

Collins Stewart plc
("Collins Stewart" or "the Group")

Interim Management Statement

19 November, 2008

Collins Stewart plc today issues its Interim Management Statement for the period from 1 July 2008 to date.

Review of current trading

Market conditions have remained poor. Following a challenging first half in which revenues declined by 25% on the previous year, revenues in July-October 2008 were some 10% lower than in the same period a year ago, after adjusting for non-recurring items.

The Securities businesses in the UK and USA, the Company's corporate advisory business, Hawkpoint, and the Wealth Management business have all continued to trade profitably. The Capital Markets businesses in the UK and the USA have been loss-making since the market for small-cap IPO's effectively closed towards the end of last year. Earlier this month decisive action was taken to rescale the Capital Markets businesses to a size appropriate to current market conditions.

Outlook and strategy

This restructuring has reinforced the Company's goal of moving up the market-cap scale in our capital markets' activities. In the UK this requires the building of a high-quality, mid-cap corporate broking capability. This plays to Collins Stewart's strengths, particularly in Hawkpoint, and will allow it to leverage its market-leading Securities' research and distribution. Moreover, the turmoil amongst the bulge-bracket investment banks and the withdrawal of some traditional mid-market brokers has created an opportunity for the Company to strengthen its market position in mid caps. In doing so it has the advantage of a strong balance sheet and net cash, which at 31 October 2008 amounted to £69m.

The action taken to eliminate losses within the Capital Markets activities and the satisfactory performance of the other businesses leave the Company in a robust position.

Board change

David Lindsay is stepping down as Finance Director but will stay with the group for the time being.

Enquiries

Mark Brown, Chief Executive +44 (0) 20 7523 8008

Charlotte Kirkham, M Communications +44 (0) 20 7153 1531