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**SEXUAL HEALTH GROUP PLC
(PLUS: SHGP)**

INTERIM RESULTS

A Period of Continued Improvement in Trading

The Board of Sexual Health Group plc ("Sexual Health Group" or "the Company"), a national supplier of sexual health products to customers including the National Health Service ("NHS"), announces today its unaudited Interim Results for the six month period to 30 September 2006.

CORPORATE HIGHLIGHTS

- Sales growth of 133.6% in the six month period April to September compared to same period last year;
- Gross Profit up 161%; and gross margin improves from 37.4% to 41.8%;
- Losses on Ordinary Activities before Tax reduced by 35.4%;
- GBP100,000 raised through private placing, completed October 2006;
- Collaboration with University of Greenwich and Royal College of Nursing to develop an online course titled Promoting Sexual Health;
- Agreement to supply Condomania condoms to General Medical Clinics PLC's new NHS-funded Liverpool Street clinic;
- Exclusive supply agreement with bpas (British Pregnancy Advisory Service), Britain's largest abortion provider, for its Sutherland Lubricating Jelly;
- First order from National AIDS Trust for promotional condom wallets for World Aids Day containing Condomania condoms;
- Supply agreement signed with major diagnostics company for the supply of pregnancy diagnostics; and
- Sutherland Health Division successful launch of patient personal care products.

Commenting on today's Interim Results, Chairman, John French, said: **“We are very pleased with the progress the Company has made to date, benefiting from a combination of increased activity with our broader product range in our established marketplace, and from contributions from the acquisition last year of Sutherland Group Holdings.**

“The Board continues to look at new product opportunities, and a number of new products are currently under review.

“Prospects for the remainder of the year are encouraging and we hope that we will be able to capitalise on a number of exciting opportunities.”

--ENDS--

The Directors of the Company accept responsibility for this announcement.

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Notes to Editors

About Sexual Health Group:

The Company's business was founded in 2000, and is a national supplier of sexual health products. The Company initially created the Condomania brand as a supplier of condoms to major professional customers such as the NHS and is actively engaged in the production of complementary products, including sterile lubricant, for the sexual health market.

The Condomania brand has already achieved a share of approximately 9% of the NHS Condom market which equates to 2.25% of the total UK market. Condomania has shown substantial growth in sales and distribution. At 11 products, it has one of the widest ranges of condoms available via the NHS in the UK. The Company's strategy is to bring a pipeline of new products in sexual health to the UK market.

The Company successfully won a contract to supply NHS Logistics England with its sterile Sutherland Lubricating Jelly in 2005.

Sexual Health Group has been focusing on the development of its relationship with the NHS, and has developed its profile through this relationship. This will remain as a major part of its strategy for growth.

CHAIRMAN'S STATEMENT

FINANCIAL REVIEW

The acquisition of Sutherland Group Holdings Ltd. towards the end of the last financial year has shown to be beneficial and has made a valuable contribution to Company's performance.

For the six months to 30 September 2006, the Company's turnover was GBP293,976 up 133.6% (2005: GBP125,829) producing a gross profit of GBP123,016 up 161.2% (2005: GBP47,093). Gross margin for the current financial year has also improved, now 41.8% (2005: 37.4%) Administrative expenses were down 8.8% at GBP206,043 (2005: GBP225,864). The pre-tax loss was GBP118,446 (2005: GBP183,189) and the loss per ordinary share was 0.38 pence (2005: 0.63 pence).

Shareholders should note that due to both the nature of the sectors we operate in and that of our business, turnover for Sexual Health Group remains weighted to the second half of the financial year.

OVERVIEW

In April, the Company announced a collaboration with the Royal College of Nursing ("RCN") and the University of Greenwich ("UG") to develop an online course titled 'PROMOTING SEXUAL HEALTH'.

The 'Promoting Sexual Health' online course is a highly innovative e-learning initiative to make sexual health education available nationally at the click of a mouse. The course is designed to encourage health professionals to stay in the industry by providing increased resources to information on matters concerning sexual health and ways to promote it in the community. The collaboration with the University and the RCN is a significant step in Sexual Health Group's development. The RCN works closely with the Department of Health and many opinion leaders in the industry and this relationship will be highly beneficial for both the Company and the Condomania brand.

In May, the Company announced it is now supplying Condomania condoms to General Medical Clinics PLC ("General Medical Clinics"). General Medical Clinics is a private company with four centres in the City of London offering care and advice on a number of general medical issues including women and men's health, sexual health, drugs, alcohol, stress and contraception.

August saw the Company announce an exclusive supply agreement for its Sutherland Lubricating Jelly with bpas. bpas cares for almost 50,000 women per year in the UK. With a national network of 40 consultation centres and clinics providing sexual health services, including abortion services, pregnancy testing, emergency contraception, sterilisation and vasectomy procedures.

Also in August, National AIDS Trust ("NAT"), the UK's leading independent policy and campaigning voice on HIV and AIDS, placed its first order for promotional condom wallets containing Condomania condoms. The condom wallets are co-branded with both NAT and Condomania and contain a Condomania condom and instruction leaflet. The condom wallets are available through NAT and will be featured in its sales catalogue as well as its online store accessed via its website. The Company will continue to supply these on an ongoing basis to NAT, and will also assist in the promotion of the product.

NHS MARKET

The Company continues to work at increasing the distribution of its products into the NHS sector and the number of Trusts purchasing either by NHS Logistics or direct with the Company. It is pleasing therefore to report that the Sutherland Lubricating Jelly range introduced in April 2005, is now being purchased by 305 Trusts (up from 163 last year) representing a growth of 87% and that the Condomania brand despite increased competition in the market has seen its number of customers grow by 2% to 101.

Since the introduction of the new Sutherland Patient Personal Care range, sales and distribution continues to grow and, already, 193 Trusts within the NHS have ordered.

FUNDRAISING

In October 2006, the Company announced that it had successfully raised GBP100,000 in a private placing, to assist in new product development, as well as to step up the overall marketing and business development activities. John French and George Sutherland (Chairman and CEO respectively) participated in the placing. The funds have assisted, in particular, the progress of the new pregnancy diagnostic range.

ACQUISITIONS

The Company continues to explore compatible acquisitions and, with the continued improvement in the Company's trading, it hopes to be in a position to make a suitable acquisition at the earliest opportunity.

JOHN FRENCH
CHAIRMAN

Sexual Health Group plc
Unaudited profit and loss account
For the six months to 30 September 2006

	Unaudited GBP Six months Ended 30.09.06	Unaudited GBP Six months Ended 30.09.05	Audited GBP Year Ended 31.03.06
Turnover	293,976	125,829	331,185
Cost of Sales	<u>(170,960)</u>	<u>(78,736)</u>	<u>(222,605)</u>
Gross Profit	123,016	47,093	108,580
Distribution costs	(13,734)	(15,103)	(29,250)
Administrative expenses	(206,043)	(225,864)	(427,884)
Other operating income	<u>1,148</u>	<u>15,541</u>	<u>30,413</u>
Operating loss	(95,613)	(178,333)	(318,141)
Net Interest	<u>(22,833)</u>	<u>(4,856)</u>	<u>(12,642)</u>
Loss on Ordinary Activities before tax	(118,446)	(183,189)	(330,783)
Tax on loss on Ordinary Activities	<u>-</u>	<u>-</u>	<u>-</u>
Loss for the period deducted from reserves	<u>(118,446)</u>	<u>(183,189)</u>	<u>(330,783)</u>
Earnings per share	<u>(0.38p)</u>	<u>(0.63p)</u>	<u>(1.15p)</u>

There were no recognised gains or losses other than the loss for the financial period.