assets £'000	PPE Capital expenditure £'000	Revenue £'000	Operational assets £'000	Non current assets £'000	PPE Capital expenditure £'000
UK	10,244	32,716	32,151	1,974	9,979	32,531	31,587	1,360
Rest of Europe	12,900	4,388	623	71	9,594	3,427	701	148
USA	4,018	-	-	-	5,106	-	-	-
Pacific Basin	14,005	5,436	327	51	10,878	3,955	237	19
Rest of World	13,112	2,931	5,258	794	10,376	3,215	4,220	1,184
Total	<u>54,279</u>	<u>45,471</u>	<u>38,359</u>	<u>2,890</u>	<u>45,933</u>	<u>43,128</u>	<u>36,745</u>	<u>2,711</u>

	Year ended 30th April 2011			
	Revenue	Operational	Non	PPE
	£'000	assets £'000	current assets £'000	Capital expenditure £'000
UK	17,148	33,148	31,028	2,712
Rest of Europe	24,540	3,920	684	320
USA	11,441	-	-	-
Pacific Basin	23,471	4,137	71	199
Rest of World	16,308	3,112	4,820	1,923
Total	<u>92,908</u>	<u>44,317</u>	<u>36,603</u>	<u>5,154</u>

The Group operates in the above principal locations. In presenting the information on geographical segments, revenue is based on the location of its customers and assets on the location of the assets.

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## CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS for the half year ended 31st October 2011

### Notes (continued)

#### 6. Dividends

The directors do not propose the payment of an interim dividend.

	<b>Unaudited Half Year to 31st October 2011 £'000</b>	Unaudited Half Year to 31st October 2010 £'000	Year Ended 30th April 2011 £'000
<b>Equity Dividends Paid:</b>			
Paid ordinary dividend 30th April 2011: (29.166p per share)	<b>2,100</b>	–	–
Paid ordinary dividend 30th April 2010: (27.777p per share)	–	2,000	2,000

#### 7. Earnings per share

The calculation of the earnings per ordinary share is based on the number of ordinary shares in issue during all periods of 7,200,000 and on the profit for the six months attributable to ordinary shareholders of £4,136,000 (six months to 31st October 2010: £3,593,000). The company has no share options or other diluting interest and accordingly, there is no difference in the calculation of diluted earnings per share.

#### 8. Issuance and repayment of debt

During the six months to 31st October 2011, the Group has utilised a further £6,633,000 of its borrowing facilities.

#### 9. Property, Plant and Equipment

During the six month period, the Group incurred fixed asset expenditure of £2,890,000 (six months to 31st October 2010: £2,711,000) on various capital projects throughout the Group. Depreciation in the six months to 31st October 2011 was £1,442,000 (six months to 31 October 2010: £1,231,000). Other movements in the six months to 31st October 2011 were exchange adjustments of £232,000, disposals of £192,000 and £40,000 of fixed assets as part of the acquisition of new subsidiaries.

#### 10. Intangible assets

During the six month period, additions to intangible fixed assets were £805,000 of intangibles acquired with acquisitions (note 11). Amortisation of intangible assets in the six months to 31st October 2011 was £342,000 (six months to 31st October 2010: £232,000).

#### 11. Acquisitions

Three small subsidiaries were acquired during the six months to 31st October 2011 for a consideration of £884,000. Taking into account deferred consideration of £337,000 and net cash acquired of £45,000, this resulted in the cash outflow for acquisitions of £502,000. Assets acquired included a provisional value of intangible assets of £805,000.