

29 September 2011

KINGSWALK INVESTMENTS LIMITED
("Kingswalk", "the Company" or "the Group")

UNAUDITED CONSOLIDATED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2011

Kingswalk Investments Limited (AIM: KWI), the strategic investment Group, today announces its unaudited consolidated results for the six months ended 30 June 2011.

DIRECTORS' REVIEW

Overview

We are pleased to present the Company's consolidated unaudited interim results for the six months to 30 June 2011 to shareholders. During this period, the Company raised its first tranche of new equity (£800,000 before expenses) from strategic investors interested in the Company's investment strategy. During the period, the Company made a number of new investments and continued to support its legacy investments held over from the previous year.

As a result of the investment in CMS Corporate Consultants Limited ("CMS") in January, the Company is reporting consolidated results, including 100% of the results of CMS since the investment date.

Summary of investments

CMS, the London based corporate consultants to growth companies, performed in line with expectations, trading profitably on net revenues of £234,000 during the period of ownership (£500,000 for the year ended December 2010). Over the last few months, CMS has made some important hires of high quality professionals, the benefit of which is expected to come through in the second half of the year.

The Board was pleased to report that the Company made a number of investments in small cap UK quoted stocks totalling approximately £300,000 during the period, the collective value of which had increased by almost 10% at the period end. In addition, the Company held some smaller investments in European stocks, the collective value of which had, unfortunately, fallen at the period end, partially negating the strong gains made on the UK stocks.

The Company maintains its position in Vermeesch Installaties BV ("Vermeesch"), the Rotterdam-based security equipment installation and maintenance firm acquired in September 2010. Trading remains challenging for Vermeesch in its sector and the directors are currently undertaking an operational review of its business in order to improve its working capital. Further updates on its performance over the second half of 2011 will be made in due course.

Financial review

The Company generated a loss for the period of £111,459 (H1 2010: £71,993). The loss was primarily a result of fees associated with the £800,000 subscription in January and additional administration and consultancy fees incurred in making the investments to date. On a like for like basis (excluding CMS and the costs of the subscription), expenses incurred during the period totalled £113,513 compared to

£57,070 in the same period in the previous year. Expenses in the second half of the current financial year are expected to be materially lower than the first half. Loss per share for the period reduced to (0.13) pence (H1 2010: (0.17) pence).

The carrying value of the Company's investments were £549,000 at the period end (H1 2010: 49,640) and the Company had net current assets, primarily in the form of trade debtors and cash of £273,529 (H1 2010: (£25,515)).

In January 2011, the Company raised £800,000 before expenses through the issue of 40,000,000 new ordinary shares of 1 pence each in the capital of the Company ("Subscription Shares") via a subscription at 2 pence per Subscription Share to existing and new shareholders. In line with the Company's broad investment strategy, the directors have invested the net proceeds in private and quoted companies across a wide range of sectors, including financial services, support services and resources.

Current trading and outlook

The Directors are constantly in discussions with its panel of advisers about making new investments and recycling existing holdings. Whilst equity and debt capital markets remain tough for small quoted and unquoted stocks, the directors believe the Company is well placed to take advantage of investment opportunities.

The directors would like to thank its shareholders for their continued support to the Group over the recent periods and anticipate being able to deliver some more positive news over the coming months.

CONSOLIDATED INCOME STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2011

Note	<u>6 months ended 30 June 2011</u>			<u>6 months ended 30 June 2010</u>			<u>Year ended 31 December 2010</u>		
	(unaudited)			(unaudited)			(audited)		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
	£	£	£	£	£	£	£	£	£
LOSSES ON INVESTMENTS									
Net losses on investments at									
fair value through profit or loss	-	(26,438)	(26,438)	-	(14,923)	(14,923)	-	(3,382)	(3,382)
	-	(26,438)	(26,438)	-	(14,923)	(14,923)	-	(3,382)	(3,382)
INCOME									
Interest income	7,500	-	7,500	-	-	-	-	-	-
Management charges	13,500	-	13,500	-	-	-	6,460	-	6,460
Consultancy revenue	233,777	-	233,777	-	-	-	-	-	-
Loan waiver	-	-	-	-	5,000	5,000	5,000	-	5,000
	254,777	-	254,777	-	5,000	5,000	11,460	-	11,460
EXPENDITURE									
Directors' fees	16,000	-	16,000	8,000	-	8,000	19,787	-	6,460
Administration fees	268,199	-	268,199	18,874	-	18,874	45,191	-	45,191
Professional fees	22,387	-	22,387	16,858	-	16,858	46,661	-	46,661
Consultancy fees	40,000	13,549	53,549	-	10,547	10,547	-	20,547	20,547
Audit fee	5,000	-	5,000	3,000	-	3,000	8,000	-	8,000
Bank charges and Interest	7,959	-	7,959	291	-	291	1,229	-	1,229
Goodwill uplift	-	(37,459)	(37,459)	-	-	-	-	-	-
Regulatory and registration fees	4,163	-	4,163	4,500	-	4,500	8,550	-	8,550
	363,708	(23,910)	339,798	51,523	10,547	62,070	129,418	20,547	149,695
LOSS ON ORDINARY ACTIVITIES FOR THE PERIOD/YEAR									
	(108,931)	(2,528)	(111,459)	(51,523)	(20,470)	(71,993)	(117,958)	(23,929)	(141,887)
Loss per share									
Basic (pence per share)	2		(0.13)			(0.17)	(0.26)	(0.05)	(0.31)

All revenue and capital items in the above statement derive from continuing operations.
No operations were acquired or discontinued during the period.

UNAUDITED CONSOLIDATED BALANCE SHEET

JUNE 2011		30 June 2011	30 June 2010	31 December 2010
	Note	(unaudited)	(unaudited)	(audited)
		£	£	£
FIXED ASSETS				
Investments at fair value through profit or loss		549,243	49,640	226,181
CURRENT ASSETS				
Other debtors and prepayments		219,434	5,325	7,735
Loans to investee companies		65,000	-	-
Cash and cash equivalents		78,271	80	681
		<u>362,705</u>	<u>5,405</u>	<u>8,416</u>
CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR				
Loans payable		-	-	(25,000)
Other creditors and accruals		(89,176)	(30,920)	(75,366)
		<u>(89,176)</u>	<u>(30,920)</u>	<u>(100,366)</u>
Net current assets / liabilities		<u>273,529</u>	<u>(25,515)</u>	<u>(91,950)</u>
Total assets less current liabilities		<u>822,772</u>	<u>24,125</u>	<u>134,231</u>
CREDITORS - AMOUNTS FALLING DUE AFTER ONE YEAR				
Loans payable		-	(20,000)	-
NET ASSETS		<u>822,772</u>	<u>4,125</u>	<u>134,231</u>
CAPITAL AND RESERVES				
CALLED UP SHARE CAPITAL	3	931,717	425,050	531,717
SHARE PREMIUM ACCOUNT		4,748,205	4,254,872	4,348,205
RESERVES		(4,857,150)	(4,675,797)	(4,745,691)
SHAREHOLDERS' FUNDS		<u>822,772</u>	<u>4,125</u>	<u>134,231</u>
Net asset value per share (pence per share)	4	<u>0.9</u>	<u>0.01</u>	<u>0.25</u>

APPROVED BY THE BOARD OF DIRECTORS

P M Everitt
Director

I R Parry
Director

Date: 28 September 2011

**UNAUDITED CONSOLIDATED CASH FLOW STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2011**

	Six month period ended 30 June 2011 (unaudited) £	Six month period ended 30 June 2010 (unaudited) £	Year ended 31 December 2010 (audited) £
Net cash outflow from operating activities	(282,910)	(74,135)	(113,534)
Capital expenditure and financial investment:			
Acquisition of investments	(349,500)	-	(25,000)
Proceeds from disposals of investments	(65,000)	22,399	22,399
	<hr/>	<hr/>	<hr/>
Net cash (outflow) before financing	(697,410)	(51,736)	(116,135)
Financing			
Loans received	-	25,000	30,000
Loans repaid	(25,000)	-	-
Issue of Ordinary Shares	800,000	-	60,000
	<hr/>	<hr/>	<hr/>
Net cash inflow from financing	775,000	25,000	90,000
Increase / (decrease) in cash for the period / year	77,590	(26,736)	(26,135)
Opening cash position	681	26,816	26,816
	<hr/>	<hr/>	<hr/>
Cash and cash equivalents at period / year end	78,271	80	681

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
30 JUNE 2011**

**1. ACCOUNTING POLICIES
(a) CONVENTION**

These consolidated unaudited interim results have been prepared using the same accounting policies, presentation and methods of computation adopted in the last audited financial statements, which were prepared in accordance with applicable United Kingdom Accounting Standards.

2. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the net return on ordinary activities after tax for the period and on the weighted average number of ordinary shares in issue during the period. Accordingly, the weighted average number of ordinary shares in issue for the six months ended 30 June 2011 was 87,867,806 (2010: 42,505,007).

3. CALLED UP SHARE CAPITAL

The Company issued 40,000,000 new ordinary shares on 24 January 2011, accordingly the number of ordinary shares as at 30 June 2011 was 93,171,673, (2010: 42,505,007).

4. NET ASSET VALUE PER SHARE

The calculation of net asset value per share is based on the net assets of £822,772 (2010: £4,125) and on the ordinary shares in issue of 93,171,673 at the balance sheet date (2010: 42,505,007).

The report is available to view and download from the Company's website at www.kingswalkinvestments.com

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