

**13 August 2014**

**Panther Securities PLC  
("Panther", the "Company" or the "Group")**

**Lease exchanged on Merton freehold property**

Further to the announcement dated 5 August 2014, Panther announces that it has exchanged agreements to lease on its freehold in Merton, which was previously occupied by Wimbledon Studios Ltd (currently in administration).

Wimbledon Studios Ltd, in which Panther has a 25 per cent. interest, was contracted to pay a concessionary rental of £490,000 per annum. The cost of changing from a fixed set filming location to a more modern multi-let television and film studio proved far more costly than anticipated and took longer to achieve viability than originally planned. Panther could no longer continue to support the business, as it felt the business would not reach profitability in the medium term and it was requiring significant funds, which the Panther Board could not justify for a business that was non-core. When the funding from Panther slowed, the directors of Wimbledon Studios Ltd took advice and then decided to appoint administrators. Panther has continued to support the Wimbledon Studios situation providing the administrators with additional funds, which has given them more flexibility on the close down, allowing for a slower more controlled process, which should be less harmful and assist the small and medium size businesses in the media village to find alternative offices.

The agreement to lease is a UK television broadcaster who Panther believes is expanding rapidly and has outgrown its current premises.

The property is to be let at a rental of £1,050,000 per annum under a 15 year lease, with tenant break options every 5 years. As part of the leasing agreement, the Group is contracted to replace the majority of the roof for £500,000 and is also contributing towards the upgrading of the electricity supply capacity, an amount up to £100,000. The tenant is paying two and half years rent in advance, which was a requirement due to the relative short term certain (i.e. 5 years to the break) and the substantial expenditure required to be undertaken to achieve the letting.

Completion of the lease is conditional on the completion of these works and other less costly conditions, which the Panther Board believes are manageable in the timeframe allotted to them. The Group envisages completion in early October 2014.

Immediately on completion of the roof works the tenant intends to implement internal building improvements to upgrade the facilities at the property. It is also planning to bring 150 jobs from its existing premises. This continues the presence within the building of a film and television related operation, which the building has been utilised for over the last 20 years, including housing originally The Bill television police drama series.

Since the Merton property was purchased by Panther in 2010 there has been strong growth in demand for London industrial property which has resulted in value increases.

Panther previously announced that it had a number of different enquiries for the building and this letting was considered the most beneficial to the Group, as it can retain the investment which the Panther Board believes has strong potential growth. Other than an offer from a developer, the other offers were all conditional and did not look like they could be satisfied in the required time scale. This letting enables Panther to retain an attractive industrial

investment in a desirable London location, with a growing media tenant, where the Panther Board believes there is an opportunity for further increase in value.

The Panther Board is delighted with this letting which will improve the Group's headline annual rental income by £560,000, but will also increase annual profitability by approximately £1,000,000, as previously the concessionary rental income had been fully provided against. The rent from this tenant will be approximately 8 per cent. of the Group's total rental income once the lease is completed.

**Enquiries:**

**Panther Securities PLC**

Andrew Perloff - Chairman  
Simon Peters - Finance Director

Tel: 01707 667 300

**Sanlam Securities UK Limited (Nominated Adviser and Broker)**

David Worlidge/Simon Clements

Tel: 020 7628 2200