For immediate release **7 October 2019**

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

Full Year Trading Update

"Trading in line"

Gooch & Housego PLC (AIM: GHH), the specialist manufacturer of optical components & systems, announces that trading for the year ended 30 September 2019 is expected to be in line with management's previous expectations. The Company will announce its results for the year ended 30 September 2019 on 3 December 2019.

Trading during the financial year ended 30 September 2019 reflected trends we have previously reported. There has been a downturn in demand for critical components used in industrial lasers for microelectronic and semiconductor manufacturing, particularly from China. In contrast demand for fibre optic products, hi-reliability fibre couplers used in undersea networks and our life science products are at record levels.

As previously stated, G&H has long been aware of the risks associated with cyclical downturn in microelectronic and semi conductor manufacturing and more recently the impact of the US/ China trade dispute. G&H believes that technological innovation in end market applications, such as 5G and the introduction of new manufacturing techniques, combined with our market leading position will ultimately drive improved demand for our industrial laser products.

Our fibre optics business has performed strongly. In particular hi-reliability fibre couplers are experiencing a multi-year growth phase and we have invested accordingly to take advantage of our market leading position in this area.

Our life sciences business has now established itself as a substantial sector within G&H. This has been driven by growth in our existing life science market areas, strongly supported by the addition of ITL, which has performed ahead of expectations since its acquisition in August 2018.

G&H has entered its new financial year with a good order book which, at 30th September 2019, stood at £94.4 million (30 September 2018: £96.1 million), 1.8% lower compared with the same time last year, or a reduction of 5.1% excluding the impact of foreign exchange. The order book reflects strong demand for fibre optics, hi-reliability fibre couplers and our A&D and life sciences capabilities, whilst industrial laser demand is yet to recover to more normalised levels.

The Company remains in a strong financial position, which will allow us to make further investments in our business.

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

"Trading for the year ended 30 September 2019 reflects trends we have previously reported. G&H has long been aware of the risks associated with the cyclical nature of the microelectronics and semiconductor sector and more recently with the impact of the US / China trade dispute.

"Recent contract wins in our US A&D sector and the ongoing strength of fibre optics, hi- reliability fibre couplers and life science orders contrast with industrial laser demand which is still yet to recover to more normalised levels.

"Technological innovation in industrial laser end markets, such as 5G and new manufacturing techniques, combined with our market leading position means that we believe the industrial laser market sector will continue to provide attractive long term growth opportunities for the Company.

"G&H is committed to its twin strategic pillars of further diversification and moving up the value chain. We will continue to invest in R&D, leverage the benefits of ITL's system based capabilities across the group and where appropriate make acquisitions in order to support these strategic objectives."

Results notification and analyst meeting

Gooch & Housego's preliminary results for the year ended 30 September 2019 will be announced on Tuesday 3 December 2019. A meeting for analysts will be held at 9.30 am on the day of the results at the offices of Buchanan, 107 Cheapside, London EC2V 6DN.

For further information contact: -

Mark Webster / Chris Jewell	Gooch & Housego PLC	01460 256440
Mark Court / Sophie Wills	Buchanan	020 7466 5000
Patrick Robb / David Anderson	Investec Bank plc	020 7597 5970

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.