

# Tasty plc

## Chairman's statement

I am pleased to report on the Group's half year results for the 26 weeks ended on 30 June 2013, which have been prepared in accordance with International Financial Reporting Standards as adopted by the EU ("IFRS").

## Results

Turnover for the 26 weeks ended 30 June 2013 was £10,979,000 (2012 - £8,868,000), a 24% increase over the corresponding period.

The operating profit, before pre-opening costs, share based payments and interest, was £1,045,000 (2012 - £752,000), a 39% increase over last year.

Pre-opening costs have been highlighted in the income statement as they are necessarily incurred in the period prior to a new unit being opened and are specific to the opening but are not part of the Group's normal ongoing trading performance.

Pre-opening costs were £171,000 (2012 - £348,000), share based payments were £28,000 (2012 - £28,000) and finance expenses were £59,000 (2012 - £16,000). The statutory profit before tax for the period was £787,000 (2012 - £360,000).

Basic and diluted earnings per share for the period were 1.28p and 1.25p (2012 - 0.75p and 0.74p).

## Cash flows and financing

During the period capital expenditure of £2,511,000 (2012 - £2,450,000) was incurred. Two new Wildwood restaurants were opened: at South Woodford and Newmarket in April plus a Wildwood Kitchen at Didcot in March. A further Wildwood Kitchen was opened in July at Barnes.

Overall, the net cash outflow was £55,000 (2012 - £557,000).

To finance the growth, the Group drew down a further £1,500,000 of its bank loan facility taking the balance to £2,500,000. As at 30 June 2013, the Group had net cash balances of £1,556,000 (2012 - £1,451,000).

## Outlook

The Group continues to move forward by increasing sales through updated menus and improving the food and labour margins, all of which are continually reviewed.

The new openings during the period, reported above, bring the number of restaurants to 27, consisting of 6 Dimts, 17 Wildwoods and 4 Wildwood Kitchens.

The Group continues to look at new sites and has the resources for further acquisitions.

Despite the on-going general economic conditions, the Group continues to grow and invest for the future.

K Lassman  
Chairman  
Tasty plc

24 September 2013

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

	<b>26 weeks ended 30 June 2013 £'000</b>	26 weeks ended 1 July 2012 £'000	52 weeks ended 30 December 2012 £'000
<b>Revenue</b>	<b>10,979</b>	8,868	19,315
Cost of sales	<b>(9,704)</b>	(8,113)	(17,221)
<b>Gross profit</b>	<b>1,275</b>	755	2,094
Administrative expenses	<b>(429)</b>	(379)	(480)
Operating profit excluding pre-opening costs and non trading items	<b>1,045</b>	752	1,773
Pre-opening costs	<b>(171)</b>	(348)	(403)
Reversal of impairment of property, plant and equipment	-	-	300
Share based payment	<b>(28)</b>	(28)	(56)
<b>Operating profit</b>	<b>846</b>	376	1,614
Finance expense	<b>(59)</b>	(16)	(62)
<b>Profit before taxation</b>	<b>787</b>	360	1,522
Income tax expense	<b>(173)</b>	-	(275)
<b>Profit and total comprehensive income for the period – attributable to equity shareholders</b>	<b>614</b>	360	1,277
<b>Profit per share – basic</b>	<b>1.28p</b>	0.75p	2.67p
<b>Profit per share – diluted</b>	<b>1.25p</b>	0.74p	2.61p

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

	Share capital £'000	Share premium £'000	Merger reserve £'000	Retained deficit £'000	Total equity £'000
<b>Balance at 2 January 2012</b>	<b>4,784</b>	<b>10,350</b>	<b>992</b>	<b>(5,127)</b>	<b>10,999</b>
<b>Changes in equity for 26 weeks ended 1 July 2012</b>					
Profit for the period	-	-	-	360	360
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>360</b>	<b>360</b>
Share based payments – credit to equity	-	-	-	28	28
<b>Balance at 1 July 2012</b>	<b>4,784</b>	<b>10,350</b>	<b>992</b>	<b>(4,739)</b>	<b>11,387</b>
<b>Changes in equity for 26 weeks ended 30 December 2012</b>					
Issue of shares	6	9	-	-	15
Profit for the period	-	-	-	917	917
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>917</b>	<b>917</b>
Share based payments – credit to equity	-	-	-	28	28
<b>Balance at 30 December 2012</b>	<b>4,790</b>	<b>10,359</b>	<b>992</b>	<b>(3,794)</b>	<b>12,347</b>
<b>Changes in equity for 26 weeks ended 30 June 2013</b>					
Issue of shares	6	6	-	-	12
Profit for the period	-	-	-	614	614
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>614</b>	<b>614</b>
Share based payments – credit to equity	-	-	-	28	28
<b>Balance at 30 June 2013</b>	<b>4,796</b>	<b>10,365</b>	<b>992</b>	<b>(3,152)</b>	<b>13,001</b>

## Consolidated Balance Sheet

(unaudited)	30 June 2013 £'000	1 July 2012 £'000	30 December 2012 £'000
<b>Non-current assets</b>			
Intangible assets	448	450	448
Property, plant and equipment	13,795	10,623	11,791
Pre-paid operating lease charges	2,011	1,586	1,747
Deferred tax asset	12	460	185
Other receivables	437	437	486
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	16,703	13,556	14,657
<b>Current assets</b>			
Inventories	733	647	689
Pre-paid operating lease charges	100	78	87
Trade and other receivables	1,573	1,258	1,107
Cash and cash equivalents	1,556	1,451	1,611
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	3,962	3,434	3,494
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<b>Total assets</b>	20,665	16,990	18,151
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<b>Non current liabilities</b>			
Accruals for lease incentives	(199)	(194)	(206)
Provisions	(72)	(79)	(75)
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	(271)	(273)	(281)
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<b>Current liabilities</b>			
Trade and other payables	(4,893)	(4,330)	(4,523)
Bank borrowings	(2,500)	(1,000)	(1,000)
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<b>Total current liabilities</b>	(7,393)	(5,330)	(5,523)
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<b>Total liabilities</b>	(7,664)	(5,603)	(5,804)
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<b>Total net assets</b>	13,001	11,387	12,347
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<b>Capital and reserves attributable to equity shareholders</b>			
Share capital	4,796	4,784	4,790
Share premium	10,365	10,350	10,359
Merger reserve	992	992	992
Retained deficit	(3,152)	(4,739)	(3,794)
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<b>Total equity</b>	13,001	11,387	12,347
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**Consolidated Cash Flow****(unaudited)**

	<b>26 weeks ended 30 June 2013 £'000</b>	26 weeks ended 1 July 2012 £'000	52 weeks ended 30 December 2012 £'000
<b>Net cash inflow from operating activities</b>			
Profit for the period before taxation	<b>787</b>	360	1,552
<b>Adjustments for</b>			
Depreciation	<b>506</b>	373	830
Amortisation	-	-	2
Impairment reversal	-	-	(300)
Onerous lease provision movement	<b>(3)</b>	-	(10)
Equity settled share-based payment expense	<b>28</b>	28	56
Net finance expense	<b>59</b>	16	62
<b>Net cash inflow from operating activities Before changes in working capital</b>	<b>1,377</b>	777	2,192
(Increase) / decrease in trade and other receivables	<b>(520)</b>	(748)	(816)
(Increase) / decrease in inventories	<b>(44)</b>	(148)	(190)
Increase / (decrease) in trade and other payables	<b>156</b>	1,028	1,212
<b>Cash generated from operations</b>	<b>969</b>	909	2,398
Income tax received	-	-	-
<b>Net cash flows from operating activities</b>	<b>969</b>	909	2,398
<b>Investing activities</b>			
Purchase of property, plant and equipment	<b>(2,511)</b>	(2,450)	(3,774)
Interest received	-	-	6
<b>Net cash outflow from investment activities</b>	<b>(2,511)</b>	(2,450)	(3,768)
<b>Financing activities</b>			
Issue of ordinary shares	<b>12</b>	-	15
Bank loan receipt	<b>1,500</b>	1,000	1,500
Bank loan repaid	-	-	(500)
Interest paid	<b>(25)</b>	(16)	(42)
<b>Net cash inflow from financing</b>	<b>1,487</b>	984	973
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(55)</b>	(557)	(397)
<b>Cash and equivalents at beginning of period</b>	<b>1,611</b>	2,008	2,008
<b>Cash and equivalents at end of period</b>	<b>1,556</b>	1,451	1,611

## 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](http://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 30 December 2012, however, for the current period the Group has adopted IFRS 13 "Fair value measurement" which has had no significant impact on the results or financial position. 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 30 December 2012 does not constitute the full statutory accounts for that period. The Annual Report and Financial Statements for 2012 have been filed with the Registrar of Companies. The Independent Auditors' Report on the Annual Report and Financial Statement for 2012 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 30 June 2013 has been calculated by applying the estimated effective tax rate for the period ending 30 December 2012

	<b>Unaudited 26 weeks to 30 June 2013 £'000</b>	Unaudited 26 weeks to 1 July 2012 £'000	Audited 52 weeks to 30 December 2012 £'000
<b>UK corporation tax</b>			
Current tax credit on profit/(loss) for the period	-	-	-
Adjustment in respect of prior period	-	-	-
<b>Current tax credit for period</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Deferred taxation</b>			
Reversal of temporary differences	<b>(173)</b>	-	(275)
	<u>(173)</u>	<u>-</u>	<u>(275)</u>
Total income tax	<b>(173)</b>	-	(275)

### 4 Earnings per share

	<b>Unaudited 26 weeks to 30 June 2013 Pence</b>	Unaudited 26 weeks to 1 July 2012 Pence	Audited 52 weeks to 30 December 2012 Pence
Basic earnings per share	<b>1.28</b>	0.75	2.67
	<u>1.28</u>	<u>0.75</u>	<u>2.67</u>
Diluted earnings per share	<b>1.25</b>	0.74	2.61
	<u>1.25</u>	<u>0.74</u>	<u>2.61</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:-

	<b>Unaudited 26 weeks to 30 June 2013 £'000</b>	Unaudited 26 weeks to 1 July 2012 £'000	Audited 52 weeks to 30 December 2012 £'000
Profit for the period	<b>614</b>	360	1,277
	<u>614</u>	<u>360</u>	<u>1,277</u>
	<b>Number ' 000</b>	Number ' 000	Number ' 000
Basic weighted average number of ordinary shares	<b>47,963</b>	47,836	47,841
Effect of dilution – share options	<b>1,049</b>	492	1,049
	<u>49,012</u>	<u>48,328</u>	<u>48,890</u>
Diluted weighted average number of ordinary shares	<b>49,012</b>	48,328	48,890