



CHAMBERLIN & HILL PLC

PRELIMINARY ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31 MARCH 2002

Financial Highlights

	2002	2001
	£000	£000
Turnover	30,548	32,521
Profit before tax	2,526	2,593
Fully diluted earnings per share	24.0p	24.8p
Dividends per share	11.85p	11.50p

Chairman's Statement

Trading conditions remained demanding throughout the year and both profit and earnings declined slightly. Profit before tax was £2.526 million compared to £2.593 million in 2001, while fully diluted earnings were 24.0p against 24.8p last year.

The Company came out of the year in a strong position. We continued to invest in state of the art equipment and in new product development. We reorganised for the future and looked for suitable additions to the Group, finding one in the foundry sector which is being brought alongside our Scunthorpe plant. Our pursuit of higher productivity throughout the Company was again successful.

In a period when sales declined by some 6%, net margins were maintained and the resulting cash flow delivered net funds of £626,000 at the year end as against net debt of £326,000 a year ago.

The Directors are recommending a final dividend of 8.00p (7.75p) making a total for the year of 11.85p (11.50p), an increase of 3%. The dividend will be twice covered.

At the start of the new year our markets are looking to improve, but as yet it is still one step forward and half a step back. We expect the autumn to bring firmer markets, and we will bring shareholders up to date with progress at the July AGM.

John Eccles

Chairman

Summarised Group Profit and Loss Account

2002	2001
	<i>Restated</i>

	£000	£000
Turnover	<u>30,548</u>	<u>32,521</u>
Operating profit before exceptional item	2,545	2,965
Exceptional item – restructuring costs	<u>-</u>	<u>(340)</u>
Operating profit after exceptional item	2,545	2,625
Interest payable	<u>(19)</u>	<u>(32)</u>
Profit before taxation	<u>2,526</u>	<u>2,593</u>
Taxation	<u>(778)</u>	<u>(783)</u>
Profit after taxation	<u>1,748</u>	<u>1,810</u>
Dividend	<u>(866)</u>	<u>(836)</u>
Retained profit	<u>882</u>	<u>974</u>
Basic earnings per share	24.0p	24.9p
Fully diluted earnings per share	24.0p	24.8p
Dividend per share		
proposed final	8.0p	7.75p
interim already paid	3.85	3.75p

Statement of Total Recognised Gains and Losses

	2002	2001
	£000	<i>Restated</i> £000
Profit after taxation	1,748	1,810
Prior year adjustment - adoption of FRS 19 “Deferred Taxation”	<u>(752)</u>	<u>-</u>
Total recognised gain	<u>996</u>	<u>1,810</u>

Summarised Group Balance Sheet

	£000	As at 31 March 2002 £000	£000	As at 31 March 2001 <i>Restated</i> £000
Fixed assets		9,121		9,567
Current assets				
Stock	3,362		3,322	
Debtors	6,634		6,922	
Cash at bank and in hand	<u>626</u>		<u>178</u>	
	10,622		<u>10,422</u>	
Creditors – under one year	<u>(5,124)</u>		<u>(6,292)</u>	
Net current assets		5,498		4,130
Provisions		<u>(790)</u>		<u>(830)</u>
		<u>13,829</u>		<u>12,867</u>
Capital and reserves				
Called up share capital		1,830		1,818
Share premium account		693		625
Reserves		<u>11,306</u>		<u>10,424</u>
		<u>13,829</u>		<u>12,867</u>

Reconciliation of Movement in Shareholders' Funds

	2002	2001
	£000	<i>Restated</i> £000
Profit for the year	1,748	1,810
Dividends	(866)	(836)
Issue of share capital	80	-
Net movement in the year	962	974
Opening shareholders' funds	12,867	12,643
	13,829	13,617
Prior year adjustment	-	(750)
Closing shareholders' funds	13,829	12,867

Summarised Cash Flow Statement

	2002	2001
	£000	£000
Net cash inflow from operating activities	3,586	3,548
Return on investments and servicing of finance	(19)	(32)
Taxation paid	(778)	(1,015)
Net capital expenditure and financial investment	(1,073)	(1,946)
Dividends paid	(844)	(814)
Net cash flow before financing	872	(259)
Financing: redemption of loan notes	(504)	(654)
issue of shares (incl. premium)	80	-
Increase/(decrease) in cash and bank balances	448	(913)

Reconciliation of operating profit to net cash flow from operating activities

	2002	2001
	£000	£000
Operating profit	2,545	2,965
Exceptional item – restructuring costs	-	(217)
Depreciation	1,541	1,474
Profit on disposals	(95)	(9)
Government grants credited	(10)	(10)
Decrease/(Increase) in stock	(40)	14
Decrease/(Increase) in debtors	288	(303)
(Decrease) in creditors	(643)	(366)
Net cash inflow from operating activities	3,586	3,548

Notes:

1. The results for the year to 31 March 2002 have been extracted from the financial statements for the year which have been audited and will be filed with the Registrar of Companies. The results for the year to 31 March 2001 are an abridged version of the Company's full accounts for that year

which received an unqualified report by the auditors and have been filed with the Registrar of Companies. Following the adoption of Financial Reporting Standard 19 “Deferred Taxation” the results for the year ended 31 March 2001 have been restated where appropriate.

2. The calculation of basic earnings per share is based on a profit of £1,748,000 (2001: £1,810,000) and a weighted average of 7,274,281 shares (2001: 7,272,158) in issue during the period.
3. A copy of the Annual Report and Accounts for the year ended 31 March 2002 will be posted to shareholders in the week commencing 24 June 2002. The Annual General Meeting will be held on Friday, 26 July 2002.
4. Subject to shareholders’ approval at the Annual General Meeting, the dividend will be paid on 26 July 2002 to ordinary shareholders registered at the close of business on Friday, 5 July 2002.