

05 January 2010

**DANIEL STEWART SECURITIES PLC
(AIM: DAN)**

INTERIM RESULTS FOR THE SIX MONTHS TO 30 SEPTEMBER 2009

The Board of Daniel Stewart Securities plc ("Daniel Stewart" or "the Company") is pleased to announce its financial results for the six months to 30 September 2009.

FINANCIAL HIGHLIGHTS:

- Revenues: £1.9 million as against £2.6 million for the same period last year
- Net loss before tax and share based payments: £699,000 (H1 2008: £1.2 million)
- Net assets: £4.1 million (£3.8 million at year end 31 March 2009)
- Cash: £890,000 (£1.1 million as at year end 31 March 2009)
- Adjusted EPS: (0.23)p per share (H1 2008: (0.48)p per share)

OPERATIONAL HIGHLIGHTS:

- £27.1 million raised for our corporate clients during the period (H1 2009: £15 million)
- 51 retained brokerships (H1 2009: 46)
- 16 transactions completed (H1 2009: 12)

Commenting on the results for the six months Peter Shea, Group Chief Executive, said:

“The prolonged period of recession has resulted in continued pressure on our business however we are confident that as a result of early action in reducing our cost base we will be a beneficiary as the economy recovers. We are pleased that we have seen a recovery in our business on a like for like comparison with last year, however we are far from complacent and continue to be focussed upon improvement.”

CURRENT TRADING:

Peter Shea, Group Chief Executive, said:

“During the second half we have seen an uplift in underlying business activity with some improvement in all areas. We are now engaged in a range of transactions, a number of which we expect to complete during the current financial year. We have successfully recruited both a Mining analyst and an Oil and Gas analyst which will assist our structured plan of sector specialisation. We have seen early success from these appointments by the winning of the Prosperity Minerals Holdings Ltd account. We have also launched our Private Client business, which has met with some early success.

“We are pleased to announce that the Company has signed a two-year unsecured credit facility in the amount of £1 million providing additional working capital. The facility can be drawn at any time during the period. This facility has been provided primarily by FCI A.G., a Swiss Trust Company, which currently manages assets in excess of \$800 million. We

believe that this non-dilutive approach to working capital finance will enable us to enhance value for our shareholders.

“Further to our announcement dated 10 September 2009, Daniel Stewart and Prime Group have now completed satisfactory due diligence on each other. We continue to discuss the nature of our working relationship and anticipate that this will now take the form of a similar co-operation agreement to the one we have in place with our US partner, Madison Williams (formerly SMH Capital). We have jointly decided however that this will not now be in the form of an equity interest as originally envisaged.

“Prime Group has indicated that it would be interested in establishing jointly with Daniel Stewart an Asset Management business and possibly the establishment of a Private Banking operation and we will work in cooperation to examine how best to advance matters.

“We continue to be actively engaged in discussions with a number of parties about ways in which we can profitably grow our core equities business and possibly add to this with complementary disciplines such as asset management.”

--ENDS--

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Daniel Stewart Securities plc
Consolidated profit and loss account

For the six months ended 30 September 2009

	Six months ended 30 September 2009	Year ended 31 March 2009	Six months ended 30 September 2008
Revenue	1,962,463	4,377,098	2,607,247
Cost of sales	(54,543)	(130,866)	(112,957)
Gross profit	1,907,920	4,246,232	2,494,290
Risk Portfolio price movement	130,822	(512,898)	(408,560)
Administration costs	(2,802,295)	(6,233,214)	(3,388,127)
Result from operating activities	(763,553)	(2,499,880)	(1,302,397)
Interest receivable	106,258	385,488	119,051
Interest payable	(42,085)	(136,621)	(21,726)
Loss before taxation	(699,380)	(2,251,013)	(1,205,072)
Exceptional items	-	(396,036)	-
Taxation	-	(228,000)	-
Net loss for the period	(699,380)	(2,875,049)	(1,205,072)
Dividend	-	-	-
Retained loss	(699,380)	(2,875,049)	(1,205,072)
Earnings per share – pence	(0.23)p	(1.23)p	(0.48)p

Daniel Stewart Securities plc
Consolidated balance sheet

As at 30 September 2009

	30 September 2009	31 March 2009	30 September 2008
Non current assets			
Property plant and equipment	112,960	181,015	263,421
Goodwill	1,731,532	1,731,532	1,731,532
Available for sale investments	210,064	210,064	389,364
Loans receivable	886,977	1,106,200	1,028,689
Deferred taxation	-	-	81,000
	<hr/> 2,941,533	<hr/> 3,228,811	<hr/> 3,494,006
Current assets			
Financial assets	310,225	96,927	207,295
Trade and other receivables	2,008,141	2,508,372	3,351,325
Corporation tax	-	-	-
Cash and cash equivalents	880,693	1,161,181	2,646,133
	<hr/> 3,199,059	<hr/> 3,766,480	<hr/> 6,204,753
Total assets	<hr/> 6,140,592	<hr/> 6,995,291	<hr/> 9,698,759
Liabilities			
Trade and other payables	1,623,410	2,550,730	3,863,797
Corporation tax	79,000	79,000	-
	<hr/> 1,702,410	<hr/> 2,629,730	<hr/> 3,863,797
Non current liabilities	<hr/> 337,266	<hr/> 536,266	<hr/> 450,000
Total liabilities	<hr/> 2,039,676	<hr/> 3,165,996	<hr/> 4,313,797
Net assets	<hr/> 4,100,916	<hr/> 3,829,295	<hr/> 5,384,962
Issued share capital	778,406	650,781	588,279
Profit and loss account	(10,943,362)	(10,243,983)	(8,527,068)
Share premium account	6,152,131	5,308,756	4,871,200
Other reserves	8,113,741	8,113,741	8,452,551
Equity shareholders funds	<hr/> 4,100,916	<hr/> 3,829,295	<hr/> 5,384,962

Daniel Stewart Securities plc
Consolidated cash flow

For the six months ended 30 September 2009

	Six months ended 30 September 2009	Year ended 31 March 2009	Six months ended 30 September 2008
Operating activities			
Operating loss	(763,553)	(2,499,880)	(1,302,397)
Tax paid	-	(68,000)	-
Provision for impairment of fixed assets	74,056	178,617	107,029
Exceptional items	-	(396,036)	-
Share based payments	-	(141,775)	(243,972)
	(689,497)	(2,927,074)	(1,439,340)
Movements in working capital			
(Increase) / decrease in receivables	104,739	(161,634)	(521,153)
Increase / (decrease) in payables	(823,767)	(1,756,272)	(678,308)
(Increase) / decrease in financial assets held for trading	(213,298)	689,446	579,078
	(1,621,823)	(4,144,534)	(1,017,417)
Investing activities			
Expenditure on tangible fixed assets	(6,001)	(25,618)	(50,106)
Fixed asset disposals	-	-	-
Amounts written off investments	-	179,300	-
	(6,001)	(153,682)	(50,106)
Financing activities			
Loans recovered from third parties	614,715	802,927	496,287
Loans received	(302,552)	300,866	(190,271)
Issue of share capital	971,000	1,122,808	622,750
Net interest receivable	64,173	248,867	97,325
	1,347,336	2,457,468	1,026,091
Cash and cash equivalents at start of period	1,161,181	2,687,565	2,687,565
Cash and cash equivalents at end of period	880,693	1,161,181	2,646,133
	(280,488)	(1,526,384)	(41,432)

The un-audited financial information as reported above does not constitute full statutory financial statements within the meaning of section 240 of the Companies Act 1985.