

PRIDE IN OUR PERFORMANCE

LIONTRUST ASSET MANAGEMENT PLC
HALF YEARLY REPORT 2016

Directors and Advisers

Directors, Registered Office

and Company number:

Adrian Collins (Non-executive Chairman)

John Ions (Chief Executive)

Vinay Abrol (Chief Operating Officer and
Chief Financial Officer)

Alastair Barbour (Non-executive Director)

Michael Bishop (Senior Independent Director)

George Yeandle (Non-executive Director)

2 Savoy Court, London WC2R 0EZ.

Registered in England with Company Number
02954692.

Company Secretary:

Mark Jackson,
Tower Bridge House,
St. Katharine's Way,
London E1W 1DD.

Independent Auditors:

PricewaterhouseCoopers LLP,
7 More London, Riverside,
London SE1 2RT.

Legal Advisers:

Macfarlanes LLP,
20 Cursitor Street,
London EC4A 1LT.

Bankers:

Royal Bank of Scotland Plc,
280 Bishopsgate,
London, EC2M 4RB.

Financial Adviser and Corporate Broker:

Numis Securities Limited,
The London Stock Exchange Building,
10 Paternoster Square,
London EC4M 7LT.

Macquarie Capital (Europe) Limited,
Ropemaker Place,
28 Ropemaker Street,
London EWC2Y 9HD.

Registrars:

Capita Asset Services, PXS,
34 Beckenham Road,
Kent BR3 4TU.

Introduction

I have been Chairman of Liontrust since 2009 and was Executive Chairman for six of those years until becoming Non-executive again in September 2016. I look back on the growth and development of Liontrust with great pride. I would like to thank my fellow directors, the fund managers and all the staff at Liontrust for their tremendous effort and contribution in making the Company successful.

The fruits of this work can be seen in Liontrust's results for the first six months of our financial year where our assets under management ("AuM") have increased by £900 million to £5.7 billion, our revenues have increased by 18% compared to the first half of the last financial year and our Adjusted profit before tax¹ has grown by 16% to £6.8 million.

The process of creating a successful asset management company is not complicated yet it is far from simple to implement in practice. It requires excellent fund management teams, dedicated and focused distribution along with hard work and collaboration across the whole business. The need for high quality fund management, whether to generate growth, to provide a strong and regular flow of income or to offer a long-term savings solution to consumers, has never been greater. The challenges and opportunities for asset managers are arguably, therefore, greater than ever as well.

The development of Liontrust over the past six years under the leadership of John Ions has laid tremendous foundations for ensuring the Company is successful well into the future. We continue to diversify our fund management capability while focusing on those asset classes where we believe we have particular expertise. Our distribution is expanding in continental Europe to build on the success we have enjoyed in the UK over the past few years. We continue to develop brand awareness and engagement in the UK. We have been investing in the business, such as implementing a new dealing system, to ensure we can support further growth over the coming months and years.

We are well placed to withstand any external uncertainty or shocks, such as the unprecedented vote to leave the EU on 23 June 2016 and the unpredictable US Presidential election campaign in the first half of our financial year. This gives me great confidence, therefore, about the ability of Liontrust to continue to achieve our growth ambitions over the next six years.

Results

Adjusted profit before tax¹ was £6.838 million (2015: £5.907 million) an increase of 16% compared to last year. Adjusted basic earnings per share¹ of 12.14 pence (2015: 10.69 pence), an increase of 14% and Adjusted diluted earnings per share¹ of 11.89 pence (2015: 10.22 pence), an increase of 16%.

Profit before tax of £2,245 million (2015: £4.235 million) includes a loss of £4.593 million (2015: £5,219 million) of Adjustments (see note 6 below).

Revenues of £22.0 million (2015: £18.7 million), an increase of 18%.

Dividend

In accordance with the Company's dividend policy, the Board is declaring an interim dividend per share of 4.0 pence (2015: 3.0 pence), which will be payable on 22 December 2016 to shareholders who are on the register as at 25 November 2016, the shares going ex-dividend on 24 November 2016.

Assets under Management

On 30 September 2016, our AuM stood at £5,685 million and were broken down by type and process as follows:

Process	Total (£m)	Institutional (£m)	UK Retail (£m)	MPS ² (£m)	Offshore Funds (£m)
Cashflow Solution	747	491	227	–	29
Economic Advantage	3,192	215	2,930	–	47
Macro-Thematic	768	325	416	–	27
European Income	271	–	271	–	–
Asia Income	81	–	80	–	1
Structural Opportunities	24	–	–	–	24
Multi-Asset	553	324	–	229	–
Indexed	49	–	49	–	–
Total	5,685	1,355	3,973	229	128

On 11 November 2016, our AuM was £5.605 billion.

Fund Flows

Liontrust has recorded net inflows for the half year are £92 million (2015: £110 million). A reconciliation of fund flows and AuM over the half year is as follows:

	Total £m	Institutional £m	UK Retail £m	MPS ² £m	Offshore Funds £m
Opening AuM - 1 April 2016	4,791	1,138	3,330	204	119
Net flows	92	77	4	10	1
Acquisitions	272	–	272	–	–
Market and Investment performance	530	140	367	15	8
Closing AuM - 30 September 2016	5,685	1,355	3,973	229	128

Chairman's Statement

Fund Performance (Quartile ranking)

The strength of Liontrust's fund management capability is shown by the fact that all but one of its actively managed unit trust funds have outperformed the average fund in their respective Investment Association sectors since launch or since the fund managers were appointed to 30 September 2016.

	Quartile ranking – Since Launch/ Manager Appointed	Quartile ranking - 5 year	Quartile ranking - 3 year	Quartile ranking - 1 year	Launch Date/ Manager Appointed
Liontrust UK Growth Fund	1	2	1	1	25/03/2009
Liontrust Special Situations Fund	1	1	1	1	10/11/2005
Liontrust UK Smaller Companies Fund	1	1	1	1	08/01/1998
Liontrust UK Micro Cap Fund	4	–	–	–	09/03/2016
Liontrust Macro Equity Income Fund	1	4	3	4	31/10/2003
Liontrust Macro UK Growth Fund	1	4	3	4	01/08/2002
Liontrust European Income Fund	3	3	3	4	15/12/2005
Liontrust European Enhanced Income Fund	3	4	3	4	30/04/2010
Liontrust European Growth Fund	1	2	1	1	15/11/2006
Liontrust Asia Income Fund	1	–	2	1	05/03/2012
Liontrust Global Income Fund	3	–	4	3	03/07/2013

Source: Financial Express, total return, bid to bid, net, to 30 September 2016 unless otherwise stated, data is accurate as at 1 October 2016. The above funds are all UK authorised unit trusts (primary share class). Liontrust FTSE 100 Tracker Fund (index fund) not included. The value of investments and the income from them can fall as well as rise. Investors may not get back the amount originally subscribed.

Outlook

We have made great progress over the past couple of years to put us in a very strong position to take advantage of the growing need for excellence in fund management in the UK and internationally. We have continued to diversify our fund management capability, we have expanded our equity income capability, we are strengthening further our distribution team and we have developed the infrastructure across all our departments to generate and manage our expansion. I am optimistic these developments will ensure we can continue to advance for the benefit of investors and shareholders.

Notes

¹ See note 2 below for definitions of alternative performance measures; and

² Managed Portfolio Services are where we act as discretionary fund manager to a range of model portfolios which are marketed to advisory intermediates in the UK.

Adrian Collins

Non-executive Chairman

Consolidated Statement of Comprehensive Income

Six months ended 30 September 2016

	Notes	Six months to 30-Sep-16 (unaudited) £'000	Six months to 30-Sep-15 (unaudited) £'000	Year ended 31-Mar-16 (audited) £'000
Continuing operations				
Revenue	4	22,043	18,708	44,991
Cost of sales		(25)	(26)	(51)
Gross profit		22,018	18,682	44,940
Gain/(loss) on financial assets		104	–	(1)
Administration expenses	5	(19,886)	(14,455)	(35,551)
Operating profit		2,236	4,227	9,388
Interest receivable		9	8	16
Profit before tax		2,245	4,235	9,404
Taxation	7	(496)	(916)	(2,094)
Profit for the period		1,749	3,319	7,310
Total comprehensive income		1,749	3,319	7,310
		Pence	Pence	Pence
Basic earnings per share	8	3.88	7.60	16.48
Diluted earnings per share	8	3.80	7.27	16.06

Consolidated Balance Sheet

As at 30 September 2016

	Notes	30-Sep-16 (unaudited) £'000	30-Sep-15 (unaudited) £'000	31-Mar-16 (audited) £'000
Assets				
Non current assets				
Intangible assets	9	5,273	3,774	2,550
Property, plant and equipment		191	278	247
Deferred tax assets		1,052	1,076	1,052
		6,516	5,128	3,849
Current assets				
Trade and other receivables		49,058	18,951	35,413
Financial assets	10	1,757	668	139
Cash and cash equivalents		18,333	16,176	18,967
Total current assets		69,148	35,795	54,519
Liabilities				
Current liabilities				
Trade and other payables		(52,304)	(16,587)	(31,279)
Corporation tax payable		(907)	(1,007)	(911)
Total current liabilities		(53,211)	(17,594)	(32,190)
Net current assets		15,937	18,201	22,329
Net assets		22,453	23,329	26,178
Shareholders' equity				
Ordinary shares		454	454	454
Share premium		17,692	17,692	17,692
Capital redemption reserve		19	19	19
Retained earnings		7,323	7,309	9,330
Own shares held		(3,035)	(2,145)	(1,317)
Total equity		22,453	23,329	26,178

Consolidated Cash Flow Statement

Six months ended 30 September 2016

	Six months to 30-Sep-16 (unaudited) £'000	Six months to 30-Sep-15 (unaudited) £'000	Year ended 31-Mar-16 (audited) £'000
Cash flows from operating activities			
Cash inflow from operations	29,365	20,570	48,614
Cash outflow from operations	(21,177)	(15,438)	(38,337)
Cash inflow/(outflow) from changes in unit trust receivables and payables	2,535	(677)	(583)
Net cash from operations	10,723	4,455	9,694
Interest received	9	8	16
Tax paid	(500)	(583)	(1,833)
Net cash from operating activities	10,232	3,880	7,877
Cash flows from investing activities			
Purchase of property and equipment	(8)	(57)	(93)
Acquisitions	(4,083)	–	–
Purchase of ICI's	–	(207)	(207)
Purchase of financial assets	(940)	–	–
Purchase of seeding investments	(110)	(74)	(98)
Sale of seeding investments	85	–	191
Net cash used in investing activities	(5,056)	(338)	(207)
Cash flows from financing activities			
Purchase of own shares	(1,718)	(1,150)	(1,136)
Dividends paid	(4,092)	(2,609)	(3,960)
Net cash used in financing activities	(5,810)	(3,759)	(5,096)
Net (decrease)/increase in cash and cash equivalents	(634)	(217)	2,574
Opening cash and cash equivalents*	18,967	16,393	16,393
Closing cash and cash equivalents	18,333	16,176	18,967

* Cash and cash equivalents consists only of cash balances.

Consolidated Statement of Change in Equity (unaudited)

Six months ended 30 September 2016

	Share capital £'000	Share premium £'000	Capital redemption £'000	Retained earnings £'000	Own shares held £'000	Total Equity £'000
Balance at 1 April 2016 brought forward	454	17,692	19	9,330	(1,317)	26,178
Profit for the period	–	–	–	1,749	–	1,749
Total comprehensive income for the period	–	–	–	1,749	–	1,749
Dividends paid	–	–	–	(4,092)	–	(4,092)
Purchase of own shares	–	–	–	–	(1,718)	(1,718)
Equity share options issued	–	–	–	336	–	336
Balance at 30 September 2016	454	17,692	19	7,323	(3,035)	22,453

Consolidated Statement of Change in Equity (unaudited)

Six months ended 30 September 2015

	Share capital £'000	Share premium £'000	Capital redemption £'000	Retained earnings £'000	Own shares held £'000	Total Equity £'000
Balance at 1 April 2015 brought forward	454	17,692	19	11,395	(5,812)	23,748
Profit for the period	–	–	–	3,319	–	3,319
Total comprehensive income for the period	–	–	–	3,319	–	3,319
Dividends paid	–	–	–	(2,609)	–	(2,609)
Purchase of own shares	–	–	–	–	(1,150)	(1,150)
Purchase of ICI's	–	–	–	(5,024)	4,817	(207)
Equity share options issued	–	–	–	228	–	228
Balance at 30 September 2015	454	17,692	19	7,309	(2,145)	23,329

Consolidated Statement of Change in Equity (audited)

Year ended 31 March 2016

	Share capital £'000	Share premium £'000	Capital redemption £'000	Retained earnings £'000	Own shares held £'000	Total Equity £'000
Balance at 1 April 2015 brought forward	454	17,692	19	11,395	(5,812)	23,748
Profit for the period	–	–	–	7,310	–	7,310
Total comprehensive income for the year	–	–	–	7,310	–	7,310
Dividends paid	–	–	–	(3,960)	–	(3,960)
Purchase of own shares	–	–	–	–	(1,136)	(1,136)
Purchase of ICI's	–	–	–	(5,838)	5,631	(207)
Equity share options issued	–	–	–	423	–	423
Balance at 31 March 2016	454	17,692	19	9,330	(1,317)	26,178

Notes to the Financial Statements

1 Principal Accounting policies

a) Basis of preparation

This Half Yearly Report is unaudited and does not constitute statutory accounts within the meaning of s434 of the Companies Act 2006. The financial information for the half years ended 30 September 2016 and 2015 has not been audited or reviewed by the auditors pursuant to the Auditing Practices Board guidance on Review of Interim Financial Information. The statutory accounts for the year ended 31 March 2016, which were prepared in accordance with International Financial Reporting Standards, comprising standards and interpretations approved by either the International Accounting Standards Board or the International Financial Reporting Interpretations Committee or their predecessors, as adopted by the European Union ("IFRS"), and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS, have been delivered to the Registrar of Companies. The auditors' opinion on these accounts was unqualified and did not contain a statement made under s498 of the Companies Act 2006.

The financial statements have been prepared in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority ("DTR") and with IAS 34 'Interim Financial Reporting'.

The accounting policies applied in this Half Yearly Report are consistent with those applied in the Group's most recent annual accounts.

2 Alternative Performance measures

The Group assess its performance using a variety of measures that are not defined under IFRS and are therefore termed alternative performance measures ('APM's). The APMs that we use may not be directly comparable with similarly named measures used by other companies.

The Group uses the APM's to present its financial performance, in a manner which is aligned with the requirements of our stakeholders. By presenting these APM's it enables comparison with our peers who may use different accounting policies.

The Group uses the following APM's:

Alternative Performance Measure	Definition	Reconciliation
Adjusted profit before tax	Profit before depreciation, amortisation, non-recurring items* and share incentivisation schemes	Note 6
Adjusted profit before tax is used to present a measure of profitability which excludes the effects of non recurring and non cash items and capital investment (depreciation and amortisation), enabling comparison with our peers and to provide a consistent measure of the businesses performance.		
Adjusted operating profit	Adjusted profit before tax and interest.	Note 6
Adjusted basic earnings per share	Adjusted profit before tax divided by the weighted average number of shares in issue for the period	n/a
Adjusted diluted earnings per share	Adjusted profit before tax divided by the diluted weighted average number of shares in issue for the period	n/a

* Non-recurring items include cost reduction expenses, restructuring costs, acquisition related costs, integration costs, severance compensation and non-recurring legal expenses.

Notes to the Financial Statements

3 Segmental reporting

The Group operates only in one business segment - Investment management.

The Group offers different fund products through different distribution channels. All financial, business and strategic decisions are made centrally by the Board, which determines the key performance indicators of the Group. The Group reviews financial information presented at a Group level. The Board, is therefore, the chief operating decision-maker for the Group. The information used to allocate resources and assess performance is reviewed for the Group as a whole. On this basis, the Group considers itself to be a single-segment investment management business.

4 Revenue from Continuing Operations

	Six months to 30-Sep-16 (unaudited) £'000	Six months to 30-Sep-15 (unaudited) £'000	Year ended 31-Mar-16 (audited) £'000
Revenue			
– Revenue	21,985	18,666	37,634
– Performance fee revenue	58	42	7,357
Total Revenue	22,043	18,708	44,991

5 Administration expenses

	Six months to 30-Sep-16 (unaudited) £'000	Six months to 30-Sep-15 (unaudited) £'000	Year ended 31-Mar-16 (audited) £'000
Employee related expenses			
Director and employee costs	2,291	1,886	4,459
Pension costs	151	101	217
Share incentivisation expense	670	240	560
Severance compensation	25	6	93
	3,137	2,233	5,329
Non employee related expenses			
Members' drawings charged as an expense	8,175	6,429	17,665
Restructuring (acquisition related and other)	818	22	1,884
Members' share incentivisation expense	1,588	123	111
Depreciation, Intangible asset amortisation and impairment	1,424	1,281	2,571
Other administration expenses	4,744	4,367	7,991
Total administration expenses	19,886	14,455	35,551

Notes to the Financial Statements

6 Adjusted profit before tax

Adjusted profit before tax is reconciled in the table below:

	Six months to 30-Sep-16 (unaudited) £'000	Six months to 30-Sep-15 (unaudited) £'000	Year ended 31-Mar-16 (audited) £'000
Profit for the period	1,749	3,319	7,310
Taxation	496	916	2,094
Profit before tax	2,245	4,235	9,404
Employee related share incentivisation expense	573	240	560
Member related share incentivisation expense	1,588	123	111
Severance compensation	190	6	93
Professional services ⁽¹⁾	818	22	1,884
Depreciation, Intangible asset amortisation and impairment	1,424	1,281	2,571
Adjustments	4,593	1,672	5,219
Adjusted profit before tax	6,838	5,907	14,623
Interest receivable	(9)	(8)	(16)
Adjusted operating profit	6,829	5,899	14,607
Adjusted basic earnings per share	12.14	10.69	26.38
Adjusted diluted earnings per share	11.89	10.22	25.70

⁽¹⁾ Includes legal costs relating to claim by a former member and costs relating to the acquisition of the Argonaut business.

7 Taxation

The half yearly tax charge has been calculated at the estimated full year effective UK corporation tax rate of 20% (2015: 20%).

8 Earnings per share

The calculation of basic earnings per share is based on profit after taxation and the weighted average number of Ordinary Shares in issue for each period. The weighted average number of Ordinary Shares for the six months ended 30 September 2016 was 45,043,211 (30 September 2015: 43,658,542, 31 March 2016: 44,346,674). Shares held by the Liontrust Asset Management Employee Trust are not eligible for dividends and are treated as cancelled for the purposes of calculating earnings per share.

Notes to the Financial Statements

Diluted earnings per share is calculated on the same bases as set out above, after adjusting the weighted average number of Ordinary Shares for the effect of options to subscribe for new Ordinary Shares that were in existence during the six months ended 30 September 2015. The adjusted weighted average number of Ordinary Shares so calculated for the period was 46,010,147 (30 September 2015: 45,656,303, 31 March 2016: 45,518,720). This is reconciled to the actual weighted number of Ordinary Shares as follows:

	30-Sep-16	30-Sep-15	31-Mar-16
Weighted average number of Ordinary Shares	45,043,211	43,658,542	44,346,674
Weighted average number of dilutive Ordinary shares under option:			
– to Liontrust Option Plan	35,297	44,126	37,062
– to the Deferred Bonus and Variable Allocation Plan	401,009	402,870	324,602
– to the Liontrust Members Incentive Plan	19,891	1,550,765	810,382
– to the Liontrust Long term incentive plan	510,739	–	–
Adjusted weighted average number of Ordinary Shares	46,010,147	45,656,303	45,518,720

9 Intangible assets

Intangible assets represent investment management contracts that have been capitalised upon acquisition and are amortised on a straight-line basis over a period of 5 years. The intangible asset on the balance sheet represents investment management contracts as follows:

	30-Sep-16 £'000	30-Sep-15 £'000	31-Mar-16 £'000
Investment management contracts acquired from Walker Crips	1,326	3,774	2,550
Investment management contracts acquired from Argonaut	3,947	–	–
	5,273	3,774	2,550

As noted in the 2016 Annual report we agreed to acquire the European income business of Argonaut Capital Partners LLP (the 'acquisition'). The acquisition completed in July 2016.

Determining whether a transaction is acquisition of a business or a separately identifiable asset is a matter of significant judgement. It involves determining whether a particular set of assets and activities are capable of being conducted and managed as a business by a market participant. Directors have considered all relevant aspects of the acquisition in conjunction with the guidance under the relevant accounting standards and concluded that the Argonaut acquisition was not an acquisition of a business because the assets purchased by the Group were not capable of being managed as a business in their own capacity. As such assets acquired have been recognised as intangible assets.

10 Financial assets

Assets held at fair value through profit and loss:

The Group's assets held at fair value through profit and loss represent units in the UK Authorised unit trusts held in the manager's box (these are valued at bid price.) and units in the UK Authorised unit trusts and shares in the sub-funds of Liontrust Global Funds Plc held as part of the Liontrust DBVAP.

Assets held as available-for-sale:

The Group's assets held as available-for-sale represent shares in Liontrust GF Macro Equity Income Fund, Liontrust GF Global Strategic Equity Fund, Liontrust GF European Strategic Equity Fund, Liontrust GF UK Growth Fund, Liontrust GF Global Water & Agricultural Fund and Liontrust GF Asia Income Fund (all sub-funds of Liontrust Global Funds Plc) and are valued at bid price).

11 Related party transactions

During the six months to 30 September 2016 the Group received fees from unit trusts under management of £16,792,000 (2015: £16,291,000). Transactions with these unit trusts comprised creations of £374,117,000 (2015: £215,667,000) and liquidations of £373,947,000 (2015: £115,711,000). Directors can invest in unit trusts managed by the Group on commercial terms that are no more favourable than those available to staff in general. As at 30 September 2016 the Group owed the unit trusts £45,130,000 (2015: £12,764,000) in respect of unit trust creations and was owed £43,131,000 (2015: £13,391,000) in respect of unit trust cancellations and fees.

During the six months to 30 September 2016 the Group received fees from offshore funds under management of £613,000 (2015: £547,000). Transactions with these funds comprised purchases of £110,000 (2015: £74,000) and sales of £85,000 (2015: £0). As at 30 September 2016 the Group was owed £99,000 (2015: £185,000) in respect of management fees.

As at 30 September 2016 members owed Liontrust Fund Partners LLP and Liontrust Investment Partners LLP (the 'LLPs') £492,000 (2015: £706,000). These loans were provided in connection with the relevant members' duties as a member of the relevant LLP.

During the six months to 30 September 2016 remuneration paid to key decision makers (the Executive Directors and the Chairman) was £430,000 (2014: £449,000).

12 Key risks

The Directors have identified the risks and uncertainties that affect the Group's business and believe that they will be substantially the same for the second half of the year as the current risks as identified in the 2016 Annual Report. These can be broken down into risks that are within the management's influence and risks that are outside it.

Risks that are within management's influence include areas such as the expansion of the business, prolonged periods of under-performance, loss of key personnel, human error, poor communication and service leading to reputational damage and fraud.

Risks outside the management's influence include falling markets, terrorism, a deteriorating UK economy, investment industry price competition and hostile takeovers.

Management monitor all risks to the business, they record how each risk is mitigated and have warning flags to identify increased risk levels. Management recognise the importance of risk management and view it as an integral part of the management process which is tied into the business model and is described further in the Risk management and internal control section on page 28 of the 2016 Annual Report and Note 2 "Financial risk management" on page 61 of the 2016 Annual Report.

13 Contingent assets and liabilities

The Group can earn performance fees on some of the segregated and fund accounts that it manages. In some cases a proportion of the fee earned is deferred until the next performance fee is payable or offset against future underperformance on that account. As there is no certainty that such deferred fees will be collectable in future years, the Group's accounting policy is to include performance fees in income only when they become due and collectable and therefore the element (if any) deferred beyond 30 September 2016 has not been recognised in the results for the year.

In the normal course of business a contingent liability has arisen in relation to a claim made by a former member against Liontrust Asset Management Plc, Liontrust Investment Partners LLP ("LIP"), Liontrust Investment Services Limited and the individual members of LIP. As the timing and amount of any potential liability is unknown and cannot be reliably estimated at this stage they are not disclosed.

A contingent liability has arisen in relation to a tax covenant claim by Walker Crips Group Plc in relation to the acquisition of Walker Crips Asset Managers Limited in April 2012 and for which the underlying basis of the claim is unclear at this time. As the timing and amount of any potential liability is unknown and cannot be reliably estimated at this stage, it is not disclosed.

A contingent liability has arisen in relation to expense caps which are payable to the Offshore funds where expenses for each fund exceed the agreed total expense ratio as set out in the Prospectus. In accordance with the Prospectus, the amount payable to the offshore funds has not crystallised for certain funds at 30 September 2016, the potential liability is unknown and cannot be reliably estimated and has therefore not been disclosed.

14 Directors' responsibilities

The Directors confirm that this condensed set of financial statements has been prepared in accordance with IAS 34 as adopted by the European Union, and that the Half Yearly Report herein includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8.

By Order of the Board

John S. Ions
Chief Executive

Vinay K. Abrol
**Chief Operating Officer
and Chief Financial Officer**

15 November 2016

Forward Looking Statements

This report contains certain forward-looking statements with respect to the financial condition, results of operations and businesses and plans of the Group. These statements and forecasts involve risk and uncertainty because they relate to events and depend upon circumstances that have not yet occurred. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements and forecasts. Nothing in this report should be construed as a profit forecast.

NOTES



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