

15 July 2009

**Panther Securities PLC (“Panther” or “Group”)
Trading update**

Panther Securities PLC is pleased to provide an update on the financial derivatives liability as at 30 June 2009 and details of two recent acquisitions.

Financial Derivatives

There is significantly lower liability in the financial derivatives to be included in the interim results for the six months to 30 June 2009, which we anticipate to release at the end of September 2009. This reduction in liability will result in a contribution to profits of approximately £5.7 million (ignoring any deferred tax effect) for the six month period. Financial derivatives show a combined liability of approximately £6.3 million on their valuation as at 30 June 2009, compared to the combined liability of £12.0 million as at 31 December 2008 (being the date of the latest audited accounts). As mentioned previously by the Board, the valuations of financial derivatives are based on future estimates of interest rates, which can be very erratic (especially in the current economic climate) and have changed dramatically recently over short periods. However, the Board believes these are an effective hedge for the borrowings of the Group and that it is unlikely that the Group will pay to exit these financial instruments.

GNE Group

The Group has purchased a small group of companies from GNE Group Ltd (previously GNE Group PLC) which was recently the subject of a takeover and subsequently delisted from the London Stock Exchange. The small group of companies purchased by Panther owns five properties which all are former petrol stations where permissions for change of use and redevelopment have been obtained. A nominal value was paid for the shares of the holding company of the group of companies and £1,400,000 was paid to acquire debt due to GNE Group at a discount.

The five properties mentioned above include two recently completed freehold investments. The first is a convenience store located in Stoke-on-Trent, currently let to United Co-Operative Foodstores. The second, located in Stockon-on-Tees, is a development of three retail units and six flats (one flat sold on a long lease). The commercial properties have new 15 year leases and the residential properties, on assured short-hold tenancies, produce rental income of approximately £120,000 p.a.

The three undeveloped freehold sites all have residential planning permissions as detailed below:

Nelson, South Wales – a mixed residential planning scheme of 11 units;
Birmingham – a 6,000 sq ft convenience store with 18 flats above ; and
Glasgow – outline planning for a retail unit with 7 flats above.

Panther intends to sell the two investment properties and is hoping to recoup approximately 90 per cent. of the purchase cost. The Group will hold the undeveloped sites until the residential market recovers or seek alternative uses which may be immediately profitable.

East Sussex Leisure Complex

In an unrelated transaction, Panther has acquired, subject to delivery of certain legal documents, a private property company which owns a freehold modern, purpose built 70,000 sq ft leisure complex in East Sussex. The completion is expected in the next few days. The property is let to various tenants, including JD Wetherspoon and Domino’s Pizza, and has total annual income of £240,000. Panther is acquiring the company for nominal consideration and is purchasing (at a discount) the debt due to the original developer for £470,000, being the approximate net asset value of the company after adjustments. Panther values the property at approximately £2,200,000 (including costs) and is taking on the bank term loan of approximately £1,700,000 within the company. The property contains two

vacant units which provide an opportunity to increase the rental return, although one of the unit's rent is currently covered by way of a guarantee.

Andrew Perloff
Chairman

Andrew Perloff, Chairman, further commented:

“These are exciting deals both with ‘angles’ which should benefit the Group immediately and additionally in the future. We continue to seek out similar opportunities.”

For further information contact:

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