

Panther Securities PLC
("Panther" or "Group")

Interim management statement for the three month period ended 30 September 2013

Panther is pleased to publish its Interim Management Statement for the three month period ended 30 September 2013. The results for the six months up to 30 June 2013 were announced on 28 August 2013.

The period was a comparatively quiet one for the Group but the main activity includes:

- In September 2013 the Group sold a development site in Nelson, Wales for £235,000 which will result in a profit of approximately £95,000. This investment has produced no income.
- There has been a decrease in our financial derivatives combined liability, which stood at £16.4 million at 30 September 2013 compared to £16.9 at 30 June 2013; an improvement of nearly £0.5 million.

Significant transactions post period end:

- In October 2013 the Group completed its purchase of 77-87 Lumley Road, Skegness for £1.53 million (excluding stamp duty). The freehold building comprises 50,000 square feet of modern space spread over three floors in the main shopping street in Skegness.
- The Elektron Ltd lease at 29 Central Avenue, West Molesey comes to an end in December of this year. It currently yields £250,000 pa. Elektron have found the property too large for their current requirements and would like to relinquish part of its space and divide up the remainder. The costs of splitting the space has proved quite prohibitive and we have managed to agree a shorter term let, for another two years at a reduced rent of £125,000 while we look at alternative arrangements for this site.
- Wimbledon Television and Film Studios, whose trading business is 25% owned by Panther, has been seeking finance or new investors to provide funds of between £1.5 and £2 million to upgrade some of their stage sets and film studios. This will enable them to be used for live television broadcasting which has much more demand and therefore greater profitability than stage sets. This investment is outside of the remit available to the Group.

It has, however, become quite clear that any potential investors considering investing in the upgrade of the studios would wish to own the freehold. The property, which is owned by Panther, has over 200,000 sq. ft of studio/office/leisure space on a site of 4.25 acres. Panther has therefore agreed with Wimbledon Studios that it would be prepared to sell the freehold or grant an option to a suitable studio purchaser who invests in the studios and assists the management buyout.

There will soon almost certainly be a shortage of studio facilities in the centre of London due to the BBC's relocation to Salford, Teddington Studios imminent closure due to

development, Riverside studios in Hammersmith applying for residential planning permission and the prospect that ITV may be considering redevelopment of their freehold South Bank television studios. All these factors point to increasing opportunities for studios that have the most modern and up-to-date facilities

General trading update

During the financial crisis the Group showed confidence by increasing its borrowing and invested substantially. This process is now slowing as we have used most of our arranged funds and sit at a gearing level where the Board are comfortable. We are seeing the market picking up in terms of lettings and increases in underlying investment values. With improving sentiment we hope to be in a position to increase lettings on vacant properties and selling non-core properties.

There are still opportunities as banks and administrators see the improving market as a time to release more investment stock into the market. We also have some cash funds as well as £3.7 million available on our loan facility to take advantage of available opportunities.

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

Listing proposal

The Board has decided that the Group should seek shareholder approval to cancel its admission to the premium segment of the Official List and request admission to the Alternative Investment Market ("AIM"). The Group is relatively small and AIM is a more suitable market for us than the Official List, with its simplified administrative and regulatory requirements. Shareholders should be aware that with effect from 5 August 2013, shares in companies listed on AIM can be held in individual savings accounts ("ISAs"). A circular, including a notice of general meeting, will be sent to shareholders in early November.

Other than as stated above, there has been no significant change in the Group's financial position since 30 June 2013.

Andrew Perloff

Chairman

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