



WORTHINGTON

Worthington Group plc
Interim Report
for the half year ended 30 September 2009

Company number: 527186

Chairman's Statement

The Company recorded a trading profit of £11,000 (2008: £63,000 loss) for the period after all head office and pension expenses. This includes a non-cash charge of £50,000 (2008: £6,000) in respect of our share of losses in our associate Trimmings by Design in the period.

Trimmings by Design continues to trade at a reduced loss and the Directors have taken appropriate steps to realign the overheads of the business to sales volumes in what remains a difficult economic climate for them. However, there have been some recent signs of improved trading.

Investment returns for the pension scheme assets have been positive in the period helped by the rebound in financial markets over the period and the early retirement exercise has now been largely completed.

Rental income and expenses continue to be in line with our budgets and we continue to monitor the pension 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 Directors' Report on page 3 of the 2009 Annual Report and Accounts. There have been no significant changes to the principal risks in the half year to 30 September 2009.

Since the period end we have been repaid our principal and interest in respect of our bridging loan of some £600,000 and the money has largely been re-lent on another loan where we have a first fixed charge on a property whose value is substantially in excess of our loan. The interest and arrangement fees generated are providing a very worthwhile contribution to income as can be seen from the increased investment income in the income statement.

We continue to seek opportunities for our cash resources in this difficult economic climate, notwithstanding the ongoing liability of the pension fund.

J C Dwek CBE

Chairman

18 November 2009

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 2009

	Unaudited 6 months ended 30 September 2009 £'000	Unaudited 6 months ended 30 September 2008 £'000	Audited Year ended 31 March 2009 £'000
Revenue	91	64	142
Cost of sales	(12)	(72)	(83)
Gross profit/(loss)	79	(8)	59
Administrative expenses	(99)	(91)	(149)
Operating loss	(20)	(99)	(90)
Investment revenues	81	42	79
Finance costs	–	–	(166)
Share of results of associates	(50)	(6)	(56)
Provision for impairment losses	–	–	(254)
Profit/(loss) before taxation	11	(63)	(487)
Taxation	–	–	–
Profit/(loss) on ordinary activities after taxation	11	(63)	(487)
Earnings/(loss) per share			
Basic	0.1p	(0.5p)	(4.1p)
Fully Diluted	0.1p	(0.5p)	(4.1p)

There are no recognised gains or losses other than those shown in the above income statement.

All items are derived from continuing operations.

Statement of recognised income and expense

	Unaudited 6 months ended 30 September 2009 £'000	Unaudited 6 months ended 30 September 2008 £'000	Audited Year ended 31 March 2009 £'000
Actuarial loss on retirement benefit obligation	–	–	(1,779)
Net expense recognised directly in equity	–	–	(1,779)
Profit/(loss) for the period	11	(63)	(487)
Total income and expense for the period	11	(63)	(2,266)

Balance Sheet

at 30 September 2009

	Unaudited 30 September 2009 £'000	Unaudited 30 September 2008 £'000	Audited 31 March 2009 £'000
Non-current assets			
Investment property	1,800	1,800	1,800
Interests in associates	378	732	429
Other financial assets	800	800	800
	<hr/> 2,978	<hr/> 3,332	<hr/> 3,029
Current assets			
Trade and other receivables	679	13	85
Cash and cash equivalents	169	910	796
	<hr/> 848	<hr/> 923	<hr/> 881
Total assets	<hr/> 3,826	<hr/> 4,255	<hr/> 3,910
Current liabilities			
Trade and other payables	(179)	(158)	(182)
Non-current liabilities			
Retirement benefit obligation	(2,549)	(807)	(2,641)
	<hr/> (2,728)	<hr/> (965)	<hr/> (2,823)
Total liabilities	<hr/> (2,728)	<hr/> (965)	<hr/> (2,823)
Net assets	<hr/> 1,098	<hr/> 3,290	<hr/> 1,087
Equity			
Called up share capital	11,807	11,807	11,807
Share premium account	9,836	9,836	9,836
Profit and loss account	(20,545)	(18,353)	(20,556)
	<hr/> 1,098	<hr/> 3,290	<hr/> 1,087

Cash Flow Statement

for the six months ended 30 September 2009

	Unaudited 6 months ended 30 September 2009 £'000	Unaudited 6 months ended 30 September 2008 £'000	Audited Year ended 31 March 2009 £'000
Cash flow from operating activities			
Operating loss for the period	(20)	(99)	(90)
Movement in trade and other receivables	63	19	(40)
Movement in trade and other payables	(3)	(7)	17
Payments to retirement benefit scheme	(92)	(111)	(223)
	<hr/>	<hr/>	<hr/>
Net cash outflow from operating activities	(52)	(198)	(336)
	<hr/>	<hr/>	<hr/>
Investing activities			
Interest received	27	42	66
Loan advances	(602)	–	–
Dividends from associate undertakings	–	66	66
	<hr/>	<hr/>	<hr/>
Net cash (outflow)/inflow from investing activities	(575)	108	132
	<hr/>	<hr/>	<hr/>
Net decrease in cash and cash equivalents	(627)	(90)	(204)
Cash and cash equivalents at the beginning of the period	796	1,000	1,000
	<hr/>	<hr/>	<hr/>
Cash and cash equivalents at end of period	169	910	796
	<hr/>	<hr/>	<hr/>

Notes to the Interim Statements

1. General information

Worthington Group plc is a company incorporated in the United Kingdom.

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

This condensed half-yearly financial information was approved for issue on 18 November 2009.

These interim financial statements do not constitute statutory accounts as defined by section 434 of the Companies Act 2006. Full accounts of the Company for the year ended 31 March 2009 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 six months ended 30 September 2009 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 2009, which have been prepared in accordance with IFRSs as adopted by the European Union.

3. Accounting policies

Except as described below, the accounting policies adopted are consistent with those of the annual financial statements for the year ended 31 March 2009, as described in those financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

The following amendments to standards or interpretations are mandatory for the first time for the year beginning 1 April 2009, but are not currently relevant to the Company.

Standard amendments:

- IFRS 1, 'First time adoption of International Reporting Standards'.
- IFRS 2, 'Share-based Payment'.
- IAS 16, 'Property, Plant and Equipment'.
- IAS 19, 'Employee Benefits'.
- IAS 20, 'Government Grants and Disclosure of Government Assistance'.
- IAS 23, 'Borrowing Costs'.
- IAS 27, 'Consolidated and Separate Financial Statements'.
- IAS 29, 'Financial Reporting in Hyperinflationary Economies'.
- IAS 31, 'Interest in Joint Ventures'.
- IAS 32, 'Financial Instruments: Presentation'.
- IAS 38, 'Intangible Assets'.
- IAS 39, 'Financial Instruments: Recognition and Measurement'.
- IAS 40, 'Investment Properties'.
- IAS 41, 'Agriculture'.

Notes to the Interim Statements – continued

3. Accounting policies – continued

New interpretations:

- IFRIC 15, ‘Agreements for the Construction of Real Estate’.

The following amendments to standards are relevant to the Company and management are currently reviewing their impact on the annual financial statements.

- IFRS 7, ‘Financial instruments: Disclosures’ – amendments enhancing disclosures about fair value and liquidity risk.
- IFRS 8, ‘Operating Segments’ – replaces IAS 14 ‘Segment reporting’. The expected impact is expected to be minimal given that the Company has only one segment.
- IAS 1, ‘Presentation of Financial Statements’ – revision including requiring a statement of comprehensive income. The impact is expected to be minimal.
- IAS 28, ‘Investments in Associates’ – amendments resulting from May 2008 annual improvements. The impact is expected to be minimal.
- IAS 36, ‘Impairment of Assets’ – amendments resulting from May 2008 annual improvements. The impact is expected to be minimal.

4. Segmental analysis

The Company only has one operating segment relating to property rental and management. Disclosure is in accordance with IAS 34. 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 profit/(loss) for the period and the weighted average number of shares in issue during the period.

	Unaudited	Unaudited	Audited
	6 months ended	6 months ended	Year ended
	30 September	30 September	31 March
	2009	2008	2009
	No.	No.	No.
Weighted average number of shares	11,807,013	11,807,013	11,807,013
	<hr/>	<hr/>	<hr/>
	Unaudited	Unaudited	Audited
	6 months ended	6 months ended	Year ended
	30 September	30 September	31 March
	2009	2008	2009
	pence	pence	pence
Earnings/(loss) per share	0.1p	(0.5p)	(4.1p)
	<hr/>	<hr/>	<hr/>

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

Notes to the Interim Statements – continued

6. Directors' Statement of Responsibilities

The Directors confirm to the best of their knowledge:

- The condensed set of financial statements 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.
- 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

18 November 2009

David Shalom

Finance Director

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 2009, 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.

Notes to the Interim Statements – continued

8. Independent Review Report to Worthington Group plc – continued

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 2009 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
St James Building
79 Oxford Street
Manchester
M1 6HT

18 November 2009

9. Availability of Interim Report

A copy of this report is available on the Company's website at www.worthingtongroupplc.co.uk and is 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.

