

14 December 2011

Alpha Strategic PLC
("Alpha Strategic" or the "Company")

Interim results for the period ended 30 September 2011

Alpha Strategic PLC, the specialist investment management group, is pleased to announce its unaudited results for the 6 months ended 30 September 2011

Highlights

- Revenue increased to £339,000 (6 months to 30 September 2010: £281,000)
- Operating loss reduced to £19,000 (6 months to 30 September 2010: £107,000)
- £2.5m (£2.3m net) share placing
- Net assets £5.4 million (30 September 2010: £3.1 million)
- Healthy cash balance at £3.3 million (30 September 2010: £1.1 million)

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Alpha Strategic PLC

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To obtain a copy of this report, and for information on the Company and its directors, please visit our website at www.alphastrategic.com

Alpha Strategic PLC
("Alpha Strategic" or the "Company")

Interim results for the period ended 30 September 2011

Chairman's statement

Dear Shareholder

The Company is pleased to announce its unaudited interim results for the 6 months ended 30th September 2011.

The period has seen a significant event in the life of Alpha Strategic with the substantial investment in the Company by Northill Europe Holdings ("Northill"). An essential component of the relationship with Northill is the understanding, subject to all the usual caveats, that they are prepared to subscribe for additional shares to enable Alpha to undertake transactions wholly or partly for cash (not only for shares). It is already clear that this expands the range of transactions available to the Company and should accelerate its growth. Following the transaction, Jon Little, a director of Northill, was welcomed onto our Board, bringing a wealth of experience in the global asset management industry. His input and the substantial backing of Northill transforms Alpha's future prospects.

The last six months have seen a challenging market with extreme volatility and a difficult trading environment. However, both Winton's Global Futures Fund (GFF) and IKOS's FX Fund have performed well against the average performance of the hedge fund sector. For the six months to 30 September 2011 GFF was up approximately 3.2%, while IKOS's FX Fund was down approximately 3.65%. The hedge fund sector as a whole was down 9.13% during this period.

As a result our income for the period improved on last year, rising to £339,000 (6 months to 30 September 2010: 281,000). The result overall for the first half was significantly improved given that we were no longer required to amortise any income arising from our transaction with IKOS, and we were able to offset the costs of the transaction with Northill against our share premium account. The broadly breakeven result was also despite an increase in overheads, reflecting our investment in a larger team to spread the Alpha net and message as wide as possible.

On the balance sheet, the new investment boosted our coffers very significantly and the Company is now carrying a healthy level of cash at approximately £3.3 million (30 September 2010: £1.1million). There was a consequent rise in net assets to approximately £5.4 million (30 September 2010: £3.1million).

This reasonably pleasing set of interim results, while welcome, is nowhere near as welcome as a fourth transaction, which has been tantalisingly close on a number of occasions. Rest assured that we are pursuing all opportunities vigorously, and at the same time prudently.

I would like to thank all shareholders who have kept faith in the Company and for your continuing support.

Colin Barrow
Chairman
14 December, 2011

Alpha Strategic PLC

Consolidated statement of comprehensive income for the six months ended 30 September 2011

	Six months ended 30 September 2011	Six months ended 30 September 2010	Year Ended 31 March 2010	
	(Unaudited)	(Unaudited)	(Audited)	
Notes	£000	£000	£000	
Revenue	339	281	610	
Other administrative expenses	(358)	(264)	(609)	
Amortisation of intangible assets	-	(124)	(124)	
Total administrative expenses	(355)	(388)	(733)	
Operating loss	(19)	(107)	(123)	
Finance income				
Interest receivable and similar income	1	-	-	
Loss before tax	(18)	(107)	(123)	
Taxation	-	34	34	
Loss and total comprehensive income for the period attributable to shareholders	(18)	(73)	(89)	
Basic and diluted loss per share	5	(0.21) p	(1.61) p	(1.97) p

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Statement of financial position as at 30 September 2011

	30 September 2011 (Unaudited) £000	30 September 2010 (Unaudited) £000	31 March 2010 (Audited) £000
Assets			
Non-current assets			
Goodwill	1,853	1,853	1,853
Plant and equipment	9	10	9
	<hr/> 1,862	<hr/> 1,863	<hr/> 1,862
Current assets			
Trade and other receivables	234	177	387
Cash and cash equivalents	3,385	1,132	1,080
	<hr/> 3,619	<hr/> 1,309	<hr/> 1,467
Total assets	<hr/> 5,481	<hr/> 3,172	<hr/> 3,329
Equity and liabilities			
Capital and reserves attributable to the equity holders of the parent			
Share capital	142	95	95
Share premium	4,948	2,649	2,649
Merger reserve	1,341	1,341	1,341
Accumulated deficit	(985)	(951)	(967)
	<hr/> 5,446	<hr/> 3,134	<hr/> 3,118
Current liabilities			
Trade and other payables	35	38	211
	<hr/> 35	<hr/> 38	<hr/> 211
Total equity and liabilities	<hr/> 5,481	<hr/> 3,172	<hr/> 3,329

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Statement of changes in equity for the six months ended 30 September 2011

	Attributable to equity holders of the Company					Total equity
	Share Capital	Share Capital 'A' shares	Share premium	Merger reserve	Accumulated deficit	
	£000	£000	£000	£000	£000	
At 1 April 2010	45	50	2,649	1,341	(878)	3,207
Loss and total comprehensive income for the period attributable to shareholders	-	-	-	-	(73)	(73)
At 30 September 2010	45	50	2,649	1,341	(951)	3,134
Loss and total comprehensive income for the period attributable to shareholders	-	-	-	-	(16)	(16)
At 31 March 2011	45	50	2,649	1,341	(967)	3,118
Loss and total comprehensive income for the period attributable to shareholders	-	-	-	-	(18)	(18)
Shares issued in period	47	-	2,446	-	-	2,493
Share issue expenses	-	-	(147)	-	-	(147)
At 30 September 2011	92	50	4,948	1,341	(985)	5,446

Share Capital is the amount subscribed for ordinary shares at nominal value. Share Capital 'A' shares is the amount subscribed for 'A' ordinary shares at nominal value.

Share premium represents the excess of the amount subscribed for share capital over the nominal value of these shares net of share issue expenses.

The merger reserve comprises the excess of the amount subscribed for share capital over the nominal value of ordinary shares issued in respect of the acquisition of subsidiaries in accordance with the merger relief provisions of the Companies Act 1985 and the Companies Act 2006.

Accumulated deficit represent cumulative losses of the Group attributable to equity holders.

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Statements of cash flows for the six months ended 30 September 2011

	Six months ended 30 September 2011 (Unaudited) £000	Six months ended 30 September 2010 (Unaudited) £000	Year ended 31 March 2011 (Audited) £000
Cash flow from operating activities			
Operating loss before taxation	(18)	(107)	(123)
Finance income	(1)	-	-
Depreciation	3	2	5
Amortisation	-	124	124
Cash flow from operating activities before changes in working capital	(16)	19	6
Increase/(decrease) in trade and other receivables	153	(2)	(212)
(Decrease)/increase in trade and other payables	(176)	(10)	163
Net cash flow from operations	(39)	7	(43)
Investing activities			
Purchases of plant and equipment	(3)	(1)	(3)
Interest received	1	-	-
Net cash flow from investing activities	(2)	(1)	(3)
Financing activities			
Issue of ordinary shares	2,493	-	-
Share issue expenses	(147)	-	-
Net cash flow from financing activities	2,346	-	-
Net decrease in cash and cash equivalents in the period	2,305	6	(46)
Cash and cash equivalents at beginning of the period	1,080	1,126	1,126
Cash and cash equivalents at end of the period	3,385	1,132	1,080
Cash and cash equivalents comprise:			
Cash	3,385	1,132	1,080
Cash and cash equivalents at end of the period	3,385	1,132	1,080

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Notes to the interim results for the six months ended 30 September 2011

1 The Group

The principal activity of the Group is to acquire shares in, or enter joint ventures with, or provide services to, hedge fund management businesses, so as to acquire high quality diversified revenue streams. The Company has its listing on the Alternative Investment Market ("AIM") of the London Stock Exchange.

2 Basis of preparation

These unaudited consolidated interim financial statements are for the six month period to 30 September 2011. They do not include all the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 March 2011, which were prepared under International Financial reporting Standards ("IFRS") as adopted by the European Union ("EU").

These interim consolidated financial statements have been prepared in accordance with accounting policies consistent with those set out in the Group's financial statements for the year ended 31 March 2011 and are consistent with the accounting policies the Group will use to prepare its financial statements for the year ended 31 March 2012. This half-yearly report does not contain sufficient information to constitute an interim financial report as set out in IAS34.

The financial information for the year ended 31 March 2011 does not constitute the full statutory accounts for that period. The Annual Report and Financial Statements for 2011 have been filed with the Registrar of Companies. The Independent Auditors' Report on the Annual Report and Financial Statements for 2011 was unqualified, did not draw attention to any matters by way of emphasis, and did not contain a statement under S 498(2) or S 498(3) of the Companies act 2006.

3 Segmental analysis

The group's entire revenue is generated in the UK from a single business segment; that of providing services to hedge fund management businesses within Europe.

Management and financial reports received by the Board are prepared on the basis of the single business unit.

4 Dividends

The directors have not paid nor do they declare a dividend in the period (six months to 30 September 2010: nil; year to 31 March 2011: nil).

5 Loss per share

The calculation of the basic loss per share is based upon the loss after tax attributable to ordinary shareholders of £18,000 (six months to 30 September 2010: loss of £73,000; year to 31 March 2011: loss of £89,000) and a weighted average number of shares in issue for the year of 8,377,291 (six months to 30 September 2010 and year ended 31 March 2011: 4,520,621).

Diluted earnings per share for the six months to 30 September 2011, the six months to 30 September 2010 and the year to 31 March 2011 is the same as the basic loss per share because the inclusion of conversion rights and warrants have an anti-dilutive effect on the calculation.

6 Availability of this announcement

Copies of the financial statements will be available on the Company's website, www.alphastrategic.com, or can be obtained by contacting the Company Secretary at 66 Buckingham Gate, London SW1E 6AU.