

M Winkworth Plc (“Winkworth” or the “Company”)

Preliminary announcement of results for the year to 31 December 2009

FINANCIAL HEADLINES

- Sales up 14.4% to £3.39 million (2008: £2.96 million)
- Profit before taxation £869,014 (2008: £661,248), up 31%
- Cash generated from operations of £1.1 million (2008: £1.0 million)
- Total dividend paid 4.56p per ordinary share based on total dividends for the year of £522,144 and a year end number of shares in issue of 11,428,750

Business Highlights

- Expectations exceeded despite a year of severe economic downturn
- Eight new franchised offices opened in new strategic markets in line with target
- Four offices successfully transferred to new operators and capital injected
- Q1 2010 transactions up 109% year-on-year.

Chairman’s Statement

First of all, I would like to thank our Chief Executive, Dominic Agace, and our Chief Financial Officer, Chris Neoh, for their role in the Company’s admission to AIM in November last year. I would also like to thank our non executive directors Tony Snarey and Lawrence Alkin for their support and advice throughout the process.

We are pleased to report that 2009 was a successful year for Winkworth and marked a welcome reversal of the difficulties faced by estate agents in general in 2008. We have been fortunate in being able to grow the number of our franchises in 2008 and 2009 and with that growth being carried forward into 2010 our prospects for the current year are encouraging.

We welcome the fact that many of our new franchisees are very experienced estate agents who have been in discussion with us for more than a year. With a steady flow of new enquiries, we have many able future franchisees forming a bank of potential clients looking for the right opportunity and timing to take up a franchise. Our growth has been outside of London and we expect this to continue with even stronger growth in the west of England in 2010.

We have maintained our control of expenses preparing the Company for the foreseeable future, as we anticipate an ongoing period of historically low volumes of both sales and rentals. However, at the same time we have used our resources to give our franchisees increased support, revisiting and upgrading some services on which we reduced expenditure in 2008.

In 2008 and 2009 we saw the growth of the rentals business offset some of the fall in sales volumes. In 2010, however, this trend has reversed. We expect to see a recovery in the rental sector midway through 2010 as supply becomes more balanced with demand.

Overseas, we have continued to expand strategically at a modest pace without necessarily seeking all new opportunities while the unfavourable Sterling/Euro exchange rate continues to affect sales volumes. In France nonetheless, we have sold a number of substantial properties to both British and foreign buyers. However, we consider the international market to be more volatile than that of the UK at present.

We believe there will be opportunities in the second half of the year to add to our rate of growth. We are continuing with our policy of maximising shareholders' income and where we expand we will seek to do so without diluting our resources.

We are confident that your Company is in good shape and we look forward to making further progress in 2010.

Chief Executive Officer's Statement

2009 marked the start of the road to recovery for the property market, with activity picking up from January onwards. The upturn was led by prime central London, rippling out through the capital and then more broadly into the national property market. This fed through into a strong second half performance, in stark contrast to the bottom of the market in the last quarter of 2008, which has been carried through into 2010.

During this two part year our model proved its worth, maintaining profitability in every month, as has been the case since the start of the recession. This, combined with the opening of eight offices as planned and performance which exceeded targets, has meant that 2009 was a very good year for Winkworth. We strengthened our position in the national property market by opening offices in Exeter, Market Deeping, Shoreham, Worthing, Beckenham and Basingstoke, as well as setting up a Devon & Cornwall Waterfront business. Target towns such as Exeter provide a focal point for activity in the surrounding area and, by creating a greater regional profile, increase the appeal of the Winkworth franchise to both existing agencies and professionals looking to start their own estate agencies. On the international front we also added to our French operations with a new office in Antibes.

In 2009 we successfully raised £1.143m through our IPO and admission to AIM to facilitate expansion through acquisition at the low point of the cycle. We grew our sales to £3,386,053, an increase of 14.4% on 2008 and at £869,014 our profit before tax was 31% higher than last year, allowing us to pay an increased dividend of 4.56p per share based on total dividends for the year of £522,144 and a year end number of shares in issue of 11,428,750.

The current year has started strongly, with transactions in Q1 2010 increasing by 109% on the depressed levels seen at the bottom of the market in Q1 2009. We would, naturally, expect these percentage increases to reduce as we move through the year and track the recovery, moving away from comparisons with Q1 2009.

Outlook

After an encouraging start to 2010, the momentum in the property market continues and there is demand for increased finance availability. Key determinants for 2010 continue to be the outlook for interest rates and the availability of finance. Looking forward, we intend to build on the success of last year by growing our franchise base organically in-line with or above our target of eight new organic franchises per annum. In 2009 we received 34 new franchise applicants, while in Q1 2010 alone we received a further 48. In addition, we plan to use the funds raised at the time of our IPO to significantly add to this growth by acquiring franchise revenues in strategic locations. This will be through the conversion of existing agencies or franchise chains to the Winkworth network, enabling us to add value to these businesses by providing them with the benefits available within our organisation.

For further information please contact:

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About Winkworth

Winkworth is a leading franchisor of residential real estate agencies and is listed on the London Stock Exchange.

Established in Mayfair in 1835, Winkworth has a pre-eminent position in the mid to upper segments of the central London residential sales and lettings markets. In total, the company operates from over 80 offices in the UK, France and Portugal, having doubled in size in recent years.

The franchise model allows entrepreneurial real estate professionals to provide the highest standards of service under the banner of a well-respected brand name and to benefit from the support and promotion that Winkworth offers. Franchisees deliver in-depth local knowledge and a highly personalised service to their clients.

M WINKWORTH PLC**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2009**

	Notes	2009 £	2008 £
CONTINUING OPERATIONS			
Revenue		3,386,053	2,960,578
Cost of sales		(989,800)	(933,085)
GROSS PROFIT		2,396,253	2,027,493
Other operating income		3,515	-
Administrative expenses		(1,532,594)	(1,371,655)
OPERATING PROFIT		867,174	655,838
Finance costs		(474)	(6,768)
Finance income		2,314	12,178
PROFIT BEFORE INCOME TAX		869,014	661,248
Income tax	3	(232,789)	(207,961)
PROFIT FOR THE YEAR		636,225	453,287
OTHER COMPREHENSIVE INCOME			
Unrealised exchange gain		13,223	31,207
TOTAL COMPREHENSIVE INCOME		649,448	484,494
Profit attributable to:			
Owners of the parent		651,779	483,170
		(2,331)	1,324
Non-controlling interests		649,448	484,494
Earnings per share expressed in pence:			
Basic and diluted	5	6.39p	4.83p

M WINKWORTH PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 December 2009

	Notes	2009 £	2008 £
ASSETS			
NON-CURRENT ASSETS			
Goodwill		218,430	236,319
Intangible assets		136,228	156,797
Property, plant and equipment		257,913	197,788
Investments		7,050	7,050
		<u>619,621</u>	<u>597,954</u>
CURRENT ASSETS			
Trade and other receivables		357,831	335,529
Cash and cash equivalents		1,412,665	185,444
		<u>1,770,496</u>	<u>520,973</u>
TOTAL ASSETS		<u><u>2,390,117</u></u>	<u><u>1,118,927</u></u>
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	8	57,144	100
Share premium		777,213	-
Retained earnings		689,759	552,880
		1,524,116	552,980
Non-controlling interests		<u>8,470</u>	<u>10,801</u>
TOTAL EQUITY		<u>1,532,586</u>	<u>563,781</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Deferred tax		<u>22,200</u>	<u>21,200</u>
CURRENT LIABILITIES			
Trade and other payables		458,287	326,365
Financial liabilities - borrowings			

Bank overdrafts	111,392	52,353
Tax payable	265,652	155,228
	<hr/>	<hr/>
	835,331	533,946
	<hr/>	<hr/>
TOTAL LIABILITIES	857,531	555,146
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TOTAL EQUITY AND LIABILITIES	2,390,117	1,118,927
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M WINKWORTH PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2009

	Notes	Called up share capital £	Retained earnings £	Share premium £	Shareholders' Equity £
Balance at 1 January 2008		100	469,710	-	469,810
Total comprehensive income		-	483,170	-	483,170
Dividends	4	-	(400,000)	-	(400,000)
Balance at 31 December 2008		100	522,880	-	552,980
Issue of share capital		7,144	-	777,213	784,357
Total comprehensive income		-	651,779	-	651,779
Bonus issue		49,900	(49,900)	-	-
Dividends	4	-	(465,000)	-	(465,000)
Balance at 31 December 2009		57,144	689,759	777,213	1,524,116

	Notes	Non- controlling interests £	Total equity £
Balance at 1 January 2008		-	469,810
Total comprehensive income		10,801	493,971
Dividends		-	(400,000)
Balance at 31 December 2008		10,801	563,781
Issue of share capital		-	784,357
Total comprehensive income		(2,331)	649,448
Dividends	4	-	(465,000)
Balance at 31 December 2009		8,470	1,532,586

M WINKWORTH PLC

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 December 2009

	Notes	2009 £	2008 £
Cash flows from operating activities			
Cash generated from operations	6	1,065,523	1,027,321
Finance costs		(474)	(6,768)
Tax paid		<u>(121,365)</u>	<u>(243,302)</u>
Net cash from operating activities		<u>943,684</u>	<u>777,251</u>
Cash flows from investing activities			
Purchase of goodwill		-	(236,319)
Purchase of intangible fixed assets		-	(52,476)
Purchase of property, plant and equipment		(115,563)	(63,378)
Sale of property, plant and equipment		100	3,682
Sale of non-current asset investments		-	108,963
Finance income		<u>2,314</u>	<u>12,178</u>
Net cash from investing activities		<u>(113,149)</u>	<u>(227,350)</u>
Cash flows from financing activities			
Loan repayments in year		(46,000)	(110,312)
Director's loan repayments		-	(56,389)
Share issue		1,143,000	-
Flotation costs		(358,643)	-
Equity dividends paid		<u>(465,000)</u>	<u>(400,000)</u>
Net cash from financing activities		<u>273,357</u>	<u>(566,701)</u>
Increase/(decrease) in cash and cash equivalents		<u>1,103,892</u>	<u>(16,800)</u>
Cash and cash equivalents at beginning of year	7	179,091	195,891
Effect of foreign exchange rate changes		<u>18,290</u>	
Cash and cash equivalents at end of year	7	<u><u>1,301,273</u></u>	<u><u>179,091</u></u>

M WINKWORTH PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2009

1. ACCOUNTING POLICIES

Basis of preparation

The financial information has been prepared under the historical cost convention and in accordance with International Financial Reporting Standards adopted by the European Union ("IFRS"). The following principal accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial information.

Basis of consolidation

The group financial statements consolidate the financial statements of M Winkworth Plc and all its subsidiary undertakings at the year ended 31 December. The consolidated financial statements are based on financial statements of subsidiary undertakings which are coterminous with those of the parent company.

Acquisitions of companies that are consolidated are accounted for using the purchase method, by allocating their acquisition cost to the acquired identifiable assets and liabilities (including contingent liabilities) at the time of acquisition. Where the acquisition cost exceeds the net fair value of the acquired assets and liabilities, the difference is recognised as goodwill. Pursuant to IFRS 3, goodwill is not amortised but instead is tested for impairment at least annually and written down only in the event of impairment.

All expenses, income, receivables, payables and provisions from transactions between consolidated companies are eliminated.

The comparative figures have been adjusted to reflect the acquisition of SARL Agence Fraxinoise in November 2008 but previously not consolidated.

The following IFRS, International Financial Reporting Interpretations Committee (IFRIC) interpretations and amendments have been adopted in the financial statements:

IAS 1 (Revised) – 'Presentation of Financial Statements' was issued in January 2008. It affects the presentation of owner changes in equity and of comprehensive income. It does not change the recognition, measurement or disclosure of specific transactions and other events required by other IFRS. The Group has applied IAS 1(Revised) from 1 February 2009. This implementation has had no material impact on the results or net assets of the Group.

IAS 27 (Revised) – 'Consolidated and Separate Financial Statements' was issued in January 2008. The amendments relate primarily to accounting for non-controlling interests and the loss of control of a subsidiary. This

implementation has had no material impact on the results or net assets of the Group.

IFRS 8 – ‘Operating Segments’ was issued in November 2006. It replaces IAS 14 – ‘Segmental Reporting’. The new standard uses a ‘management approach’, under which segment information is presented on the same basis as that used for internal reporting purposes.

IFRIC 13 – ‘Customer Loyalty Programmes’ was issued in June 2007. It explains how entities that grant loyalty award credits should account for their obligations to provide free or discounted goods or services to customers who redeem such award credits. This implementation has had no material impact on the results or net assets of the Group.

The following IFRS has been issued by the International Accounting Standards Board during the year but is not yet effective and has not been adopted by the Group as yet.

IFRS 3 (Revised) – ‘Business Combinations’ was issued in January 2008. It addresses the guidance for applying the acquisition method of accounting. It is required to be implemented prospectively by the Group from 1 January 2010.

IAS 23 (Revised) – ‘Borrowing Costs’ was issued in March 2007. It removes the option of immediately expensing borrowing costs that are directly attributable to a qualifying asset and implemented prospectively by the Group from 31 January 2010.

Revenue recognition

Revenue represents the value of commissions due to the company under franchise agreements. Revenue in respect of commissions due on house sales is recognised at the point of the relevant property sale having been completed by the franchisee. Revenue in respect of commissions due on lettings and property management is recognised in the period to which the services relate.

Intangible assets

Intangibles represent amounts paid to franchisees on the incorporation of their business into the Winkworth brand.

Intangibles are amortised over the period of the franchise to which they relate on a straight line basis. They are assessed for impairment by performing a value in use calculation when indicators of impairment exist. Amortisation is shown within administrative expenses in the income statement.

Property, plant and equipment

Property, plant and equipment is recognised at cost. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings - 15% - 33% on reducing balance,

Property, plant and equipment is subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly.

Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the deferred tax liabilities/(assets) are settled/(recovered).

Foreign currencies

Overseas franchisees trade in local currencies and issue sales statements to the Group in these local currencies. These statements are translated into sterling at the rate of exchange ruling at the date of transaction and the commission invoiced thereon. All monies received are therefore in sterling. Exchange differences are taken into account in arriving at the operating result.

Leased assets and obligations

Lease arrangements where substantially all of the benefits and risks of ownership remain with the lessor are treated as operating leases and charged to the income statement on a straight line basis over the life of the lease.

Borrowing costs

Borrowing costs are recognised in the income statement in the period in which they are incurred.

Investments

Long term investments described as unlisted investments are classified as non-current assets.

Unlisted investments are stated at cost less provision in the company statement of financial position.

Provision is made for any impairment in the value of non-current asset investments.

Cash and cash equivalents

Cash and cash equivalents are defined as cash balances in hand and in the bank (including short term cash deposits). The company routinely utilises short term bank overdraft facilities, which are repayable on demand, as an integral part of its cash management policy. As such these are included as a component of net cash and cash equivalents within the statement of cash flows.

Financial assets

The group has only financial assets classified as loans and receivables.

Loans and receivables: These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of services to franchisees (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the group will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the income statement. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision. From time to time, the Group elects to renegotiate the terms of trade receivables due from franchisees. Such renegotiations will lead to changes in the timing of payments rather than changes to the amounts owed and, in consequence, where material the new expected cash flows are discounted at the original effective interest rate.

The Group's loans and receivables comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Cash and cash equivalents includes cash in hand and deposits held at call with banks. Bank overdrafts are shown within loans and borrowings in current liabilities on the statement of financial position.

Trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

Financial liabilities

The group classifies its financial liabilities as other financial liabilities.

Other financial liabilities include the following items:

- Bank borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statement of financial position. Interest expense in this context includes initial transaction costs and premia payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Critical accounting estimates and judgements

The Group makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Impairment of intangibles

The group is required to test, where indicators of impairment exist, whether intangible assets have suffered any impairment. The recoverable amount is determined based on value in use calculations. The use of this method requires the estimation of future cash flows and the choice of a discount rate in order to calculate the present value of the cash flows. Actual outcomes may vary.

(b) Useful lives of property, plant and equipment

Property, plant and equipment are depreciated over their useful lives. Useful lives are based on the management's estimates of the period that the assets will generate revenue, which are periodically reviewed for continued appropriateness. Changes to estimates can result in significant variations in the carrying value and amounts charged to the consolidated income statement in specific periods.

(c) Recoverability of trade receivables

The Risk Management Committee determines concentrations of credit risk by quarterly monitoring the creditworthiness rating of franchisees and through a monthly review of the trade receivables' ageing analysis.

(d) Legal proceedings

In accordance with IFRS the group recognises a provision where there is a present obligation from a past event, a transfer of economic benefits is probable and the amount of costs of the transfer can be estimated reliably. In instances where the criteria are not met, a contingent liability may be disclosed in the notes to the financial statements. Obligations arising in respect of contingent liabilities that have been disclosed, or those which are not currently recognised or disclosed in the financial statements, could have a material effect on the group's financial position. Application of these accounting principles to legal cases requires the group's management to make determinations about various factual and legal matters beyond its control. The group reviews outstanding legal cases following developments in the legal proceedings and at each balance sheet date, in order to assess the need for provisions and disclosures in its financial statements. Among the factors considered in making decisions on provisions are the nature of litigation, claim or assessment, the legal process and potential level of damages in the jurisdiction in which the litigation, claim or assessment has been brought, the progress of the case (including the progress after the date of the financial statements but before those statements are issued), the opinions or views of legal advisers, experience on similar cases and any decision of the group's management as to how it will respond to the litigation, claim or assessment.

2. **SEGMENTAL DISCLOSURE**

The directors believe that the Group has only one segment, that of franchising business. Currently, these operations principally occur in the UK, with only limited business in other geographies. Accordingly no segmental analysis is considered necessary.

3. **TAXATION**

Analysis of the tax charge	2009	2008
	£	£
Current Tax	231,789	202,861
Deferred tax	1,000	5,100
Total tax charge in income statement	<u>232,789</u>	<u>207,961</u>

Factors affecting the tax charge

The current tax charge differs from the standard rate of corporation tax in the UK for the reasons explained below:

	2009	2008
	£	£
Profit on ordinary activities before tax (including	<u> </u>	<u> </u>

other comprehensive income)	<u>882,237</u>	<u>692,455</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2008 - 28%)	247,026	193,887
Effects of:		
Expenses not deductible for tax purposes	11,857	12,062
Adjustment in respect of prior periods	(26,909)	-
Different tax rates	842	(3,088)
Capital allowances in excess of depreciation	<u>(1,027)</u>	<u>-</u>
Total current tax	231,789	202,861
Deferred tax	<u>1,000</u>	<u>5,100</u>
Total tax charge in income statement	<u>232,789</u>	<u>207,961</u>

4. DIVIDENDS

	2009	2008
	£	£
Ordinary shares of £1 each		
Interim 2009 – £4,650 per share (2008 - £4,000 per share)	<u>465,000</u>	<u>400,000</u>

After the statement of financial position date a final dividend of 0.5p per 0.5p ordinary share was paid, which is not reflected on the statement of financial position at the year end.

5. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

The weighted average number of shares has been adjusted to reflect the bonus issue and the sub-division set out in note 16.

There are no dilutive potential shares in issue.

	Earnings £	Weighted average number of shares	Per-share amount pence
2009	651,779	10,195,719	6.39
2008	483,170	10,000,000	4.83

6. RECONCILIATION OF PROFIT BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS

	2009 £	2008 £
Profit before income tax	882,237	692,455
Depreciation and amortisation	75,042	122,170
Loss/(profit) on disposal of property, plant and equipment	464	(108,538)
Depreciation of disposed subsidiary	-	(505)
Finance costs	474	6,768
Finance income	(2,314)	(12,178)
	955,903	700,172
(Increase)/decrease in trade and other receivables	(22,302)	494,458
Increase/(decrease) in trade and other payables	131,922	(167,309)
Cash generated from operations	1,065,523	1,027,321

7. CASH AND CASH EQUIVALENTS

The amounts disclosed on the cash flow statement in respect of cash and cash equivalents are in respect of these balance sheet amounts:

Year ended 31 December 2009	31.12.09 £	1.1.09 £
Cash and cash equivalents	1,412,665	185,444
Bank overdrafts	(111,392)	(6,353)
	1,301,273	179,091

Year ended 31 December 2008	31.12.08	1.1.08
	£	£
Cash and cash equivalents	185,444	343,259
	(6,353)	(147,368)
Bank overdrafts	179,091	195,891

8. SHARE CAPITAL

Authorised:	2009	2008
	£	£
100 Ordinary shares of £1 each	-	100
20,000,000 Ordinary shares of 0.5p	100,000	-
	100,000	100
Issued and fully paid:	2009	2008
	£	£
100 Ordinary shares of £1 each	-	100
11,428,750 Ordinary shares of 0.5p	57,144	-
	57,144	100

During the year the following share transactions took place:

September 2009- The authorised share capital was increased from £100 to £100,000 by the creation of 99,900 Ordinary shares of £1 each.

September 2009 – A bonus issue of 499 shares for each existing £1 Ordinary share was distributed. The bonus issue increased the Ordinary shares of £1 each in issue from 100 shares to 50,000 shares.

September 2009 - 100,000 issued and unissued Ordinary shares of £1 each were subdivided into 20,000,000 0.5p shares.

November 2009 - 1,428,750 Ordinary shares of 0.5p each were allotted fully paid for cash at a premium of 79.5p per share.

- The financial information set out in this preliminary announcement, which has been extracted from the audited report and financial statements, does not constitute the company's statutory accounts for the year ended 31 December 2009.

The report of the auditor on the report and financial statements for the year ended 31 December 2009 is not qualified and does not include a statement under s498(2) or s498(3) of the Companies Act 2006.

10. Annual report and accounts

Copies of the annual report and accounts for the year ended 31 December 2009 together with the notice of the Annual General Meeting to be held at the offices of FinnCap, 4 Coleman Street, London EC4R 5TA on 3 June 2010, will be posted to shareholders shortly and will be available to view and download from the Company's website at www.winkworthplc.com

The annual report and accounts will be filed at Companies House in due course.