

Embargoed until 7am on 6 October 2016

**Stock Exchange Announcement
LIONTRUST ASSET MANAGEMENT PLC
Half Year End Trading Update**

Liontrust Asset Management Plc (“Liontrust”), the specialist independent fund management group, today issues its half year end trading update for the six months ended 30 September 2016.

Highlights

- Assets under management (“AuM”) were £5.7 billion as at close of business on 30 September 2016 (31 March 2016: £4.8 billion), an increase of nearly £900 million or 19% over the 6 month period
- Net inflows of £92 million in the six months to 30 September 2016
- Acquisition of Argonaut Capital Partners LLP’s European Income business completed on 8 July 2016 adding £272 million of AuM
- AuM as at close of business on 4 October 2016 was £5.823 billion

Commenting, John Ions, Chief Executive, said:

“We have enjoyed a successful first half of our financial year with our AuM increasing by nearly £900 million through a combination of positive net flows, strong investment performance, market movements and completing the acquisition of Argonaut’s European Income business.

“It has been very pleasing to deliver another quarter of positive net flows of £26 million at a time of political and economic uncertainty and a tough environment for selling UK equity funds. UK All Companies was the worst selling sector by net retail sales in February, March, April, May and July 2016, according to the Investment Association. Equity funds in general have suffered negative net retail sales in every one of the first eight months of 2016.

“We continue to benefit from having distinct and robust investment processes, which means our fund managers do not get distracted by market noise, strong fund performance and longevity of our fund managers.

“In November, the European Growth fund will celebrate its 10 year anniversary. This will become the 6th Liontrust fund which is more than 10 years old and for which at least one manager has been running the fund since launch. The European Growth Fund is ranked 5th out of 105 funds over one year to 3 October 2016.

“We have also enjoyed strong performance in our UK funds. UK Growth and Special Situations are ranked 3rd and 4th out of 267 funds in the UK All Companies sector over one year while UK Smaller Companies is ranked 4th out of 48 funds in the IA UK Smaller Companies sector.

“The acquisition of Argonaut’s European Income business has further diversified our fund management capability and enhanced our equity income franchise. The Asia Income and Macro Equity Income funds offer historic yields of 4.45% and 4.47% respectively while the European Income and European Enhanced Income funds have target yields of 4.1% and 4.4% respectively.

“This broader range of fund management capability and strong fund performance gives me confidence that we will continue to grow the business over the rest of the financial year.”

Funds under Management

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

<u>Process</u>	<u>Total</u>	<u>Institutional</u>	<u>UK Retail</u>	<u>MPS*</u>	<u>Offshore Funds</u>
	<u>(£m)</u>	<u>(£m)</u>	<u>(£m)</u>	<u>(£m)</u>	<u>(£m)</u>
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

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

On 4 October 2016, our AuM was £5.823 billion.

Funds 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:-

	<u>Total</u>	<u>Institutional</u>	<u>UK Retail</u>	<u>MPS*</u>	<u>Offshore Funds</u>
	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>
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

The net inflows over the three months to 30 September 2016 are £26 million (2015: £117 million). A reconciliation of fund flows and AuM over the three months to 30 September 2016 is as follows:-

	<u>Total</u>	<u>Institutional</u>	<u>UK Retail</u>	<u>MPS*</u>	<u>Offshore Funds</u>
	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>
Opening AuM - 1 July 2016	4,847	1,168	3,344	213	122
Net flows	26	60	(33)	2	(3)
Acquisitions	272	-	272	-	-

Market and Investment performance	540	127	390	14	9
Closing AuM - 30 September 2016	5,685	1,355	3,973	229	128

* 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.

Fund Performance (Quartile ranking)

	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 July 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.

Notice of Half Year Results Announcement

Liontrust confirms that it will be announcing its half year results for the six months ended 30 September 2016 on Tuesday, 15 November 2016.

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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 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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