For immediate release **4 October 2017**

Gooch & Housego PLC
("G&H" or the "Company")

Full Year Trading Update

"Trading in line with expectations"

Gooch & Housego PLC (AIM: GHH), the specialist manufacturer of optical components & systems, today announces that trading for the year ended 30 September 2017 is in line with its previous guidance. The Company expects to announce its audited results for the year ended 30 September 2017 on 28 November 2017.

During the financial year ended 30 September 2017, the business has benefited from positive market conditions and strong demand in its industrial and telecommunications sectors, in particular critical components used in microelectronic manufacturing and high reliability undersea fibre couplers.

G&H has started its new financial year with a record year end order book, which, as at 30 September 2017, stood at £72.2 million, an increase of 36.7% compared with the same time last year. Excluding the impact of foreign exchange and acquisitions this represents an increase of 29.2% on the starting order book last year.

Approximately one third of our business now relates to the Aerospace & Defence ("A&D") sector, due in part to the acquisitions made in FY 2016 and FY 2017.

In February 2017 the Company acquired StingRay Optics LLC ("StingRay"), a USA based specialist designer and manufacturer of high performance optical and opto-mechanical sub-systems for demanding defence and commercial applications. StingRay has integrated well into the wider business and has performed strongly since acquisition, contributing positively to the overall results of G&H in FY 2017.

Our performance improvement programme has made positive progress. There has been continued benefit from concentrating our Research and Development ("R&D") efforts on fewer higher return projects and from enhanced business development activity. We have invested in our skills base, the latest manufacturing equipment, improved lean processes and business systems and we intend to continue to do so in order to support our future growth.

The Company remains in a strong financial position and will make further investment in the business.

Mark Webster, Chief Executive Officer of Gooch & Housego, commented:

"G&H is well positioned to take advantage of the positive market conditions and we continue to invest in people, processes, systems and capital equipment to meet the demands of a robust order book.

"We remain committed to further diversification of the business and moving up the value chain. This has been most evident in the A&D sector, where recent acquisitions and investment in R&D has taken us closer to establishing 'critical mass' in this sector.

"We will continue to invest in our performance improvement plan which we believe will underpin our future growth."

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Notes to editors

1. Gooch & Housego is a photonics technology business headquartered in Ilminster, Somerset, UK with operations in the USA and Europe. A world leader in its field, the company researches, designs, engineers and manufactures advanced photonic systems, components and instrumentation for applications in the Aerospace & Defence, Industrial, Life Sciences and Scientific Research sectors. World leading design, development and manufacturing expertise is offered across a broad range of complementary technologies.

2. All financial information included in this announcement is sourced from unaudited management accounts and excludes any specific items. This announcement contains certain forward-looking statements that are based on management's current expectations or beliefs as well as assumptions about future events. These are subject to risk factors associated with, amongst other things, the economic and business circumstances occurring from time to time in the countries and sectors in which G&H operates. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a wide range of variables which could cause actual results, and G&H's plans and objectives, to differ materially from those currently anticipated or implied in the forward-looking statements. Investors should not place undue reliance on any such statements. Nothing in this announcement should be construed as a profit forecast.