

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

Audited Preliminary Results for the year to 31 March 2007

Financial Highlights

- First acquisition, of Winton Advisors, completed.
- First income received.
- Global Futures Fund grows over 300% to over \$41m.
- Net assets up 6%.
- Loss per share halved, significant progress towards profitability.
- Healthy cash balance maintained at £2.3 million.

Colin Barrow, Chairman of the Company, commented: " Alpha has made a good start. Our first transaction is on undisputed quality, and a firm foundation for the future. "

Enquiries:

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Chairman's Statement

Our first full financial year has been one of steady progress.

We completed our first transaction with Winton Capital Management Limited in May last year, through the acquisition of Winton Advisors Limited, which has now changed its name to Alpha Winton Limited. This has provided us with a strong foundation for future transactions. These accounts show the first fruits of that acquisition with both management and incentive fees being received and an increase in net assets as a result.

We continue to await approval from the regulators for more public distribution of the Global Futures Fund in Switzerland but even in the absence of this and the concomitant limits on marketing, assets in the fund have grown from \$11.5 million to over \$41 million since we completed the transaction.

Winton has shown solid performance during the period and continues to outperform its main competitor.

We have successfully contained overheads for the first full year, and maximized income from our healthy cash balance of £2.3m.

We continue to pursue a number of promising conversations with other high quality hedge fund managers only, and I am confident that we will effect further transactions soon.

Our first transaction should yield sufficient income to move us into profit and positive cash flow, and this gives us the head room to source the right kind of transaction.

It is undoubtedly the case that, as we educate the industry, and managers see the ill effects of other capital events such as IPOs or stake sales to large institutions, momentum is building around your company. We believe we have a superior model which brings together hedge fund managers and outside investors in the least contentious and most valuable way for both sides.

We have been very encouraged by our progress in the last year. With the growth in funds under management combined with continuing performance levels from Winton, we anticipate being able to report significant progress towards profitability at our interims to be published in December.

Colin Barrow, Chairman.

Acquisition

On 22nd May 2006 the Company announced the acquisition of the entire share capital of Winton Advisors Limited, which has now changed its name to Alpha Winton Limited. Consideration for the purchase was £327,010 satisfied by the issue of 308,500 ordinary shares of 1 pence each at a price of £1.06 per share. The shares were admitted to trading on AIM on 26th May 2006.

Substantial Shareholders

At 31st March 2007 the substantial shareholders of the Company were as follows:

| | |
|-----------------------------|--------|
| Colin Barrow | 15.00% |
| David Harding | 11.25% |
| Roy Nominees Ltd | 10.00% |
| Auvergne & Bourgogne | 9.07% |
| IPGL Limited | 8.33% |
| MOX Securities Nominees Ltd | 5.01% |
| Malcolm Easey | 5.00% |
| Horizon Management DP Ltd | 4.50% |
| HSDL Nominees Ltd | 3.45% |
| Colin Martin Clark | 3.02% |
| Nicola Marie Meaden | 3.02% |

Consolidated Profit and Loss Account For the year ended 31st March 2007

| | Notes | Year to 31 st March 2007 | | Period from Incorporation to 31 st March 2006 |
|---|-------|--|----------------|--|
| | | £'000 | £'000 | £'000 |
| Turnover | | | | |
| Acquisitions | 2 | | 191 | - |
| Administrative expenses | | | | |
| Continuing operations | | (451) | | (282) |
| Acquisitions | | (23) | | - |
| Total administrative expenses | | | (474) | (282) |
| Operating (loss)/profit | | | | |
| Continuing operations | | (451) | | (282) |
| Acquisitions | | 168 | | - |
| Total operating loss | | | (283) | (282) |
| Interest receivable and similar income | | | 110 | 73 |
| Loss on ordinary activities before and after tax | | | (173) | (209) |
| Basic and diluted loss per share (pence) | 4 | | (5.30)p | (11.62)p |

**Consolidated Balance Sheet
As at 31st March 2007**

| | Notes | 31 st March 2007 £'000 | 31 st March 2006 £'000 |
|--|-------|--------------------------------------|--------------------------------------|
| Fixed Assets | | | |
| Intangible assets – goodwill | | 386 | - |
| Current assets | | | |
| Debtors | | 39 | 8 |
| Investments | 5 | 2,134 | 2,476 |
| Cash | | 167 | 73 |
| | | 2,340 | 2,557 |
| Creditors: amounts falling due within one year | | (53) | (37) |
| Net current assets | | 2,287 | 2,520 |
| Net assets | | 2,673 | 2,520 |
| Capital and reserves | | | |
| Called up share capital | | 83 | 80 |
| Share premium account | | 2,649 | 2,649 |
| Merger reserve | | 323 | - |
| Profit and loss account | | (382) | (209) |
| Shareholders' funds | | 2,673 | 2,520 |

| Reconciliation of movement in shareholders' funds | Year to 31 st March 2007 £'000 | Period from Incorporation to 31 st March 2006 £'000 |
|---|---|---|
| Loss for the financial year/period | (173) | (209) |
| Issue of Ordinary Shares | 326 | 2,950 |
| Issue of A shares | - | 50 |
| Share issue expenses | - | (271) |
| Net addition to shareholders' funds | 153 | 2,520 |
| Shareholders' funds at the start of the year/period | 2,520 | - |
| Shareholders' funds at the end of the year/period | 2,673 | 2,520 |

**Consolidated Cash Flow Statement
for the year to 31st March 2007**

| | Note | Year to 31 st March 2007 £'000 | Period from Incorporation to 31 st March 2006 £'000 |
|--|------|---|---|
|--|------|---|---|

Net cash outflow from operating activities

| | | | |
|--|---|--------------|----------------|
| Operating loss | | (283) | (282) |
| Increase in debtors | | (31) | (8) |
| Increase in creditors | | 16 | 37 |
| Depreciation and amortization | | 29 | - |
| <hr/> | | | |
| Net cash outflow from operating activities | | (269) | (253) |
| Net cash inflow from returns on investment and servicing of finance | | 110 | 73 |
| Acquisition of subsidiary undertaking | 7 | (89) | - |
| <hr/> | | | |
| Net cash outflow before use of liquid resources and financing | | (248) | (180) |
| Management of liquid resources | | | |
| Sale of current asset investments | | 342 | 24 |
| Purchase of current asset investments | | - | (2,500) |
| <hr/> | | | |
| Net cash inflow/(outflow) before financing | | 94 | (2,656) |
| Financing | | | |
| Issue of A shares | | - | 50 |
| Issue of Ordinary Shares | | - | 2,950 |
| Share issue costs | | - | (271) |
| <hr/> | | | |
| Net cash inflow from financing | | 94 | 2,729 |
| <hr/> | | | |
| Increase in cash | | 94 | 73 |

| Reconciliation of net cash flow to movement in net funds | Year to | Period from |
|--|-----------------------------|--|
| | 31 st March 2007 | Incorporation to 31 st March 2006 |
| | £'000 | £'000 |
| Increase in cash | 94 | 73 |
| Net (inflow)/outflow from changes in liquid resources | (342) | 2,476 |
| <hr/> | | |
| Movement in net cash and liquid resources | (248) | 2,549 |
| Opening net cash and liquid resources | 2,549 | - |
| <hr/> | | |
| Closing net cash and liquid resources | 2,301 | 2,549 |

1. Basis of Preparation

The financial statements have been prepared under the historical cost convention as modified by the revaluation of short leasehold properties and in accordance with applicable accounting standards in the United Kingdom. The principal accounting policies of the company have remained unchanged from those set out in the Company's 2006 annual report and financial statements.

The financial information set out above does not constitute the Company's statutory accounts for the periods ended 31st March 2007 and 2006, but is derived from those accounts. Statutory accounts for 2006 have been delivered to the Registrar of Companies and those for 2007 will be delivered following the Company's Annual General Meeting. The Auditors have reported on those accounts; their reports were unqualified and did not contain statements under the Companies Act 1985, sections 237(2) or (3).

2. Turnover

All of the Group's turnover is generated in the UK from the one business class of providing services to hedge fund management businesses. The Group has no geographical or business segments.

3. Taxation

There is no charge due to the loss incurred in the year. The tax assessed for the year varies from the standard rate of corporation tax in the UK. The differences are explained below:

| | Year to 31 st March 2007 | Period from Incorporation to 31 st March 2006 |
|--|--|--|
| | £'000 | £'000 |
| Loss on ordinary activities before taxation | (173) | (209) |
| Loss on ordinary activities at the standard rate of corporation tax in the UK of 30% | (52) | (63) |
| Effect of | | |
| Expenses not deductible for tax purposes | - | 1 |
| Losses carried forward | 52 | 62 |
| Current tax charge | - | - |

At 31st March 2007 the Company had a deferred tax asset of £114,000 (2006 -£62,000) relating to tax losses carried forward which have not been provided for in the financial statements.

4. Loss per share

The loss per share is calculated on the loss on ordinary activities after tax of £173,000 (period ended 31st March 2006 - £209,027) and using the weighted average number of Ordinary Shares in issue during the year of 3,264,549 (period ended 31st March 2006 - 1,798,259). At 31st March 2007, the conversion of the A Shares and the warrants in issue are anti-dilutive in calculating the loss per share based on the loss after taxation.

5. Current Asset Investments

The Company holds the bulk of its cash as an investment in a sterling currency fund in order to maximize earnings. During the year shares in the fund were sold to provide working capital. At 31st March 2007 the cost and value of this holding was £2,134,280 (2006 - £2,475,685).

6. Related party transactions

During the year, the Company has accounted for costs of £40,000 (2006 - £33,333) for use of services and occupation of premises owned by Colin Barrow, a director of the Company. At 31st March 2007, £12,118 (2006 - £10,000) had been accrued in respect of rent to be paid to Colin Barrow.

7. Acquisition

Winton Advisors Limited

On 23rd May 2006, the Company acquired the entire issued share capital of Winton Advisors Limited, which has now changed its name to Alpha Winton Limited. Consideration for the purchase was £327,010 which was satisfied by the issue of 308,500 ordinary shares of 1 pence each ("Ordinary Shares") in the Company at a price of £1.06 per share.

The table below shows the financial effect of the acquisition:

| | £'000 |
|--|--------------|
| Current assets | |
| Cash | - |
| Net assets | - |
| As represented by: | |
| Shares issued | 326 |
| Cost of acquisition | 89 |
| Net assets acquired | - |
| Goodwill arising on acquisition | 415 |

Prior to acquisition, Winton Advisors Limited had not undertaken any business activities.

8. Copies of the results

Copies of the results will be sent to shareholders in due course and can be obtained by contacting the company secretary at London House, 8 Barton Street, London SW1P 3NE or by visiting the Company website, www.alphastrategic.co.uk where they are available for download.