

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

Interim results for the six months ended 30 April 2010

Arden Partners plc (AIM: ARDN.L), the institutional stockbroking company, today announces its unaudited interim results for the six month period ended 30 April 2010.

Highlights

- Revenue increased by 41% to £6.5m (2009: £4.6m) while the FTSE All Share Index was up by 10.8%
- Underlying* profit before tax £0.4m (2009: £0.1m)
- Loss before tax £0.2m (2009: £0.3m)
- Underlying* basic profit per share 0.9p (2009: basic loss per share 0.04p)
- Basic loss per share 1.7p (2009: 0.3p)
- No interim dividend (2009: Nil)
- Cash generative: Operating surplus before short-term changes in working capital

(* underlying profits are profits before share based payments of £685k (2009: £345k))

Commenting on the interim results CEO Jonathan Keeling said:

“It has been an encouraging first half with revenue increasing some 41%. We have invested significantly in headcount as well as relocating our London office to premises in order to accommodate future growth. Market weakness has delivered opportunities in terms of staff recruitment and client wins which have helped Arden’s franchise to grow. The business is founded upon a partnership culture and is well placed to deliver future growth, profitability and cash generation from both UK and Indian markets.”

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

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Mark Edwards

CHIEF EXECUTIVE'S STATEMENT

Introduction

This period has seen an encouraging increase in revenue in both Equities and Corporate Finance divisions. Markets improved over what they were in the comparative period but were still challenging. We have invested in staff with a 26% headcount increase since the corresponding period. The corporate finance pipeline is strong but market dependent.

Arden has continued to recruit high quality individuals and some substitution of resources have been made. Further hires will be made to further strengthen the business.

Board changes

The Board has carried out a review of our corporate structure and some changes will be made to reflect the continued development of the company.

In due course I will become Deputy Chairman with specific responsibility to continue development of our Indian franchise. Our Indian focus has without doubt been one of our major success factors over the last few years and is an important aspect of our strategy going forward and the time aspects of this will be demanding. Jeremy Grime has been appointed Chief Executive designate with immediate effect and will assume the full CEO role before 31st December 2010 subject only to regulatory approval. Jeremy has been known to Arden since its inception in 2002 and played a role in its admission to AIM in 2006. He joined Arden in 2007 and has been instrumental in establishing our Financials Team which was recently voted number one in the Extel rankings.

I am delighted that Howard Flight has been appointed as an independent non-executive director. Howard is a successful and respected businessman having worked in the City for many years. Philip Dayer will be leaving us on 31st July 2010 and I would take this opportunity to thank him for working with the company and on behalf of the Board I would like to wish him well for the future.

Results and dividend

During the six months ended 30 April 2010, revenue was £6.5m (2009: £4.6m) with an underlying profit before tax and share-based payments of £0.4m (2009: £0.1m). The underlying basic profit per share before share-based payments was 0.9p (2009: basic loss per share 0.04p). The loss before tax was £0.2m (2009: £0.3m). The basic loss per share was 1.7p (2009: 0.3p).

Net assets were £12.3m (2009: £10.3m). The business generated an operating surplus before changes in working capital of some £0.3m (2009: £0.1m) and closing cash balances were £3.1m (2009: £7.5m). Shortly before the period end the Group conducted a profitable gross value trade of £5.8m which settled on the first business day after the period end bringing cash balances to £8.9m.

There is no interim dividend (2009: Nil).

Equities Division

Revenue increased by 63% to £3.6m from £2.2m. During the period the FTSE All Share Index increased by 10.8% however, market volumes remained low given underlying uncertainty. We have successfully invested in staff with the headcount in equities increasing by 36% year on year.

Corporate Finance Division

Revenue during the period of £2.9m (2009: £2.4m) was satisfactory having completed nine mandates of which three were secondary fundraisings and six M&A transactions. Our team raised £120m (2009: £43m) for quoted clients during the period. We have increased headcount by 27% year on year and the average market capitalisation of our clients is now some £114m.

Outlook

It has been an encouraging first half with revenue increasing some 41%. We have invested significantly in headcount as well as relocating our London office to premises in order to accommodate future growth. Market weakness has delivered opportunities in terms of staff recruitment and client wins which have helped Arden's franchise to grow. The business is founded upon a partnership culture and is well placed to deliver future growth, profitability, and cash generation from both UK and Indian markets.

Jonathan Keeling
Chief Executive
21 June 2010

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 April 2010

		Six months ended 30 April 2010 Unaudited	Six months ended 30 April 2009 Unaudited	Year ended 31 October 2009 Audited
	Note	£'000	£'000	£'000
Revenue	2	6,488	4,599	13,059
Administrative expenses	3	(6,758)	(4,925)	(11,622)
(Loss)/profit from operations		(270)	(326)	1,437
Finance income		30	48	85
(Loss)/profit before taxation		(240)	(278)	1,522
Income tax		(185)	198	(276)
(Loss)/profit after taxation		(425)	(80)	1,246
Other comprehensive income				
Increase in fair value of available for sale investments		-	(1)	2
Tax taken to equity		23	25	74
Other comprehensive income for the period (net of tax)		23	24	76
Total comprehensive income for the period		(402)	(56)	1,322
(Loss)/earnings per share				
Basic	4	(1.7p)	(0.3p)	5.1p
Diluted	4	(1.7p)	(0.3p)	4.8p

Note: No adjustment has been made to the diluted loss per share, as the dilution effect of the share options would be to decrease the loss per share.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 April 2010

	At 30 April 2010 Unaudited £'000	At 30 April 2009 Unaudited £'000	At 31 October 2009 Audited £'000
Assets			
Non-current assets			
Plant, property and equipment	513	221	258
Deferred tax	656	407	618
Total non-current assets	1,169	628	876
Current assets			
Trading investments	4,111	1,265	2,660
Trade and other receivables	12,940	24,870	15,660
Cash and cash equivalents	3,087	7,450	10,523
Total current assets	20,138	33,585	28,843
Total assets	21,307	34,213	29,719
Current liabilities			
Trade and other payables	(8,127)	(23,801)	(17,182)
Corporation tax liability	(822)	(93)	(685)
Total current liabilities	(8,949)	(23,894)	(17,867)
Non-current liabilities			
Deferred tax liability	(67)	-	(44)
Total non-current liabilities	(67)	-	(44)
Total liabilities	(9,016)	(23,894)	(17,911)
Net assets	12,291	10,319	11,808
Financed by:			
Called up share capital	2,536	2,480	2,494
Share premium account	2,894	2,684	2,736
Employee Benefit Trust reserve	(648)	(336)	(648)
Available for sale reserve	-	(3)	-
Profit and loss account	7,509	5,494	7,226
Total equity	12,291	10,319	11,808

Note: At 30 April 2010 the Group had a net CREST receivable arising from the normal course of business of £5.5m which comprises receivables of £11.2m and payables of £5.7m. These gross amounts are contained within "Trade and other receivables" and "Trade and other payables" respectively.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 30 April 2010

	Six months ended 30 April 2010 Unaudited £'000	Six months ended 30 April 2009 Unaudited £'000	Year ended 31 October 2009 Audited £'000
Operating activities before taxation			
Net (loss)/profit from ordinary activities before tax	(240)	(278)	1,522
Adjustments for:			
Fair value adjustments	(244)	(26)	(116)
Depreciation	112	123	256
Impairment of available for sale investments	-	-	20
Net interest receivable	(30)	(48)	(85)
Share based payments	685	345	702
Operating surplus before changes in working capital	283	116	2,299
Decrease/(increase) in trade and other receivables	2,757	(21,736)	(12,525)
(Increase) in financial assets	(1,290)	(1,018)	(2,313)
(Decrease)/increase in trade and other payables	(9,008)	20,859	14,235
Purchases of available for sale investments	-	(1)	(27)
Cash generated from operations	(7,258)	(1,780)	1,669
Income taxes paid	(39)	(201)	(200)
Cash flows from operating activities	(7,297)	(1,981)	1,469
Investing activities			
Purchases of property, plant and equipment	(367)	(21)	(191)
Interest received	28	59	98
Net cash from investing activities	(339)	38	(93)
Financing activities			
Purchase of own shares	-	(136)	(448)
Issue of shares	200	48	114
Net cash from financing activities	200	(88)	(334)
(Decrease)/increase in cash and cash equivalents	(7,436)	(2,031)	1,042
Cash and cash equivalents at the beginning of the period	10,523	9,481	9,481
Cash and cash equivalents at the end of the period	3,087	7,450	10,523

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 30 April 2010

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

	Share Capital	Share Premium Account	Employee Benefit Trust Reserve	Retained earnings	Total
	£'000	£'000	£'000	£'000	£'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

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						
Total comprehensive income for the period	-	-	-	(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

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 2010.

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 2009.

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 2009 have been filed with the Registrar of Companies. The Independent Auditors' Report on the Annual Report and Financial Statement for 2009 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 2010 Unaudited £'000	Six months ended 30 April 2009 Unaudited £'000	Year ended 31 October 2010 Audited £'000
Equities Division	3,637	2,227	8,456
Corporate Finance division	2,851	2,372	4,603
Total revenue	6,488	4,599	13,059

3) Administrative expenses

	Six months ended 30 April 2010 Unaudited £'000	Six months ended 30 April 2009 Unaudited £'000	Year ended 31 October 2010 Audited £'000
Staff costs	3,247	2,422	6,046
Overheads	2,713	2,074	4,496
Staff and overhead costs	5,960	4,496	10,542
Fair value adjustments	1	(39)	(25)
Share based payments	685	345	702
Permanent diminution provision	-	-	20
Depreciation	112	123	383
Total administrative costs	6,758	4,925	11,622

4) **Earnings per share**

The basic loss per share of 1.7p (2009: 0.3p) is calculated on a loss after tax of £425,000 (2009: £80,000) and 24,467,440 (2009: 24,169,830) being the weighted average number of ordinary shares in issue during the period.

No adjustment has been made to the diluted loss per share of 1.7p (2009: 0.3p) as the dilution effect of the weighted average number of outstanding share options of 3,266,576 (2009: 1,073,939) would be to decrease the loss per share.

The underlying basic profit per share of 0.9p (2009: basic loss per share 0.04p) for the six months ended 30 April 2010 is calculated on a profit after tax of £221,000 (2009: loss after tax £10,000) being the loss after tax, adjusted for the post tax impact of IFRS 2 costs of £646,000 (2009: £70,000).

5) **Dividends**

The Board has not declared an interim dividend (2009: 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 2010 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 the Alternative Investment Market 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 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 half-yearly financial report for the six months ended 30 April 2010 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 LLP
Chartered Accountants and Registered Auditors
London
United Kingdom
21 June 2010*

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