14 May 2013

Panther Securities PLC
("Panther" or "Group")
Interim management statement for the three month period ended 31 March 2013

Panther is pleased to publish its Interim Management Statement for the three month period ended 31 March 2013. The Accounts for the financial year ended 31 December 2012 were announced on 24 April 2013 and have recently been posted to shareholders.

The main highlights of the period have been:

Financing

- As previously announced Panther is maintaining its dividend for the year ended 31 December 2012 at 12p per shares subject to shareholder approval. The proposed final dividend of 9p per share is to be paid on 31 July 2013 to shareholders on the register at the close of business on 21 June 2013.
- The final dividend has a scrip alternative, shareholders should have received a mandate form with their statutory accounts or should contact their brokers' if their shares are in electronic format and they would like to opt to receive additional shares instead of a cash dividend.
- The Group still has £6.5 million to draw down on its loan financing being a £75 million club deal from HSBC and Santander. However when the two most immediate purchases below complete we will have remaining loan drawdown ability of £1.8 to £2.0 million. The Group is reviewing other possibilities to raise additional finance, we are also looking to sell some non-core/ mature assets to swell our cash reserves and fund further investments.
- There has been a £0.6 million increase in our financial derivatives liability, as they show an increased total liability of £21.3 million as at 31 March 2013. This is compared to the combined liability of £20.7 million as at 31 December 2012 as announced in April. As previously stated, the valuations of financial derivatives are based on market estimations of future interest rates, which have in recent times been very erratic over short periods. The Board believes that these are an effective 'cash' hedge for the majority of the borrowings of the Group and unlikely that the Group would willingly pay the estimated premium to exit these financial instruments.

Lettings

- In January 2013 we completed a 20 year lease to William Hill at £31,000 per annum at our property 204-205 Station Road, Burton on Trent, with the upper parts still available for letting.
- One long term investment at 199-205 High Street, Perth was let to Sainsburys, in March, on a 15 year lease at £47,500 per annum. This is very pleasing as this had been vacant for some time and we now have a very saleable investment.
- Overall our tenant activity for the quarter, taking account of tenants vacating and new lettings show a net gain of approximately £110,000 per annum.

Acquisitions

In the period:

- We purchased a long leasehold property in March 2013 in central Liverpool, being 19-25 Tarleton Street for £370,000 (including stamp duty). The tenant, JD Sports was in occupation but holding over, and we agreed a two year lease at £85,000 per annum prior to exchanging and the lease was simultaneously completed at the same time as the purchase.

Post period:

- In April 2013 the Group entered into three more contracts to purchase Beale's department stores:

  1) 77-87 Lumley Road , Skegness — this is being purchased for between £1.45 million and £1.65 million (excluding stamp duty) depending on whether certain conditions are met. This freehold building is 50,000 square feet of modern space over three floors in the main shopping street in Skegness.
  2) Park Road, Peterborough – we have agreed to purchase and paid a non-returnable deposit and we have 14 months to complete this contract. The completion price is £2.25 million (excluding stamp duty) for this department store. This freehold is 130,000 square feet over three floors in the centre of a good growing prosperous town.
  3) Queen Street, Mansfield – we have agreed to purchase and paid a non-returnable deposit and we have 14 months to complete this contract. The completion price is £2.25 million or £2.0 million depending on whether certain conditions are met. This half freehold, half long-leasehold is effectively two properties totalling 150,000 square feet, half is situated in the main shopping centre and the other half across a pedestianised road both the buildings are connected by two bridges at 1st floor shopping levels.

  The properties currently are subject to leases based on profit share with Beale PLC, which all contain landlord breaks, Skegness can be exercised now upon 6 months' notice, and the other two will have the ability to break in a years' time. Once notice is served, Panther will seek to negotiate market rents.

- In our September 2012 interim management statement we mentioned that we had agreed terms and had instructed solicitors for the purchase of the freehold property, 23-49 High Street and 3-13 Cockburn Street, Falkirk a multi-let high street retail parade investment for circa £4 million. This has finally exchanged but at a reduced price of £2.96 million (including stamp duty) due to a change of income as some significant tenants had vacated. The property comprises of 16 retail units and vacant offices. 95% of the total current rental income of £480,000 per annum is secured against national multiples. The highlights include a double unit let to Santander (agreed last year) with 19 years remaining with rents rising to £72,500 in four years time. This investment offers excellent opportunities for long term income and value enhancement by letting the vacant units.

General trading update
The Group continue to invest substantial amounts into investment properties and is also pleased to report that it is still experiencing a noticeable increase in enquiries for vacant properties. There are still good value investment opportunities in the property market.

As ever we remain upbeat about Panther's future prospects.

Other than as stated above, there has been no significant change in the Group's financial position since 31 December 2012.

Andrew Perloff
Chairman

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