



CHAMBERLIN & HILL PLC

ANNOUNCEMENT OF RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2000

Chairman's Statement

Turnover in the first half of the financial year 2000/2001 was up 9% at £16.4 million compared to £15 million last time. Operating profit was £1.68 million compared to £1.56 million at the interim stage last year, an increase of 8%. Basic earnings per share were 10% higher at 16p, compared to 14.53p previously. The Board has declared an interim dividend of 3.75p per share (1999: 3.55p).

All three foundries have enjoyed increased sales in the period. At **Walsall Foundry** there has been considerable price pressure, both from customers and indirectly as a result of the declining value of the euro. At both **Bloxwich Foundry** and **Ductile Castings** we have benefited from changes in market conditions which have resulted in new business.

In the engineering businesses, turnover increased by 2%. **PPF Electrical Products** saw an increase in lighting activity, and has now launched its new fluorescent and flood light ranges into the market. **Fred Duncombe** again increased sales of Exidor, whilst ironmongery remained flat. Performance at **Webb Lloyd** was weak, but we have now restructured and strengthened the management team providing a sound platform for the business to go forward.

In recent weeks the order intake has become somewhat patchy, particularly within the automotive sector. This, with continuing pressure on selling prices and the rise in some energy costs, may make trading conditions more challenging in the second half of the year.

John Eccles
Chairman

9th November 2000

Group Profit and Loss Account

	Unaudited 6 months to 30 September 2000	Unaudited 6 months to 30 September 1999	Year ended 31 March 2000
	£000	£000	£000
Turnover	16,398	15,025	31,531
Operating profit	1,684	1,564	3,308
Interest (payable)/receivable	(23)	(3)	(7)
Profit before taxation	1,661	1,561	3,301
Taxation	(498)	(468)	(1,017)
Profit after taxation	1,163	1,093	2,284
Dividend	(273)	(258)	(800)
Retained profit	890	835	1,484
Earnings per share - basic	16.00p	14.53p	30.88p
- diluted	15.93p	14.47p	30.74p
Dividend per share	3.75p	3.55p	11.00p

Summarised Group Balance Sheet

	As at 30 September 2000 £000	As at 30 September 1999 £000	As at 31 March 2000 £000
Fixed assets			
Tangible assets	8,906	8,658	8,757
Intangible assets	251	263	257
Current assets			
Debtors	8,306	7,022	6,635
Stock	3,171	2,916	3,336
Cash at bank	-	-	1,091
	<u>11,477</u>	<u>9,938</u>	<u>11,062</u>
Creditors - under one year			
Bank Overdraft	(785)	-	-
Other	(6,099)	(6,696)	(7,355)
	<u>(6,884)</u>	<u>(6,696)</u>	<u>(7,355)</u>
Net current assets	4,593	3,242	3,707
Creditors - after one year	(139)	(187)	-
Provision for liabilities and charges	(78)	(78)	(78)
	<u>13,533</u>	<u>11,898</u>	<u>12,643</u>
Capital and reserves			
Called up share capital	1,818	1,818	1,818
Share premium account	625	625	625
Capital redemption reserve	109	109	109
Revaluation reserve	611	619	615
Profit and loss account	10,370	8,727	9,476
	<u>13,533</u>	<u>11,898</u>	<u>12,643</u>

Consolidated Cash Flow Statement

	Six months Ended 30 September 2000 £000	Six months ended 30 September 1999 £000	Year ended 31 March 2000 £000
Net cash inflow from operating activities			
Operating profit	1,684	1,564	3,308
Non cash items - depreciation and amortisation	778	773	1,448
- other	-	-	(35)
Changes in working capital	(1,899)	(1,087)	(279)
	563	1,250	4,442
Returns on investments and servicing of finance			
Interest paid	(31)	(19)	(36)
Interest received	8	16	29
	(23)	(3)	(7)
Corporation tax paid	(299)	-	(1,173)
Investing activities			
Purchase of tangible fixed assets	(927)	(431)	(1,077)
Proceeds from sale of tangible fixed assets	6	28	37
	(921)	(403)	(1,040)
Equity dividends paid	(542)	(532)	(810)
Net cash inflow/(outflow) before financing	(1,222)	312	1,412
Financing			
Purchase of own shares	-	(908)	(908)
Repayment of loan notes	(654)	-	-
Increase/(decrease) in cash	(1,876)	(596)	504
Reconciliation of net cash flow to movement in net debt			
Increase/(decrease) in cash in the period	(1,876)	(596)	504
Issue of loan notes 2001/2002	(504)	-	-
Repayment of loan notes 2000/2001	654	-	-
Movement in net debt	(1,726)	(596)	504
Opening net debt	437	(67)	(67)
Closing net debt	(1,289)	(663)	437

Notes:

1. Preparation of interim accounts

This interim statement has been prepared on the basis of the accounting policies set out on page 20 of the 2000 Annual Report and Accounts.

The results for the year to 31 March 2000 are an abridged version of the full accounts which have been filed with the Registrar of Companies. The report of the auditors was unqualified and did not contain a statement under section 237(2) or (3) of the Companies Act 1985. The figures for the six months ended 30 September 1999 and 30 September 2000 have not been audited.

2. Dividend

The interim dividend of 3.75p per share will be paid on 18 December 2000 to all shareholders registered at the close of business on 24 November 2000.

3. Earnings per share

The calculation of basic earnings per share is based on the profit after tax of £1,163,000 (1999: £1,093,000) and the weighted average of ordinary shares in issue and ranking for dividend of 7,272,158 shares (1999:7,520,639).

Diluted earnings per share is based on 7,302,742 shares (1999: 7,552,947) after adjusting for the dilution effect of the potential exercise of share options.

4. Analysis of net debt

	1 April 2000 £000	Cash Movement £000	Non Cash Movement £000	30 September 2000 £000
Cash at bank and in hand	1,091	(1,876)	-	(785)
Loan Notes 2000/2001 repaid	(654)	654	-	-
Loan Notes 2001/2002 issued	-	-	(504)	(504)
Net debt	437	(1,222)	(504)	(1,289)

5. Reconciliation of movement in shareholders' funds

	30 September 2000 £000	30 September 1999 £000	31 March 1999 £000
Profit after tax	1,163	1,093	2,284
Dividends	(273)	(258)	(800)
Goodwill eliminated on consolidation	-	-	96
Purchase of own shares	-	(908)	(908)
	890	(73)	672
Opening shareholders' funds	12,643	11,971	11,971
Closing shareholders' funds	13,533	11,898	12,643