28 September 2015

MITON GROUP PLC

HALF YEAR RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2015

Miton Group plc ('Miton' or 'the Group'; ticker: MGR), the AIM quoted fund management group, today announces its half year results for the six months ended 30 June 2015.

Financial Highlights

- Renewed momentum with net inflows in Q2 following outflows in Q1. Over six months to 30 June, AUM increased from £2,050m to £2,225m.
- Average AUM over the six month period was £2,140m (H1 2014 - £2,953m[1]). This reduction included the impact of the disposal of the Liverpool business.
- Net revenue margin increased to 66.6bp (H1 2014 - 65.0bp).
- H1 costs maintained at £5.7m[2] (H1 2014 - £5.8m).
- Adjusted Profit before Tax reduced to £0.8m (H1 2014 £3.4m).
- Total cash balances as at 30 June 2015 were £13.6m (31 December 2014: £15.2m) after payment of year-end bonuses and the dividend.

Good progress since the half year end

- Trading is currently in line with the Board's expectations for the year as a whole.
- The positive net flows experienced in Q2 have continued. AUM rose to £2,364m as at 31 August 2015.
- CF Miton UK Value Opportunities fund[3] increased AUM to £498m as at 31 August 2015 (30 June 2015: £378m; 30 June 2014: £86m).
- Funds rebranded:
    - Miton's Cautious and Defensive multi asset funds[4] were repositioned in Q1 and moved to more appropriate sector groupings. They have generated first quartile performance since the change of manager in June 2014.
    - Proposed change of the PFS Darwin Multi Asset fund to an income mandate. It will be renamed the PFS Miton Cautious Monthly Income Fund in October.[5]
- Miton UK MicroCap Trust plc was launched in April raising £50m. Since launch a further £5m has been raised.
- Following appointment of Carlos Moreno in August, we intend to launch a new European equities fund in Q4.

Notes

[1] £2,953m includes £438m of AUM relating to the Liverpool business which was sold on 31 March 2014.

[2] After adjusting for the write-back of a VAT provision of £185,000.

[3] CF Miton UK Value Opportunities fund AUM includes FP Miton Undervalued Assets fund AUM. It is intended to merge the two funds in Q1 2016.

[4] CF Miton Cautious Multi Asset fund and CF Miton Defensive Multi Asset fund.

[5] Subject to unitholder vote on 30 September 2015.

Ian Dighé, Executive Chairman of Miton Group, commented:

"The fall in Miton Group's half year profits reflected the operational gearing of the business following the reduction in funds under management compared to last year. Despite this, the Group remained profitable and ended the period with renewed momentum in terms of inflows into our funds.

"The second half of the year has got off to a strong start, with continuing momentum in net inflows into our funds. As a result, AUM rose to £2,364m as at 31 August, in spite of unsettled markets. As AUM rises we anticipate benefiting from the operational gearing of the business."

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Note to Editors:
Miton Group plc is a multi-asset and equity fund management specialist based in London. The Group manages £2.4 billion of assets including nine OEICs, four unit trusts and four investment trusts under the Miton brand. Members of the fund management team invest in their own funds and are significant shareholders in the Company.

Chairman's Statement

The first six months of this year were challenging. In spite of the unsettled markets many of the Miton funds continued to generate decent absolute gains for clients. Encouragingly, fund flows in Q2 were positive and redemptions in multi assets tapered significantly.

The fall in Miton's half year profits reflects the operational gearing in the business following the reduction in funds under management compared to last year. We continue to focus on growing AUM and the positive net flows we are experiencing give us cause for optimism. The continuing performance of the majority of Miton's funds and their distinctive market position allows the sales team to market a truly differentiated product.

The greatest inflows during the first half were into the UK Value Opportunities fund (AUM of £378m as at 30 June 2015), the UK Multi Cap Income fund (AUM of £440m as at 30 June 2015) and via the flotation of Miton UK MicroCap Trust plc which raised £50m in April.

Our multi asset investment team who joined in June 2014 have continued to deliver first quartile returns, which has helped stem the outflows seen at the start of the year. The two Miton multi asset funds have been renamed CF Miton Cautious Multi Asset fund and CF Miton Defensive Multi Asset fund, which reflects their new fund peer group.

We continue to focus on growing AUM:

- Carlos Moreno joined Miton in August to manage a new European equities fund which we plan to launch later this year. To capitalise on this particular opportunity our plans were brought forward from 2016. There will therefore be up to £400,000 of additional costs in 2015.

- Miton UK MicroCap Trust plc has already grown with an additional £5m raised since launch.
- The strong performance of the Miton multi asset funds means we can develop our offering. Therefore the PFS Darwin Multi Asset fund will, subject to unitholder approval, be renamed as PFS Miton Cautious Monthly Income fund with a mandate to provide investors with an income-oriented multi asset investment opportunity from October.

Comprehensive compliance and an appreciation of the sources of risk are naturally a high priority in our business. Nevertheless we are continuing to focus on cost control through increasingly automated fund management operations. Overall costs have been contained at a slightly lower level than the same period last year. We are continuing to drive efficiencies further by working closely with our fund administration partners.

Board changes following the half year end

On 11 September 2015, we announced that Ian Chimes and Piers Harrison were joining the Board with immediate effect as Sales & Marketing Director and Chief Operating Officer, respectively.

Ian Chimes joined Miton as Head of Sales and Marketing in July 2013. Piers Harrison joined Miton in July 2013 as Director of Operations and Risk Management.

At the same time we announced that Robert Clarke will be resigning from the Board with effect from 28 September. Bart Edgar will become Director of Finance, reporting to Piers Harrison, following Robert's departure. The Board thanks Robert for his diligence and hard work.

Outlook

The second half of the year has started strongly with the momentum of positive net flows in Q2 continuing into Q3. As at 31 August 2015 assets under management were £2,364m in spite of unsettled markets. As AUM rises we anticipate benefiting from the operational gearing of the business.

Ian Dighé
Executive Chairman

25 September 2015

Financial Review

Assets under Management

On 30 June 2015 Assets under Management (AUM) were £2,225m (30 June 2014: £2,643m; 31 December 2014: £2,050m). During the first half of 2015 fund performance and market movements accounted for the increase in value. Net outflows in the first three months of £54m were transformed into net inflows of £64m in the second quarter. This trend has continued since 30 June with net inflows of £134m in July and August.

Average AUM over the first half was £2,140m down from £2,953m in the corresponding period last year which included £438m of AUM relating to the Liverpool business which was sold on 31 March 2014.The following summary shows the movements during the six months ended 30 June 2015:

Fund Flows Summary

	Audited Opening AUM 1 January 2015 £m	Inflows £m	Outflows £m	Net flows £m	Other (including market) £m	Unaudited Closing AUM 30 June 2015 £m
Equity funds	1,080	276	(187)	89	104	1,273
Multi asset funds	603	28	(156)	(128)	29	504
Total funds	1,683	304	(343)	(39)	133	1,777
Investment trusts	367	49	-	49	32	448
Total	2,050	353	(343)	10	165	2,225

Revenue and Margins

With the 28% reduction in average AUM referred to above, net revenue reduced to £7.1m from £9.6m in H1 2014. The average net revenue margin for the first half was 66.6bp compared with 65.0bp in 2014 due to the loss of some lower margin funds and maintained margins elsewhere.

Costs

H1 administrative expenses of £5.7m (after adjusting for a VAT provision write-back) were reduced marginally from the £5.8m in H1 2014.

Adjusted Profit before Tax

Adjusted Profit before Tax of £0.8m for the period reduced significantly compared to H1 2014 as a result of the operational gearing in the business acting on the reduced revenue base. This sensitivity emphasises the opportunity for increased future profitability as a result of increasing AUM.

Reconciliation of Adjusted Profit before Tax

	Six months to 30 June 2015 £m	Six months to 30 June 2014 £m	Year to 31 December 2014 £m
Net revenue	**7.1**	9.6	17.2
Administrative expenses[1]	**(5.7)**	(5.8)	(11.1)
Share-based payment charge	**(0.6)**	(0.4)	(0.9)
Net finance revenue	**-**	-	0.1

Adjusted Profit before Tax[2]	**0.8**	3.4	5.3
Amortisation	**(0.4)**	(0.9)	(1.2)
Write-back / (creation) of VAT provision[1]	**0.2**	-	(0.2)
Exceptional non-recurring items	**-**	(12.5)	(9.4)
Profit/(Loss) before Tax	**0.6**	(10.0)	(5.5)

Notes

1 The VAT provision of £185,000 created in 2014 has been written back since it is no longer required. The impact of the provision has been excluded from administrative expenses in this table in order to calculate Adjusted Profit before Tax on a consistent basis.

2 Adjusted Profit before Tax represents profit before amortisation, exceptionals and taxation.

Earnings per share

	Six months to 30 June 2015 pence	Six months to 30 June 2014 pence	Year to 31 December 2014 pence
Adjusted earnings per share	**0.43**	1.68	2.78
Diluted adjusted earnings per share	**0.37**	1.64	2.53
Basic earnings / (loss) per share	**0.28**	(6.20)	(3.27)
Diluted earnings per share	**0.24**	-	-

The dilution of 14% arises largely as a result of the estimate of the Miton Group plc ordinary shares which would be issued if all the Growth Share Plan shares with an accrued value at 30 June 2015 had vested and had been exchanged for Miton Group plc ordinary shares at that date.

Cash

At 30 June 2015 cash balances amounted to £13.6m compared with £15.2m at the start of the year. After making deductions for regulatory capital requirements, the creditors reserve and other provisions, the Group's free cash as at 30 June 2015 was £4.7m. The creditors reserve of £2.9m arose from the capital reduction in 2013 and will no longer need to be held on the balance sheet after 2015.

Growth Share Plan

As at 30 June 2015 the total accrued value of the growth shares in issue estimated according to the Plan rules was £6.6m (31.12.14: £2.7m). This equates to 14.6% (8.2%) of Miton Group plc ordinary shares in issue at the date of approval of the Plan in 2013. This disclosure is required in accordance with accounting standards. The actual dilution experienced in future will depend on a number of factors including:

- the value of assets under management (AUM) within each Fund Management Unit (FMU) and within the Group as a whole at the end of the reporting period
- average AUM over a reporting period
- the profitability of specific FMUs and of the Miton Group
- the share price of Miton Group plc
- the proportion of an FMU's value in relation to that of the Group
- the timing and extent of the exchange of growth shares into Miton shares by participants: growth shares currently in issue are due to vest proportionately over the period 2016 to 2018.

The Company will consider when appropriate the use of Group cash balances to finance the buying back of Miton Group plc ordinary shares.

Unaudited Consolidated Statement of Comprehensive Income

For the period ended 30 June 2015

	Notes	**Unaudited Six months to 30 June 2015 £000**	Unaudited Six months to 30 June 2014 £000	Audited Year to 31 December 2014 £000
Revenue		**10,372**	15,253	26,952
Fees and commission expenses		**(3,242)**	(5,655)	(9,732)
Net revenue		**7,130**	9,598	17,220
Administration expenses		**(5,505)**	(5,804)	(11,297)
Share-based payment charge	10	**(588)**	(392)	(905)
Amortisation of intangible assets		**(414)**	(895)	(1,218)
Exceptional operating expenses	4	**-**	(12,540)	(9,364)
Operating profit/(loss)		**623**	(10,033)	(5,564)
Finance revenue		**10**	22	58
Profit/(Loss) for the period before taxation		**633**	(10,011)	(5,506)
Taxation	5	**(205)**	979	679
Profit/(Loss) for the period after taxation and profit/(loss) for the period attributable to equity holders of the parent		**428**	(9,032)	(4,827)
		pence	pence	pence
Basic earnings/(loss) per share	6	**0.28**	(6.20)	(3.27)
Diluted earnings per share	6	**0.24**	-	-

No other comprehensive income was recognised during 2015 or 2014, therefore the profit/(loss) for the period is equal to the total comprehensive income.

Unaudited Consolidated Statement of Changes in Equity

For the period ended 30 June 2015

	Share Capital £000	Share Premium £000	Employee Benefit Trust £000	Treasury Shares £000	Creditors Reserve £000	Retained Earnings £000	Total £000
At 1 January 2015	**171**	**2,661**	**(6,294)**	**(26)**	**3,057**	**57,171**	**56,740**
Profit for the period	-	-	-	-	-	428	428
Release of Treasury shares	-	-	-	43	-	-	43
Purchase of Treasury shares	-	-	-	(17)	-	-	(17)
Share-based payment charge	-	-	-	-	-	588	588
Release from Creditors Reserve	-	-	-	-	(146)	146	-
Dividend	-	-	-	-	-	(910)	(910)
At 30 June 2015 (unaudited)	**171**	**2,661**	**(6,294)**	**-**	**2,911**	**57,423**	**56,872**
At 1 January 2014	**164**	**-**	**(6,924)**	**-**	**3,799**	**62,464**	**60,133**
(Loss) for the period	-	-	-	-	-	(9,032)	(9,032)
Shares issued on exercise of options	2	651	-	-	-	(322)	331
Share-based payment charge	-	-	-	-	-	392	392
Deferred tax direct to equity	-	-	-	-	-	(922)	(922)
Reduction in Creditors Reserve	-	-	-	-	(404)	404	-
Dividend	-	-	-	-	-	(782)	(782)
At 30 June 2014 (unaudited)	**166**	**651**	**(6,294)**	**-**	**3,395**	**52,202**	**50,120**
At 1 January 2014	**164**	**-**	**(6,294)**	**-**	**3,799**	**62,464**	**60,133**
(Loss) for the year	-	-	-	-	-	(4,827)	(4,827)
Shares issued re acquisition of PSigma Asset Management Holdings	3	1,254	-	-	-	-	1,257
Shares issued on acquisition of Darwin Investment Managers	2	700	-	-	-	-	702
Purchase of Treasury shares	-	-	-	(26)	-	-	(26)
Shares issued on exercise of options	2	707	-	-	-	(377)	332
Share-based payment charge	-	-	-	-	-	905	905
Deferred tax direct to equity	-	-	-	-	-	(953)	(953)
Release from Creditors Reserve	-	-	-	-	(742)	742	-
Dividend	-	-	-	-	-	(783)	(783)
At 31 December 2014 (audited)	**171**	**2,661**	**(6,294)**	**(26)**	**3,057**	**57,171**	**56,740**

Unaudited Consolidated Statement of Financial Position

As at 30 June 2015

	Notes	**Unaudited 30 June 2015 £000**	Unaudited 30 June 2014 £000	Audited 31 December 2014 £000
Non-current assets				
Goodwill		**41,070**	39,385	41,070
Intangible assets		**1,361**	798	1,575
Property and equipment		**201**	273	216
		42,632	40,456	42,861
Current assets				
Trade and other receivables		**4,014**	4,385	2,871
Deferred tax asset		**90**	-	109
Cash and cash equivalents	7	**13,605**	16,153	15,192
		17,709	20,538	18,172
Total assets		**60,341**	60,994	61,033
Current liabilities				
Trade and other payables		**2,650**	6,284	3,690
Other payables		**550**	734	-
Provisions	8	**-**	106	260
		3,200	7,124	3,950
Non-current liabilities				
Other payables		**-**	3,750	-
Deferred tax liability		**244**	-	343
Provisions	8	**25**	-	-
		269	3,750	343
Total liabilities		**3,469**	10,874	4,293
Net assets		**56,872**	50,120	56,740
Equity				
Share capital	9	**171**	166	171
Share premium		**2,661**	651	2,661
Employee Benefit Trust		**(6,294)**	(6,294)	(6,294)
Treasury shares		**-**	-	(26)
Creditors Reserve		**2,911**	3,395	3,057
Retained earnings		**57,423**	52,202	57,171
Total equity shareholders' funds		**56,872**	50,120	56,740

Unaudited Consolidated Statement of Cash Flows

For the period ended 30 June 2015

	Notes	**Unaudited Six months to 30 June 2015 £000**	Unaudited Six months to 30 June 2014 £000	Audited Year to 31 December 2014 £000
Operating activities				
Profit/(loss) for the year after taxation		**428**	(9,032)	(4,827)
Adjustments to reconcile profit/(loss) to net cash flow from operating activities:				
Tax on continuing operations		**205**	(979)	(679)
Net finance revenue		**(10)**	(22)	(58)
Depreciation		**44**	47	99
Loss on disposal of fixed assets		**2**	-	10
Amortisation of intangible assets		**414**	895	1,218
Share-based payment charge		**588**	392	905
Loss on disposal of Miton Capital Partners Limited (MCPL)		**-**	-	11,990
Intangible assets written off on disposal of MCPL		**-**	16,029	-
Consideration receivable on disposal of MCPL		**-**	(4,150)	-
Change in fair value of deferred contingent consideration payable		**-**	-	(3,410)
(Increase) in trade and other receivables		**(295)**	(920)	(83)
(Decrease)/increase in trade and other payables		**(262)**	52	(737)
(Decrease) in provisions		**(235)**	(412)	(258)
Cash generated from operations		**879**	1,900	4,170
Income tax paid		**(1,141)**	(445)	(1,245)
Net cash flow from operating activities		**(262)**	1,455	2,925
Investing activities:				
Interest received		**10**	22	58
Purchase of property and equipment		**(31)**	(81)	(72)
Acquisition of PSigma Asset Management Holdings Limited		**-**	-	(1,672)
Acquisition of Darwin Investment Managers Limited		**(420)**	-	(645)
Consideration received on disposal of MCPL		**-**	4,000	4,614
Purchase of Matterley management contract		**-**	-	(750)
Net cash flow from investing activities		**(441)**	3,941	1,533
Financing activities:				
Net release/(purchase) of Treasury shares		**26**	-	(26)
Proceeds from share issue		**-**	328	332
Dividend paid	3	**(910)**	(782)	(783)
Net cash flow from financing activities		**(884)**	(454)	(477)
(Decrease)/increase in cash and cash equivalents		**(1,587)**	4,942	3,981
Cash and cash equivalents at the beginning of the period		**15,192**	11,211	11,211
Cash and cash equivalents at the end of the period	7	**13,605**	16,153	15,192

Notes to the Consolidated Financial Statements

For the period ended 30 June 2015

1. Basis of accounting

These interim condensed and consolidated financial statements do not constitute statutory accounts within the meaning of section 435 of the Companies Act 2006. They have been prepared on the basis of the accounting policies as set out in the Group's Annual Report for the year ended 31 December 2014.

The interim report has been prepared in accordance with IAS 34 'Interim Financial Reporting' and the Listing Rules of the Financial Conduct Authority.

The accounting policies applied in these interim financial statements are consistent with those applied in the Group's most recent annual financial statements.

The Group has sufficient financial resources and contracts with a number of customers and suppliers such that the directors believe that the Group is well placed to manage its business risks successfully despite the continued uncertain economic outlook.

After making enquiries, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the interim report.

The Group's 2014 Annual Report is prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, and is available on the Miton Group plc website (www.mitongroup.com).

These unaudited financial statements were approved and authorised for issue by a duly appointed and authorised committee of the Board of Directors on 25 September 2015.

The full year accounts to 31 December 2014 were approved by the Board of Directors on 27 March 2015 and have been delivered to the Registrar of Companies. The report of the Auditors on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under Section 498 of the Companies Act 2006. The figures for the six months ended 30 June 2015 and the six months ended 30 June 2014 have not been audited.

2. Segmental information

The Group operates as one business segment, Fund Management, which offers a number of fund management products through a variety of distribution channels, and therefore does not provide information on different segments.

3. Dividend

The dividend for the year ended 31 December 2014 was paid on 7 May 2015, being 0.60p per share. The trustees of the Employee Benefit Trust waived their rights to part of this dividend, leading to a total distribution of £910,000, which is reflected in the Consolidated Statement of Changes in Equity.

4. Exceptional operating expenses	**Six months to 30 June 2015 £000**	Six months to 30 June 2014 £000	Year to 31 December 2014 £000
Loss on disposal of Miton Capital Partners Limited	**-**	12,000	11,990
Growth Share Plan implementation costs	**-**	343	309
Changes to multi-asset fund management team and Darwin acquisition	**-**	197	-
Movement in fair value of deferred contingent consideration	**-**	-	(3,210)
Acquisition costs	**-**	-	275
Total exceptional operating costs	**-**	12,540	9,364

5. Taxation

	Six months to 30 June 2015 £000	Six months to 30 June 2014 £000	Year to 31 December 2014 £000
Corporation tax charge	**288**	844	920
Deferred tax credit	**(83)**	(139)	(1,599)
Deferred tax credit on goodwill write-off	**-**	(1,684)	-
Tax charge/(credit)	**205**	(979)	(679)

6. Earnings per share

Basic earnings per share is calculated by dividing the profit/(loss) for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

In calculating diluted earnings per share, IAS 33 Earnings Per Share requires that the profit/(loss) be divided by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of any potential dilutive ordinary shares that would be issued on their conversion to ordinary shares during the period.

(a) Reported earnings per share

Reported basic profit/(loss) per share has been calculated as follows:

	Six months to 30 June 2015	Six months to 30 June 2014	Year to 31 December 2014
Net profit/(loss) attributable to ordinary equity holders of the parent for basic earnings (£000)	**428**	(9,032)	(4,827)
Weighted average shares in issue (No. 000)	**151,841**	145,712	147,702
Weighted average shares in issue – diluted (No. 000)	**175,923**	-	-
Basic EPS (pence)	**0.28**	(6.20)	(3.27)
Diluted EPS (pence)	**0.24**	-*	-*

*No diluted EPS is disclosed for 2014 as the Company reported a basic loss per share in the year.

6. (b) Adjusted earnings per share ("Adjusted EPS")

Adjusted EPS is based on Adjusted Profit after tax, where Adjusted Profit is stated after charging interest and share-based payments but before amortisation and exceptional items.

	Six months to 30 June 2015 £000	Six months to 30 June 2014 £000	Year to 31 December 2014 £000
Profit/(Loss) before taxation for the period	**633**	(10,011)	(5,506)
Adjust:			
Exceptional operating expenses	**-**	12,540	9,364
Amortisation	**414**	895	1,218
(Write-back) / creation of VAT provision	**(185)**	-	185
Adjusted Profit before Tax	**862**	3,424	5,261
Taxation:			
Tax in the Consolidated Statement of Comprehensive Income	**(205)**	979	679
Tax effect of adjustments	**(3)**	(1,948)	(1,829)
Adjusted Profit after tax for the calculation of Adjusted earnings per share	**654**	2,455	4,111

Adjusted earnings per share and diluted adjusted earnings per share were as follows:

	Six months to 30 June 2015 pence	Six months to 30 June 2014 pence	Year to 31 December 2014 pence
Adjusted earnings per share	**0.43**	1.68	2.78
Diluted adjusted earnings per share	**0.37**	1.64	2.53

The above dilution arises largely as a result of the requirement to include an estimate of the Miton Group plc shares which would be issued if all the Growth Share Plan shares with an accrued value at 30 June 2015, which will not fully vest until 2018, had vested and had been exchanged into Miton Group plc ordinary shares at that date.

Adjusted earnings per share and diluted adjusted earnings per share have been calculated as follows:

	Six months to 30 June 2015	Six months to 30 June 2014	Year to 31 December 2014
Adjusted profit after tax for the calculation of Adjusted earnings per share for diluted Adjusted earnings			
Earnings (£000)	**654**	2,455	4,111
Weighted average shares in issue (No. 000)	**151,841**	145,712	147,702
Weighted average shares in issue – diluted (No. 000)	**175,923**	149,339	162,307

7. Cash and cash equivalents

	30 June 2015 £000	30 June 2014 £000	31 December 2014 £000
Cash at bank and in hand	**13,605**	16,153	15,192
Included within the above are cash deposits held in a segregated account for the benefit of creditors following the Group restructuring in December 2013	**2,911**	3,395	3,057

8. Provisions

Current	Restructuring £000	Other £000	Fund management £000	Total £000
At 1 January 2015	-	260	-	260
Utilised	-	(33)	-	(33)
Released	-	(227)	-	(227)
At 30 June 2015	**-**	**-**	**-**	**-**
At 1 January 2014	398	-	120	518
Utilised	(292)	-	(95)	(387)
Released	-	-	(25)	(25)
At 30 June 2014	106	-	-	106
At 1 January 2014	398	-	120	518
Provided	-	260	-	260
Utilised	(398)	-	(95)	(493)
Released	-	-	(25)	(25)
At 31 December 2014	-	260	-	260

Non-current	Other £000
At 1 January 2015	-
Provided	25
At 30 June 2015	**25**

9. Share capital

Authorised:	**30 June 2015 £000**	30 June 2014 £000	31 December 2014 £000
250,000,000 ordinary shares of 0.1 pence each	**250**	250	250

Allotted, called up and fully paid:

	No of ordinary shares 0.1 pence each No. 000	Value of ordinary shares 0.1 pence each £000
At 1 January 2015 and at 30 June 2015	**170,920**	**171**
At 1 January 2014	164,090	164
Issued on exercise of share options	1,855	2
At 30 June 2014	165,945	166
At 1 January 2014	164,090	164
Issued re. acquisition of PSigma Asset Management Holdings Limited	3,320	3
Issued on acquisition of Darwin Investment Managers Limited	1,655	2
Issued on exercise of Share Options	1,855	2
At 31 December 2014	170,920	171

10. Share-based payments

The fair value of the share incentives granted in the period to 30 June 2015 was £nil (2014: £3.0m). Of the total £588,000 (2014: £392,000) share-based payment charge in the period, £nil (2014: £107,000) relates to the incentive granted in the period.

The fair value of the Miton Group plc Growth Share Plan was calculated using a Monte Carlo simulation adjusted discounted cash flow model using assumptions regarding volatility, growth in AuM, timing of exercise, employee exit and forfeiture rates and share price.

For both the MEI and MIP awards, the fair value was estimated as at the date of grant using a Black–Scholes model and based on employee exit and forfeiture rates, dividend yields, share price, composite volatility and performance conditions. The expected life of the incentives has been estimated taking account of the extent to which the exercise price was above or below the share price at date of grant. The annualised volatility has been based on historical trends, which have been assumed to indicate future volatility. The risk free interest rate has been based on the UK gilts rate with a maturity corresponding to the expected life of the option.

END