

Chairman's Statement

FINANCIAL RESULTS

Profit Before Taxation for the six months was the same as the previous year at £702,000 (2002: £702,000) on Turnover 7.3% higher at £8,004,000 (2002: £7,456,000). Operating Profit was slightly higher at £617,000 (2002: £616,000) with interest income slightly down at £85,000 (2002: £86,000). Influenced by the buy back by the Company of 560,000 of its own shares, the basic earnings per share were up 5.1% at 4.54p (2002: 4.32p). The Directors have declared an unchanged interim dividend of 2.3p (2002: 2.3p).

COMMENTARY

Although there have been some signs of reduced customer confidence, I am pleased to report increased sales each month over the corresponding month of the previous year. Whilst the majority of the increase can be attributed to improved demand for our handle and stay ranges, we have continued to gain market penetration with our Select and Maxiglaze ventilation ranges. I am also pleased to report that export sales have shown further improvements.

Our commitment to extra resources in the areas of Sales, Marketing and Research and Development has been considerable but appears to be paying dividends. Whilst current profits have remained static, we are confident that longer-term profit growth will be best achieved through our present strategies and through prudent management.

I am also able to report the purchase, in March 2003, of a 23,000 sq ft freehold unit adjacent to our current factory complex. This will enable us to terminate an existing lease and to improve operational efficiency during 2004.

PROSPECTS

We continue to monitor the development of proposed new Building Regulations, which are fundamental to our UK ventilation sales. Whilst still experiencing some uncertainty with the proposed changes, we will be introducing new products during the coming trading period to expand our product range into other areas of domestic ventilation. Whilst the outlook remains uncertain, if greater stability in UK and other markets can be achieved in the coming months, I hope to be reporting further positive news at the end of the financial year.

J N Anderson
Chairman
8 May 2003

Titon Holdings Plc

Interim Results for the six months ended 31 March 2003

	Six Months to 31.3.03 (Unaudited) £'000	Six Months to 31.3.02 (Unaudited) £'000	Year to 30.9.02 (Audited) £'000
Turnover	8,004	7,456	15,283
Operating Profit	617	616	1,386
Interest receivable	85	86	171
Interest payable and similar charges	-	-	(4)
Profit on ordinary activities before taxation	702	702	1,553
Taxation	(211)	(224)	(463)
Profit attributable to shareholders	491	478	1,090
Dividend payable	(242)	(254)	(785)
Retained Profit	249	224	305
Basic earnings per share	4.54p	4.32p	9.85p
Diluted earnings per share	4.53p	4.32p	9.83p
Ordinary dividend per share	2.3p	2.3p	7.1p

Notes:

1. Basic earnings per share has been calculated by dividing the Profit attributable to shareholders by the weighted average number of ordinary shares in issue during the period, being 10,812,969 (Year ended 30 September 2002: 11,062,200; Six months ended 31 March 2002: 11,062,200).

Diluted earnings per share has been calculated by dividing the Profit attributable to shareholders by the weighted average number of dilutive potential ordinary shares during the period, being 10,835,581 (Year ended 30 September 2002: 11,090,291; Six months ended 31 March 2002: 11,072,927).

2. The actual results for the year ended 30 September 2002 are an abridged version of the Company's 2002 accounts which have been filed with the Registrar of Companies. The Report of the Auditors on the 2002 accounts was unqualified.

The results for the six months ended 31 March 2003 have been prepared on a basis consistent with the accounting policies set out in the statutory accounts for the year ended 30 September 2002.

3. The interim dividend will be payable on 1 July 2003 to the shareholders on the register on 6 June 2003. The ex dividend date is 4 June 2003.
4. This statement is being sent to shareholders and will be available from the Company's registered office at International House, Peartree Road, Stanway, Colchester, Essex CO3 0JL.

Titon Holdings Plc

Interim Results for the six months ended 31 March 2003 Consolidated Balance Sheet

	31.3.03 (Unaudited) £'000	31.3.02 (Unaudited) £'000	30.9.02 (Audited) £'000
Fixed Assets			
Tangible assets	4,058	3,497	3,347
Current Assets			
Stocks	2,507	2,402	2,237
Debtors	3,352	3,143	3,241
Cash at bank and in hand	3,917	4,098	5,004
	9,776	9,643	10,482
Creditors			
Amounts falling due within one year	3,332	2,444	3,043
Net Current Assets	6,444	7,199	7,439
Total assets			
Less current liabilities	10,502	10,696	10,786
Deferred taxation	(98)	(89)	(98)
	10,404	10,607	10,688
Capital And Reserves			
Called up share capital	1,050	1,106	1,106
Share premium	819	819	819
Capital redemption reserve	56	-	-
Profit and loss account	8,479	8,682	8,763
Equity shareholders' funds	10,404	10,607	10,688

Titon Holdings Plc

Interim Results for the six months ended 31 March 2003 Consolidated Cash Flow Statement

	Six Months to 31.3.03 (Unaudited) £'000	Six Months to 31.3.02 (Unaudited) £'000	Year to 30.9.02 (Audited) £'000
Net Cash Inflow From Operating Activities	574	689	2,114
Return On Investments			
Interest received	85	86	171
Interest paid	-	-	(4)
	85	86	167
Taxation			
UK Corporation tax	(208)	(251)	(520)
Capital Expenditure			
Purchase of tangible fixed assets	(1,023)	(275)	(429)
Sale of tangible fixed assets	25	26	33
	(998)	(249)	(396)
Equity Dividends Paid	(504)	(520)	(774)
Cash (Outflow)/Inflow Before Use Of Liquid Resources and Financing	(1,051)	(245)	591
Management Of Liquid Resources			
Disposal/(Purchase) of treasury deposits	1,700	300	(600)
Financing			
Purchase of ordinary share capital	(560)	-	-
Increase/(Decrease) In Cash	89	55	(9)