

SNACKTIME PLC
INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2009

SnackTime PLC (“SnackTime” or the “Company”), one of the UK's largest national operators of snack and chilled drink vending machines, today announces its unaudited interim results for the six months ended 30 September 2009.

FINANCIAL HIGHLIGHTS

- Turnover increased by 16% to £3.77 million (H1 2008: £3.26 million)
- Gross Profit up 11% to £2.28 million (H1 2008: £2.05 million)
- Profit before tax of £809k (H1 2008: £171k)
- Positive cash flow from ongoing operations £521k (H1 2008: £454k)
- Basic earnings per share of 13.75p (H1 2008: 1.50p)

OPERATIONAL HIGHLIGHTS

- Acquisition of MBM Business Systems Limited for a cash consideration of £1.5 million on 15 September 2009. £1.5 million of integration & acquisition expenses have been charged to the P&L for in this half year period.
- SnackTime made a profit of £1.8 million on this acquisition as a result of the high asset value of MBM compared to the purchase price paid—an excellent deal for Snacktime.
- Following the acquisition of MBM, SnackTime's estate of vending machines and honesty boxes as at 30 September 2009 had increased to 23,000 SEQs compared to 7,800 SEQs at 30 September 2008.

POST PERIOD END HIGHLIGHTS

- £5.8 million raised through a placing of 3,414,800 new ordinary shares at 170p per share
- Initial roll out of hot drinks offering commenced

Blair Jenkins, Chief Executive of SnackTime PLC, commented:

“The first half of 2009 has been a highly successful period for the Company. Underlying trading has been strong with good cash generation and the acquisition of a major competitor near the period end has given the Company an enlarged customer estate and has added a substantial new franchise-based income stream in addition to the existing Free on Loan operated division.

“We were delighted with the level of institutional support in raising a further £5.8 million in the placing last month. The proceeds of the placing will enable us to expand our snacks division, accelerate the roll out of our new hot drinks offering and make further selective acquisitions.”

For further information:

Snacktime PLC
Blair Jenkins, Chief Executive 0118 977 3344

Arbuthnot Securities Limited
Tom Griffiths, Alasdair Younie 020 7012 2000

Threadneedle Communications

Josh Royston, Graham Herring

020 7653 9850

CHIEF EXECUTIVE'S STATEMENT

Introduction

The first six months of this financial year have proved to be a transformative period for SnackTime PLC. We have maintained the impressive growth in our underlying business, acquired our major competitor and increased our operations to target the highly lucrative hot drinks vending market. Since the period end, the Company has also completed a successful placing of new shares with new and existing investors which gives us the financial flexibility to accelerate the growth of our business, both organically and through further selective acquisitions.

Financial Review

SnackTime is pleased to report on another period of strong growth for the Company. Turnover increased by 16% to £3,772,083 from £3,260,333 in the corresponding period of last year with Gross Profit up 11% to £2,276,390 from £2,051,893. This improvement reflects a minimal contribution from the MBM Systems business which was acquired on 15 September 2009, just before the period end. The Company's cashflow also continued to be strong with positive cash flows from operations for the period of £520,725.

Acquisition of MBM Systems

On 15 September 2009, the Company completed the acquisition of MBM Business Systems Limited ('MBM'), including the trademarks and assets to Snack in The Box ('SITB') and the SITB franchise network, for a cash consideration of £1.5 million. The acquisition of SITB provides SnackTime with greater critical mass and a diverse revenue stream given its franchise operations. Following the acquisition of MBM, SnackTime had increased its estate of vending machines and honesty boxes as at 30 September 2009 to approximately 23,000 from approximately 7,800 at 30 September 2008. This increase in estate size provides us with excellent cross-selling opportunities as the Company has started to roll out its hot drinks offering.

The contribution recognised from SITB to the results for the period under review was minimal as it reflects only two weeks of contributions. However, the acquisition is already earnings enhancing. In the second half of the year, we intend to complete the structural integration of SITB as well as to invest in upgrading the branding of the SITB operations to bring it in line with the rest of the SnackTime business. With further benefits to be gained from economies of scale, the removal of a major competitor and greater delivery options for our customers, we are confident that this acquisition will prove to be a transformational deal for the Company.

Placing to Raise £5.8m

SnackTime announced on 27 November 2009 a placing of 3,414,800 new ordinary shares at 170p per share with new and existing shareholders to raise approximately £5.8 million. The proceeds of the Placing will be used to fund the acquisition of snack and chilled drink vending machines, to fund further selective acquisitions, to develop the Company's new hot drinks division and to strengthen the Company's balance sheet.

Outlook

The UK snacks and drinks vending market continues to be highly fragmented with plenty of smaller, independent companies operating in regionalised locations. We believe that there will continue to be further consolidation in the industry and SnackTime remains committed to maintaining its market leading position. The Company is fully funded with a strong balance sheet that makes it ideally placed to take advantage of any opportunities that may occur. The focus of the Board over the remainder of this financial year will be to drive the traditional snack business, which combined with SnackTime's entry into the highly lucrative hot drinks market, provides the Board with great confidence for the future.

SNACKTIME PLC
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
PERIOD ENDED 30 SEPTEMBER 2009

	Six months to 30 September 2009 (Unaudited) £	<i>Six months to 30 September 2008 (Unaudited) £</i>
Revenue	3,772,083	3,260,333
Cost of sales	<u>(1,495,693)</u>	<u>(1,208,440)</u>
Gross profit	2,276,390	2,051,893
Distribution, administration, acquisition and integration expenses	(3,166,530)	(1,811,704)
Gain on bargain acquisition	<u>1,832,361</u>	<u>-</u>
Operating Profit	942,221	240,189
Finance income	363	43,927
Finance costs	<u>(133,473)</u>	<u>(112,926)</u>
Profit before tax	809,111	171,190
Income tax expense	<u>294,434</u>	<u>(58,740)</u>
Profit for the financial period	<u>1,103,545</u>	<u>112,450</u>
Other comprehensive income:	<u>-</u>	<u>-</u>
Total comprehensive income for the period	<u>1,103,545</u>	<u>112,450</u>
Basic profit per share	13.75p	1.50p
Diluted profit per share	12.93p	1.50p

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 is attributable in totality to the Equity holders of the Company.

SNACKTIME PLC
CONSOLIDATED BALANCE SHEET
AS AT 30 SEPTEMBER 2009

	30 September 2009 (Unaudited) £	30 September 2008 (Unaudited) £	31 March 2009 (Audited) £
ASSETS			
Non-current assets			
Property, plant and equipment	7,474,863	4,664,244	5,104,828
Deferred tax asset	-	5,280	-
Intangible assets	<u>2,500,000</u>	<u>-</u>	<u>-</u>
	9,974,863	4,669,524	5,104,828
Current assets			
Inventories	1,018,953	864,947	933,203
Receivables and prepayments	1,284,396	932,963	987,014
Cash and cash equivalents	<u>807,894</u>	<u>1,349,351</u>	<u>1,116,749</u>
	<u>3,111,243</u>	<u>3,147,261</u>	<u>3,036,966</u>
TOTAL ASSETS	<u>13,086,106</u>	<u>7,816,785</u>	<u>8,141,794</u>
LIABILITIES			
Current liabilities			
Trade and other payables	(2,439,027)	(848,708)	(613,408)
Short term borrowings	(679,443)	(108,287)	(824,833)
Current portion of long-term borrowings	<u>(1,394,115)</u>	<u>(156,142)</u>	<u>-</u>
	(4,512,585)	(1,113,137)	(1,438,241)
Non-current liabilities			
Deferred tax liability	(1,117,340)	-	(18,771)
Long-term borrowings	<u>(1,594,810)</u>	<u>(2,377,486)</u>	<u>(1,963,061)</u>
	(2,712,150)	(2,377,486)	(1,981,832)
Total liabilities	<u>(7,224,735)</u>	<u>(3,490,623)</u>	<u>(3,420,073)</u>
Net assets	<u>5,861,371</u>	<u>4,326,162</u>	<u>4,721,721</u>
EQUITY			
Called up equity share capital	149,727	139,169	149,727
Share premium account	3,066,525	2,773,180	3,066,525
Share option reserve	146,307	102,899	110,202
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
Retained earnings	<u>1,041,831</u>	<u>(80,257)</u>	<u>(61,714)</u>

TOTAL EQUITY

5,861,371

4,326,162

4,721,721

SNACKTIME PLC
CONSOLIDATED CASHFLOW STATEMENT
PERIOD ENDED 30 SEPTEMBER 2009

	Six months to 30 September 2009 (Unaudited) £	<i>Six months to 30 September 2008 (Unaudited) £</i>
Cash flows from operating activities		
Profit after taxation	1,103,545	112,450
Adjustments for:		
Depreciation	367,748	258,966
Gain on bargain acquisition	(1,832,361)	-
Finance income	(363)	(43,927)
Finance costs	133,473	112,926
IFRS 2 share option charge	36,106	64,709
Taxation expense recognised in profit and loss	(294,434)	58,740
Increase in trade and other receivables	(297,382)	(45,482)
Increase in trade and other payables	1,390,143	45,913
Increase in inventories	(85,750)	(110,001)
	<hr/>	<hr/>
Cash generated from operations	520,725	454,294
Interest paid	(133,473)	(112,926)
	<hr/>	<hr/>
Net cash from operating activities	387,252	341,368
Cash flows from investing activities		
Purchase of property, plant and equipment	(237,783)	(585,726)
Cash flows from acquisitions net of cash acquired	(1,039,161)	-
Interest received	363	43,927
	<hr/>	<hr/>
Net cash used in investing activities	(1,276,581)	(541,799)
Cash flows from financing activities		
Proceeds from issue of loan notes	1,000,000	-
Proceeds from issue of share capital	-	20,000
Payments of long-term borrowings	(45,405)	(53,570)
Payments of finance lease liabilities	(375,030)	(190,075)
	<hr/>	<hr/>
Net cash used in financing activities	579,565	(223,645)
Net decrease in cash and cash equivalents	(309,764)	(424,076)
Cash and cash equivalents at beginning of period	1,115,216	1,665,139
	<hr/>	<hr/>
Cash and cash equivalents at end of period	805,452	1,241,063
	<hr/>	<hr/>

SNACKTIME PLC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
PERIOD ENDED 30 SEPTEMBER 2009

	Share capital £	Share premium £	Equity element of compound financial £	Share option reserve £	Capital redemption reserve £	Merger reserve £	Retained earnings £	Total equity £
<i>Balance at 1 April 2008</i>	138,891	2,753,458	-	38,189	1,274,279	116,892	(192,707)	4,129,002
Profit for the period	-	-	-	-	-	-	112,450	112,450
Share options expense	-	-	-	64,710	-	-	-	64,710
Issue of share capital	<u>278</u>	<u>19,722</u>	-	-	-	-	-	<u>20,000</u>
Balance at 30 September 2008	<u>139,169</u>	<u>2,773,180</u>	-	<u>102,899</u>	<u>1,274,279</u>	<u>116,892</u>	<u>(80,257)</u>	<u>4,326,162</u>
Profit for the period	-	-	-	-	-	-	18,543	18,543
Issue of share capital	10,558	434,463	-	-	-	-	-	445,021
Share options expense	-	-	-	7,303	-	-	-	7,303
Equity element of compound financial instruments issued	-	-	65,810	-	-	-	-	65,810
Costs of share issue	-	<u>(141,118)</u>	-	-	-	-	-	<u>(141,118)</u>
Balance at 31 March 2009	<u>149,727</u>	<u>3,066,525</u>	<u>65,810</u>	<u>110,202</u>	<u>1,274,279</u>	<u>116,892</u>	<u>(61,714)</u>	<u>4,721,721</u>
Profit for the period	-	-	-	-	-	-	1,103,545	1,103,545

Share options expense	-	-	-	36,105	-	-	-	36,105
	<u> </u>							
Balance at 30 September 2009	<u>149,727</u>	<u>3,066,525</u>	<u>65,810</u>	<u>146,307</u>	<u>1,274,279</u>	<u>116,892</u>	<u>1,041,831</u>	<u>5,861,371</u>

SNACKTIME PLC
NOTES TO THE INTERIM FINANCIAL STATEMENTS
PERIOD ENDED 30 SEPTEMBER 2009

GENERAL INFORMATION

SnackTime plc is a public limited company incorporated in the United Kingdom under the Companies Act 2006 (registered number 06135746). The Company is domiciled in the United Kingdom and its registered address 2nd floor, West Forest Gate, Wellington Road, Wokingham, Berkshire, RG40 2AQ. The Company's shares are traded on the Alternative Investment Market (AIM).

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 2009 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 and SnackTime UK Limited.

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 2009, prepared under IFRS have been filed with the Registrar of Companies. The auditors' report for the 2009 financial statements was unqualified and did not contain a statement under Section 498 (2) or (3) of the Companies Act 2006.

The following International Financial Reporting Standards, amendments and interpretations have been released but are not effective for the current period. The adoption of these standards, amendments and interpretations is not expected to have a material impact on the Group's profit or equity: IFRS Standards and Interpretations issued but not yet effective:

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 2009 of 8,028,145 (30 September 2008 – 7,486,359).

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.

ACQUISITION

The Company acquired 100% of the ordinary share capital of MBM Business Systems Limited ("MBM") for a cash consideration of £1,500,000 on 15 September 2009. The purchase price includes deferred consideration of £600,000. £300,000 is payable on 31 December 2009 and £300,000 payable on 31 August 2010. The addition of MBM added 15,600 Slimline equivalents to the estate of SnackTime PLC. MBM owns the trademarks and copyrights to 'Snack-in-the-box' Limited ("SITB"). SITB installs and offers compact vending machines and honesty boxes to business customers on a Free-on-loan basis through a franchise network of 102 franchises. The franchises cover large parts of mainland UK, northern and southern Ireland. Franchisees are responsible for their own stock and machine maintenance but must offer customers a range of products approved by the franchisor (SITB). The Directors of the Company have estimated that the fair value of MBM at the date of purchase of the tangible fixed assets is £2,500,000 on a depreciated basis on the same accounting terms as the existing assets of SnackTime PLC. All vending machines operated by franchisees are rented from the franchisor and thus the entire machine estate under SITB control is reflected as an asset in the accounts of SnackTime PLC. The Directors of the Company have assessed that the fair value of the intangible assets acquired is estimated to amount to £2,500,000. Snack in the Box has won franchising awards on a number of occasions and has built a solid and reliable reputation for itself over 14 years of trading. The business in Hampshire is only an hour's drive away from the SnackTime PLC offices. Under IFRS 3 the related deferred tax liability as a result of the acquisition has amounted to £1,393,002. No other assets or liabilities were acquired. SnackTime made a profit on the acquisition – (gain on bargain acquisition) of £1,832,361 which is reflected in the accounts in the statement of comprehensive income during the half year in accordance with IFRS 3 'Business combinations'. MBM owns the trademarks and assets to Snack in The Box ("SITB") and operates the SITB franchise network. SITB is a significant provider of vended snacks and chilled drinks to the workplace and was SnackTime's main UK and Eire competitor in the snack and chilled drinks vending market.

POST BALANCE SHEET EVENTS & ISSUE OF SHARES

The Company announced on 27 November 2009 that it proposed to raise approximately £5.8 million (before expenses) by way of a conditional placing of 3,414,800 new ordinary shares at a price of 170p per share. The net proceeds of the placing will be used to fund the acquisition of snack and chilled drink vending machines, to fund further selected acquisitions, to develop the Company's new hot drinks division and to strengthen the Company's balance sheet.

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