11 September 2013

SYMPHONY ENVIRONMENTAL TECHNOLOGIES PLC

("Symphony", "Group" or the "Company")

Interim Results

Symphony Environmental Technologies Plc (AIM: SYM), global specialists in advanced plastics and tyre recycling technologies - in harmony with public health & the environment, is pleased to announce its interim financial statements for the six month period ended 30 June 2013.

Highlights

Financial

- Revenues increased by 69% to £3.59 million (2012 H1: £2.12 million)
- Gross profits increased by 52% to £1.78 million (2012 H1: £1.17 million)
- Gross profit margin decreased to 49% (2012 H1: 55%)
- EBITDA loss – excluding one-off charge - reduced to £0.06 million (2012 H1: loss £0.59 million)
- Loss before tax – excluding one-off charge – reduced to £0.15 million (2012 H1: loss £0.69 million)
- Loss before tax – including one-off charge - reduced to £0.22 million (2012 H1: loss £0.69 million)
- Basic loss per share reduced to 0.06 pence (2012 H1: loss per share of 0.51 pence)

Significant developments

- Directors increased shareholding from 14.3% to 19,6%
- Positive legislation passed in Pakistan and elsewhere
- UAE legislation extended from 2 to 13 products
- Successful trials for d2p for food and non food applications
- Number of distributors increased to 72 (2012 H1: 70)
- Operational reorganisation resulting in cost savings going forward

Commenting on the results Nirj Deva, Chairman of Symphony, said:

"I am pleased to report Group revenues strengthened by 69% to £3.59 million from £2.12 million for the same the period last year. Gross profits increased by 52% from £1.17 million to £1.78 million, which is 82% of the gross profits for the whole of 2012.

The sales activity improved in our established markets and stock levels within these markets are now kept to lower but more efficient operating levels. During the period we saw legislative changes in Pakistan and elsewhere, from which we expect further material improvements to d2w revenues in the months ahead. A total of 16 countries have now legislated to some extent in favour of oxo-biodegradable technology; most of them within the last 18 months.

Our scientific teams continued to improve and develop plastic materials for the environmental and health sectors, and since period-end we have signed a 5 year supply and marketing agreement with Janssen Pharmaceutica, a division of Johnson & Johnson, to extend our d2p anti-microbial product ranges. d2p is expected to develop into a second major revenue stream for the Group.

A cost saving review was implemented before the period-end and this has now been concluded resulting in annual savings of approximately £250,000. A one-off charge of £78,000 has been made in the first half of this year to cover the cost of these changes. The EBITDA loss for the period before this charge was £0.06 million compared to £0.59 million in 2012.

I am very pleased with the progress made so far in 2013."

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NOTES TO EDITORS:

About Symphony Environmental Technologies plc

Symphony has developed oxo-biodegradable technology which turns plastic at the end of its service-life into a material with a completely different molecular structure. It is then no longer a plastic and can be bioassimilated in the open environment in the same way as a leaf. The technology is branded d2w® and appears as a droplet logo on many thousands of tonnes of plastic packaging and other plastic products around the world. In some countries oxo-biodegradable plastic is mandatory. For a video of d2w® plastic degrading see http://degradable.net/play-videos/4.

Symphony also supplies d2p technology that can be used in most types of plastic products to help reduce contamination and deterioration by harmful bacteria and fungi. See video at http://www.youtube.com/watch?v=61WdX- Jjmw In addition Symphony has developed the d2Detector®, a portable device which analyses plastics and detects counterfeit products. Symphony's d2t tagging and tracer technology is also available for further security. See www.d2t.net

Symphony has a diverse and growing customer-base and has established itself as an international business with 72 distributors around the world. Products made with Symphony's plastic technologies are now available in 97 countries and in many different product applications. Symphony is certified to ISO9001 and ISO14001 standards.

Symphony is a member of The British Plastics Federation (BPF), the Oxo-biodegradable Plastics Association (www.biodeg.org) (OPA), the Society for the Chemical Industry (UK), and the Pacific Basin Environmental Council. Symphony actively participates in the Committee work of the British Standards Institute (BSI), the American Standards Organisation (ASTM), the European Standards Organisation (CEN), and the International Standards Organisation (ISO).

In addition, Symphony Recycling Technologies ("SRT") is developing innovative and cost-effective recycling systems to convert scrap tyres and other waste-streams into valuable products, and has recently announced its "SymTyre S300." (http://symphonyrecycling.net/technology/symtyres300/) This is a compact machine which can flat-pack a scrap tyre in under a minute, making huge savings in the space needed to store and transport scrap tyres, with resulting savings of cost, road-space, and harmful emissions, and reducing the unsightly and uneconomic use of thousands of acres of land for tyre-dumps. The machine also prevents scrap tyres being used on the road again, and protects against the spread of disease by mosquitoes breeding in rainwater which collects in the tyres. This is the first stage of an integrated tyre-recycling technology which SRT is developing.

Further information on the Symphony Group can be found at www.symphonyenvironmental.com.

Chief Executive's review

I am able to report a significant increase in revenues and gross profits as a result of an improvement in our established markets as well as new business elsewhere. Legislation, forcing a wider use of d2w type oxo-biodegradable technology, increased in momentum during the period, and this is expected to grow in the months ahead and in particular 2014 onwards.

Negotiations for new d2w supply contracts have been ongoing throughout the period. These are expected to complete in the short-term, albeit no certainty of a successful outcome can be guaranteed at this point in time.

We have continued to invest in our three main plastic technologies, d2w, d2p and d2t, and are pleased to report significant technical development successes. Investment also continues in SRT.

Trading results

Revenues for the period increased by 69% to £3.59 million (2012 H1: £2.12 million) as a result of strengthening within existing markets as already described.

Gross profits increased by 52% to £1.78 million (2012 H1: £1.17 million). Gross profit margins slipped slightly to 49% (2012 H1: 55%) due to price pressure in some of our markets. We have advanced on some cost savings since period-end which will mitigate some of the cost- sensitive territories.

Administrative expenses increased to £1.83 million (2012 H1: £1.77 million), and a cost reduction plan has been implemented which will save approximately £250,000 per annum. This has resulted in a one-off charge of £78,000.

Before the one-off charge, the Group's operating loss for the period was £0.14 million (2012 H1: loss £0.68 million) and net loss before tax of £0.15 million (2012 H1: loss £0.69 million). This significant reduction in losses is primarily due to the increase in revenues. The Group received an R&D tax credit of £0.15 million (2012 H1: £0.34 million) resulting in a loss after tax and before one-off costs of £0.01 million (2012 H1: loss £0.66 million).

Including the one-off charge, the net loss before tax was £0.22 million (2012 H1: £0.69 million) and loss after tax was £0.08 million (2012 H1: £0.66 million).

The loss per share for the period was 0.06 pence (2012 H1: 0.51 pence).

Balance sheet and cashflow

Cash of £0.41 million was consumed by operations during the period (2012 H1: cash generated £0.08 million) due primarily to an increase in receivables of some £0.5 million since 31 December 2012; a 59% increase compared to an annualised revenue increase of 45%.

The Group uses invoice-discounting facilities to assist with funding of invoices when required. In addition, some customers pay on a cash basis and others by letter of credit. The Group also has good credit facilities with its major suppliers. With gross margins at current levels and taking into account the working capital cycle and the invoice discounting facility of £1 million; the Group has the ability to materially grow revenues.

Recycling technologies

We are still developing our tyre recycling technologies and are looking to commercialise further elements within this as soon as possible. The SYM-TYRE S-300 tyre "flat-pack" machine was launched in January 2013 and the market reaction has been positive, albeit not expected to produce substantial revenues in the short-term.

Markets

Symphony's d2w is, we believe, the market-leader in oxo-biodegradable technologies. The markets for oxo-biodegradable technologies are growing and this is underpinned by recent legislative changes in 16 countries and we believe more countries will introduce legislation to address the global issue of discarded plastic.

There has always been the challenge from hydro-biodegradable plastics (made from food crops) but no countries have made it mandatory to use that technology. In addition, hydro products involve significant price increases and production changes, and are of limited use. They are tested for biodegradation in the special conditions found in industrial composting only, and they will generate methane deep in landfill.

Building on our collaboration with Janssen, we expect our d2p products to add material revenues from 2014. This will also generate further “lead-ins” in respect of d2w and d2t products.

Outlook

With the continuing forward momentum in legislation for d2w type products and the new developments with d2p, we expect to make significant progress going forward.

We believe that our continued and sustained investment in the development of products and markets is starting to pay off, and we hope to add more products to the portfolio in the future.

Michael Laurier
Chief Executive

Condensed consolidated interim statement of comprehensive income

		6 months to 30 June 2013 Unaudited		6 months to 30 June 2012 Unaudited		12 months to 31 December 2012 Audited
	£'000	£'000	£'000	£'000	£'000	£'000
Revenue		**3,588**		**2,123**		**4,938**
Cost of sales		(1,813)		(954)		(2,785)
Gross profit		**1,775**		**1,169**		**2,153**
Distribution costs		(81)		(77)		(125)
Administrative expenses:						
- recurring	(1,831)		(1,769)		(4,211)	
- non-recurring	(78)		-		-	
Administrative expenses		(1,909)		(1,769)		(4,211)
Operating loss:						
- recurring	(137)		(677)		(2,183)	
- non-recurring	(78)		-		-	
Operating loss		**(215)**		**(677)**		**(2,183)**
Finance costs		(9)		(12)		(14)
Loss for the period before tax		**(224)**		**(689)**		**(2,197)**
Tax credit/(charge)		145		34		(27)
Loss for the period		**(79)**		**(655)**		**(2,224)**
Total comprehensive income for the period		**(79)**		**(655)**		**(2,224)**
Earnings per share:						
Basic		(0.06p)		(0.51p)		(1.74p)
Diluted		(0.06p)		(0.51p)		(1.74p)

All results are attributable to the owners of the parent.
There were no discontinuing operations for any of the above periods.

Condensed consolidated interim statement of financial position (balance sheet)

	At 30 June 2013 Unaudited £'000	At 30 June 2012 Unaudited £'000	At 31 December 2012 Audited £'000
Assets			
Non-current			
Property, plant and equipment	442	549	499
Intangible assets	1,357	1,006	1,334
Deferred income tax assets	1,216	1,277	1,216
Available for sale financial assets	-	15	-
	3,015	**2,847**	**3,049**
Current			
Inventories	508	522	637
Trade and other receivables	1,279	2,632	806
Cash at bank and in hand	33	215	336
	1,820	**3,369**	**1,779**
Total assets	**4,835**	**6,216**	**4,828**
Equity			
Equity attributable to owners of Symphony Environmental Technologies plc			
Share capital	1,280	1,278	1,280
Share premium account	1,648	1,646	1,648
Retained earnings	126	1,757	205
Total equity	**3,054**	**4,681**	**3,133**
Liabilities			
Non-current			
Interest bearing loans and borrowings	8	26	20
	8	**26**	**20**
Current			
Interest bearing loans and borrowings	532	402	509
Trade and other payables	1,241	1,107	1,166
	1,773	**1,509**	**1,675**
Total liabilities	**1,781**	**1,535**	**1,695**
Total equity and liabilities	**4,835**	**6,216**	**4,828**

Condensed consolidated interim statement of changes in equity

Equity attributable to the owners of Symphony Environmental Technologies plc:

	Share capital £'000	Share premium £'000	Retained earnings £'000	Total equity £'000
For the six months to 30 June 2013				
Balance at 1 January 2013	1,280	1,648	205	3,133
Total comprehensive income for the period	-	-	(79)	(79)
Balance at 30 June 2013	**1,280**	**1,648**	**126**	**3,054**
For the six months to 30 June 2012				
Balance at 1 January 2012	1,278	1,646	2,412	5,336
Total comprehensive income for the period	-	-	(655)	(655)
Balance at 30 June 2012	**1,278**	**1,646**	**1,757**	**4,681**
For the year to 31 December 2012				
Balance at 1 January 2012	1,278	1,646	2,412	5,336
Issue of share capital	2	2	-	4
Employee share based options	-	-	17	17
Transactions with owners	2	2	17	21
Total comprehensive income for the year	-	-	(2,224)	(2,224)
Balance at 31 December 2012	**1,280**	**1,648**	**205**	**3,133**

Condensed consolidated interim statement of cash flows

	6 months to 30 June 2013 £'000	6 months to 30 June 2012 £'000	12 months to 31 December 2012 £'000
Operating activities:			
Results for the period after tax	**(79)**	**(655)**	**(2,224)**
Depreciation	60	66	132
Amortisation	14	26	29
Share-based payments	-	-	17
Impairment of financial asset	-	-	16
Tax credit	(145)	(34)	27
Interest expense	12	12	20
Change in inventories	128	(123)	(238)
Change in trade and other receivables	(472)	1,150	2,936
Change in trade and other payables	75	(360)	(301)
Cash (consumed)/generated in operations	**(407)**	**82**	**414**
Tax received	145	34	34
Net cash (consumed)/generated in operations	**(262)**	**116**	**448**
Investing activities:			
Additions to property, plant and equipment	(2)	(29)	(59)
Proceeds from disposals of property, plant and equipment	-	-	14
Additions of intangible assets	(38)	(30)	(361)
Cash consumed in investing activities	**(40)**	**(59)**	**(406)**
Financing activities:			
Movement in working capital facility	162	(212)	(163)
Discharge of finance lease liability	(5)	(7)	(25)
Proceeds from share issue	-	-	4
Interest paid	(12)	(12)	(20)
Cash generated/(consumed) in financing activities	**145**	**(231)**	**(204)**
Net change in cash and cash equivalents	**(157)**	**(174)**	**(162)**
Cash and cash equivalents, beginning of period	57	180	180
Exchange gain	-	-	39
Cash and cash equivalents, end of period	**(100)**	**6**	**57**

Bank overdraft of £133,000 (30 June 2012: £209,000) (31 December 2012: £279,000) is included in cash and cash equivalents.

Notes to the interim financial statements

1 Nature of operations and general information

Symphony Environmental Technologies plc (the "Company") and subsidiaries' (together the "Group") principal activities include the development and supply of plastic additives and products, and the development of waste to value systems.

Symphony Environmental Technologies plc, a public limited company, is the Group's parent company. It is incorporated and domiciled in England. The address of its registered office is 6 Elstree Gate, Elstree Way, Borehamwood, Hertfordshire, WD6 1JD, England. Symphony Environmental Technologies plc's shares are listed on the AIM market of the London Stock Exchange and as a level 2 American Depositary Receipt.

These condensed interim consolidated financial statements ("interim financial statements" or "interim report") are for the six months ended 30 June 2013. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2012.

The financial information set out in this interim report does not constitute statutory accounts. The Group's statutory financial statements for the year ended 31 December 2012 have been filed with the Registrar of Companies. The auditor's report on those financial statements was unqualified and did not contain a statement under Section 498(2) or 498(3) of the Companies Act 2006. These interim condensed consolidated financial statements have not been audited.

These interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 "Interim Financial Reporting", and are presented in Sterling (£), which is the functional currency of the parent company. They have been prepared under the historical cost convention. They have also been prepared on the basis of the recognition and measurement requirements of International Financial Reporting Standards that are adopted by the European Union, and the policies and measurements are consistent with those stated in the financial statements for the year ended 31 December 2012.

These interim financial statements were approved by the board on 10 September 2013.

2 Significant accounting policies

These interim financial statements have been prepared in accordance with the accounting policies adopted in the last annual financial statements for the year ended 31 December 2012. There have been no changes in the period.

3 Seasonal fluctuations

The Group operates in many countries and in many different markets. There are therefore no formal or considered seasonal fluctuations affecting the operations of the Group. Historically, trade has weighted more in the second half the year compared to the first. In 2012, H2 revenues were £2.82 million, compared to £2.12 million in H1 2012, an increase of 33%. In 2011, H2 revenues were £4.66 million, compared to £3.89 million in H1 2011, an increase of 20%.

4 Segmental analysis

The chief operating decision maker of the Group is the Board of Directors and they review the business in two main segments, the development and supply of plastic products including d2w, d2p and d2t, and the development of recycling technologies.

Business segments	**Plastics**	**Recycling tech.**	**Group**
6 months to 30 June 2013	**£'000**	**£'000**	**£'000**
Segment revenues	3,588	-	3,588
Apportioned costs	(3,545)	(103)	(3,648)
EBITDA	**43**	**(103)**	**(60)**
Non – recurring costs	(78)	-	(78)
Depreciation and amortisation	(74)	-	(74)
Interest	(12)	-	(12)
Taxation	145	-	145
Profit/(loss) for the period	**24**	**(103)**	**(79)**

Business segments	**Plastics**	**Recycling tech.**	**Group**
6 months to 30 June 2012	**£'000**	**£'000**	**£'000**
Segment revenues	2,123	-	2,123
Apportioned costs	(2,588)	(120)	(2,708)
EBITDA	**(465)**	**(120)**	**(585)**
Depreciation and amortisation	(92)	-	(92)
Interest	(12)	-	(12)
Taxation	34	-	34
Loss for the period	**(535)**	**(120)**	**(655)**

Business segments	**Plastics**	**Recycling tech.**	**Group**
12 months to 31 December 2012	**£'000**	**£'000**	**£'000**
Segment revenues	4,938	-	4,938
Share based payments	(17)	-	(17)
Apportioned costs	(6,671)	(272)	(6,943)
EBITDA	**(1,750)**	**(272)**	**(2,022)**
Depreciation and amortisation	(161)	-	(161)
Interest	(14)	-	(14)
Taxation	(27)	-	(27)
Loss for the year	**(1,952)**	**(272)**	**(2,224)**

Revenues stated are from external customers.

There were no inter-segment revenues for the above periods.
There has been no change to the basis of segmentation since the last annual financial statements.
There has been no change in total assets other than in the ordinary course of business.

5 Shares issued

There were no shares issued during the period under review. Shares issued over previous periods may be summarised as follows:

Shares issued and fully paid	6 months to 30 June 2013	6 months to 30 June 2012	Year to 31 December 2012
- beginning of period	127,994,377	127,843,577	127,843,577
- issued during the period	-	-	150,800
Total equity shares issued and fully paid at end of period	**127,994,377**	**127,843,577**	**127,994,377**

6 Earnings per share and dividends

The calculation of earnings per share is based on the result attributable to ordinary shareholders divided by the weighted average number of shares in issue during the year.

The calculation of diluted earnings per share is based on the basic earnings per share, adjusted to allow for the issue of shares on the assumed conversion of dilutive options which were exercisable during the period.

Reconciliations of the results and weighted average numbers of shares used in the calculations are set out below:

Basic and diluted	6 months to 30 June 2013	6 months to 30 June 2012	Year to 31 December 2012
Loss attributable to owners of the company	**£(79,000)**	**£(655,000)**	**£(2,224,000)**
Weighted average number of ordinary shares in issue	127,994,377	127,843,577	127,907,254
Basic loss per share	**(0.06) pence**	**(0.51) pence**	**(1.74) pence**
Dilutive effect of weighted average options (*)	-	-	-
Total of weighted average shares together with dilutive effect of weighted options and warrants	127,994,377	127,843,577	127,907,954
Diluted loss per share	**(0.06) pence**	**(0.51) pence**	**(1.74) pence**

No dividends were paid for the year ended 31 December 2012.
(*)The effect of options for the above periods are anti-dilutive.

7 Availability of Interim Financial Statements

Paper copies of the Interim Financial Statements will be sent to shareholders upon request. Shareholders will be able to download a copy of the Interim Financial Statements from the Group's website www.d2w.net. Further copies of the Interim Financial Statements will be available from the Company's Registered Office at 6 Elstree Gate, Elstree Way, Borehamwood, Hertfordshire WD6 1JD.