

Tasty plc

Chairman's statement

I am pleased to report on the Group's half year results for the 26 weeks ended on 3 July 2011, which have been prepared in accordance with International Financial Reporting Standards as adopted by the EU ("IFRS").

Results

Turnover for the 26 weeks ended 3 July 2011 was £6,841,000 (2010 - £4,830,000), a 42% increase over the corresponding period. The operating profit, before pre-opening costs of £67,000 (2010 – £22,000) and share based payments of £21,000 (2010 - £63,000), was £526,000 (2009 – £94,000). The overall profit before tax for the period was £444,000 (2010 – £13,000).

Basic and diluted earnings per share for the period was 0.93p and 0.92p (2010 – 0.03p and 0.03p).

Cash flows and financing

During the period capital expenditure of £537,000 (2010 - £208,000) was incurred, predominantly on a new Canary Wharf Wildwood restaurant . Overall, the net cash outflow prior to financing flows was £201,000 (2010 – inflow £179,000) and as at 3 July 2011, the Group had net cash balances of £2,718,000 (2010 - £3,929,000).

Outlook

During the first six months of 2011, we commenced work on opening a Wildwood restaurant at Canary Wharf, which successfully opened in July 2011, bringing the number of restaurants to fifteen, made up of six DimT and nine Wildwood restaurants. The Group continues to actively look for new opportunities for further units and has the resources to do so. We expect to have opened between six and eight further units within the next six months.

Despite the continuing challenging economic conditions, we continue to hold our own and trade in line with expectations for 2011.

K Lassman
Chairman
Tasty plc

13 September 2011

**Consolidated Statement of Comprehensive Income
(unaudited)**

	26 weeks ended 3 July 2011 £'000	26 weeks ended 27 June 2010 £'000	53 weeks ended 2 January 2011 £'000												
Revenue	6,841	4,830	10,560												
Cost of sales	(6,097)	(4,533)	(9,456)												
Gross profit	744	297	1,104												
Administrative expenses	(306)	(288)	(870)												
<table> <tr> <td>Operating profit/excluding pre-opening costs and non trading items</td> <td style="text-align: right;">526</td> <td style="text-align: right;">94</td> <td style="text-align: right;">618</td> </tr> <tr> <td>Pre-opening costs</td> <td style="text-align: right;">(67)</td> <td style="text-align: right;">(22)</td> <td style="text-align: right;">(294)</td> </tr> <tr> <td>Share based payment</td> <td style="text-align: right;">(21)</td> <td style="text-align: right;">(63)</td> <td style="text-align: right;">(90)</td> </tr> </table>				Operating profit/excluding pre-opening costs and non trading items	526	94	618	Pre-opening costs	(67)	(22)	(294)	Share based payment	(21)	(63)	(90)
Operating profit/excluding pre-opening costs and non trading items	526	94	618												
Pre-opening costs	(67)	(22)	(294)												
Share based payment	(21)	(63)	(90)												
Operating profit	438	9	234												
Finance Income	6	4	10												
Profit before taxation	444	13	244												
Income tax expense	-	-	-												
Profit and total comprehensive income for the period – attributable to equity shareholders	444	13	244												
Profit per share – basic	0.93p	0.03p	0.56p												
Profit per share – diluted	0.92p	0.03p	0.56p												

**Consolidated Statement of Changes in Equity
(unaudited)**

	Share capital £'000	Share premium £'000	Merger reserve £'000	Retained deficit £'000	Total equity £'000
Balance at 27 December 2009	3,784	9,450	992	(6,766)	7,460
Changes in equity for 26 weeks ended 27 June 2010					
Profit for the period	-	-	-	13	13
Total comprehensive income for the period	-	-	-	13	13
Issue of share capital (net of £100,000 issue costs)	1,000	900	-	-	1,900
Share based payments – credit to equity	-	-	-	63	63
Balance at 27 June 2010	4,784	10,350	992	(6,690)	9,436
Changes in equity for 27 weeks ended 2 January 2011					
Profit for the period	-	-	-	231	231
Total comprehensive income for the period	-	-	-	231	231
Share based payments – credit to equity	-	-	-	27	27
Balance at 2 January 2011	4,784	10,350	992	(6,432)	9,694
Changes in equity for 26 weeks ended 3 July 2011					
Profit for the period	-	-	-	444	444
Total comprehensive income for the period	-	-	-	444	444
Share based payments – credit to equity	-	-	-	21	21
Balance at 3 July 2011	4,784	10,350	992	(5,967)	10,159

Consolidated Balance Sheet

(unaudited)	3 July 2011 £'000	27 June 2010 £'000	2 January 2011 £'000
Non-current assets			
Intangible assets	61	13	61
Property, plant and equipment	7,375	5,669	7,152
Pre-paid operating lease charges	1,175	714	893
Deferred tax asset	250	250	250
Other receivables	322	297	292
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	9,183	6,943	8,648
Current assets			
Inventories	454	326	438
Pre-paid operating lease charges	44	36	40
Trade and other receivables	829	725	569
Cash and cash equivalents	2,718	3,929	2,919
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	4,045	5,016	3,966
	<hr/>	<hr/>	<hr/>
Total assets	13,228	11,959	12,614
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Non current liabilities			
Accruals for lease incentives	(210)	(222)	(213)
Current liabilities			
Trade and other payables	(2,759)	(2,201)	(2,607)
Provisions	(100)	(100)	(100)
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Total current liabilities	(2,859)	(2,301)	(2,707)
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Total liabilities	(3,069)	(2,523)	(2,920)
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Total net assets	10,159	9,436	9,694
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Capital and reserves attributable to equity shareholders			
Share capital	4,784	4,784	4,784
Share premium	10,350	10,350	10,350
Merger reserve	992	992	992
Retained deficit	(5,967)	(6,690)	(6,432)
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Total equity	10,159	9,436	9,694
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**Consolidated Cash Flow
(unaudited)**

	26 weeks ended 3 July 2011 £'000	26 weeks ended 27 June 2010 £'000	53 weeks ended 2 January 2011 £'000
Net cash inflow from operating activities			
Profit / (loss) for the period before taxation	444	13	244
Adjustments for			
Depreciation	314	207	435
Amortisation	-	-	3
Equity settled share-based payment expense	21	63	90
Finance income	(6)	(4)	(10)
Gain on sale of property, plant and equipment	-	-	(25)
Net cash inflow from operating activities Before changes in working capital	773	279	737
(Increase) / decrease in trade and other receivables	(576)	(227)	(249)
(Increase) / decrease in inventories	(16)	24	(87)
Increase / (decrease) in trade and other payables	149	307	816
Cash generated from operations	330	383	1,217
Income tax received	-	-	-
Net cash flows from operating activities	330	383	1,217
Investing activities			
Purchase of property, plant and equipment	(537)	(208)	(1,619)
Acquisition	-	-	(464)
Sale of property, plant and equipment	-	-	25
Interest received	6	4	10
Net cash outflow from investment activities	(531)	(204)	(2,048)
Net cash inflow from financing			
Issue of share capital	-	1,900	1,900
Net (decrease) / increase in cash and cash equivalents	(201)	2,079	1,069
Cash and equivalents at beginning of period	2,919	1,850	1,850
Cash and equivalents at end of period	2,718	3,929	2,919

Notes to the financial statements

1 General information

Tasty plc ("Tasty") is a public limited company incorporated in the United Kingdom under the Companies Act (registration number 5826464). The Company is domiciled in the United Kingdom and its registered address is 19 Cavendish Square London W1A 2AW. The Company's ordinary shares are traded on the Alternative Investment Market ("AIM"). Copies of this Interim Report or the Annual Report and Accounts may be obtained from the above address or on the investor relations section of the Company's website at www.dimt.co.uk.

2 Basis of accounting

Tasty plc ("Tasty") has prepared its results under International Financial Reporting Standards and International Financial Reporting Council "IFRIC" interpretations as adopted by the European Union ("IFRS"). Tasty adopted IFRS with effect from 1 January 2007.

These standards remain subject to ongoing amendment and/or interpretation and are, therefore, still subject to change. Accordingly, information contained in these interim financial statements may need to be updated for subsequent amendments to IFRS or for new standards issued after the balance sheet date.

The basis of preparation and accounting policies followed in the interim report are the same as those set out in the annual report and accounts for the year ended 2 January 2011. As permitted this interim report has not been prepared in accordance with IAS 34 "Interim Financial Reporting", nor has it been audited nor reviewed pursuant to guidance issued by the Auditing Practices Board.

The financial information for the period ended 2 January 2011 does not constitute the full statutory accounts for that period. The Annual Report and Financial Statements for 2010 have been filed with the Registrar of Companies. The Independent Auditors' Report on the Annual Report and Financial Statement for 2010 was unqualified, did not draw attention to any matters by way of emphasis, and did not contain a statement under 498(2) or 498(3) of the Companies Act 2006.

The financial statements are presented in sterling and all values are rounded to the nearest thousand pounds (£'000) except when otherwise indicated.

The consolidated accounts incorporate the financial statements of Tasty plc and its subsidiary, Took Us A Long Time Limited made up to the relevant period end.

3 Income tax expense

The taxation charge for the 26 weeks ended 3 July 2011 has been calculated by applying the estimated effective tax rate for the period ending 1 January 2012

	Unaudited 26 weeks to 3 July 2011 £'000	Unaudited 26 weeks to 27 June 2010 £'000	Audited 53 weeks to 2 January 2011 £'000
UK corporation tax			
Current tax credit on profit/(loss) for the period	-	-	-
Adjustment in respect of prior period	-	-	-
Current tax credit for period	<u>-</u>	<u>-</u>	<u>-</u>
Deferred taxation			
Movement in recoverable deferred tax asset	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total income tax expense/(credit)	<u>-</u>	<u>-</u>	<u>-</u>

4 Earnings per share

	Unaudited 26 weeks to 3 July 2011 Pence	Unaudited 26 weeks to 27 June 2010 Pence	Audited 53 weeks to 2 January 2011 Pence
Basic earnings per share	0.93	0.03	0.56
	<u>0.93</u>	<u>0.03</u>	<u>0.56</u>
Diluted earnings per share	0.92	0.03	0.56
	<u>0.92</u>	<u>0.03</u>	<u>0.56</u>

The basic earnings per share figures are calculated by dividing the net profit for the period attributable to shareholders by the weighted average number of ordinary shares in issue during the period. The diluted earnings per share figure allows for the dilutive effect of the conversion into ordinary shares of the weighted average number of options outstanding during the period. Options are only taken into account when their effect is to reduce basic earnings per share.

Earnings per share has been calculated using the numbers shown below:-

	Unaudited 26 weeks to 3 July 2011 £'000	Unaudited 26 weeks to 27 June 2010 £'000	53 weeks to 2 January 2011 £'000
Profit for the period	444	13	244
	<u>444</u>	<u>13</u>	<u>244</u>
	Number ' 000	Number ' 000	Number ' 000
Basic weighted average number of ordinary shares	47,837	38,084	43,230
Effect of dilution – share options	306	2,589	138
	<u>47,837</u>	<u>38,084</u>	<u>43,230</u>
Diluted weighted average number of ordinary shares	48,143	40,673	43,368
	<u>48,143</u>	<u>40,673</u>	<u>43,368</u>