

Arden Partners plc
("Arden" or the "Group")

Interim results for the six months ended 30 April 2009

Arden Partners plc (AIM: ARDN.L), the institutional stockbroking company, today announces its unaudited interim results for the six month period ended 30 April 2009.

Highlights

- Revenue £4.6m (2008: £6.7m) while the FTSE All Share Index was down by 29.8%
- Underlying* profit before tax £0.1m (2008: profit £1.6m)
- Loss before tax £0.3m (2008: profit before tax £1.3m)
- Underlying* basic loss per share 0.04p (2008: earnings per share 4.4p)
- Basic loss per share 0.3p (2008: earnings per share 3.3p)
- No interim dividend (2008: 2.2p)
- Cash balances £7.5m (2008: £8.2m)

(* underlying profits are profits before share based payments of £345k (2008: £275k))

Commenting on the interim results CEO Jonathan Keeling said:

“The second half has started well and the Board anticipates a positive outcome for the full year. Commission income has picked up since April, leading to a strong May and June. The corporate finance pipeline is better than it has been for some time and we have this week completed a £7.8m fundraising for a corporate client.”

Arden Partners plc 0207 398 1630
Jonathan Keeling – Chief Executive Officer
Trevor Norris – Group Finance Director

Altium – NOMAD to Arden Partners plc 0207 484 4040
Phil Adams
Sam Fuller

Buchanan Communications 0207 466 5000
Mark Edwards

CHIEF EXECUTIVE'S STATEMENT

For the six months ended 30 April 2009

Introduction

Global markets during the period were challenging but performance has been creditable and has improved since the period end. We have won twelve new corporate clients, including two FTSE250 financial companies.

Arden remains strong in these difficult times and has hired some high-profile individuals who will contribute to our future growth. Andrew Heath, formerly Head of Sales at Numis, joined in June in the newly-created role of Head of Equities, while Huw Williams, formerly Head of Oil & Gas Research at Bear Stearns in London, joined in November.

Results and dividend

During the six months ended 30 April 2009, revenue was £4.6m (2008: £6.7m) with an underlying profit before tax and share-based payments of £0.1m (2008: £1.6m). The underlying basic loss per share before share-based payments was 0.04p (2008: earnings 4.4p). The loss before tax was £0.3m (2008: profit £1.3m).

Net assets were £10.3m (2008: £10.4m) while cash balances stood at £7.5m at the period end (2008: £8.2m).

There is no interim dividend (2008: 2.2p).

Equities Division

The period from November 2008 to April 2009 was one of the most difficult in memory, from a global equities standpoint. Both volume and value of trades were significantly down throughout global equity markets, with Arden's commissions reflecting this.

Corporate Finance Division

Income of £2.4m (2008: £2.5m) showed that our corporate finance unit was resilient in a tough environment for corporate finance. Our team raised £43m for quoted clients as well as acting on various advisory transactions and won twelve brokerships in the period.

Outlook

The second half has started well and the Board anticipates a positive outcome for the full year. Commission income has picked up since April, leading to a strong May and June. The corporate finance pipeline is better than it has been for some time, and we have this week completed a £7.8m fundraising for a corporate client.

Jonathan Keeling
Chief Executive
13 July 2009

CONSOLIDATED INCOME STATEMENT

For the six months ended 30 April 2009

	Note	Six months ended 30 April 2009 Unaudited £'000	Six months ended 30 April 2008 Unaudited £'000	Year ended 31 October 2008 Audited £'000
Revenue	2	4,599	6,657	11,431
Administrative expenses	3	(4,925)	(5,591)	(10,541)
(Loss)/profit from operations		(326)	1,066	890
Finance income		48	271	509
(Loss)/profit before taxation		(278)	1,337	1,399
Income tax		198	(518)	(652)
(Loss)/profit after taxation		(80)	819	747
(Loss)/earnings per share				
Basic	4	(0.3p)	3.3p	3.0p
Diluted	4	(0.3p)	3.2p	2.7p

CONSOLIDATED BALANCE SHEET

At 30 April 2009

	At 30 April 2009 Unaudited £'000	At 30 April 2008 Unaudited £'000	At 31 October 2008 Audited £'000
Assets			
Non-current assets			
Plant, property and equipment	221	439	323
Deferred tax	407	-	88
Total non-current assets	628	439	411
Current assets			
Financial assets - held for trading	1,259	880	215
Financial assets - available for sale	6	20	5
Trade and other receivables	24,870	8,904	3,146
Cash and cash equivalents	7,450	8,151	9,481
Total current assets	33,585	17,955	12,847
Total assets	34,213	18,394	13,258
Current liabilities			
Trade and other payables	(23,801)	(7,532)	(2,943)
Corporation tax liability	(93)	(495)	(197)
Total current liabilities	(23,894)	(8,027)	(3,140)
Total liabilities	(23,894)	(8,027)	(3,140)
Net assets	10,319	10,367	10,118
Financed by:			
Called up share capital	2,480	2,470	2,470
Share premium account	2,684	2,646	2,646
Employee Benefit Trust reserve	(336)	(200)	(200)
Available for sale reserve	(3)	-	(2)
Profit and loss account	5,494	5,451	5,204
Total equity	10,319	10,367	10,118

Note: At 30 April 2009 the Company had a net CREST liability arising from the normal course of business of £0.2m which is made up of debtors of £22.1m and creditors of £22.3m. These gross amounts are contained within "Trade and other receivables" and "Trade and other payables" respectively.

CONSOLIDATED CASH FLOW STATEMENT

For the period ended 30 April 2009

	Six months ended 30 April 2009 Unaudited £'000	Six months ended 30 April 2008 Unaudited £'000	Year ended 31 October 2008 Audited £'000
Operating activities before taxation			
Net (loss)/profit from ordinary activities before tax	(278)	1,337	1,399
Adjustments for:			
Fair value adjustments	(26)	(35)	(38)
Depreciation	123	141	278
Profit on disposal of available for sale investments	-	-	(218)
Impairment of available for sale investments	-	-	342
Net interest receivable	(48)	(271)	(509)
Share based payments	345	275	584
Operating profit before changes in working capital	116	1,447	1,838
(Increase)/decrease in trade and other receivables	(21,736)	817	6,564
(Increase)/decrease in financial assets	(1,018)	1,530	1,520
Increase/(decrease) in trade and other payables	20,859	(1,795)	(6,079)
Purchases of available for sale investments	(1)	-	(108)
Proceeds from disposal of available for sale investments	-	-	368
Cash generated from operations	(1,780)	1,999	4,103
Income taxes paid	(201)	(806)	(1,277)
Cash flows from operating activities	(1,981)	1,193	2,826
Investing activities			
Purchases of property, plant and equipment	(21)	(68)	(89)
Interest received	59	252	499
Net cash from investing activities	38	184	410
Financing activities			
Purchase of own shares	(136)	-	-
Issue of shares	48	-	-
Dividends paid to equity shareholders	-	(1,081)	(1,610)
Net cash from financing activities	(88)	(1,081)	(1,610)
(Decrease)/increase in cash and cash equivalents	(2,031)	296	1,626
Cash and cash equivalents at the beginning of the period	9,481	7,855	7,855
Cash and cash equivalents at the end of the period	7,450	8,151	9,481

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 30 April 2009

Unaudited Statement of changes in equity for the six months ended 30 April 2009

	Share Capital	Share Premium Account	Employee Benefit Trust Reserve	Available for sale reserve	Retained earnings	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 31 October 2008	2,470	2,646	(200)	(2)	5,204	10,118
Changes in equity for period						
Decrease in fair value of available for sale investments	-	-	-	(1)	-	(1)
Tax taken to equity	-	-	-	-	25	25
<i>Net income recognised directly in equity</i>	-	-	-	(1)	25	24
Loss for the period	-	-	-	-	(80)	(80)
<i>Total recognised income and expense for the period</i>	-	-	-	(1)	(55)	(56)
Share based payments	-	-	-	-	345	345
Issue of shares	10	38	-	-	-	48
Purchase of own shares	-	-	(136)	-	-	(136)
Balance at 30 April 2009	2,480	2,684	(336)	(3)	5,494	10,319

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 30 April 2009

Unaudited Statement of changes in equity for the six months ended 30 April 2008

	Share Capital	Share Premium Account	Employee Benefit Trust Reserve	Available for sale reserve	Retained earnings	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 31 October 2007	2,470	2,646	(200)	35	5,438	10,389
Changes in equity for period						
Decrease in fair value of available for sale investments	-	-	-	(51)	-	(51)
Tax taken to equity	-	-	-	16	-	16
<i>Net income recognised directly in equity</i>	-	-	-	(35)	-	(35)
Profit for the period	-	-	-	-	819	819
<i>Total recognised income and expense for the period</i>	-	-	-	(35)	819	784
Dividends	-	-	-	-	(1,081)	(1,081)
Share based payments	-	-	-	-	275	275
Balance at 30 April 2008	2,470	2,646	(200)	-	5,451	10,367

Notes to the Condensed Financial Statements

1) **Basis of preparation**

As permitted, IAS 34, 'Interim Financial Reporting' has not been applied in this interim report.

The financial information presented in this report has been prepared using accounting policies that will be used in the preparation of the financial statements for the year ending 31 October 2009.

These policies are in accordance with the recognition and measurement principles of International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively IFRS) issued by the International Accounting Standards Board as endorsed for use in the European Union, and these principles are disclosed in the Financial Statements for the year ended 31 October 2008.

The financial information in this interim report does not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006.

The comparative financial information for the year ended 31 October 2008 does not constitute statutory accounts within the meaning of Section 240 of the Companies Act 1985.

The statutory accounts of Arden Partners plc for the year ended 31 October 2008 have been reported on by the Company's auditors and have been delivered to the Registrar of Companies. The auditor's report was unqualified, did not include a reference to matters which the auditors drew attention to by way of emphasis without qualifying their report and did not contain statements under Section 237(2) or 272(3) of the Companies Act 1985.

2) **Revenue**

	Six months ended 30 April 2009 Unaudited £'000	Six months ended 30 April 2008 Unaudited £'000	Year ended 31 October 2008 Audited £'000
Equities Division	2,227	4,138	6,547
Corporate Finance division	2,372	2,519	4,884
Total revenue	4,599	6,657	11,431

Notes to the Condensed Financial Statements

3) Administrative expenses

	Six months ended 30 April 2009 Unaudited £'000	Six months ended 30 April 2008 Unaudited £'000	Year ended 31 October 2008 Audited £'000
Staff costs	2,422	2,980	5,245
Overheads	2,074	1,873	4,005
Staff and overhead costs	4,496	4,853	9,250
Mark to market movements	(39)	322	429
Share based payments	345	275	584
Depreciation	123	141	278
Total administrative costs	4,925	5,591	10,541

4) Earnings per share

The basic loss per share of 0.3p (2008: 3.3p earnings) is calculated on a loss after tax of £80,000 (2008: profit £819,000) and 24,702,424 (2008: 24,701,872) being the weighted average number of ordinary shares in issue during the period.

The diluted loss per share of 0.3p (2008: 3.2p earnings) takes account of the weighted average number of outstanding share options being 1,073,939 (2008: 1,245,685).

The underlying basic loss per share of 0.04p (2008: 4.4p earnings) for the six months ended 30 April 2009 is calculated on a loss after tax of £10,000 (2008: profit £1,094,000) being the loss after tax, adjusted for the post tax impact of IFRS 2 costs of £70,000 (2008: £275,000).

5) Dividends

	Six months ended 30 April 2009 Unaudited £'000	Six months ended 30 April 2008 Unaudited £'000	Year ended 31 October 2008 Audited £'000
Final dividend year ended 31 October 2007	-	1,081	1,081
Interim dividend year ended 31 October 2008	-	-	529
Distribution to equity shareholders	-	1,081	1,610

The Board has not declared an interim dividend (2008: 2.2p).

Independent Review Report

INDEPENDENT REVIEW REPORT TO ARDEN PARTNERS PLC

Introduction

We have been engaged by the Group to review the condensed set of financial statements in the interim financial report for the six months ended 30 April 2009 which comprises the consolidated income statement, the consolidated statement of changes in equity, the consolidated balance sheet, the consolidated cash flow statement and the related notes.

We have read the other information contained in the interim financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Directors' responsibilities

The interim report, including the financial information contained therein, is the responsibility of and has been approved by the directors. The directors are responsible for preparing the interim report in accordance with the rules of the London Stock Exchange for companies trading securities on the Alternative Investment Market which require that the interim report be presented and prepared in a form consistent with that which will be adopted in the Group's annual accounts having regard to the accounting standards applicable to such annual accounts.

Our responsibility

Our responsibility is to express to the Group a conclusion on the condensed set of financial statements in the interim financial report based on our review.

Our report has been prepared in accordance with the terms of our engagement to assist the Group in meeting the requirements of the rules of the London Stock Exchange for companies trading securities on the Alternative Investment Market and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of our terms of engagement or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the interim financial report for the six months ended 30 April 2009 is not prepared, in all material respects, in accordance with the rules of the London Stock Exchange for companies trading securities on the Alternative Investment Market.

BDO Stoy Hayward LLP
Chartered Accountants and Registered Auditors
London
13 July 2009

Corporate Information

Directors	Sir David Rowe-Ham – Chairman Jonathan Keeling – Chief Executive Officer Trevor Norris – Group Finance Director Tony Bartlett – Non Executive Director Philip Dayer – Non Executive Director Grahame Whateley – Non Executive Director
Company Secretary and Registered Office	Trevor Norris Arden House Highfield Road Edgbaston Birmingham B15 3DU Direct line : 0121 423 8990 Fax : 0121 423 8991
Company Number	4427253
Company Web Address	www.arden-partners.co.uk
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Financial PR	Buchanan Communications 45 Moorfields London EC2Y 9AE
Registrar	Capita IRG Plc The Registry 34 Beckenham Road Beckenham Kent BR3 4TU
Lawyers	Eversheds LLP 115 Colmore Row Birmingham B3 3AL
Auditors	BDO Stoy Hayward LLP 55 Baker Street London W1U 7EU
Bankers	RBS Group plc 8th Floor 280 Bishopsgate London EC2M 4RB