



INTERIM REPORT 2010

Directors and Advisers

Directors, Registered Office and Company number

Adrian John Reginald Collins (Chairman)
John Stephen Ions (Chief Executive)
Vinay Kumar Abrol (Chief Operating Officer and Chief Financial Officer)
Christopher John Edmeades (Chief Risk Officer)
Glyn Vincent Hirsch (Non-executive Director)
Graham Leslie Hooper (Non-executive Director)

2 Savoy Court, London WC2R 0EZ

Registered in England with Company Number 2954692

Company Secretary

Mark Jackson,
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Independent Auditors

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Legal Advisers

Macfarlanes LLP,
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London EC4A 1LT

Bankers

HSBC Bank PLC, 60 Queen Victoria Street, London EC4N 4TR

Financial Adviser and Corporate Broker

Altium Capital Limited, 30 St. James's Square, London SW1Y 4AL

Registrars

Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU

Chairman's Statement

Introduction

We have made an adjusted loss before tax of £1.6 million in the first six months of this financial year. This needs to be put in the context of the rapid change that we have undergone at Liontrust over the past few months, the increased spend on marketing to drive sales, the new business that has been emerging and the return to net positive sales.

The other reason for the loss, of course, is the fact that assets under management were declining into this financial year. We have successfully reversed this trend and are now focused on growing our assets under management.

The rebuild is evidenced by the fact that 1 July to 30 September 2010 represented our first quarter of net positive sales (£9 million) at Liontrust since the first calendar quarter of 2008. We have also delivered net positive sales since the start of the financial year to 23 November 2010 of £41 million, following an inflow of more than £76 million since the start of October. Putting this achievement into context, the last financial year in which we experienced net inflows was 2003/04. We have also received recent recommendations for our funds from leading distributors such as Hargreaves Lansdown, Chelsea Financial Services and Killik & Co.

Encouraged by the success of the marketing campaign so far, we have decided to commit another £700,000 to advertising and other marketing activities in the second half. In the full financial year ending 31 March 2011, we will have spent an additional £1.2 million on marketing. We are comforted by the fact that the rest of our cost base is under control and our head count has been reduced to 43.

We have incurred further exceptional and non-cash expenses of £2.3 million. This has included expenses related to Nigel Legge standing down as Chief Executive, closing our Global Equities fund management team, reorganising Liontrust's subsidiary companies, revisions to our unit trust fund range, other severance compensation and share incentivisation. Despite these costs, the adjusted loss before tax and the net cost of purchasing the minority interest in Liontrust European Investment Services Limited, our net cash and financial assets balance remains robust at £15 million.

This restructuring has been a vital step in creating a new streamlined and better focused Liontrust that will enable management to grow assets under management and return to profitability.

A key to achieving this is the ongoing fund performance and commitment to Liontrust of our three fund management teams. Our fund performance is still excellent, with four out of six of our actively managed unit trusts in the first quartile of their respective IMA sectors over the year to 31 October 2010. The commitment of the fund managers is shown by the fact all the teams own equity either directly or through share options. As a result of agreements entered into earlier this year, Gary West and James Inglis-Jones, for example, now own nearly 5% of the ordinary share capital of Liontrust between them.

Results

Adjusted loss before tax was £1,642,000 (See Note 5) (2009: Adjusted profit before tax £706,000).

Assets under management and sales

On 30 September 2010, our assets under management ("AuM") stood at £1,128 million and were broken down by type and process as follows:-

Process	Total £m	Institutional £m	Retail £m	Offshore Funds £m
Liontrust Cashflow Solution	778	326	424	28
Liontrust Economic Advantage	256	–	256	–
Liontrust Credit Process	39	–	–	39
Indexed	55	–	55	–
Total	1,128	326	735	67

Assets under management as at 23 November 2010 were £1,246 million.

A reconciliation of fund flows and assets under management on a quarter by quarter basis over the six month period is as follows:-

	Total £m	Institutional £m	UK Retail £m	Offshore Funds £m
Opening AuM - 1 April 2010	1,149	311	772	66
Inflows	33	8	14	11
Outflows	(77)	(1)	(70)	(6)
Net flows	(44)	7	(56)	5
Market movement	(92)	(38)	(54)	–
Closing AuM - 30 June 2010 /				
Opening AuM – 1 July 2010	1,013	280	662	71
Inflows	81	12	60	9
Outflows	(72)	(2)	(56)	(14)
Net flows	9	10	4	(5)
Market movement	106	36	69	1
Closing AuM - 30 Sep 2010	1,128	326	735	67

Liontrust has subsequently recorded net inflows of £76 million over the last seven weeks. Net inflows for the financial year to date were £41 million.

Performance fees

Performance fees of £199,000 were earned in the six month period to 30 September 2010 (2009: £2,236,000).

Fund Performance (Quartile ranking)

Fund	3 months	1 year	Manager tenure	Manager appointed
Liontrust Income Fund	1	1	1	25/03/2009
Liontrust UK Growth Fund	1	1	1	25/03/2009
Liontrust Special Situations Fund	1	1	1	11/11/2005
Liontrust UK Smaller Companies Fund	2	2	1	08/01/1998
Liontrust European Absolute Return Fund	1	3	4	09/07/2009
Liontrust European Growth Fund	1	1	1	15/11/2006

Source: Financial Express, total return, to 31 October 2010, past performance is not a guide to the future.

Sales & Marketing

Mark Allpress joined Liontrust on 30 September 2010 as Head of Retail Distribution. Mark is responsible for the retail sales team, who focus particularly on advisers, discretionary and wealth managers, platforms and life companies. Mark has extensive experience in the asset management industry. Between September 2008 and July 2010, Mark was Head of Retail Distribution at Old Mutual Asset Management. Previously, Mark was Sales Director at BNY Mellon Asset Management from January 2000 to August 2008 having joined the company in June 1997.

Liontrust started a comprehensive print and online advertising campaign in August. We have already seen results from the advertising through a return to net positive sales in the second quarter of our financial year and increased awareness of our products and, most importantly, our strong fund performance.

We have completed our rebranding and our new website. This has been an important part of our process of providing more regular and clearer communications to our existing and potential client base.

Re-structure of the retail funds

Following a strategic review of our retail funds range, we have made a number of revisions. These changes are intended to align us more closely with the rest of the fund management industry.

We have renamed five of our retail funds so that their titles more accurately reflect their objectives. The new fund names are: Income Fund (previously First Income Fund); UK Growth Fund (First Growth Fund); Special Situations Fund (First Opportunities Fund); UK Smaller Companies Fund (Intellectual Capital Trust); and European Growth Fund (Continental Europe Fund). We have also merged the Large Cap Fund into the UK Growth Fund.

We are adding institutional share classes to the funds to accommodate a "clean fees" structure requested by many wealth and discretionary managers and as part of our preparations for the post-RDR (Retail Distribution Review) world. We are hopeful the addition of these share classes will lead to increased inflows from this part of the market.

We have also added the full UCITS III powers to the five renamed funds. It is not intended that these powers will change the risk profile or volatility of any of the funds.

Purchase of Shares in Liontrust European Investment Services Ltd (“LEIS”)

On 17 August 2010, we announced that we had entered into an agreement to acquire 45,000 C Ordinary Shares held by each of Mr West and Mr Inglis-Jones respectively in LEIS, a subsidiary of Liontrust. This represented the entire interests of Mr West and Mr Inglis-Jones in LEIS. The total consideration payable by Liontrust for such shares, including stamp duty, listing fees and legal expenses, was £2,744,000.

As part of this arrangement, Mr West and Mr Inglis-Jones applied 50% of the consideration received to subscribe for, in aggregate, 1,679,882 new Ordinary Shares of 1p in Liontrust at the prevailing market price and entered into a three-year lock up agreement. The arrangement is designed to ensure the interests of Mr West and Mr Inglis-Jones are more closely aligned with those of shareholders.

Severance Compensation for Nigel Legge and Global Equities team closure

On 7 May 2010, we announced that Nigel Legge had stepped down as Chief Executive with immediate effect and would remain as a consultant until 6 August 2010. The cost of Mr Legge's departure was £665,000, which includes severance compensation payable to Mr Legge, consultancy fees payable to Mr Legge and related legal expenses, social security costs and VAT (as applicable).

On 1 July 2010, we announced that we were closing our Global Equities team. The cost of the Global equities team closure was £781,000, which includes severance compensation payable to Mr Hollyman and his team, set-up and closure costs for the Guernsey and Jersey companies that were set up to house the Global equities business, related legal expenses, social security costs and VAT (as applicable).

Proposed Executive Share Plan

Proposals for a new incentive plan to align the interests of directors and key management with shareholders remain under consideration by the Board and further information will be sent to shareholders in due course for the purposes of approving the proposals as appropriate.

Directorate changes

As previously announced, Jim Sanger retires on 24 November 2010. Glyn Hirsch becomes Chairman of Audit Committee with immediate effect.

Outlook

We have taken a number of important and necessary steps in this financial year to restructure Liontrust and to develop a focused Group with a more proactive sales and marketing strategy. At the same time, our balance sheet is still robust with £15 million in net cash and financial assets. The ongoing strong fund management performance, allied to these developments, gives me great confidence that we can continue to build on our recent return to net positive sales and return the Group to profitability.

Adrian Collins
Chairman

Consolidated Statement of Comprehensive Income

six months ended 30 September 2010

	Notes	Six months to 30-Sep-10 (unaudited) £'000	Six months to 30-Sep-09 (unaudited) £'000	Year ended 31-Mar-10 (audited) £'000
Continuing operations				
Revenue	3	4,199	7,245	13,171
Cost of sales		(41)	(56)	(102)
Gross profit		4,158	7,189	13,069
Realised gain on sale of financial assets		7	437	1,261
Administrative expenses	4	(8,092)	(7,153)	(15,346)
Operating (loss)/profit		(3,927)	473	(1,016)
Interest receivable		6	3	11
(Loss)/profit before tax		(3,921)	476	(1,005)
Taxation	6	(128)	(273)	2,094
(Loss)/profit for the period		(4,049)	203	1,089
Other comprehensive income:				
Net (losses)/gains on available-for-sale financial assets net of tax		(46)	209	1,023
Amounts recycled through the Consolidated Statement of Comprehensive Income		(7)	(437)	(1,261)
Exchange differences on translating foreign operations		(5)	(30)	(72)
Other Comprehensive income for the period, net of tax		(58)	(258)	(310)
Total comprehensive income		(4,107)	(55)	779
Memo - Dividends		–	(1,497)	(2,245)
		Pence	Pence	Pence
Basic earnings per share	7	(13.34)	0.68	3.64
Diluted earnings per share	7	(11.97)	0.68	3.18

The notes on pages 11 to 16 form an integral part of this condensed consolidated interim financial information.

Consolidated Balance Sheet

as at 30 September 2010

	Notes	30-Sep-10 (unaudited) £'000	30-Sep-09 (unaudited) £'000	31-Mar-10 (audited) £'000
Assets				
Non-current assets				
Intangible assets		700	900	800
Property, plant and equipment		137	139	111
Deferred tax assets		583	226	711
		1,420	1,265	1,622
Current assets				
Trade and other receivables		10,113	12,829	14,302
Financial assets	10	8,079	4,862	8,052
Cash and cash equivalents		9,059	10,844	11,722
		27,251	28,535	34,076
Non current asset held for sale		–	–	830
Total current assets		27,251	28,535	34,906
Liabilities				
Current liabilities				
Deferred tax liabilities		(138)	(201)	(160)
Trade and other payables		(12,270)	(8,254)	(14,644)
Accruals		(79)	(160)	(113)
		(12,487)	(8,615)	(14,917)
Liabilities directly linked with non current asset held for sale		–	–	(181)
Total current liabilities		(12,487)	(8,615)	(15,098)
Net current assets		14,764	19,920	19,808
Net assets		16,184	21,185	21,430
Shareholders' equity				
Ordinary shares		354	337	337
Share premium		10,272	8,962	8,962
Capital redemption reserve		15	15	15
Revaluation reserve		354	417	407
Retained earnings		17,361	23,626	23,881
Own shares held		(12,172)	(12,172)	(12,172)
Total equity		16,184	21,185	21,430

The notes on pages 11 to 16 form an integral part of this condensed consolidated interim financial information.

Consolidated Cash Flow Statement

six months ended 30 September 2010

	Six months to 30-Sep-10 (unaudited) £'000	Six months to 30-Sep-09 (unaudited) £'000	Year ended 31-Mar-10 (audited) £'000
Cash flows from operating activities			
Cash inflow from operations	4,413	7,853	18,852
Cash outflow from operations	(8,680)	(14,108)	(20,706)
Cash inflow/(outflow) from changes in unit trust receivables and payables	2,054	(6,673)	(6,222)
Net cash used in operations	(2,213)	(12,928)	(8,076)
Interest received	6	3	11
Tax received/(paid)	263	(1,863)	(2,053)
Net cash used in operating activities	(1,944)	(14,788)	(10,118)
Cash flows from investing activities			
Purchase of property and equipment	(44)	(16)	(23)
Purchase of intangible assets	–	(1,000)	(1,000)
Sale/(purchase) of seeding investments	650	2,045	(999)
Net cash from/(used in) investing activities	606	1,029	(2,022)
Cash flows from financing activities			
Purchase of minority interest shares	(2,654)	(508)	(508)
Issue of new shares	1,327	–	–
Dividends paid to shareholders	–	(1,497)	(2,245)
Net cash used in financing activities	(1,327)	(2,005)	(2,753)
Net decrease in cash and cash equivalents	(2,665)	(15,764)	(14,893)
Effect of exchange rate changes	2	(29)	(22)
Opening cash and cash equivalents*	11,722	26,637	26,637
Closing cash and cash equivalents	9,059	10,844	11,722

* Cash and cash equivalents consists only of cash balances.

The notes on pages 11 to 16 form an integral part of this condensed consolidated interim financial information.

Consolidated Statement of Change in Equity (unaudited)

six months ended 30 September 2010

	Share capital £'000	Share premium £'000	Capital redemption £'000	Re- valuation £'000	Retained earnings £'000	Own shares held £'000	Total Equity £'000
Balance at 1 April 2010 brought forward	337	8,962	15	407	23,881	(12,172)	21,430
Loss for the period	-	-	-	-	(4,049)	-	(4,049)
Net loss on available-for-sale financial assets net of tax	-	-	-	(46)	-	-	(46)
Amounts recycled through the Consolidated Statement of Comprehensive Income	-	-	-	(7)	-	-	(7)
Loss on foreign exchange	-	-	-	-	(5)	-	(5)
Total comprehensive income for the period	-	-	-	(53)	(4,054)	-	(4,107)
Acquisition of minority interest shares	-	-	-	-	(2,654)	-	(2,654)
Shares issued	17	1,310	-	-	-	-	1,327
Equity share options issued	-	-	-	-	188	-	188
Balance at 30 September 2010	354	10,272	15	354	17,361	(12,172)	16,184

	Share capital £'000	Share premium £'000	Capital redemption £'000	Re- valuation £'000	Retained earnings £'000	Own shares held £'000	Total Equity £'000
Balance at 1 April 2009 brought forward	337	8,962	15	645	24,950	(12,172)	22,737
Profit for the period	-	-	-	-	203	-	203
Net gains on available-for-sale financial assets net of tax	-	-	-	209	-	-	209
Amounts recycled through the Consolidated Statement of Comprehensive Income	-	-	-	(437)	-	-	(437)
Loss on foreign exchange	-	-	-	-	(30)	-	(30)
Total comprehensive income for the period	-	-	-	(228)	173	-	(55)
Dividends paid	-	-	-	-	(1,497)	-	(1,497)
Balance at 30 September 2009	337	8,962	15	417	23,626	(12,172)	21,185

Consolidated Statement of Change in Equity (audited)

year ended 31 March 2010

	Share capital £'000	Share premium £'000	Capital redemption £'000	Re- valuation £'000	Retained earnings £'000	Own shares held £'000	Total Equity £'000
Balance at 1 April 2009 brought forward	337	8,962	15	645	24,950	(12,172)	22,737
Profit for the period	–	–	–	–	1,089	–	1,089
Net gains on available-for-sale financial assets net of tax	–	–	–	1,023	–	–	1,023
Amounts recycled through the Consolidated Statement of Comprehensive Income	–	–	–	(1,261)	–	–	(1,261)
Loss on foreign exchange	–	–	–	–	(72)	–	(72)
Total comprehensive income for the year	–	–	–	(238)	1,017	–	779
Dividends paid	–	–	–	–	(2,245)	–	(2,245)
Equity share options issued	–	–	–	–	159	–	159
Balance at 31 March 2010	337	8,962	15	407	23,881	(12,172)	21,430

The notes on pages 11 to 16 form an integral part of this condensed consolidated interim financial information.

3 Revenue

	Six months to 30-Sep-10 (unaudited) £'000	Six months to 30-Sep-09 (unaudited) £'000	Year ended 31-Mar-10 (audited) £'000
Revenue			
– Revenue	4,000	5,009	9,722
– Performance fee revenue	199	2,236	3,449
Total Revenue	4,199	7,245	13,171

4 Administration expenses

	Six months to 30-Sep-10 (unaudited) £'000	Six months to 30-Sep-09 (unaudited) £'000	Year ended 31-Mar-10 (audited) £'000
Employee related expenses			
Director and employee costs	3,149	4,862	9,591
Share incentivisation expense	265	46	105
Severance compensation ⁽¹⁾⁽²⁾	1,357	51	126
Cost reduction and restructuring programme related severance compensation	–	–	1,021
	4,771	4,959	10,843
Non employee related expenses			
Members drawings charged as an expense	348	–	–
Global equities team closure costs	327	–	–
Cost reduction and restructuring programme ⁽³⁾	213	–	281
Depreciation and intangible asset amortisation	117	133	268
Other administration expenses	2,316	2,061	3,954
Total administration expenses	8,092	7,153	15,346

⁽¹⁾ Includes £665,000 of employment related expenses relating to the departure of Nigel Legge, who stepped down as chief executive on 7 May 2010.

⁽²⁾ Includes £454,000 of employment related expenses relating to the departure of the Global equities team.

⁽³⁾ Includes £59,000 of expenses related to fund reorganisations.

5 Adjusted (loss)/profit before tax

Adjusted profit (or loss) before tax is disclosed in order to give shareholders an indication of the profitability of the Group excluding non-cash (depreciation, intangible asset amortisation and IFRS2 related) expenses, non-recurring (cost reduction, restructuring and severance costs) expenses and share incentivisation related and is reconciled in the table below.

	Six months to 30-Sep-10 (unaudited) £'000	Six months to 30-Sep-09 (unaudited) £'000	Year ended 31-Mar-10 (audited) £'000
Gross profit	4,158	7,189	13,069
Realised gain on sale of financial assets	7	437	1,261
Director and employee costs	(3,149)	(4,862)	(9,591)
Members drawings charged as an expense	(348)	–	–
Other administration expenses	(2,316)	(2,061)	(3,954)
Interest receivable	6	3	11
Adjusted (loss)/profit before tax	(1,642)	706	796

6 Taxation

The interim tax charge has been calculated at the estimated full year effective UK corporation tax rate of 28% (2009: 28%).

The tax charge in the period of £128,000 represents the release of a deferred tax asset from the balance sheet relating to prior losses within a group company that was ineligible for group taxation relief.

7 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 2010 was 30,359,938 (30 September 2009: 29,937,673, 31 March 2010: 29,937,673). 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.

Diluted earnings per share are 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 2010. The adjusted weighted

Notes to the Financials Statements continued

average number of Ordinary Shares so calculated for the period was 33,839,002 (30 September 2009: 29,937,673, 31 March 2010: 34,216,420). This is reconciled to the actual weighted number of Ordinary Shares as follows:

	30-Sep-10	30-Sep-09	31-Mar-10
Weighted average number of Ordinary Shares	30,359,938	29,937,673	29,937,673
Weighted average number of dilutive Ordinary shares under option:			
- to Savings-Related Share Option Scheme	–	–	–
- to Liontrust Enterprise Management Incentive Scheme	–	–	–
- to Liontrust Incentive Plan	1,186,153	–	466,675
- to Liontrust Option Plan	–	–	–
- to shareholders in Liontrust European Investment Services Limited	2,292,911	–	3,812,072
Adjusted weighted average number of Ordinary Shares	33,839,002	29,937,673	34,216,420

8 Group reorganisation

On 8 July 2010, as part of a reorganisation of the Group, two subsidiaries of the Company transferred their respective and entire regulated businesses to two newly incorporated limited liability partnerships ("LLP").

Liontrust Investment Funds Limited and Liontrust Fund Partners LLP, and Liontrust Investment Services Limited and Liontrust Investment Partners LLP entered into separate Business Contribution Agreements for the transfer of their respective and entire regulated business (the "Business") together with all properties, rights, assets and goodwill relating to the Business as a going concern to the respective LLP.

The transfer of the Business took place at book value, and has been treated as a contribution of capital by the relevant subsidiary company of the Group to the relative LLP and has been credited to its Capital Account with the relevant LLP.

9 Acquisition of minority interest in Liontrust European Investment Services Limited

On 16 August 2010, the Company entered into an agreement to acquire 45,000 C Ordinary Shares held by each of Mr West and Mr Inglis-Jones respectively in Liontrust European Investment Services Limited ("LEIS"), a subsidiary of the Company, subscribed for by them pursuant to an investment agreement dated 16 June 2006. This represented the entire interests of Mr West and Mr Inglis-Jones in LEIS. The total consideration payable by Liontrust for such shares, including stamp duty, listing fees and legal expenses, was £2,744,000.

As part of such arrangement, Mr West and Mr Inglis-Jones applied 50% of the consideration received to subscribe for, in aggregate, 1,679,882 new Ordinary Shares of 1p in Liontrust at the prevailing market price.

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 and shares in sub-funds of the Liontrust Guernsey Fund Limited (a Guernsey domiciled Open ended investment company) held in the manager's box and are valued at bid price.

Assets held as available for sale:

The Group's assets held as available for sale represent shares in the Liontrust Credit Fund (a Cayman Islands domiciled Mutual Fund), Liontrust Pan-European Fund and Liontrust Credit Absolute Return Fund (both sub-funds of Liontrust International Funds (Luxembourg) SICAV) and are valued at bid price.

11 Related party transactions

During the six months to 30 September 2010 the Group received fees from unit trusts under management of £4,771,000 (2009: £5,060,000). Transactions with these unit trusts comprised creations of £35,730,000 (2009: £27,895,000) and liquidations of £87,005,000 (2009: £193,112,000). 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 2010 the Group owed the unit trusts £6,257,000 (2009: £107,000) in respect of unit trust creations and was owed £1,784,000 (2009: £3,185,000) in respect of unit trust cancellations and fees.

12 Key risks

The directors have identified the risk 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 2010 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 reputation 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 risk management 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 15 of the 2010 Annual Report and Note 2 "Financial risk management" on page 32 of the 2010 Annual Report.

13 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 interim management 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**

24 November 2010

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.



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