HAYNES PUBLISHING GROUP P.L.C.

INTERIM RESULTS FOR THE 6 MONTHS ENDED
30 November 2010

Haynes Publishing Group P.L.C. is the worldwide market leader in the production and sale of automotive and motorcycle repair manuals. Every Haynes manual is based on a complete vehicle strip-down and rebuild in our workshops, so that the instructions to our customers are inherently practical and easy to follow.

Through its Dutch subsidiary Vivid Holding BV, the Haynes Group is a leading European supplier of digital technical information to the motor trade, thereby broadening the Group's business to include professional as well as DIY mechanics and enthusiasts.

The Haynes Group also publishes many other DIY titles as well as an extensive array of books about motor sport, vehicles and general transport.

Financial Highlights

- Revenue of £15.70m (2009: £15.95m)
- Operating profit of £2.96m (2009: £3.00m)
- Profit before tax of £2.74m (2009: £2.75m)
- Basic earnings per share of 11.3 pence (2009: 11.7 pence)
- Net funds of £3.76m (2009: £2.36m)
- Interim dividend declared of 6.2 pence per share (2009: 6.2 pence)

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Cautionary Statement :

This report contains certain forward-looking statements with regard to the financial condition and results of the operations of Haynes Publishing Group P.L.C. These statements and forecasts involve risk factors which are associated with, but are not exclusive to, the economic and business circumstances occurring from time to time in the countries and sectors in which the Group operates. These forward-looking statements are made only as at the date of this announcement. Nothing in this announcement should be construed as a profit forecast. Except as required by law, Haynes Publishing Group P.L.C. has no obligation to update the forward-looking statements or to correct any inaccuracies therein.

INTERIM STATEMENT

Business overview

During the six months to 30 November 2010 the Haynes Group, has once again, delivered a solid trading performance in what continue to be difficult market conditions, with pre-tax profits in line with last year and net cash 59% ahead of November 2009.

In the US, market conditions in the automotive aftermarket remain challenging. Nevertheless, recognising the difficult environment in which we are operating, our focus has been on working closely with our key customers to implement new sales and marketing initiatives which we are confident will provide benefits to the business going forward. In the UK and Europe, softer trading conditions at the start of the period in both our UK automotive and general publishing markets impacted sales, but stronger trading in both markets towards the end of the first half helped to recover some of the earlier shortfall. While in The Netherlands, revenue from Vivid, in local currency, ended the six month period 2% behind the prior year.

On 1 September 2010 I was pleased to announce the appointment of Alex Kwarts to the Main Board. As one of the founders' of Vivid Holding BV, Alex has over 23 years of IT experience specialising in the development of IT and web based products and Alex brings to the table a set of skills which are both relevant and complimentary to the future strategic development plans for the Haynes Group.

Financial review

Income statement

Overall Group revenue ended the six months to 30 November 2010 down 2% on the prior period at £15.70 million (2009: £15.95 million). Revenue in local currency from the North American and Australian operation was down 1% on last year, but with an average US Dollar exchange rate against Sterling for the period of $1.56 against $1.64 last year, reportable US revenue was up 5%. In the UK and Europe, revenue ended the period 9% lower than last year, as stronger UK sales in the second quarter were unable to recover the shortfalls experienced during the first three months of the period and the impact of a weaker Sterling against the Euro reduced revenue from Vivid by £0.1 million.

During the first six months of the current financial year, Group advertising expenditure returned to more normal levels following the 50th Anniversary promotional activity in 2009/10. In addition, the UK & European operations incurred lower expenditure on restructuring costs of £0.14 million. As a result, Group operating profit ended the period 1% down on last year at £2.96 million (2009: £3.00 million).

With net finance costs of £0.22 million (2009: £0.24 million), which primarily relates to the interest charge on pension scheme liabilities net of the expected return on pension scheme assets, the Group's pre-tax profit ended the six month period at £2.74 million (2009: £2.75 million) giving a basic earnings per share of 11.3p (2009: 11.7p).

Balance sheet and cash flow

During the period the Group investment in capital equipment was £0.34 million (2009: £0.29 million) which primarily related to new production equipment for the US print facility, customer display racks and IT hardware.

As at 30 November 2010, the net deficit on the Group's US and UK retirement benefit schemes was £12.14 million (31 May 2010: £14.02 million). The reduction in the deficit of £1.88 million arises from a number of factors but most notably a small increase in the UK discount rate from 5.45% to 5.50% and a reduction in the UK inflation forecast from 3.5% to 3.35% which helped reduce the present value of the scheme liabilities by £1.07 million to £33.18 million (31 May 2010: £34.25 million) and an increase of 4% in the value of the scheme's assets to £21.04 million (31 May 2010: £20.23 million).

In July 2010, the UK Government announced its proposal to link indexation of pensions within private sector pension schemes to the Consumer Prices Index ("CPI"), rather than the Retail Prices Index ("RPI"). Our calculations allow for the expected impact of these proposals on the UK pension scheme, resulting in a reduction to pension liabilities of around £0.63 million (this amount has been recognised in the Consolidated Statement of Comprehensive Income).

The net cash inflow before tax generated from operations during the six month period was £3.85 million (2009: £4.82 million) which represented 130% of Group operating profit (2009: 161%). At the end of the period the Group's net cash was £3.76 million, an increase of £1.40 million over last year (2009: £2.36 million).

Interim dividend

The Board is declaring an interim dividend of 6.2 pence per share (2009: 6.2 pence).

The payment of the interim dividend will be made on 20 April 2011 to shareholders on the register at the close of business on 8 April 2011, the shares being declared ex-dividend on 6 April 2011.

Operational review

North America and Australia

Revenue in local currency from the North American and Australian operations ended the period marginally down on last year at $13.76 million (2009: $13.85 million). However, with Sterling weaker against the US Dollar during the period, reportable US revenue after translation to Sterling was ahead of last year by 5% at £8.85 million (2009: £8.46 million).

A restructuring of the sales team in June 2010 has helped to re-focus the operation leading to new sales and marketing initiatives with key customers, most notably in relation to their display and title selection of Haynes products. We strongly believe that these new initiatives, when implemented, will benefit both the retailers and the Haynes Group. Also, at the beginning of the period, we re-negotiated terms with a major customer of the US. Following the implementation of the new terms, reportable revenue from this customer has fallen by $0.55 million, but has been offset by a corresponding reduction in advertising expense so that there has been no impact on overall profitability.

In Australia, the new management team continues to make good progress. A closer working relationship with key customers has helped to grow the retail presence of Haynes manuals and increase revenue by 6% in this territory over the prior period.

In local currency, segmental profit before interest in the North American & Australian business was in line with the prior period. However, after translation to Sterling, segmental profit ended the period up 5% at £1.62 million (2009: £1.54 million).

UK and Europe

In our UK automotive manuals division, trading during the first part of the financial year softened, leading to a shortfall in first quarter revenue of 12%. Nevertheless, a new sales initiative with a key customer to accelerate the lead time between the publication date and the title appearing in store, coupled with stronger second quarter sales to our Scandinavian customer base, helped second quarter sales marginally exceed the second quarter sales last year and reduce the overall shortfall during the six month period to 6%.

In our UK general publishing division, heavy returns from key retailers and aggressive discounting during the first quarter characterised a very difficult market place and led to revenue in the first quarter being down 12% against the prior period. Despite this difficult backdrop, a strong second quarter publishing programme including the popular official *2010 Formula 1* ™ and *2010 MotoGP* Season Reviews and the release of the *Wallace and Gromit Cracking Contraptions* and *USS Enterprise* manuals, helped to recover some of the shortfall from the first quarter, with overall revenue in this division ending the six month period 4% down on last year.

In the Netherlands, revenue from Vivid ended the period in local currency 2% down on the prior year, but with an average Euro exchange rate against Sterling during the period of €1.19 (2009: €1.13), reportable revenue after translation to Sterling was down 7%. During the second quarter, Vivid restructured its UK data division by consolidating its data operations in Romania which resulted in a small one-off restructuring cost in its UK operation, but will lead to cost efficiencies for the Group going forward.

The impact of the above factors left UK & European segmental revenue down 9% at £6.85 million (2009: £7.49 million). With lower overheads of £0.17 million and lower restructuring costs of £0.14 million against the prior year, segmental profit before interest was 11% ahead of last year at £0.96 million (2009: £0.86 million).

Future outlook

The Group continues to face challenges in its key geographical markets whether in the form of tighter inventory control by retailers or the delay of new contracts for our digital professional products in Europe. Nevertheless, we continue to make progress in our important US market and the new sales and marketing initiatives we are putting in place with key customers are expected to bring future benefits to the Group, albeit with an initial cost of investment in supplying the new customer display racking.

In the UK, the public spending cuts and the increase in VAT will undoubtedly put pressure on consumers' disposable incomes and impact on consumer confidence. However, our automotive repair manuals and growing range of more general DIY titles are aimed to help consumers save money by doing the work themselves and we will continue to identify new channels and new sales opportunities to spread the message of '*See Haynes See How'*. Elsewhere in the UK and Europe, the Vivid team are currently working on the translation of a new product 'Vivid SmartFIX™' which will provide professional mechanics with specific information on known vehicle technical issues. The data is based on technical service bulletins produced by manufacturers and links to over 450,000 repair reports.

In summary, the Group is in a strong financial position. All parts of the business are profit making, we have positive cash flow, we are free of borrowings and we have strong banking relationships in our main geographical markets. These factors place the business on a solid platform from which to move forward and take advantage of growth opportunities as they arise.

Responsibility statement

Pages 17 and 18 of the Annual Report 2010 provide details of the serving Executive and Non-Executive Directors. On 1 September 2010 Mr Alex Kwarts joined the Board as an Executive Director and on 9 September 2010 Mr A Garner resigned as a Non-Executive Director. Apart from these two changes there have been no other changes to the Board during the six months to 30 November 2010. A statement of the Directors' responsibilities is contained on page 35 of the Annual Report 2010. A copy of the Annual Report 2010 can be found on the Haynes website www.haynes.co.uk/investor.

The Board confirms that to the best of its knowledge the condensed set of financial statements gives a true and fair view of the assets and liabilities, financial position and profit of the Group and has been prepared in accordance with IAS 34 'Interim Financial Reporting', as adopted by the European Union and that the interim management report includes a fair review of the information required by the Disclosure and Transparency Rules as issued by the Financial Services Authority, namely:

- DTR 4.2.7: An indication of important events that have occurred during the first six months of the financial year, and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year.

- DTR 4.2.8: Details of related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the enterprise during that period. Together with any changes in the related parties transactions described in the last annual report that could have a material effect on the enterprise in the first six months of the current financial year.

J H C Haynes
Chairman of the Board

20 January 2011

Consolidated Income Statement (unaudited)

	6 months to		Year ended
	30 Nov 2010	30 Nov 2009	31 May 2010
	£000	£000	£000
Continuing operations			
Revenue (note 2)	**15,699**	**15,951**	**33,310**
Cost of sales	(5,754)	(5,731)	(11,910)
Gross profit	**9,945**	**10,220**	**21,400**
Other operating income	146	126	325
Distribution costs	(3,685)	(3,848)	(7,926)
Administrative expenses	(3,442)	(3,501)	(6,113)
Operating profit	**2,964**	**2,997**	**7,686**
Finance income (note 4)	677	539	1,053
Finance costs (note 5)	(901)	(783)	(1,571)
Profit before taxation	**2,740**	**2,753**	**7,168**
Taxation (note 6)	(898)	(838)	(2,486)
Profit for the period	**1,842**	**1,915**	**4,682**
Attributable to:			
Equity holders of the Company	1,846	1,909	4,677
Non-controlling interests	(4)	6	5
	1,842	**1,915**	**4,682**

Earnings per 20p share - (note 7)	Pence	Pence	Pence
Earnings per share from continuing operations			
- Basic	11.3	11.7	28.6
- Diluted	11.3	11.7	28.6

Consolidated Statement of Comprehensive Income (unaudited)

	6 months to		Year ended
	30 Nov 2010	30 Nov 2009	31 May 2010
	£000	£000	£000
Profit for the period	**1,842**	**1,915**	**4,682**
Other comprehensive income/(expense):			
Exchange differences on translation of foreign operations	(1,519)	282	2,520
Actuarial gains/(losses) on retirement benefit obligation			
- UK Scheme	1,804	(5,325)	(4,535)
- US Scheme	(83)	572	1,003
Deferred tax on retirement benefit obligation			
- UK Scheme	(487)	1,491	1,270
- US Scheme	33	(229)	(401)
Deferred tax arising on change in UK corporation tax rate	(117)	-	-
Other comprehensive expense recognised directly in equity	**(369)**	**(3,209)**	**(143)**
Total comprehensive income/(expense) for the financial period	**1,473**	**(1,294)**	**4,539**
Attributable to:			
Equity holders of the Company	1,477	(1,300)	4,534
Non-controlling interests	(4)	6	5
	1,473	**(1,294)**	**4,539**

Consolidated Balance Sheet (unaudited)

	30 Nov 2010	30 Nov 2009	31 May 2010
	£000	£000	£000
Non-current assets			
Property, plant and equipment (note 12)	10,285	9,721	10,725
Intangible assets (note 13)	16,501	15,821	16,537
Deferred tax assets	4,679	5,225	5,424
Total non-current assets	**31,465**	**30,767**	**32,686**
Current assets			
Inventories	13,383	12,551	13,193
Trade and other receivables	9,858	10,653	10,651
Cash and cash equivalents	3,761	3,301	3,842
Total current assets	**27,002**	**26,505**	**27,686**
Total assets	**58,467**	**57,272**	**60,372**
Current liabilities			
Trade and other payables	(4,482)	(4,651)	(4,288)
Current tax liabilities	(79)	(71)	(254)
Bank overdraft	-	(941)	-
Total current liabilities	**(4,561)**	**(5,663)**	**(4,542)**
Non-current liabilities			
Deferred tax liabilities	(3,359)	(2,870)	(3,353)
Retirement benefit obligation (note 10)	(12,135)	(15,098)	(14,017)
Total non-current liabilities	**(15,494)**	**(17,968)**	**(17,370)**
Total liabilities	**(20,055)**	**(23,631)**	**(21,912)**
Net assets	**38,412**	**33,641**	**38,460**
Equity			
Share capital	3,270	3,270	3,270
Share premium	638	638	638
Retained earnings	29,923	25,866	28,448
Foreign currency translation reserve	4,577	3,858	6,096
Capital and reserves attributable to equity shareholders	**38,408**	**33,632**	**38,452**
Equity attributable to non-controlling interests	4	9	8
Total equity	**38,412**	**33,641**	**38,460**

Consolidated Statement of Changes in Equity (unaudited)

	Share capital £000	Share premium £000	Foreign currency translation reserve £000	Retained earnings £000	Sub total £000	Non-controlling interests £000	Total £000
Current interim period :							
Balance at 1 June 2010	3,270	638	6,096	28,448	38,452	8	38,460
Profit for the period	-	-	-	1,846	1,846	(4)	1,842
Other comprehensive income:							
Currency translation adjustments	-	-	(1,519)	-	(1,519)	-	(1,519)
Actuarial gains/(losses) on defined benefit plans (net of tax)	-	-	-	1,150	1,150	-	1,150
Total other comprehensive income	**-**	**-**	**(1,519)**	**1,150**	**(369)**	**-**	**(369)**
Total comprehensive income	**-**	**-**	**(1,519)**	**2,996**	**1,477**	**(4)**	**1,473**
Dividends (note 8)	-	-	-	(1,521)	(1,521)	-	(1,521)
Balance at 30 November 2010	**3,270**	**638**	**4,577**	**29,923**	**38,408**	**4**	**38,412**
Prior interim period :							
Balance at 1 June 2009	3,270	638	3,576	29,328	36,812	3	36,815
Profit for the period	-	-	-	1,909	1,909	6	1,915
Other comprehensive income:							
Currency translation adjustments	-	-	282	-	282	-	282
Actuarial gains/(losses) on defined benefit plans (net of tax)	-	-	-	(3,491)	(3,491)	-	(3,491)
Total other comprehensive income	**-**	**-**	**282**	**(3,491)**	**(3,209)**	**-**	**(3,209)**
Total comprehensive income	**-**	**-**	**282**	**(1,582)**	**(1,300)**	**6**	**(1,294)**
Dividends (note 8)	-	-	-	(1,880)	(1,880)	-	(1,880)
Balance at 30 November 2009	**3,270**	**638**	**3,858**	**25,866**	**33,632**	**9**	**33,641**
Prior year :							
Balance at 1 June 2009	3,270	638	3,576	29,328	36,812	3	36,815
Profit for the period	-	-	-	4,677	4,677	5	4,682
Other comprehensive income:							
Currency translation adjustments	-	-	2,520	-	2,520	-	2,520
Actuarial gains/(losses) on defined benefit plans (net of tax)	-	-	-	(2,663)	(2,663)	-	(2,663)
Total other comprehensive income	**-**	**-**	**2,520**	**(2,663)**	**(143)**	**-**	**(143)**
Total comprehensive income	**-**	**-**	**2,520**	**2,014**	**4,534**	**5**	**4,539**
Dividends (note 8)	-	-	-	(2,894)	(2,894)	-	(2,894)
Balance at 31 May 2010	**3,270**	**638**	**6,096**	**28,448**	**38,452**	**8**	**38,460**

Consolidated Cash Flow Statement (unaudited)

	6 months to		Year ended
	30 Nov 2010	30 Nov 2009	31 May 2010
	£000	£000	£000
Cash flows from operating activities - continuing			
Profit after tax	1,842	1,915	4,682
Adjusted for :			
Income tax expense	898	838	2,486
Interest payable and similar charges	1	7	9
Interest receivable	(9)	(13)	(29)
Interest charges on pension liabilities less expected returns on pension assets	232	250	538
Operating profit	2,964	2,997	7,686
Depreciation on property, plant and equipment	497	473	1,014
Amortisation of intangible assets	570	366	874
IAS 19 pensions current service cost net of contributions paid	(239)	(236)	(693)
(Gain)/loss on disposal of property, plant and equipment	4	(2)	(19)
	3,796	**3,598**	**8,862**
Changes in working capital :			
(Increase)/decrease in inventories	(634)	(91)	105
Decrease in receivables	394	1,132	1,492
Increase/(decrease) in payables	290	181	(226)
Net cash generated from operations	**3,846**	**4,820**	**10,233**
Tax paid	(939)	(722)	(1,796)
Net cash generated by operating activities	**2,907**	**4,098**	**8,437**
Investing activities			
Proceeds on disposal of property, plant and equipment	-	3	29
Purchases of property, plant and equipment	(335)	(287)	(1,158)
Expenditure on development costs	(1,026)	(999)	(2,143)
Acquisition costs :			
– Deferred consideration	-	-	(84)
Interest received	9	13	29
Net cash used in investing activities	**(1,352)**	**(1,270)**	**(3,327)**
Financing activities			
Dividends paid	(1,521)	(1,880)	(2,894)
Interest paid	(1)	(11)	(13)
Net cash used in financing activities	**(1,522)**	**(1,891)**	**(2,907)**
Net increase in cash and cash equivalents	**33**	**937**	**2,203**
Cash and cash equivalents at beginning of year	3,842	1,370	1,370
Effect of foreign exchange rate changes	(114)	53	269
Cash and cash equivalents at end of period	**3,761**	**2,360**	**3,842**

Notes to the Interim Results

1. Basis of accounting

The interim financial statements for the six months ended 30 November 2010 and 30 November 2009 and for the twelve months ended 31 May 2010 do not constitute statutory accounts for the purposes of Section 434 of the Companies Act 2006. The Annual Report and Financial Statements for the year ended 31 May 2010 have been filed with the Registrar of Companies. The Independent Auditors' Report on the Annual Report and Financial Statements for the year ended 31 May 2010 was unqualified, did not draw attention to any matters by way of emphasis, and did not contain a statement under sections 498(2) or 498(3) of the Companies Act 2006.

The 30 November 2010 statements were approved by the Board of Directors on 20 January 2011 and although not audited are subject to a review by our auditors.

The financial information has been prepared in accordance with the Disclosure and Transparency rules of the Financial Services Authority and in compliance with International Accounting Standard (IAS) 34 'Interim Financial Reporting' as endorsed by the European Union.

The interim financial statements have been prepared in accordance with the accounting policies set out in the 2010 Annual Report and which the Group expects to follow in its next Annual Report. During the period under review, the new standards, amendments to standards and interpretations which apply to the Group for the first time in this financial year have been reviewed by management. At the present time management do not believe that the new standards, amendments to standards or interpretations will have a material impact on the Group's financial statements for the financial year ended 31 May 2011.

Summarised below are details of the new standards, significant amendment to standards and interpretations which have been issued by the IASB and IFRIC but not adopted by the Group during the period as application is not mandatory in the current financial year :

Standard/Interpretation	Title	Effective date
- IFRS 9:	Financial instruments	1 January 2013
- IAS 24 (revised):	Related party disclosures	1 January 2011
- IAS 32 (amendment):	Classification of rights issues	1 January 2011
- IFRIC 14 (amendment):	Prepayments of a minimum funding requirement	1 January 2011
- IFRIC 19:	Extinguishing financial liabilities with equity instruments	1 January 2011

2. Revenue

	6 months to 30 Nov 2010 £000	6 months to 30 Nov 2009 £000	Year ended 31 May 2010 £000
Revenue by geographical destination on continuing operations :			
United Kingdom	3,805	4,155	9,140
Rest of Europe	2,623	2,912	6,077
United States of America	7,444	7,194	14,698
Australia	1,105	991	1,959
Rest of World	722	699	1,436
Total consolidated revenue *	**15,699**	**15,951**	**33,310**
*** Analysed as follows :**			
Revenue from sales of printed products	13,491	13,538	28,125
Revenue from sales of digital data	1,903	2,053	4,392
Revenue from royalty and licensing arrangements	305	360	793
	15,699	**15,951**	**33,310**

3. Segmental analysis

For management and internal reporting purposes, the Group is organised into two geographical operating segments as follows:

- UK and Europe
- North America and Australia

The UK and European business with headquarters in Sparkford, Somerset has subsidiaries in the Netherlands, Italy, Spain, Romania and Sweden. Its core business is the publication and supply of automotive repair and technical information to the professional automotive and DIY aftermarkets.

The North American and Australian business with headquarters near Los Angeles, California publishes DIY Repair Manuals for Cars and Motorcycles under the Haynes and Chilton brands, in both the English and Spanish languages. It also has a branch operation in Sydney, Australia which publishes similar products under both the Haynes and Gregory's brands.

The above two operating segments are each organised and managed separately and are treated as distinct operating and reportable segments in line with the provisions of IFRS 8. The identification of the two operating segments is based on the reports reviewed by the chief operating decision maker, which form the basis for operational decision making.

Inter-segmental sales are charged at the prevailing market rates in a manner similar to transactions with third parties.

The following adjustments have been made in the segmental tables below to reconcile the internal reports as reviewed by the chief operating decision maker to the financial information as reported under IFRS in the Group Financial Statements:

- In the segmental reporting freehold buildings are depreciated over 40 years - under IAS 16 the residual value of buildings reflect the expected value at the end of their useful life resulting in an adjustment to depreciation.
- In the segmental reporting pension contributions are expensed and the assets and liabilities of a defined benefit pension scheme are held separately from the Group - under IAS 19 the Income Statement and Statement of Comprehensive Income are adjusted to reflect the annual current service cost and actuarial gains and losses arising on a defined benefit pension scheme and the net surplus/(deficit) on the scheme is included in the balance sheet.
- In the segmental reporting goodwill is amortised over a period not exceeding 20 years - under IFRS 3 goodwill is reviewed annually for impairment but not amortised.
- In the segmental reporting the excess of the net assets acquired on a business combination over the consideration is shown as goodwill – under IAS 38 specific intangible assets are created and adjusted for deferred tax arising on acquisition.
- The unallocated head office assets primarily relate to freehold property, deferred tax assets and amounts owed by subsidiary undertakings.

3. Segmental analysis (continued)

Analysis of geographic operating segments

Revenue and results:	UK & Europe 6 months to 30 Nov 2010 £000	North America & Australia 6 months to 30 Nov 2010 £000	Consolidated 6 months to 30 Nov 2010 £000
Segmental revenue			
Total segmental revenue	7,048	10,104	17,152
Inter-segment sales	(194)	(1,259)	(1,453)
Total external revenue	**6,854**	**8,845**	**15,699**
Segment result			
Segment operating profit before interest	957	1,624	2,581
Interest received	1	8	9
Interest payable	(1)	-	(1)
Segment profit after interest	**957**	**1,632**	**2,589**
Unallocated head office income less expenses			(170)
Segment profit before tax and adjustments			**2,419**
Reconciliation to consolidated profit before tax:			
IAS 16 Property, plant & equipment			9
IAS 19 Employee benefits			72
IFRS 3 Business combinations			240
Consolidated profit before tax			**2,740**
Taxation			(898)
Consolidated profit after tax			**1,842**

Segment assets:	UK & Europe 30 Nov 2010 £000	North America & Australia 30 Nov 2010 £000	Eliminations 30 Nov 2010 £000	Consolidated 30 Nov 2010 £000
Property, plant and equipment	602	6,138	-	6,740
Intangible assets	4,054	2,495	-	6,549
Working capital assets	11,133	16,581	(782)	26,932
Segment total assets	**15,789**	**25,214**	**(782)**	**40,221**
Unallocated head office assets				11,251
Unallocated head office eliminations				(2,388)
				49,084
Reconciliation to consolidated total assets:				
IAS 16 Property, plant & equipment				1,188
IAS 19 Employee benefits				3,542
IAS 38 Intangible assets				1,476
IFRS 3 Business combinations				3,177
Consolidated total assets				**58,467**

3. Segmental analysis (continued)

Revenue and results:	UK & Europe 6 months to 30 Nov 2009 £000	North America & Australia 6 months to 30 Nov 2009 £000	Consolidated 6 months to 30 Nov 2009 £000
Segmental revenue			
Total segmental revenue	7,616	8,849	16,465
Inter-segment sales	(123)	(391)	(514)
Total external revenue	**7,493**	**8,458**	**15,951**
Segment result			
Segment operating profit before interest	861	1,540	2,401
Interest received	-	12	12
Interest payable	(1)	-	(1)
Segment profit after interest	**860**	**1,552**	**2,412**
Unallocated head office income less expenses			62
Segment profit before tax and adjustments			**2,474**
Reconciliation to consolidated profit before tax:			
IAS 16 Property, plant & equipment			41
IAS 19 Employee benefits			9
IFRS 3 Business combinations			229
Consolidated profit before tax			**2,753**
Taxation			(838)
Consolidated profit after tax			**1,915**

Segment assets:	UK & Europe 30 Nov 2009 £000	North America & Australia 30 Nov 2009 £000	Eliminations 30 Nov 2009 £000	Consolidated 30 Nov 2009 £000
Property, plant and equipment	632	5,387	-	6,019
Intangible assets	3,278	2,820	-	6,098
Working capital assets	11,420	15,613	(580)	26,453
Segment total assets	**15,330**	**23,820**	**(580)**	**38,570**
Unallocated head office assets				11,307
Unallocated head office eliminations				(2,716)
				47,161
Reconciliation to consolidated total assets:				
IAS 16 Property, plant & equipment				1,142
IAS 19 Employee benefits				4,546
IAS 38 Intangible assets				1,821
IFRS 3 Business combinations				2,602
Consolidated total assets				**57,272**

3. Segmental analysis (continued)

Revenue and results:	UK & Europe Year ended 31 May 2010 £000	North America & Australia Year ended 31 May 2010 £000	Consolidated Year ended 31 May 2010 £000
Segmental revenue			
Total segmental revenue	15,256	19,533	34,789
Inter-segment sales	(328)	(1,151)	(1,479)
Total external revenue	**14,928**	**18,382**	**33,310**
Segment result			
Segment operating profit before interest	2,185	4,010	6,195
Interest received	9	20	29
Interest payable	(2)	-	(2)
Segment profit after interest	**2,192**	**4,030**	**6,222**
Unallocated head office income less expenses			376
Segment profit before tax and adjustments			**6,598**
Reconciliation to consolidated profit before tax:			
IAS 16 Property, plant & equipment			48
IAS 19 Employee benefits			50
IFRS 3 Business combinations			472
Consolidated profit before tax			**7,168**
Taxation			(2,486)
Consolidated profit after tax			**4,682**

Segment assets:	UK & Europe 31 May 2010 £000	North America & Australia 31 May 2010 £000	Eliminations 31 May 2010 £000	Consolidated 31 May 2010 £000
Property, plant and equipment	671	6,429	-	7,100
Intangible assets	3,639	2,921	-	6,560
Working capital assets	11,113	17,539	(1,103)	27,549
Segment total assets	**15,423**	**26,889**	**(1,103)**	**41,209**
Unallocated head office assets				11,477
Unallocated head office eliminations				(2,422)
				50,264
Reconciliation to consolidated total assets:				
IAS 16 Property, plant & equipment				1,219
IAS 19 Employee benefits				4,211
IAS 38 Intangible assets				1,523
IFRS 3 Business combinations				3,155
Consolidated total assets				**60,372**

4. Finance income

	6 months to 30 Nov 2010 £000	6 months to 30 Nov 2009 £000	Year ended 31 May 2010 £000
Interest receivable on bank deposits	9	13	21
Other interest	-	-	8
Expected return on pension scheme assets	668	526	1,024
	677	**539**	**1,053**

5. Finance costs

	6 months to 30 Nov 2010 £000	6 months to 30 Nov 2009 £000	Year ended 31 May 2010 £000
Interest payable on bank loans and overdrafts	1	7	9
Interest charge on pension scheme liabilities	900	776	1,562
	901	**783**	**1,571**

6. Taxation

The tax charge for the six months ended 30 November 2010 has been based on an estimate of a full year effective tax rate of 32.8% (30 November 2009: 30.4% / 31 May 2010: 34.7%).

The Finance Act (No 2) 2010, which had been substantively enacted at the balance sheet date, reduces the main rate of UK corporation tax from 28% to 27% from 1 April 2011. An adjustment has been made to the Group's UK deferred tax balances to reflect the change in the UK tax rate.

7. Earnings per share

The calculation of the basic and diluted earnings per share is based on the following:-

	6 months to 30 Nov 2010 £000	6 months to 30 Nov 2009 £000	Year ended 31 May 2010 £000
Earnings :			
Profit after tax – continuing operations *	1,846	1,909	4,677
	No.	No.	No.
Number of shares :			
Weighted average number of shares	16,351,540	16,351,540	16,351,540

* The profit after tax excludes a loss of £4,000 (2009: profit of £6,000) attributable to non-controlling interests.

As at 30 November 2010, 31 May 2010 and 30 November 2009 there were no outstanding options on either of the Company's two classes of shares and there is no difference between the earnings used in the basic and diluted earnings per share calculation.

8. Dividends

	6 months to 30 Nov 2010 £000	6 months to 30 Nov 2009 £000	Year ended 31 May 2010 £000
Amounts recognised as distributions to equity holders :			
Final dividend of 9.3p per share (2009: 11.5p)	1,521	1,880	1,880
Interim dividend of 6.2p per share	-	-	1,014
	1,521	**1,880**	**2,894**

An interim dividend of 6.2p per share (2009: 6.2p) amounting to £1,013,795 (2009: £1,013,795) has been declared during the period but has not been reflected in the interim accounts. The payment of the interim dividend will be made on 20 April 2011 to shareholders on the register at the close of business on 8 April 2011, the shares being declared ex-dividend on 6 April 2011.

9. Analysis of the changes in net funds

	As at 1 June 2010 £000	Cashflow £000	Exchange movements £000	As at 30 Nov 2010 £000
Cash at bank and in hand	3,842	33	(114)	3,761

10. Retirement benefit obligation

The Group operates a number of different retirement programmes in the countries within which it operates. The principal pension programmes are a contributory defined benefit scheme in the UK and a non contributory defined benefit plan in the US. The assets of all schemes are held independently of the Group and its subsidiaries.

During the period the financial position of the above pension arrangements have been updated in line with the anticipated annual cost for current service, the expected return on scheme assets, the interest on scheme liabilities and cash contributions made to the schemes.

The last full IAS 19 actuarial valuation was carried out by a qualified independent actuary as at 31 May 2010 and this valuation has been updated by the Scheme’s actuaries on an approximate basis to 30 November 2010.

10. Retirement benefit obligation (continued)

The movements in the retirement benefit obligation were as follows :-

	6 months to 30 Nov 2010 £000	30 Nov 2009 £000	Year ended 31 May 2010 £000
Retirement benefit obligation at beginning of period	(14,017)	(10,390)	(10,390)
Movement in the period :			
- Total expenses charged in the income statement	(771)	(732)	(1,478)
- Contributions paid	778	718	1,634
- Actuarial gains/(losses) taken directly to reserves	1,721	(4,753)	(3,532)
- Foreign currency exchange rates	154	59	(251)
Retirement benefit obligation at end of period	**(12,135)**	**(15,098)**	**(14,017)**

11. Exchange rates

The foreign exchange rates used in the financial statements to consolidate the overseas subsidiaries are as follows (local currency equivalent to £1):

	Period end rate			Average rate		
	30 Nov 2010	30 Nov 2009	31 May 2010	30 Nov 2010	30 Nov 2009	31 May 2010
US dollar	1.56	1.64	1.45	1.56	1.64	1.58
Euro	1.20	1.09	1.18	1.19	1.13	1.13
Swedish krona	10.95	11.47	11.38	11.10	11.76	11.51
Australian dollar	1.62	1.79	1.73	1.69	1.91	1.81

12. Property, plant and equipment

	Total £000
Net book value at 1 June 2009	9,831
Exchange rate movements	77
Additions	287
Disposals	(1)
Depreciation	(473)
Net book value at 30 November 2009	**9,721**

	£000
Net book value at 1 June 2010	10,725
Exchange rate movements	(274)
Additions	335
Disposals	(4)
Depreciation	(497)
Net book value at 30 November 2010	**10,285**

As at 30 November 2010 the Group had capital expenditure, contracted but not provided for of £15,000 (2009: £533,000).

13. Intangible assets

	Total £000
Carrying value at 1 June 2009	14,979
Exchange rate movements	209
Additions	999
Amortisation	(366)
Carrying value at 30 November 2009	**15,821**

	£000
Carrying value at 1 June 2010	16,537
Exchange rate movements	(492)
Additions	1,026
Amortisation	(570)
Carrying value at 30 November 2010	**16,501**

14. Related party transactions

During the six months to 30 November 2010 there were no new material related party transactions or material changes to the related party transactions as reported in the Annual Report 2010.

15. Principal risks and uncertainties

The principal risks and uncertainties facing the Group during the second half of the financial year are outlined in the Interim Statement and summarised below :

- The UK and Global economic outlook and in particular, the consequential impact on consumer confidence and businesses.
- Movements in the exchange rate of the US Dollar and Euro against Sterling.
- The impact of movements in interest rates, inflation and investment performance on the Group's retirement benefit schemes.

The Board considers that the above, along with the principal risks and uncertainties which were discussed at more length in the Annual Report 2010 under the following headings and page references, continue to be the major risks and uncertainties facing the Group :

- The processes adopted by the Board to identify and monitor risk (page 28)
- The Group's principal financial risks and uncertainties (pages 67 – 69)
- The Group's principal operational risks and uncertainties (pages 10 – 15)

A copy of the Annual Report 2010 can be found on the Group's corporate website www.haynes.co.uk/investor.

16. Other information

A copy of this half-year report will be distributed to all shareholders and will also be available to members of the public from the Company's registered office at Sparkford, Near Yeovil, Somerset BA22 7JJ. A copy of the interim report will also be available on the Group's corporate website at www.haynes.co.uk/investor.

INDEPENDENT REVIEW REPORT TO HAYNES PUBLISHING GROUP P.L.C.

Introduction

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 November 2010 which comprises a consolidated income statement, consolidated statement of comprehensive income and expense, consolidated balance sheet, consolidated statement of changes in equity, consolidated cash flow statement and related notes.

We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Directors' responsibilities

The half-yearly financial report is the responsibility of and has been approved by the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

As disclosed in note 1, the annual financial statements of the group are prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, ''Interim Financial Reporting'', as adopted by the European Union.

Our responsibility

Our responsibility is to express to the company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Our report has been prepared in accordance with the terms of our engagement to assist the company in meeting its responsibilities in respect to half-yearly financial reporting in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority 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.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, ''Review of Interim Financial Information Performed by the Independent Auditor of the Entity'', issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 November 2010 is not prepared, in all material respects, in accordance with International Accounting Standard 34, as adopted by the European Union, and the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

BDO LLP
Chartered Accountants and Registered Auditors
Southampton
United Kingdom
20 January 2011

BDO LLP is a limited liability partnership registered in England and Wales (with registered number 0C305127).