

## **Letter to all Shareholders**

1st May 2013

Dear Shareholder,

### **Pre-Audit Trading Update**

Touchstone's year-end finished on 31<sup>st</sup> March 2013 and concludes the Group's 31<sup>st</sup> year of trading.

At this pre-audit stage, it is pleasing to report that, against poor general economic conditions, the Group's UK-based operations have all performed in-line or ahead of expectations. As a consequence turnover and profit levels for these units are expected to be slightly ahead of last year.

However, it is important to highlight that the Group's Jersey and Australian operations have each experienced major project delays and deferrals in recent months. As a consequence, overall Group operating profits for FY13 are now expected to be significantly behind last year.

The Board anticipates issuing a full business update to shareholders once the year-end audit is complete. As in previous years, this update is likely to be issued ahead of the annual report and accounts.

With kind regards,  
**Touchstone Group Plc**

Keith Birch  
Chief Executive