

CONSOLIDATED CASH FLOW STATEMENT

	6 months to 31 March 2009	6 months to 31 March 2008	Year to 30 Sept 2008
	Unaudited £000's	Unaudited £000's	Audited £000's
Profit for the period	62	129	371
Finance costs	336	337	653
Finance income	(323)	(355)	(762)
Income tax expense	17	44	11
Operating profit	92	155	273
<i>Adjustments for:</i>			
Depreciation	163	164	321
Loss / (gain) on sale of property, plant and equipment	6	-	(16)
Derivative financial instruments	(14)	(1)	(3)
Equity-settled share-based payments	32	31	63
Retirement benefits	52	66	107
	331	415	745
<i>Movements in working capital:</i>			
Change in inventories	(226)	385	254
Change in trade and other receivables	301	673	100
Change in trade and other payables	(15)	(286)	(374)
Cash generated from operations	391	1,187	725
Income tax received	-	-	20
Net cash from operating activities	391	1,187	745
Purchase of property, plant and equipment	(121)	(57)	(81)
Proceeds from sale of property, plant and equipment	75	-	27
Interest received	2	5	9
Net cash from investing activities	(44)	(52)	(45)
Repayment of bank loans	(146)	(146)	(291)
Repayment of obligations under finance leases	(54)	(46)	(92)
Interest paid	(46)	(87)	(161)
Proceeds from issue of share capital	-	10	10
Dividends paid	(46)	(46)	(103)
Net cash from financing activities	(292)	(315)	(637)
Net increase in cash and cash equivalents	55	820	63
Cash and cash equivalents at start of the period	(142)	(205)	(205)
Cash and cash equivalents at end of the period	(87)	615	(142)

NOTE 1 – BASIS OF PREPARATION

These interim consolidated financial statements are for the six months ended 31 March 2009. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 30 September 2008. These financial statements have been prepared under the historical cost convention, except for revaluation of financial instruments.

These consolidated interim financial statements have been prepared in accordance with the accounting policies adopted in the last annual financial statements for the year to 30 September 2008, which are based on the recognition and measurement principles of IFRS as adopted by the European Union. The accounting policies have been applied consistently throughout the Group for the purposes of preparation of these interim financial statements and are expected to be followed throughout the year ended 30 September 2009.

NOTE 2 – EARNINGS PER SHARE

The calculation of earnings per share is based upon the profit after tax attributable to ordinary equity shareholders of £62,000 (March 2008: £129,000 - September 2008: £371,000) and the weighted average number of ordinary shares in issue during the period of 11.448m (March 2008: 11.389m - September 2008: 11.419m). The weighted average number of ordinary shares diluted for the effect of outstanding share options was 11.455m (March 2008: 11.439m - September 2008: 11.465m).



Long Life Reliability
does not cost the earth

TUDOR WORKS DEBDEN ROAD
SAFFRON WALDEN ESSEX CB11 4AN
T +44 (0) 1799 512800
F +44 (0) 1799 526793

CHAIRMAN'S STATEMENT

We have enjoyed a period of unprecedented order entry which is continuing into the second half, and which has resulted in record order books (totalling £12.6m at 31 March 2009) for delivery stretching over the next three years. Our new LED based lighting products are generating a lot of interest and we have now won our first major order, valued at £5.7m, as announced on 10 June 2009.

As foreshadowed in my comments at the Annual General Meeting, and in the recent announcement of major new contracts, the first half of the financial year started quietly. Weak demand for contract manufacturing and lower than expected routine orders adversely affected manufacturing activity levels. However despite a fall in sales in the first half of £0.7m to £7.0m (six months to March 2008: £7.7m), a profit before tax of £79,000 (2008: £173,000) was achieved.

Both basic and diluted earnings per share amounted to 0.54p (2008: 1.13p). Cash generated from operations was £0.4m (2008: £1.2m) and net debt remains significantly better than expectation.

Reflecting its confidence in future prospects, the Board is declaring an increased interim dividend of 0.50p (2008 0.25p), consolidating the special interim dividend of 0.25p celebrating the Group's centenary paid last year. The dividend will be paid on 25 September 2009 to shareholders registered at the close of business on 04 September 2009.

The weakness in routine orders has affected all three manufacturing sites but this effect should be mitigated and then overcome as activity on projects builds up during the final quarter. Eight major projects are currently in the start up phase, which raise activity levels, but have yet to contribute significantly to invoicing.

The Group's low-cost country sourcing has been a strong contributory factor in our ability to win major export projects.

The gestation period for major rail projects runs for many months if not years. Recent months have seen the birth of many such contracts from both UK and export customers and happily there are still many to come. As an example, in my last interim statement twelve months ago, I welcomed the news that the Department for Transport had issued a notice to proceed in relation to the acquisition of extra coaches for the West Coast Main Line. I am pleased to say that we have received a letter of intent in respect of the lighting for this project and an order is expected soon. We are also hopeful of receiving the order for the Inter-car Jumper Equipment.

Bidding levels remain high. Our LED lighting technology is giving us access to markets which have been very difficult to penetrate in the past. Our determination to succeed in these markets is beginning to manifest itself in significant orders.

We previously announced that we had perfected a weakness in our title to the Saffron Walden site. The housing market remains depressed and we have no immediate plans to deal with the site. We will keep shareholders informed of developments.

In summary, in the second half we are very busy starting up new projects which we expect to deliver significant growth next year. We have continued to win major new projects during the second half and have confidence of further wins in the near future. Our order book is at a record level and our LED based lighting products are generating a high level of interest, which gives us great confidence for the next three years. Any near term recovery in routine orders will be very welcome.

Michael Rusch
Chairman
25 June 2009

CONSOLIDATED INCOME STATEMENT

	6 months to 31 March 2009 Unaudited £000's	6 months to 31 March 2008 Unaudited £000's	Year to 30 Sept 2008 Audited £000's
Revenue	7,034	7,685	15,082
Operating profit	92	155	273
Finance costs	(336)	(337)	(653)
Finance income	323	355	762
Profit before tax	79	173	382
Taxation	(17)	(44)	(11)
Profit for the period	62	129	371
Earnings per share (see note 2)			
- Basic	0.54p	1.13p	3.25p
- Diluted	0.54p	1.13p	3.24p

CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSE

	6 months to 31 March 2009 Unaudited £000's	6 months to 31 March 2008 Unaudited £000's	Year to 30 Sept 2008 Audited £000's
Cash flow hedges:			
Gains taken to equity	66	28	22
Transferred to profit for the period	6	-	(28)
Tax on cash flow hedges	(20)	(8)	2
Actuarial loss on pension scheme	(72)	(39)	(1,369)
Tax on actuarial loss	20	11	383
Net income / (loss) recognised directly in equity	-	(8)	(990)
Profit for the period	62	129	371
Total recognised income / (expense)	62	121	(619)

CONSOLIDATED BALANCE SHEET

	As at 31 March 2009 Unaudited £000's	As at 31 March 2008 Unaudited £000's	As at 30 Sept 2008 Audited £000's
Non-current assets			
Intangible assets	1,234	1,234	1,234
Property, plant and equipment	2,068	2,149	2,191
Retirement benefits	438	1,729	525
Deferred tax assets	75	48	120
	3,815	5,160	4,070
Current assets			
Inventories	2,420	2,063	2,194
Trade and other receivables	2,953	2,629	3,174
Cash and cash equivalents	491	893	330
	5,864	5,585	5,698
Total assets	9,679	10,745	9,768
Current liabilities			
Bank overdraft	(578)	(278)	(472)
Bank loans and other borrowings	(395)	(359)	(392)
Trade and other payables	(2,437)	(2,541)	(2,458)
	(3,410)	(3,178)	(3,322)
Non-current liabilities			
Bank loans and other borrowings	(1,111)	(1,340)	(1,308)
Provisions	(5)	(5)	(5)
Deferred tax liabilities	(218)	(569)	(246)
Other payables	(27)	(28)	(27)
	(1,361)	(1,942)	(1,586)
Total liabilities	(4,771)	(5,120)	(4,908)
Net assets	4,908	5,625	4,860
Capital and reserves			
Share capital	1,145	1,145	1,145
Share premium account	365	365	365
Un-issued shares reserve	113	49	81
Revaluation reserve	310	311	310
Merger reserve	230	230	230
Retained earnings	2,745	3,525	2,729
Total equity	4,908	5,625	4,860