

**TEX HOLDINGS PLC
INTERIM STATEMENT**

TEX HOLDINGS PLC
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TEX HOLDINGS PLC
CHAIRMAN'S STATEMENT

Tex Group turnover for the six months to 30th June 2011 amounted to £18m, a 14% increase over the comparable figure in 2010. Pre-tax profit totalled £432k, which represents a 38% improvement over the previous year's first half performance.

Sales in all divisions were up on the comparable period in 2010 and, as a result, all divisions are now reporting operating profits.

The current incoming order position is promising. We cannot though ignore the threat of world economic difficulties. Because of this we continue to provide a note of caution to our trading position which, as it stands, is satisfactory. A number of large contracts with blue chip customers are approaching fruition and these could, if achieved, improve trading volumes.

Cash and cost control remain high on the corporate agenda so as to position the Group to take advantage of the upturn when it finally occurs.

The Board is proposing to pay an interim dividend of 1.5 pence (2010: 1.0 pence) which will be paid on 10th October 2011 to shareholders on the register as at 16th September 2011.

ARB Burrows
Chairman
22nd August 2011

TEX HOLDINGS PLC
RESPONSIBILITY STATEMENT
in respect of the interim financial report

We confirm that to the best of our knowledge:

- the condensed set of financial statements has been prepared in accordance with IAS 34 “Interim Financial Reporting” as adopted by the EU;
- the interim management report includes a fair review of the information required by Disclosure and Transparency Rules (“DTR”) 4.2.7R (indication of the important events during the first six months and description of principal risks and uncertainties for the remaining six months of the year); and
- the interim management report includes a fair review of the information required by DTR 4.2.8R (disclosure of related parties’ transactions and changes therein).

A R B Burrows
Chairman
22nd August 2011

TEX HOLDINGS PLC
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	6 months ended 30.06.11 (Unaudited) £000	6 months ended 30.06.10 (Unaudited) £000	Year ended 31.12.10 (Audited) £000
Revenue	3	18,304	16,039	33,103
Cost of sales		(12,444)	(10,521)	(24,791)
Gross profit		5,860	5,518	8,312
Selling and marketing costs		(410)	(325)	(742)
Administrative expenses		(4,880)	(4,733)	(6,717)
Operating profit		570	460	853
Finance costs		(138)	(148)	(165)
Profit before tax		432	312	688
Taxation		(126)	(89)	(130)
Profit for the period attributable to the equity holders of the parent		306	223	558
Other comprehensive income:				
Actuarial gain arising in defined benefit pension scheme		-	-	941
Tax recognised on actuarial gain in defined pension scheme		-	-	(263)
Total comprehensive income for the period		306	223	1,236
Basic and diluted earnings per share		4.8p	3.5p	8.8p

TEX HOLDINGS PLC
CONSOLIDATED BALANCE SHEET

	Notes	30.06.11 (Unaudited) £000	30.06.10 (Unaudited) £000	31.12.10 (Audited) £000
ASSETS				
Non-current assets				
Property, plant and equipment	7	5,515	5,997	5,599
Goodwill		-	218	-
Deferred tax assets		-	145	-
		<u>5,515</u>	<u>6,360</u>	<u>5,599</u>
Current assets				
Stocks		6,313	5,345	5,626
Trade and other receivables		9,139	8,389	7,754
		<u>15,452</u>	<u>13,734</u>	<u>13,380</u>
Total assets		<u><u>20,967</u></u>	<u><u>20,094</u></u>	<u><u>18,979</u></u>
EQUITY				
Capital and reserves attributable to the equity holders of the parent				
Share capital		635	635	635
Other reserves		2,906	2,906	2,906
Retained earnings		4,203	3,011	3,897
Total equity		<u><u>7,744</u></u>	<u><u>6,552</u></u>	<u><u>7,438</u></u>
LIABILITIES				
Non-current liabilities				
Other interest bearing loans and borrowings		1,560	2,251	1,890
Employee benefits		1,137	2,206	1,137
Deferred tax liabilities		12	-	12
		<u>2,709</u>	<u>4,457</u>	<u>3,039</u>
Current liabilities				
Bank overdraft		854	714	285
Other interest bearing loans and borrowings		1,025	877	919
Trade and other payables		8,097	7,127	6,889
Tax payable		538	367	409
		<u>10,514</u>	<u>9,085</u>	<u>8,502</u>
Total liabilities		<u><u>13,223</u></u>	<u><u>13,542</u></u>	<u><u>11,541</u></u>
Total equity and liabilities		<u><u>20,967</u></u>	<u><u>20,094</u></u>	<u><u>18,979</u></u>

TEX HOLDINGS PLC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital	Capital Redemption Reserve	Share Premium Account	Retained Earnings	Total Equity
	£000	£000	£000	£000	£000
Balance at 1 January 2010	635	16	2,890	2,788	6,329
Profit for the period	-	-	-	223	223
Pension fund actuarial movement net of tax	-	-	-	-	-
Dividends paid	-	-	-	-	-
	-	-	-	223	223
Balance at 30 June 2010	635	16	2,890	3,011	6,552
Balance at 1 January 2010	635	16	2,890	2,788	6,329
Profit for the period	-	-	-	558	558
Pension fund actuarial movement net of tax	-	-	-	678	678
Dividends paid	-	-	-	(127)	(127)
	-	-	-	1,109	1,109
Balance at 31 December 2010	635	16	2,890	3,897	7,438
Balance at 1 January 2011	635	16	2,890	3,897	7,438
Profit for the period	-	-	-	306	306
Pension fund actuarial movement net of tax	-	-	-	-	-
Dividends paid	-	-	-	-	-
	-	-	-	306	306
Balance at 30 June 2011	635	16	2,890	4,203	7,744

TEX HOLDINGS PLC
CONSOLIDATED STATEMENT OF CASH FLOWS

	6 months ended 30.06.11 (Unaudited) £000	6 months ended 30.06.10 (Unaudited) £000	Year ended 31.12.10 (Audited) £000
Cash flows from operating activities			
Profit for the period	306	223	558
Adjustments for:			
Depreciation	469	490	1,014
Goodwill impairment	-	-	218
Financial expense	138	148	165
Loss on sale of property, plant and equipment	(5)	-	(18)
Taxation	126	89	130
Operating profit before changes in working capital and provisions	1,034	950	2,067
Movement in trade and other receivables	(1,385)	(1,160)	(525)
Movement in stock	(687)	(111)	(392)
Movement in trade and other payables	1,208	480	242
Movement in employee benefits	-	-	(150)
Cash generated from operations	170	159	1,242
Income tax paid	3	(11)	(116)
Net cash generated from operating activities	173	148	1,126
Cash flows from investing activities			
Purchases of property, plant and equipment (PPE)	(479)	(407)	(610)
Proceeds from sale of PPE	99	25	119
Purchase of goodwill	-	-	-
Net cash used in investing activities	(380)	(382)	(491)
Cash flows from financing activities			
New borrowings	-	-	-
New finance leases	347	121	207
Repayments of borrowings	(350)	(350)	(700)
Finance lease payments	(221)	(141)	(195)
Interest paid	(138)	(148)	(143)
Dividends paid to company's shareholders	-	-	(127)
Net cash used in financing activities	(362)	(518)	(958)
Net decrease in cash and cash equivalents	(569)	(752)	(323)
Cash and cash equivalents at beginning of the period	(285)	38	38
Cash and cash equivalents at end of the period	(854)	(714)	(285)

TEX HOLDINGS PLC
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of preparation

The condensed financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards as adopted by EU and in accordance with International Accounting Standard (IAS) 34 Interim Financial Reporting.

The comparative figures for the financial year ended 31st December 2010 are not the Company's statutory accounts for that financial year. Those accounts have been reported on by the Company's auditors and delivered to the Registrar of Companies. The report of the auditors was (i) unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

2. Significant accounting policies

The condensed financial statements have been prepared under the historical cost convention, except for the revaluation of certain properties and financial instruments.

The same accounting policies, presentation and methods of computation are followed in these condensed financial statements as were applied in the preparation of the Group's financial statements for the year ended 31st December 2010.

3. Segment information

The following is an analysis of the revenue and results for the period, analysed by business segment, the Group's primary basis of segmentation.

	Plastics	Engineering	Boards & Panels	Total for continuing operations
2011	£000	£000	£000	£000
Revenue				
External sales	10,536	5,748	2,020	18,304
Inter segment sales	-	-	-	-
Total revenue from continuing operations	10,536	5,748	2,020	18,304
Result				
Segment result from continuing operations	460	191	91	742
Expenses pertaining to the Company				(172)
Operating profit				570
Finance costs				(138)
Profit before tax				432
Taxation				(126)
Profit for the period from continuing operations				306

TEX HOLDINGS PLC
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

3. Segment information (continued)

Segment information about the Group's continuing operations is presented below.

	Plastics	Engineering	Boards & Panels	Total for continuing operations
2010	£000	£000	£000	£000
Revenue				
External sales	9,177	4,889	1,973	16,039
Inter segment sales	-	-	-	-
Total revenue from continuing operations	9,177	4,889	1,973	16,039
Result				
Segment result from continuing operations	228	237	(67)	398
Expenses pertaining to the Company				62
Operating profit				460
Finance costs				(148)
Profit before tax				312
Taxation				(89)
Profit for the period from continuing operations				223

4. Income tax (charge) credit

Interim period income tax is accrued based on the estimated average annual effective income tax rate of 28.5% (6 months ended 30th June 2010: 30%).

5. Earnings per share

Basic earnings per share of 4.8p (2010: 3.5p) is based on the following data.

Earnings	6 months ended 30.06.11 (Unaudited) £000	6 months ended 30.06.10 (Unaudited) £000
Earnings for the purposes of basic earnings per share (profit for the period attributable to equity holders of the parent)	306	223
Number of shares		
Weighted average number of ordinary shares for the purposes of basic earnings per share	6,351,452	6,351,452

TEX HOLDINGS PLC
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

6. Dividends

During the interim period no dividends were paid (2010: £Nil).

7. Property, plant and equipment

During the period, the Group spent £479,000 on additions to the plant and equipment.

It also disposed of certain machinery and equipment with a carrying value of £94,000 for proceeds of £99,000.

8. Contingencies and commitments

None to report.

9. Events after the balance sheet date

None to report.

10. Related party transactions

The Company has a related party relationship with its subsidiaries and directors.

A R B Burrows was a director of Edward Le Bas Properties Limited through which the Group rents properties at normal commercial rates. Transactions during the period ended 30th June 2011 that require disclosure are detailed below:

Rentals paid	£141,000 (30 June 2010: £103,000)
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Trade Creditor	£Nil (30 June 2010: £Nil)
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A R B Burrows is a trustee and a beneficiary of the Pension and Assurance Scheme of Edward Le Bas Limited, which is a substantial shareholder in the Company.

All intra-group related party transactions and outstanding balances are eliminated in the preparation of the consolidated financial statements of the Group and therefore in accordance with IAS 24 related party disclosures are not disclosed.

11. Approval of interim financial statements

The interim financial statements were approved by the Board of Directors on 22nd August 2011.