

5 JULY 2011

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

Interim results for the six months ended 30 April 2011

Arden Partners plc (AIM: ARDN.L), the institutional stockbroking company, today announces its unaudited interim results for the six month period ended 30 April 2011.

Highlights

- Revenue increased by 14% to £7.4m (2010: £6.5m)
- Profit before tax £1.2m (2010: Loss before tax £0.2m)
- Underlying* profit before tax £1.5m (2010: £0.4m)
- Basic profit per share 3.7p (2010: Loss per share 1.7p)
- Underlying basic profit per share** 4.8p (2010: 0.9p)
- Strong Balance Sheet underpinned by liquid resources

(* underlying profits are profits before share based payments and reorganisation costs of £0.3m pre-tax (2010: £0.7m))

(** underlying basic profit per share is basic profit per share adjusted for the post-tax effect of share based payments and reorganisation costs of £0.2m (2010: £0.6m))

Commenting on the interim results CEO Jonathan Keeling said:

“Trading results for May and June have been satisfactory, and Arden is engaged on a number of corporate finance mandates. I remain cautiously optimistic about continued improved results for 2010/2011 against a background of an encouraging pipeline of corporate transactions subject to timing and prevailing market conditions.”

Arden Partners plc 0207 614 5900
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
Nicola Cronk

CHIEF EXECUTIVE'S STATEMENT

Financial review

I am delighted to report a significant increase in profits in the half year ended 30 April 2011. Set out in the table below is the profit before taxation illustrating the effects of share based payments which are added back in arriving at underlying profits before taxation:

	Six months ended 30 April 2011 Unaudited £'000	Six months ended 30 April 2010 Unaudited £'000	Year ended 31 October 2010 Audited £'000
Revenue	7,417	6,488	13,046
Expenses (excluding Share based payments)	(5,964)	(6,073)	(12,543)
Trading profit	1,453	415	503
Share based payments	(279)	(685)	(1,079)
Profit/(loss) from operations	1,174	(270)	(576)
Net finance income	11	30	64
Profit/(loss) before taxation	1,185	(240)	(512)

The UK business performance was satisfactory against a difficult market background and there was a strong performance from our Indian franchise where we have established an important position.

We continue to have a strong balance sheet underpinned by liquid resources which will stand the business in good stead in these challenging times for our industry.

Consolidated net assets are £13.3m before deduction of treasury shares (2010: £12.3m). At 30 April 2011 the Company holds in Treasury 2,372,768 Arden Partners plc ordinary shares of 10 pence each at a total cost of £1.2m. The price paid for these shares ranged between 49 pence and 54.5 pence per ordinary share.

During the six months period ended 30 April 2011 Arden was involved in placing over £155m for clients and directors and since the period end we have raised a further £54m.

The Board do not propose the payment of an interim ordinary dividend (2010: Nil).

Outlook

Trading results for May and June have been satisfactory, and Arden is engaged on a number of corporate finance mandates. I remain cautiously optimistic about continued improved results for 2010/2011 against a background of an encouraging pipeline of corporate transactions subject to timing and prevailing market conditions.

The UK franchise is a key element of Arden's business model and we will continue to invest in this area and seek to innovate and develop. The Company will continue to develop its Indian franchise and other emerging market opportunities.

On 14 June 2011 we announced the appointment of Lord Flight as Chairman. Howard had spent several months acting as Interim Chairman and I am delighted to be working with him, and the other Non-Executive Directors, in our strategy to deliver an increasingly profitable business.

As ever, company performance could not be delivered without the support and commitment of our staff and on behalf of the Board I would like to thank them all.

Jonathan Keeling
Chief Executive 5 July 2011

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the period ended 30 April 2011

	Note	Six months ended 30 April 2011 Unaudited £'000	Six months ended 30 April 2010 Unaudited £'000	Year ended 31 October 2010 Audited £'000
Revenue	2	7,417	6,488	13,046
Administrative expenses	3	(6,243)	(6,758)	(13,622)
<i>Share based payments</i>		(279)	(685)	(1,079)
<i>Other expenses</i>		(5,964)	(6,073)	(12,543)
Profit/(loss) from operations		1,174	(270)	(576)
Finance income		13	31	73
Finance cost		(2)	(1)	(9)
Profit/(loss) before taxation		1,185	(240)	(512)
Income tax		(319)	(185)	(519)
Profit/(loss) after taxation attributable to equity holders of the parent		866	(425)	(1,031)
Other comprehensive income:				
Tax taken to equity		-	23	-
Other comprehensive income for the period (net of tax)		-	23	-
Total comprehensive income for the period		866	(402)	(1,031)
Earnings/(loss) per share				
Basic	4	3.7p	(1.7p)	(4.2p)
Diluted	4	3.5p	(1.7p)	(4.2p)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 April 2011

	At 30 April 2011 Unaudited £'000	At 30 April 2010 Unaudited £'000	At 31 October 2010 Audited £'000
Assets			
Non-current assets			
Plant, property and equipment	312	513	401
Deferred tax	277	656	280
Total non-current assets	589	1,169	681
Current assets			
Trading investments	5,831	4,111	3,207
Trade and other receivables	8,390	12,940	6,210
Cash and cash equivalents	6,318	3,087	9,014
Total current assets	20,539	20,138	18,431
Total assets	21,128	21,307	19,112
Current liabilities			
Trade and other payables	(8,701)	(8,127)	(6,895)
Corporation tax liability	(304)	(822)	(171)
Total current liabilities	(9,005)	(8,949)	(7,066)
Non-current liabilities			
Deferred tax liability	-	(67)	(53)
Total non-current liabilities	-	(67)	(53)
Total liabilities	(9,005)	(9,016)	(7,119)
Net assets	12,123	12,291	11,993
Financed by:			
Called up share capital	2,679	2,536	2,544
Share premium account	2,933	2,894	2,926
Employee Benefit Trust reserve	(612)	(648)	(648)
Profit and loss account	8,316	7,509	7,171
Total equity before deduction of own shares	13,316	12,291	11,993
Own shares	(1,193)	-	-
Total equity	12,123	12,291	11,993

CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 30 April 2011

	Six months ended 30 April 2011 Unaudited £'000	Six months ended 30 April 2010 Unaudited £'000	Year ended 31 October 2010 Audited £'000
Operating activities before taxation			
Net profit/(loss) from ordinary activities before tax	1,185	(240)	(512)
Adjustments for:			
Fair value adjustments in respect of unrealised profits	(390)	(244)	(155)
Depreciation	101	112	236
Net interest receivable	(11)	(30)	(64)
Share based payments	279	685	1,079
Operating surplus before changes in working capital	1,164	283	584
(Increase)/decrease in trade and other receivables	(2,146)	2,757	9,439
(Increase) in trading investments	(2,233)	(1,290)	(400)
Increase/(decrease) in trade and other payables	1,808	(9,008)	(10,266)
Cash generated from operations	(1,407)	(7,258)	(643)
Income taxes paid	(237)	(39)	(790)
Cash flows from operating activities	(1,644)	(7,297)	(1,433)
Investing activities			
Purchases of property, plant and equipment	(12)	(367)	(379)
Interest received	11	28	63
Net cash from investing activities	(1)	(339)	(316)
Financing activities			
Purchase of own shares	(1,193)	-	-
Issue of shares	142	200	240
Net cash from financing activities	(1,051)	200	240
Decrease in cash and cash equivalents	(2,696)	(7,436)	(1,509)
Cash and cash equivalents at the beginning of the period	9,014	10,523	10,523
Cash and cash equivalents at the end of the period	6,318	3,087	9,014

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 30 April 2011

Unaudited Statement of changes in equity for the six months ended 30 April 2011

	Share Capital £'000	Share Premium Account £'000	Own shares £'000	Employee Benefit Trust Reserve £'000	Retained earnings £'000	Total £'000
Balance at 31 October 2010	2,544	2,926	-	(648)	7,171	11,993
Changes in equity for period						
Total comprehensive income for the period	-	-	-	-	866	866
Share based payments	-	-	-	-	279	279
Issue of shares	135	7	-	-	-	142
Purchase of own shares	-	-	(1,193)	-	-	(1,193)
Sale of shares held by the Employee Benefit Trust	-	-	-	36	-	36
Balance at 30 April 2011	2,679	2,933	(1,193)	(612)	8,316	12,123

Unaudited Statement of changes in equity for the six months ended 30 April 2010

	Share Capital £'000	Share Premium Account £'000	Employee Benefit Trust Reserve £'000	Retained earnings £'000	Total £'000
Balance at 31 October 2009	2,494	2,736	(648)	7,226	11,808
Changes in equity for period					
Total comprehensive income for the period	-	-	-	(402)	(402)
Share based payments	-	-	-	685	685
Issue of shares	42	158	-	-	200
Balance at 30 April 2010	2,536	2,894	(648)	7,509	12,291

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 are expected to be applied in the preparation of the financial statements for the year ending 31 October 2011.

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 2010.

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

The Annual Report and Financial Statements for 2010 have been filed with the Registrar of Companies. The Independent Auditors' Report on the Annual Report and Financial Statement for 2010 was unqualified, did not draw attention to any matters by way of emphasis, and did not contain a statement under 498(2) or 498(3) of the Companies Act 2006.

2) Revenue

	Six months ended 30 April 2011 Unaudited £'000	Six months ended 30 April 2010 Unaudited £'000	Year ended 31 October 2010 Audited £'000
Equities Division	5,937	3,637	6,113
Corporate Finance division	1,480	2,851	6,933
Total revenue	7,417	6,488	13,046

3) Administrative expenses

	Six months ended 30 April 2011 Unaudited £'000	Six months ended 30 April 2010 Unaudited £'000	Year ended 31 October 2011 Audited £'000
Staff costs including incentive scheme	3,116	3,247	6,385
Other overheads including exceptional charges	1,989	2,217	4,920
Staff and overhead costs	5,105	5,464	11,305
Share based payments	279	685	1,079
Depreciation	101	112	236
Total overhead costs	5,485	6,261	12,620
Variable overheads including settlement costs	758	497	1,002
Total administrative costs	6,243	6,758	13,622

Notes to the Condensed Financial Statements

4) **Profit per share**

The basic profit per share of 3.7p (2010: basic loss per share 1.7p) is calculated on a profit after tax of £866,000 (2010: loss after tax £425,000) and 23,143,927 (2010: 24,467,440) being the weighted average number of ordinary shares in issue during the period.

Diluted profit per share takes account of the weighted average number of outstanding share options being 1,557,827. In respect of the comparative for the six months ended 30 April 2010, no adjustment has been made to the diluted loss per share of 1.7p as the dilution effect of the weighted average number of outstanding share options of 3,266,576 would be to decrease the loss per share.

The underlying basic profit per share of 4.8p (2010: 0.9p) for the six months ended 30 April 2011 is calculated on a profit after tax of £1,114,000 (2010: £221,000) being the result after tax, adjusted for the post tax impact of IFRS 2 costs of £248,000 (2010: £646,000).

5) **Dividends**

The Board has not declared an interim dividend (2010: Nil).

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 half-yearly financial report for the six months ended 30 April 2011 which comprises the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of cash flows, the consolidated statements of changes in equity and the related explanatory notes that have been reviewed.

We have read the other information contained in the half-yearly 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 AIM which require that the half-yearly 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 half-yearly 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 AIM 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 half-yearly financial report for the six months ended 30 April 2011 is not prepared, in all material respects, in accordance with the rules of the London Stock Exchange for companies trading securities on AIM.

*BDO LLP
Chartered Accountants and Registered Auditors
London
United Kingdom
5 July 2011*

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

CORPORATE INFORMATION

Company Secretary	Trevor Norris Arden Partners plc 125 Old Broad Street London EC2N 1AR Direct line : 020 7614 5978														
Directors	<table border="0"> <tr> <td>Lord Flight</td> <td>Chairman</td> </tr> <tr> <td>Jonathan Keeling</td> <td>Chief Executive Officer</td> </tr> <tr> <td>Trevor Norris</td> <td>Group Finance Director</td> </tr> <tr> <td>Steve Wassell</td> <td>Chief Operating Officer</td> </tr> <tr> <td>Mark Ansell</td> <td>Non Executive Director Chairman of Audit Committee</td> </tr> <tr> <td>Peter Moon</td> <td>Non Executive Director Chairman of Remuneration Committee Chairman of Nominations Committee</td> </tr> <tr> <td>Grahame Whateley</td> <td>Non Executive Director</td> </tr> </table>	Lord Flight	Chairman	Jonathan Keeling	Chief Executive Officer	Trevor Norris	Group Finance Director	Steve Wassell	Chief Operating Officer	Mark Ansell	Non Executive Director Chairman of Audit Committee	Peter Moon	Non Executive Director Chairman of Remuneration Committee Chairman of Nominations Committee	Grahame Whateley	Non Executive Director
Lord Flight	Chairman														
Jonathan Keeling	Chief Executive Officer														
Trevor Norris	Group Finance Director														
Steve Wassell	Chief Operating Officer														
Mark Ansell	Non Executive Director Chairman of Audit Committee														
Peter Moon	Non Executive Director Chairman of Remuneration Committee Chairman of Nominations Committee														
Grahame Whateley	Non Executive Director														
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