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**YOCREAM INTERNATIONAL
ANNOUNCES FOURTH QUARTER AND
ANNUAL RESULTS WITH SALES UP 18.1% FOR THE YEAR**

PORTLAND, OR – FEBRUARY 1, 2010 – YoCream International, Inc. (Pink Sheets: YOCCM), a manufacturer and wholesaler of frozen desserts and beverages, today reported the financial results for the fourth quarter and fiscal year ended October 31, 2009.

The Company has achieved outstanding growth in sales and earnings over the last several years. Fiscal year 2009 sales increased 18.1% to \$50,733,000, and fiscal year 2008 sales increased 52.4%, which were preceded by two additional years of double digit growth. Net income reached a record level of \$5,639,000 in 2009 compared with \$4,380,000 in 2008.

Frozen dessert sales for the fiscal year increased to \$41,873,000 versus \$32,140,000 a year ago. The 30.3% increase primarily resulted from exceptional growth in the Company's core frozen yogurt products.

The Fiscal 2009 frozen dessert growth of 30.3% is significant, especially in a recessed economy. Renewed demand for frozen yogurt has emerged from California and is growing rapidly in the Northeast, Southeast, Southwest, and Midwest as well as in international markets. Many of the smaller regional chains have and are expanding to other areas of the country. Frozen yogurt shops, especially self serve, are becoming destination points for consumers of all demographics. Most shops offer 10 to 20 soft serve flavors. YoCream was prepared to meet this demand with a high quality, diverse product line: Sweet profile frozen yogurts, including the Hershey's™ branded flavors; tart profile frozen yogurts; no-sugar-added frozen yogurts; sorbet, ice cream and frozen custard. More than 70 YoCream soft serve products allow operators to present an array of flavors that appeal to consumers of all ages and genders in every region of the country. And the Company's innovative activities continue -- YoCream is in development on creative new products with potential customers in different market segments, like quick service restaurants and healthcare.

Sales in the fourth quarter increased 1.3% to \$13,509,000. Sales of the Company's core frozen yogurt products were up over 59% in the fourth quarter, while sales to a major national account that began in the second quarter of fiscal 2008 caught up with the prior year's roll out and were lower in the last half of the year than the prior year. Income from Operations held at 18.9% in the fourth quarter and net income was affected by the recognition of the balance of the restricted stock compensation expense.

YoCream's complete annual report and management's discussion and analysis is posted at www.yocream.com and www.pinksheets.com.

YoCream International, Inc. is a world leader in the frozen yogurt industry. Since 1977, YoCream has pioneered the innovation, production and marketing of frozen yogurt and fruit-based frozen desserts and beverages. The Company operates a state-of-the-art production facility in Portland, Oregon, to manufacture its "true" frozen yogurt, which contains the real yogurt that is fermented and cultured on site daily. The Company offers over 110 flavors of frozen yogurt, ice cream, frozen custard, sorbet, smoothies, frozen carbonated beverages, slushes and frozen drink mixes. In addition to the YoCream brand, the Company also provides other branded flavors such as Hershey's™ (e.g. Hershey's™ Kisses™, Reese's™, York™, Jolly Rancher™, Twizzlers™, Bubble Yum™) and Rockstar™ under exclusive licenses. YoCream's end-user customers number in the thousands and include marquee convenience stores, quality quick service restaurants, warehouse stores, prestigious eating establishments, large grocery chains, frozen yogurt shops, colleges, military and government foodservice locations, international restaurants and neighborhood stores involving over 250 specialty and full line distributors in the supply chain.

This release may contain certain forward-looking statements, which are based on management's current expectations. Factors that could cause future results to vary materially from these expectations include, but are not limited to, change in distribution abilities, level of customer acceptance of new products, change in strategic alliances and other economic, competitive, governmental, and regulatory factors affecting the Company's operations, pricing, products and service.

YOCREAM INTERNATIONAL, INC.
STATEMENTS OF INCOME

	Three Months Ended October 31,		Twelve Months Ended October 31,	
	2009	2008	2009	2008
Sales	\$ 13,508,785	\$ 13,340,245	\$ 50,732,601	\$ 42,971,072
Cost of goods sold	7,361,054	7,412,709	27,379,128	24,628,048
Gross profit	6,147,731	5,927,536	23,353,473	18,343,024
Operating costs and expenses				
Distribution expenses	1,239,096	1,252,407	4,731,364	4,623,787
Selling, and marketing expenses	1,131,522	958,393	3,751,978	3,142,396
General and administrative expenses	1,225,599	1,195,946	4,089,206	2,955,925
Income from operations	2,551,514	2,520,790	10,780,925	7,620,916
Other income (expenses)				
Interest income	6,534	20,140	28,505	23,522
Interest expense	(70,137)	(136,119)	(443,829)	(529,602)
Restricted stock compensation	(671,630)	(214,270)	(1,623,830)	(411,170)
Income before income taxes	1,816,281	2,190,541	8,741,771	6,703,666
Income tax provision	679,100	744,500	3,103,000	2,324,000
Net income	\$ 1,137,181	\$ 1,446,041	\$ 5,638,771	\$ 4,379,666
Earnings per common share – basic	\$0.44	\$0.65	\$2.31	\$1.99
Earnings per common share – diluted	\$0.44	\$0.61	\$2.24	\$1.89
Shares used in basic earnings per share	2,607,898	2,239,355	2,445,856	2,200,753
Shares used in diluted earnings per share	2,607,898	2,370,767	2,511,725	2,323,198

YOCREAM INTERNATIONAL, INC.
BALANCE SHEETS
October 31

	2009	2008
ASSETS		
Current assets		
Cash and cash equivalents	\$ 12,118,067	\$ 7,169,393
Accounts receivable, net of allowance for doubtful accounts of \$61,400 in 2009 and \$43,400 in 2008	2,542,618	2,346,555
Inventories	5,151,899	3,614,226
Income tax receivable	100,248	-
Other current assets	569,775	346,722
Deferred tax assets	243,775	218,877
Total current assets	20,726,382	13,695,773
Fixed assets, net	14,712,748	14,297,886
Intangible and other long-term assets, net	1,196,655	1,108,290
Deferred tax assets	309,500	191,900
	\$ 36,945,285	\$ 29,293,849
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Note payable – line of credit	\$ -	\$ -
Current portion of long-term debt	647,873	616,155
Accounts payable	3,440,694	2,661,073
Income tax payable	-	1,778,606
Other accrued liabilities	761,085	833,459
Total current liabilities	4,849,652	5,889,293
Long-term debt, less current portion	7,378,449	7,720,045
Deferred tax liabilities	2,144,975	1,344,077
Other liabilities	145,250	119,376
Total liabilities	14,518,326	15,072,791
Shareholders' equity		
Preferred stock, no par value, 5,000,000 shares authorized, none issued or outstanding		-
Common stock, no par value, 30,000,000 shares authorized	7,750,865	6,618,865
Unearned compensation – restricted stock	-	(1,623,830)
Retained earnings	15,172,494	9,533,723
Accumulated other comprehensive income	(496,400)	(307,700)
Total shareholders' equity	22,426,959	14,221,058
	\$ 36,945,285	\$ 29,293,849

YOCREAM INTERNATIONAL, INC.
STATEMENTS OF CASH FLOWS
For the years ended October 31,

	2009	2008
Cash flows from operating activities		
Net income	\$ 5,638,771	\$ 4,379,666
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	1,012,203	954,034
Deferred income taxes	776,000	113,000
Change in assets and liabilities		
Accounts receivable	(196,063)	(783,600)
Inventories	(1,537,673)	134,299
Other assets	(311,418)	(31,059)
Accounts payable	598,947	1,044,606
Income taxes receivable (payable)	(1,878,854)	1,652,724
Restricted stock compensation	1,623,830	411,170
Other accrued liabilities	(46,500)	378,307
Net cash provided by operating activities	5,679,243	8,253,147
Cash flows from investing activities		
Proceeds from sale and lease back of equipment	3,714,467	1,000,314
Expenditures for fixed assets	(4,960,858)	(1,336,593)
Net cash used in investing activities	(1,246,391)	(336,279)
Cash flows from financing activities		
Payments on line of credit	-	(634,475)
Proceeds from long-term debt	-	90,000
Proceeds from development grant	-	90,000
Proceeds from stock options	-	23,150
Repurchase of common stock	-	(46,250)
Principal payments on long-term debt	(616,178)	(555,601)
Excess tax benefits of restricted stock	1,132,000	215,000
Net cash provided by (used in) financing activities	512,822	(818,176)
Net increase in cash and cash equivalents	4,948,674	7,098,692
Cash and cash equivalents, beginning of year	7,169,393	70,701
Cash and cash equivalents, end of year	\$ 12,118,067	\$ 7,169,393

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