

*Embargoed until 7am on 10 January 2018*

**Stock Exchange Announcement  
LIONTRUST ASSET MANAGEMENT PLC  
Trading Update**

Liontrust Asset Management Plc (“**Liontrust**”), the specialist independent fund management group, today issues a trading update for the period from 1 October to 31 December 2017 (the “**Period**”).

**Highlights**

- Assets under management (“**AuM**”) were £10.6 billion as at close of business on 31 December 2017 (30 September 2017: £9.6 billion), an increase of £916 million or 9.5% over the Period.
- Net inflows of £571 million in the three months ended 31 December 2017 and £749 million for the nine months ended 31 December 2017.
- Donald Phillips joins the Global Fixed Income team from Baillie Gifford in February 2018 to work alongside David Roberts and Phil Milburn, who join from Kames Capital later this month.

**Commenting, John Ions, Chief Executive, said:**

“A strong quarter for fund flows has resulted in AuM now standing at £10.6 billion. Net inflows for the quarter of £571 million and £749 million for the financial year to date illustrate the excellent foundations the business has built.

The focus on and assets being invested in sustainable investing continue to increase. The Sustainable Investment team has been a significant contributor to the expansion of the business since joining Liontrust at the start of last April, with the AuM it is managing increasing by nearly £500 million to just shy of £3 billion.

The Sustainable Investment team’s rigorous approach to investing and strong performance track record make it a compelling client proposition. Over one year to 31 December 2017, all 10 of the UK-domiciled funds managed by the Sustainable Investment team were in the 1<sup>st</sup> quartile of their respective IA sectors. Over three years, eight out of the 10 funds were in the 1<sup>st</sup> quartile.

We have expanded further our investment teams with the recruitment of David Roberts, Phil Milburn and Donald Phillips. This new Global Fixed Income team has a demonstrative track record of adding value to client portfolios and are highly regarded by investors in the UK and continental Europe.

Donald will be joining David and Phil in February from Baillie Gifford and is a significant addition to the Global Fixed Income team because of his experience, knowledge and insight, particularly of high yield bonds. Having previously worked together at Kames, David and Phil know Donald’s strengths and how they complement each other.

Liontrust does not aim to offer all investment options but the working environment we provide for managers who have strong investment processes has never been more valued by investors.

A final mention must go to Anthony Cross who on 8 January celebrated 20 years of managing the UK Smaller Companies Fund. Continuing to manage the Fund for 20 years is a fantastic and rare achievement and is a testament to the robust Economic Advantage investment process.”

### **Funds under Management**

On 31 December 2017, our AuM stood at £10.556 billion and were broken down by type and process as follows:-

<b><u>Process</u></b>	<b><u>Total</u></b>	<b><u>Institutional</u></b>	<b><u>UK Retail</u></b>	<b><u>Multi-Asset</u></b>	<b><u>Offshore Funds</u></b>
	<b><u>(£m)</u></b>	<b><u>(£m)</u></b>	<b><u>(£m)</u></b>	<b><u>(£m)</u></b>	<b><u>(£m)</u></b>
Cashflow Solution	964	522	324	-	118
Economic Advantage	5,016	297	4,639	-	80
Macro Thematic	500	164	309	-	27
European Income	247	-	247	-	-
Asia	117	-	106	-	11
Sustainable Investment	2,971	54	2,718	-	199
Multi-Asset	692	-	-	692	-
Indexed	49	-	49	-	-
<b>Total</b>	<b>10,556</b>	<b>1,037</b>	<b>8,392</b>	<b>692</b>	<b>435</b>

### **Funds Flows**

The net inflows over the three months to 31 December 2017 are £571 million (2016: £190 million). A reconciliation of fund flows and AuM over the three months to 31 December 2017 is as follows:-

	<b><u>Total</u></b>	<b><u>Institutional</u></b>	<b><u>UK Retail</u></b>	<b><u>Multi-Asset</u></b>	<b><u>Offshore Funds</u></b>
	<b><u>(£m)</u></b>	<b><u>(£m)</u></b>	<b><u>(£m)</u></b>	<b><u>(£m)</u></b>	<b><u>(£m)</u></b>
<b>Opening AuM - 1 October 2017</b>	<b>9,640</b>	<b>966</b>	<b>7,610</b>	<b>634</b>	<b>430</b>
Net flows	571	39	495	38	(1)
Market and Investment performance	345	32	287	20	6
<b>Closing AuM - 31 December 2017</b>	<b>10,556</b>	<b>1,037</b>	<b>8,392</b>	<b>692</b>	<b>435</b>

### **Fund Performance (Quartile ranking)**

	<b>Quartile ranking – Since Launch/Manager Appointed</b>	<b>Quartile ranking - 5 year</b>	<b>Quartile ranking - 3 year</b>	<b>Quartile ranking - 1 year</b>	<b>Launch Date/Manager Appointed</b>
Liontrust UK Growth Fund	1	2	1	2	25/03/2009
Liontrust Special Situations Fund	1	1	1	1	10/11/2005
Liontrust UK Smaller Companies Fund	1	2	1	3	08/01/1998
Liontrust UK Micro Cap Fund	3	-	-	4	09/03/2016
Liontrust Macro Equity Income Fund	1	3	4	3	31/10/2003

Liontrust Macro UK Growth Fund	2	3	4	2	01/08/2002
Liontrust European Growth Fund	1	2	2	4	15/11/2006
Liontrust Asia Income Fund	2	2	3	4	05/03/2012
Liontrust European Income Fund	3	3	4	4	15/12/2005
Liontrust European Enhanced Income Fund (Hedged)	4	4	4	4	30/04/2010
Liontrust Global Income Fund	4	-	4	3	03/07/2013
Liontrust Monthly Income Bond Fund	1	1	1	1	12/07/2010
Liontrust SF Absolute Growth Fund	4	1	1	1	19/02/2001
Liontrust SF Corporate Bond Fund	1	1	1	1	20/08/2012
Liontrust SF Cautious Managed Fund	1	-	2	1	23/07/2014
Liontrust SF Defensive Managed Fund	1	-	1	1	23/07/2014
Liontrust SF European Growth Fund	2	2	1	1	19/02/2001
Liontrust SF Global Growth Fund	4	2	2	1	19/02/2001
Liontrust SF Managed Fund	3	1	1	1	19/02/2001
Liontrust UK Ethical Fund	2	1	1	1	01/12/2000
Liontrust SF UK Growth Fund	2	1	1	1	19/02/2001

Source: Financial Express, total return (income reinvested and net of fees), bid to bid, to 31 December 2017 unless otherwise stated, based on primary share classes. The above funds are all UK authorised unit trusts or UK authorised ICVCs (primary share class). Liontrust FTSE 100 Tracker Fund (index fund) not included. Past performance is not a guide to the future; the value of investments and the income from them can fall as well as rise. Investors may not get back the amount originally subscribed. Quartile rankings correct as at 02/01/2018.

### **Global Fixed Income team**

Liontrust has recruited Donald Phillips to join the Global Fixed Income team in February 2018. Donald is highly regarded and will further strengthen the team that will be formed this month when David Roberts and Phil Milburn join from Kames Capital.

Donald is an investment manager in the Credit team at Baillie Gifford and previously worked with David and Phil at Kames Capital for three years from 2005 to 2008. Donald has been co-manager of the Baillie Gifford High Yield Bond Fund since June 2010 and the US High Yield strategy since its launch in February 2017.

David and Phil have a long and successful track record of managing fixed income funds. David was Head of the Fixed Income team at Kames Capital, and Phil was Head of Investment Strategy of the team.

After the managers join Liontrust, we will launch Strategic Bond, High Yield Bond and Absolute Return Bond Funds, subject to appropriate regulatory approvals.

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**Forward Looking Statements**

This announcement contains certain forward-looking statements with respect to the financial condition, results of operations and businesses and plans of Liontrust. 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. As a result, the Liontrust's actual future financial condition, results of operations and business and plans may differ materially from the plans, goals and expectations expressed or implied by these forward-looking statements. Liontrust undertakes no obligation publicly to update or revise forward-looking statements, except as may be required by applicable law and regulation (including the Listing Rules of the Financial Conduct Authority). Nothing in this announcement should be construed as a profit forecast or be relied upon as a guide to future performance.

**Other information**

The release, publication, transmission or distribution of this announcement in, into or from jurisdictions other than the United Kingdom may be restricted by law and therefore persons in such jurisdictions into which this announcement is released, published, transmitted or distributed should inform themselves about and observe such restrictions. Any failure to comply with the restrictions may constitute a violation of the securities laws of any such jurisdiction.

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