

**28 September 2010**

**TOYE & CO PLC  
(AIM: TOYE)**

**Interim Results to 30 June 2010**

Toye & Co plc ("Toye" or "the Company"), the manufacturer of military and masonic regalia, medals, badges and related textiles, announces its Interim Results for the six months to 30 June 2010.

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**Chief Executive's Statement**

**Results**

Despite the gloomy press forecasts for business, sales have held firm in most of our key markets and gross profits have been held. The reduced cost base achieved through implementation of the reduction programme and procedural review in 2009 has without doubt contributed to our recording a small profit after tax for the first half year of 2010.

Your Company's turnover to the half-year is £4,131,022, an increase of £130,899 or 3.3% on £4,000,123 at the half-year in 2009.

The gross profit has remained static, despite the continued low value of sterling during the first half of 2010. This has resulted in the Company returning a profit of £26,205, compared with a loss of £197,006 for the same period in 2009. This builds on the small profit of £10,528 made in the second half of 2009.

**Trading**

Despite the overall increase in sales, some of our traditional markets such as the Ministry of Defence, Police, Fire and Ambulance are being adversely affected by reductions in Government spending and changes in purchasing methods. We lost the MoD Button and Badge Contract on reverse auction. I believe there is no value for your Company in pursuing such work for little or no margin. The contract will be fulfilled by overseas manufacturers with scant attention to specification or responsible working practices.

The adverse exchange rate was compensated for by lower operating costs and improved factory throughput achieved in the first half of the year. Factory overheads are down 10% on the same period for 2009.

**Staff**

Over the last eighteen months your company has worked hard to reduce overheads and improve productivity. This has involved making tough decisions such as staff redundancies, shorter working hours and the closure of our Preston Branch. Throughout these difficult changes the staff have been exemplary in supporting the management in improving our operations and maximising opportunities, and this impetus is being sustained.

It was very satisfying for everyone in the Company to achieve a small profit at the half year.

## **Outlook**

Without doubt there are challenges ahead. The planned reductions in Government expenditure will impact on many of our market areas. The continued high bullion costs affects our business, from State Insignia through to individual jewellery as customers have to consider cheaper alternatives. All customers, whether public or private, wholesale or individual, are influenced by the political and social desire for economic accountability and responsible spending.

Your Company is concentrating on achieving sales in other markets for higher value work with good margins. This ensures we retain the core elements of our manufacturing and our expertise within the Company and in the UK. Crucial to improved and increasing sales are our exceptional design capabilities, which we apply to our own in-house manufacture and an ever widening range of factored items. We are increasingly supplying not just specialist goods, but customised design and customer services too. To maintain and grow sales in all market areas we must be design and service led.

Your Company's aim is to deliver best value product for all our markets. The combined resources of the Company are unique, and through targeted marketing, improved and increased e-commerce service, and a highly motivated workforce we are focused on increasing our sales budgets and improving our trading performance.

Regalia House  
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London, WC2B 5BE

Mrs F A TOYE  
Chief Executive

28 September 2010

**Consolidated Statement of Comprehensive Income**  
for the six months ended 30 June 2010

	Notes	Six months to 30 June 2010 £	Six months to 30 June 2009 £	Year to 31 December 2009 £
<b>Revenue</b>		<b>4,131,022</b>	4,000,123	8,231,068
Operating expenses		<b>4,075,301</b>	4,165,946	8,358,633
<b>Operating profit / (loss)</b>		<b>55,721</b>	(165,823)	(127,565)
Finance costs		<b>(29,516)</b>	(31,183)	(58,913)
<b>Profit / (loss) before and after taxation</b>		<b>26,205</b>	(197,006)	(186,478)
Earnings / (loss) per share - basic and diluted	2	1.17p	(8.76)p	(8.30)p

All activities relate to continuing operations.

**Statement of Recognised Income and Expenses**

Profit / (loss) for the period	<b>26,205</b>	(197,006)	(186,478)
Total recognised income / (expenses) for the period	<b>26,205</b>	(197,006)	(186,478)

**Statement of Financial Position**  
at 30 June 2010

	Notes	At 30 June 2010 £	At 30 June 2009 £	At 31 December 2009 £
<b>Assets</b>				
<b>Non-current assets</b>				
Plant, property and equipment		2,018,085	2,079,777	2,057,461
<b>Current assets</b>				
Inventories		1,201,545	1,260,261	1,207,486
Trade and other receivables		1,435,353	1,286,768	1,213,244
Cash and cash equivalents		5,702	4,671	9,810
Total current assets		2,642,600	2,551,700	2,430,540
<b>Liabilities</b>				
<b>Current liabilities</b>				
Trade and other payables		1,318,330	1,100,658	1,235,590
Current borrowings	4	565,088	672,324	441,999
Current portion of long term borrowings	4	120,635	117,954	119,300
		2,004,053	1,890,936	1,796,889
<b>Net current assets</b>		<b>638,547</b>	<b>660,764</b>	<b>633,651</b>
<b>Non-current liabilities</b>				
Non-current borrowings	4	1,045,172	1,165,814	1,105,857
Deferred payments		22,000	22,000	22,000
		1,067,172	1,187,814	1,127,857
<b>Net assets</b>		<b>1,589,460</b>	<b>1,552,727</b>	<b>1,563,255</b>
<b>Equity - Capital and reserves attributable to the Company's equity holders</b>				
Share capital		562,000	562,000	562,000
Share premium account		2,677	2,677	2,677
Retained profits		1,024,783	988,050	998,578
Total equity		1,589,460	1,552,727	1,563,255

**Statement of Changes in Equity**

for the six months ended 30 June 2010

	Share capital £	Share premium £	Retained earning £	Total £
<b>Balance at 1 January 2009</b>	<b>562,000</b>	<b>2,677</b>	<b>1,185,056</b>	<b>1,749,733</b>
(Loss) for the year	-	-	(186,478)	(186,478)
Total comprehensive income for the year	-	-	(186,478)	(186,478)
<b>Balance at 31 December 2009</b>	<b>562,000</b>	<b>2,677</b>	<b>998,578</b>	<b>1,563,255</b>
Profit for the period	-	-	26,205	26,205
Total comprehensive income for the period	-	-	26,205	26,205
<b>Balance at 30 June 2010</b>	<b>562,000</b>	<b>2,677</b>	<b>1,024,783</b>	<b>1,589,460</b>

**Statement of Cash Flows**

for the six months ended 30 June 2010

	Notes	Six months to 30 June 2010 £	Six months to 30 June 2009 £	Year to 31 December 2009 £
<b>Cash flows (used in) / from operating activities</b>				
Cash generated (used by) / from operating activities		(23,105)	243,333	593,339
Interest received		-	-	-
Interest paid		(29,516)	(31,183)	(58,913)
Net cash generated (absorbed by) / from operating activities		(52,621)	212,150	534,426
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment		(15,226)	(14,638)	(54,450)
Proceeds from sale of property, plant and equipment		-	-	11,611
Net cash flows from investing activities		(15,226)	(14,638)	(42,839)
<b>Cash flows from financing activities</b>				
Net repayment of borrowings		(59,350)	(56,854)	(115,465)
Net cash flows from financing activities		(59,350)	(56,854)	(115,465)
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(127,197)</b>	140,658	376,122
Cash and cash equivalents at the beginning of the period	3	(432,189)	(808,311)	(808,311)
<b>Cash and cash equivalents at the end of the period</b>	3	<b>(559,386)</b>	(667,653)	(432,189)

Cash and cash equivalents comprise cash in hand and at bank net of bank overdrafts.

## Notes to the Interim Financial Statements

### 1. Basis of preparation

The accounting policies and methods of computation followed in the interim financial statement are consistent with those published in the Group's Annual Report and Financial Statements for the year ended 31 December 2009 and expected to apply in the Financial Statement for the year ended 31 December 2010.

The results for the six months ended 30 June 2010 and 30 June 2009 have not been audited and do not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. The abridged financial information for the year ended 31 December 2009 has been derived from the statutory accounts included in the Annual Report 2009, which were prepared under International Financial Reporting Standards (IFRS), and have been filed with the Registrar of Companies. The auditor's report on these accounts was unqualified and did not contain statements under Section 498 (2) or Section 498 (3) of the Companies Act 2006 which deal respectively with the maintaining of proper accounting books and records and the availability of information to the auditors.

The Interim Report and Financial statements were approved by the Board of Directors on 28 September 2010. A copy of the interim statement will be posted to shareholders and made available to the public at the Company's Registered Office, 19, 20 & 21 Great Queen Street, London and on the Company's website [www.toye.com](http://www.toye.com).

### 2. Earnings per share

The calculation of earnings per ordinary share is based on Group profit after taxation and the unchanged number of 2,248,000 ordinary shares of the Company.

### 3. Analysis of net debt

	At 1 January 2010 £	Cashflow £	Other non cash changes £	At 30 June 2010 £
Cash at bank and in hand	9,810	(4,108)	-	5,702
Overdraft and invoice discounting facility	(441,999)	(123,089)	-	(565,088)
	(432,189)	(127,197)	-	(559,386)
Debt due within one year	(119,300)	59,350	(60,685)	(120,635)
Debt due after one year	(1,105,857)	-	60,685	(1,045,172)
	(1,657,346)	(67,847)	-	(1,725,193)

### 4. Borrowings

	At 30 June 2009 £	At 30 June 2008 £	At 31 December 2009 £
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**Current**

Bank overdraft and invoice discounting	<b>565,088</b>	672,324	441,999
Bank loans	<b>120,635</b>	117,954	119,300
	<b>685,723</b>	790,278	561,299

**Non current**

Bank loans	<b>1,045,172</b>	1,165,814	1,105,857
	<b>1,730,895</b>	1,956,092	1,667,156