12 March 2008

STRONTIUM PLC
(the "Company" or "Strontium")

Interim Results for the Six Months to 31 December 2007

The Board of Strontium, the AIM-listed professional services provider, announces its interim results for the six months to 31 December 2007.

Key Points

- Sales for the six month period amounted to £346,479;
- Like-for-like Sales declined to £226,499;
- Gross Profit for the six month period was £287,485;
- As at 31 December 2007 the Company had net cash resources of £947,089; and
- Loss for the six month period amounted to £190,253.

Commenting on the results, Michael Metcalfe, Chairman, said: "**These 6 months were a period of transition for Strontium as we endeavoured to find and complete a suitable acquisition at the same time as growing the existing businesses. I believe that the acquisition of The Learning Eye and the growth of the order book will provide an excellent platform for the future growth of Strontium**."

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Chairman's Statement

During the six month period to 31 December 2007, the Company concentrated on new marketing and sales initiatives and potential acquisitions. The loss for the period, whilst disappointing, is in line with budget.

Financial Highlights

Sales for the six month period amounted to £346,479 (six months to 31 December 2006: £464,346) whilst like-for-like Sales declined to £226,499 (six months to 31 December 2006: £423,846).

Gross Profit for the six month period declined by 6.5% to £287,485 (six months to 31 December 2006 £307,556).

Administration Expenses increased to £489,962 (six months to 31 December 2006: £335,158) largely due to the acquisition of Miad during the period that added £115,176, and the recruitment of staff to strengthen the sales effort that added a further £75,095 to expenses. Miad sales were £119,980 for the six months under review.

The loss of revenue from the discontinuation of the Collectpoint business was £40,500.

As announced on 21 November 2007, the Company strengthened its Balance Sheet by raising £630,000 before expenses by issuing 2,625,000 new ordinary shares at 24 pence per share. The net proceeds raised will provide the Company with additional working capital and provide it with the funds to finance potential future acquisitions.

Acquisitions & Disposals

I am pleased to confirm that the Miad business has now been fully integrated into the Strontium group of companies and is performing in line with the directors expectations.

During the period, the Company considered a number of potential acquisitions. However, the Company declined to pursue two such acquisitions when it became clear that the prices demanded by the owners were unfavourable to Strontium. Professional fees incurred on the aborted acquisitions amounted to £9,750.

On 10 March 2008, Strontium announced the acquisition of The Learning Eye Ltd., a UK based management agency which delivers customised training and consulting services primarily focused on the automotive sector. The activities of The Learning Eye make it an excellent fit with the existing businesses of the Group.

Trading

The reduction in Sales from the existing businesses is partly due to some major clients altering the timing of their activities.

Additional resources have been applied to the Company's sales effort both with the addition of new employees and the redirection of existing employees. As a result of this initiative the Company's Sales Order book has increased by 30% over the six months to December 2007.

The Strontium Alliance

The Alliance continued to grow during the six month period under review with the number of members increasing to 33 companies (8 at 31 December 2006). Commissions from sales from 'inter - trading' have also commenced. The Board believe that the value of commissions will remain low over the next six months but anticipate growth in the remainder of 2008.

In the coming months, the Company's management plans to conduct an audit of the Alliance Membership to determine what action is required to ensure long-term positive participation by all members.

Outlook

The Board believes the Company's current mix of clients, across the public and private sectors should minimise any effects of the current economic climate and provide reassurance regarding the Company's prospects.

The focus for the next 6 months will be on the integration of The Learning Eye and the continued development and growth of all the businesses within the Group.

In concluding, I would like to thank David Barker, our Managing Director, his very able management team and all our staff for their contributions during the period under review.

M W Metcalfe

STRONTIUM PLC

Consolidated Interim Income Statement for the six months ended 31st December 2007

	6 months to 31 December 2007 unaudited	6 months to 31 December 2006 unaudited	Year to 30 June 2007 audited as amended
	£	£	£
Revenue	346,479	464,346	828,204
Cost of sales	(58,994)	(156,790)	(252,260)
Gross Profit	287,485	307,556	575,944
Administrative expenses	(489,962)	(335,158)	(689,407)
Operating loss	(202,477)	(27,602)	(113,463)
Loss on termination of discontinued activity	-	(6,100)	(6,100)
	(202,477)	(33,702)	(119,563)
Financial income	5,982	4,516	7,972
Financial costs	-	(41)	(733)
Finance costs – net	5,982	4,475	7,239
Loss before tax	(196,495)	(29,227)	(112,324)
Taxation	6,242	-	-
Loss for the period	**(190,253)**	**(29,227)**	**(112,324)**
Attributable to:			
Equity holders of the company	(190,253)	(29,227)	(112,324)
	(190,253)	(29,227)	(112,324)
Earnings per share			
Equity holders	(1.96)	(0.38)	(1.38)

Audited results for the year ended 30 June 2007 are amended as shown in note 5.

STRONTIUM PLC

Consolidated Interim Balance Sheet as at 31 December 2007

	31 December 2007 unaudited	31 December 2006 unaudited	30 June 2007 audited as amended
	£	£	£
Non-current assets			
Goodwill	615,197	304,403	615,197
Tangible fixed assets	23,368	27,198	25,835
Total non-current assets	**638,565**	**331,601**	**641,032**
Current assets			
Trade receivables	180,295	183,481	170,324
Cash at bank	947,089	329,326	651,302
Total current assets	**1,127,374**	**512,807**	**821,626**
Total assets	**1,765,949**	**844,408**	**1,462,658**
Equity			
Issued share capital	234,741	155,077	182,241
Share Premium	1,677,096	784,550	1,118,346
Retained Earnings	(445,987)	(172,637)	(255,734)
Total equity	**1,465,850**	**766,990**	**1,044,853**
Liabilities			
Non-current liabilities			
Other payables	72,000	-	72,000
Current liabilities			
Trade and other payables	228,099	77,418	345,805
Total liabilities	**300,099**	**77,418**	**417,805**
Total equity and liabilities	**1,765,949**	**844,408**	**1,462,658**

Audited results at 30 June 2007 are amended as shown in note 5.

STRONTIUM PLC

Consolidated Interim statement of Cash Flows for the six months ended 31 December 2007

	6 months to 31 December 2007 unaudited £	6 months to 31 December 2006 Unaudited £	Year to 30 June 2007 audited £
Cash flows from operating activities			
Cash (absorbed by) / generated from operations	(339,561)	(122,794)	61,833
Net interest received	5,982	4,475	7,239
Taxation	(701)	-	21,612
Net cash (absorbed by) / generated from operating activities	**(334,280)**	**(118,319)**	**90,684**
Cash flows from investing activities			
Payments to acquire subsidiary	-	-	(185,594)
Refund on payment to acquire subsidiary in prior year	20,000	-	-
Cash acquired with subsidiary	-	-	(2,095)
	20,000	-	(187,689)
Payments to acquire tangible fixed assets	(1,183)	(18,800)	(19,098)
Proceeds from disposal of fixed assets	-	8,000	8,000
Net cash generated from / (used in) investing activities	**18,817**	**(10,800)**	**(198,787)**
Cash flows from financing activities			
Proceeds from issue of shares	611,250	-	300,960
Net cash from financing activities	**611,250**	**-**	**300,960**
Net increase / (decrease) in cash and bank balances	295,787	(129,119)	192,857
Cash and bank and bank overdrafts at beginning of period	651,302	458,445	458,445
Cash and bank and bank overdrafts at end of period	**947,089**	**329,326**	**651,302**

Audited results for the year ended 30 June 2007 are amended as shown in note 5.

STRONTIUM PLC

Consolidated Statement of changes in equity as at 31st December 2007

	Share Capital	Share Premium	Retained Earnings	Total
	£	£	£	£
Balance at 1 July 2006	155,077	784,550	(143,410)	796,217
Loss for period to 31 December 2006	-	-	(29,227)	(29,227)
Balance at 31 December 2006	155,077	784,550	(172,637)	766,990
Loss for period to 30 June 2007	-	-	(83,097)	(83,097)
Issue of shares for cash	22,800	278,160	-	300,960
Issue of shares on acquisition	4,364	55,636	-	60,000
Balance at 30 June 2007	182,241	1,118,346	(255,734)	1,044,853
Loss for period to 31 December 2007	-	-	(190,253)	(190,253)
Issue of shares for cash	52,500	577,500	-	630,000
Cost of issue	-	(18,750)	-	(18,750)
	234,741	1,677,096	(445,987)	1,465,850

STRONTIUM PLC

1 GENERAL INFORMATION

STRONTIUM PLC (the “Company”) is a company domiciled in England whose registered office address is 6 Porter Street, London, W1M 1HZ. The condensed consolidated interim financial statements of the Company for the six months ended 31 December 2007 comprise the Company and its subsidiaries (together referred to as “the Group”).

The condensed consolidated interim financial statements do not constitute statutory accounts as defined in Section 240 of the Companies Act 1985.

The financial information for the year ended 30 June 2007 has been extracted from the statutory accounts (which were prepared under UK GAAP) for that period and adjusted as shown in note 5 below to restate in accordance with International Financial Reporting Standards (“IFRS”). This note includes reconciliations of equity and the loss for comparative periods reported under UK GAAP to those reported for those periods under IFRS. The auditors’ report on the statutory accounts was unqualified and did not contain a statement under Section 237 of the Companies Act 1985. A copy of those financial statements has been filed with the Registrar of Companies.

The Group’s date of transition to IFRS was 1 July 2006 and condensed consolidated interim financial statements have been prepared in accordance with the first time adoption provisions set out in IFRS 1 First-time Adoption of International Financial Reporting Standards. The condensed consolidated interim financial statements do not include all of the information required for full annual financial statements.

The condensed consolidated interim financial statements were authorised for issue on 12 March 2008.

2 SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The condensed consolidated financial statements are unaudited and have been prepared in accordance with IFRS adopted by the EU.

The condensed consolidated financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are set out below.

Basis of consolidation

The condensed consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 30 June 2007. Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities.

The results of subsidiaries acquired during the period are included in the consolidated income statement from the effective date of acquisition.

Where necessary, adjustments are made to the financial information of subsidiaries to bring the accounting policies used into line with those used by the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Business combinations

The acquisition of subsidiaries is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IRFS 3 are recognised at their fair value at the acquisition date.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit or loss.

Goodwill

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary, at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. Goodwill which is recognised as an asset is reviewed for impairment at least annually. Any impairment is recognised immediately in profit or loss.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash generating units expected to benefit from the synergies of the combination. Cash generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit maybe impaired. If the recoverable amount of the cash generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Goodwill arising on acquisitions before 1 July 2005 has been retained at the previous UK GAAP amounts subject to being tested for impairment at that date.

Property, plant and equipment

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of tangible fixed assets over their expected useful lives at the following rates:-

Plant and equipment	Over three to four years

Income recognition

Turnover represents the fair value of services provided during the period. Turnover is recognised as contract activity progresses and the right to consideration is earned. Fair value reflects the amounts expected to be recoverable from customers and is based on time spent and costs incurred to date as a percentage of total anticipated costs. Unbilled turnover is included within debtors.

Foreign currencies

The individual financial statements of each Group company are presented in the currency of the primary economic environment in which it operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each Group company are expressed in pounds sterling, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in profit and loss for the period.

Deferred taxation

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Leases

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

Retirement benefit costs

The Group operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged as an expense as they fall due.

Financial instruments

Financial assets and financial liabilities are recognised in the Group’s balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Trade receivables

Trade receivables are measured at initial recognition at fair value. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term, highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Trade payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

3 LOSS PER SHARE

The loss per share is based on a loss for the period of £190,253 (six months ended 31 December 2006: £29,227 year ended 30 June 2007: £112,324) and the weighted average of ordinary shares in issue for the period of 9,685,805 (2006: 7,753,853, year ended 30 June 2007: 8,127,115).

4 NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

Cash (absorbed by) / generated from operations	**6 months to 31 December 2007 (unaudited) £**	**6 months to 31 December 2006 (unaudited) £**	**Year to 30 June 2006 (unaudited) £**
Operating loss	(202,477)	(27,602)	(113,463)
Depreciation of tangible fixed assets	3,650	4,675	9,188
(Increase) / decrease in receivables	(44,640)	(93,754)	52,549
(Decrease) / increase in payables	(96,094)	(6,113)	113,559
Cash generated from (absorbed by) operations	(339,561)	(122,794)	61,833

5 EXPLANATION OF TRANSITION TO IFRS

As stated in note 1, these are the Group's first condensed consolidated interim financial statements for part of the period covered by the first IFRS annual consolidated financial statements prepared in accordance with IFRS.

The accounting policies in note 2 have been applied in preparing the consolidated condensed interim financial statements for the six months ended 31 December 2007, the financial information for the period ended 31 December 2006 and year ended 30 June 2007 and the preparation of an opening IFRS balance sheet at 1 July 2006 (the Group's date of transition).

In preparing its opening IFRS balance sheet, comparative information for the six months ended 31 December 2006, and financial statements for the year ended 31 December 2006, the Group has adjusted amounts reported previously in financial statements prepared in accordance with UK GAAP.

An explanation of how the transition from UK GAAP to IFRS has affected the Group's financial position, financial performance and cash flows is set out in the following tables.

The only adjustment necessary was to remove amortisation previously charged on goodwill in accordance with UK GAAP.

Reconciliation of profit and loss account

	6 months to 31 December 2006			Year to 30 June 2007		
	Previous GAAP Unaudited	Transition to IFRS	IFRS unaudited	Previous GAAP audited	Transition to IFRS	IFRS unaudited
	£	£	£	£	£	£
Revenue	464,346	-	464,346	828,204	-	828,204
Cost of sale	(156,790)	-	(156,790)	(252,260)	-	(252,260)
Gross Profit	307,556	-	307,556	575,944	-	575,944
Administrative expenses	(350,376)	15,218	(335,158)	(724,451)	35,044	(689,407)
Write back goodwill amortisation		15,218			35,044	
Operating loss	(42,820)	15,218	(27,602)	(148,507)	35,044	(113,463)
Loss on termination of discontinued activity	(5,600)	(500)	(6,100)	(5,600)	(500)	(6,100)
	(48,420)	14,718	(33,702)	(154,107)	34,544	(119,563)
Financial income	4,516	-	4,516	7972	-	7,972
Financial costs	(41)	-	(41)	(733)	-	(733)
Finance costs - net	4,475	-	4,475	7,239	-	7,239
Loss before tax	(43,945)	14,718	(29,227)	(146,868)	34,544	(112,324)
Tax expense	-	-	-	-	-	-
Loss for the period	**(43,945)**	**14,718**	**(29,227)**	**(146,868)**	**34,544**	**(112,324)**
Attributable to:						
Equity holders of the company	(43,945)	14,718	(29,227)	(146,868)	34,544	(112,324)
	(43,945)	14,718	(29,227)	(146,868)	34,544	(112,324)
Earnings per share						
Equity holders	(0.57)	0.19	(0.38)	(1.81)	0.43	(1.38)

Reconciliation of balance sheet

	As at 1 July 2006			As at 30 June 2007		
	Previous GAAP unaudited	Transition to IFRS	IFRS unaudited	Previous GAAP unaudited	Transition to IFRS	IFRS unaudited
	£	£	£	£	£	£
Non-current assets						
Goodwill	291,830	17,573	309,403	563,080	52,117	615,197
Tangible fixed assets	22,173	-	22,173	25,835	-	25,835
Total non-current assets	**314,003**	**17,573**	**331,576**	**588,915**	**52,117**	**641,032**
Current assets						
Trade receivables	89,727	-	89,727	170,324	-	170,324
Cash at bank	462,028	-	462,028	651,302	-	651,302
Total current assets	**551,755**	**-**	**551,755**	**821,626**	**-**	**821,626**
Total assets	**865,758**	**17,573**	**883,331**	**1,410,541**	**52,117**	**1,462,658**
Equity						
Issued share capital	155,077	-	155,077	182,241	-	182,241
Share Premium	784,550	-	784,550	1,118,346	-	1,118,346
Retained Earnings	(160,983)	17,573	(143,410)	(307,851)	52,117	(255,734)
Total equity	**778,644**	**17,573**	**796,217**	**992,736**	**52,117**	**1,044,853**
Liabilities						
Non-current liabilities						
Other payables	-	-	-	72,000	-	72,000
Current liabilities						
Trade and other payables	87,114	-	87,114	345,805	-	345,805
Total liabilities	**87,114**	**-**	**87,114**	**417,805**	**-**	**417,805**
Total equity and liabilities	**865,758**	**17,573**	**883,331**	**1,410,541**	**52,117**	**1,462,658**