

## **Mallett PLC**

### **Interim Management Statement**

Mallett PLC (“Mallett” or the “Company”), dealer in high quality antique furniture and works of art, issues the following interim management statement for the period from 1<sup>st</sup> January 2009 to 18<sup>th</sup> May 2009.

#### Current trading

Trading since the start of the year has been encouraging. Turnover and operating profit are, as expected, lower than for the same period of the prior year, reflecting the more difficult trading conditions since the latter part of 2008. However, turnover and operating profit are ahead of management’s expectations. Whilst we continue to believe that the difficult trading conditions will persist in 2009, there is grounds for some optimism from a number of the auctions and fairs in the first quarter of the year.

#### Financial position

The balance sheet remains robust with net assets of over £21m. We continue to reduce our level of inventory, through sales, to match the reduced trading that we continue to expect in 2009. To this end, we will be offering for sale a carefully selected group of works, representing approximately 5% of our inventory by value, through Christies at an auction in June.

We are pleased to report that the cash management measures we have implemented to improve the cash position have so far resulted in the Group’s net debt position improving by approximately 25% since the year end. We believe that we will soon be in a position to take advantage of the excellent buying opportunities that we expect to be available in the second half of the year.

We have a number of parties interested in acquiring our Bond Street lease and have identified several properties for possible relocation. However, knowing this is a valuable asset we do not intend to relocate without it realising the market value.

For further information please contact:

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Signed

Giles Hutchinson Smith  
Chief Executive

#### Forward Looking Statements

This announcement may include "forward-looking statements". All statements other than statements of historical facts included in this announcement, including, without limitation, those regarding the Company's financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to the Company's products and services) are forward-looking statements. Forward-looking statements are subject to risks and uncertainties and accordingly the Company's actual future financial results and operational performance may differ materially from the results and performance expressed in, or implied by, the statements.

These forward-looking statements speak only as at the date of this announcement. The Company expressly disclaims any obligation or undertaking to update or revise any forward-looking statements contained herein to reflect actual results or any change in the assumptions, conditions or circumstances on which any such statements are based unless required to do so by the Financial Services and Markets Act 2000, the Listing Rules or Prospectus Rules of the Financial Services Authority or other applicable laws, regulations or rules.