6 September 2010

SYMPHONY ENVIRONMENTAL TECHNOLOGIES PLC

Interim Results

Symphony Environmental Technologies plc ("Symphony", the "Company"), the environmental plastics and waste-to-value group (the "Group"), is pleased to announce its interim financial statements for the six months ended 30 June 2010.

Highlights
Financial

- Revenue increased by 6% to £3.90 million (2009 H1: £3.69 million)
- Gross profits increased by 13% to £2.30 million (2009 H1: £2.02 million)
- Gross profit margins increased to 59% (2009 H1: 55%)
- Operating profit including non-recurring items amounted to £0.48 million (2009 H1: £0.48 million)
- Profit before tax totalled £0.42 million (2009 H1: £0.40 million)
- Basic earnings per share were 0.36 pence (2009 H1: 0.35 pence)

Underlying results

- Operating profit excluding non-recurring items increased by 23% to £0.59 million (2009 H1: £0.48 million)
- Profit before tax excluding non-recurring items increased by 33% to £0.53 million (2009 H1: £0.40 million)

Operating developments

- Reorganisation of overall Group structure enabling payment of dividends and/or acquisition of treasury shares if deemed appropriate by the Board
- Completed the move to new Group office premises
- Number of distributors has been increased to 57 (2009 H1: 48)

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

"I am delighted to present these interim results, which show excellent growth of 33% in the Group's underlying profitability. This is underpinned by our increasing distributor network, strong margins and operationally geared costs.

"We incurred £115,000 of non-recurring costs during the period relating to the reorganisation of the Group and following completion of this, we now have the ability to, if desired and determined by the Board, pay dividends and/or acquire treasury shares.

"The **d_2w®** brand continues to strengthen and the market opportunities for our products continue to grow. This is assisted by the hard work of the Board, staff and distributors around the world, together with growing sentiment and legislative changes.

"We look forward to the second half of the year with confidence."

For further information, please contact:

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Further information on the Symphony Environmental Technologies Group of companies:

SYMPHONY ENVIRONMENTAL TECHNOLOGIES PLC is a specialist in controlled-life plastic technology and products - a system that works by a process called oxo-biodegradation. The technology is branded **d_2w**® and appears as a droplet logo on many thousands of tonnes of plastic packaging and other plastic products.

Symphony's **d_2w**® technology turns plastic at the end of its service-life into a material with a completely different molecular structure. At that stage it is no longer a plastic and can be bioassimilated in the open environment in the same way as a leaf.

For a video of **d_2w**® plastic degrading see http://www.youtube.com/watch?v=i3TGqcpWJTM

Symphony has a diverse and growing customer-base and has established itself successfully as an international business. Products made with **d_2w**® plastic technology can now be found in more than 90 countries around the world and in many different product applications. Symphony is a member of the Oxo-biodegradable Plastics Association (www.biodeg.org), the Society for the Chemical Industry (UK), The British Plastics Federation (BPF), and the American Standards Organisation (ASTM). Symphony is also a member of the European Organisation for Packaging & the Environment (Europen), the US Save the Plastic Bag Coalition, and the British Brands Group. Symphony actively participates in the work of the British Standards Institute (BSI), the European Standards Organisation (CEN), and the International Standards Organisation (ISO).

Symphony owns the trademark **d_2p** for an anti-microbial technology that can be used in most types of plastic products to help protect against viruses, bacteria, and fungal growth. Symphony is also developing innovative and cost-effective waste-to-value technology to convert scrap tyres and other waste-streams into valuable products.

Further information on the Symphony Group can be found at www.d2w.net.

Chief Executive's review

I am very pleased to present these results which show an underlying growth in profit of 33% to £0.53 million for the first six months of the year. In addition, following completion of the Group's reorganisation, the Company now has a more suitable balance sheet and the Group will gain from having a better operating structure going forward.

I am also pleased to report a further increase in our distribution network, which now totals 57 distributors.

Trading results

Total revenue increased by 6% for the first six months of 2010 to £3.90 million compared with £3.69 million for the first six months of 2009. Gross profit was £2.30 million compared with £2.02 million, an increase of 13%. Gross profit margins increased to 59% from 55% for the same period last year.

Administrative expenses increased by 17% to £1.74 million (2009 H1: £1.49 million). Within this increase are non recurring costs of £115,000 relating to the Group's reorganisation. The underlying administrative expenses of £1.63 million are 9% higher than for the same period last year, as a result of increased staff related research and development ("R&D") costs and associated travel expenses.

With all costs incurred, the Group's operating profit was £0.48 million, which matched the first half of 2009. Taking out the non-recurring costs, the underlying operating profit grew by 23% to £0.59 million (2009 H1: £0.48 million).

The Group achieved a net profit before tax of £0.42 million compared with £0.40 million for the same period last year. The underlying net profit for the first half grew by 33% from £0.40 million in 2009 to £0.53 million in 2010.

Earnings per share increased to 0.36 pence (2009 H1: 0.35 pence).

Balance sheet and cashflow

During the period the Group moved its headquarters to larger, modern and more suitable premises at 6 Elstree Gate, Elstree Way, Borehamwood, Herts, United Kingdom. A total of £0.31 million was invested in tangible fixed assets over the period, £0.02 million relating to replacement of staff vehicles, £0.09 million in relation to computer, telephones, security and other equipment and £0.20 million for leasehold improvements and office furniture.

This move was part financed by a loan from HSBC bank for £0.17 million over five years and this enables future operating cashflow to repay the non-secured loans faster and, in effect, match borrowing against assets.

£0.18 million was generated from operations in the period to 30 June 2010 (2009 H1: £0.69 million). As a result of trade being weighted in quarter two and due to certain distributors having their insurable credit limits increased, trade debtors showed an increase of £0.51 million during the period (2009 H1: decrease of £0.16 million).

Having incurred the reorganisation and capital costs for the first half of 2010, there are no material second half costs committed or anticipated outside the ordinary course of business.

Reorganisation

At the 2010 Annual General Meeting held on 28 May, shareholders approved a scheme (the "Reorganisation") which has put the Company and Group in a position where:

1) the Balance sheets of the Company and certain subsidiaries have been strengthened;
2) distributable reserves have been created within the Group where appropriate; and
3) the Company can purchase its own shares (treasury shares).

This involved the writing off of intra-Group debts, the effective merger of two subsidiaries and the elimination of the share premium accounts both for the main operating subsidiary Symphony Environmental Limited, and the Company.

The above took effect from 28 May 2010 to 1 June 2010, save for the cancellation of the Company's share premium account which took effect on 1 July 2010. The Group balance sheet as stated in these interim financial statements therefore still shows the share premium account at £13.26 million and this was subsequently credited to reserves on 1 July 2010. This resulted in £1.05 million of retained earnings as at 1 July as shown in Note 4 to this Interim Report.

Waste to value

Work carries on in respect to the RuPERT project, and, in accordance with its long-term strategy, the Group will look to commercialise aspects of this as and when appropriate.

Markets and brand

The **d_2w®** brand continues to grow in strength, recognition and value. At the period end it was being used in more than 90 countries across 5 continents.

In the UK, the **d_2w®** symbol appears on millions of magazine wraps as well as on products of several retail store outlets, care homes, garden centres and Local Authorities. Several **d_2w®** product launches, marketing and technical seminars, and other events took place on a global scale during the first half of 2010. In particular NH Hotele Group announced in London the move to **d_2w®** technology in all of their disposable plastic products covering items such as shampoo bottles, disposable pens, combs, laundry bags and refuse bags. This is on a global scale throughout all of their circa 400 hotels.

The UK marketing team continues working on brand awareness projects with NGOs and other organisations, and is active with media as well as internet blog sites. To broaden the network and coverage, similar activities are carried out throughout the Symphony distribution network.

Legislation in favour of **d_2w®** type plastic technologies continues to gain momentum, and considerable management time was spent by the Group in advising Governments and related working groups on cost effective solutions to resolve the growing issue of plastic pollution in the environment. The Group has been active in many areas throughout the world in defending plastic bags from restrictions, taxes or complete bans. The Group is of the view that much of the information on plastic contamination can be proved as either wrong or misleading, and, as a result, the Board considers that significant confusion exists with the many different types of biodegradable plastic systems or other alternative misconceived solutions.

The technical team continues to increase their R&D activities which are aimed at keeping Symphony at the forefront of this growing market sector. Travel has been intensified to support the growing network of distributors and **d_2w®** approved plastic producers as customer demands vary from simple to the complex.

The **d_2p** anti-microbial technology is advancing and positive market interest has been established throughout the distribution network through existing and new end product users.

Outlook

The Group is confident that the market opportunities for **d_2w®** and **d_2p** technologies could grow substantially and that the timing for its products is ideal. Our confidence is based on a continual strengthening of information, agreements and demand from the markets that the Group is engaged in.

The Group, together with many global **d_2w®** distributors, will be exhibiting at the world's largest packaging show, the K Show, in Germany at the end of October 2010. This is an important international event that attracts small and large firms from all sectors whose interest cover a wide aspect of packaging and environmentally advanced technologies such as **d_2w®** and **d_2p**.

At the K Show, Symphony will be launching the World's first non-PET **d_2w®** natural water bottle that can be recycled and reused.

With strong underlying profit growth and the cash outlays of the first half of the year behind us, increased demand through legislative changes and with increased interest in the environment and sustainable options, Symphony's Board look forward to the future with growing confidence.

Michael Laurier
Chief Executive

Condensed consolidated interim statement of comprehensive income

		6 months to 30 June 2010 Unaudited		6 months to 30 June 2009 Unaudited		12 months to 31 December 2009 Audited
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Revenue		**3,906**		**3,685**		**7,038**
Cost of sales		(1,610)		(1,661)		(3,163)
Gross profit		**2,296**		**2,024**		**3,875**
Distribution costs		(80)		(58)		(129)
Administrative expenses:						
- recurring	(1,625)		(1,485)		(2,914)	
- non-recurring	(115)		-		-	
Administrative expenses		(1,740)		(1,485)		(2,914)
Operating profit/(loss):						
- recurring	591		481		832	
- non-recurring	(115)		-		-	
Operating profit		**476**		**481**		**832**
Finance income		-		-		-
Finance costs		(58)		(79)		(194)
Profit for the period before tax		**418**		**402**		**638**
Tax credit		-		-		285
Profit for the period		**418**		**402**		**923**
Total comprehensive income for the period		**418**		**402**		**923**
Earnings per share:						
Basic		0.36p		0.35p		0.80p
Diluted		0.32p		0.30p		0.78p

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 2010 Unaudited £'000	At 30 June 2009 Unaudited £'000	At 31 December 2009 Audited £'000
Assets			
Non-current			
Property, plant and equipment	465	250	216
Intangible assets	543	320	487
Deferred income tax assets	993	719	993
Available for sale financial assets	15	15	15
	2,016	**1,304**	**1,711**
Current			
Inventories	217	238	212
Trade and other receivables	2,103	1,080	1,597
Cash and cash equivalents	42	122	34
	2,362	**1,440**	**1,843**
Total assets	**4,378**	**2,744**	**3,554**
Equity			
Equity attributable to owners of Symphony Environmental Technologies plc			
Share capital	1,167	1,162	1,165
Share premium account	13,261	13,243	13,253
Other reserves	-	822	822
Retained earnings	(12,207)	(13,981)	(13,447)
Total equity	**2,221**	**1,246**	**1,793**
Liabilities			
Non-current			
Interest bearing loans and borrowings	163	28	274
	163	**28**	**274**
Current			
Interest bearing loans and borrowings	1,092	737	731
Trade and other payables	902	733	756
	1,994	**1,470**	**1,487**
Total liabilities	**2,157**	**1,498**	**1,761**
Total equity and liabilities	**4,378**	**2,744**	**3,554**

Condensed consolidated interim statement of changes in equity

Equity attributable to the owners of Symphony Environmental Technologies plc:

	Share capital £'000	Share premium £'000	Other reserves £'000	Retained earnings £'000	Total equity £'000
For the six months to 30 June 2010					
Balance at 1 January 2010	1,165	13,253	822	(13,447)	1,793
Eliminated on reorganisation	-	-	(822)	822	-
Issue of share capital	2	8	-	-	10
Transactions with owners	2	8	(822)	822	10
Total comprehensive income for the period	-	-	-	418	418
Balance at 30 June 2010	**1,167**	**13,261**	**-**	**(12,207)**	**2,221**
For the six months to 30 June 2009					
Balance at 1 January 2009	1,087	13,176	822	(14,383)	702
Issue of share capital	75	67	-	-	142
Transactions with owners	75	67	-	-	142
Total comprehensive income for the period	-	-	-	402	402
Balance at 30 June 2009	**1,162**	**13,243**	**822**	**(13,981)**	**1,246**
For the year to 31 December 2009					
Balance at 1 January 2009	1,087	13,176	822	(14,383)	702
Issue of share capital	78	77	-	-	155
Employee share based options	-	-	-	13	13
Transactions with owners	78	77	-	13	168
Total comprehensive income for the year	-	-	-	923	923
Balance at 31 December 2009	**1,165**	**13,253**	**822**	**(13,447)**	**1,793**

Condensed consolidated interim statement of cash flows

	6 months to 30 June 2010 £'000	6 months to 30 June 2009 £'000	12 months to 31 December 2009 £'000
Operating activities:			
Results for the period after tax	**418**	**402**	**923**
Depreciation	28	34	69
Amortisation	11	7	15
Loss on disposal	25	-	-
Share-based payments	-	-	13
Tax credit	-	-	(285)
Interest expense	58	79	194
Change in inventories	(5)	(44)	(18)
Change in trade and other receivables	(506)	156	(362)
Change in trade and other payables	146	56	17
Cash generated in operations	**175**	**690**	**566**
Tax received	-	-	11
Net cash generated in operations	**175**	**690**	**577**
Investing activities:			
Additions to property, plant and equipment	(295)	(43)	(44)
Proceeds from disposals of property, plant and equipment	8	-	-
Additions of intangible assets	(67)	(55)	(230)
Cash consumed in investing activities	**(354)**	**(98)**	**(274)**
Financing activities:			
Proceeds from loans	170	-	-
Repayment of loans	(45)	(351)	(455)
Movement in working capital facility	93	(146)	136
Discharge of finance lease liability	(11)	(27)	(31)
Proceeds from share issue	10	142	155
Interest paid	(58)	(122)	(194)
Cash generated/(consumed) in financing activities	**159**	**(504)**	**(389)**
Net change in cash and cash equivalents	**(20)**	**88**	**(86)**
Cash and cash equivalents, beginning of period	(68)	18	18
Cash and cash equivalents, end of period	**(88)**	**106**	**(68)**

Bank overdraft of £130,000 (30 June 2009: £16,000) (31 December 2009: £102,000) 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 **d2w**® controlled-life 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, the PLUS market in London 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 2010. 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 2009.

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 2009 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 2009 save items detailed in Note 2.

These interim financial statements were approved by the board on 3 September 2010.

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 2009, except for the adoption of the following standards as of 1 January 2010:

- International Financial Reporting Standard ("IFRS") 3 Business Combinations (revised 2008)
- IAS 27 Consolidated and Separate Financial Statements (Revised 2008)
- Improvements to IFRSs 2009

The Group had no transactions during the period where the above has had an impact on the reporting of these interim financial statements.

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.

4 Significant events and transactions, events after balance sheet date

The Group undertook a restructuring during the period culminating in the elimination of the Company's share premium account on 1 July 2010. The proforma equity position at 1 July 2010 using the position at 30 June 2010 would show:

Equity	**30 June 2010 £'000**	**1 July 2010 £'000**
Share capital	1,167	1,167
Share premium	13,261	-
Retained earnings	(12,207)	1,054
Total equity	**2,221**	**2,221**

5 Segment analysis

The chief operating decision maker of the Group reviews the business in three main segments, supply of degradable products, supply of non-degradable products and development of waste to value systems.

Business segments **6 months to 30 June 2010**	**Degradable d$_2$w®** **£'000**	**Non-degradable** **£'000**	**Waste to value** **£'000**	**Group** **£'000**
Revenue	3,855	51	-	3,906
Apportioned costs	(3,296)	(80)	(112)	(3,488)
Result for the period before tax	**559**	**(29)**	**(112)**	**418**
Taxation	-	-	-	-
Profit for the period	**559**	**(29)**	**(112)**	**418**
Non-recurring items in above	115	-	-	115
Profit/(loss) for the period before non-recurring items	**674**	**(29)**	**(112)**	**533**

Business segments **6 months to 30 June 2009**	**Degradable d$_2$w®** **£'000**	**Non-degradable** **£'000**	**Waste to value** **£'000**	**Group** **£'000**
Revenue	3,643	42	-	3,685
Apportioned costs	(3,091)	(92)	(100)	(3,283)
Result for the period before tax	**552**	**(50)**	**(100)**	**402**
Taxation	-	-	-	-
Profit/(loss) for the period	**552**	**(50)**	**(100)**	**402**

Business segments **12 months to 31 December 2009**	**Degradable d$_2$w®** **£'000**	**Non-degradable** **£'000**	**Waste to value** **£'000**	**Group** **£'000**
Revenue	6,947	91	-	7,038
Share based payments	(9)	(4)	-	(13)
Apportioned costs	(5,956)	(249)	(182)	(6,387)
Result for the year before tax	**982**	**(162)**	**(182)**	**638**
Taxation	285	-	-	285
Profit/(loss) for the year	**1,267**	**(162)**	**(182)**	**923**

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.

6 Shares issued

On 1 May 2010 250,000 warrants were exercised at 4.125 pence per ordinary 1penny share. The shares issued yielded £10,312

Shares issued for the period under review may be summarised as follows:

Shares issued and fully paid	6 months to 30 June 2010	6 months to 30 June 2009	Year to 31 December 2009
- beginning of period	116,484,577	108,719,036	108,719,036
- issued during the period	250,000	7,465,541	7,765,541
Total equity shares issued and fully paid at end of period	**116,734,577**	**116,184,577**	**116,484,577**

7 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 and warrants 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 2010	6 months to 30 June 2009	Year to 31 December 2009
Profit attributable to owners of the company	**£418,000**	**£402,000**	**£923,000**
Weighted average number of ordinary shares in issue	116,553,638	115,180,444	115,767,185
Basic earnings per share	**0.36 pence**	**0.35 pence**	**0.80 pence**
Dilutive effect of weighted average options and warrants	14,999,293	16,895,835	2,424,588
Total of weighted average shares together with dilutive effect of weighted options and warrants	131,552,931	132,076,279	118,191,773
Diluted earnings per share	**0.32 pence**	**0.30 pence**	**0.78 pence**

No dividends were paid for the year ended 31 December 2009.

8 Availability of Interim Financial Statements

Paper copies of the Interim Financial Statements will be sent to shareholders upon request. Otherwise, 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, Herts WD6 1JD.