

AIM: MERC
22 September 2010

Merchant Securities Group plc
(“Merchant Securities” or “the Group”)

AGM Statement

Merchant Securities will be holding its Annual General Meeting today and Chairman, John Green, will make the following statement:

“Following the completion of the business turnaround and restoration to profitability in the last financial year, I am pleased to report that trading in the first half of the new financial year has been very encouraging. The Board expects that underlying results (before non-recurring costs associated with the recent office move) for the six month period ending 30 September 2010 will be ahead of those for the comparative period last year. This improvement has resulted from our strategy to diversify the business base and from good trading performances across all the Group’s activities.

The Group’s corporate finance business in particular has enjoyed a strong first half, completing four significant transactions and adding a number of new corporate clients. At the beginning of September we also welcomed two new senior executives, Lindsay Mair and Chris Smith. The private client wealth management division has performed well, benefiting from the acquisition of Cavendish Young in September 2009, a general increase in private client activity and the launch of new investment products.

Merchant Securities is well placed to build on its current position. Our balance sheet and net cash position are strong and we continue to investigate further opportunities which will support our growth strategy.”

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