

## **Norish plc**

### **Interim results 2010**

#### **Results**

Norish plc announces pre-tax profits of £208,000 for the six months ended 30 June 2010. This compares with pre-tax profits of £256,000 for the same period last year. Turnover from continuing operations increased by 1% to £4,983,000. Earnings per share increased to 2.1p compared to 2.0p for the same period last year.

Our cold store business has not performed as well as expected in the first half of the year, primarily due to pressure on rates and increased power costs.

Our ambient site at York has performed well in the period with increased contribution to the end of June.

We completed the acquisition of a new site at Leeds at a total cost of £790,000. This site which was previously leased was profitable for the first six months of the year and is a significant improvement on the previous year.

We currently use R22 refrigeration gas at 3 of our cold stores. R22 is a Hydrochlorofluorcarbon (HCFC) which is classed as an ozone depleting gas and with effect from 1<sup>st</sup> January 2010 it is no longer possible to purchase virgin R22. However, the use of re-cycled R22 is still permitted until 31<sup>st</sup> December 2014. We currently have an option to purchase 45,000 kg of re-cycled R22 at £4.05 per kg which is below the current market value. Under IAS39 we have accounted for a profit of £208,000 in the first half of the year.

#### **Dividend**

The board does not recommend a payment of an Interim dividend.

#### **Financial Strength**

Shareholders funds at 30 June 2010 were £7,234,000 compared with £7,045,000 at 31 December 2009. Net debt at 30 June 2010 was £8,135,000, compared with a net debt of £6,822,000 at 31 December 2009. The increase in net debt was primarily due to the purchase of the Leeds Site for £790,000.

**Ted O'Neill**  
**Chairman**

**3 September 2010**

**Norish plc**  
**Consolidated income statement**  
**For the six months ended 30 June 2010**

	<b>Six months ended 30 June 2010 (Unaudited)</b>	Six months ended 30 June 2009 (Unaudited)	Year ended 31 December 2009 (Audited)
	<b>£'000</b>	£'000	£'000
<b>Continuing operations</b>			
Revenue	<b>4,983</b>	4,939	10,539
Cost of sales	<b>(4,686)</b>	(4,450)	(9,526)
<b>Gross profit</b>	<b>297</b>	489	1,013
Other income	<b>208</b>	-	-
Administrative expenses	<b>(185)</b>	(158)	(343)
<b>Operating profit from continuing operations</b>	<b>320</b>	331	670
Finance expenses	<b>(136)</b>	(149)	(291)
Finance income	<b>24</b>	74	93
<b>Profit on continuing activities before taxation</b>	<b>208</b>	256	472
Tax on profit on ordinary activities	<b>(26)</b>	(86)	359
<b>Profit for the period attributable to shareholders</b>	<b>182</b>	170	831
<b>Profit per share expressed in pence per share:</b>			
From continuing operations			
- basic	<b>2.1p</b>	2.0p	9.8p
Weighted average number of ordinary shares	<b>8,466,230</b>	8,466,230	8,466,230
- diluted	<b>2.1p</b>	2.0p	9.8p
Weighted average number of diluted ordinary shares	<b>8,466,230</b>	8,466,230	8,466,230

**Norish plc**  
**Interim balance sheet**  
**As at 30 June 2010**

	<b>As at 30 June 2010 (Unaudited)</b>	As at 30 June 2009 (Unaudited)	As at 31 December 2009 (Audited)
	<b>£'000</b>	£'000	£'000
<b>Assets</b>			
<b>Non current assets</b>			
Goodwill	216	216	216
Property, plant and equipment	15,675	15,088	15,026
	<b>15,891</b>	<b>15,304</b>	<b>15,242</b>
<b>Current assets</b>			
Trade and other receivables	3,317	2,788	2,560
Financial assets: Fair value of interest rate swaps	-	-	-
Current tax asset	-	-	-
Cash and cash equivalents	8	35	445
	<b>3,325</b>	<b>2,823</b>	<b>3,005</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	(2,217)	(1,784)	(2,274)
Financial liabilities: Fair value of interest rate swaps	(86)	(129)	(110)
Current tax liabilities	(110)	(65)	(84)
Bank overdraft and loans	(1,334)	(946)	(633)
	<b>(3,747)</b>	<b>(2,924)</b>	<b>(3,101)</b>
	<b>(422)</b>	<b>(101)</b>	<b>(96)</b>
<b>Net current assets</b>			
<b>Non-current liabilities</b>			
Bank loans	(6,809)	(6,984)	(6,634)
Provisions	(527)	(378)	(568)
Deferred tax	(899)	(1,370)	(899)
	<b>(8,235)</b>	<b>(8,732)</b>	<b>(8,101)</b>
<b>Net assets</b>	<b>7,234</b>	<b>6,471</b>	<b>7,045</b>
<b>Equity</b>			
Share capital	1,493	1,493	1,493
Share premium account	3,156	3,156	3,156
Capital conversion reserve fund	23	23	23
Retained earnings	2,562	1,799	2,373
<b>Equity attributable to equity holders of the parent</b>	<b>7,234</b>	<b>6,471</b>	<b>7,045</b>

**Norish plc**  
**Consolidated statement of changes in equity**  
**For the six months ended 30 June 2010**

	<b>Share capital (Unaudited) £'000</b>	<b>Share premium (Unaudited) £'000</b>	<b>Capital Conversion Reserve (Unaudited) £'000</b>	<b>Retained earnings (Unaudited) £'000</b>	<b>Total (Unaudited) £'000</b>
At 1 January 2009	1,493	3,156	23	1,718	6,390
Net profit for the period	-	-	-	170	170
Credit in respect of employee share schemes	-	-	-	7	7
Equity dividends paid (recognised directly in equity)	-	-	-	(96)	(96)
At 30 June 2009	<u>1,493</u>	<u>3,156</u>	<u>23</u>	<u>1,799</u>	<u>6,471</u>
Net profit for the period	-	-	-	661	661
Credit in respect of employee share schemes	-	-	-	9	9
Equity dividends paid (recognised directly in equity)	-	-	-	(96)	(96)
At 31 December 2009	<u>1,493</u>	<u>3,156</u>	<u>23</u>	<u>2,373</u>	<u>7,045</u>
Net profit for the period	-	-	-	182	182
Credit in respect of employee share schemes	-	-	-	7	7
<b>At 30 June 2010</b>	<b><u>1,493</u></b>	<b><u>3,156</u></b>	<b><u>23</u></b>	<b><u>2,562</u></b>	<b><u>7,234</u></b>

**Norish plc**  
**Consolidated cash flow statement**  
**For the six months ended 30 June 2010**

	<b>Six months Ended 30 June 2010 (Unaudited)  £'000</b>	Six months ended 30 June 2009 (Unaudited)  £'000	Year Ended 31 December 2009 (Audited)  £'000
Profit on continuing activities before taxation	<b>182</b>	256	472
<b>Adjustments for:</b>			
Finance expenses	<b>136</b>	149	291
Finance income	<b>(24)</b>	(74)	(93)
Depreciation – property, plant and equipment	<b>303</b>	285	576
Employee share schemes	<b>7</b>	7	16
<b>Changes in working capital:</b>			
(Increase)/decrease in trade and other receivables	<b>(757)</b>	(98)	130
(Decrease)/increase in payables	<b>(57)</b>	(284)	118
(Decrease)/Increase in provisions	<b>(41)</b>	(13)	178
<b>Cash generated from operations</b>	<b>(251)</b>	228	1,688
Interest paid - bank loans and overdrafts	<b>(136)</b>	(149)	(291)
Taxation refunded	<b>-</b>	253	245
<b>Net cash from operating activities</b>	<b>(387)</b>	332	1,642
<b>Investing activities</b>			
Interest received	<b>-</b>	5	5
Fair value adjustment on interest rate swaps	<b>24</b>	-	88
Purchase of property, plant and equipment	<b>(950)</b>	(88)	(317)
<b>Net cash used in investing activities</b>	<b>(926)</b>	(83)	(224)
<b>Financing activities</b>			
Dividends paid to shareholders	<b>-</b>	(96)	(192)
<b>Net cash used in financing activities</b>	<b>-</b>	(96)	(192)
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(1,313)</b>	153	1,226
Cash and cash equivalents at the beginning of the period	<b>(6,822)</b>	(8,048)	(8,048)
<b>Cash and cash equivalents and bank overdrafts, term loans, end of period</b>	<b>(8,135)</b>	(7,895)	(6,822)

**Note:** The accounting policies applied throughout the period are consistent with those applied for the year ended 31 December 2009, as set out in the 2009 Annual Report