

Date: 6th September 2011
On behalf of: Western Selection P.L.C. ("Western" or "the Company")

Western Selection P.L.C.

Preliminary announcement of audited results for the year ended 30th June 2011

Western Selection P.L.C. (PLUS: WESP), an investment company with a mix of Strategic Investments and a General Portfolio of U.K. and overseas quoted multinational stocks, today announces its Preliminary Results for the year ended 30th June 2011.

Western is an investment company whose objective is to generate growth in value for shareholders over the medium to long term and pay a progressive dividend. The Company's strategy is to hold a mix of Strategic Investments and a General Portfolio of blue-chip stocks.

As a "long only" investor with a diversified General Portfolio, the Company's performance is mainly dictated by changes in the value of its strategic investments and movements in the stock markets. Dividend income from Strategic Investments has increased to £269,000 from £164,000 last year. Dividend income on the General Portfolio has reduced from £85,000 to £82,000, primarily due to the increase in overseas stocks held during the period. Administrative expenses have increased by 2.2%.

Quoted strategic investments increased in value by 43% in the year and our principal unquoted investment, Hartim Limited, continues to trade successfully. Our share of Hartim's earnings for the year was £337,000, a return of 46% on our investment of £728,000.

The Company made a profit of £467,000 after tax and exceptional items, compared to £256,000 last year.

Dividend

The Company paid an interim dividend of 0.65p per share on 24th March 2011.

A final dividend of 0.85p per share is proposed, making 1.50p for the year, compared to 1.30p for 2010. The dividend will be paid on 21st October 2011 to shareholders on the register at the close of business on 30th September 2011.

Strategic Investments

Creston plc

Creston is a marketing services group whose strategy is to grow within its sector both by organic growth and through selective acquisition to become a substantial, diversified marketing services group. The audited results for the year to 31st March 2011, show a profit after tax of £10,400,000 (2010 - £5,133,000), equivalent to fully diluted earnings of 12.39p per share (2010 - 8.74p). Western maintained its holding of 3,000,000 shares in Creston (4.9%) with a value at 30th June 2011 of £3,390,000 (2010 - £2,752,000) being 23% (2010 - 25%) of Western's assets.

Mr Marshall is a non-executive director of Creston.

Northbridge Industrial Services PLC

Northbridge was formed for the purpose of acquiring companies that hire and sell specialist industrial equipment supplying a non-cyclical customer base including utility companies, the public sector and the oil and gas industries. In particular it will seek to acquire specialist businesses that have the potential for expansion into complete outsourcing providers. Sales are made to the U.K., U.S.A., Brazil, Singapore, Germany, UAE and Korea; Northbridge also has subsidiaries operating in Perth, Dubai and Azerbaijan.

Northbridge announced profits of £3,036,000 for the year ended 31st December 2010 (2009 - £1,571,000) and declared a final dividend of 3.05p per share, making 4.6p for the year (2009 - 4.1p).

Northbridge acquired Tasman Oil Tools Pty Ltd, based in Perth, Western Australia, which specialises in the rental of equipment for the onshore and off-shore oil industry throughout Australia, after raising

approximately £8 million by way of an open offer. Western took up 325,000 shares in that offer at a cost of £406,250, increasing its holding to 2,200,000 shares in Northbridge, which is 14.19% of the issued share capital. The value of the investment at 30th June 2011 was £6,094,000 (2010 - £2,508,000) being 40% (2010 - 23%) of Western's assets.

Mr Marshall is a non-executive director of Northbridge.

Swallowfield plc

Swallowfield is involved in the development, formulation, manufacture and supply of cosmetics, toiletries and related household products for global brands and retailers operating in the cosmetics, personal care and household goods market. Swallowfield announced its interim results to January 2011 showing a profit after tax of £519,000 compared to £533,000 for the comparable period last year. Dividends of £116,000 (2010 - £87,000) were received from Swallowfield during the year.

Western increased its holding in Swallowfield during the year and since the year end. At 31st August 2011 Western owns 1,868,149 shares which is 16.52% of the issued share capital. The market value of the Company's holding in Swallowfield on 30th June 2011 was £1,922,000 (2010 - £1,816,000), being 13% (2010 - 17%) of Western's net assets.

Swallowfield has had a turnover of £52.4 million, £49.1 million and £44.8 million over the last three years and despite this the market capitalisation remains at £13 million. Whilst Western has played a role in bringing about some changes to the board during the year, we believe there may still be scope for improvement, and Western will continue to monitor board performance.

Investments in Associates

Hartim Limited

Hartim is the unquoted holding company for Tudor Rose International Limited ("TRI") which was founded in 1984. It works closely with a number of leading UK branded fast moving consumer goods companies, offering a complete sales, marketing and logistical service. Based in Stroud, Gloucestershire, TRI sells into 78 countries worldwide including USA, Spain, Portugal, Italy, Czech Republic, Russia, Turkey, South Africa, Saudi Arabia, UAE, Malaysia, Australia and China. Hartim has recently acquired a distribution business in Australia to improve the service that it can offer to principals.

Western holds 49.5% of Hartim, which has a 31st December year end and achieved profits in 2010 of £540,000 after tax on turnover of £22,282,000. Western's share of the consolidated profit after tax for the twelve months to 30th June 2011 was £337,000 (2010 - £150,000) and the book value of the investment at 30th June 2011 was £1,465,000 (2010 - £1,129,000), being 10% (2010 - 10%) of Western's assets.

Western has two nominees on the board of Hartim: Mr E. J. Beale and Mr L. H. Marshall.

Industrial & Commercial Holdings PLC (ICH)

ICH is a small, unquoted, PLC in which Western holds a 29.9% interest. It owns land with potential for residential planning permission at Milngavie, adjacent to Dougalston golf course, just north east of Glasgow. ICH is currently making representations for its land to be included in the local authority's next five year plan, but it may take some time for permission to be received. Mr Marshall and Mr Robotham are directors of ICH.

City Group P.L.C.

Western holds 48.6% and London Finance & Investment Group P.L.C. holds 51.4% of City Group P.L.C., which provides head office and company secretarial services to both of these and other, independent, companies.

General Portfolio

During the year the General Portfolio increased in value by 21.0%. Our investments in FTSE 100 and FTSE 250 stocks, which comprise 44% of the General Portfolio, increased in value by 23.2% whereas the FTSE 100 rose by 20.9% and the FTSE 250 rose by 27.4%. We have diversified by recently moving into holdings in European and United States stocks, representing 25% and 22% of the General portfolio respectively, which increased in value by 0.7% and 26.6% respectively. We have added a net £4,000 to the General Portfolio in the year.

Outlook

The continued disquiet over the level of national debts gives us cause for concern. However, the volatility in the financial markets is expected to provide buying opportunities for investors with a long term perspective such as ourselves. The General Portfolio has been invested in large diversified international companies outside of the banking sector which we think will be well placed to outperform.

D.C. Marshall
Chairman

Statement of Comprehensive Income

For the year ended 30th June 2011	2011	2010
	£000	£000
Income from investments in:		
Listed strategic undertakings	269	164
Other listed undertakings	82	85
	-----	-----
	351	249
Administrative expenses	(275)	(269)
	-----	-----
Profits on disposal of investments	68	134
	-----	-----
Operating profit	144	114
Share of profits of associated companies	336	128
Finance income	-	14
Finance costs	(8)	-
	-----	-----
Profit before taxation	472	256
Taxation	(5)	-
	-----	-----
Profit after taxation attributable to equity shareholders	467	256
Other comprehensive income		
Fair value recycled from equity on disposal	83	68
Fair value adjustment on listed undertakings	3,781	1,792
	-----	-----
	4,331	2,116
	=====	=====
Basic and diluted earnings per share	2.6p	1.4p

All profits and losses are on continuing activities.

Statement of Financial Position

At 30th June 2011	2011	2010
	£000	£000
Non-current Assets		
Investment in Associates	1,615	1,279
Investments	14,118	9,332
	-----	-----
	15,733	10,611
	-----	-----
Current Assets		
Trade and other receivables	132	37
Cash and cash equivalents	-	328
	-----	-----
	132	365
	-----	-----
Current Liabilities	(843)	(41)
	-----	-----
Net Current (Liabilities)/Assets	(711)	324
	-----	-----
Net Assets	15,022	10,935
	=====	=====
Equity		
Share capital	7,180	7,182
Share premium account	2,654	2,654
Capital redemption reserve	3	-
Warrants reserve	-	148
Unrealised profits and losses on investments	2,806	(1,058)
Share of undistributed profits of associates	696	360
Realised profits and losses	1,683	1,649
	-----	-----
Shareholders' Funds	15,022	10,935
	=====	=====

Statement of Cash Flow

For the year ended 30th June 2011

	2011	2011	2010	2010
	£000	£000	£000	£000
Profit before taxation		472		256
Profit on sale of investments		(68)		(134)
Share of results of associates		(336)		(128)
Interest and other income receivable		-		(14)
Interest payable		8		-
Changes in working capital				
(Increase)/Decrease in debtors and accrued income		(95)		232
Increase in creditors		5		-
		-----		-----
Cash (utilised)/generated by operations		(14)		212
Taxation paid		(5)		-
Interest paid		(8)		-
Interest and other income received		-		14
		-----		-----
Net cash (utilised)/generated by operations		(27)		226
Cash flow from investing activities				
Proceeds on disposal of general portfolio investments	524		1,350	
Purchase of general portfolio investments	(528)		(1,224)	
		-----		-----
	(4)		126	
Purchase of strategic investments	(850)		(197)	
		-----		-----
Net cash (absorbed) by investing activities		(854)		(71)
Cash flow from financing activities				
Proceeds received from issue of new shares	1		-	
Costs of shares purchased and cancelled	(3)		-	
Equity dividend paid	(242)		(117)	
		-----		-----
		(244)		(117)
		-----		-----
Movement in cash and cash equivalents		(1,125)		38
Net cash and cash equivalents at start of year		328		290
		-----		-----
Net (debt)/cash and cash equivalents at end of year		(797)		328
		=====		=====

Notes:-

1. Earnings per share are based on the profit on ordinary activities after taxation and on 17,948,948 shares (2010 – 17,956,548) being the weighted average number of shares in issue during the period.
2. The net assets per share are calculated taking investments at market value. The Company has estimated Corporation Tax losses which cover the potential liability on the unrealised gains on investments.
3. The financial information contained in this preliminary announcement of results has been prepared under the recognition and measurement principles of International Financial Reporting Standards and Interpretations issued by the International Accounting Standards Board as adopted by the European Union ('IFRSs'). The financial information does not give sufficient information to comply with IFRSs which will be contained in the statutory accounts sent to shareholders.
4. The financial information in this preliminary announcement does not constitute the company's statutory accounts for the years ended 30th June 2011 or 30th June 2010 but is derived from those accounts. The financial statements for both years have been prepared in accordance with IFRSs as adopted by the EU. The statutory accounts for 2010 have been delivered to the Registrar of Companies and those for 2011 will be delivered following the Company's annual general meeting. The auditors reports on the accounts for both years were unqualified, did not include references to any matters to which the auditors drew attention by way of emphasis without qualifying their reports and did not contain statements under the Companies Act 2006, sections 498 (2) or (3).

Copies of this notification are held at the Company's office, 30 City Road, London, EC1Y 2AG (tel. 020 7448 8950) and are available for a period of 14 days from the date of this announcement.

Enquiries to:

Western Selection P.L.C.
Edward Beale

020 7448 8950

Loeb Aron & Co. Ltd.
Peter Freeman / Jonathan Willis-Richards

020 7628 1128

Notes to Editors:

The Company is an investment company and the investment policy is to hold strategic stakes in a few smaller UK quoted companies and maintain a diversified portfolio of U.K. and overseas quoted multinational stocks, together with a few holdings on AIM, PLUS and some unlisted shares. Strategic Investments are minority positions where the Board seeks to maintain a close working relationship with the management of the investee. Western is represented on the boards of three of its four Strategic Investments.