

Panther Securities P.L.C.

Preliminary Announcement – Year ended 31 December 2007

Panther Securities P.L.C.

Panther Securities PLC – y/e 31 December 2007

CHAIRMAN'S STATEMENT

RESULTS

Wow, it has been a great year. Our pre-tax profits for the year ending 31st December 2007 are £9.089 million compared to £9.269 million for the previous year, but that year benefited from approximately £6.081 million revaluation profits, whilst the current year reflects almost entirely realised profits.

Rental income for the current year was maintained at £7.526 million (2006 - £7.510 million) despite our continued policy of selling some of our mature investments.

The year was an extremely active one for our group and I shall briefly mention the most significant events.

Disposals

In February 2007, we sold at auction the following properties: 191-199 Rushey Green, Catford, London; Hainton House, Hainton Square, Grimsby; 74 Kilmarnock Road, Glasgow; 63/65 High Street, Dumbarton; and Units 1 and 2, 4 High Street, Paisley. In May 2007, we also sold 107/109 George Street, Oban. These properties, which were producing £277,000 per annum, were sold for approximately £5,400,000; the profit on disposal was approximately £1,150,000. We also sold a small property held as trading stock, which was a vacant shop at 35/37 Bridge Street, Dumbarton, for £237,000, showing a good profit.

Oldfield Road, Maidenhead

This freehold property was a 15,000 sq ft single storey industrial type building that had established office use on a site of approximately half an acre and it had been vacant for some time. It was sold on 17th October 2007 for redevelopment to Henry Boot P.L.C. for £2,250,000 with a profit on disposal of £945,000.

Neil House, 1-15 Whitechapel Road & 2/10 Osborn Street, London E1

This freehold property, also sold in October, was a 1960's mixed-use building on the corner of Whitechapel Road and Osborn Street, comprising approximately 40,000 sq ft, multi let, and producing £450,000 per annum with approximately 10,000 sq ft of the offices vacant.

This property was sold to the Workspace Group plc for £10,800,000, the profit on disposal being £3,494,000.

Real Estate Investors PLC

We sold our entire ordinary shareholding in Real Estate Investors PLC for £740,000, realising a profit of £92,000. We retained the convertible loan note in this company with a face value of £325,000, repayable in about one year's time or convertible into ordinary shares in the company.

The total amount realised from these sales was £19,026,000, £9,324,000 of which has been reinvested in property and £3,158,000 in Stock Exchange securities, mainly in listed property shares.

Acquisitions

In February 2007, we purchased three freehold factories at Boraston Lane, Burford, Tenbury Wells, Worcestershire; Picts Lane, Princes Risborough, Buckinghamshire and Valley Road, Clacton-on-Sea, Essex, all occupied by subsidiary companies of Elektron PLC. The costs (including stamp duty) were £4,600,000 and simultaneously leaseback arrangements were

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entered into so that a total annual rental of £343,500 was immediately receivable. These three factories have a total net lettable area of 120,000 sq ft on seven acres of land. 14,000 sq ft of which is vacant, with the potential for an additional rental income of £50,000 per annum.

In August 2007, we purchased two freehold factories at Woodland Road and Woodland Close, Torquay, Devon, which comprised approximately 68,000 sq ft on 3.5 acres, subject to a leaseback to Sifam Limited at £215,000 per annum for terms of 10 years and 7 years respectively, after a one year rent free period. The cost, including stamp duty, was £2,430,000. Sifam Limited had immediately before this transaction been purchased by Elektron PLC.

We also purchased in August three further freeholds, namely a part vacant shop investment at 86-88 High Street, Margate, producing £20,000 per annum, for £549,000, a 10,000 sq ft factory investment in Harwood Road, Littlehampton producing £45,000 per annum for £567,000 and a former branch of Lloyds Bank at 216/218 Northdown Road, Cliftonville, Margate, for £308,000. This was a vacant property and, after minor works, will be offered for letting. A freehold ground rent on 2 acres of industrial land at Newton Abbot was purchased for £170,000.

Progress Report

21/27 Guildhall Street, Folkestone

Our development of residential units above our shops in Folkestone was increased to a development of 20 units and is now completed. We are offering them for sale, but the residential market is extremely slow and they won't "fly out of the window" as we had originally hoped.

177-195 High Street, Scunthorpe

We have let approximately half of our 20,000 sq ft property in Scunthorpe, on a 25 year lease to Barracuda Pubs & Bars Limited at a commencing rental of £68,000 per annum, increasing to £72,500 in five years, and when the remaining two units in this property are let, its current value should increase considerably.

Pyewipe Industrial Estate, Grimsby

After the tenant of this 25,000 sq ft single storey factory failed, we decided to internally divide the building into smaller, individual industrial units, of 1,250 to 2,500 sq ft. There is a strong demand for small industrial units, which in turn attract higher rents per sq ft when let.

Rather surprisingly, this needed planning permission, which we obtained after spending nearly a year dealing with the local authority. Our works on the development have started and, when finished, the property should produce over £100,000 per annum income, compared to £55,000 per annum from the previous tenant. We are already receiving enquiries for some of these units.

199-205 High Street, Perth

We are currently carrying out a rear ground floor extension and major refurbishment of the property, which has been vacant for some time. We have current interest from potential occupiers wanting either to buy or rent the completed scheme.

Brackla Shopping Centre, Bridgend

This is a small out of town shopping centre which was acquired with the Northstar Group some years ago. It has always been fully let and has provided good rental growth. We have secured planning permission for five extra shop units, which we are hoping to start building soon. We are already receiving enquiries for these units from some major retailers.

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Elektron PLC

Our shareholders will be aware that we are significant shareholders in this company, where we are optimistic that they will continue to prosper and that their expansion policy will enable us to occasionally acquire factory investments off-market to our mutual benefit.

Valuation of properties

Our entire portfolio was revalued by the independent valuers DTZ and although there were numerous changes to the assessed values of the approximately 80 separate individual blocks of property valuations (about 30 up and about 30 down). The result is a small increase in the overall value of our portfolio! PHEW!!

Finance

As at 31st December 2007, our group had over £12,500,000 in cash and a further £7,500,000 of undrawn loan facilities not requiring additional security..

The £35,000,000 of our current borrowings are on a term loan at a favourable interest rate owing to our having entered into swap arrangements in December 2006 on £50,000,000. Our borrowings are currently only £35,000,000, and due to the current uncertainty, short-term money rates are disproportionately expensive and, because of this, our group benefits more than was anticipated.

In our interim statement under the IFRS rules the capital value of our swaps had to be brought into our income statement and amounted to £2.5 million. At that time, I felt that this was inappropriate as its capital value was so volatile. This notional value has now vanished and there is currently no overall capital value to our swaps and thus included in this year's income statement as a net loss of £3,000.

General Overheads

My salary waiver has reduced overheads by over £522,000 in the period under review, compared to the year ended 31st December 2006, and I am continuing this waiver for the current year, as I am fed up with personally paying so much tax!

Dividends

An interim dividend of 6p per share was paid on 28th September 2007, and a final dividend of 6p per share is proposed for shareholder approval at the AGM.

With our substantial profits from some extremely successful sales, your board would normally have expected to pay a special dividend. These are not normal times and the business community, property, and financial companies in particular, would be wise to adopt a cautionary stance for the near future. We feel low borrowings and high liquidity are the order of the day and therefore a special dividend is not being paid.

Political Donation

Those thieves at Westminster who seem answerable to no-one continue to feather their own nests at John Lewis while the general populace suffer. I therefore continue to propose that the company support the Conservative party, who can't be any more profligate and must be more competent than the current bunch of "N'er do wells". Of course, I will not vote my personal interests on the resolution as one or two shareholders may disagree with me on the point of principle that companies should not involve themselves in politics. Due to a recently introduced stealth tax in the year ending 31st December 2008, we will probably have approximately £410,000 of vacant rates payable (compared to £237,000 for this year ended

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31st December 2007) even when we are in the process of improving these properties, our efforts delayed by slow planning procedures and decisions.

About 10 years ago, my favourite uncle died aged 90. He was wise from the school of life, having been taken out of education at the age of 12 to help in my grandfather's small cabinet-making factory. A life long bachelor, he lived a financially successful and comfortable life of self-centred indulgence and yet of parsimony. From his teens, his one great love was the London Theatre and he was able to attend nearly every first night production for nearly 70 years. Although extremely careful with his pennies, his one financial anomaly was his habit of regularly entertaining his friends, family, nieces and nephews, and in his earlier years, his business clients in groups of six to ten people to an evening at the theatre and afterwards to a dinner at a nice restaurant.

I was a favoured nephew and often accompanied him. Sometimes, the plays were dreadful but afterwards the meal and company were always good. In his later years after the show, his group often dined at the restaurant in the Victoria Sporting Club Casino. I knew he never gambled, so I asked him why he joined. "It was free" was his reply. He then explained how, when the Casino was seeking planning permission, they offered a number of nearby residents including him free membership and he had never refused anything that was "free". When the Casino opened, those members were invited to sample the fayre at the restaurant "free". He of course accepted. He told me not only was the size of the portions and variety of the menu excellent, but he noticed that the prices were extremely low and instantly realised that the Casino heavily subsidised the restaurant. From that moment, it became his favourite restaurant.

After dinner, on one of our family outings, I and my mother and aunt wanted to play the tables, but they were put off as the cheapest gambling chip was above their normal low self-imposed limit. I offered to give them £100 each to play, but they refused to take a gift. I then said, "Both of you, take the £100 each and **gamble for me**. If you win, you can keep half the winnings, and if you lose I'll carry all the loss". This they found acceptable and an enjoyable evening was had by all.

I cannot remember the final result of our gambling spree, but with hindsight, I now realise I had probably conceived the basic idea behind the first hedge fund.

Once again I have separated off my personal ramblings (which seem to be more rambling than usual) which follow this statement and are not strictly, as you will have gathered, related to our operations so that those shareholders who are not interested in my views may ignore them.

Finally, I would like to thank our small dedicated team of staff, our financial advisers, legal advisers, agents, accountants and , of course, our tenants – to all of whom I am most grateful.

As ever, notwithstanding the many uncertainties, I view our future with optimism and confidence.

A. S. Perloff
Chairman
28th April 2008

CHAIRMAN'S RAMBLINGS

In recent years, I have occasionally taken travelling holidays with my wife and young daughter. On one such occasion, we were travelling north along the coastal route from southern Spain. Rarely booking hotels in advance, we took our chances as to what was available at suitable stopping times, usually between 6.30 and 8pm. Having reached a medium sized non-tourist town, we looked in our Michelin guide to find the best of a mediocre group of possible stopover places. This found, we parked outside and leaving my wife to guard the luggage in the car, but taking my daughter inside with me I went in to enquire as to availability. The receptionist spoke passable English and explained that it was at their busy time and they only had a few small rooms available. I asked, "Have you any suites?". "No sir," came the reply. I persisted "Are you sure you haven't even one large suite that may have been cancelled?". "No sir, not even one suite, only the standard room left". So we took the standard room.

As soon as we decamped into the room, our daughter as usual jumped up and down on the bed and then ran round and examined the room. She finally found the mini bar. Suddenly she was excitedly running up to me waving a packet of M&Ms, "Daddy, Daddy, that man was wrong, he does have SWEETS".

The last part of that holiday we spent a few days in Paris and hoping to instil in our daughter an appreciation of the arts, most of our last day was taken up by a visit to the Louvre. We trooped round a huge number of their galleries, seeing an unimaginable amount of masterpieces of sculpture, paintings and other works of art. The greatest moment, however, was, after queuing with hoards of people, and going through the Long Gallery, when we were able to see the "Mona Lisa". We left the Louvre much pleased with the artistic education of our daughter. We arrived back in England with some days left before school started, so my daughter, as a special treat, stayed with her adored "Nana".

Of course, "Nana" loves to spoil her, so the very next day, she asked her granddaughter "Would you like to go to the pictures?". She was astonished with the response. My daughter clasped her hands over her eyes and exclaimed very loudly, "OH NO NO, **not more pictures!**". Nana took a few moments to realise that it was not Disney or Dreamworks, but Rubens, Rembrandt and Leonardo da Vinci that the child had overdosed on.

My final child story occurred only last year.

My wife and daughter had just finished a nice afternoon on Antibes beach and packed their belongings to walk back to our holiday home. As they reached the pavement, our nine year old daughter noticed a green wine bottle that had been smashed to smithereens on the side of the road.

"That reminds me of Crystal Night" she told my wife. My wife was shocked. "Where did you hear about "Krystalnacht"?" she asked. "Can't remember", came the usual reply. My wife worried about what may have been instilled in her still formative brain, went on a long and child-friendly explanation, telling how, a long time ago in Germany, those in charge of running the country did not like Jewish people who had so many shops including many book shops, and so the local leaders arranged for soldiers to smash the Jewish shop owners' windows, throw all the books into the street and make a bonfire of them. The fire made the broken glass sparkle like crystals and from that time on that terrible night was called "Krystalnacht". She then explained how terrible it is to be nasty to people because they are different to you, either by religion or colour or any other reason. My daughter, who rather surprisingly had listened quietly and patiently until then, said "Don't be silly mummy, I meant the stuff that makes Superman go weak" – for the uninitiated, that's KRYPTONITE.

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Of course, these are amusing stories and have little relevance to my “Bête Noire”. Except..... they are all based on verbal misunderstanding and over the last ten years or so it seems to me that our elected leaders have managed an almost Orwellian transformation of our language and often deliberately utilise words or phrases that have different meanings for each listener and thus promises can be wriggled out of. In many budgets, the words “fairer, prudent, hard working, resources, simplify, abolish” attached to changes that sounded reasonable on verbal presentation turn out to be the exact opposite upon proper detailed inspection of that which was being proposed. Whilst you can fool all of the people some of the time you cannot fool all of the people all of the time. The general public have come to realise that the spoken word from any politician is twistable. An oleaginous politician might have said, “So what?” It does, however, explain why immediately after our current chancellor said “Your money is safe in the Northern Rock” all and sundry ran to the nearest branch to withdraw their funds. Creating the first run on a British bank in over 100 years and necessitating a full blown Government guarantee on all of its deposits. Most of you will know of my antipathy for most bureaucrats, but occasionally I feel maybe, just possibly, individually they could be nice people, but I ask myself, what could possibly explain the hopeless shambles in practically everything connected to or associated with them?

Having mentioned Superman, I recall his most difficult antagonist was not really a villain, but a mischievous imp named Mr MXYZPTLK, who, having superhuman powers, somehow broke into our world from the fifth dimension. He always tried to wreak havoc everywhere, which took all of Superman’s super duper abilities and efforts to remedy or prevent. Mr MXYZPTLK did it because he was bored and wanted excitement. Perhaps, we have a Mr MXYZPTLK roaming the corridors and the computers of Whitehall.

A lot of people who have read my ramblings have probably thought I’m half mad. I hate doing things by halves, so now I must try to achieve full status.

I am definitely not qualified to give an authoritative opinion on Global Warming. But with forty five years’ experience of our administrators, I feel I have to comment.

Taxes have been raised substantially to improve Education, the Health Service, Transport and other services and failed miserably, the public being no longer prepared to countenance more money being spent on these matters. It is obvious those geniuses of the Treasury have had to invent a new Tax that will have general support – will raise huge amounts of money now, and will make people who oppose it look nasty and selfish; it should also be capable of producing wonderful slogans and have no possibility of being regarded as completely useless until 40 to 100 years’ have passed, when all current administrators are long gone and buried, having sucked out the last of their fat pensions.

“Global Warming”, “Greenhouse Gases” and “Save the Planet” and “Green Taxes” fill this role perfectly.

With the vast amount of information out there, numerous scientists, meteorologists all of whom receive huge funding grants from Central Governments for research into the troubles of the world would stop receiving grants if they stated everything was running nicely; thus long-term disaster suits them nicely – the Government mouthpiece, the BBC, whose entire livelihood is dependent on Government caprice, is happy to repeatedly show the same iceberg falling into the sea or a solitary lonely polar bear floating away on the ice-flow accompanied by a selected dose of possibly incorrect facts.

Nothing sells newspapers (other than sex scandals) like a disaster or potential disaster, and even better if it has graphics of cities under water or other huge natural disasters.

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Well, of course, experts could be right that human activity may well be generating excessive amounts of carbon dioxide that will warm the planet by one, two or three degrees over the next 50 years or so.

But carbon dioxide only accounts for 0.25% of the earth's atmosphere – it is generally a very beneficial gas which can attach itself to many other elements and is vital for plant and food production. The fact is that humanity is sitting on a huge intensely hot ball of molten metal covered by a thin crust of rocks, spinning round at thousands of miles per hour with the entire planet separately spinning around our sun a gigantic ball of continually exploding unimaginably hot star, galactically not that far away yet 400,000 times bigger than earth with this star often sending off monumental bursts of heat that can affect earth. Some scientists even suggest that other uninhabited planets in our solar system have also warmed up (slightly) at the same time as earth. I could find more facts that can be unearthed which may give one cause to reconsider the current general consensus – but I won't, I am going to give the doom merchants the benefit of the doubt and look at their remedy.

The partial remedy after loads of more Green Rules, Green Regulations and Green Taxes is to produce a carbon dioxide or methane trading scheme where all producers of these greenhouse gases will be issued with green allowance certificates and will have to buy allowances from someone who is not using their full allowance, ie like wartime rationing in the past.

In short, it appears that a “load of old gasbags” will ration us (I guarantee not themselves), pretend to measure an invisible floating gas by weight, with allowances calculated by Government bureaucrats and issue certificates, possibly favourably to their friends or Government controlled enterprises. To me, the important question is: which department of Government?

Will it be the department who organised the Millennium Dome, or the one now in control of the cost of our forthcoming Olympic Games. Perhaps, it will be the department which calculated that 7,000 immigrants might arrive from an Extended Europe, when over 700,000 people actually arrived. Perhaps, it will be the Home Office dealing with prisons, who haven't the slightest idea of who should be in or out of prison or who found out that over 25,000 British overseas convicted felons had no record when they came home. Perhaps, the Treasury, who deal with the Tax Dis-Credit system, when over 50% of payments and receipts are wrong, or those that have made the system so complex that even their own specialist tax inspectors do not understand the rules. Maybe the DHSS who regularly make payments to 2,500,000 disabled when most of us know over half aren't. Perhaps, it will be the department that destroyed the private sector pensions, with their financial rape and “simplification”, or those bureaucrats who negotiated the doctors' funding arrangements so generously that doctors no longer need to work so hard. Or maybe they will pass the licensing to our unelected European overlords, whose accounts are never signed off because they are too fraudulent; who managed to create “wine lakes, butter mountains, olive oil lagoons” also paying grants to farmers not to grow anything, whilst a good proportion of the world is starving. Already the encouragement to use and produce bio-fuels has pushed up the prices of basic foods to allow more of the poor to starve.

In fact, to my mind there is not one endeavour that our present political leaders (elected or unelected) have attempted that has been successful.

If the current bunch of leaders think they are capable of SAVING THE WORLD, they've not yet recovered from the excessive use of cannabis in their earlier years, and I'm going to stock up my larder with long life tinned food and sit back and remember some more sensible years.

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In 1969, I was negotiating to buy a parade of four large shops in High Street, Bromley, held by an old-fashioned grocery company on a long lease at a nominal ground rent. The company was in voluntary liquidation. Simultaneously, I was negotiating with the Prudential Assurance Society via their area manager to buy the freehold interest. Eventually, it was verbally agreed that if I could increase my last offer by £5,000, he would recommend his board to accept. I said I would probably be able to reach his figure, but I needed a little more time to progress my leasehold acquisition from the receivers. When at last I wrote to him saying I was ready to proceed, I was disappointed to receive a reply from a new fund manager saying he had taken over the South East area from his colleague and he no longer felt it was likely they would sell at the price previously discussed.

In earlier years, when I had dealt with the "Pru", first as an estate agent and subsequently as a property investor, on a number of occasions I dealt with one particular property investment manager who had gradually been promoted to become the "Head" of the entire property department. I wrote to him complaining that I had spent a long time working on the transaction and verbally agreed terms with the predecessor manager. As is usual with my letters, despite my irritation I finished off in a slightly humorous vein with "Surely the Pru does not need me to value their properties".

His response was prompt; the very next day he phoned me. After the usual pleasantries, he explained that the previous manager who dealt with me had left the organisation. He then asked me, and I definitely remember his words "Did you agree terms or even believe that you had agreed terms to purchase?". I, of course said yes. He then said, "In that case, we will proceed with the sale to you as our reputation for straight dealings is important." The purchases were completed shortly thereafter and we still hold these properties, which have proved a wonderful investment.

In the early 70s, my then wife invited a girlfriend from "up North" to live with us until she found a job in Central London and then suitable living accommodation. She stayed with us for about six months. It certainly was no hardship as she was beautiful, good-natured and always cheerful. Whilst I can't remember any of her job interviews, she certainly had a succession of suitors and one such suitor I remember well.

One Sunday morning, I heard a noise like Concorde taking off, looked out of the door and saw a car, such a bright red, I needed sunglasses and so low one could have driven it under my gates. That day's beau sprang out of his car and came in. He was of medium height, slim, remarkably good-looking with long black hair, dressed immaculately in a sharp dark suit, shirt and tie. I invited him in to wait as my house-guest was not yet ready, having after all had only three and a half hours to do so.

I considered myself in "loco parentis" and so, I questioned him about his prospects and where and what he did for a living. He was very amiable and talked about his dress shop off Bond Street where he sold designer dresses at a discount, explaining that all women love designer clothes and everybody likes a discount. He told us (my business partner Malcolm was there at the time) how well he was doing and that he was about to take his second shop also in the West End. He was also looking for lots more shops and said "one day I will be the biggest retailer in the country". After this flashy young lad left with his date, Malcolm and I laughed and joked about how from one short leasehold shop he was going to be the biggest retailer in the country.

Over the next 20 years I began to read about him and his many business successes and failures until on one such occasion I read he had acquired a small retail group which included freehold ownership of some properties that interested me. Via a mutual friend, I arranged to meet him. He did not recall our original meeting. However, since that meeting he had put on about two

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stone in weight, had slightly thinning hair going grey at the temples, and wore his shirt open-necked. We once again, due to our mutual interest in business and property, got on quite well and discussed the subject for nearly two hours. It was obvious, however, that he was too "on the ball" for me to acquire any bargains. So eventually, we said our goodbyes.

A few years later I was out with my wife who was shopping in Oxford Street. It was a nice sunny summer day and whilst my wife was foraging in a large shop near the corner of New Bond Street, I was casually standing in the street outside watching the world go by.

I suddenly noticed amongst the crowds of pedestrians my successful retailer friend, who was then a little heavier with a little less hair, walking at a tremendous pace towards me with grim determination on his face. I stopped him "What's the rush, are you late for a date?" This time he recognised me, broke into a big smile and stopped for a general business chat. He explained he had just bought a very large countrywide group of shoe shops and from his two big shops at either end of Oxford Street, he could tell what stock sold well. If the style of shoes did not sell well, he arranged for all shops throughout the country to immediately halve the price until they started to sell. He explained the stock that came with the group purchased had been written down prior to his purchase by so much that practically any selling price was a profit.

We chatted for about half an hour until my wife had finished examining the complete contents of the shop and returned. Business conversation over, he then had to rush off to his other shop. That was about seven or eight years ago, and I have not met him since as he has gone onto much bigger and better deals way out of my league.

The person in my first story was a Mr Peter Green, who with great property knowledge and integrity over the years had worked his way up to the top property position in the Pru and jealously guarded the integrity and reliability and trustworthiness of his institution.

I often admire people who can work their way up a huge organisation to achieve success and someone else I have never met but who fits the bill perfectly and has succeeded over 26 years doing a magnificent job in one of my favourite banks of steering it through troubled times is Stephen Green, Group Chairman of HSBC PLC.

The person in my second story was Britain's own home grown favourite, billionaire Phillip Green, whose early and continual dedication, determination, energy and love of the cut and thrust of business life has helped him achieve what he said he would do some 34 years ago.

Now these are the type of "Greens" this country needs more of, not the "Namby Pamby" selective fact stating, fact bending, self proclaimed do-gooders, rule-makers, rubbish-separators, environmentalist, world-saving, bossy-boots, who seem to have infected all areas of public life, whose usually publicly-paid income appears to be directly related to the amount of rubbish they spout forth.

OH, FOR A FEW THOUSAND MORE OF THE USEFUL GREENS.

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CONSOLIDATED INCOME STATEMENT
For the year ended 31 December 2007

	Notes	31 December 2007 £'000	31 December 2006 £'000
Revenue	2	9,516	9,722
Cost of sales	2	(2,576)	(2,930)
Gross profit		6,940	6,792
Other income		86	153
Administrative expenses		(2,291)	(2,503)
		4,735	4,442
Profit on the disposal of investment properties		5,457	438
Movement in fair value of investment properties		182	6,081
		10,374	10,961
Finance costs		(1,847)	(2,669)
Investment income		488	490
Profit on disposal of available for sale investments (shares)		77	497
Fair value loss on derivative financial assets		(3)	-
Surplus of assets acquired over consideration given		-	15
Share of results from Associate		-	(25)
Profit before income tax		9,089	9,269
Income tax expense	3	(1,646)	(1,924)
Profit for the year		7,443	7,345
Attributable to:			
Equity holders of the parent		7,509	7,387
Minority interest		(66)	(42)
Profit for the year		7,443	7,345
Earnings per share			
Basic and diluted	5	44.3p	43.5p

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CONSOLIDATED BALANCE SHEET

As at 31 December 2007

	Notes	31 December 2007 £'000	31 December 2006 £'000
ASSETS			
Non-current assets			
Property, plant and equipment		24	21
Investment property	7	101,200	104,521
Derivative financial asset		572	-
Available for sale investments (shares)		5,209	2,051
		<u>107,005</u>	<u>106,593</u>
Current assets			
Inventories		376	269
Stock properties		9,165	9,374
Available for sale investments (shares)		-	423
Trade and other receivables		2,992	3,369
Cash and cash equivalents		12,572	7,736
		<u>25,105</u>	<u>21,171</u>
Total assets		<u>132,110</u>	<u>127,764</u>
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Capital and reserves			
Share capital		4,230	4,250
Share premium account		2,886	2,886
Capital redemption reserve		591	571
Retained earnings	9	70,901	65,562
		<u>78,608</u>	<u>73,269</u>
Minority interest		27	93
Total equity		<u>78,635</u>	<u>73,362</u>
Non-current liabilities			
Long-term borrowings		35,011	36,989
Derivative financial liability		575	-
Deferred tax liabilities		9,321	12,272
		<u>44,907</u>	<u>49,261</u>
Current liabilities			
Trade and other payables		4,696	4,364
Short-term borrowings		-	135
Current tax payable		3,872	642
		<u>8,568</u>	<u>5,141</u>
Total liabilities		<u>53,475</u>	<u>54,402</u>
Total equity and liabilities		<u>132,110</u>	<u>127,764</u>

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CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSE
For the year ended 31 December 2007

	Notes	31 December 2007 £'000	31 December 2006 £'000
Movement in fair value of available for sale investments (shares) taken to equity		227	276
Deferred tax relating to movement in fair value of available for sale investments (shares) taken to equity		(60)	(156)
Net income taken directly to equity		167	120
Profit for the year		7,443	7,345
Total recognised income and expense for the year		7,610	7,465
Attributable to:			
Equity holders of the parent		7,676	7,507
Minority interest		(66)	(42)
		7,610	7,465

Panther Securities P.L.C.

CONSOLIDATED CASH FLOW STATEMENT
For the year ended 31 December 2007

	Notes	31 December 2007	31 December 2006
		£'000	£'000
Cash flows from operating activities			
Profit before interest, investment income and tax		4,735	4,442
Less: Profit on sale of non current assets		(4)	-
Add: Depreciation charges for the year		12	9
Less: Provisions against available for sale investments (shares) – current assets		-	(12)
Profit before working capital change		4,743	4,439
(Increase) in inventory		(107)	(70)
Decrease in available for sale investments (shares)		99	-
Decrease in stock properties		209	160
Decrease in receivables		377	25
Increase / (Decrease) in payables		565	(203)
Cash generated from operations		5,886	4,351
Interest paid		(2,080)	(2,730)
Income tax paid		(1,427)	(1,424)
Net cash from operating activities		2,379	197
Cash from investing activities			
Purchase of plant and equipment		(15)	(10)
Purchase of investment properties		(9,324)	(1,648)
Purchase of available for sale investments (shares)			
- current assets		-	(1)
- non current assets		(3,158)	(200)
Net cash acquired with subsidiary		-	361
Proceeds from sale of fixed assets		4	-
Proceeds from sale of investment properties		18,284	3,527
Proceeds from the disposal of available for sale investments (shares) – non current assets		628	1,969
Dividend income received		53	45
Interest income received		435	445
Net cash from investing activities		6,907	4,488
Financing activities			
Repayment of loan		(2,113)	(9,625)
Investment in own shares for cancellation		(297)	-
Dividends paid		(2,040)	(1,870)
Net cash used in financing activities		4,450	(11,495)
Net increase / (decrease) in cash and cash equivalents		4,836	(6,810)
Cash and cash equivalents at the beginning of year		7,736	14,546
Cash and cash equivalents at the end of year		12,572	7,736

NOTES TO THE PRELIMINARY ANNOUNCEMENT
For the year ended 31 December 2007

1. General Information

While the financial information included in this preliminary announcement has been prepared in accordance with International Financial Reporting Standards (IFRSs), this announcement does not itself contain sufficient information to comply with IFRSs. The Company expects to publish full financial statements that comply with IFRSs in May 2008.

The financial information set out in the announcement does not constitute the company's statutory accounts for the years ended 31 December 2007 or 2006. The financial information for the year ended 31 December 2006 is derived from the statutory accounts for that year, which were prepared under IFRSs, which have been delivered to the Registrar of Companies. The auditors' opinion on those accounts was unqualified and did not contain a statement under s237(2) or (3) Companies Act 1985.

The statutory accounts for the year ended 31 December 2007 will be finalised on the basis of the financial information presented by the directors in this preliminary announcement and will be delivered to the Registrar of Companies following the company's annual general meeting.

The accounting policies adopted in the preparation of these condensed consolidated preliminary results are consistent with those set out in the Group's Annual financial statements for the year ended 31 December 2006, with the exception of the adoption of IFRS 7 'Financial Instruments: Disclosures'.

There is no material seasonality associated with the Group's activities.

2. Revenue and cost of sales

The majority of the revenue cost of sales and profit before taxation is attributable to the principal activity of the Group and all of which is continuing. All revenue and cost of sales of this activity arose in the United Kingdom. The Groups main business segment, being that of investment and dealing in property and securities.

M.R.G. Systems Ltd is a separate business segment whose principal activity is that of electronic designers, engineers and consultants. 70% of its revenues arose in the United Kingdom and 100% of its cost of sales. Its net contribution to profits in the year was a loss of £(240,000).

The split of assets, and tax effect of each segment is not shown as these are not material in relation to M.R.G. Systems Ltd.

Turnover arose as follows:

	2007 £'000	2006 £'000
Rental income from investment properties	6,673	6,648
Rental income from stock properties	853	862
Income from sale of stock shares	114	-
Income from sale of stock properties	237	1,007
Income from trading (M.R.G. Systems Ltd)	1,639	1,205
	9,516	9,722

Panther Securities P.L.C.

NOTES TO THE PRELIMINARY ANNOUNCEMENT (Cont.)

For the year ended 31 December 2007

Cost of sales arose as follows:	2007 £'000	2006 £'000
Cost of sales - from rental income	1,340	1,695
Stock shares recognised as an expense	99	-
Stock properties recognised as an expense	138	514
Cost of sales – trading (M.R.G. Systems Ltd)	999	721
	2,576	2,930

3. Taxation

The charge for taxation comprises the following:

	31 December 2007 £'000	31 December 2006 £'000
Current year UK corporation tax	4,562	1,108
Prior year UK corporation tax	95	(290)
Current year deferred tax	(3,011)	1,106
Income tax expense for the year	1,646	1,924

Corporation tax is calculated at 30% (2006 – 30%) of the estimated assessable profit for the year.

4. Dividends

Amounts recognised as distributions to equity holders in the period:

	31 December 2007 £'000	31 December 2006 £'000
Final dividend for the year ended 31 December 2006 of 6p (2005 – 5p) per share	1,020	850
Interim dividend for the year ended 31 December 2007 of 6p (2006 – 6p) per share	1,020	1,020
	2,040	1,870

The Directors recommend payment of a final dividend of 6p per share (2006 - 6p). The final dividend will be payable on 27 June 2008 to shareholders on the register at the close of business on 23 May 2008.

5. Earnings per ordinary share (basic and diluted)

The calculation of earnings per ordinary share is based on earnings, after excluding minority interests, of £7,509,000 (2006 - £7,387,000) and on 16,958,402 ordinary shares being the weighted average number of ordinary shares in issue during the year (2006 – 16,998,151).

Panther Securities P.L.C.

NOTES TO THE PRELIMINARY ANNOUNCEMENT (Cont.)
For the year ended 31 December 2007

6. Net assets per share

	31 December 2007 £'000	31 December 2006 £'000
Total equity attributable to shareholders per 25p ordinary share	465p	431p

The calculation of net asset per ordinary share is based on the equity attributable to share holders of the equity in the parent company, and on 16,918,651 ordinary shares being number of ordinary shares in issue at 31 December 2007 (16,998,151 for 31 December 2006).

7. Investment property

	Investment Properties £'000
Fair value	
At 1 January 2006	99,881
Additions	1,648
Disposals	(3,089)
Revaluation increase	6,081
At 1 January 2007	104,521
Additions	10,864
Disposals	(14,367)
Revaluation increase	182
At 31 December 2007	101,200
 Carrying amount	
At 31 December 2007	101,200
At 31 December 2006	104,521

At 31 December 2007, £78,080,000 (2006 – 79,256,000) and £23,120,000 (2006 - £25,265,000) included within the net book value of land and buildings relates to freehold and leasehold land and buildings respectively.

On the historical cost basis, investment properties would have been included as follows:

	2007 £'000	2006 £'000
Cost	58,567	54,652
Cumulative depreciation	-	-
Net book amount	58,567	54,652

Panther Securities P.L.C.

NOTES TO THE PRELIMINARY ANNOUNCEMENT (Cont.)

For the year ended 31 December 2007

At 31 December 2007, the investment properties were independently revalued at their open market value as at that date by DTZ, Chartered Surveyors in accordance with the Statement of Asset Valuation Practice and Guidance Notes published by the R.I.C.S. and in accordance with international valuation standards.

The property rental income earned by the Group from its investment property, all of which is leased out under operating leases, amounted to £6,673,000 (2006 – £6,648,000).

8. Annual General Meeting

The Annual General Meeting will be held on 18 June 2008.

9. Retained earnings

	31 December 2007 £'000	31 December 2006 £'000
At 1 January	65,562	59,925
Profit for the period	7,509	7,387
Movement in fair value of available for sale investments (shares) taken to equity	227	276
Deferred tax relating to movement in fair value of available for sale investments (shares) taken to equity	(60)	(156)
Shares purchased for cancellation	(297)	-
Dividends paid	(2,040)	(1,870)
	<u>70,901</u>	<u>65,562</u>

- 10.** Copies of the Report and Accounts will be posted to shareholders shortly and will be available from the Company's registered office at Panther House, 38 Mount Pleasant, London WC1X 0AP and on the Group's website www.panthersecurities.co.uk.