



## Interim Report

for the half year ended 30 September 2008

### Chairman's Statement

The company recorded a trading loss of £13,000 for the period after all head office and pension expenses. After taking into account an expenditure of £50,000 incurred on the demolition of a vacant and unlettable area of our property at Keighley the final loss for the period was £63,000 (2007: profit £35,000). The demolition was a one off expenditure to avoid the payment of business rates on an unlettable part of the site and the site has thus been improved.

The new plan to reduce the pension scheme deficit was formally signed off and enacted in the period with revised monthly contributions of £15,000 per month now being paid to reduce the scheme deficit. A further 17% of the audited company profits will also be paid each year.

The Trustees are shortly to undertake a review of the investment managers' performance and make changes if they deem it necessary. Investment returns have been negative in the period although largely in line with benchmark indices that the scheme investment managers monitor. The Trustees have also in the period written to the members to offer early retirement to those not already in pensions and there has been a limited take up to date. This will have the effect of crystallising pension liabilities and enabling the actuaries to more accurately estimate the future pension liabilities.

Rental income and expenses continue to be in line with our budgets and we continue to monitor the scheme investments and liabilities which continue to represent the key risk to the company at present. Details of our principal risk factors can be found in the director's report on page 4 of the 2008 Annual Report and Accounts. There have been no significant changes to the principal risks in the half year to 30 September 2008.

Our cash resources might well become a magnet in this difficult economic climate, not withstanding the ongoing liability of the pension fund.

**J C DWEK CBE**

**Chairman**

18 November 2008

This interim report may contain forward-looking statements based on current expectations of, and assumptions and forecasts made by management. Various known and unknown risks, uncertainties and other factors could lead to substantial differences between the actual future results and, financial situation development or performance of the company and the estimates and historical results given herein. Undue reliance should not be placed on forward looking statements which speak only as at the date of this document. We undertake no obligation publicly to update or revise any forward-looking statements, except as may be required by law.

# Income Statement

for the six months ended 30 September 2008

	<b>Unaudited 6 months ended 30 September 2008 £'000</b>	Unaudited 6 months ended 30 September 2007 £'000	Audited Year ended 31 March 2008 £'000
<b>Continuing operations</b>			
Revenue	64	77	146
Cost of sales	(72)	(35)	(43)
	<hr/>	<hr/>	<hr/>
<b>Gross profit</b>	<b>(8)</b>	42	103
Administrative expenses	(91)	(94)	(204)
	<hr/>	<hr/>	<hr/>
<b>Operating loss</b>	<b>(99)</b>	(52)	(101)
Investment revenues	42	67	123
Finance Costs	–	–	(39)
Share of results of associates	(6)	20	66
	<hr/>	<hr/>	<hr/>
<b>(Loss)/profit before taxation</b>	<b>(63)</b>	35	49
Taxation	–	–	–
	<hr/>	<hr/>	<hr/>
<b>(Loss)/profit on ordinary activities after taxation</b>	<b>(63)</b>	35	49
Basic	<b>(0.5p)</b>	0.3p	0.4p
	<hr/>	<hr/>	<hr/>
Fully Diluted	<b>(0.5p)</b>	0.3p	0.4p
	<hr/>	<hr/>	<hr/>

There are no recognised gains or losses in the half year ended 30 September 2008, other than those shown in the above income statement.

## Statement of recognised income and expense

	<b>Unaudited 6 months ended 30 September 2008 £'000</b>	Unaudited 6 months ended 30 September 2007 £'000	Audited Year ended 31 March 2008 £'000
Actuarial gain on retirement benefit obligation	–	–	660
Prior period adjustment	–	383	383
	<hr/>	<hr/>	<hr/>
Net income recognised directly in equity	–	383	1,043
(Loss)/profit for the period	<b>(63)</b>	35	49
	<hr/>	<hr/>	<hr/>
Total income and expense for the period	<b>(63)</b>	418	1,092
	<hr/>	<hr/>	<hr/>

# Balance Sheet

at 30 September 2008

	<b>Unaudited 30 September 2008 £'000</b>	Unaudited 30 September 2007 £'000	Audited 31 March 2008 £'000
<b>Non-current assets</b>			
Investment property	1,800	1,800	1,800
Interests in associates	732	802	805
Other financial assets	800	800	800
	<hr/> 3,332	<hr/> 3,402	<hr/> 3,405
<b>Current assets</b>			
Trade and other receivables	13	321	32
Cash and cash equivalents	910	780	1,000
	<hr/> 923	<hr/> 1,101	<hr/> 1,032
<b>Total assets</b>	<hr/> 4,255	<hr/> 4,503	<hr/> 4,437
<b>Current liabilities</b>			
Trade and other payables	(158)	(153)	(166)
<b>Non-current liabilities</b>			
Retirement benefit obligation	(807)	(1,671)	(918)
<b>Total liabilities</b>	<hr/> (965)	<hr/> (1,824)	<hr/> ( 1,084)
<b>Net assets</b>	<hr/> 3,290	<hr/> 2,679	<hr/> 3,353
<b>Equity</b>			
Called up share capital	11,807	11,807	11,807
Share premium account	9,836	9,836	9,836
Profit and loss account	(18,353)	(18,964)	(18,290)
<b>Total Equity</b>	<hr/> 3,290	<hr/> 2,679	<hr/> 3,353

# Cash Flow Statement

for the six months ended 30 September 2008

	<b>Unaudited 6 months ended 30 September 2008 £'000</b>	Unaudited 6 months ended 30 September 2007 £'000	Audited Year ended 31 March 2008 £'000
<b>Cash flow from operating activities</b>			
Operating loss for the period	(99)	(52)	(101)
Movement in trade and other receivables	19	15	289
Movement in trade and other payables	(7)	–	27
Payments to retirement benefit scheme	(111)	(132)	(264)
	<hr/>	<hr/>	<hr/>
<b>Net cash outflow from operating activities</b>	<b>(198)</b>	<b>(169)</b>	<b>(49)</b>
	<hr/>	<hr/>	<hr/>
<b>Investing activities</b>			
Interest received	42	67	123
Dividends from associate undertakings	66	–	44
	<hr/>	<hr/>	<hr/>
<b>Net cash inflow from investing activities</b>	<b>108</b>	<b>67</b>	<b>167</b>
	<hr/>	<hr/>	<hr/>
Net (decrease)/increase in cash and cash equivalents	(90)	(102)	118
Cash and cash equivalents at the beginning of the period	1,000	882	882
	<hr/>	<hr/>	<hr/>
Cash and cash equivalents at end of period	910	780	1,000
	<hr/>	<hr/>	<hr/>

# Notes to the Interim Statements

for the six months ended 30 September 2008

## 1. General Information

Worthington Group plc is a company incorporated in the United Kingdom under the Companies Act 1985.

The company has its primary listing on the London Stock Exchange.

This condensed half-yearly financial information was approved for issue on 18 November 2008.

These interim financial statements do not constitute statutory accounts as defined by section 240 of the Companies Act 1985. Full accounts of the company for the year ended 31 March 2008 on which the Auditors gave an unqualified report, have been delivered to the Registrar of Companies.

## 2. Basis of preparation

This condensed half-yearly financial information for the 6 months ended 30 September 2008 has been prepared in accordance with the Disclosure and Transparency Rules of the Financial Services Authority and with IAS 34 'Interim Financial Reporting' as adopted by the European Union. The half-yearly financial report should be read in conjunction with the annual financial statements for the year ended 31 March 2008, which have been prepared in accordance with IFRS's as adopted by the European Union.

## 3. Significant accounting policies

The accounting policies adopted are consistent with those of the annual financial statements for the year ended 31 March 2008, as described in those financial statements.

## 4. Segmental analysis

The company has selected business as the primary segment and geography as its secondary segment. Disclosure is in accordance with International Accounting Standard 14. The Company only has one business relating to property rental and management and all operations are continuing and in the UK

## 5. Earnings per share

The calculation of basic and diluted earnings per share is based upon the (loss)/profit for the period and the weighted average number of shares in issue during the period.

	<b>Unaudited 6 months ended 30 September 2008 No:</b>	Unaudited 6 months ended 30 September 2007 No:	Audited Year ended 31 March 2008 No:
Weighted average number of shares	<u>11,807,013</u>	<u>11,807,013</u>	<u>11,807,013</u>
	<b>Unaudited 6 months ended 30 September 2008 pence</b>	Unaudited 6 months ended 30 September 2007 pence	Audited Year ended 31 March 2008 pence
(Loss)/earnings per share	<u>(0.5p)</u>	<u>0.3p</u>	<u>0.4p</u>

There is no difference between basic and diluted earnings per share in either period.

## 6. Directors' Statement of Responsibilities

The Directors confirm to the best of their knowledge:

- The condensed set of financial statement has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU;
- The interim management report includes a fair review of the information required by DTR 4.2.7R being an indication of important events that have occurred during the first 26 weeks 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 26 weeks of the year; and
- The interim management report includes a fair review of the information required by DTR 4.2.8R being disclosure of related party transactions and changes therein since the last annual report.

By order of the Board

**Joe C Dwek**  
Chairman

**David Shalom**  
Finance Director

18 November 2008

# Notes to the Interim Statements

continued

## 7. Related party transactions

There were no related party transactions in the period.

## 8. Independent Review Report to Worthington Group plc

### Introduction

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2008, which comprises the income statement, balance sheet, statement of recognised income and expense, cash flow statement and related notes. We have read the other information in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

### Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

As disclosed in note 2, the annual financial statements of the company are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union.

### Our responsibilities

Our responsibility is to express to the company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review. This report, including the conclusion, has been prepared for and only for the company for the purpose of the Disclosure and Transparency Rules of the Financial Services Authority and for no other purpose. We do not, in producing this report, accept or assume responsibility for any other purpose or to any other person to whom, this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2008 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

UHY Hacker Young Manchester LLP  
Chartered Accountants

18 November 2008

## 9. Availability of Interim Report

A copy of this report is available on the company's website at [www.worthingtongroupplc.co.uk](http://www.worthingtongroupplc.co.uk) and are being sent to shareholders. Copies are also available from The Secretary, Worthington Group plc, Suite 1 Courthill House, 66 Water Lane, Wilmslow, Cheshire SK9 5AP.