



21 April 2010

MERC

Merchant Securities plc

(“Merchant Securities,” the “Company” or the “Group”)

Trading update

Merchant Securities plc, the financial services group, is pleased to announce a trading update for the year ended 31 March 2010.

The Board is pleased to report that revenue for the year is expected to be approximately £7.62 million, which represents a 40 per cent. increase on the prior year (2009: £5.43 million) and that the profit before taxation (subject to the statutory audit) is expected to be significantly ahead of market expectations of £0.4 million (2009: loss of £4.58 million). Net tangible assets at 31 March 2010 increased by 17% to £3.4million (2009: £2.9million) and net cash balances at the year end rose by 39% to £3.06 million (2009: £2.2million). The Company expects to announce its audited results for the year ended 31 March 2010 in July 2010.

At the time of the interim results, announced in December 2009, the Chairman reported that he expected the Company to “make further progress in the second half” of the year. This optimism has been borne out by a strong trading performance across all the Group’s activities in the second half. In particular, the Group’s corporate advisory and private client wealth management operations performed strongly.

Patrick Claridge, Chief Executive, Merchant Securities plc, says:

“The Group has continued to make progress, both organically and through acquisitions against tough economic conditions. The improved performance reflects the benefits achieved from the integration of subsidiaries, Merchant Securities Group Limited and John East & Partners Limited, into one company, Merchant John East Securities Limited, together with a strong contribution from private client broking and investment management.”

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About Us:

Based in London, Merchant Securities plc provides a broad range of financial services to private clients, institutions and companies. Specific services include private client investment and wealth management, institutional sales, research and trading, corporate finance and corporate broking.

The Group's principal subsidiary, Merchant John East Securities Limited, is authorised and regulated by the Financial Services Authority, a member of the London Stock Exchange and an approved Nominated Adviser to AIM companies.

Website: www.merchantjohneast.com