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

Half Year Trading Update

"Full year trading remains in line with management's expectations"

Gooch & Housego PLC (AIM: GHH), the specialist manufacturer of optical components & systems, announces that trading in the six months to 31 March 2017 has been good and the Company expects full year trading to be in line with management's expectations.

Market conditions remain mainly positive, driven in large part by the telecommunications and industrial sectors, in particular high reliability fibre couplers for undersea cables, precision inspection equipment and critical components used in microelectronic manufacturing.

First half revenue growth has been very good, albeit benefitting from a favourable foreign exchange environment and a relatively weak comparator period. Further investment has been necessary to enable us to take advantage of a strong order book.

Our order book stood at a record £66.6 million, as at 31 March 2017, which represents an increase of 70.5% compared with the same time last year. Excluding the impact of foreign exchange and acquisitions this represents an increase of 17.2% over last year.

We are pleased with the overall performance of our recent acquisitions. Kent Periscopes and Alfalight were acquired last year and StingRay was acquired in February of this year.

Our performance improvement programme has progressed well. Lean manufacturing is now adopted more broadly across our sites, we have continued to benefit from concentrating our R&D effort on fewer high return projects and enhanced business development activity.

The Company's Interim Results, for the six months ended 31 March, are expected to be announced on Tuesday 6 June 2017.

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

'G&H is well positioned to take advantage of the mainly positive market conditions and has continued to invest in people and infrastructure to meet the demands of a strong order book'.

'We remain committed to our strategy of diversification and moving up the value chain. This has been most evident in the A&D sector where our most recent acquisitions, combined with investment in R&D has gone some way towards achieving our goal of establishing 'critical mass' in this sector".

'G&H will continue to invest in our performance improvement programme, which 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.