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

AGM Trading Update

"Trading in line with expectations"

Gooch & Housego PLC (AIM: GHH), the specialist manufacturer of optical components & systems, will hold its Annual General Meeting, at 11am this morning at the Company's headquarters in Ilminster, Somerset. G&H's Chairman Gareth Jones will provide the following update on trading performance since 1st October 2014, which is in line with management expectations.

'*'In the first four months of the current financial year the business has performed well, in particular in the industrial sector, where demand for both solid state and fibre optic lasers and telecommunication systems was robust. The current order book is 6.1% higher than at the beginning of the financial year, despite an increase in shipments, compared with the same period last year.*

As part of an on-going initiative to improve manufacturing efficiency G&H has now completed the closure of its Melbourne, Florida facility, with this business being consolidated into its Palo Alto, California and Ilminster sites. Additionally, the Company is in the process of moving its Palo Alto site to nearby Fremont, which will provide improved facilities and room for further growth. G&H expects the transfer will be completed by the end of the financial year and the business is currently building inventory reserves to satisfy expected customer requirements while the new facility is brought on line.

The Company has strengthened its financial position since 1st October 2014 and remains well positioned to invest in the business."

On the 1st January 2015, Mark Webster took over from Gareth Jones as Chief Executive Officer, with Gareth moving to Non-Executive Chairman. In addition, on the 10th November 2014, Alex Warnock joined the Board as Chief Operating Officer.

'*'The new management team has identified three areas of focus as part of a performance improvement programme. These are a) ensuring a consistent level of operational excellence across all of the sites, b) developing deeper ties with key target customers and c) ensuring we have a balanced R&D portfolio that meets the business' strategic goals. Whilst still at an early stage, progress is being made with all three initiatives."*

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

"*Against a background of gradually improving market conditions G&H is well placed to deliver continued growth in FY15 and beyond, through our longstanding twin strategies of diversification and moving up the value chain. In order to better place G&H for future growth, management is implementing a performance improvement programme that focuses on operational excellence, business development and R&D."*

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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 & Defense, 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.