

TOYE & COMPANY PLC (“Toye” or the “Company”)

29 APRIL 2008

PRELIMINARY RESULTS

RESULTS FOR THE YEAR ENDED 31 DECEMBER 2007

Chairman’s Statement

RESULTS

Turnover for the year ended 31 December 2007 amounted to £8,662,517 compared to £8,761,537 for the previous year. Sales to the Ministry of Defence were higher than those achieved during 2006, the year the contract was placed. I am pleased to say that the sales into the retail trade of buttons, cufflinks and similar accessories also increased, principally due to the launch of new products. The difference between the sales year on year reflected a reduction in selected export markets, due to readjustment of certain overseas agencies. This situation has been addressed during the second half of 2007.

Overall the Company achieved a profit before tax of £28,576 compared with £44,924 for the previous year.

DIVIDEND

Your Board continues to consider that it would be imprudent to pay a dividend. It is more important to ensure that capital repayments are made to the Bank to reduce our levels of indebtedness, which were incurred in part by a payment agreed with the Trustees to wind up the Defined Benefit Pension Scheme. We are continuing to support the necessary expenditures to improve a number of aspects of the company’s operations essential to unlocking future potential.

TRADING

Sales to retailers have been showing steady growth since the enhancement of the Retail Division through a significant improvement in the designs for accessories offered by The London Badge & Button Company. The accessories range has been significantly augmented by additional product development for the exclusive KJD Jewellers range. This Division is making substantial progress in the market place, particularly overseas.

Whilst the export sales of military products reduced slightly, we continue to supply both quality of service and product to the Defence Clothing Integrated Project Team of the Ministry of Defence. Sales in our traditional areas with major customers have held steady but there has been some decline brought about by a reduction of membership in various societies that we supply as well as the tightening of budgets in the corporate and lower profile sports markets.

DIRECTORS, MANAGEMENT AND STAFF

With the support of the Non Executive Directors, the appointment of two new Executive Directors to the Main Board together with five executive appointments to the subsidiary Board of Toye, Kenning & Spencer Limited, the team responsible for the day to day running of your company has been significantly strengthened.

During this year of change, I would wish to thank all members of staff not only for giving their continued support and loyalty to the Management team but also for the important contribution they have made in achieving our results.

RESTRUCTURE AND REORGANISATION

Significant improvements to the Birmingham site have extended to the third year as anticipated and will be completed by the year end, whilst the modernisation of production techniques will continue thereafter.

KEY PERFORMANCE INDICATORS

The Company has considered the sales achieved per head of employee, including those in manufacturing, although this is somewhat distorted by wholly factored work. The result has been:-

Sales Per Employee	2007 - £46,824	2006 - £48,406	2005 - £43,533
Earnings Per Share	2007 - 1.27p	2006 - 2.00p	2005 - 0.17p

FUTURE

The most important factor is the quality and innovation of design to meet market demands, together with service, delivery and quality of the final product which is essential to maintain and increase our market position.

A new corporate image has been developed which is reflected in the presentation of this year’s Annual Report and the same image is being progressively introduced in Toye Kenning & Spencer Limited, our principal trading company.

The emphasis is therefore to spend resources as available on developing the use of utilising the internet, targeted and carefully selected exhibitions and advertising, mail shots, extensive networking through organisations, customised brochures and media orientated public relations.

The company's website www.toye.com, forms part of the strategy to improve sales. This revised and updated website will be launched mid year 2008, but some expense will be incurred whilst the other company websites are linked to this site.

In addition new systems which are being considered for our design studio will provide three dimensional designs for customer approval instead of the more traditional prototype patterns. When the software is operational, these computers will be capable of transferring designs electronically to the cutting machines for dies, wire eroding tool making and rapid profiling of wax patterns for casting. Digital scanning, an essential aid for reproducing existing products, will form part of this system.

The next two years are likely to be difficult with both a national and international recession threatening. The strengthening of capability during this period is important to take advantage of current opportunities and to be well placed for the upturn when it comes.

Bryan Toye
Chairman
29 April 2008

Consolidated Income Statement
for the year ended 31 December 2007

	2007 £	2006 £
Revenue	8,662,517	8,761,537
Operating expense	(8,501,557)	(8,602,872)
Operating profit	160,960	158,665
Finance income	3,742	2,017
Finance costs	(136,126)	(115,758)
Finance costs - net	(132,384)	(113,741)
Profit before taxation	28,576	44,924
Taxation	-	-
Profit for the year	28,576	44,924
Earning per share		
Earning per share (basic and diluted)	1.27p	2.00p

All activities relate to continuing operations.

Statements of Recognised Income and Expenses
for the year ended 31 December 2007

	2007 £	2006 £
The Group		
Profit for the year	28,576	44,924
Total recognised income for the year	28,576	44,924
The Company		
Profit for the year	8,694	45,252
Total recognised income for the year	8,694	45,252

Balance Sheets
at 31 December 2007

	The Group		The Company	
	2007 £	As restated (See note 2) 2006 £	2007 £	As restated (See note 2) 2006 £
Assets				
Non-current assets				
Property, plant & equipment	2,242,847	2,307,435	2,006,800	2,047,020
Investments in subsidiary undertakings	-	-	1,815,723	1,804,919
	2,242,847	2,307,435	3,822,523	3,851,939
Current assets				
Inventories	1,608,538	1,599,574	-	-
Trade and other receivables	1,157,832	1,229,129	344,204	336,473
Cash and cash equivalents	6	246	-	-
	2,766,376	2,828,949	344,204	336,473
Liabilities				
Current liabilities				
Trade and other payables	1,308,865	1,440,998	339,435	364,338
Current borrowings	272,082	1,255,386	549,691	1,519,479
	1,580,947	2,696,384	889,126	1,883,817
Net current assets / (liabilities)	1,185,429	132,565	(544,922)	(1,547,344)
Non-current liabilities				
Non-current borrowings	1,345,103	363,403	1,345,103	363,403
Deferred payments	66,000	88,000	-	-
	1,411,103	451,403	1,345,103	363,403
Net assets	2,017,173	1,988,597	1,932,498	1,941,192
Equity				
Capital and reserves attributable to the Company's equity holders				
Share capital	562,000	562,000	562,000	562,000
Share premium account	2,677	2,677	2,677	2,677
Retained profits	1,452,496	1,423,920	1,367,821	1,376,515
Total equity	2,017,173	1,988,597	1,932,498	1,941,192

The financial statements were approved and authorised for issue by the Board of Directors on 29 April 2008.

B E Toye, Chairman

D Hartley, Director

Cash Flow Statements

for the year ended 31 December 2007

	The Group		The Company	
	2007	2006	2007	2006
	£	£	£	£
Cash flows from/(used in) operating activities				
Cash generated from/(used by) operating activities	185,974	378,397	(35,758)	(132,425)
Interest received	3,742	2,017	159,972	159,942
Interest paid	(136,126)	(115,758)	(136,126)	(115,758)
Net cash generated from/(absorbed by) operating activities	53,590	264,656	(11,912)	(88,241)
Cash flows from investing activities				
Purchase of property, plant and equipment	(62,739)	(182,069)	-	-
Proceeds from sale of property, plant and equipment	10,513	-	-	-
Net cash flows from investing activities	(52,226)	(182,069)	-	-
Cash flows from financing activities				
New loans	-	150,000	-	150,000
Repayment of borrowings	(92,340)	(111,120)	(92,340)	(111,120)
Net cash flows from financing activities	(92,340)	38,880	(92,340)	38,880
Net (decrease)/increase in cash and cash equivalents	(90,976)	121,467	(104,252)	(49,361)
Cash and cash equivalents at the beginning of the year	(98,183)	(219,650)	(362,522)	(313,161)
Cash and cash equivalents at the end of the financial year	(189,159)	(98,183)	(466,774)	(362,522)

1. Accounting policies

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been applied consistently to all the years presented, unless otherwise stated, and in preparing an opening International Financial Reporting Standards ("IFRS") balance sheet at 1 January 2006 for the purpose of the transition to IFRS.

1.1 Basis of preparation

These consolidated financial statements have been prepared for the first time in accordance with IFRS and International Financial Reporting Interpretations Committee ("IFRIC") interpretations as adopted by the European Union, and those parts of the Companies Act 1985 applicable to companies reporting under IFRS. The disclosure required by IFRS 1 concerning the transition from UK GAAP to IFRS are given in note 2.

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts in the financial statements. The areas involving a higher degree of judgement or complexity, or areas where assumptions or estimates are significant to the financial statements are disclosed in note 1.5.

A separate income statement for the parent company has not been presented as permitted by section 230(4) of the Companies Act 1985.

1.1.1 Adoption of standards effective in 2007

The following standards and interpretations have been applied by the group from 1 January 2007:

- IFRIC 8 Scope of IFRS 2.
- IFRIC 10 Interim financial reporting and impairment.
- IFRS 7 Financial Instruments: Disclosure.
- IAS 1 (Amendment) Capital Disclosures.

IFRIC 8 applies to transactions when the consideration received is less than the fair value of the equity instruments granted. The interpretation does not have any effect on the group financial statements as no such transactions took place during the year.

IFRIC 10 states that the group should not reverse an impairment loss recognised in a previous interim period in respect of goodwill or an investment. This does not have any effect on the group financial statements as the group did not reverse any impairment charges recognised in a previous interim period.

IFRS 7 and IAS 1 (Amendment) bring in new disclosures relating to financial instruments and have not affected the presentation or valuation of amounts recognised on the balance sheet or in the income statement.

1.1.2 IFRS effective in 2007 but not relevant

The following interpretations were mandatory for the group's accounting period, but are not relevant to the operations of the group.

- IFRS 4 Insurance contracts.
- IFRIC 7 Applying the restatement approach under IAS 29 Financial reporting in hyperinflationary economies.
- IFRIC 9 Reassessment of embedded derivatives.

1.1.3 EU adopted IFRS not yet applied

The following standards and interpretations were issued and available for early application but have not yet been applied by the group in these financial statements. The group intends to apply these standards and interpretations when they become effective:

- IFRIC 11 IFRS 2 - Group and treasury share transactions.
- IFRIC 12 Service concession arrangements.
- IFRIC 14 IAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction.
- IFRIC 13 Customer loyalty programmes
- IFRS 8 Operating segments.

- IAS 23 (Amendment) Borrowing costs.

IFRIC 11 addresses share-based payment transactions involving an entity's own equity instruments and share-based payment transactions involving equity instruments of a parent company. Application of the interpretation is unlikely to have any effect on the group.

IFRIC 12 provides guidance on the accounting by operators for public-to-private service concession arrangements. The group does not provide any public services and therefore the interpretation is not relevant to the group's operations.

IFRIC 14 addresses when refunds from or reductions in future contributions to a defined benefit pension scheme can be recognised as an asset. The interpretation also addresses how a minimum funding requirement might affect the availability of reductions in future contributions and when a minimum funding requirement might give rise to a liability. The group does not have a defined benefit pension scheme and therefore the interpretation is not relevant to the group's operations.

IFRIC 13 addresses accounting by the entity that grants award credits to its customers. The group does not grant any customer loyalty awards and therefore the interpretation is not relevant to the group's operations.

IFRS 8 replaces IAS 14 'Segment Reporting' and requires the group to adopt the 'management approach' to reporting on the financial performance of its operating segments. Generally, the information to be reported would be what management uses internally for evaluating segment performance and deciding how to allocate resources to operating segments.

IAS 23 (Amendment) changes the previous version of the standard by removing the option to expense borrowing costs that relate to assets that take a substantial period of time to get ready for use or sale. Such borrowing costs will in future be required to be included in the cost of the fixed asset or inventory item to which they relate. The amendment will not affect the group results as the group currently adopts a policy of capitalising borrowing costs to qualifying assets.

1.1.4 Exemptions taken on first time adoption of IFRS1

IFRS 1 "First time Adoption of International Reporting Standards", has been applied in preparing these financial statements. The Group has elected to take advantage of certain transitional provisions within IFRS 1 which offer exemption from presenting comparative information or applying IFRS retrospectively.

Business combinations: The group has applied the exemption from retrospectively recalculating goodwill which arose on acquisitions prior to 1 January 2006. This goodwill is included at its deemed cost, being the amount recorded under UK GAAP as at 1 January 2006 following an impairment review.

Fair value or revaluation of property plant and equipment as deemed cost: The group has elected to use previous revaluations as deemed cost at the transition date; no adjustment to the carrying amount as previously recorded has been made.

2. Explanation of transition to IFRS

This is the first year that the Company has presented its financial statements under IFRS. The following disclosures are required in the year of transition. The last financial statements under United Kingdom Generally Accepted Accounting Policy (UK GAAP) were for the year ended 31 December 2006 and the date of transition to IFRS was therefore 1 January 2006.

IFRS transitional arrangements

IFRS 1 sets out procedures which the Group must follow when it adopts IFRS for the first time as the basis of preparation of its consolidated financial statements. The Group is required to determine appropriate policies in compliance with IFRS and, in general, to apply them retrospectively in determining the opening IFRS balance sheet at its date of transition.

IFRS provides a number of exemptions to this general principle. Those being adopted by the Group are as follows:

- i) Business combinations - The Group has applied the exemption from retrospectively recalculating goodwill which arose on acquisitions prior to 1 January 2006. This goodwill is included at its deemed cost, being the amount recorded under UK GAAP as at 1 January 2006 following an impairment review.
- ii) Previous UK GAAP revaluations of freehold and leasehold land and buildings prior to the date of transition have been used as deemed cost at the date of transition.

Presentation

The presentation of financial information under IFRS is governed by IFRS1. In some cases this will require the presentation of an item in a different position or the use of a different description in the IFRS income statement or balance sheet to that adopted in the UK GAAP profit and loss account or balance sheet. These reclassifications have been described in the explanatory notes.

Transition from UK GAAP to IFRS has resulted in no changes to total equity for either the group or the company. The only change has been to transfer opening revaluation reserves to retained profits as shown below:

	UK GAAP £	Effect of transition £	Reclassification £	IFRS £
The Group				
Reconciliation of equity at 1 January 2006 (date of transition)				
Other reserves	1,489,562	-	(1,489,562)	-
Retained profits	(110,566)	-	1,489,562	1,378,996
Reconciliation of equity at 31 December 2006 (date of last UK GAAP financial statements)				
Other reserves	1,463,248	-	(1,463,248)	-
Retained profits	(39,328)	-	1,463,248	1,423,920
The Company				
Reconciliation of equity at 1 January 2006 (date of transition)				
Other reserves	1,489,562	-	(1,489,562)	-
Retained profits	(158,299)	-	1,489,562	1,331,263
Reconciliation of equity at 31 December 2006 (date of last UK GAAP financial statements)				
Other reserves	1,463,248	-	(1,463,248)	-
Retained profits	(86,733)	-	1,463,248	1,376,515

The group has applied the exemption available under IFRS 1 allowing the use of previous revaluations as deemed cost at the transition date, this being 1 January 2006. Revaluation reserves which are non distributable have been transferred to retained earnings.

The financial information, which has been prepared for the first time in accordance with International Financial Reporting Standards ("IFRS") and International Financial Reporting Interpretations Committee interpretations as adopted by the European Union, and those parts of the Companies Act 1985 applicable to companies reporting under IFRS, does not constitute statutory accounts as defined in section 240 of the Companies Act 1985. The financial information for the year ended 31 December 2007 has been extracted from the statutory accounts on which an unqualified audit opinion has been issued. Statutory accounts for the year ended 31 December 2007 will be delivered to the registrar in due course. The comparative financial information is based on the statutory accounts for the financial year ended 31 December 2006. Those accounts, upon which the auditors issued an unqualified opinion, have been delivered to the registrar of companies.

The Report and Accounts will be posted later today to Shareholders and the Annual General Meeting will be held on 16 June 2008 at 12.30 pm at the company's offices at Regalia House, 19-21 Great Queen Street, London WC2B 5BE.