



Wogen plc

**INTERIM REPORT
2007**

FINANCIAL HIGHLIGHTS

for the six months ended 31 March 2007

Turnover	£106 million (2006: £107 million)
Profit before taxation	£2.8 million (2006: £2.8 million)
Earnings per share	4.4p (2006: 4.2p)
Net assets	£32 million (2006: £32 million)

DIRECTORS AND ADVISERS

Directors	Richard Nelson* – <i>Chairman</i> Colin Williams – <i>Deputy Chairman</i> Allan Kerr – <i>Chief Executive Officer</i> Peter Watkins – <i>Chief Operating Officer and Finance Director</i> Douglas Hunter Norman Ting Damian Brousse Tony Shearer* <i>*Non-executive</i>
Secretary and registered office	Jeremy Gorman 4 The Sanctuary Westminster London SW1P 3JS
Auditors	BDO Stoy Hayward LLP 8 Baker Street London W1U 3LL
Nominated adviser and Stockbroker	Bridgewell Limited Old Change House 128 Queen Victoria Street London EC4V 4BJ
Registrars	Capita Registrars The Registry 34 Beckenham Road Beckenham Kent BR3 4TU
Company number	1069389 Registered in England

CHAIRMAN'S STATEMENT

for the six months ended 31 March 2007

Results

For the six months ended 31 March 2007 the profit before tax was £2.78 million (six months ended 31 March 2006: £2.75 million) and the turnover was £106 million (six months ended 31 March 2006: £107 million).

Dividend

The Board is declaring an interim dividend of 2.45p per share (interim dividend 2006: 2.45p), payable on 27 July 2007 to shareholders on the register on 6 July 2007. This is in line with our stated intention, subject to unforeseen circumstances, to pay a dividend at the same level as the previous year.

International Developments

The Company has continued to expand its team in China and we are seeing a build up of the domestic trading business in that country.

Two new offices have been opened, one in Chengdu, China and the other in Zaporozhye, Ukraine.

As announced on 6 June, the Company has entered into an agreement to purchase a small minority share of the equity of Beaver Brook Antimony Mine Inc, based in Newfoundland, Canada. At the same time, our trading subsidiary Wogen Resources Ltd has entered into a marketing agreement for the product of the mine. Beaver Brook Antimony Mine was prospected initially by Noranda Exploration in 1988 onwards and trial production initiated in 1998, after which the project was placed on a care and maintenance basis due to low Antimony prices. It is planned to bring the mine back into production by late 2007.

Board Appointments

Neil Poulter, who has been the Group's Financial Controller since 1999, will be appointed Finance Director with effect from 1 October 2007. At that time, Peter Watkins, who is currently Chief Operating Officer and Finance Director, will take up a new board position as Director of Corporate Development.

Current trading and prospects

Trading conditions in the specialty metals market have improved during the last six months, notably in the Platinum Group Metals where new applications in the glass and hard disk industries have increased demand particularly in Rhodium and Ruthenium. There has also been good demand from the Superalloy sector for metals such as Cobalt, Chrome and Rhenium.

In general, trading conditions in the specialty metals markets are better than this time last year, but there is still short-term volatility in some metals.

Richard Nelson
Chairman

14 June 2007

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
for the six months ended 31 March 2007**

		<i>6 months ended 31 March 2007 (unaudited) £'000</i>	<i>6 months ended 31 March 2006 (unaudited) £'000</i>	<i>Year ended 30 September 2006 (audited) £'000</i>
	<i>Notes</i>			
Turnover		106,003	107,212	208,113
Cost of sales		(99,116)	(100,649)	(199,793)
Gross profit		6,887	6,563	8,320
Net operating expenses		(3,446)	(3,267)	(5,467)
Operating profit		3,441	3,296	2,853
Other interest receivable and similar income		12	8	191
Interest payable and similar charges		(672)	(551)	(1,350)
Profit on ordinary activities before taxation		2,781	2,753	1,694
Taxation on profit for the year		(814)	(871)	(462)
Profit on ordinary activities after taxation	7	1,967	1,882	1,232
Earnings per share – basic	2	4.4p	4.2p	2.8p
– diluted	2	4.4p	4.2p	2.8p

**CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
for the six months ended 31 March 2007**

		<i>6 months ended 31 March 2007 (unaudited) £'000</i>	<i>6 months ended 31 March 2006 (unaudited) £'000</i>	<i>Year ended 30 September 2006 (audited) £'000</i>
	<i>Notes</i>			
Profit on ordinary activities after taxation	7	1,967	1,882	1,232
Currency translation differences arising on consolidation		(122)	41	(51)
Actuarial gains relating to the year and recognised since the last annual report		—	—	55
Deferred tax on pension asset		—	—	(17)
Total recognised gains relating to the period and recognised since the last annual report		1,845	1,923	1,219
Change in accounting policy for pensions		—	315	315
		1,845	2,238	1,534

WOGEN PLC
CONSOLIDATED BALANCE SHEET
as at 31 March 2007

	Notes	31 March 2007 (unaudited)		31 March 2006 (unaudited)		30 September 2006 (audited)	
		£'000	£'000	£'000	£'000	£'000	£'000
Fixed assets							
Tangible assets			582	534		620	
Investments			99	99		99	
			<u>681</u>	<u>633</u>		<u>719</u>	
Current assets							
Stocks	3	37,461		44,463		37,530	
Debtors	4/5	19,781		20,556		18,029	
Cash at bank		736		483		791	
		<u>57,978</u>		<u>65,502</u>		<u>56,350</u>	
Creditors: amounts falling due within one year	6	(26,809)		(34,228)		(26,969)	
Net current assets			<u>31,169</u>	<u>31,274</u>		<u>29,381</u>	
Total assets less current liabilities			31,850	31,907		30,100	
Provisions for liabilities			(222)	(171)		(221)	
Net assets excluding pension asset			<u>31,628</u>	<u>31,736</u>		<u>29,879</u>	
Pension asset			<u>368</u>	<u>315</u>		<u>368</u>	
Net assets including pension asset			<u><u>31,996</u></u>	<u><u>32,051</u></u>		<u><u>30,247</u></u>	
Capital and reserves							
Called up share capital			2,245	2,245		2,245	
Share premium account			2	2		2	
Capital redemption reserve			400	400		400	
Capital reserve			87	87		87	
Revaluation reserve			181	181		181	
Profit and loss account			<u>29,081</u>	<u>29,136</u>		<u>27,332</u>	
Shareholders' funds	7		<u><u>31,996</u></u>	<u><u>32,051</u></u>		<u><u>30,247</u></u>	

CONSOLIDATED CASH FLOW STATEMENT for the six months ended 31 March 2007

	Notes	6 months ended 31 March 2007 (unaudited)		6 months ended 31 March 2006 (unaudited)		Year ended 30 September 2006 (audited)	
		£'000	£'000	£'000	£'000	£'000	£'000
Net cash inflow/(outflow) from operating activities	8		1,834		(9,972)		(469)
Returns on investment and servicing of finance							
Interest received		12		8		35	
Other finance income		(96)		—		135	
Interest paid		(672)		(551)		(1,350)	
			(756)		(543)		(1,180)
Taxation							
Taxation paid			(102)		(4,287)		(4,733)
Capital expenditure and financial investment							
Sale of fixed asset investments		—		15		—	
Sale of tangible fixed assets		2		—		10	
Purchase of tangible fixed assets		(33)		(45)		(199)	
			(31)		(30)		(189)
Dividends paid			—		—		(1,100)
Management of liquid resources							
Sale of current asset investments		—		—		17	
Increase/(decrease) in cash in the period			945		(14,832)		(7,654)

NOTES TO THE INTERIM FINANCIAL INFORMATION

for the six months ended 31 March 2007

1. Basis of preparation

The financial information has been prepared in accordance with applicable accounting standards in the United Kingdom and under the historical cost convention rules as modified by the revaluation of short leasehold properties. The accounting policies applied are consistent with those in the Group's statutory accounts for the year ended 30 September 2006. Early adoption of IFRS has not been made.

The financial information for the year ended 30 September 2006 in this Interim Report does not constitute statutory accounts for that period, but is derived from the statutory accounts for that year which have been delivered to the Registrar of Companies. The auditors have reported on those accounts; their report was unqualified and did not contain statements under section 237(2) or (3) of the Companies Act 1985. The unaudited profit and loss account for each of the six month periods and the unaudited balance sheets as at 31 March 2007 and 31 March 2006 do not amount to full accounts within the meaning of Section 240 of the Companies Act 1985 and have not been delivered to the Registrar of Companies. The Interim Report is unaudited and does not constitute Statutory Accounts.

As reported in the year ended 30 September 2006 statutory accounts the group has adopted FRS 17 'Retirement benefits', which replaces SSAP 24 'Accounting for pensions'. Contributions to the group's defined benefit pension scheme were charged to the profit and loss account so as to spread the cost of pensions over employees' expected working lives with the group. FRS 17 requires that the pension scheme surplus or deficit is recognised in full. The effect of this accounting policy change on the 31 March 2006 comparatives is that net assets have been increased by £315,000. There was no effect on the profit for the period after taxation or on the statement of recognised gains and losses.

2. Earnings per share

Basic earnings per share for the six months ended 31 March 2007 has been calculated on the profit after taxation of £1,967,000 (31 March 2006: £1,882,000, 30 September 2006: £1,232,000), and on a weighted average number of 44,467,000 (31 March 2006: 44,905,000, 30 September 2006: 44,592,000) shares in issue during the period.

Diluted earnings per share for the six months ended 31 March 2007 has been calculated on the profit after taxation of £1,967,000 (31 March 2006: £1,882,000, 30 September 2006: £1,232,000), and on a weighted average number of 44,472,000 (31 March 2006: 45,027,000, 30 September 2006: 44,639,000) shares in issue during the period.

3. Stocks

	<i>6 months ended 31 March 2007 (unaudited) £'000</i>	<i>6 months ended 31 March 2006 (unaudited) £'000</i>	<i>Year ended 30 September 2006 (audited) £'000</i>
Metals and minerals	37,461	44,299	36,671
Raw materials	—	164	859
	<u>37,461</u>	<u>44,463</u>	<u>37,530</u>

4. Debtors due within one year

	<i>6 months ended 31 March 2007 (unaudited) £'000</i>	<i>6 months ended 31 March 2006 (unaudited) £'000</i>	<i>Year ended 30 September 2006 (audited) £'000</i>
Trade debtors	18,779	18,290	16,574
Other debtors	106	1,731	302
Prepayments	629	—	217
Corporation tax recoverable	—	—	581
Deferred tax	177	214	177
	<u>19,691</u>	<u>20,235</u>	<u>17,851</u>

5. Debtors due after more than one year

	<i>6 months ended 31 March 2007 (unaudited) £'000</i>	<i>6 months ended 31 March 2006 (unaudited) £'000</i>	<i>Year ended 30 September 2006 (audited) £'000</i>
Deferred tax	90	321	178

6. Creditors: amounts falling due within one year

	<i>6 months ended 31 March 2007 (unaudited) £'000</i>	<i>6 months ended 31 March 2006 (unaudited) £'000</i>	<i>Year ended 30 September 2006 (audited) £'000</i>
Bank overdrafts	19,792	27,662	20,792
Trade creditors	4,729	4,885	4,260
Taxation and social security	570	747	81
Accruals and deferred income	1,718	934	1,836
	<u>26,809</u>	<u>34,228</u>	<u>26,969</u>

7. Reconciliation of movements in shareholders' funds

	<i>6 months ended 31 March 2007 (unaudited) £'000</i>	<i>6 months ended 31 March 2006 (unaudited) £'000</i>	<i>Year ended 30 September 2006 (audited) £'000</i>
Profit for the period	1,967	1,882	1,232
Dividends	—	—	(1,100)
Retained profit for the year	1,967	1,882	132
Other recognised gains and losses	(122)	41	(13)
Company shares purchased by Employees Trust	(96)	-	-
Net addition to shareholders' funds	<u>1,749</u>	<u>1,923</u>	<u>119</u>
Opening shareholders' funds	30,247	30,128	30,128
Closing shareholders' funds	<u>31,996</u>	<u>32,051</u>	<u>30,247</u>

8. Reconciliation of operating profit to net cash inflow/(outflow) from operating activities

	<i>6 months ended 31 March 2007 (unaudited) £'000</i>	<i>6 months ended 31 March 2006 (unaudited) £'000</i>	<i>Year ended 30 September 2006 (audited) £'000</i>
Operating profit	3,441	3,296	2,853
Depreciation	53	31	74
Currency translations on consolidation	(104)	41	(22)
Decrease/(increase) in stocks	69	(1,721)	5,212
(Increase)/decrease in debtors	(2,421)	(2,804)	124
Increase/(decrease) in creditors	797	(8,850)	(8,779)
Net loss on sale of investments	—	10	8
Net profit on sale of fixed assets	(2)	—	(14)
Net movement on dilapidation provision	1	25	75
Net cash inflow/(outflow) from operating activities	<u>1,834</u>	<u>(9,972)</u>	<u>(469)</u>

9. Shareholder Information

Copies of this interim statement will be posted to shareholders shortly. Additional copies can be downloaded from the Company's web-site at www.wogen.com or are available from the Company Secretary at the Company's registered office 4 The Sanctuary, Westminster, London SW1P 3JS.

WOGEN PLC
INDEPENDENT REVIEW REPORT
to the Shareholders of Wogen plc

Introduction

We have been instructed by the company to review the financial information for the six months ended 31 March 2007 on pages 3 to 7. We have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the financial information.

Our report has been prepared in accordance with the terms of our engagement to assist the company in meeting the requirements of the rules of the London Stock Exchange for companies trading securities on the Alternative Investment Market and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of our terms of engagement or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Directors' responsibilities

The interim report, including the financial information contained therein, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the interim report in accordance with the rules of the London Stock Exchange for companies trading securities on the Alternative Investment Market which require that the half-yearly report be presented and prepared in a form consistent with that which will be adopted in the company's annual accounts having regard to the accounting standards applicable to such annual accounts.

Review work performed

We conducted our review in accordance with guidance contained in Bulletin 1999/4 issued by the Auditing Practices Board for use in the United Kingdom by auditors of fully listed companies. A review consists principally of making enquiries of group management and applying analytical procedures to the financial information and underlying financial data and based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit performed in accordance with United Kingdom Auditing Standards and therefore provides a lower level of assurance than an audit. Accordingly we do not express an audit opinion on the financial information.

Review conclusion

On the basis of our review we are not aware of any material modifications that should be made to the financial information as presented for the six months ended 31 March 2007.

BDO Stoy Hayward LLP
Chartered Accountants
London

14 June 2007

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