

Final

Astek Group plc ('Astek' or 'the Company')**Interim Results****Overview**

	Six months ended 30 Sep 2009 (unaudited) £	Six months ended 30 Sep 2008 (unaudited) £	Year ended 31 March 2009 (audited) £
Revenue	623,503	550,342	1,371,297
Gross Profit	271,189	240,657	593,583
EBITDA	3,648	(52,594)	(53,974)
Retained loss for the period	(41,315)	(99,111)	(66,504)
Loss per share (to nearest 0.1p)	0.1p	0.1p	0.1p

- Anaesthetic Safety Syringe and special Sharps box, branded as InSafe™ system, launched in the UK, Eire and Germany
 - o Production issues and economic climate holding up sales
 - o Negotiations under way with potential distributors in other territories
- Positive EBITDA achieved in the period.
 - o Note that the results in these months were affected by:
 - The continued reduction of directors' salaries by 50% as reported in the Annual Report and Accounts for 2009; and
 - The adverse effect on margins of Sterling movements against the US dollar and Euro.
- Pro-Tip® sales disappointing during the period although ahead of same period last year;
 - o Ongoing dialogue with Distributor
- Other developments in progress funded by a Grant, grant received of £23,262 (capital £10,964, revenue £12,298)
 - o Negotiations in progress for further grant funding next year.
- Reduction in loss after tax to £41,315 (2008: loss £99,111)
- Cash balance of £57,964 (31 March 2009: £95,678)

Directors' Statement

The period under review has seen an improvement in trading performance with sales up 13.3% on the comparable period last year. Gross margin also held steady at around 43%. However sales are down significantly compared to the second half of FY2009 - £820,955. The larger part of this was due to the slowdown in InSafe™ sales as a result of production issues referred to below. The rest was due to a comparative reduction in Pro-Tip® sales. There has been a delay in the uptake of Pro-Tip® for the new Italian and Japanese markets. These latter issues are being discussed with our distributors.

Page 2

During the period the Group's monthly results attained a small but positive EBITDA. InSafe™ sales have been slower than expected partly as a result of production issues and partly due to the economic climate. Some batches of the production versions of the InSafe™ syringe have suffered cosmetic changes in use which, although functionality remains unimpaired, are unacceptable and which did not manifest themselves in trials. The causes of these changes have been identified, appropriate enhancements to the production process are being considered and will be implemented within the next few months. Negotiations remain in progress in respect of other worldwide territories but will not be concluded until the production issues are fully resolved.

The period under review has seen further significant new product launches including edentulous impression trays, mouthwash tablets and barrier products. Astek's market has been affected by the global economic downturn which has certainly affected the discretionary spend with dentists but the Company has been successful in defending margins despite fluctuations in buying and selling prices.

However the problems with production versions of InSafe™, which were not exposed by trials or focus groups, remind Astek that innovation is never easy. The Board is pleased that positive EBITDA has nevertheless been achieved. It is expected that this will in turn lead to positive total cash flows in due course.

*** * ENDS * ***

For further information please visit www.astekinnovations.co.uk or contact:

Alan Segal	Astek Group plc	Tel: 0161 942 3900
Alex Clarkson	Zeus Capital	Tel: 0161 831 1512
/ Tom Rowley		

ASTEK GROUP PLC

CONSOLIDATED BALANCE SHEET
as at 30 September 2009

	As at 30 Sept 2009 (unaudited) £	As at 30 Sept 2008 (unaudited) £	As at 31 March 2009 (audited) £
Assets			
Non-current Assets			
Goodwill	105,837	105,837	105,837
Intangible Assets	114,300	102,248	107,504
Property, plant and equipment	196,607	225,861	209,516
	<u>416,744</u>	<u>433,946</u>	<u>422,857</u>
Current Assets			
Inventories	150,620	140,019	142,317
Trade and other receivables	272,999	214,672	302,179
Cash and cash equivalents	57,964	60,208	95,678
	<u>481,583</u>	<u>414,899</u>	<u>540,174</u>
Total assets	<u>898,327</u>	<u>848,845</u>	<u>963,031</u>
Liabilities			
Current liabilities			
Trade and other payables	(107,757)	(155,096)	(159,954)
Borrowings	(143,701)	(25,006)	(107,652)
	<u>(251,458)</u>	<u>(180,102)</u>	<u>(267,606)</u>
Non-current liabilities			
Borrowings	(116,634)	(141,640)	(129,137)
	<u>(116,634)</u>	<u>(141,640)</u>	<u>(129,137)</u>
Total Liabilities	<u>(368,092)</u>	<u>(321,742)</u>	<u>(396,743)</u>
Net Assets	<u>530,235</u>	<u>527,103</u>	<u>566,288</u>
Equity			
Share capital	350,000	350,000	350,000
Share premium account	823,319	823,319	823,319
Reverse acquisition reserve	966,889	966,889	966,889
Retained earnings	(1,609,973)	(1,613,105)	(1,573,920)
Total Equity	<u>530,235</u>	<u>527,103</u>	<u>566,288</u>

ASTEK GROUP PLC

CONSOLIDATED INCOME STATEMENT
for the period ended 30 September 2009

	Six months ended 30 Sep 2009 (unaudited) £	Six months ended 30 Sep 2008 (unaudited) £	Year ended 31 March 2009 (audited) £
Revenue	623,503	550,342	1,371,297
Cost of sales	(352,314)	(309,685)	(777,714)
Gross Profit	271,189	240,657	593,583
Trading costs	(309,707)	(334,627)	(742,177)
Non trading income	1,290	1,290	2,580
Operating loss	(37,228)	(92,680)	(146,014)
Investment revenue – interest receivable	268	2,218	3,489
Finance costs	(4,355)	(8,649)	(12,762)
Loss before taxation	(41,315)	(99,111)	(155,287)
Tax on loss on ordinary activities	-	-	88,783
Retained loss for the period	(41,315)	(99,111)	(66,504)
Loss per share (in pence)	0.1p	0.1p	0.1p

STATEMENT OF CHANGES IN EQUITY (Unaudited)

	Share capital £	Share premium account £	Reverse acquisition reserve £	Profit and loss account £	Total £
At 1 April 2008	350,000	823,319	966,889	(1,527,147)	613,061
Loss for period	-	-	-	(99,111)	(99,111)
Adjustment for share based payments	-	-	-	13,153	13,153
At 30 September 2008	350,000	823,319	966,889	(1,613,105)	527,103
Profit for period	-	-	-	32,607	32,607
Adjustment for share based payments	-	-	-	6,578	6,578
At 31 March 2009	350,000	823,319	966,889	(1,573,920)	566,288
Loss for period	-	-	-	(41,315)	(41,315)
Adjustment for share based payments	-	-	-	5,262	5,262
At 30 September 2009	350,000	823,319	966,889	(1,609,973)	(530,235)

ASTEK GROUP PLC

GROUP CASH FLOW STATEMENT
For the period ended 30 September 2009

	Six months ended 30 Sep 2009 (unaudited) £	Six months ended 30 Sep 2008 (unaudited) £	Year ended 31 March 2009 (audited) £
Cash absorbed by operations	(27,672)	(87,612)	(173,939)
Interest paid	(4,355)	(8,649)	(12,762)
Corporation tax refund received	-	-	88,783
Net cash absorbed from operating activities	(32,027)	(96,261)	(97,918)
Investing activities			
Interest received	268	2,218	3,489
Purchases of intangible fixed assets	(36,363)	(26,037)	(57,182)
Grant received in respect of intangible assets	10,964	12,566	19,050
Purchases of property, plant and equipment	(4,102)	(35,240)	(44,866)
Net cash used in investing activities	(29,233)	(46,493)	(79,509)
Financing activities			
Invoice discounting finance advances	36,049	-	82,646
Bank loans repaid	(12,503)	(12,504)	(25,007)
Net cash generated from/ (used in) financing activities	23,546	(12,504)	57,639
Net decrease in cash and cash equivalents	(37,714)	(155,258)	(119,788)
Cash and cash equivalents at beginning of period	95,678	215,466	215,466
Cash and cash equivalents at end of period	57,964	60,208	95,678

ASTEK GROUP PLC

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
for the period ended 30 September 2009**

1 General Information

Astek Group plc is incorporated in the United Kingdom under the Companies Act 1985. These condensed consolidated financial statements are presented in Pounds Sterling because that is the currency of the primary economic environment in which the group operates.

The condensed consolidated interim financial statements do not constitute statutory accounts as defined in Section 435 of the Companies Act 2006.

The financial information for the year ended 31 March 2009 has been extracted from the statutory accounts for that period. The auditors' report on the statutory accounts for the year ended 31 March 2009 was unqualified and did not contain a statement under S237 of the Companies Act 1985. The auditors however included an emphasis of matter paragraph in their report as follows:

“In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures in note 1 to the financial statements concerning the Group's ability to continue as a going concern. The Company incurred a net loss of £66,504. This result depleted the Group's available cash resources and this, together with the other matters explained in note 1 to the financial statements, indicates the existence of a material uncertainty which may affect the Group's ability to continue as a going concern. The financial statements do not include any adjustments that would result if the Group was unable to continue as a going concern.”

A copy of those accounts has been filed with the Registrar of Companies.

2 Basis of preparation

The Group has presented its results in accordance with International Financial Reporting Standards as adopted in the EU (“IFRS”) using the same accounting policies and methods of computation as were used in the annual financial statements for the year ended 31 March 2009. As permitted, the interim report has been prepared in accordance with the AIM Rules for companies and is not compliant in all respects with IAS 34 Interim Financial Statements. The condensed consolidated interim financial statements do not include all of the information required for full annual financial statements and cannot be construed to be in full compliance with IFRS.

ASTEK GROUP PLC

3 Loss per share

The calculation of loss per share is based on the loss on ordinary activities after taxation and number of shares as set out below:

	Six months ended 30 September 2009 (unaudited) £	Six months ended 30 September 2008 (unaudited) £	Year ended 31 March 2009 (audited) £
Loss for period	(41,315)	(99,111)	(66,504)
Number of shares	70,000,000	70,000,000	70,000,000

4 Reconciliation of operating loss to net cash outflow from operating activities for the period ended 30 September 2009

	Six months ended 30 Sep 2009 (unaudited) £	Six months ended 30 Sep 2008 (unaudited) £	Year ended 31 March 2009 (audited) £
Operating loss	(37,228)	(92,680)	(146,014)
Adjustments for:			
Amortisation and impairment provisions	18,603	13,881	33,286
Depreciation	17,011	13,052	39,023
Share based payment expense	5,262	13,153	19,731
Operating cash flows before movements in working capital	3,648	(52,594)	(53,974)
Increase in Inventories	(8,303)	(2,365)	(4,663)
Decrease/(Increase) in receivables	29,180	43,352	(44,155)
Decrease in payables	(52,197)	(76,005)	(71,147)
Cash absorbed by operations	(27,672)	(87,612)	(173,939)