

12 November 2012

**SUTHERLAND HEALTH GROUP PLC**  
**(“Sutherland Health Group” or “the Company”)**

**PLUS Symbol: SHGP**

**UNAUDITED INTERIM RESULTS**

**CHAIRMAN’S STATEMENT**

The Board of Sutherland Health Group, a national supplier of patient hygiene, sexual health and gynaecology products to customers including the National Health Service (“NHS”), announces today its unaudited Interim Results for the six months to 30<sup>th</sup> September 2012.

**Highlights:**

- Turnover up 107% to £690,420 (versus the same period last year)
- Gross Profit up 86% to £312,773
- Operating Profit of £107,676
- Profit for the period £99,533 (versus a loss of GBP42,677 over the same period last year)
- Sales to Wholesalers continue to grow
- 36 products now stocked by Amazon (up from 22)

**FINANCIAL REVIEW**

The first six months of the financial year has exceeded our expectations as it was a period where we benefited from stronger than expected demand for our products within the NHS sector. This, coupled with a continuation of the growth in sales to our new wholesaler customers and to Amazon, has combined to produce a very strong first half performance.

For the six months to 30 September 2012, the Company’s turnover was GBP690,420, up 107% (2011: GBP333,238) producing a gross profit of GBP312,773 up 86% (2011: GBP168,251). Administrative expenses were up 1.4% at GBP183,923 (2011: GBP181,271). The pre-tax profit was GBP99,533 (2011: loss GBP42,677).

During the period we have launched three new products, Sutherland Medicated Shampoo; Sutherland Baby Bath; and Sutherland Baby Shampoo. All three products have been listed by Amazon and orders have been placed. We are also gaining distribution in NHS Hospitals with the new products and we expect to see sales developing over the next six months

within the sector. In line with our corporate policy I am pleased to say that all three new products are manufactured in the UK.

We are pleased with the developing trading relationship with Amazon and report that they have agreed to stock and order a further 14 products from us during the period taking the number of products stocked and ordered by them to 36.

Our relationship with key wholesalers continues to build and we are seeing strong growth with Alliance Healthcare; AAH; and Bunzl.

We are pleased with the first half of the financial year which has brought better than expected results. We continue to see uncertain times in the general economic climate but we are pleased with the progress we are making and look forward to updating shareholders on further developments.

John French

Chairman

**SUTHERLAND HEALTH GROUP PLC**  
**UNAUDITED CONSOLIDATED PROFIT & LOSS ACCOUNT**  
**FOR THE SIX MONTHS TO 30<sup>TH</sup> SEPTEMBER 2012**

	<b>Unaudited</b>	<b>Unaudited</b>	<b>Audited</b>
	<b>6 Months</b>	<b>6 Months</b>	<b>Year Ended</b>
	<b>30.09.12</b>	<b>30.09.11</b>	<b>31.03.12</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Turnover	690,420	333,238	910,548
Cost of Sales	<u>-377,647</u>	<u>-164,987</u>	<u>-455,231</u>
Gross Profit	312,773	168,251	455,317
Distribution Costs	-21,174	-16,513	-51,872
Administration Expenses	-183,923	-181,271	-365,100
Other Operating Income	<u>5,319</u>	<u>5,319</u>	<u>10,639</u>
Operating Profit (Loss)	107,676	-24,214	48,984

Net Interest	<u>-13,462</u>	<u>-18,463</u>	<u>-32,674</u>
Profit (Loss) on Ordinary Activities	99,533	-42,677	16,310
Tax on Profit on Ordinary Activities	=	=	<u>8,776</u>
Profit (Loss) for the period	99,533	<u>-42,677</u>	<u>25,086</u>
Earnings per share	0.14p	(0.061)p	0.04p

There were no recognised gains or losses other than the Profit for the financial period. All amounts relate to continuing operations.

**SUTHERLAND HEALTH GROUP PLC**  
**UNAUDITED CONSOLIDATED BALANCE SHEET**  
**AT 30<sup>TH</sup> SEPTEMBER 2012**

	<b>Unaudited</b>	<b>Unaudited</b>	<b>Audited</b>
	<b>30.09.12</b>	<b>30.09.11</b>	<b>31.03.12</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>FIXED ASSETS</b>			
Intangibles	361,503	302,456	268,922
Tangibles	6,308	10,648	10,176
	367,811	313,104	279,098
<b>CURRENT ASSETS</b>			
Stocks	174,579	154,260	184,796
Debtors	258,600	193,484	223,714
Cash	121,281	128,966	71,824
	554,460	476,710	480,334
<b>CREDITORS: amounts falling due</b>			
within one year	-262,083	-315,622	-261,099

NET CURRENT ASSETS (LIABILITIES)	<u>292,377</u>	<u>161,088</u>	<u>219,235</u>
TOTAL ASSETS LESS CURRENT			
LIABILITIES	660,188	474,192	498,333
CREDITORS: amounts falling due after			
more than one year	-260,705	-291,487	-276,365
NET ASSETS	399,483	182,705	221,968
CAPITAL AND RESERVES			
Called up Share Capital	139,505	139,505	139,505
Share Premium	1,082,161	1,125,061	1,096,561
Other Reserves	111,478	111,478	111,478
Profit and (Loss) Account	<u>(1,026,043)</u>	<u>(1,193,339)</u>	<u>(1,125,576)</u>
SHAREHOLDERS FUNDS	<u>307,101</u>	<u>182,705</u>	<u>221,968</u>

The Directors do not recommend the payment of a dividend for the reported period.

The unaudited Interim Results have not been audited and the financial information contained in these results has not been agreed with, or reviewed by, an auditor.

---ENDS---

*The Directors of the Issuer accept responsibility for this announcement*

**Enquiries:**

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**Notes to Editors:**

Sutherland Health Group Plc is a national supplier of patient hygiene, sexual health and diagnostic products to the UK National Health Service (NHS) and other UK customers. Its aim is to supply innovative solutions to current health issues by studying current trends and working alongside leading professionals who also work within the health sector.

The company is committed to developing and marketing high quality brands and products that will benefit health professionals and consumers alike in many areas of health. The Group has established its own brands: Condomania® Condoms; Sutherland® Patient Hygiene and Personal Care; Lubricating Jelly; and Vision® pregnancy and gynaecology diagnostics. These products have already become established within the NHS business.

The Group is ISO and MHRA registered, and at present principally manufactures and operates within the United Kingdom.

For further information on the Company visit [www.sutherlandhealth.com](http://www.sutherlandhealth.com)