

TOYE & COMPANY PUBLIC LIMITED COMPANY (“Toye” or the “Company”)

14 MAY 2010

PRELIMINARY RESULTS

RESULTS FOR THE YEAR ENDED 31 DECEMBER 2009

Chief Executive's Report

RESULTS

Turnover for the year ended 31st December 2009 amounted to £8,231,068 compared to £8,604,610 for the previous year. This is a reduction of £373,542 or 4.3%.

Our Export sales held at £1,318,129, though there was a significant fall in home sales related to the retail market which have reduced by 23%, despite the fact that we have retained all our old customers and secured new ones. Actual orders in a number of our markets reflect the general lack of economic confidence in that they are smaller, and placed as late as possible. A similar reduction in our tie and scarf business indicates our corporate customers are being cautious too.

Our gross profits have held steady overall despite additional costs from the poor exchange rate on our purchasing. The Company benefited from decreased costs from the reduction in personnel and working hours and an improvement in cash flow.

Overall we recorded a loss for the year of £186,478, against a loss of £267,440 in 2008, after charging interest payable, reorganisation, restructuring and redundancy costs and stock write downs. Despite the fall in sales, the lower operating loss was, £127,565 in 2009 compared with £145,574 in 2008, achieved through a reduction in operating expenses.

TRADING

Key objectives for the latter half of 2009 were the reduction in overheads and improvement in administrative process and service. Significant advances and improvements were made and will continue to be made in all these areas. The savings in employment costs, achieved through redundancies and a shorter working week, had a positive effect on the last six months of the year, resulting in a small profit of £10,528.

Customers continue to request small or no increases in prices. This combined with the poor exchange rate and very competitive pricing, especially on MoD contracts, have squeezed our margins. We have successfully offset some of this reduction through our own improved manufacturing processes and better sourcing.

There was a substantial increase in bullion costs during the year. This has resulted in many customers asking us to develop cheaper alternatives or simply reducing their orders.

DIRECTORS, MANAGEMENT AND STAFF

I have implemented some changes to management structure since my appointment in August. The new structure more clearly defines roles and responsibilities and accountability at site level. This was essential in order to identify and then implement the necessary changes to procedures and production, the benefits of which were seen in the last six months trading.

Despite the redundancies, the workforce have reacted very positively to the new management regime. Improved process in production and administration has helped, and morale is good.

OUTLOOK

Great improvements have already been made in the underlying performance of the Company due to the recent concentration on our administrative infrastructure which is ongoing. We have reduced overheads, reviewed our cost base and improved our margins. We have also continued to increase our efficiency in production and administration. This year we are improving our purchasing by reviewing our purchasing protocol, visiting our present suppliers and finding new ones. We will re-define our markets as part of an assertive marketing and sales strategy. The Company needs to re-visit all its present customers and broaden their knowledge of our services, and acquire new customers too.

To this end we have released a new Corporate brochure which is already proving very successful, ably promoted by our energetic and youthful sales team in London.

Far from being dismayed by the difficult retail market, we are simply seeking more customers further afield.

The Company needs to reinforce our very bespoke product and services with an underlying seam of finished product sales. To this end we will extend and update our range of e-commerce sites 'open to the public' during the year.

To complete this improvement in our e-commerce provision, and the warehousing and despatch service we are providing for some of our customers it is necessary to improve our warehouse facilities. This must be part of an overall investment in plant and building that results in better working conditions for our staff and improved services to our customers.

We have a number of interesting export prospects some of which involve us collaborating on projects with other British firms, which look very promising. We are currently working well and profitably with another UK manufacturer on an overseas order for State Insignia.

We need to establish and promote our brand. The range of skills, craftsmanship and service we provide are unique and we must make sure that our local community and the world at large know what we do and where to find us.

Charles Toye is spearheading the Company's expansion into the American regalia and badge markets. The Company has already gained a reputation in America for the supply of traditional and high quality regalia and we need to build on our reputation in this large and challenging market.

To sustain our strategy of high end manufacture in the UK it is essential that we become actively involved in skills training. We are becoming increasingly involved in the local community through schools as we try to encourage young people to pursue careers in our sector.

Orders received for the first quarter of 2010 are up on the same period for 2009. Our workforce have returned to the normal working week of 37.5 hours. It is essential that we continue to build on these positive steps.

Fiona Toye
Chief Executive
14 May 2010

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Consolidated Statement of Comprehensive Income
for the year ended 31 December 2009

	2009 £	2008 £
Revenue	8,231,068	8,604,610
Operating expense	(8,358,633)	(8,750,184)
Operating (loss)	(127,565)	(145,574)
Finance income	-	5,774
Finance costs	(58,913)	(127,640)
Finance costs - net	(58,913)	(121,866)
(Loss) before taxation	(186,478)	(267,440)
Taxation	-	-
(Loss) for the year	(186,478)	(267,440)
Other comprehensive income		
Other comprehensive income for the year	-	-
Total comprehensive income for the year	(186,478)	(267,440)

All of the loss and comprehensive income for the year is attributable to equity holders of the parent.

Earnings per share

(Loss) per share (basic and diluted) **(8.30)p** (11.90)p

All activities relate to continuing operations.

Statements of Financial Position
at 31 December 2009

	The Group		The Company	
	2009	2008	2009	2008
	£	£	£	£
Assets				
Non-current assets				
Property, plant & equipment	2,057,461	2,124,595	1,880,760	1,919,780
Investments in subsidiary undertakings	-	-	1,377,748	1,555,250
	2,057,461	2,124,595	3,258,508	3,475,030
Current assets				
Inventories	1,207,486	1,473,668	-	-
Trade and other receivables	1,213,244	1,679,024	9,955	139,955
Cash and cash equivalents	9,810	4,866	-	-
	2,430,540	3,157,558	9,955	139,955
Liabilities				
Current liabilities				
Trade and other payables	1,235,590	1,356,621	466,512	556,644
Current borrowings	441,999	813,177	91,158	52,658
Current portion of long term borrowings	119,300	89,665	119,300	89,665
	1,796,889	2,259,463	676,970	698,967
Net current assets / (liabilities)	633,651	898,095	(667,015)	(559,012)
Non-current liabilities				
Non-current borrowings	1,105,857	1,250,957	1,105,857	1,250,957
Deferred payments	22,000	22,000	-	-
	1,127,857	1,272,957	1,105,857	1,250,957
Net assets	1,563,255	1,749,733	1,485,636	1,665,061
Equity attributable to equity holders of the parent				
Ordinary shares	562,000	562,000	562,000	562,000
Share premium	2,677	2,677	2,677	2,677
Retained earnings	998,578	1,185,056	920,959	1,100,384
Total equity	1,563,255	1,749,733	1,485,636	1,665,061

The financial statements were approved and authorised for issue by the Board of Directors and were signed on its behalf on 14 May 2010.

F A Toye, Chief Executive

D Hartley, Director

Statements of Changes in Equity
for the year ended 31 December 2009

	Ordinary shares £	Share premium £	Retained earnings £	Total equity £
The Group				
Balance at 1 January 2008	562,000	2,677	1,452,496	2,017,173
Changes in equity for 2008				
(Loss) for the year	-	-	(267,440)	(267,440)
Total comprehensive income for the year	-	-	(267,440)	(267,440)
Balance at 31 December 2008	562,000	2,677	1,185,056	1,749,733
Changes in equity for 2009				
(Loss) for the year	-	-	(186,478)	(186,478)
Total comprehensive income for the year	-	-	(186,478)	(186,478)
Balance at 31 December 2009	562,000	2,677	998,578	1,563,255

All equity is attributable to equity holders of the parent.

The Company				
Balance at 1 January 2008	562,000	2,677	1,367,821	1,932,498
Changes in equity for 2008				
(Loss) for the year	-	-	(267,437)	(267,437)
Total comprehensive income for the year	-	-	(267,437)	(267,437)
Balance at 31 December 2008	562,000	2,677	1,100,384	1,665,061
Changes in equity for 2009				
(Loss) for the year	-	-	(179,425)	(179,425)
Total comprehensive income for the year	-	-	(179,425)	(179,425)
Balance at 31 December 2009	562,000	2,677	920,959	1,485,636

Statements of Cash Flows
for the year ended 31 December 2009

	The Group		The Company	
	2009 £	2008 £	2009 £	2008 £
Cash flows from/(used by) operating activities				
Cash generated from/(used by) operating activities	593,339	(498,100)	55,918	379,983
Interest received	-	5,774	79,960	122,465
Interest paid	(58,913)	(127,640)	(58,913)	(127,640)
Net cash generated from/(absorbed by) operating activities	534,426	(619,966)	76,965	374,808
Cash flows from investing activities				
Purchase of property, plant and equipment	(54,450)	(38,894)	-	-
Proceeds from sale of property, plant and equipment	11,611	127,106	-	126,706
Net cash flows (used in) / from investing activities	(42,839)	88,212	-	126,706
Cash flows from financing activities				
Repayment of borrowings	(115,465)	(87,398)	(115,465)	(87,398)
Net cash flows used in financing activities	(115,465)	(87,398)	(115,465)	(87,398)
Net increase/(decrease) in cash and cash equivalents				
	376,122	(619,152)	(38,500)	414,116
Cash and cash equivalents at the beginning of the year	(808,311)	(189,159)	(52,658)	(466,774)
Cash and cash equivalents at the end of the financial year	(432,189)	(808,311)	(91,158)	(52,658)

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.

1.1 Basis of preparation

These consolidated financial statements have been prepared 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 2006 applicable to companies reporting under IFRS.

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 statement of comprehensive income for the parent company has not been presented as permitted by section 408 of the Companies Act 2006.

2. Segmental reporting

In identifying its operating segments, management generally follow the manufacturing or sourcing of the products

The Group operates in the supply of identity products to a large and varied market and customer base. The type of products sold into this market generally fall under either a textile or metals (including corporate gifts) umbrella. The exception to this being the friendly societies market.

Each of the textile, metals and friendly societies operating segments is managed separately as each of these segments requires different resources and core skills. All transfers between the segments are carried out at cost.

The measurement policies the Group uses for segment reporting under IFRS 8 are the same as those used in its financial statement.

Management currently identifies three units as operating segments as described above. These operating segments are monitored and strategic decisions are made on the basis of segment operating results.

	Textiles	Friendly societies	Metals	Total
	2009	2009	2009	2009
	£	£	£	£
Revenue	4,014,297	1,086,655	3,389,850	8,490,802
Gross profit	1,784,049	398,841	1,211,356	3,394,246
Works overheads	511,611	65,935	609,365	1,186,911
Manufacturing contribution by segment	1,272,438	332,906	601,991	2,207,335
Selling and administration costs				2,086,339
Profit before finance, restructuring and costs associated with the listing				120,996
Reorganisation, restructuring and redundancy costs				87,779
Costs associated with the AIM listing				81,551
Other bank charges and leasing costs				79,231
Interest				58,913
Net (loss)				(186,478)

Included in total revenue is £259,734 in respect of sales between business sectors.

	Textiles	Friendly societies	Metals	Total
	2008	2008	2008	2008
	£	£	£	£
Revenue	3,759,032	1,304,858	3,744,958	8,808,848
Gross profit	1,679,289	621,146	1,269,849	3,570,284
Works overheads	613,350	78,152	674,871	1,366,373
Manufacturing contribution by segment	1,065,939	542,994	594,978	2,203,911
Selling and administration costs				2,083,207
Profit before finance, restructuring and costs associated with the listing				120,704
Reorganisation, restructuring and redundancy costs				115,573
Costs associated with the AIM listing				81,326
Other bank charges and leasing costs				69,379
Interest				121,866
Net (loss)				(267,440)

Included in total revenue is £204,238 in respect of sales between business sectors.

The Group's revenues from external customers are divided into the following geographical markets:

	2009	2008
	£	£
United Kingdom	6,912,939	7,334,082
Rest of World	1,318,129	1,270,528
	8,231,068	8,604,610

All non-current assets are held within the United Kingdom. Additions to fixed assets are disclosed in note 11.

During 2009, £1,055,071 or 12.8% (2008 £798,998 or 9.3%) of the Group's revenues depended on a single customer who sales were made from the textiles and metals segments.

The assets of the business have been attributed to the segments on the following basis.

	Textiles	Friendly societies	Metals	Total
	2009	2009	2009	2009
	£	£	£	£
Stock	558,392	247,771	401,323	1,207,486
Unallocated assets				3,280,515
Unallocated liabilities				2,924,746
	2008	2008	2008	2008
	£	£	£	£

	Textiles	Friendly societies	Metals	Total
	2008 £	2008 £	2008 £	2008 £
Revenue	3,759,032	1,304,858	3,744,958	8,808,848
Gross profit	1,679,289	621,146	1,269,849	3,570,284
Works overheads	613,350	78,152	674,871	1,366,373
Manufacturing contribution by segment	1,065,939	542,994	594,978	2,203,911
Selling and administration costs				2,083,207
Profit before finance, restructuring and costs associated with the listing				120,704
Reorganisation, restructuring and redundancy costs				115,573
Costs associated with the AIM listing				81,326
Other bank charges and leasing costs				69,379
Interest				121,866
Net (loss)				(267,440)

Included in total revenue is £204,238 in respect of sales between business sectors.

Stock	675,689	331,823	466,156	1,473,668
Unallocated assets				3,808,485
Unallocated liabilities				3,532,420

Fixed assets are not allocated between sectors.

All sectors of the Group sell into the same markets and share many of the same customers and thus the debtors are not attributed to the individual business sectors.

Similarly all sectors of the Group purchase from the same suppliers and as such the creditors are not attributed to the business sectors.

Borrowing and finance costs are arranged centrally by the Group and are not attributed to the business sectors.

3. Operating expenses by nature

	2009 £	2008 £
Changes in inventories of finished goods and work in progress	182,514	57,786
Raw materials and consumables used	3,626,209	3,638,795
Employee benefits, excluding redundancy costs	2,964,624	3,676,024
Depreciation - owned assets	109,973	110,346
- under finance leases	-	-
Profit on disposal of plant, property and equipment	-	(80,306)
Audit and non-audit services	37,100	34,400
Reorganisation, restructuring and redundancies	87,779	115,573
Hire of plant and machinery	25,452	24,385
Rent of land and buildings	6,000	13,537
Other expenses	1,318,982	1,159,644
	8,358,633	8,750,184

	Textiles	Friendly societies	Metals	Total
	2008 £	2008 £	2008 £	2008 £
Revenue	3,759,032	1,304,858	3,744,958	8,808,848
Gross profit	1,679,289	621,146	1,269,849	3,570,284
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Manufacturing contribution by segment	1,065,939	542,994	594,978	2,203,911
Selling and administration costs				2,083,207
Profit before finance, restructuring and costs associated with the listing				120,704
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Costs associated with the AIM listing				81,326
Other bank charges and leasing costs				69,379
Interest				121,866
Net (loss)				(267,440)

Included in total revenue is £204,238 in respect of sales between business sectors.

The restructure and reorganisation costs relate to the Group's commitment to improve its working conditions and manufacturing efficiencies. This exercise is on going and further costs will be incurred during 2010.

Included in cost of raw materials and consumables used is a credit of £55,640 (2008 credit £56,309) in respect of movement in the inventory provision.

4. Earnings per ordinary 25p share

The earnings per ordinary 25p share is based on the (loss) after taxation and the average number of shares in issue throughout the year.

	2009	2008
(Loss)	£ (186,478)	£ (267,440)
Average number of shares in issue	2,248,000	2,248,000
(Loss) per share - basic and diluted	(8.30)p	(11.90)p

There were no potentially dilutive ordinary shares in issue.

5. Cash generated from/(used by) operating activities

	The Group		The Company	
	2009 £	2008 £	2009 £	2008 £
Operating (loss)	(127,565)	(145,574)	(200,472)	(262,262)
Depreciation - property, plant and equipment	109,973	110,346	39,020	40,220
Profit on sale of property, plant and equipment	-	(80,306)	-	(79,906)
Addition to provision against investments	-	-	177,502	260,473
Decrease in inventories	266,182	134,870	-	-
Decrease /(increase) in trade and other receivables	465,780	(521,192)	130,000	204,249

(Decrease)/increase in trade and other payables	(121,031)	3,756	(90,132)	217,209
	593,339	(498,100)	55,918	379,983

The financial information, which has been prepared on the same basis as set out in the 2008 Annual Accounts, does not constitute statutory accounts as defined in section 435 of the Companies Act 2006. The financial information for the year ended 31 December 2009 has been extracted from the statutory accounts on which an unqualified audit opinion has been issued. Statutory accounts for the year ended 31 December 2009 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 2008. 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 17 June 2010 at 12.30 pm at the company's offices at Regalia House, 19-21 Great Queen Street, London WC2B 5BE. The Report and Accounts will also be available from the Company's website, www.toye.com.