

General Industries plc

Directors' Report and Financial Statements

31 March 2009

Registered number 05679987

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Chairman's Statement

Dear Shareholder

General Industries plc is quoted on PLUS Markets with a strategy to acquire one or more growing, unquoted companies that wish to seek capital for expansion of their business and a public market for their shares.

During the year potential acquisitions in the renewable energy, specialist IT, exploration and mining resources and support services sectors were assessed, but were not considered appropriate by your directors following the process of due diligence. Discussions with a specialist chemicals group were discontinued after certain criteria were not met. We are looking at and actively seeking other opportunities that meet the directors' criteria.

Financial

For the year ended 31 March 2009 loss before taxation was £17,677 (year ended 31 March 2008 profit: £15,312) and comprised interest from cash on deposit of £50,990 (year ended 31 March 2008: £56,348) less administrative expenses of £68,667 (year ended 31 March 2008: £41,036). Administration costs include £35,469 relating to professional costs expended in connection with the specialist chemicals group. Loss after taxation amounted to £18,432 (year ended 31 March 2008 profit: £8,709). Loss per share was: basic 0.18p; and diluted 0.18p (year ended 31 March 2008 earnings: basic 0.09p; and diluted 0.08p).

As at 31 March 2009 the company's cash deposits amounting to £994,121 (31 March 2008: £1,018,106) were placed on short term bank deposit with the interest rate linked to base rate.

Dividend

The directors do not recommend payment of a dividend for the year ended 31 March 2009.

Outlook

In the current difficult economic environment, the company's cash resources are an attraction to any group seeking a market quote and your directors continue to seek a suitable acquisition or investment.

Your directors undertook to seek shareholders' approval on an annual basis for the continued pursuit of their investment strategy in the event that a material investment had not been made within one year following admission to PLUS Markets of the company's ordinary shares. A resolution (being resolution 4 as set out in the Notice of Annual General Meeting on page 17) is to be placed before shareholders at the forthcoming Annual General Meeting seeking that consent. Your directors believe that it is in the best interests of the company and recommend you vote in favour, as they will in respect of their combined holdings of 31.9% of the issued share capital of the company.

Your directors recognise that under certain circumstances, it may be in the best interests of the company to make purchases of its own shares. With this in mind your directors intend to renew a special resolution (being resolution 7 as set out in the Notice of Annual General Meeting on page 17), which, if approved by shareholders, will permit the company to make market purchases of its own shares up to a maximum of 1,530,006 shares (being 15% of the company's ordinary issued share capital as at 19 May 2009). Your directors are requesting this authority to allow them to respond to changes in market conditions where it may become beneficial to shareholders generally to engage in market purchases of the company's shares.

J Richard Wollenberg

Chairman

19 May 2009

Directors and Advisers

Directors

J Richard Wollenberg, *Chairman*
Anthony J Shakesby, *Finance Director*
Derek M Joseph, *Non-Executive Director*
Ian T Reynolds, *Non-Executive Director*

Company Secretary

Anthony J Shakesby

Head and Registered Office

56 Station Road
Egham
TW20 9LF
Telephone: 01784 437444
Fax: 01784 439157
E-mail: webmaster@general-industries.co.uk
Web: www.general-industries.co.uk

Registered Number

05679987

Auditor

KPMG Audit Plc
Marlborough House
Fitzalan Court
Fitzalan Road
Cardiff
CF24 0TE

Corporate Adviser

Beaumont Cornish Limited
2nd Floor
Bowman House
29 Wilson Street
London
EC2M 2SJ

Bankers

Bank of Scotland plc
Pentland House
8 Lochside Avenue
Edinburgh
EH12 9DJ

Registrars and Transfer Office

Neville Registrars
Neville House
18 Laurel Lane
Halesowen
West Midlands
B63 3DA

Report of the Directors

The directors submit their report and the audited financial statements for the year ended 31 March 2009.

Principal Activity and Review of the Business

The principal activity of the company during the year was that of an investment company seeking potential acquisitions.

Results

The results of the company for the year are set out in the audited financial statements on pages 8 to 16.

Dividends

The directors do not recommend payment of a dividend for the period.

Directors

The directors of the company are listed on page 2. All served throughout the financial period.

In accordance with the company's articles of association, DM Joseph will retire by rotation at the Annual General Meeting and, being eligible, will offer himself for re-election.

Directors' Options

Details of the options to subscribe for ordinary shares of 5 pence each are as follows. By option certificates dated 24 February 2006, each of the directors was granted an option to subscribe at a price of 10 pence per share for a number of shares representing the following percentage of ordinary shares then in issue at the time:

Directors	Percentage of Ordinary Shares
J Richard Wollenberg	5%
Anthony J Shakesby	1%
Derek M Joseph	2%
Ian T Reynolds	2%

The options are exercisable at any time during a five year period from 24 February 2006. Other than those noted above and disclosed at Note 11, no options were granted or exercised and none lapsed during the period.

The mid-market price of the company's shares on 31 March 2009 was 10.0 pence per share, the highest and lowest mid-market prices of the company's shares during the year were 13.75 pence and 8.5 pence respectively.

Share Capital

Movements in share capital are detailed in Note 11.

Substantial Shareholdings

The company has been notified of the following holdings of 3% or more in the share capital of the company at 19 May 2009.

	Holdings	Percentage
The Cardiff Property plc	900,000	8.8%
J Richard Wollenberg	1,450,000	14.2%
Ian T Reynolds	1,250,020	12.3%
Derek M Joseph	500,020	4.9%
Rensburg Sheppard Investment Management Limited	920,000	9.0%

Allotment of Shares

As special business at the Annual General Meeting a resolution will be proposed to renew the power of your directors to allot equity securities, pursuant to section 80 of the Companies Act 1985, such power being limited to one-third of the issued share capital of the company, being an aggregate nominal value of £170,000. This authority may be renewed for five years but, in common with modern corporate governance practice, it is your directors' intention that the resolution be limited to one year and that its renewal be proposed at each Annual General Meeting.

Report of the Directors *(continued)*

Pre-emption Rights

As special business at the Annual General Meeting a resolution will be proposed to renew for a further year the power of your directors to allot equity securities for cash without first offering such securities to existing shareholders. The aggregate nominal amount of equity securities which may be allotted in this way shall not exceed £25,500, representing 5% of the present issued ordinary share capital of the company.

Supplier Payment Policy

Whilst the company does not follow any standard code, it is its policy to negotiate terms with all its suppliers and to ensure that they know the terms on which payment will take place when the business is agreed. It is our policy to abide by these terms. In most instances this requires payment within 30 days of the date of invoice. At the year end no suppliers' invoices were outstanding.

Political and Charitable Contributions

The company made no political or charitable donations or incurred any political expenditure during the year

Auditors

A resolution for the reappointment of KPMG Audit Plc is to be proposed at the forthcoming Annual General Meeting.

Disclosure of Information to Auditors

The directors, who held office at the date of approval of this directors' report, confirm that; as far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company auditors are aware of that information.

Corporate Governance

In July 2003, the Stock Exchange published the Combined Code on Corporate Governance which combines the work of the Cadbury, Greenbury and Hempel committees and is mandatory for fully listed companies.

Whilst there is no obligation for PLUS Markets listed companies to comply with this code, the directors endorse the principles of effective corporate governance and are committed to maintaining the highest standards of ethics, integrity and professional competence. The directors do not consider full compliance with the code is appropriate for the company at this stage of its development but will keep the matter under review and continue to develop procedures as the company progresses.

Registered office:
56 Station Road
Egham
TW20 9LF

By order of the board

Anthony J Shakesby
Secretary

19 May 2009

Statement of Directors' Responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG Audit Plc
Marlborough House
Fitzalan Court
Fitzalan Road
Cardiff
CF24 0TE

Independent auditors' report to the members of General Industries Plc

We have audited the financial statements of General Industries Plc for the year ended 31 March 2009 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 5.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

Independent auditors' report to the members of General Industries Plc *(continued)*

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2009 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

KPMG Audit Plc
Chartered Accountants
Registered Auditor

19 May 2009

Profit and Loss Account
for the year ended 31 March 2009

	<i>Notes</i>	Year ended 31 March 2009 £	Year ended 31 March 2008 £
Administrative expenses being operating loss and loss on ordinary activities before interest		(68,667)	(41,036)
Interest receivable and similar income	2	50,990	56,348
(Loss) / profit on ordinary activities before taxation	<i>3-4</i>	(17,677)	15,312
Tax on (loss) / profit on ordinary activities	5	(755)	(6,603)
(Loss) / profit on ordinary activities after taxation being (loss) / profit for the financial period	<i>13</i>	(18,432)	8,709
(Loss) / earnings per share		Year ended 31 March 2009 Pence per share	Year ended 31 March 2008 Pence per share
On (loss) / profit for the financial period	<i>Notes</i>		
Basic	6	(0.18)p	0.09p
Diluted	6	(0.18)p	0.08p

The above results relate entirely to continuing activities. There were no acquisitions or disposals of businesses in the period. The loss for the financial period represents the total gains and losses and the total historical cost profit recognised for the period.

Balance Sheet
at 31 March 2009

	<i>Notes</i>	At 31 March 2009	At 31 March 2008
		£	£
Current assets			
Debtors	8	9,267	5,718
Cash at bank and in hand		994,121	1,018,106
		<hr/>	<hr/>
		1,003,388	1,023,824
Creditors: amounts falling due within one year	9	(10,376)	(15,880)
		<hr/>	<hr/>
Net assets		993,012	1,007,944
		<hr/> <hr/>	<hr/> <hr/>
Capital and reserves			
Called up share capital	11	510,002	510,002
Share premium account	12	459,309	459,309
Profit and loss account	13	23,701	38,633
		<hr/>	<hr/>
Shareholders' funds - equity	14	993,012	1,007,944
		<hr/> <hr/>	<hr/> <hr/>
Net assets per share	7	9.74p	9.88p
		<hr/> <hr/>	<hr/> <hr/>

These financial statements were approved by the board of directors on 19 May 2009 and were signed on its behalf by:

J Richard Wollenberg
Director

Cash Flow Statement

for the year ended 31 March 2009

	<i>Notes</i>	Year ended 31 March 2009	Year ended 31 March 2008
		£	£
Cash outflow from operating activities (see below)		(67,689)	(33,435)
Returns on investment and servicing of finance	16	47,521	56,348
Taxation		(3,817)	(9,184)
		<hr/>	<hr/>
Cash (outflow) / inflow before financing		(23,985)	13,729
Financing	16	-	-
		<hr/>	<hr/>
(Decrease) / increase in cash in the year		(23,985)	13,729
		<hr/> <hr/>	<hr/> <hr/>

Reconciliation of Net Cash Flow to Movement in Net Funds

	<i>Notes</i>	Year ended 31 March 2009	Year ended 31 March 2008
		£	£
(Decrease) / increase in cash and movement in net funds in the year resulting from cash flows	17	(23,985)	13,729
Net funds at beginning of year	17	1,018,106	1,004,377
		<hr/>	<hr/>
Net funds at end of year	17	994,121	1,018,106
		<hr/> <hr/>	<hr/> <hr/>

Reconciliation of Operating Loss to Net Cash Outflow from Operating Activities

	Year ended 31 March 2009	Year ended 31 March 2008
	£	£
Operating loss	(68,667)	(41,036)
(Increase) / decrease in debtors	(80)	51
(Decrease) / increase in creditors	(2,442)	4,050
Fair value of share options granted	3,500	3,500
	<hr/>	<hr/>
Net cash outflow from operating activities	(67,689)	(33,435)
	<hr/> <hr/>	<hr/> <hr/>

Notes

(forming part of the financial statements)

1 Accounting Policies

The following principal accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and with the Companies Act 1985.

Share based payments

The share option programme allows directors to acquire shares of the company. These awards are granted by the company. The fair value of options granted is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at the date of grant and spread over the period during which the directors become unconditionally entitled to the options taking into account the terms and conditions upon which options were granted.

Taxation

Provision is made for corporation tax payable at current rates on profits as adjusted for tax purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Notes *(continued)*

2 Interest Receivable and Similar Income

	Year ended 31 March 2009	Year ended 31 March 2008
	£	£
On bank deposits	50,990	56,348
	<u> </u>	<u> </u>

3 Directors' Remuneration and Staff Costs

The average number of persons employed by the company (including executive directors) during the period was:

	Number of employees	
	Year ended 31 March 2009	Year ended 31 March 2008
Management (part time)	2	2
	<u> </u>	<u> </u>

	Year ended 31 March 2009	Year ended 31 March 2008
	£	£
Directors' emoluments	10,000	10,000
	<u> </u>	<u> </u>

No retirement benefits are accruing to directors.

Information on directors' share options is shown in the report of the directors on page 3.

4 (Loss) / Profit on Ordinary Activities Before Taxation

	Year ended 31 March 2009	Year ended 31 March 2008
	£	£
<i>This is stated after charging the following:</i>		
Auditors' remuneration:		
Audit fees	2,350	2,000
Fees payable for other services:		
Tax services	1,000	1,700
Other services pursuant to legislation	-	-
	<u> </u>	<u> </u>

Notes (continued)

5 Tax on (Loss) / Profit on Ordinary Activities

	Year ended 31 March 2009	Year ended 31 March 2008
	£	£
UK corporation tax at 21% (2008: 20%) on (losses)/profits for the year	755	7,338
Deferred taxation	-	(735)
	755	6,603
Tax on (loss) / profit on ordinary activities	755	6,603

Factors affecting the current tax charge for the year

The current tax charge for the year is higher than the small company rate of corporation tax in the UK of 21% (2008: 20%).

	Year ended 31 March 2009	Year ended 31 March 2008
	£	£
Current tax reconciliation		
(Loss) / profit on ordinary activities before tax	(17,677)	15,312
	(17,677)	15,312
(Loss) / profit on ordinary activities multiplied by the lower rate of corporation tax in the UK of 21% (2008: 20%)	(3,712)	3,062
<i>Effects of</i>		
Expenses not allowed for tax purposes	776	-
Unprovided tax losses	2,936	-
Adjustment in relation to prior year	755	4,276
	755	7,338
Current tax charge	755	7,338

No deferred tax asset has been recognised on the tax losses arising in the current year due to uncertainty over the availability of future profits to utilise these losses.

6 Earnings Per Share

Earnings per share has been calculated in accordance with Financial Reporting Standard 22 - *Earnings Per Share* using the loss after tax for the year of £18,432 (year ended 31 March 2008 profit: £8,709) and the weighted average number of shares in issue during the period as follows:

	Weighted average number of shares	
	Year ended 31 March 2009	Year ended 31 March 2008
Basic	10,200,040	10,200,040
Adjustment to basic for element of shares to be issued on exercise of options	97,273	277,408
	10,297,313	10,477,448
Diluted basis	10,297,313	10,477,448

Notes *(continued)*

7 Net Assets per Share

Based on shares in issue at 31 March 2009 of 10,200,040
(31 March 2008: 10,200,040)

At 31 March 2009	At 31 March 2008
Pence per share	Pence per share
9.74p	9.88p
<u> </u>	<u> </u>

8 Debtors

Prepayments and accrued income
Deferred tax asset

At 31 March 2009	At 31 March 2008
£	£
7,867	4,318
1,400	1,400
<u> </u>	<u> </u>
9,267	5,718
<u> </u>	<u> </u>

Full provision has been made for deferred taxation as follows:

Other timing differences

Deferred tax asset

At 31 March 2009	At 31 March 2008
£	£
1,400	1,400
<u> </u>	<u> </u>
1,400	1,400
<u> </u>	<u> </u>

9 Creditors: amounts falling due within one year

Corporation tax
Accruals and deferred income

At 31 March 2009	At 31 March 2008
£	£
-	3,062
10,376	12,818
<u> </u>	<u> </u>
10,376	15,880
<u> </u>	<u> </u>

Notes (continued)

10 Share Based Payments

The fair values of services received in return for share options granted are measured by reference to the fair value of share options granted. The estimate of the fair value of the option is measured based on a Black Scholes model (with the contractual life of the option built into the model). The option vests once an acquisition has been achieved.

The terms and condition of outstanding share options are as follows:

Date granted	No. of ordinary shares	Option price per share	Exercisable Between
24 February 2006	1,070,004	10p	2006-2011

The principal assumptions used in assessing the fair value of the options are as follows:

- share price – 10.0p;
- exercise price – 10p;
- option life - 5 years;
- expected dividends – 0%; and
- risk-free interest rate – 4.3%.

11 Share Capital

	At 31 March 2009 £	At 31 March 2008 £
<i>Authorised</i>		
40,000,000 ordinary shares of 5 pence each	2,000,000	2,000,000
	=====	=====
<i>Allotted, called up and fully paid</i>		
10,200,040 ordinary shares of 5 pence each	510,002	510,002
	=====	=====

Details of share options held by the directors are set out in the report of the directors on page 3.

12 Share Premium Account

	£
At 31 March 2009 and 31 March 2008	459,309
	=====

13 Profit and Loss Account

	At 31 March 2009 £	At 31 March 2008 £
At 31 March 2008	38,633	26,424
Retained (loss) / profit for the financial year	(18,432)	8,709
Fair value of share options granted	3,500	3,500
	=====	=====
At 31 March 2009	23,701	38,633
	=====	=====

Notes (continued)

14 Reconciliation of Movements in Shareholders' Funds

	At 31 March 2009	At 31 March 2008
	£	£
At 31 March 2008	1,007,944	995,735
(Loss) / profit for the financial period	(18,432)	8,709
Fair value of share options granted	3,500	3,500
	<hr/>	<hr/>
At 31 March 2009	993,012	1,007,944
	<hr/> <hr/>	<hr/> <hr/>

15 Commitments

There were no commitments under contract at 31 March 2009 (2008: £Nil).

16 Gross Cash Flows

	Year ended	Year ended
	31 March 2009	31 March 2008
	£	£
Returns on investment and servicing of finance		
Interest received	47,521	56,348
	<hr/>	<hr/>
Financing		
Shares issued in the period	-	-
Expenses of share issue	-	-
	<hr/>	<hr/>
	47,521	56,348
	<hr/> <hr/>	<hr/> <hr/>

17 Analysis of Net Funds

	Year ended	Year ended
	31 March 2009	31 March 2008
	£	£
At 31 March 2008	1,018,106	1,004,377
Cash flow	(23,985)	13,729
	<hr/>	<hr/>
At 31 March 2009	994,121	1,018,106
	<hr/> <hr/>	<hr/> <hr/>

18 Related Party Transactions

During the period the company did not enter into any material transactions with related parties.

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of General Industries Public Limited Company will be held at 56 Station Road, Egham, Surrey TW20 9LF on 23 June 2009 at 11am, for the following purposes:

Ordinary business

To consider and if thought fit, to pass the following resolutions which will be proposed as ordinary resolutions:

1. To receive the reports of the directors and auditors and the financial statements for the year ended 31 March 2009.
2. To re-appoint DM Joseph, who retires by rotation, as a director.
3. To re-appoint KPMG Audit Plc as auditor of the company from the conclusion of the meeting to the conclusion of the next meeting at which the reports of the directors and auditors and the financial statements are laid before the company and to authorise the directors to agree its remuneration.
4. To obtain the approval of the company to continue with its investment strategy in light of the fact that it has not made a material investment.

Special business

To consider and, if thought fit, to pass resolution 5 as an ordinary resolution and resolutions 6 and 7 as special resolutions:

5. That the directors be generally and unconditionally authorised pursuant to section 80 of the Companies Act 1985 to exercise all the powers of the company to allot, grant options over or otherwise deal with or dispose of the unissued share capital of the company provided that the authority hereby given:
 - (a) shall be limited to unissued shares in the share capital of the company having an aggregate nominal value of £170,000; and
 - (b) shall expire at the end of the next Annual General Meeting of the company to be held in 2010 unless previously renewed or varied save that the directors may, notwithstanding such expiry, allot, grant options over or otherwise deal with or dispose of any shares under this authority in pursuance of an offer or agreement so to do made by the company before the expiry of this authority.

Special resolution

6. That, subject to the passing of resolution 5, the directors be and they are hereby empowered pursuant to section 95(1) of the Companies Act 1985 to allot equity securities (as defined in section 94(2) of that Act) for cash pursuant to the authority conferred in that behalf by the preceding ordinary resolution, as if section 89(1) of that Act did not apply to any such allotment, provided that this power shall be limited:
 - (a) to the allotment of equity securities in connection with a rights issue in favour of ordinary shareholders where the equity securities respectively attributable to the interests of all ordinary shareholders are proportionate (as nearly as may be) to the respective numbers of ordinary shares held by them subject only to such exclusions or other arrangements as the directors may deem necessary or expedient to deal with fractional entitlements; and
 - (b) to the allotment (otherwise than pursuant to subparagraph (a) above) of equity securities up to an aggregate nominal amount of £25,500 representing 5% of the present issued share capital of the company;

and shall expire on the date of the next Annual General Meeting of the company or 15 months from the passing of this resolution, whichever is the earlier, save that the company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the board may allot equity securities in pursuance of such an offer or agreement as if the power conferred hereby had not expired.

7. Pursuant to the company's articles of association that the company be and is hereby unconditionally and generally authorised to make market purchases (as defined in Section 163(3) of the Companies Act 1985) of ordinary shares of 5 pence each in the capital of the company, provided that :
 - (a) the maximum number of ordinary shares hereby authorised to be acquired is 1,530,006 representing 15% of the present issued share capital of the company as at 19 May 2009

- (b) the minimum price which may be paid for such shares is 5 pence per share which shall be exclusive of expenses;
- (c) the maximum price which may be paid for such shares is, in respect of a share contracted to be purchased on any day, an amount (exclusive of expenses) equal to 105% of the middle market quotations for an ordinary share of the company obtained from The London Stock Exchange for the five business days immediately preceding the day on which the share is contracted to be purchased;
- (d) unless previously renewed the authority hereby conferred shall expire at the conclusion of the next Annual General Meeting or 12 months from the date of passing this resolution, if earlier; and
- (e) the company may make a contract or contracts to purchase its own shares under the authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority, and may make a purchase of its own shares in pursuance of any such contract.

Registered office:
56 Station Road
Egham
TW20 9LF
19 May 2009

By order of the board

Anthony J Shakesby
Secretary

Notes

1. Copies of the directors' service contracts will be available for inspection at the registered office of the company during usual business hours from the date of this notice until the date of the Annual General Meeting, and also during and at least fifteen minutes before the beginning of the Annual General Meeting.
2. If you are a member of the Company at the time set out above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Annual General Meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
3. A proxy does not need to be a member of the Company but must attend the Annual General Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the Annual General Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please contact the company secretary, at 56 Station Road, Egham, Surrey, TW20 9LF and provide details.
5. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Annual General Meeting.
6. As at 16:00 hours on 19 May 2009, the Company's issued share capital comprised 10,200,040 ordinary shares of 5p pence each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 16:00 hours on 19 May 2009 is 10,200,040.
7. The company may hold in treasury any of its own shares purchased pursuant to resolution 7. This would give the company flexibility in the management of its capital base. Any shares purchased by the company not held in treasury will be cancelled and the number of shares in issue reduced accordingly.
8. Shareholders who hold shares through CREST and who wish to appoint a proxy or proxies by using the CREST electronic proxy appointment service may do so by using the procedures set out in the CREST manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s) should refer to their CREST sponsor or voting service provider(s), who will be able to take appropriate action on their behalf. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST manual. The message, regardless of whether it relates to the appointment of a proxy or to an amendment of the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received at the head office of the company at least 48 hours before the time appointed for holding the meeting or adjourned meeting (as the case may be). For this purpose the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the company is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. CREST members and, where applicable, their CREST sponsors or voting service provider(s), should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a personal member or sponsored member or has appointed a voting service provider(s) to procure that his/her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST manual concerning practical limitations of the CREST system and timings. The company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Form of Proxy

I/We being (an) ordinary shareholder(s) of **General Industries plc** hereby appoint the chairman of the meeting or _____ (see Note 1 below) as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting to be held at 56 Station Road, Egham, Surrey TW20 9LF on 23 June 2009 at 11am and at any adjournment thereof, as indicated below:

Resolutions		For	Against	Abstain
1.	To receive the reports of the directors and auditors and the financial statements for the year ended 31 March 2009.			
2.	To re-appoint DM Joseph, who retires by rotation, as a director.			
3.	To re-appoint KPMG Audit Plc as auditor of the company and to authorise the directors to agree its remuneration.			
4.	To obtain the approval of the company to continue with its investment strategy.			
5.	To authorise the directors to allot and issue shares pursuant to section 80 of the Companies Act 1985.			
6.	To authorise the allotment of equity securities for cash pursuant to section 95(1) of the Companies Act 1985.			
7.	To authorise the company to make market purchases (as defined in Section 163(3) of the Companies Act 1985) of ordinary shares of 5 pence each in the capital of the company.			

Signed _____ Date _____

Name(s) _____

Notes

- Should a member wish to nominate any other person, strike out "the chairman of the meeting or" and insert the name of the alternative proxy who need not be a member of the company.
- Please indicate with an X in the boxes above how you wish your votes to be cast. In the absence of any specific direction, the proxy will vote or abstain as he/she thinks fit.
- An appointment by a corporation must be under the common seal (if any) or, if none, under the hand of a duly authorised officer.
- Any one of the joint holders may attend or appoint a proxy to attend at the meeting but the vote of the senior present, in person or by proxy, will be accepted to the exclusion of the other. Seniority shall be determined by the order in which the names stand in the register of shareholders in respect of the joint holding.
- To be valid this proxy must be deposited at the head office of the company at 56 Station Road, Egham TW20 9LF at least 48 hours before the time appointed for holding the meeting or adjourned meeting (as the case may be).