

**WORTHINGTON GROUP PLC**  
**Interim Financial Statements**  
**for the half year ended**  
**30 September 2011**

## **CHAIRMAN'S STATEMENT**

The company recorded a loss of £187,000 (2010: £162,000) for the period after all head office and pension scheme costs. This includes non-cash charges in the period of £55,000 (2010: £121,000) in relation to pension scheme finance costs and £61,000 in relation to share based payments.

We are pleased to report that Trimmings by Design, our associated company, continued to trade profitably in the period and we recognised a profit of £19,000 (2010: loss £39,000) in the period. In addition we also received a dividend distribution of £44,000 (2010: £nil) in the period.

All of our tenants have now vacated the Keighley site and the buildings have been completely demolished in readiness for development and to remove any requirement for us to pay rates.

On 1<sup>st</sup> November we advised you that additional information had been requested by the local authority planners to enable them to proceed with our application. We, together with our architects and consultants, have met with the planners to discuss their further requirements and that information is being prepared so that our application can progress. We are in discussions with potential developers and JV partners with regard to the development and have received some useful input as to other potential opportunities for the site which may modify the content of our planning application going forward. We will notify the market if we revise our application and will accordingly advise you of any significant changes. Whilst receipt of planning permission is clearly taking longer than we had hoped we remain confident that the site will gain permission for a very significant development which is in the interests of the local area and a significant opportunity for Worthington.

We continue to monitor the pension scheme investments and liabilities, which 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 2011 Annual Report and Accounts. There have been no significant changes to the principal risks in the half year to 30 September 2011.

We are in discussions with and have identified a number of potential acquisition opportunities but we must accept that our bargaining position as to the company's potential value does to some extent depend on the result of our planning application. Again when we have anything significant to report we will advise shareholders accordingly.

We remain positive as to the outcome of our planning application and that the other opportunities we are considering will secure the future of Worthington

**A R Cooke**  
*Chairman*  
30 November 2011

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.

## Worthington Group plc

### Income Statement

for the six months ended 30 September 2011

	<b>Unaudited 6 months ended 30 September 2011 £'000</b>	Unaudited 6 months ended 30 September 2010 £'000	Audited Year ended 31 March 2011 £'000
<b>Continuing operations</b>			
Revenue	47	69	140
Cost of sales	(81)	(11)	(154)
<b>Gross loss/ profit</b>	<u>(34)</u>	<u>58</u>	<u>(14)</u>
Administrative expenses	(89)	(45)	(151)
Pension expenses	(28)	(42)	32
<b>Operating loss</b>	<u>(151)</u>	<u>(29)</u>	<u>(133)</u>
Investment revenues	61	27	88
Fair value gain on investment property	-	-	2,200
Pension finance costs	(55)	(121)	(110)
Share of results of associates	19	(39)	32
Share based payment	(61)	-	-
<b>(Loss)/profit before taxation</b>	<u>(187)</u>	<u>(162)</u>	<u>2,077</u>
Taxation	-	-	-
<b>(Loss)/profit on ordinary activities after taxation</b>	<u>(187)</u>	<u>(162)</u>	<u>2,077</u>
<b>(Loss)/earnings per share</b>			
Basic	(1.6p)	(1.4p)	17.6p
Fully diluted	N/A	N/A	N/A

### Statement of Comprehensive Income

	<b>Unaudited 6 months ended 30 September 2011 £'000</b>	Unaudited 6 months ended 30 September 2010 £'000	Audited Year ended 31 March 2011 £'000
<b>(Loss)/profit for the period</b>	(187)	(162)	2,077
Actuarial gain on retirement benefit obligation	-	-	328
<b>Total comprehensive (loss)/profit for the period</b>	<u>(187)</u>	<u>(162)</u>	<u>2,405</u>

# Worthington Group plc

## Statement Of Financial Position

at 30 September 2011

	<b>Unaudited 30 September 2011 £'000</b>	Unaudited 30 September 2010 £'000	Audited 31 March 2011 £'000
<b>Non-current assets</b>			
Investment Property	<b>4,000</b>	1,800	4,000
Interests in associates	<b>134</b>	86	157
Other financial assets	<b>800</b>	800	800
	<b>4,934</b>	2,686	4,957
<b>Current assets</b>			
Trade and other receivables	<b>74</b>	60	483
Cash and bank balance	<b>455</b>	687	247
	<b>529</b>	747	730
<b>Total assets</b>	<b>5,463</b>	3,433	5,687
<b>Current liabilities</b>			
Trade and other payables	<b>(110)</b>	(92)	(208)
<b>Non-current liabilities</b>			
Retirement benefit obligation	<b>(2,842)</b>	(3,271)	(2,842)
<b>Total liabilities</b>	<b>(2,952)</b>	(3,363)	( 3,050)
<b>Net assets</b>	<b>2,511</b>	70	2,637
<b>Equity</b>			
Called up share capital	<b>1,181</b>	11,807	1,181
Share premium account	<b>9,836</b>	9,836	9,836
Other reserve	<b>10,626</b>	-	10,626
Share based payment reserve	<b>61</b>	-	-
Retained earnings	<b>(19,193)</b>	(21,573)	(19,006)
<b>Total equity</b>	<b>2,511</b>	70	2,637

## Worthington Group plc

### Statement Of Changes In Equity

for the periods to 30 September 2011

	Share capital £'000	Share premium £'000	Other Reserve £'000	Share based Compensation £'000	Retained earnings £'000	Total equity £'000
<b>As at 1 April 2010</b>	11,807	9,836	-	-	(21,411)	232
Total comprehensive income for the period	-	-	-	-	(162)	(162)
<b>As at 30 September 2010</b>	<u>11,807</u>	<u>9,836</u>	<u>-</u>	<u>-</u>	<u>(21,573)</u>	<u>70</u>
Purchase and cancellation of deferred shares	(10,626)		10,626	-	-	-
Total comprehensive income for the period	-	-	-	-	2,567	2,567
<b>As at 31 March 2011</b>	<u>1,181</u>	<u>9,836</u>	<u>10,626</u>	<u>-</u>	<u>(19,006)</u>	<u>2,637</u>
Share based compensation	-	-	-	61	-	61
Total comprehensive income for the period	-	-	-	-	(187)	(187)
<b>As at 30 September 2011</b>	<u><u>1,181</u></u>	<u><u>9,836</u></u>	<u><u>10,626</u></u>	<u><u>61</u></u>	<u><u>(19,193)</u></u>	<u><u>2,511</u></u>

# Worthington Group plc

## Cash Flow Statement

for the six months ended 30 September 2011

	<b>Unaudited 6 months ended 30 September 2011 £'000</b>	Unaudited 6 months ended 30 September 2010 £'000	Audited Year ended 31 March 2011 £'000
<b>Cash flow from operating activities</b>			
Operating loss for the period	(151)	(29)	(133)
Movement in trade and other receivables	(38)	(45)	(71)
Movement in trade and other payables	23	19	109
Payments to retirement benefit scheme	(55)	(90)	(180)
<b>Net cash outflow from operating activities</b>	<b>(221)</b>	<b>(145)</b>	<b>(275)</b>
<b>Cash flows from investing activities</b>			
Interest received	35	1	41
Dividend received from associated undertaking	44	-	-
Loans advanced	-	-	(350)
Loans repaid	350	-	-
<b>Net cash from/(used in) investing activities</b>	<b>429</b>	<b>1</b>	<b>(309)</b>
Increase/(decrease) in cash and cash equivalents	<b>208</b>	<b>(144)</b>	<b>(584)</b>
Cash and cash equivalents at the beginning of the period	<b>247</b>	<b>831</b>	<b>831</b>
Cash and cash equivalents at end of period	<b>455</b>	<b>687</b>	<b>247</b>

Cash and cash equivalents comprise cash held at bank.

## **Worthington Group plc**

### **Notes to the Interim Financial Statements for the six months ending 30<sup>th</sup> September 2011**

#### **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.

These condensed interim financial statements were approved for issue on 30 November 2011. 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 2011 on which the Auditors gave an unqualified report, have been delivered to the Registrar of Companies.

#### **2. Basis of preparation**

These condensed interim financial statements for the 6 months ended 30 September 2011 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 interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 March 2011, which have been prepared in accordance with IFRS's as adopted by the European Union.

#### **Going Concern**

The directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements

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

The accounting policies adopted in the preparation of the interim financial statements are consistent with those followed in the preparation of the annual financial statements for the year ended 31 March 2011, as described in those financial statements. Any new amended Accounting Standards applicable for the period do not have a significant effect. These accounting policies are expected to be applied for the full year to 31 March 2012.

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

#### **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.

## Worthington Group plc

### Notes to the Interim Financial Statements for the six months ending 30<sup>th</sup> September 2011

#### 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 2011 No:</b>	Unaudited 6 months ended 30 September 2010 No:	Audited Year ended 31 March 2011 No:
Weighted average number of shares	<b>11,807,013</b>	11,807,013	11,807,013
	<b>Unaudited 6 months ended 30 September 2011 pence</b>	Unaudited 6 months ended 30 September 2010 pence	Audited Year ended 31 March 2011 pence
(Loss)/earnings per share	<b>(1.6p)</b>	(1.4p)	17.6p

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 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; 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 - Peter Townsend  
- Anthony Cooke  
- John Taylor

30 November 2011

## **Worthington Group plc**

### **Notes to the Interim Financial Statements for the six months ending 30<sup>th</sup> September 2011**

#### **7. Related party transactions**

Included in other financial assets are loan notes of £800,000 (31 March 2011 - £800,000) due from Trimmings by Design Limited an associated company in which the Company has a 44% interest. The loan notes are subject to interest at 6.5% amounting to an interest revenue for the period of £26,000 (6 months to 30 September 2010 - £26,000) and as at the period end there was £39,000 (31 March 2011 - £13,000) of unpaid interest within Trade and other receivables.

#### **8. 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). Copies are being sent to shareholders and are also available from The Secretary, Worthington Group plc, 1 The Green, Richmond, Surrey TW9 1PL.