



STEWART & WIGHT PLC

INTERIM RESULTS

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2006

Chairman's Statement

The operating profit for the half year was £478,207 before net financing costs of £97,361 and tax of £118,727. Gross rental income increased to £535,023 compared with £494,405 in the similar period in 2005.

I am please to report that we had successful rent reviews in our properties in Pickering, Morrision and Bishop Auckland. We granted new leases at higher rentals to existing tenants in Derby and Northallerton. The professional fees incurred in these matters are reflected in the increase of property operating expenses shown in the accompanying consolidated income statement.

Although your Board continues to seek additional properties to add to our portfolio, nothing suitable could be found during the period at a reasonable price. However, two traded endowment policies were bought at prices which are expected to show good returns in due course.

We are arranging for our vacant property in South Shields to be repaired prior to being fully marketed and are pursuing a claim for dilapidations against our former tenants.

No revaluation of the Company's property portfolio has been carried out as at 30 September 2006. Accordingly, the directors' valuation of the properties as at 31 March 2006 has been carried forward into the accompanying consolidated balance sheet. It is intended that an independent revaluation be commissioned as at 31 March 2007.

In accordance with previous practice, the Board has decided not to pay an interim dividend on the ordinary shares of the Company.

MICHAEL CONN
Chairman

14 December 2006

**Consolidated income statement (Unaudited)
for the six months ended 30 September 2006**

	Six months to 30/09/2006 £	Six months to 30/09/2005 £	Year to 31/03/2006 £
Gross rental income	535,023	494,405	1,002,733
Property operating expenses	31,378	17,799	25,718
Net operating profit	503,645	476,606	977,015
Profit on disposal of investment property	-	-	182,799
Valuation gains on investment properties	-	-	1,260,000
Valuation losses on investment properties	-	-	92,676
Administrative expenses	25,438	18,435	54,585
Net operating profit before net financing costs	478,207	458,171	2,272,553
Financial income	3,056	-	55
Financial expenses	100,417	77,814	181,195
Profit before taxation	380,846	380,357	2,091,413
Taxation	118,727	85,470	515,914
Profit for financial period before preference dividend	262,119	294,887	1,575,499
Preference dividend paid	349	349	698
Profit for financial period	261,770	294,538	1,574,801
Earnings per share	16.7	18.8	100.6

**Consolidated balance sheet (Unaudited)
as at 30 September 2006**

	30 Sept 2006 £	30 Sept 2005 £	31 March 2006 £
Assets			
Non-current assets			
Investment property	16,710,000	14,865,000	16,710,000
Non-equity investments	531,632	187,314	246,015
Total non current assets	17,241,632	15,052,314	16,956,015
Current assets			
Trade and other receivables	-	-	317,054
Cash and cash equivalents	247,096	29,229	156,439
Total current assets	247,096	29,229	473,493
Total assets	17,488,728	15,081,543	17,429,508
Liabilities			
Current liabilities			
Interest bearing loan and borrowings	322,790	223,404	322,790
Current tax liabilities	80,738	115,000	112,011
Trade and other payables	190,428	168,532	300,727
Total current liabilities	593,956	506,936	735,528
Non-current liabilities			
Interest bearing loan and borrowings	3,107,327	2,351,637	3,168,305
Deferred tax liabilities	1,077,021	788,577	1,077,021
Total non-current liabilities	4,184,348	3,140,214	4,245,326
Total liabilities	4,778,304	3,647,150	4,980,854
Total equity and liabilities	12,710,424	11,434,393	12,448,654
Equity			
Capital and reserves			
Issued share capital	89,866	89,866	89,866
Other reserves	25,670	25,670	25,670
Share premium account	246,000	246,000	246,000
Capital reserve	241,488	241,488	241,488
Revaluation reserve	3,897,154	2,866,766	3,897,154
Retained earnings	8,210,246	7,964,603	7,948,476
Total equity	12,710,424	11,434,393	12,448,654

**Consolidated cash flow statement (Unaudited)
for the six months ended 30 September 2006**

	Six months to 30/09/2006 £	Six months to 30/09/2005 £	Year to 31/03/2006 £
Operating activities			
Profit for the period	262,119	294,887	1,575,499
Adjustments for:			
Net valuation gains on investment property	-	-	1,167,324
Profit on disposal of investment property	-	-	182,799
Interest expense	97,361	77,814	181,140
Taxation	118,727	85,470	515,914
Operating profit before changes in working capital and provisions	478,207	458,171	922,430
Decrease/(increase) in receivables	12,073	-	(12,073)
(Decrease)/increase in payables	(110,299)	(30,575)	100,502
Cash generated from operations	379,981	427,596	1,010,859
Net interest paid	97,361	77,814	181,140
Taxation	150,000	111,000	255,220
Cash flow from operating activities	132,620	238,782	574,499
Investing activities			
Purchase of investment property	-	-	(2,142,676)
Purchase of other investments	(285,617)	(187,314)	(246,015)
Sale of investment property	304,981	-	1,342,818
Cash flow from/(used in) investing activities	19,364	(187,314)	(1,045,873)
Financing activities			
Dividend paid	349	349	266,351
Cash flow from financing activities	349	349	266,351
Net increase in cash and cash equivalents	151,635	51,119	(737,725)
Cash and cash equivalents at 1 April 2006	(3,334,656)	(2,596,931)	(2,596,931)
Cash and cash equivalents at 30 September 2006	(3,183,021)	(2,545,812)	(3,334,656)

**Consolidated statement of changes in equity from
1 April 2005 to 30 September 2006 (Unaudited)**

	Revaluation reserve £	Retained earnings £	Other reserves £
	<u> </u>	<u> </u>	<u> </u>
i) 1 April 2006 to 30 September 2006			
As at 1 April 2006	3,897,154	7,948,476	513,158
Profit for the financial period	-	261,770	-
As at 30 September 2006	<u>3,897,154</u>	<u>8,210,246</u>	<u>513,158</u>
ii) 1 April 2005 to 30 September 2005			
As at 1 April 2005	2,837,236	7,699,595	513,158
Profit for the financial period	-	294,538	-
Gains attributable to assets sold	29,530	(29,530)	-
As at 30 September 2005	<u>2,866,766</u>	<u>7,964,603</u>	<u>513,158</u>
iii) 1 April 2005 to 31 March 2006			
As at 1 April 2005	2,837,236	7,699,595	513,158
Profit for the financial period	-	1,574,801	-
Dividends to shareholders	-	(266,002)	-
Valuation gains and losses	1,167,324	(1,167,324)	-
Gains attributable to assets sold	(107,406)	107,406	-
As at 31 March 2006	<u>3,897,154</u>	<u>7,948,476</u>	<u>513,158</u>

Stewart & Wight PLC

Notes to the Accounts

1. Interim report

This interim report will not appear in any newspaper but copies will be sent to all shareholders and are available at the company's registered office. The results for the six months ended 30 September 2006 are unaudited.

The interim report does not constitute full accounts as defined by the Companies Act 1985 but should be read in conjunction with the most recent financial statements. Full accounts for 31 March 2006 have been delivered to the Registrar of Companies, bearing an unqualified audit opinion.

2. Basis of preparation

The financial statements are prepared on the historical cost basis except that investment properties are stated at their fair value.

These accounts have been prepared in accordance with IAS 34.

The accounting policies have been consistently applied and are consistent with those used in the previous year.

3. Investment properties

There have been no acquisitions or disposals in the current period.

4. Taxation

	Six months to 30/09/2006	Six months to 30/09/2005	Year to 31/03/2006
Current tax	115,000	115,000	257,000
Deferred tax	-	(29,530)	258,914
	115,000	85,470	515,914

The taxation charge has been based on the estimated effective tax rate for the full year.

5. Earnings per share

The calculation of earnings per share is based on the profit for the period of £261,770 (2005: £294,538) and on 1,564,720 shares (2005: 1,564,720) which is the weighted average number of shares in issue during the period ended 30 September 2006 and throughout the period since 1 April 2005.

6. The registered office of the company is at 845 Finchley Road, London NW11 8NA.