

Trading Update - January 2007

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Charles Taylor Consulting plc is pleased to announce that trading for the period ended 31st December 2006 was in line with management's expectations.

Mutual Management Division

The Mutual Management division has performed well with a significant growth in revenue and two new management contracts have been signed in relation to the management of mutuals for Care Homes and Activity Centres. Management activities relating to the Standard and Signal Mutuals also produced a good financial performance. In addition, substantial groundwork was completed in relation to the Local Authorities Mutual and other projects within the UK Public Sector.

Services Division

Margins have improved overall as a result of better productivity and whilst the Energy revenue remained broadly in line with that of 2005, Aviation, Marine and Non Marine all saw increased turnover.

With a view to further improving the quality and coherence of client service as well as improving the overall efficiency of the division, it is intended to combine all of the Group's loss adjusting operations under one brand and management structure during the first half of the financial year.

Run Off Division

LCL made three acquisitions during the year and continues to examine a number of opportunities to expand further. During the year a minority interest in one of its insurance subsidiaries was sold with a view to enhancing and accelerating the cash realisation of that company's tax losses. CTC expects to enjoy both significant cash inflows from this sale and to achieve substantial cash flow benefit from the utilisation of its share of the company's tax losses.

The preliminary results will be announced on Wednesday 28th March.