

27 November 2014

Miton Group plc
Trading Update

Miton Group plc ('Miton' or 'the Group'), the AIM quoted fund management group, today announces a trading update.

As previously reported, net outflows from our multi-asset funds were accelerating towards the end of the first half year. In June 2014 we took decisive action to address the adverse trend and appointed David Jane and his team to improve the potential inflows to our multi-asset funds. Performance has improved. Outflows have moderated but even so they are anticipated to amount to circa £250m from CF Miton Special Situations Portfolio and £60m from CF Miton Strategic Portfolio in the second half of the year.

The performance of the former PSigma Income Fund (now renamed the Miton Income Fund) has also greatly improved under Miton's leadership. However with the retirement of Bill Mott, it has suffered some sizable redemptions and therefore outflows are anticipated to be circa £160m over the second half. This is in addition to the related loss of the institutional mandate announced last month relating to £326m of assets under management. With good performance the Miton Income Fund is now well-positioned for future inflows.

The CF Miton UK Multi Cap Income Fund is the top performing UK income fund over three years and has grown to £356m. Since launch the performance of the CF Miton UK Value Opportunities Fund has been top decile and the fund is particularly attractive given its very low volatility and other risk metrics. Other single strategy funds continue to attract inflows as anticipated. In the ten months to 31 October 2014 Miton achieved gross sales of £630m.

The group has a highly effective operating base and the Adjusted Profit of the group for 2014 is expected to be at market forecasts on an underlying basis. However given the lower level of assets under management at the year end it is anticipated that the Adjusted Profit for the year to 31 December 2015 will be significantly less than current market forecasts.

The group expects to end the year with £13m of net cash following the planned acquisition payments for the Darwin and Matterley funds. Miton remains robustly profitable with ongoing cash generation on a monthly basis. Small incremental improvements to our assets under management have a sizable impact on our profitability given our efficient cost base and the impact of operational gearing. We remain confident of growing our business substantially over the coming years.

The group will make its scheduled pre-close statement on 23 January 2015.

ENDS

For further information, please contact:

Miton Group plc

Ian Dighé (Chairman)

07785 703261

Gervais Williams (Managing Director)

07811 331824

Robert Clarke (Finance Director)

07766 688983

MHP Communications miton@mhpc.com

Gay Collins / Reg Hoare / Simon Hockridge

020 3128 8100

Peel Hunt (Nominated adviser and Broker)

Guy Wiehahn

020 7418 8893

www.mitongroup.com