

Embargoed until 7am on 1 February 2012

**Stock Exchange Announcement
LIONTRUST ASSET MANAGEMENT PLC
Interim Management Statement**

Liontrust Asset Management PLC (“Liontrust”, the “Company”, or the “Group”), the specialist independent fund management group, is today issuing its Interim Management Statement for the period from 1 October 2011 to 31 December 2011 (the “Interim Period”) as required by the FSA's Disclosure and Transparency Rules.

Highlights

- Net positive inflows of £15 million in the Interim Period, the sixth successive quarter in which the Company has had positive net sales. Net positive inflows of £74 million in the financial year to 31 December 2011
- In the current quarter from 1 January 2012 to 30 January 2012, Liontrust has recorded positive net sales of £15 million
- Assets under management increased from £1,192 million to £1,364 million in the Interim Period.
- AuM as at 30 January 2012 were £1,409 million, which is the first time since June 2009 that our AuM has exceeded £1,400 million
- Performance fees of £829,000 in the Interim Period with £1.405 million earned in the financial year to 31 December 2011

Commenting on the results, John Ions, Chief Executive, said:

“Net positive inflows of £15 million in the fourth quarter of 2011 were a significant achievement given that other asset managers have reported net outflows over the same period. This continues the success we have enjoyed over the past 18 months as we have now reported six successive quarters of positive net inflows.

“As a result of continued excellent performance across the fund range and the broadening of our client base, we have achieved these inflows notwithstanding poor investor sentiment, especially towards UK and European equities, and volatile stock markets. The challenging environment was shown by November 2011 having the lowest monthly net sales since October 2008 (source: Investment Management Association (“IMA”)).

“In 2011, Liontrust Special Situations Fund was the best performing fund in the IMA UK All Companies sector while Liontrust UK Growth Fund and Liontrust UK Smaller Companies Fund were third in their respective sectors. The wider recognition of this performance is demonstrated by OBSR recently granting Liontrust European Growth Fund an A rating and Liontrust Special Situations Fund being added to the Citywire Selection list, which comprises the 128 funds most highly rated by Citywire.

“We have expanded our fund management and distribution capability, particularly in continental Europe and the Middle East, through completing the acquisition of Occam Asset Management in October 2011. This is a key development in our ability to maintain the momentum of the past couple of years.”

Funds under Management

On 31 December 2011, our assets under management (“AuM”) stood at £1,364 million and were broken down by type and process as follows:-

<u>Process</u>	<u>Total</u> <u>(£m)</u>	<u>Institutional</u> <u>(£m)</u>	<u>Retail</u> <u>(£m)</u>	<u>Offshore Funds</u> <u>(£m)</u>
Cashflow Solution	830	384	415	31
Economic Advantage	444	-	444	-
Asia	12	-	-	12
Emerging Markets	27	-	-	27
Indexed	51	-	51	-
Total	1,364	384	910	70

AuM as at 30 January 2012 were £1,409 million, which is the first time since June 2009 that our AuM has exceeded £1,400 million.

Funds Flows

Liontrust recorded positive net sales of £15 million in the Interim Period, the sixth successive quarter in which the Company has had positive net sales. In the current quarter from 1 January 2012 to 30 January 2012, Liontrust has recorded positive net sales of £15 million.

A reconciliation of fund flows and assets under management over the Interim Period is as follows:-

	<u>Total</u> <u>£m</u>	<u>Institutional</u> <u>£m</u>	<u>UK Retail</u> <u>£m</u>	<u>Offshore Funds</u> <u>£m</u>
Opening AuM - 1 October 2011	1,192	370	815	7
Inflows	111	12	98	1
Outflows	(96)	(24)	(46)	(26)
Net flows	15	(12)	52	(25)
Acquisition of Occam *	84	-	-	84
Market movement	73	26	43	4
Closing AuM - 31 December 2011	1,364	384	910	70

* - The acquisition of the fund management business of Occam completed on 4 October 2011.

Performance fees

Performance fees of £829,000 were earned in the Interim Period (1 October 2010 to 31 December 2010: £816,000). Accordingly, in the financial year to 31 December 2011, £1.405 million were earned (1 April 2010 to 31 December 2010: £1.013 million).

Fund Performance (Quartile ranking)

The strength of Liontrust's fund management capability and investment processes is shown by the short and long-term performance of our unit trust range. In 2011, the Liontrust Special Situations, Liontrust UK Growth and Liontrust UK Smaller Companies funds all delivered positive returns whereas the FTSE All Share Index fell 3.46% and the FTSE Small Cap Index dropped 15.16%. Liontrust European Absolute Return Fund returned 7.10% last year in contrast to a fall of 14.41% by the FTSE All World Developed Europe ex UK Index. Since launch or the fund managers were appointed, four out of six of our actively managed

unit trusts are in the first quartile of their respective sectors. Over five years, four out of five funds are in the first quartile.

Retail Funds	1 year	5 year	Manager tenure	Since launch / Manager appointed
Liontrust Income Fund	3	4	2	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	1	1	1	08/01/1998
Liontrust European Absolute Return Fund	1	-	3	09/07/2009
Liontrust European Growth Fund	2	1	1	15/11/2006

Source: Financial Express, total return, bid to bid, to 31 December 2011 unless otherwise stated. The above funds are all UK authorised unit trusts (retail share class). 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.

Annual Investment Conference

On 24 January 2012, more than 120 clients attended the second Liontrust annual investment conference at The Savoy where all four of our fund management teams made presentations. The feedback on the conference has been very positive.

Fund Launches

Liontrust European Absolute Alpha Fund

In February 2012 we will launch the Dublin based Liontrust European Absolute Alpha Fund. The fund has the same fund management team and investment process as the Guernsey domiciled Liontrust European Long/Short Fund, which returned 64.5% from launch on 6 December 2006 to 31 December 2011. Over the same period, the MSCI World Index (total return US dollars) was down 18.7% and the HFRX Equity Hedge Index (total return US dollars) fell 22.1%. Domiciling the Fund in Dublin will enable Liontrust European Absolute Alpha Fund to have a broader potential client base than Liontrust European Long/Short Fund has had.

Liontrust Asia Income Fund

Liontrust Asia Income Fund is to be launched on 5 March 2012. We believe the asset class appeals to a wide range of investors because it provides diversification away from the UK and exposure to a region with an attractive source of income combined with Asia's longer term growth prospects. There is a clear desire by Asian companies to increase dividend payouts. This is a reflection of the strong financial position of companies and countries in Asia and an increasing focus on shareholder returns.

Investors in the companies in the top quintile of yielding stocks (on a forward looking basis) from January 1995 to mid-October 2011 would have outperformed Asia Pacific (excluding Japan) markets by more than 7% on an annualised basis if dividends were reinvested [source: Daiwa]. If the Fund had been launched today it would have a yield of about 4.5%.

Sales & Marketing

The profile of Liontrust and our excellent fund performance has continued to rise through advertising, PR and other marketing activities and through proactive sales strategies. We

have broadened our client base, including in continental Europe and Asia following the acquisition of Occam Asset Management.

Outlook

We are confident that we can continue to grow our assets under management and maintain positive net inflows. This derives from our strong fund performance, extending our fund management capability into Asia and Emerging Markets equities and expanding our client base.

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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 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. As a result, the Group'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 Services 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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