Best of the Best plc
("Best of the Best" or "the Company")

Interim results for the six months ended 31 October 2008.

Best of the Best plc displays luxury cars as competition prizes within airport terminals and online

Key points

- Revenue up 7.0% to £3.89 million (2007: £3.63 million)
- Profit before tax for the period of £270,000 (2007: £453,000)
- One new site at Bristol opened during the interim period which has traded encouragingly
- Discussions with international airports and non-airport venues ongoing
- Strong cash balances of £1.66 million
- Continued growth in online sales and players (database of 320,000) with committed investment in IT systems
- Company remains well placed to take advantage of opportunities in the second half

William Hindmarch, Chief Executive, said:

"As reported in our trading update in November 2008, the performance of the business has been affected by the deterioration of the leisure and retail environment, and a slowdown in passenger numbers in UK airports over the past 6 months. Since then trading conditions have stabilised across the company, although we will continue to implement our cost savings program throughout the business.

Although we remain cautious with regard to future trading conditions, with strong cash balances and tight cost controls we are optimistic with regards to the opportunities that lie ahead for our business both at airports and online. I look forward to updating shareholders with further progress in due course."

Enquiries:

Best of the Best plc	William Hindmarch, Chief Executive Rupert Garton, Commercial Director	T: 020 7371 8866
Biddicks	Shane Dolan	T: 020 7448 1000
Charles Stanley Securities (Nominated Adviser)	Mark Taylor Freddy Crossley	T: 0207 149 6000

Please visit www.bestofthebest.co.uk for further information

Chief Executive's Statement

As reported in our trading update in November 2008, the performance of the business has been affected by the deterioration of the leisure and retail environment, and a slowdown in passenger numbers in UK airports over the past 6 months. Since then trading conditions have stabilised across the company, although we will continue to implement our cost savings program throughout the business.

Although we remain cautious with regard to future trading conditions, with strong cash balances and tight cost controls we are optimistic with regards to the opportunities that lie ahead for our business both at airports and online. I look forward to updating shareholders with further progress in due course.

Results

Revenue for the six months ended 31 October 2008 was £3.89 million (2007: £3.63million), an increase of 7 per cent on the six months for the previous period. Profit before tax for the period was £270,000 (2007: £453,000). Earnings per share for the period were 1.54 pence (2007: 2.55 pence).

The cash position of the Company remains solid at £1.66 million, and our inventory of prizes on display has remained stable at £1.96 million. The balance sheet has strengthened further with net assets of £3.89 million (2007: £3.49 million)

Dividend

The Board is not recommending the payment of an interim dividend; however it is the intention of the Directors to maintain a progressive dividend policy and it will continue to review the payment of a dividend for the full financial year ending 30 April 2009.

Business

The first half of the financial year started strongly, but trading has become increasingly unpredictable as the effects of the global economic slowdown have led to a reduction in passenger numbers, and reduced business and leisure travel. This has been felt most strongly at some of the smaller regional airports. The general economic climate and a period of heightened uncertainty has impacted revenues during the period, which given the operational gearing of the business has affected margins and profitability. New site openings during the past 12 months have contributed to a modest increase in revenue compared to the same period last year, but the costs associated with maintaining our smaller sites have reduced our operating margin.

Our sites at Heathrow airport continue to operate in a state of flux following the opening of Terminal 5 (now trading strongly), and with a significant refurbishment ongoing at Terminal 4. We have decided to exit our smallest site at East Midlands Airport, and we have been required to temporarily suspend trading at Manchester's Terminal 1 during the airport's extensive refurbishment works. We have opened a site at Bristol Airport which has traded encouragingly and occupies an excellent site within the departures lounge. We look forward to finally installing a permanent stand in Copenhagen Airport following disruptive building works, and following successful refurbishments at Stansted and Glasgow, we will be upgrading stands at Manchester and Heathrow Terminal 4 over the coming months.

It has become clear that BAA will be looking to sell one or more of its UK airports during 2009/10 and we have taken active steps to ensure that we are not adversely affected in any way. The 7 year Group contract that we signed with BAA in 2008 is with each individual airport, irrespective of ownership. We currently work with six different airport operating companies, and we look forward to any new relationships that these asset sales may result in, and to the opportunities they may bring for further expansion both in the UK and overseas.

We continue to engage in ongoing discussions with international airport operators to identify key tier 1 locations and countries where multiple site developments will be possible.

We have made key appointments in Human Resources, which will enable us to further focus on recruitment, training and retention which are the keys to building and maintaining a productive sales force and which will underpin our progress in the year ahead.

Online Business
Online sales continue to generate approximately a quarter of Group revenue, and have held up well as a result of a range of conversion, retention and loyalty initiatives. Our Instant Win games continue to broaden our product range and have performed in line with expectations. The database of registered players has increased to 320,000 and we have successfully migrated to a new online marketing platform. Our software and systems development programme has been a particular focus in the current financial year, and we will continue to invest to increase the breadth and quality of our online offering, as well as our online marketing capabilities.

Outlook
In light of the prevailing economic climate, the Board remains cautious about the trading prospects for the Group in the second half of the year. Despite the increasingly unpredictable outlook, the Group continues to trade profitably, maintains a £1.7 million cash balance and has £3.9 million of net assets. It is therefore well placed to execute its strategy of increasing the scope, size and contribution of its online business, as well as seeking to open new physical outlets over the coming months.

We continue to monitor developments and review opportunities in our sector and look forward to updating shareholders with further progress in due course.

William Hindmarch
Chief Executive
7 January 2009

Report of the independent auditors
Independent review report to Best of the Best Plc

Introduction

We have been instructed by the company to review the financial information for the six months ended 31st October 2008 which comprises income statement, balance sheet information as at 31st October 2008, cash flow statement, statement of changes in equity, comparative figures and associated notes.

We have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the financial information.

Directors' responsibilities

The interim report, including the financial information contained therein, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the interim report in accordance with the rules of the London Stock Exchange for companies trading securities on the Alternative Investment Market which require that the half yearly report be presented and prepared in a form consistent with that which will be adopted in the company's annual accounts having regard to the accounting standards applicable to such annual accounts.

As disclosed in note 6, the annual financial statements of the group are prepared in accordance with IFRS's as adopted by the European Union. The condensed set of financial statements included in this interim report has been prepared in accordance with the International Accounting Standard 34 "Interim Financial Reporting", as adopted by the European Union.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the interim report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the interim report for the six months ended 31st October 2008 is not prepared, in all material, respects, in accordance with International Accounting Standard 34 as adopted the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority (Regulations 2007).

Wilkins Kennedy
Bridge House
London Bridge
London, SE1 9QR

7 January 2009

BEST OF THE BEST PLC

Unaudited Consolidated Income Statement
For The Period Ended 31 October 2008

	Notes	Six Months Ended 31/10/08 Unaudited £ 000's	Six Months Ended 31/10/07 Unaudited £ 000's	Year Ended 30/04/08 Audited £ 000's
CONTINUING OPERATIONS				
Revenue	1,2	3,887	3,632	7,259
Cost of sales		(1,430)	(1,327)	(2,841)
GROSS PROFIT		2,457	2,305	4,418
Administrative expenses		(2,225)	(1,898)	(3,655)
OPERATING PROFIT		232	407	763
Finance income		38	46	93
PROFIT BEFORE TAX		270	453	856
Tax		(74)	(129)	(260)
PROFIT FOR THE PERIOD		196	324	596
Earnings Per Share expressed in pence per share:				
Basic	3	1.54	2.55	4.69
Diluted	3	1.51	2.44	4.61

BEST OF THE BEST PLC

Unaudited Consolidated Balance Sheet
For The Period Ended 31 October 2008

	Notes	Six Months Ended 31/10/08 Unaudited	Six Months Ended 31/10/07 Unaudited	Year Ended 30/04/08 Audited
		£ 000's	£ 000's	£ 000's
ASSETS				
NON-CURRENT ASSETS				
Property, plant and equipment		1,113	724	1,072
Deferred tax		19	6	16
		1,132	730	1,088
CURRENT ASSETS				
Inventories		1,955	1,929	1,987
Trade and other receivables		151	54	137
Cash and cash equivalents		1,662	1,714	1,706
		3,768	3,697	3,830
LIABILITIES				
CURRENT LIABILITIES				
Trade and other payables		674	658	872
Tax payable		338	274	260
		1,012	932	1,132
NET CURRENT ASSETS		2,756	2,765	2,698
NON-CURRENT LIABILITIES		-	-	-
NET ASSETS		3,888	3,495	3,786

BEST OF THE BEST PLC

Unaudited Consolidated Balance Sheet – continued
For The Period Ended 31 October 2008

	Notes	Six Months Ended 31/10/08 Unaudited	Six Months Ended 31/10/07 Unaudited	Year Ended 30/04/08 Audited
		£ 000's	£ 000's	£ 000's
SHAREHOLDERS' EQUITY				
Called up share capital		636	636	636
Share premium		1,783	1,783	1,783
Share-based payment reserve	1,4	139	88	106
Retained earnings		1,330	988	1,261
TOTAL EQUITY		3,888	3,495	3,786

BEST OF THE BEST PLC

Unaudited Consolidated Cash Flow Statement
For The Period Ended 31 October 2008

	Notes	Six Months Ended 31/10/08 Unaudited	Six Months Ended 31/10/07 Unaudited	Year Ended 30/04/08 Audited
		£ 000's	£ 000's	£ 000's
Cash flows from operating activities				
Cash generated from operations		212	160	561
Tax paid		1	1	(155)
Net cash from operating activities		213	161	406
Cash flows from investing activities				
Purchase of tangible fixed assets		(189)	(262)	(561)
Sale of tangible fixed assets		22	-	-
Interest received		38	46	93
Net cash from investing activities		(129)	(216)	(468)
Cash flows from financing activities				
Equity dividends paid	5	(127)	-	-
Net cash from financing activities		(127)	-	-
(Decrease) in cash and cash equivalents		(43)	(55)	(62)
Cash and cash equivalents at beginning of period		1,706	1,768	1,768
Cash and cash equivalents at end of period		1,663	1,713	1,706

BEST OF THE BEST PLC

Unaudited Consolidated Interim Statement of Changes in Equity
for the period ended 31 October 2008

	Called up Share Capital £'000	Share Premium £'000	Share Based Payment Reserve £'000	Retained Earnings £'000	Total Equity £'000
Balance at 1 May 2007	636	1,783	27	664	3,110
Profit for the year	-	-	-	597	597
Employee share option charge in period	-	-	79	-	79
Balance at 30 April 2008	636	1,783	106	1,261	3,786
Dividends	-	-	-	(127)	(127)
Profit for the period	-	-	-	196	196
Employee share option charge in period	-	-	33	-	33
Balance 31 October 2008	636	1,783	139	1,330	3,888

	Called up Share Capital £'000	Share Premium £'000	Share Based Payment Reserve £'000	Retained Earnings £'000	Total Equity £'000
Balance at 1 May 2007	636	1,783	27	664	3,110
Profit for the period	-	-	-	324	324
Employee share option charge in period	-	-	61	-	61
Balance 31 October 2007	636	1,783	88	988	3,495

BEST OF THE BEST PLC

Notes to the Interim Financial Statements
for the period ended 31 October 2008

1. Basis of preparation

These condensed interim financial statements are for the six months ended 31st October 2008. They have been prepared with regard to the requirements of International Financial Reporting Standards as adopted by the EU. They do not include all of the information required for full financial statements, and should be read in conjunction with the financial statements (under IFRS) of the Group for the year ended 30th April 2008.

The financial statements have been prepared under the historical cost convention.

Significant accounting policies include;

Revenue recognition

Revenue represents the value of tickets sold in respect of competitions which have been completed at the accounting date. A competition is completed when the Group closes entries.

Share based payment

The Company has applied the requirements of IFRS 2 to share option schemes allowing certain employees within the Company to acquire shares of the Company. For all grants of share options, the fair value as at the date of grant, is calculated using the Black-Scholes options pricing model, taking into account the terms and conditions upon which the options were granted. The amount recognised as an expense is adjusted to reflect the number of share options that are likely to vest, except where forfeiture is only due to market based conditions not achieving the threshold for vesting. The expense is recognised over the expected life of the option.

2. Segment analysis

The directors consider that the primary reporting format is by business segment and that there is only one such segment being that of competition operators. This disclosure has already been provided in these financial statements.

IFRS8 "Operating Segments", which comes into effect not later than accounting periods beginning on 1 January 2009, requires identification and reporting of operating segments on the basis of internal reports that are regularly reviewed by the Board in order to allocate resources to the segment and assess its performance. The Company assessed the impact of IFRS8 and concluded that it would not impact the segments identified in this interim report.

3. Earnings per share

Basic earnings per share is calculated by dividing the profit for the relevant financial period attributable to ordinary equity holders of the entity by the weighted average number of ordinary shares in issue during the relevant financial periods. The weighted average number of equity shares in issue is 12,718,254 (31st October 2007: 12,718,254; 30th April 2008: 12,718,254). The earnings, being the profit after tax, are £195,861 (31st October 2007: £324,000; 30th April 2008: £596,497).

Diluted earnings per share is calculated by adjusting earnings and weighted average number of ordinary shares outstanding to assume conversion of dilutive potential ordinary shares. Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations. The effect of dilutive securities for the period is to increase the weighted average number of shares by 379,130 shares (31st October 2007: 585,934; 30th April 2008: 216,756).

4. Statement of changes in equity

The share based payment reserve reflects the charge for the period in relation to share options granted during the period. The Company will continue to accrue these costs at the same rate until the vesting period is over.

5. Dividends

A final dividend, based on the results for the year ended 30th April 2008, of 1p per share was paid on 1st October 2008 (2007/2008; 0.00p)

6. Publication of non-statutory accounts

The financial information contained in this interim statement does not constitute statutory accounts as defined in sections 240 of the Companies Act 1985. All information is unaudited apart from that included for the year ended 30th April 2008.

The statutory accounts for the financial year ended 30th April 2008 were prepared under IFRS as adopted by the EU. These accounts, upon which the auditors issued an unqualified opinion did not include references to any matters to which the auditors drew attention by way of emphasis without qualifying their report and did not contain statements under 237(2) or (3), (accounting records or returns inadequate, accounts not agreeing with records and returns or failure to obtain necessary information and explanations) of the Companies Act 1985, have been delivered to the Registrar of Companies.

This interim statement will be made available at the Company's registered office at 2 Plato Place, 72-74 St Dionis Road, London SW6 4TU.