

STRONTIUM PLC (`Strontium' or `the Company')

Interim Results for the Six months to 31 December 2006

Strontium Plc, the AIM-listed professional services company, announces its interim results for the six months ended 31 December 2006.

CHAIRMAN'S STATEMENT

Introduction

Strontium is a professional service group with the objective to grow by acquiring equity holdings in small, high growth professional services businesses.

In addition, the Strontium Alliance ("Alliance") enables smaller companies to leverage their service offering particularly when seeking to do business with larger organisations.

Strontium currently has two trading subsidiaries: Executive Development Consultants Limited ("EDC"), which provides personal coaching and development services to company executives and Aspect Information Management Limited ("Aspect") which provides specialised research services in the area of customer, employee and general market information and multilingual recruitment services.

Trading

The multilingual recruitment business (acquired in April 2006 from Link Up Mitaka Limited) is now part of Aspect and trading as AIM Multilingual. AIM Multilingual has been successfully integrated into the Group and is increasing its level of activity. Larger office space has enabled it to expand, and it now offers increased capacity for outsourced work with 12 additional workstations. During the period, AIM Multilingual made a positive contribution to the group.

During the period Lynx Express (part of UPS, a large package delivery company) gave notice of its intention to withdraw from its trading relationship with Collectpoint (a trading division of the Company which provides a managed network of alternative drop off and pick up locations for parcel traffic in the UK). Therefore, the role of this business within the group was carefully considered. The board have taken the view that Collectpoint is not a core activity of the group and have decided to dispose of the business. The turnover and results of Collectpoint are shown as "discontinuing activities". A loss on the discontinuing activities for the period of £5,600 arose primarily from writing-off the carrying value of goodwill attributable to the acquisition of this business.

Strontium Alliance

During the first part of the period the Alliance membership portal was developed and is now able to track business between members.

The directors reviewed the existing recruitment and management process for the Alliance. It was decided that a charismatic and well connected leadership was needed to drive the Alliance forward. During the review new membership was suspended until suitable leadership was found and no new members were recruited.

The directors are pleased to announce the appointment of Dr James Pritchard as Director, Strontium Alliance. Dr Pritchard has extensive SME experience and is ideally suited to introduce and manage the growth of new members.

I would like to welcome Dr Pritchard to the Company.

#### Financial review

The group has continued to build on the foundations laid in the previous financial year.

Overall, turnover from continuing activities increased from £189,006 in the same period last year to £423,846, an increase of 224%.

The increased level of activity has resulted in additional funding requirement for working capital, debtors increased by £93,754 since 30 June 2006. This is in line with management expectations.

The operating loss of £42,820 is stated after a goodwill charge of £15,218, a one off cost of moving offices of £11,318 and aborted acquisition costs of £4,850. The loss before goodwill, cost of moving office and abortive acquisition costs amounted to £11,434. Although a loss is always disappointing this is in line with our expectations for the period.

The table below shows the development of Turnover and Profitability over the past 3 periods of 6 months.

	6 months December 2006 £	6 months June 2006 £	6 months December 2005 £
Turnover	464,346	331,442	220,577
Cost of sales	(156,790)	(139,121)	(46,373)
Gross Profit	307,556	192,321	174,204
Administrative expenses - normal	(350,376)	(220,782)	(253,852)
Administrative expenses - exceptional	-	(27,021)	(88,000)
Net interest receivable	4,475	5,021	198
Loss on discontinuance of activity	(5,600)	-	-
(Loss) profit on ordinary activities before taxation	(43,945)	(50,461)	(167,450)
Growth Indices			
Turnover	211	150	100
Gross Profit	177	110	100

-normalAdministrative Expenses 138 87 100

As at 31 December 2006, the group had net assets of £734,699 and cash resources of £329,326.

Overall, I am pleased with the progress made during the period.

Once again, I take the opportunity to thank David Barker, our Managing Director, his very able management team and all our staff for their contribution during the period.

I also take the opportunity to welcome Peter Hogarth to our board of Directors. As a former Partner in KPMG, Executive Director of the London Stock Exchange and with 15 years as a senior executive coach working with the boards of many publicly listed companies Peter brings welcome additional knowledge to the Board.

Michael Metcalfe

Chairman

#### CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the period ended 31 December 2006

	Six months ended 31st December 2006 (unaudited) £	Six months ended 31st December 2005 (unaudited) £	Year ended 30th June 2006 (audited) £
Turnover - continuing activities	423,846	189,006	477,283
- discontinuing activities	40,500	31,571	74,736
	464,346	220,577	552,019
Cost of sales	(156,790)	(46,373)	(185,494)
Gross profit	307,556	174,204	366,525
Operating expenses -normal	(350,376)	(253,852)	(474,634)
- exceptional	-	(88,000)	(115,021)
Operating (loss) / profit -			

- continuing activities	(54,082)	(178,908)	(239,949)
- discontinuing activities	11,262	11,260	16,819
	(42,820)	(167,648)	(223,130)
Loss on discontinuance of activity	(5,600)	-	-
Loss on ordinary activities before taxation	(48,420)	(167,648)	(223,130)
Net interest receivable	4,475	198	5,219
(Loss)/ Profit on ordinary activities before taxation	(43,945)	(167,450)	(217,911)
Taxation	-	10,866	13,024
Retained (loss)/profit for the period	(43,945)	(156,584)	(204,887)
(Loss) per share	(0.57p)	(3.00p)	(3.40p)

#### BALANCE SHEET

As at 31st December 2006

	At 31st December 2006 (unaudited) £	At 31st December 2005 (unaudited) £	At 30th June 2006 (audited) £
Fixed assets			
Intangible fixed assets	272,112	141,838	291,830
Tangible fixed assets	27,198	24,365	22,173
	299,310	166,203	314,003
Current assets			
Debtors	183,481	94,786	89,727
Cash at bank and in hand	329,326	383,478	462,028
	512,807	478,264	551,755

Creditors- amounts falling due within one year	(77,418)	(246,347)	(87,114)
Net current assets	435,389	231,917	464,641
Total assets less current liabilities	734,699	398,120	778,644
Creditors-amounts falling due in more than one year	-	(30,800)	-
Net assets	734,699	367,320	778,644
Capital and reserves			
Called up share capital	155,077	126,389	155,077
Share premium account	784,550	353,611	784,550
Profit and loss account	(204,928)	(112,680)	(160,983)
Equity shareholders' funds	734,699	367,320	778,644

#### CONSOLIDATED CASH FLOW STATEMENT

For the period ended 31st December 2006

	Six months ended 31st December 2006 (unaudited) £	Six months ended 31st December 2005 (unaudited) £	Year ended 30th June 2005 (audited) £
Net Cash Outflow from			
Operating Activities	(122,794)	(136,404)	(256,582)
Returns on Investments and			
Servicing of Finance			
Net interest received	4,475	198	5,219
Taxation paid			
Taxation paid	-	-	(58,119)
Capital Expenditure			
Payments to acquire tangible fixed assets	(18,800)	(15,434)	(15,518)

Acquisitions			
Purchase of subsidiary undertakings	-	(106,000)	(107,500)
Purchase of goodwill	-	-	(93,000)
Cash acquired with subsidiary	-	60,646	60,646
	-	(45,354)	(139,854)
Disposals			
Tangible fixed assets	8,000	-	-
Cash Outflow before Financing	(129,119)	(196,994)	(464,854)
Financing			
Proceeds from issue of shares	-	380,000	722,827
(Decrease) / Increase in Cash	(129,119)	183,006	257,973

#### NOTES TO THE INTERIM ACCOUNTS

For the period ended 31st December 2006

	Six months ended 31st December 2006 (unaudited) £	Six months ended 31st December 2005 (unaudited) £	Year Ended 30th June 2006 (audited) £
1 Reconciliation of movements in shareholders funds			
Loss for the period	(43,945)	(156,584)	(204,887)
Shares issued during period	-	380,000	839,627
Opening shareholders funds	778,644	143,904	143,904
Closing shareholders funds	734,699	367,320	778,644
2 Reconciliation of operating loss to net cash outflow from operating activities			
Operating loss for the period	(42,820)	(167,648)	(223,130)
Depreciation charges	4,675	4089	6,365

Amortisation of goodwill	15,218	7,465	17,573
Increase in debtors	(93,754)	(23,110)	(29,750)
(Decrease) / Increase in creditors	(6,113)	42,800	(27,640)
	(122,794)	(136,404)	(256,582)
3 Reconciliation of movements in net funds			
Net cash flow during period	(129,119)	183,006	257,973
Opening cash balances	458,445	200,472	200,472
Closing cash balances	329,326	383,478	458,445
4 Closing net funds			
Cash in bank and in hand	329,326	383,478	462,028
Overdrafts	-	-	(3,583)
	329,326	383,478	458,445

#### 5 Loss per share

The calculation of loss per share is based on the loss on ordinary activities after taxation of £43,945 (year ended 30 June 2006 loss - £204,887; six months ended 31 December 2005 loss £156,584), and on the basis of 7,753,853 (year ended 30 June 2006 - 6,026,462; six months ended 31 December 2005 5,221,806) ordinary shares in issue weighted on a time basis.

#### 6 Basis of preparation

The results of Strontium Plc for the six months ended 31st December 2006 have been prepared on the basis of the accounting policies disclosed in the financial statements for the year ended 30 June 2006.

The financial information is unaudited and does not constitute statutory accounts within the meaning of Section 240(5) of the Companies Act 1985 ('the Act'). The statutory accounts for the year ended 30th June 2006, on which the auditors gave an unqualified opinion, have been filed with the Registrar of Companies and contain no statement under Sections 237(2) or (3) of the Act.

Copies of the interim results will be available to members of the public from the Company's registered office at 6 Porter Street, London, W1M 1HZ.