

Toye & Company p.l.c.

Interim Report 2007

for the six months ended 30 June 2007

Chairman's Statement

Results

These are the first results prepared in accordance with International Financial Reporting Standards (IFRS). The turnover for the first half of the year of £4,481,746 improved by £129,580 over the previous half year. This growth was supported in part by increased sales of our gentlemen's accessories range as well as additional sales to the Ministry of Defence. This resulted in a small profit of £14,980, an improvement of £4,136 on 2006.

Trading

The increase in sales of men's accessories resulted from previous years investment in design, product development and marketing. These costs will be ongoing to ensure that we can retain and improve our position in this market area.

I am pleased to report that the Defence Clothing Integrated Project Team Organisation of the Ministry of Defence has congratulated your Company on its excellent performance this year on the 4 year contract won in 2006. As previously reported, although many of the significant set up costs were incurred in 2006, this contract continues to yield lower, but improving margins, than our traditional business.

The half year profit is stated after charging costs incurred in the restructuring, reorganisation and modernisation programme being implemented across the Company. The initial phase relating to the necessary re-structuring and refurbishment of the Birmingham factory to improve working conditions and manufacturing efficiencies, will be completed by the year end. Further work in developing manufacturing techniques within Birmingham and rolling out the programme to other areas of the Company will continue into next year and beyond.

Outlook

Trading conditions for a manufacturing and logistics company like yours are exceedingly competitive. It is frustrating to be constantly hampered by new European Union Directives adopted by the UK government and by Employment and other legislation which affects our cost base.

The legislative issues also impact on the regulatory environment of AIM, with the possibility of further and more onerous burdens to come.

Historically the second half year is generally less strong and will again be affected by an increase in the minimum wage. However, in order to ensure that your Company is well positioned for the future, we are investing time, energy and resources in re-branding the Company and promoting a new image. This includes reviewing our unparalleled range of manufacture, division by division. The pivotal catalyst in this exercise is the re-creation of all our web-sites ensuring that we focus on the right markets with the right products. These are the essential sales tools for the 21st century, and the shop window for all our products, traditional and new. We plan to launch the web-sites early 2008 and believe they will increase public awareness and accessibility to the company products and services. The Directors are confident that this will have a positive impact on future sales.

Crucial to this is attention to design, product development, efficient and imaginative production and sourcing and a motivated sales and production team. The foundations are being laid this year for the future.

Regalia House
19, 20 & 21 Great Queen Street,
London, WC2B 5BE

BRYAN TOYE
Chairman

28 September 2007

Consolidated Income Statement

for the six months ended 30 June 2007

	Notes	Six months to 30 June 2007 £	Six months to 30 June 2006 £	Year to 31 December 2006 £
Revenue	2	4,481,746	4,352,166	8,761,537
Operating expenses		4,404,956	4,287,339	8,602,872
Operating profit		76,790	64,827	158,665
Finance costs		(61,810)	(53,983)	(113,741)
Profit before taxation		14,980	10,844	44,924
Earnings per share - basic and diluted	3	0.67p	0.48p	2.00p

All activities relate to continuing operations.

Consolidated Statement of Recognised Income and Expenses

Profit for the period	14,980	10,844	44,924
Total recognised income for the period	14,980	10,844	44,924

Consolidated Balance Sheet
at 30 June 2007

	Notes	At 30 June 2007 £	As restated at 30 June 2006 £	As restated at 31 December 2006 £
Assets				
Non-current assets				
Plant, property and equipment		2,285,514	2,193,820	2,307,435
Current assets				
Inventories		1,555,061	1,557,553	1,599,574
Trade and other receivables		1,289,136	1,565,860	1,229,129
Cash and cash equivalents		-	72,786	246
Total current assets		2,844,197	3,196,199	2,828,949
Total assets		5,129,711	5,390,019	5,136,384
Liabilities				
Current liabilities				
Borrowings	5	300,512	1,504,889	1,255,386
Trade and other payables		1,343,590	1,615,813	1,440,998
		1,644,102	3,120,702	2,696,384
Non-current liabilities				
Borrowings	5	1,394,032	314,800	363,403
Deferred payments		88,000	-	88,000
		1,482,032	314,800	451,403
Total liabilities		3,126,134	3,435,502	3,147,787
Net assets		2,003,577	1,954,517	1,988,597
Equity - Capital and reserves attributable to the Company's equity holders				
Share capital		562,000	562,000	562,000
Share premium account		2,677	2,677	2,677
Retained earnings		1,438,900	1,389,840	1,423,920
Total equity		2,003,577	1,954,517	1,988,597

Consolidated Cash Flow Statement
for the six months ended 30 June 2007

	Notes	Six months to 30 June 2007 £	Six months to 30 June 2006 £	Year to 31 December 2006 £
Cash flows from operating activities				
Cash generated from operating activities		25,419	24,779	378,397
Interest received		1,946	606	2,017
Interest paid		(63,756)	(54,589)	(115,758)
Net cash (absorbed by)/generated from operating activities		(36,391)	(29,204)	264,656
Cash flows from investing activities				
Purchase of property, plant and equipment		(39,610)	(16,569)	(182,069)
Net cash flows from investing activities		(39,610)	(16,569)	(182,069)
Cash flows from financing activities				
New loans		1,480,024	-	150,000
Repayment of borrowings		(1,526,502)	(55,560)	(111,120)
Net cash flows from financing activities		(46,478)	(55,560)	38,880
Net (decrease)/ increase in cash and cash equivalents		(122,479)	(101,333)	121,467
Cash and cash equivalents at the beginning of the period	4	(98,183)	(219,650)	(219,650)
Cash and cash equivalents at the end of the period	4	(220,662)	(320,983)	(98,183)

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

These interim statements have been prepared in accordance with International Financial Reporting Standards (IFRS) for the first time. The last financial statements under UK GAAP were for the year ended 31 December 2006 and the date of transition to IFRS was, therefore, 1 January 2006.

The results for the six months ended 30 June 2007 and 30 June 2006 have not been audited and do not constitute statutory accounts within the meaning of Section 240 of the Companies Act 1985. The abridged financial information for the year ended 31 December 2006 has been derived from the statutory accounts included in the Annual Report 2006, which were prepared under UK GAAP, 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 237 (2) or (3) of the Companies Act 1985 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 2007. 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.

2. Segmental reporting

The Group has one main business segment, which is that of the marketing, selling, supply chain management and distribution, manufacture as appropriate and procurement of identity products.

The revenue, all of which has been generated in the UK, is analysed by geographical markets as follows:

	Six months to 30 June 2007 £	Six months to 30 June 2006 £	Year to 31 December 2006 £
United Kingdom	3,848,599	3,667,271	7,290,908
Rest of Europe	173,590	193,403	392,304
Africa	27,828	63,119	188,788
Australasia	148,935	73,320	201,765
Far East	56,661	25,022	207,484
North America	162,090	220,613	367,456
Rest of World	64,043	109,418	112,832
	4,481,746	4,352,166	8,761,537

3. 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.

4. Analysis of cash and cash equivalents

	At 1 January 2007 £	Cashflow £	Other non cash changes £	At 30 June 2007 £
Cash at bank and in hand	246	(246)	-	-
Overdraft	(98,429)	(122,233)	-	(220,662)
Cash and cash equivalents	(98,183)	(122,479)	-	(220,662)

5. Borrowings

	At 30 June 2007 £	As restated at 30 June 2006 £	As restated at 31 December 2006 £
Current			
Bank overdrafts	220,662	393,769	98,429
Bank borrowings	79,850	1,111,120	1,156,957
	300,512	1,504,889	1,255,386
Non current			
Bank borrowings	1,394,032	314,800	363,403
Total borrowings	1,694,544	1,819,689	1,618,789

6. Reconciliation of equity at 31 December 2006

	UK GAAP £	Reclassify £	IFRS £
Assets			
Non-current assets			
Plant, property and equipment	2,307,435	-	2,307,435
Current assets			
Inventories	1,599,574		1,599,574
Trade and other receivables	1,229,129		1,229,129
Cash and cash equivalents	246		246
	2,828,949	-	2,828,949
Liabilities			
Current liabilities			
Borrowings	1,255,386		1,255,386
Trade and other payables	1,440,998		1,440,998
	2,696,384	-	2,696,384
Net current assets	132,565	-	132,565
Non-current liabilities			
Borrowings	363,403		363,403
Deferred payments	88,000		88,000
	451,403	-	451,403
Net assets	1,988,597	-	1,988,597
Equity - Capital and reserves attributable to the Company's equity holders			
Share capital	562,000		562,000
Share premium account	2,677		2,677
Revaluation reserve	a 1,463,248	(1,463,248)	-
Retained earnings	a (39,328)	1,463,248	1,423,920
Total equity	1,988,597	-	1,988,597

a - Transfer of opening revaluation reserve to retained earnings (in line with IFRS1 "First -time adoption")

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WEBSITES

www.toye.com
(Catalogue of group products)

www.lbblondon.com
(Catalogue of men's accessories)

www.kjdjewellers.com
(Catalogue of cufflinks and men's accessories)

www.staddendirect.com
(Online shopping for pewter models & figurines)

www.bentonandjohnson.com
(Online shopping for embroidery requisites)

www.toyekenningandspencer.com
(Online masonic shopping)

tks-uniform-insignia.co.uk
(Catalogue of embossed technology products)

www.tksidentityclothing.co.uk
(Catalogue of identity clothing)

www.corneliajamesneckwear.co.uk
(Catalogue of corporate neckwear)

www.tksmedalsandribbons.co.uk
(Online shopping for medals and ribbons)

www.rotaryregalia.com
(Online rotary products shopping)