SNACKTIME PLC

INTERIM RESULTS FOR THE

6 MONTHS ENDED 30 SEPTEMBER 2010

SnackTime PLC (SNAK.L) one of the UK's largest national operators of snack and chilled drink vending machines, is pleased to announce its interim results for the six months ended 30 September 2010.

FINANCIAL HIGHLIGHTS

- Turnover increased by 19% to £4.48 million (H1 2009: £3.77 million)
- Gross Profit up 27% to £2.89 million (H1 2009: £2.28 million)
- Profit before tax of £201k (H1 2009: £809k)

OPERATIONAL HIGHLIGHTS

- Acquisition of Vendia UK makes SnackTime UK's fourth largest vending company
- Vendia's focus on hot drinks perfectly complements SnackTime's existing business
- Improved Board structure and creation of operational management team to support growth

Blair Jenkins, Chief Executive of SnackTime, commented:
"I am delighted with the progress that SnackTime has made in the first six months of the year, with the acquisition of Vendia creating an entity with substantial critical mass that will enable us to compete with the major players in our industry. Our immediate focus is on the integration of the businesses and ensuring that all of our customers continue to receive the outstanding levels of service to which they have become accustomed."

For further information:

Snacktime PLC	
Blair Jenkins, Chief Executive	0118 977 3344
Tim James, Chief Financial Officer	
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Tom Griffiths	020 7012 2000
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Josh Royston, Terry Garrett	020 7653 9850

CHIEF EXECUTIVE'S STATEMENT

Introduction

SnackTime is pleased to announce another period of growth for the Company. The first six months of the current year have again proved a transformational period in the development of the Company. Our existing business continued to increase its sales and our acquisition of Vendia UK established SnackTime as the UK's fourth largest vending company by revenue, which is a considerable achievement given the Company's brief history.

Financial Review

The financial results contain only a limited contribution from the operations of Vendia UK, as these were only acquired six business days prior to the period end. Turnover increased by 19% to £4.48 million compared to £3.77 million for the same period last year, with gross profit up by 27% to £2.89 million from the previous year's £2.28 million. The Company made a profit before tax of £201k.

Acquisition of Vendia UK

On 22 September 2010 the Company acquired the entire issued share capital of Vendia UK for a maximum consideration of £10.98 million of which £10.5 million was in the form of shares and warrants. Its expertise in the hot drinks market perfectly complements our existing snacks and chilled drinks operations and gives us an extensive footprint throughout the UK and Ireland. The combined group now has the opportunity to cross sell the existing products of both businesses into the other's customer base as well as offering an enhanced, total solution to potential new customers.

We have also identified several cost synergies and are well under way in the integration of the enlarged business, which we expect to complete by the end of this financial year. We envisage that the acquisition will be earnings enhancing in the financial year ending 31 March 2012.

Once fully integrated we believe that the combined operations will also give us the perfect platform to add significant new business both organically and through further acquisition. The combined entity will have a level of infrastructure that will allow us to add either complete operations or on a piece by piece basis.

Management Changes

As a result of the acquisition, and a reflection of the increased operations of the Company, I am delighted that we have been able to introduce new key personnel to the Board and have also introduced a management team befitting a company of our size. The two new Board members are Tim James who has taken up the role of Chief Financial Officer and Michiel Slinkert from Vendia who was appointed as a non-executive Director. Julia Brand and Andy Fisher both stepped down from the Board to focus on operational duties and Ian Forde has stood down as an executive director and become a non-executive Director.

Outlook

Our focus for the remainder of the year will be on the successful integration of Vendia into the existing SnackTime operations, ensuring that all of our customers continue to receive excellent levels of service. I am delighted that our new shareholders, whom we welcomed through our acquisition of Vendia, share our same philosophy and determination to grow SnackTime to a major player in the UK vending industry, both organically and through further acquisition.

SNACKTIME PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
PERIOD ENDED 30 SEPTEMBER 2010

	Six months to 30 September 2010 (Unaudited) £	*Six months to 30 September 2009 (Unaudited) £*
Revenue	**4,475,583**	*3,772,083*
Cost of sales	**(1,586,634)**	*(1,495,693)*
Gross profit	**2,888,949**	*2,276,390*
Distribution, administration and acquisition integration expenses	**(2,556,947)**	*(3,166,530)*
Gain on bargain acquisition	**-**	*1,832,361*
Operating Profit	**332,002**	*942,221*
Finance income	**464**	*363*
Finance costs	**(131,314)**	*(133,473)*
Profit before tax	**201,152**	*809,111*
Income tax expense	**69,690**	*294,434*
Profit for the financial period	**131,462**	*1,103,545*
Other comprehensive income:	-	-
Total comprehensive income for the period	**131,462**	*1,103,545*
Basic profit / (loss) per share	1.21p	13.75p
Diluted profit / (loss) per share	0.72p	12.93p

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the period as set out above.

Both the profit and the total comprehensive income for the above periods are attributable in totality to the Equity holders of the Company.

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CONSOLIDATED BALANCE SHEET

PERIOD ENDED 30 SEPTEMBER 2010

	30 September 2010 (Unaudited) £	*30 September 2009 (Unaudited) £*	*31 March 2010 (Audited) £*
ASSETS			
Non-current assets			
Property, plant and equipment	**8,316,079**	*7,474,863*	*6,999,561*
Intangible assets	**15,496,779**	-	*2,453,189*
Deferred tax asset	**301,294**	*2,500,000*	*181,486*
	24,114,152	*9,974,863*	*9,634,236*
Current assets			
Inventories	**1,807,978**	*1,018,953*	*882,807*
Receivables and prepayments	**3,197,807**	*1,284,396*	*1,266,930*
Cash and cash equivalents	**3,742,333**	*807,894*	*4,647,201*
	8,748,118	*3,111,243*	*6,796,938*
TOTAL ASSETS	**32,862,270**	*13,086,106*	*16,431,174*
LIABILITIES			
Current liabilities			
Trade and other payables	**(5,361,779)**	*(2,439,027)*	*(1,335,450)*
Short term borrowings	**(751,000)**	*(679,443)*	-
Current portion of long-term borrowings	**(997,295)**	*(1,394,115)*	*(1,116,274)*
	(7,110,074)	*(4,512,585)*	*(2,451,724)*
Non-current liabilities			
Deferred tax liability	**(2,095,892)**	*(1,117,340)*	*(905,433)*
Long-term borrowings	**(2,858,431)**	*(1,594,810)*	*(1,501,287)*
	(4,954,323)	*(2,712,150)*	*(2,406,730)*
Total liabilities	**(12,064,397)**	*(7,224,735)*	*(4,858,454)*
Net assets	**20,797,873**	*5,861,371*	*11,572,720*
EQUITY			
Called up equity share capital	**218,023**	*149,727*	*218,023*
Share premium account	**8,347,383**	*3,066,525*	*8,347,383*
Equity shares to be issued	**6,809,819**	-	-
Share option and warrant reserve	**2,468,094**	*146,307*	*184,222*
Capital redemption reserve	**1,274,279**	*1,274,279*	*1,274,279*
Merger reserve	**116,892**	*116,892*	*116,892*
Equity element of compound financial instrument	**65,810**	*65,810*	*65,810*
Retained earnings	**1,497,573**	*1,041,831*	*1,366,111*
TOTAL EQUITY	**20,797,873**	*5,861,371*	*11,572,720*

SNACKTIME PLC

CONSOLIDATED CASHFLOW STATEMENT

PERIOD ENDED 30 SEPTEMBER 2010

	Six months to 30 September 2010 (Unaudited) £	*Six months to 30 September 2009 (Unaudited) £*
Cash flows from operating activities		
Profit after taxation	**131,462**	*1,103,545*
Adjustments for:		
Depreciation	**547,272**	*367,748*
Amortisation	**85,015**	*-*
Gain on bargain acquisition	**-**	*(1,832,361)*
Finance income	**(464)**	*(363)*
Finance costs	**131,314**	*133,473*
IFRS 2 share option charge	**47,742**	*36,106*
Taxation expense recognised in profit and loss	**69,690**	*(294,434)*
Increase in trade and other receivables	**(674,159)**	*(297,382)*
(Decrease)/ Increase in trade and other payables	**(812,478)**	*1,390,143*
(Decrease)/ Increase in inventories	**338,111**	*(85,750)*
Cash generated from operations	**(136,495)**	*520,725*
Interest paid	**(131,314)**	*(133,473)*
Net cash from operating activities	**(267,809)**	*387,252*
Cash flows from investing activities		
Purchase of property, plant and equipment	**(47,289)**	*(237,783)*
Cash flows from acquisitions net of cash acquired	**(649,000)**	*(1,039,161)*
Interest received	**464**	*363*
Net cash used in investing activities	**(695,825)**	*(1,276,581)*
Cash flows from financing activities		
Proceeds from issue of loan notes	**-**	*1,000,000*
Payments of long-term borrowings	**(364,668)**	*(45,405)*
Payments of finance lease liabilities	**(283,064)**	*(375,030)*
Net cash used in financing activities	**(647,732)**	*579,565*
Net decrease in cash and cash equivalents	**(1,611,366)**	*(309,764)*
Cash and cash equivalents at beginning of period	**4,602,699**	*1,115,216*
Cash and cash equivalents at end of period	**2,911,333**	*805,452*

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

PERIOD ENDED 30 SEPTEMBER 2010

	Share capital £	Share premium £	Equity element of compound financial £	Equity shares to be issued £	Share option & warrant reserve £	Capital redemption reserve £	Merger reserve £	Retained earnings £	Total equity £
Balance at 1 April 2009	*149,727*	*3,066,525*	*65,810*	-	*110,202*	*1,274,279*	*116,892*	*(61,714)*	*4,721,721*
Profit for the period	-	-	-	-	-	-	-	*1,103,545*	*1,103,545*
Share options expense	-	-	-	-	*36,105*	-	-	-	*36,105*
Issue of share capital	-	-	-	-	-	-	-	-	-
Balance at 30 September 2009	*149,727*	*3,066,525*	*65,810*	-	*146,307*	*1,274,279*	*116,892*	*1,041,831*	*5,861,371*

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

PERIOD ENDED 30 SEPTEMBER 2010

	Share capital £	Share premium £	Equity element of compound financial £	Equity shares to be issued £	Share option & warrant reserve £	Capital redemption reserve £	Merger reserve £	Retained earnings £	Total equity £
Balance at 30 September 2009 brought forward	*149,727*	*3,066,525*	*65,810*	*-*	*146,307*	*1,274,279*	*116,892*	*1,041,831*	*5,861,371*
Profit for the period	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*324,280*	*324,280*
Issue of share capital	*68,296*	*5,736,864*	*-*	*-*	*-*	*-*	*-*	*-*	*5,805,160*
Share options expense	*-*	*-*	*-*	*-*	*37,915*	*-*	*-*	*-*	*37,915*
Costs of share issue	*-*	*(456,006)*	*-*	*-*	*-*	*-*	*-*	*-*	*(456,006)*
Balance at 31 March 2010	*218,023*	*8,347,383*	*65,810*	*-*	*184,222*	*1,274,279*	*116,892*	*1,366,111*	*11,572,720*
Profit for the period	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**131,462**	**131,462**
Share options expense	**-**	**-**	**-**	**-**	**47,742**	**-**	**-**	**-**	**47,742**
Vendia acquisition	**-**	**-**	**-**	**6,809,819**	**2,236,130**	**-**	**-**	**-**	**9,045,949**
Balance at 30 September 2010	**218,023**	**8,347,383**	**65,810**	**6,809,819**	**2,468,094**	**1,274,279**	**116,892**	**1,497,573**	**20,797,873**

SNACKTIME PLC

NOTES TO THE INTERIM FINANCIAL STATEMENTS

PERIOD ENDED 30 SEPTEMBER 2010

GENERAL INFORMATION

The Company was incorporated on 5 March 2007 and on 22 November 2007 the Group underwent a reconstruction in which SnackTime UK Limited (formerly SnackTime Limited), a Company registered in England and Wales, was included in the Group. The combination was accounted for using the merger method of accounting. Group reconstructions fall outside the scope of International Financial Reporting Standard Number 3 'Business Combinations' therefore the accounts were prepared using the guidance contained with Financial Reporting Standard 6 'Acquisitions and Mergers'.

The principal activity of the Group is the installation and operation of snack vending machines.

BASIS OF ACCOUNTING

These interim financial statements for the period ended 30 September 2010 have been prepared in accordance with International Financial Reporting Standards (IFRS). The Group financial statements of SnackTime plc consolidate the financial statements of SnackTime plc, SnackTime UK Limited and from the acquisition date Snack in The Box Limited (formerly known as MBM Business Systems Limited) and Vendia UK Limited.

All companies in the Group use sterling as presentational and functional currency.

The information presented within these interim financial statements is in compliance with IAS 34 'Interim Financial Reporting'. This requires the use of certain accounting estimates and requires that management exercise judgement in the process of applying the Company's accounting policies. The areas involving a high degree of judgement or complexity, or areas where the assumptions and estimates are significant to the interim financial statements are disclosed below.

Snacktime UK Limited has elected not to apply IFRS 3, Business Combinations retrospectively to past business combinations prior to the date of transition.

The financial information contained in this report, which has not been audited, does not constitute statutory accounts as defined by Section 434 of the Companies Act 2006. The Company's statutory financial statements for the year ended 31 March 2010, prepared under IFRS have been filed with the Registrar of Companies. The auditors' report for the 2010 financial statements was unqualified and did not contain a statement under Section 498 (2) or (3) of the Companies Act 2006

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NOTES TO THE INTERIM FINANCIAL STATEMENTS

PERIOD ENDED 30 SEPTEMBER 2010

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The principal areas where judgement was exercised are as follows:

- As detailed below Snacktime Plc acquired Vendia UK Limited during the year. In accordance with IFRS 3 'Business Combinations' the Directors have had to fair value the assets and liabilities acquired. This requires the Directors to estimate the fair value of the acquired assets and liabilities at the date of acquisition, including intangible assets.

- Property, plant and equipment includes the value of the vending machine estate. The Directors annually assess both the residual value of these assets and the expected useful life of such assets.

- The Directors have estimated the useful economic lives of intangible assets. The economic lives and the amortisation rates are reviewed annually by the Directors.

- The Group receives branding fees to contribute to the installation and refurbishment of vending machines. The Directors are required to assess the amounts receivable at each reporting date and whether all the conditions have been met to enable these to be recognised.

- Sales from vending machines are recognised at the point of sale to the customer. At each year end, the Directors are required to make an estimate of sales where the vending machine has not been emptied or inspected at the year-end date.

- The convertible loan notes have been split between the debt and equity element in accordance with IAS 32. This requires calculating the present value of the debt element with an effective interest rate of 12%. 12% was assumed to be an effective interest rate that would be charged on a similar loan by a third party.

- Share based payment valuations are based upon a Black-Scholes based model which requires various assumptions to be made.

REVENUE

The revenue for the Group for the current year arose from the installation and operation of snack vending machines. The Board of Directors regards the Company's operations as one single operating unit for its primary reporting segment, namely the sale of snack items, and its secondary reporting segment as the geographical region in which the Company operates, being located wholly within the United Kingdom.

EARNINGS PER SHARE

Earnings per share is calculated on the basis of profit for the period after tax, divided by the weighted average number of shares in issue for the period ended 30 September 2010 of 10,901,159 (30 September 2009 – 8,028,145).

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all potential dilutive ordinary shares. Potential dilutive ordinary shares arise from share options and warrants. For these, a calculation is performed to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the exercise price attached to outstanding share options. Thus the dilutive weighted average number of shares considers the number of shares that would have been issued assuming the exercise of the share options. If these are proved to be anti-dilutive (increase the potential earnings per share) they are omitted from the calculation.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS

PERIOD ENDED 30 SEPTEMBER 2010

ACQUISITION

The following table sets out the book values of the identifiable assets and liabilities acquired during the year and their fair value:

	Book value	Fair value adjustment	Fair value
	£	£	£
Non current assets			
Property, plant and equipment	1,605,000	211,500	1,816,500
Intangible fixed assets – customer base	-	1,116,087	1,116,087
Current assets	2,922,000	-	2,922,000
Total assets	**4,527,000**	**1,327,587**	**5,854,587**
Current liabilities	**(5,929,607)**	**-**	**(5,929,657)**
Net current liabilities	**(3,007,607)**	**-**	**(3,007,657)**
Non current liabilities	**(1,915,000)**	**-**	**(1,915,000)**
Deferred tax on non current assets	**(105,000)**	**(371,500)**	**(476,500)**
Net assets	**(3,422,607)**	**956,087**	**(2,466,570)**
Goodwill*			**12,012,519**
			9,545,949
Satisfied by			
Shares			6,809,819
Deferred consideration			500,000
Warrants			2,236,130
			9,545,949

Net cash outflows in respect of the acquisition comprised:	
Cash at bank and in hand acquired	402,000
Bank overdraft acquired	(751,000)
Cash consideration paid	-
	(349,000)

ACQUISITION (CONTINUED)

*The goodwill arising on consolidation represents the future synergies and growth potential of Vendia UK as part of the group and its assembled workforce. These fair values are still preliminary due to the close proximity of the acquisition date to the period end and will be finalised during the financial year.

Snacktime Plc acquired the entire issued share capital of Vendia UK on 22 September 2010, for a maximum consideration of £10.98 million. Snacktime Plc expects the Acquisition to be earnings enhancing in the year ending 31 March 2012.

Vendia UK's core operation is a traditional vending business specialising in the sale of hot beverages, which complements SnackTime's confectionery and chilled drinks operations. Vendia trades under brands such as Simply Drinks in London, Integer in the Midlands, VMI in the north of England and Drinkmaster, a national table top and in cup specialist company, based in Plymouth.

For the year ended 31 December 2009, Vendia UK reported audited revenues of £19.7 million and adjusted EBITDA under IFRS of £2.1 million.

The consideration payable to the vendors of Vendia UK comprises:

- 5,447,855 new ordinary shares of 2p each in the Company ("New Ordinary Shares"), which will represent 29.9 per cent. Of Snacktime Plc's enlarged share capital following completion of the Acquisition. The New Ordinary Shares are the subject of lock-in arrangements for 24 months from issue, and Vendia UK's major shareholder has agreed to a lock in of a further 12 months;
- 1,816,557 million warrants exercisable into new ordinary shares of 2p each in the Company ("Warrants"), exercisable at a price of 2p per share, further details of which are set out below; and
- Deferred consideration of £0.5 million in cash, payable in two tranches of £250,000 on 31 December 2010 and 30 June 2011.

Snacktime Plc will also assume term debt of approximately £2.4 million with Co-Operative Bank plc as part of the Acquisition.

The New Ordinary Shares will when issued rank pari passu with the Company's existing ordinary shares of 2p each.

The Warrants cannot be exercised for a period of three years from the date of issue, nor at any time thereafter if doing so would breach the AIM Rules for Companies, be in contravention of the Companies Act 2006 or result in the holder(s) having to make an offer for the Company pursuant to Rule 9 of the City Code on Takeovers and Mergers (the "City Code"). If any of these situations were to arise, the Warrants would be exchanged for Convertible Unsecured Loan Notes ("CULs") which would not pay any interest and could not be converted for ten years from their issue, nor at any time thereafter if doing so would result in the holder(s) having to make an offer for the Company pursuant to Rule 9 of the City Code, in which case the CULs would be exchanged for loan notes which would not pay any interest

Copies of this half yearly financial report are available on the Company's website www.snacktimeplc.com