

INTERIM REPORT

FOR THE SIX MONTHS ENDED

30TH JUNE 2007

T.F. & J.H. Braime (Holdings) P.L.C.

Management commentary

For the six months ended 30th June 2007

We are pleased to report, that after two years of losses, the company made a profit before tax for the first half of 2007 of £67,000 compared to a loss of £218,000 for the same period in 2006 on a turnover up 13% to £5.9m. While this level of profit remains far from satisfactory, it is indicative of significant progress being made in restoring long term profitability to the business.

The need to recommence regular dividend payments to shareholders as soon as possible remains a major priority of the board. Nevertheless, the directors have decided that, after an extended period of losses which has reduced the group's reserves, it would not be prudent to pay a dividend until the return to profitability has been more firmly established.

Performance of group companies

All the subsidiary companies which distribute our 4B brand of components for the material handling industry have had an excellent first six months and have all traded well above forecast. Although we are concerned by both the continuing weakness of the US dollar and the economic downturn in the USA, we remain confident that we can maintain the increase in overseas sales as a result of our ongoing investment in new products.

In contrast, the manufacturing business has continued to sustain heavy losses. However, we are making substantive progress in restructuring this business. The first major automated production cell has now been successfully commissioned and output from this cell will now ramp up to reach full production in March of next year. Additionally, we have recently secured, from new and existing customers, five further packages of long term business. The combined impact of this additional business is forecast to increase sales by over 50% in 2008 compared to 2007 and will very significantly improve the trading position of Braime Pressings Limited. This will give us a further year to complete and consolidate this turnaround before embarking on the move to more cost effective premises, currently targeted for 2010.

Move to AIM

The move to the AIM market was successfully completed on 27th June 2007. On joining AIM, we set up a new web site for T.F. & J.H. Braime (Holdings) P.L.C. www.braimegroup.com to provide shareholders with detailed information about their company, including the latest financial statements and, in future, all company announcements will be posted to this site.

Also included on the holding company site are links to our new site for the manufacturing business, www.braimepressings.com and the existing site for the 4B range of material handling components, www.go4b.com. We hope that shareholders, who visit these sites, will find them both interesting and informative.

Relocation

As announced shortly before the AGM, we have reached agreement with the planning officers of Leeds City Council, supported by English Heritage, on a detailed planning brief for the development of our Hunslet Road site. We have appointed Knight Frank and Swift Property Services as joint selling agents. ENCIA, a firm of specialist consultants, are currently carrying out a detailed environmental study prior to the site being marketed to potential developers in early October 2007. We would hope to be receiving offers in January 2008, although any offers are likely to be conditional on formal planning approval, a process which may take a further twelve months.

Given the uncertainties attached to both the realisable value and timing of any sale, the board does not plan to enter into any firm commitments regarding relocation until the position on the sale is clarified.

Outlook

Providing all parts of the group continue to trade at their current levels, we expect a positive result for the full year.

T.F. & J.H. Braime (Holdings) P.L.C.

Condensed consolidated income statement

For the six months ended 30th June 2007

	2007 £ (unaudited)	2006 £ (unaudited)
Revenue	<u>5,887,371</u>	<u>5,210,460</u>
Profit/(loss) from operations	78,025	(224,932)
Finance costs	(162,913)	(140,514)
Finance income	<u>151,996</u>	<u>147,204</u>
Result for the period before tax	67,108	(218,242)
Tax expense @ 30%	<u>(20,132)</u>	<u>-</u>
Net result for the period	<u><u>46,976</u></u>	<u><u>(218,242)</u></u>
Basic profit/(loss) per share	<u>3.26p</u>	<u>(15.16p)</u>

T.F. & J.H. Braime (Holdings) P.L.C.

Condensed consolidated statement of recognised income and expense

For the six months ended 30th June 2007

	2007 £ (unaudited)	2006 £ (unaudited)
Exchange difference on translation of foreign operations	<u>(9,684)</u>	<u>(8,152)</u>
Net income recognised in equity	(9,684)	(8,152)
Profit/(loss) for period	<u>46,976</u>	<u>(218,242)</u>
Total recognised income and expense for the period	<u>37,292</u>	<u>(226,394)</u>
Attributable to:		
Equity holders of T.F. & J.H. Braime (Holdings) P.L.C.	<u>37,292</u>	<u>(226,394)</u>

T.F. & J.H. Braime (Holdings) P.L.C.

Consolidated balance sheet

At 30th June 2007

	30th June 2007 £ (unaudited)	30th June 2006 £ (unaudited)	31st December 2006 £
Assets			
Non-current assets			
Property, plant and equipment	<u>689,748</u>	<u>703,696</u>	<u>733,481</u>
Total non-current assets	<u>689,748</u>	<u>703,696</u>	<u>733,481</u>
Current assets			
Inventories	2,521,209	2,220,453	2,197,922
Trade and other payables	3,001,803	2,280,117	2,611,737
Cash and cash equivalents	<u>1,429,619</u>	<u>1,441,823</u>	<u>1,629,317</u>
Total current assets	<u>6,952,631</u>	<u>5,942,393</u>	<u>6,438,976</u>
Total assets	<u>7,642,379</u>	<u>6,646,089</u>	<u>7,172,457</u>
Liabilities			
Current liabilities			
Bank overdraft	1,294,875	1,603,102	1,346,114
Trade and other payables	2,346,046	1,094,099	1,846,792
Other financial liabilities	182,166	178,008	182,292
Corporation tax liability	<u>20,132</u>	-	<u>33,063</u>
Total current liabilities	<u>3,843,219</u>	<u>2,875,209</u>	<u>3,408,261</u>
Non-current liabilities			
Financial liabilities	327,539	326,199	348,867
Employee benefits	<u>31,000</u>	<u>118,000</u>	<u>12,000</u>
Total non-current liabilities	<u>358,539</u>	<u>444,199</u>	<u>360,867</u>
Total liabilities	<u>4,201,758</u>	<u>3,319,408</u>	<u>3,769,128</u>
Total net assets	<u>3,440,621</u>	<u>3,326,681</u>	<u>3,403,329</u>
Capital and reserves attributable to equity holders of the parent company			
Share capital	360,000	360,000	360,000
Capital reserve	77,319	77,319	77,319
Foreign exchange reserve	(36,233)	669	(26,549)
Retained earnings	<u>3,039,535</u>	<u>2,888,693</u>	<u>2,992,559</u>
Total equity	<u>3,440,621</u>	<u>3,326,681</u>	<u>3,403,329</u>

T.F. & J.H. Braime (Holdings) P.L.C.

Consolidated cash flow statement

For the six months ended 30th June 2007

	2007 £ (unaudited)	2007 £ (unaudited)	2006 £ (unaudited)	2006 £ (unaudited)
Operating activities				
Net profit/(loss) from ordinary activities		46,976		(218,242)
Adjustments for:				
Depreciation	88,493		66,305	
Grants amortised	(828)		(828)	
Foreign exchange losses	(9,810)		(7,314)	
Investment income	(151,996)		(147,204)	
Interest expense	162,913		140,514	
Income tax expense	<u>20,132</u>		-	
Operating profit before changes in working capital and provisions		108,904		51,473
Increase in trade and other receivables	(390,066)		(447,138)	
(Increase)/decrease in inventories	(323,287)		121,910	
Increase in trade and other payables	499,254		232,154	
Decrease in provisions and employee benefits	<u>34,000</u>		<u>41,000</u>	
		(180,099)		(52,074)
Cash generated from operations		(24,219)		(218,843)
Income taxes paid		(33,063)		(33,033)
Investing activities				
Purchases of plant, machinery and motor vehicles	(53,682)		(41,294)	
Sale of plant, machinery and motor vehicles	8,922		9,160	
Interest received	<u>27,996</u>		<u>23,204</u>	
		(16,764)		(8,930)
Financing activities				
Repayment of hire purchase creditors	(20,500)		(20,499)	
Interest paid	<u>(53,913)</u>		<u>(37,514)</u>	
		(74,413)		(58,013)
Decrease in cash and cash equivalents		(148,459)		(318,819)
Cash and cash equivalents (including overdrafts), beginning of period		<u>283,203</u>		<u>157,540</u>
Cash and cash equivalents (including overdrafts), end of period		<u>134,744</u>		<u>(161,279)</u>

31st August 2007