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PRESS RELEASE

SWALLOWFIELD DEFIES THE CHALLENGING ECONOMIC CLIMATE

Half year revenues up by 15.3%

AIM-listed Swallowfield plc, the cosmetics, toiletries and household goods solutions provider, has bucked the harsh economic conditions after announcing today (Thursday 25th February) that it has increased revenues by 15.3% in the first half year ending 9 January 2010.

The Somerset-headquartered business reported profit before tax of £0.74m, up 26.7% on the same period year-on-year. Interim dividend per share has also increased by 22.2% to 2.2p against 1.8p in January 2009. In addition net debt has reduced to £2.2m, compared to £3.4m year end 30 June 2009.

Says Ian Mackinnon, Chief Executive of Swallowfield: "These results highlight our growing position as a global full service provider to the personal care market, which is enabling us to both widen and deepen our relationships with brand owners and retailers within our sector. They also reflect our broadening geographic footprint and product range, as well as our commitment to continuous improvement in quality, cost, service and innovation."

Key highlights include continued growth at the company's Czech factory, new business wins generated by its new sales support office in France, which opened last year and development of new markets in India and Europe, including the Netherlands.

Added MacKinnon: "We remain confident about future prospects despite the challenging economic conditions, which persist globally. Going forward we are very focussed on improving operating margins by developing higher margin products and increasing operational efficiencies. With this in mind we have appointed Mark Warren as our new Group Finance Director, who brings extensive financial, commercial and operational management experience from across a range of customer oriented businesses operating in global markets."

NOTES TO EDITOR

- Swallowfield is a full service provider for brands operating in the cosmetic, personal care and household goods marketplace. This includes market analysis; design, formulation and testing of products; packaging design and sourcing; and distribution and stock management.

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