



# Liontrust Asset Management PLC

John Ions & Vinay Abrol

September 2018

For professional investors and advisers only





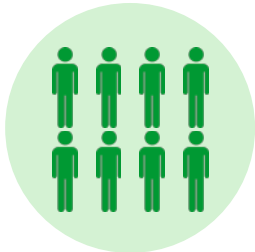
Founded in 1994 and listed on the London Stock Exchange in 1999



Headquartered in London with offices in Luxembourg and Edinburgh



Fund ranges domiciled in the UK & Ireland



Eight fund management teams investing in UK, European, Asia and Global equities, Sustainable Investment, Global Fixed Income and Multi-Asset target risk portfolios



£11.4 billion in AuM as at 30 June 2018



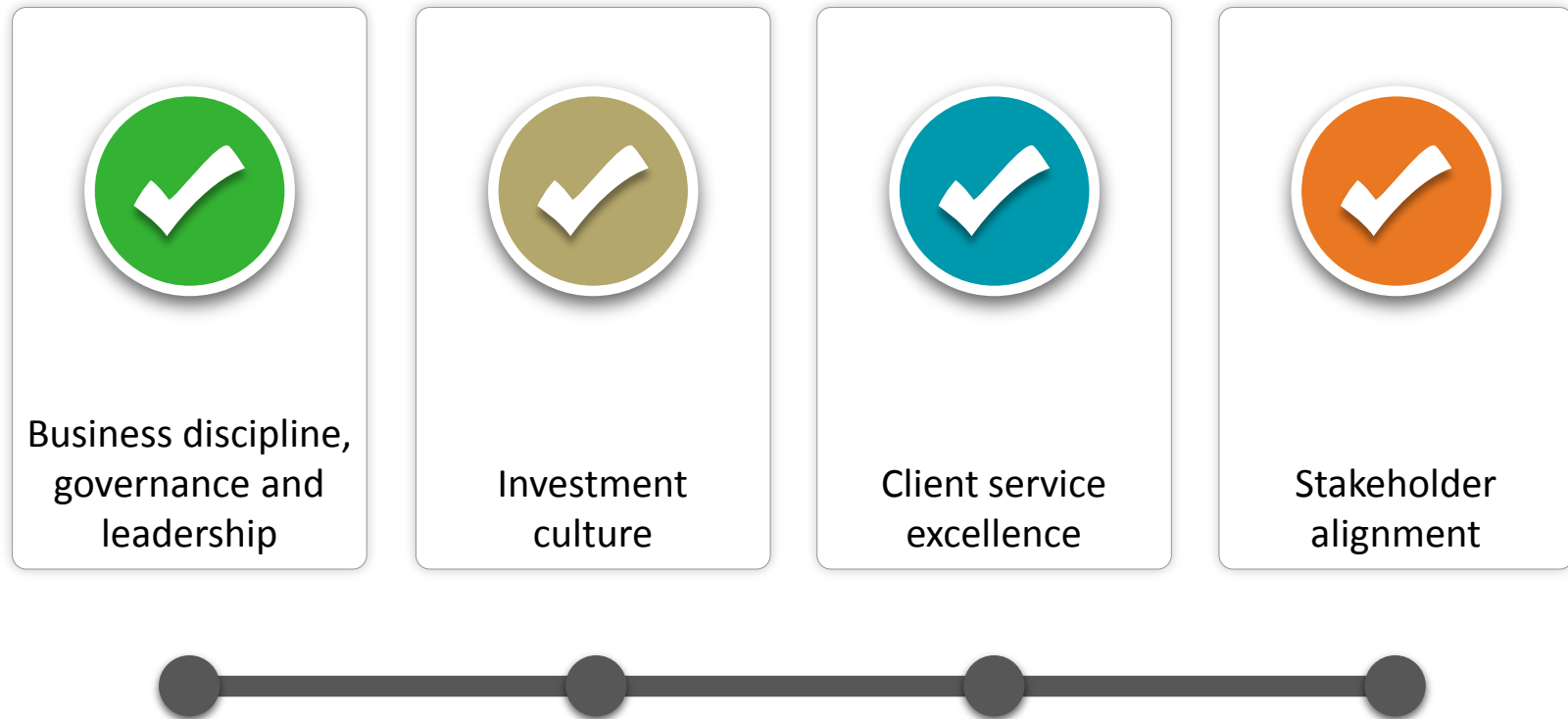
Sustainable Investment team AuM now £3.2 billion as at 30 June 2018

## Why Liontrust

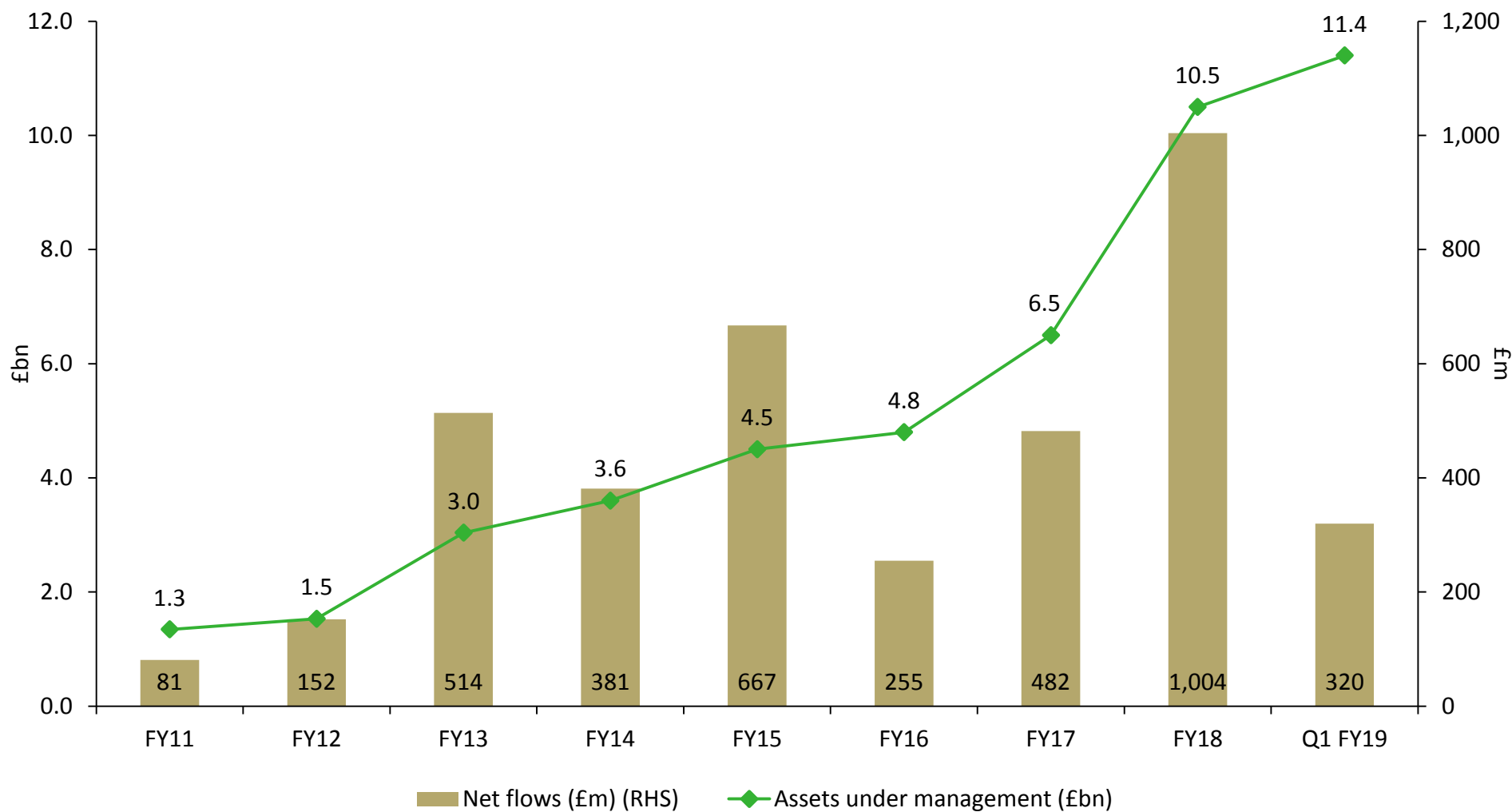
- An independent business with no corporate parent
- We believe in the benefits of active fund management over the long term
- We focus only on those asset classes in which we have particular expertise
- Teams are not restricted by a house view and we do not have a CIO
- Each fund management team has distinct and rigorous investment processes
- These ensure the way they manage money is predictable and repeatable
- Strong brand and distribution franchise in the UK
- Broadening our client base in the UK and in the wholesale market in continental Europe

- FY18 was the 8th successive year of positive inflows. (FY18 £1.0 billion, with Q1 FY19 net flows of £320 million)
- AuM were £11.4 billion as at close of business on 30 June 2018 (31 March 2018: £10.5 billion)
- Completion of the acquisition of ATI in April 2017, which has grown through inflows and performance to £3.2 billion as at 30 June 2018
- Broadened fund management teams with the Sustainable Investment Team in April 2017 and the Global Fixed Income team in January 2018
- Three funds launched for the Global Fixed Income team, raising £219 million
- Final dividend of 16.0 pence per share, with the total dividend for the financial year ending 31 March 2018 of 21.0 pence per share
- 59% increase in adjusted profit before tax to £27.4 million (2017: £17.2 million) for FY18
- Net cash and financial assets of £33 million as at 31 March 2018

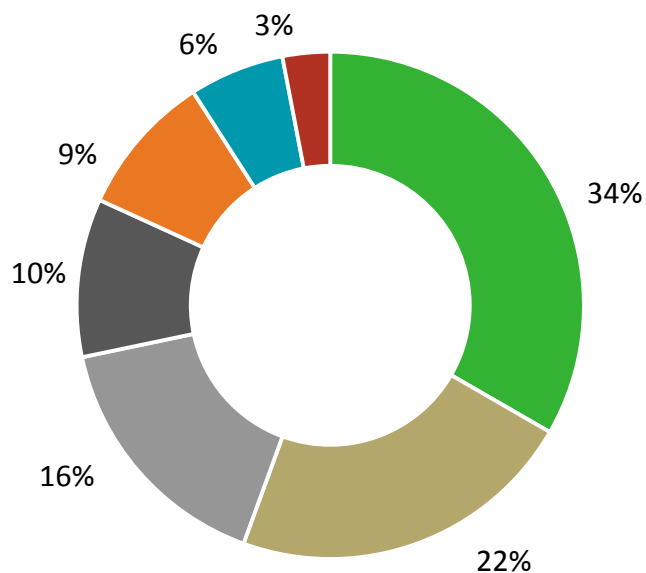
- 1 Growing products
- 2 Technology
- 3 Added value
- 4 Sales efficiency
- 5 Client experience
- 6 Support infrastructure
- 7 Outsourcing
- 8 Talent development



## The rise of AuM and fund flows since 2011



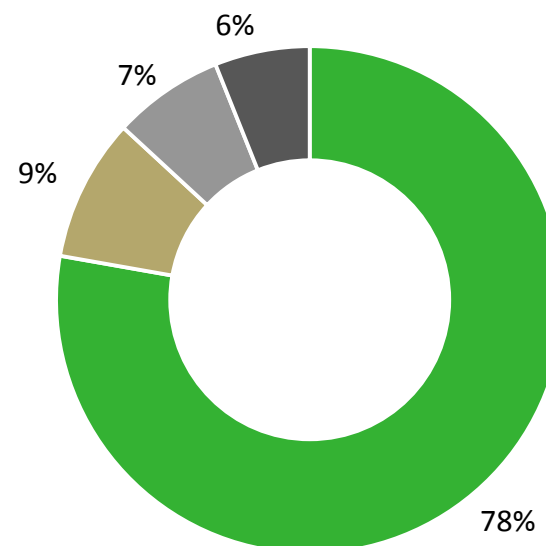
## By client type



- Financial Adviser
- Wealth Manager
- Life & Pensions
- Institutional
- FoF or Model Portfolio Mgrs
- D2C/Execution Only
- Others (Family Office, Private Bank etc)

**Total\* AUM £11,424m**

## By asset class

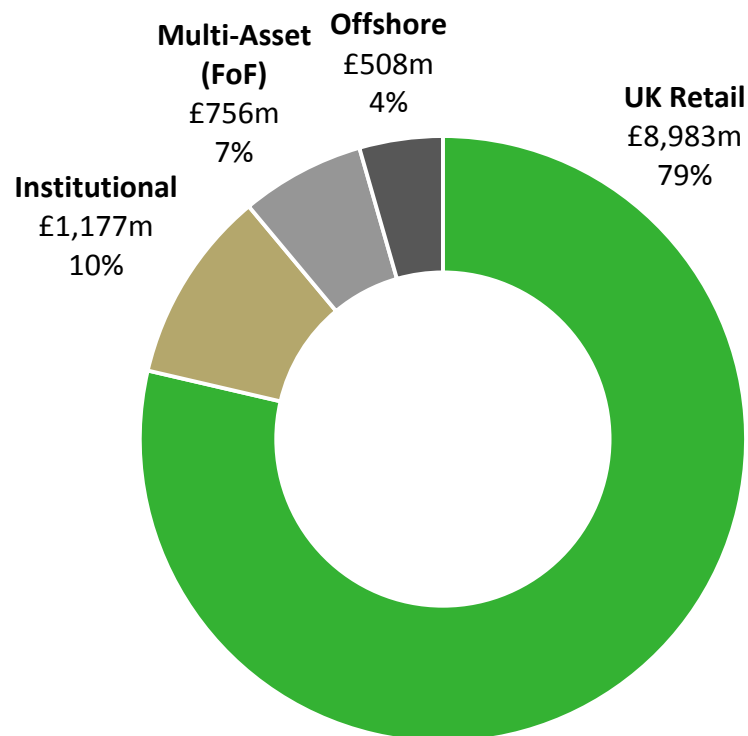


- Equity
- Fixed Income
- Multi-Asset (Direct)
- Multi-Asset (FoF)

**Total\* AUM £11,424m**

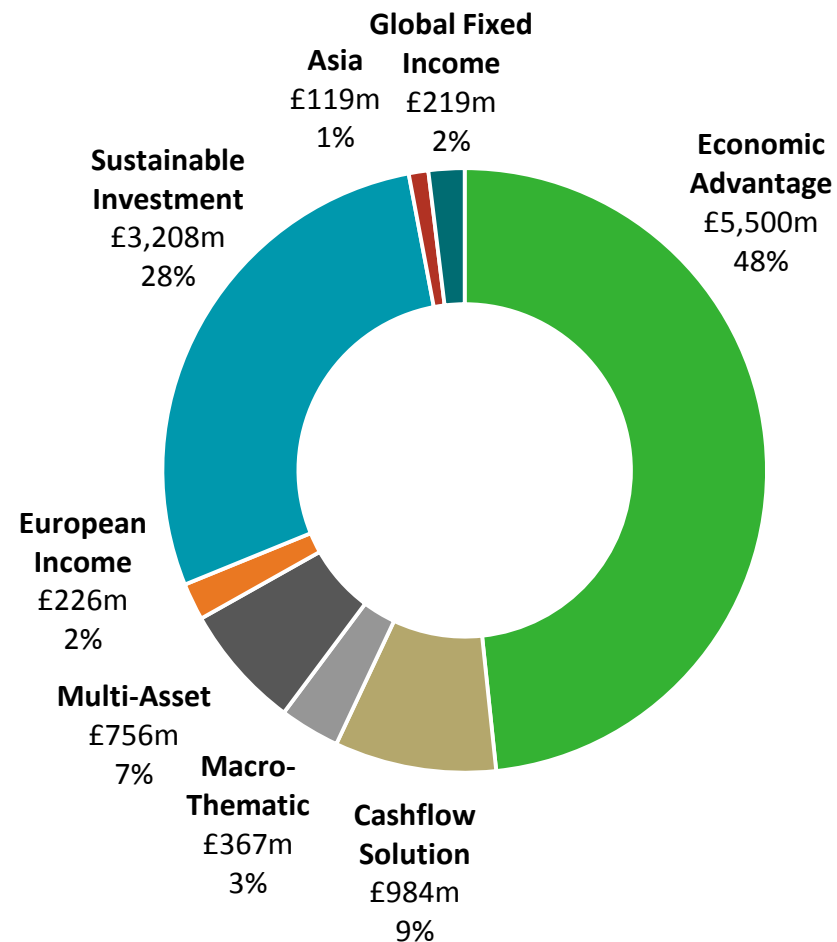


## By product type



**Total\* AUM £11,424m**

## By process



**Total\* AUM £11,424m**

Source: Liontrust Asset Management Plc as at 30.06.18. \* FTSE 100 Tracker Fund at £45m included in totals, but excluded from the breakdown by process. Figures subject to rounding

## Financials summary



## Full Year 2018 results:

- Revenues including performance fees up 49%. Excluding performance fees, revenues up 53%
- Adjusted PBT of £27.4 million (2017: £17.2 million) up 59%
- Adjusted diluted EPS of 42.7p (2017: 29.8p), an increase of 43%
- Net cash and financial assets of £33 million
- Other administration expenses up 47% reflecting increased costs relating to the ATI acquisition
- Second interim dividend at 16.0p (2017: 11.0p), making total dividend for the year of 21.0p (2017: 15.0p), an increase of 40%

# Income statement (adjusted)

	Year to 31 March 2018 £'000	Year to 31 March 2017 £'000	%
Performance fees	4,450	4,049	10
Non performance fees	72,411	47,459	53
<b>Total revenues</b>	<b>76,861</b>	<b>51,508</b>	<b>49</b>
Member and Employee compensation	(35,663)	(25,088)	42
Other administration expenses	(13,667)	(9,286)	47
<b>Total expenses</b>	<b>(49,330)</b>	<b>(34,374)</b>	<b>44</b>
Adjusted operating profit	27,375	17,224	59
Net interest	3	11	(73)
<b>Adjusted profit before tax</b>	<b>27,378</b>	<b>17,235</b>	<b>59</b>

Note: Revenue in the table above excludes cost of sales, realised profits on sale of financial assets, unrealised profit or loss on financial assets and other comprehensive income. It is included in the totals

	31 March 2018 £'000	31 March 2017 £'000
<b>Assets</b>		
Non current assets	25,600	4,799
<b>Current assets</b>		
Trade and other receivables	79,080	68,066
Financial assets	2,076	1,404
Cash and cash equivalents	30,775	16,956
Total current assets	111,931	86,426
<b>Liabilities</b>		
Non current liabilities	(4,668)	(322)
Current liabilities	(84,507)	(64,353)
<b>Net current assets</b>	<b>27,424</b>	<b>22,073</b>
<b>Net assets</b>	<b>48,356</b>	<b>26,550</b>
<b>Shareholders' equity</b>	<b>48,356</b>	<b>26,550</b>

## Key statistics

	FY12	FY13	FY14	FY15	FY16	FY17	FY18
AUM (£ billion)	1.5	3	3.6	4.5	4.8	6.5	10.5
Revenue (£ million)	13.6	20.3	28.4	36.8	44.9	51.6	76.7
Adjusted Profit	1	3.8	8.4	12.1	14.6	17.2	27.4
Net fund flows	152	514	381	667	255	482	1,004
Dividend (pence)	Nil	1	3	8	12	15	21
Share price (pence)	121.5	167	240	270.25	254.5	390	554
FTSE All Share	3,002.78	3,380.64	3,555.59	3,663.58	3,395.19	3,990.00	3,894.17
Share price change % - from 31 March 2012	-	37%	98%	122%	109%	221%	356%
FTSE All Share change % - from 31 March 2012	-	13%	18%	22%	13%	33%	30%
Investment teams	5	5	6	7	7	7	8

## Key developments



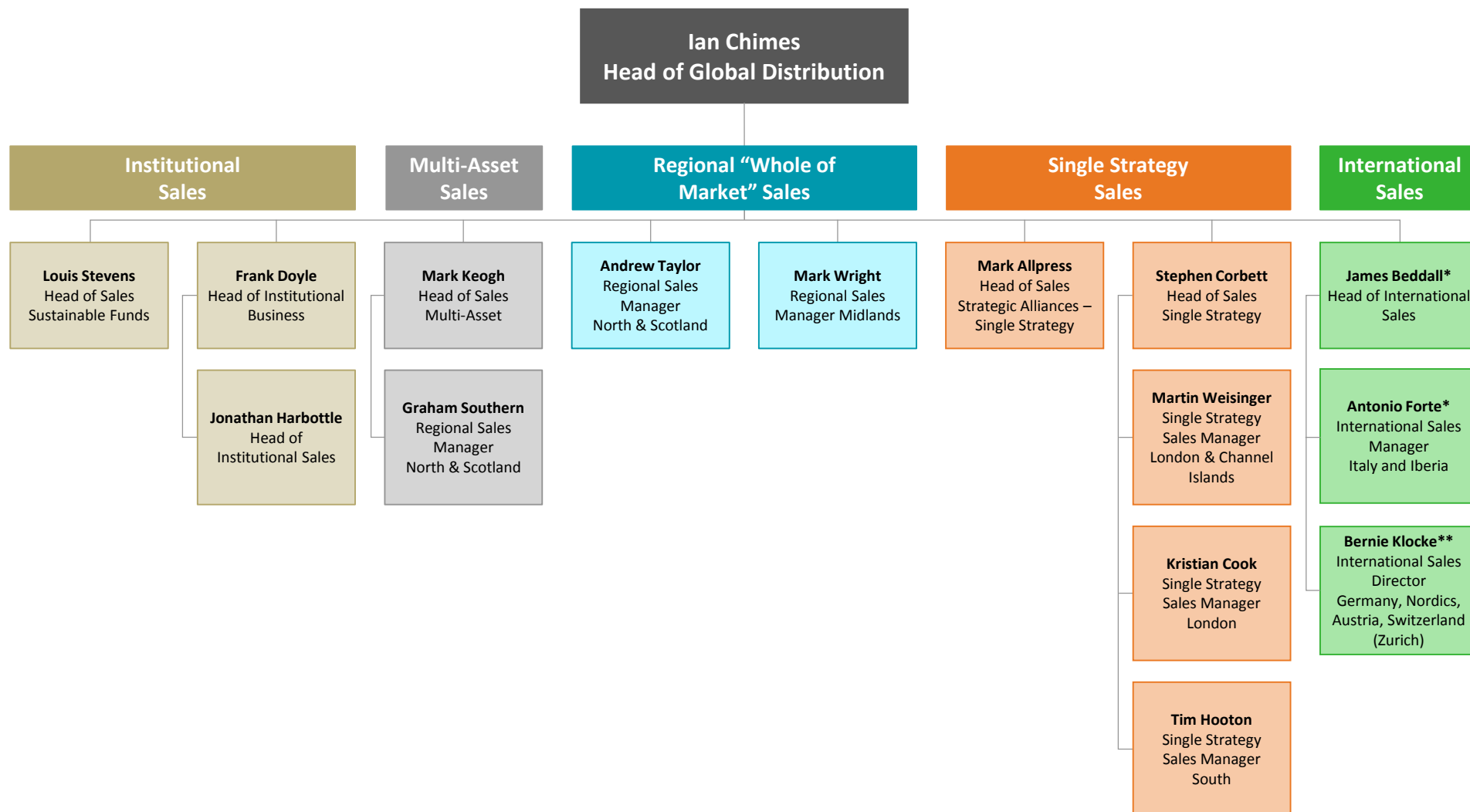
- Completed ATI acquisition on 1 April 2017, now £3.2 billion
- Expect long-term growth in demand for sustainable investing
- The team has shown sustainable investing can outperform mainstream funds and benchmarks\*:
  - 7 out of 10 of our Sustainable Investment team's UK domiciled funds are 1st quartile over 1 year
  - 8 out of 10 are 1st quartile over 3 years
  - 6 out of 8 are 1st quartile over 5 years
- Broadened European distribution capability

\*Source: Financial Express, total return (income + interest reinvested, net of fees) to 30.06.18. Quartile rankings refer to the Liontrust Sustainable Investment team's funds' respective IA sectors. The performance covers the 10 UK authorised ICVCs managed by the Liontrust Sustainable Investment team. Quartile rankings correct as at 21.09.18

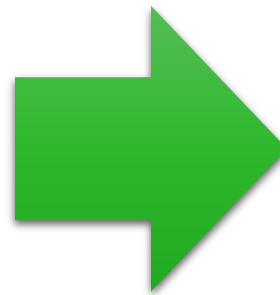
Past performance is not a guide to future performance, investments can result in total loss of capital. Please refer to the Key Risks slide for more information



- Net inflows of £1 billion in FY18, the eighth successive year of positive sales, and £320 million of net flows in Q1 FY19
- Liontrust had the 11<sup>th</sup> largest net retail sales in the UK in 2017, according to the Pridham Report
- Raised £219 million for three fund launches for the Global Fixed Income team
- Enhancing UK and European distribution and broadening client base
- Frank Doyle joined in September as Head of Institutional Business



- Advertising, Sponsorships and Promotions
- Marketing Services
- Content
- Digital Marketing
- PR and Media Relations
- Strategic Partnerships and Campaign Management



12-strong Marketing team headed by Simon Hildrey, Chief Marketing Officer

## Awareness

Liontrust is ranked 4th out of all asset managers for most recalled advertising among DFMs and Investment Advisers<sup>1</sup>

## Engagement

Our marketing emails have an average open rate of 32.12% against an industry average of 20.47%<sup>2</sup>

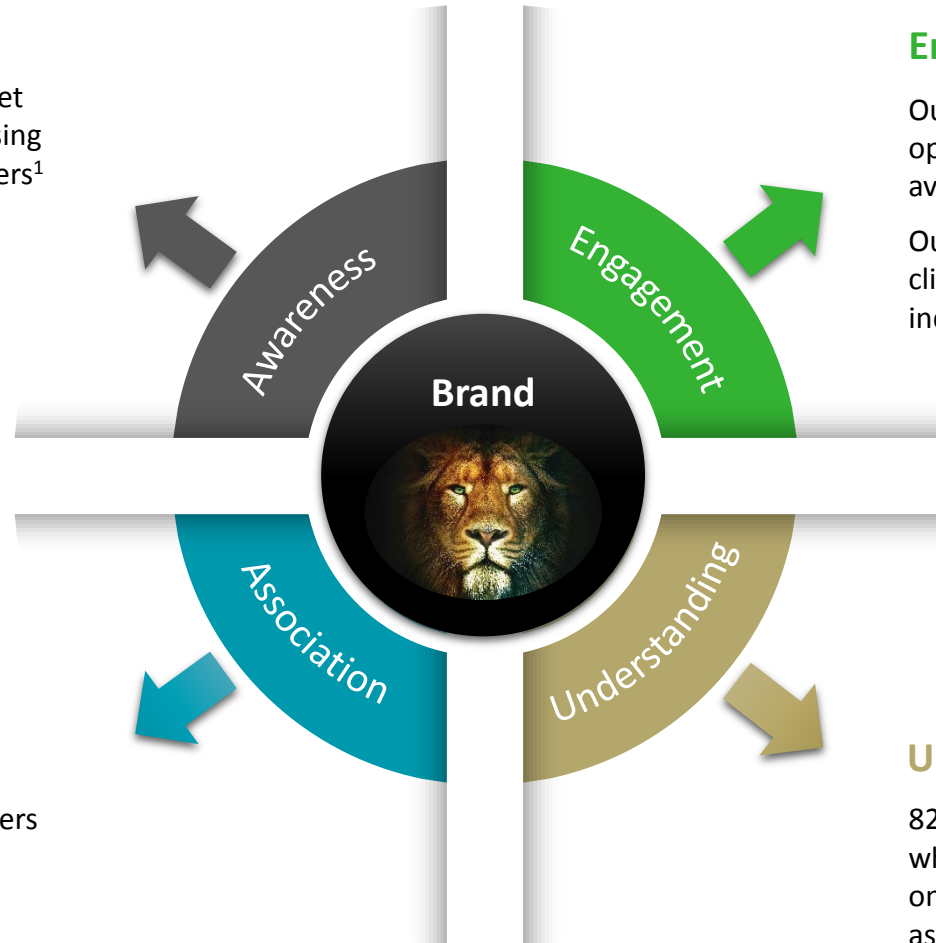
Our marketing emails have an average click-through rate of 4.59% against an industry average of 2.59%<sup>2</sup>

## Association

71% of DFMs and Investment Advisers relate active fund management to Liontrust<sup>1</sup>

## Understanding

82% of DFMs and Investment Advisers who read our content think Liontrust is one of the best or an above average asset manager<sup>3</sup>



1. Research conducted by Research in Finance in July 2018

2. From 1 June 2018 to 31 August 2018

3. Research conducted by Marketing Pulse in July 2018

- Organic growth
- Attract new teams
- Acquisitions that enhance and grow our business

# Appendices

1. Board biographies
2. Company information
3. Fund manager biographies
4. Assets under management and performance
5. Brexit and MiFID



**Adrian Collins – Non-Executive Chairman**

Adrian joined the Board in June 2009. Adrian has worked in the fund management business for more than 40 years, a large part of which was at Gartmore Investment Management Limited where, latterly, he was the Managing Director

**John Ions – Chief Executive**

Joined the Board in May 2010. Prior to joining Liontrust in February 2010, John was Chief Executive of Tactica Fund Management since it was established in 2005. Previously, John was Joint Managing Director of SG Asset Management and Chief Executive of Société Generale Unit Trusts Limited, having been a co-founder of the business in 1998. John was also formerly Head of Distribution at Aberdeen Asset Management

**Vinay Abrol – Chief Operating Officer and Chief Financial Officer**

Vinay joined the Board in September 2004. Vinay is responsible for overseeing all finance, information technology, operations, risk and compliance functions of the Group. After obtaining a first class degree in computer science from Imperial College of Science and Technology, Vinay worked for W.I. Carr (UK) Limited specialising in the development of equity trading systems for its Far East subsidiaries and then at HSBC Asset Management (Europe) Limited where he was responsible for global mutual fund systems. Following a short period at S.G. Warburg and Co., he joined Liontrust in 1995

**Alastair Barbour – Non-Executive Director, Chairman of the Audit & Risk Committee**

Alastair joined the Board in April 2011. Alastair is an independent Non-Executive Director and Chairman of the Audit Committee. He is a chartered accountant with 25 years' experience spent auditing and advising boards and management of public companies in the UK and internationally, principally in the financial services industry. He trained with Peat, Marwick, Mitchell & Co in London before being admitted as a partner with KPMG in Bermuda in 1985. Alastair returned to the UK as a partner of KPMG in 1991 and has specialised in financial services with extensive experience in advising on accounting, financial reporting and corporate governance. He is also a Director of RSA Insurance Group Plc, Phoenix Group Holdings, The Bank of N.T. Butterfield & Son Limited, and CATCo Reinsurance Opportunities Fund Ltd

**Mike Bishop – Senior Independent Director, Chairman of the Nominations Committee**

Mike joined the Board in May 2011. He has more than 30 years' experience as a fund manager and is a non-executive director of Hermes Focus Asset Management and an adviser to its UK equity activist funds. Before joining Hermes in 2005, Mike was Head of Pan-European Equities at Morley Fund Management Limited and a director and fund manager at Gartmore Investment Management. At Gartmore, Mike was on the main Board for nine years and was a key member of the team that grew pension funds under management from £300 million in April 1984 to £20 billion in 1996, with total assets rising over this period from £1.5 billion to £25 billion

**Sophia Tickell – Non-Executive Director**

Sophia joined the Board in October 2017. Sophia is Founding Partner of Meteos Limited and a writer, facilitator and advocate with more than 15 years of experience working with asset managers and corporate executives to improve their appreciation of societal expectations and environmental constraints. Sophia designed and collaboratively ran the PharmaFutures, EnergyFutures and BankingFutures dialogues, which were multi-year, senior dialogues between fund managers, corporate executives, regulators and civil society. She has served on a number of commercial, financial, academic and charitable boards and advisory committees. Her current roles include being a member of the Advisory Committee of the Liontrust Sustainable Future Funds and external adviser to the Corporate Responsibility Committee of GlaxoSmithKline Plc's Board





**George Yeandle – Non-Executive Director, Chairman of the Remuneration Committee**

George joined the Board in January 2015. He is a chartered accountant with more than 30 years' experience, having specialised throughout most of his career in advising clients on executive pay and remuneration issues. George has also held a number of internal leadership roles. He trained with Coopers & Lybrand (now PricewaterhouseCoopers LLP) before being admitted as a partner in 1989. More recently, George was Operational Leader of the London Region Human Resource Services Business and a Senior Partner at PwC, retiring in December 2013

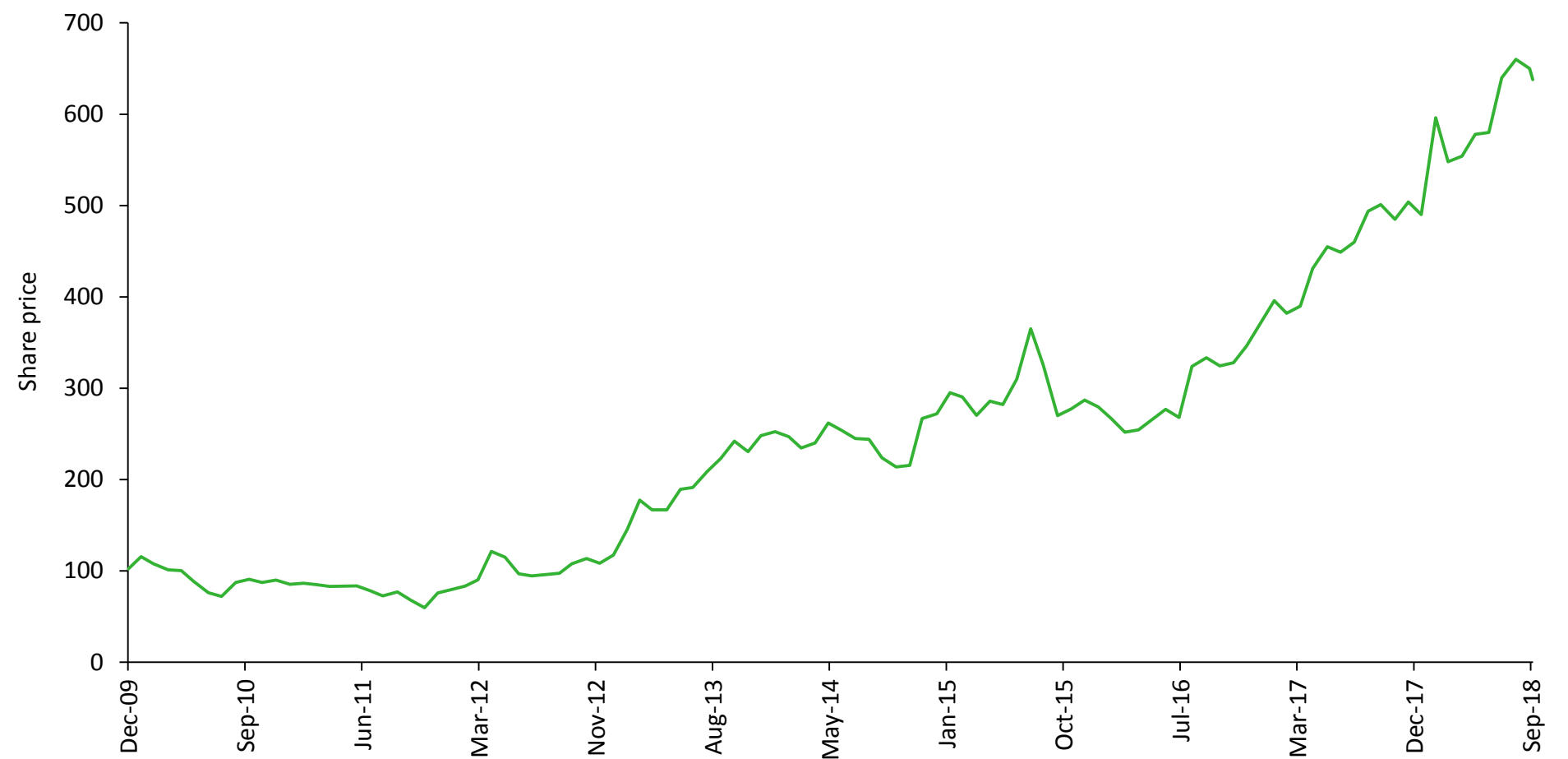


**Mark Jackson – Company Secretary**

Mark joined as Company Secretary in October 2017. Prior to joining Liontrust Mark spent 9 years at the accountancy firm Mazars where he was a Director in the National Company Secretarial department providing services to listed and non-listed clients including Liontrust. Prior to joining Mazars, Mark spent 16 years at Linklaters where he headed the Company Secretarial department and prior to that was a Manager in the Company Secretarial department of Coopers & Lybrand (now PricewaterhouseCoopers LLP). Mark is a Fellow of the Institute of Chartered Secretaries and Administrators

- Market capitalisation: £327 million (\$428 million) as at 14 September 2018
- Premium listing on the London Stock Exchange
- Ordinary shares in issue: 50,547,545
- Financial year end: 31 March
- Top 9 external shareholders (as at 28 August 2018, source: RD:IR)
  - BlackRock – 13.2%
  - Schroder Investment Management – 12.0%
  - Slater Investments – 5.8%
  - Old Mutual Global Investors – 4.8%
  - JO Hambro – 4.6%
  - Sanford Deland Asset Mgt – 4.5%
  - Aberdeen Standard Life – 4.4%
  - Legal & General Investment Management – 4.3%
  - Canaccord Genuity – 4.0%
- Directors hold 3.4%, and other employees and members hold 4.8%

Liontrust Asset Management Plc – share price (pence)



Source: Bloomberg, data from 31.12.09 to 07.09.18



### **James Inglis-Jones and Samantha Gleave**

James Inglis-Jones and Samantha Gleave have over 40 years of combined experience and first worked together in 1998. James has previously managed money at Fleming Investment Management, JP Morgan Fleming and Polar Capital while Samantha formerly worked at Sutherlands Limited, Fleming Investment Management, Credit Suisse First Boston and Bank of America Merrill Lynch. Samantha was in a No 1 ranked equity research sector team (Extel & Institutional Investor Surveys) at Credit Suisse and won awards for Top Stock Pick and Earnings Estimates at Bank of America Merrill Lynch

### **Cashflow Solution investment process**

The process is based on the belief the most important determinant of shareholder returns is company cash flows. The fund managers invest in companies that generate strong cash returns from their capital, appear cheap on those cash flows and are run by managers committed to an intelligent use of capital. They sell short stocks that are expensive, are struggling to generate any cash and are run by management investing heavily for future growth



### **Anthony Cross, Julian Fosh, Victoria Stevens and Matt Tonge**

Anthony Cross, Julian Fosh, Victoria Stevens and Matt Tonge have over 60 years of combined investment experience. Anthony, who was previously at Schroders, has managed the Liontrust Special Situations and UK Smaller Companies Funds since launch and he started working with Julian at Liontrust in 2008. Julian has previously managed money at Scottish Amicable Investment Managers, Britannic Investment Managers, Scottish Friendly Assurance Society and Saracen Fund Managers.

Victoria Stevens and Matt Tonge joined the team in 2015 to research and analyse investment opportunities primarily across the small cap universe. In Victoria's previous role as deputy head of corporate broking at FinnCap, she built up an extensive knowledge of the smaller company investment universe. Matt added trading and analytical expertise to the team, having spent the previous nine years on the Liontrust dealing desk, latterly winning an industry award for his work in mid and small cap stocks

**Economic Advantage  
investment process**

The process seeks to identify companies that possess intangible assets which produce barriers to competition and provide a durable competitive advantage that allows the companies to defy industry competition and sustain a higher than average level of profitability for longer than expected. In the fund managers' experience, the hardest characteristics for competitors to replicate are three classes of intangible asset: intellectual property, strong distribution channels and significant recurring business



### **Stephen Bailey and Jamie Clark**

Stephen Bailey and Jamie Clark have over 45 years of combined investment experience and moved to Liontrust in 2012. Stephen started his career in the mid-1980s and joined Walker Crips in 1987 as investment director. Jamie joined Walker Crips in 2003 and prior to that was a Junior Proprietary Trader at First New York Securities

### **Macro-Thematic investment process**

The process is based on the analysis of economic, political, social and cultural developments to identify Macro-Themes. The fund managers define a Macro-Theme as an undiscounted, structural change in the process of realisation; and the related passage to theme-maturity, as the macro-trend. The fund managers believe this investment process equips them to locate unappreciated investment ideas and capture the full, long-term potential of each portfolio holding. There are four stages to the process: theme discovery; identification of theme-assisted and theme-impaired companies; bottom-up analysis of prospective investments; portfolio construction and management



### **Mark Williams, Carolyn Chan and Shashank Savla**

Mark Williams, Carolyn Chan and assistant fund manager Shashank Savla have more than 60 years of combined experience in analysing Asian companies. Mark, with 24 years' experience in investing, has previously run funds at F&C and Occam. While managing the F&C Far East Fund, it was awarded first place in the Equity Asia Pacific (ex-Japan) sector over five years (out of 52 funds) by the S&P European awards in 2007. Carolyn has 25 years of experience and was previously at Hampton Investment Management. Shashank has 13 years of experience in financial markets and has also previously worked in the Consumer Goods and Telecoms industries

### **Asia investment process**

The process seeks to identify companies that will benefit from the growth in the Asia Pacific (ex-Japan) region, have an attractive yield and give a greater chance of expectations being beaten. The process aims to avoid those stocks that are likelier to miss expectations. By targeting at least 1.1 times the dividend yield of the region across the portfolio, the fund managers believe this will ensure the equities they invest in are amongst the more conservative, better managed companies



### **John Husselbee and Paul Kim**

John Husselbee and Paul Kim are two of the most high-profile multi-asset managers with over 60 years of investment experience. John launched the portfolio management service at Rothschild Asset Management, was Director of Multi-Manager at Henderson Global Investors, where he was responsible for portfolio construction and fund selection of a range of portfolios totalling over £650 million, and founded North Investment Partners. Paul was instrumental in setting up Investment Manager Selection Ltd (IMS), was Head of Fund Selection and Multi-Manager at Liverpool Victoria Asset Management (LVAM) and has also managed portfolios at Capel Cure Myers, Sun Life Portfolio Counselling Services (AXA Sun Life), Christie Group Investment Management and Spencer Thornton Investment Management Services. They manage a broad range of target risk Multi-Asset portfolios

### **Multi-Asset investment process**

The process is designed to target the outcome expected by investors in terms of the level of risk, as measured by volatility, of each model portfolio and to maximise the return for each portfolio while still targeting the investors' level of risk. These two objectives are pursued through a quantitative and qualitative approach with four key stages to the process: the strategic asset allocation, followed by the tactical asset allocation, fund selection and portfolio construction





### **Olly Russ and Oisín O'Leary**

Olly Russ and Oisín O'Leary have a combined 25 years of investment and capital markets experience. Olly joined Liontrust in July 2016, having started his career at investment boutique Orbitex in 1998. At Orbitex, Olly worked on European Equity and UK Income funds and was responsible for running the Orbitex UK Equity Fund from its inception in March 2000. In 2002, Olly moved to Invicta Investment Management, a privately owned hedge fund, before joining Neptune Investment Management as a fund manager and financial analyst. He co-founded Argonaut Capital in 2005. Olly holds the CFA charter, has successfully completed the IIMR examinations, and is a Member of the Chartered Institute for Securities and Investment

Oisín joined Liontrust in June 2017, having previously been an investment analyst at Argonaut Capital Partners across the company's range of funds from September 2015. He was also formerly an investment analyst at Maris Capital and a debt capital markets analyst at HSBC Bank. Oisín is a CFA charterholder

### **European Income investment process**

The process seeks to find companies whose asset base and business are defended by an economic moat, such as a strong brand, niche products or a dominant market position, and where analysts underestimate future earnings growth or have undervalued the expected earnings growth. Olly Russ uses dividends as a proxy for earnings growth and expects to see dividends rising over time as companies increase pay outs to shareholders and earnings grow



### **Peter Michaelis, Simon Clements, Neil Brown**

Peter Michaelis, Simon Clements and Neil Brown are the lead managers of a team of experienced investment professionals. With over 45 years of combined experience, the team transferred to Liontrust from Alliance Trust Investments (ATI) in April 2017 and were previously running the Sustainable Future Fund range at Aviva Investors. Peter was previously Head of SRI at Aviva Investors and has been running the funds since their launch in 2001. Simon was previously Head of Global Equities at Aviva Investors. Neil was an SRI Fund Manager at Aviva Investors

### **Equities investment process**

In a fast changing world, we believe the companies that will survive and thrive are those which improve people's quality of life, be it through medical, technological or educational advances; driving improvements in the efficiency with which we use increasingly scarce resources; and helping to build a more stable, resilient and prosperous economy. The process seeks to invest in high-quality organisations with robust business fundamentals, strong management and attractive valuations; adaptors and innovators capitalising on change, accessing new markets and opportunities and outperforming their competitors; and companies that are creating real and lasting value for shareholders and society, now and in the future



### **Stuart Steven, Kenny Watson and Aitken Ross**

Stuart Steven, Kenny Watson and Aitken Ross have more than 50 years of combined investment experience in managing fixed income. They also transferred to Liontrust from ATI in April 2017. Stuart has 25 years of fixed income investment experience and was previously Investment Director at Scottish Widows Investment Partnership. Kenny has 26 years of fund management experience and was formerly at Ignis Asset Management where he was responsible for the sub investment grade bond portfolios. Aitken has six years of financial experience and started his career in the graduate scheme at ATI

### **Fixed Income investment process**

The process invests in a focused portfolio of bonds that are attractively valued and also take into consideration environmental, social and governance (ESG) factors by investing in companies that manage these exposures to minimise risk. The fund managers believe in a high conviction approach to ensure they develop a thorough understanding of their holdings and the factors that influence their long-term value. There are two main stages to the process: seeking to identify superior bonds and constructing resilient portfolios



### **David Roberts, Phil Milburn and Donald Phillips**

David Roberts, Phil Milburn and Donald Phillips, who all joined Liontrust in early 2018, have more than 60 years of joint investment experience. Before joining Liontrust, David and Phil worked together at Kames Capital for 14 years, where David was Head of the Fixed income team and Phil was Head of Investment Strategy. They launched one of the first strategic bond funds in 2003 and have been investing in high yield on a global basis since 2003. Donald was previously an investment manager in the Credit team at Baillie Gifford and worked with David and Phil at Kames Capital for three years from 2005 to 2008. He was co-manager of the Baillie Gifford High Yield Bond Fund from June 2010 to 2017 and the US High yield strategy

### **Global Fixed Income investment process**

The fund managers believe that fixed income markets are not efficient and there are myriad ways of adding value to investors' portfolios. The inefficiencies are caused by many market protagonists who are not price sensitive, ranging from the macroeconomic distortions caused by central banks to the idiosyncratic scenarios when companies are desperate to raise debt finance and price accordingly. The investment process is designed to capture these inefficiencies through a thorough understanding of the economic environment and detailed bottom up stock analysis. The fund managers take a holistic approach to constructing portfolios, combining top down factors with bottom up evidence; this recognises the circularity (or inconsistencies) in data, the nature of correlations between asset classes and the variation in inefficiencies through the cycle

## Appendix 4 – AUM by process and product as at 30 June 2018

Asset Class	Cashflow Solution		Economic Advantage		Sustainable Investments		Macro-Thematic		Asia		European Income		Multi Asset		GFI		Total*
Total*	984		5,500		3,208		367		119		226		756		219		11,424
UK retail funds**	Liontrust Global Income Fund	169	Liontrust UK Growth Fund	303	Monthly Income Bond	338	Liontrust Macro UK Growth	41	Liontrust Asia Income Fund	109	Liontrust European Income Fund	175			Liontrust Strategic Bond Fund	95	8,982
	Liontrust European Growth Fund	158	Liontrust UK Smaller Companies	953	SF Absolute Growth	169	Liontrust Macro Equity Income	139			Liontrust European Enhanced Income Fund	51					
			Liontrust Special Situations Fund	3,706	SF Corporate Bond	490											
			Liontrust Micro Cap Fund	32	SF Cautious Managed	29											
					SF Defensive Managed	41											
					SF European Growth	213											
					SF Global Growth	230											
					SF Managed	733											
					UK Ethical	422											
					SF UK Growth	341											
Non-UK UCITS	GF European Small Cap	15	GF Special Situations Fund	66	SF Pan Europe Equity	39	GF Macro Equity Income Fund (feeder)	27	GF Asia Income	10					GF Strategic Bond	102	509
	GF European Strategic Equity	101	GF UK Growth (feeder)	22	ABN Amro SF Pan Euro Fund	106								GF High Yield	19		
														GF Absolute Return Bond	3		
Institutional accounts	Long only European equity	541	Long only UK Growth	418	Long only Equity	58	Long only UK Equity	160									1,177
MPS													Multi Asset	756			756

\*FTSE 100 Tracker Fund at £45m included in totals but excluded from the breakdown by process/product

\*\*Feeder funds AUM also included in UK Retail (but stripped out of totals)

- Liontrust has a range of UCITS funds run out of Dublin registered and sold into Europe and the UK
- Liontrust has a branch office in Luxembourg for UCITS and MiFID distribution into Europe
- Currently no investment advisory services provided outside of the UK, delegation of investment advisory services to UK Investment Adviser; no change expected to delegation regime in short term (not enough time for statutory changes before March 2019)
- Conversion of 2 Dublin funds that feed into UK funds into standalone funds expected to be completed by Dec 2018
- Little or no European investment directly into the UK domiciled range of funds
- Ongoing contingency planning with legal/professional advisers on optimal positioning of business for accessing European markets

- In preparation for MiFID II, systems, processes and policies were been significantly upgraded. Updated Order execution policy, Conflicts of Interest Policy, Commission Policy and Third Party Research Policy
- New execution only commission rates agreed and in place 1 January
- Transaction reporting with Abide and Assisted Trade Reporting with BATS (Equities) / Tradeweb (FI etc) in place 1 January
- Target Markets, Costs and Charges for MiFID and PRIIPS distributed successfully in December via EMT/EPT
- Research paid for by Liontrust and agreements in place with 52 research providers
- New Product Development framework in place to meet the updated requirements
- Best execution reporting (RTS 28) published in April
- Overall, met all live obligations under new regulations, a number of deadlines on some client reporting still outstanding – no concerns

Past performance is not a guide to future performance. Do remember that the value of an investment and the income generated from them can fall as well as rise and is not guaranteed, therefore, you may not get back the amount originally invested and potentially risk total loss of capital.

All Liontrust Funds carry some degree of risks which may have an adverse effect on the future value of your investment. Therefore, before making an investment decision, you should familiarise yourself with the different types of specific risks associated with the investment portfolio of each of our Funds. There is no certainty the investment objectives of the portfolios or strategies mentioned in this document will actually be achieved and no warranty or representation is given to this effect.

The issue of units/shares in Liontrust Funds may be subject to an initial charge, which will have an impact on the realisable value of the investment, particularly in the short term. Investments should always be considered as long term.



## **Strictly private and confidential information**

### **Important notice**

This presentation is the property of Liontrust Asset Management PLC (“LAM”) and Liontrust Fund Partners LLP (“LFP”) which is authorised and regulated by the Financial Conduct Authority. It contains information intended only for the person to whom it is addressed or presented, and is intended for evaluation purposes only, with no licence to use the content or materials within. In receiving this presentation, the recipient acknowledges and agrees that: i) in the event the recipient does not wish to pursue this matter, this presentation will be returned as soon as possible; ii) the recipient will not copy, fax, reproduce, divulge or distribute this confidential presentation, in whole or in part, without the express written consent of LAM; iii) all of the information herein will be treated as confidential material with no less care than that afforded to the addressee’s own confidential material of the most sensitive nature; iv) information herein may constitute material non-public information, disclosure of which may be prohibited by law, and the legal responsibility for its use is borne solely by the recipient. This presentation is strictly confidential and in no way constitutes an offer to sell, nor a solicitation to purchase securities in any company or investment product.

The value of units and shares in Liontrust funds and the income generated from them can fall as well as rise and are not guaranteed; investors may not get back the amount originally subscribed. Past performance is not a guide to future performance. Some smaller companies may be less liquid than larger companies and the price swings in smaller company funds may therefore be greater than in larger company funds. The issue of units may be subject to an initial charge, which will have an impact on the realisable value of the investment, particularly in the short term. Equity investment should always be considered as long term.

### **Forward-looking statements**

These presentation slides may contain forward-looking statements with respect to the financial condition and results of the operations and businesses of Liontrust Asset Management PLC. These statements and forecasts involve risk and uncertainty because they relate to events and depend upon circumstances that may occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by those forward-looking statements and forecasts. Forward-looking statements and forecasts are based on the Directors’ current view and information known to them at the date of this presentation. The Directors do not make any undertaking to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Nothing in this presentation should be construed as a profit forecast.

The Prospectus or Key Investor Information Documents (KIIDs) for Liontrust’s funds are available direct from Liontrust or from our website, [www.liontrust.co.uk](http://www.liontrust.co.uk).

18/528 MK website