News Release

12 April 2011

MAM Funds Plc announces preliminary results for the year to 31 December 2010

MAM Funds Plc (MAM), the AIM quoted fund management company, announces its preliminary results for the year ended 31 December 2010.

Highlights

- Funds Under Management rose 11% to reach £1.7 billion (2009 £1.5 billion)

- Adjusted profit before tax increased 39% to £4.4 million for the year ended 31 December 2010 (2009: £3.1 million) on revenue of £20.4 million (2009: £17.5 million). The group's reported profit after tax of £0.4 million compares to a reported loss after tax of £7.0 million in 2009[1]

- Adjusted earnings per share on continuing operations (basic and diluted) of 4.2p (2009: 3.9p)

- Significant extension to the group's strategy, backed by a strengthening of its senior management team and the raising of approximately £20 million by way of a placing

- Since the year end, bank debt has been repaid and the business freed of restrictive banking covenants

- Key themes for 2011 are to strengthen fund management, sales & marketing and support teams. We will continue to develop and diversify our fund offering and review our distribution strategy ahead of the implementation of the Financial Services Authority's Retail Distribution Review (RDR) recommendations.

Ian Dighé, Chairman, MAM, says:

"The business is now focussed on its core fund management activities unencumbered by bank borrowings and covenants. During the year a number of key transactions were completed.

"The Group divested its Wealth Management and International Fund Management businesses and completed a capital reconstruction, creating additional distributable reserves and permitting the redemption of further preference share capital.

"We are committed to building upon the strengths of the team and to growing our fund offering and profitability. The appointments of Gervais Williams, Managing Director, and Graham Hooper, Distribution Director, significantly strengthen the group's leadership. We announced on 3 March 2011, our intention to List the Diverse Income Trust that will be managed by Gervais Williams and the Listing on the London Stock Exchange is expected during the week commencing 19 April 2011, marking an important step in the next stage of MAM's development.

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[1] *Adjusted profit includes other operating income but is stated before management charge income from Discontinued Operations, net finance cost, tax, exceptional items, share based payments charge, amortisation and impairment.*

“Our ambition is to be a highly respected fund management business, built on strong multi-asset and single-asset strategies, that delivers consistent performance and value to all our stakeholders.”

For further information, please contact:

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Notes to editors

MAM Funds Plc (MAM) is a leading multi-asset fund management specialist, incorporating Midas Capital Partners and Miton Asset Management fund brands. Both companies are wholly owned subsidiaries of MAM.

Founded in 2001, MAM represents the combined talents and experience of Midas Capital Partners and Miton Asset Management creating a fund management group driven by global asset allocation under the investment direction of Gervais Williams. The group’s fund management teams have a wealth of experience and have won numerous industry awards for their innovative investment processes and performance.

In 2004, MAM joined the Alternative Investment Market. Members of the fund management team invest in their own funds and are significant shareholders in the group. MAM has offices in Liverpool and Reading.

Chairman's Statement

Introduction

It is a pleasure as your new Chairman to report on progress achieved over the past financial year and to comment on the significant changes that have taken place between the year end and this report.

During the year a number of key transactions were completed that enabled the business to focus on its core fund management activities. The group divested its Wealth Management and International Fund Management businesses in January and March 2010, respectively, and then completed a capital reconstruction in August 2010. The reconstruction created additional distributable reserves through the cancellation of our share premium account, capital redemption reserve and all the deferred shares then in issue and, more importantly, permitted the redemption of further preference share capital in September 2010.

Results and trading

It is pleasing to be able to report an increase in adjusted profit of 39% to £4.4 million in the year (2009: £3.1 million) on revenue of £20.4 million (2009: £17.5 million). The group's reported profit after tax of £0.4 million compares to a reported loss after tax of £7.0 million in 2009. In addition, Funds Under Management increased by 11% to reach £1.7 billion as at 31 December 2010.

Equity placing, new management team and repayment of all debt

On 15 December 2010, the board announced plans for a significant extension to the group's strategy, backed by a strengthening of its senior management team and the raising of £20 million by way of a placing. At the General Meeting held on 14 February 2011 shareholders approved the proposals for 60.6 million shares to be placed with institutional and other investors at 33 pence per share. The net proceeds of the placing were used to redeem the £7.1 million of outstanding preference shares, including accrued dividends, and to repay the £10.3 million of outstanding bank debt including accrued interest. Being unencumbered by bank borrowings and covenants presents us once again with the ability to pay dividends in the future.

As an integral part of these proposals, I am delighted to welcome two colleagues as executive directors and one as non-executive director. Both Gervais Williams and Graham Hooper have enviable track records within their respective fund management and sales and distribution disciplines. Core to these appointments is the desire to place strong leadership and direction in all areas of our business. As a board we intend to build upon the inherited strengths and abilities of the team and to grow our Funds Under Management and profitability significantly. I am also delighted to welcome Katrina Hart to your board as an independent non-executive director; she will bring a fresh and vibrant approach to the board's deliberations.

To deliver value effectively, intellectual capital will be as important as our new found financial stability. We will therefore continue to train and strengthen our fund management teams and ensure they have the commensurate marketing and administrative support behind them. Our financial stability gives me confidence that we will not only retain our talent, but attract proven and gifted managers as we seek to broaden and deepen our product range. Remuneration and rewards are much commented upon and understandably at the forefront of many investors' minds at the moment. We intend to undertake a comprehensive review of remuneration across the group, ensuring that the interests of those working in the business are fully aligned with those of shareholders. We are committed as a new board to adhering to good working practices and corporate governance and, in doing, so delivering value to our shareholders and the underlying investors in our funds.

Future prospects

Our key themes for 2011 will be to strengthen our fund management, sales & marketing and support teams. We will continue to develop and diversify our fund offering and review our distribution strategy ahead of the implementation of the Financial Services Authority's Retail Distribution Review (RDR) recommendations. These themes necessitate a focussed investment in people, systems and infrastructure. Our focus will be on revenue generation and long term profitability; we believe our business is scalable and look forward to delivering value in the future.

Our thanks

I would like to take this opportunity to thank Adrian Collins and Colin Rutherford, both of whom left the board at the time of the placing, for their considerable efforts and commitment to the business since their appointments in 2008.

On behalf of the board, I would also like to record our sincere thanks to Simon Edwards who has announced his intention to retire from the Midas Liverpool business in June 2011. Simon was instrumental in facilitating the strengthening of the group, both financially and by the introduction of the new senior management earlier this year. He has nurtured over the years a strong team which will oversee the management of the Liverpool flagship funds. We wish him well as he seeks to pursue his other business and charitable interests.

I would like to thank all our employees for their patience and commitment. I look forward to working with them as we build a highly respected fund management business, built on strong multi-asset and single-asset strategies, that delivers consistent value to all our stakeholders.

Ian Dighé
Executive Chairman
11 April 2011

Extracts from Business Review

A year of change

The past year has been a period of significant activity and change for the group, having previously set ourselves some key corporate and financial objectives in order to drive focus into our core UK-based multi-asset management offering.

The key 2010 milestones were:

- Completion of the disposals of our non-core assets
- Creation of distributable reserves from a Capital Reconstruction
- Further redemption of preference share capital

We made further progress when we announced on 15 December 2010 and shareholders subsequently approved on 14 February 2011 the proposals to strengthen the senior management team and to raise £20 million by way of a placing in order to redeem all of the group's bank debt.

Serving our customers drives everything we do

Our Funds Under Management (FUM)

	2010	2009
	£m	£m
Opening FUM @ 1 January	1,509	1,440
Net creations / (redemptions)	47	(76)
Other movements, including markets	124	145
Closing FUM @ 31 December	**1,680**	**1,509**

It is pleasing that the business reported net creations in the year of £47 million (2009: redemptions of £76 million) and, along with market improvements, increased its FUM by £171 million (2009: £69 million) to reach £1.7 billion at 31 December 2010 (2009: £1.5 billion). It was against this backdrop that Fidelity highlighted MAM group as being the 11th fastest growing fund group on Funds Network for 2010.

Demand increased year on year for our strongly performing Miton Special Situations and Strategic funds while net redemptions continued from our other funds it was on a somewhat more muted basis than in the previous year. A key priority for 2011 will, therefore, be to bring both improved distribution and inflows across all our fund range. Key to this will be ensuring the delivery of strong fund performance.

Our open ended funds

Fund	31 Dec 2010 FUM	1 yr % Perf	1 yr Quartile	5 yr % Perf	5 yr Quartile	Since Launch % Perf	Since Launch Quartile	IMA sector since launch	Launch date
CF Miton Special Situations	£583m	**8.3**	4	**39.4**	1	**281.5**	1	**80.8**	30/12/1997
CF Midas Balanced Growth	£313m	**14.0**	1	**11.9**	4	**71.3**	1	**52.5**	08/04/2002
CF Midas Balanced Income	£305m	**8.6**	3	**0.6**	4	**44.6**	3	**41.9**	08/04/2002
CF Miton Strategic	£176m	**9.5**	4	**30.0**	1	**186.2**	1	**105.5**	26/12/1996
CF Miton Arcturus	£32m	**4.3**	4	**-**	-	**8.4**	2	**8.1**	21/11/2006
CF Miton Global Growth	£28m	**17.9**	1	**8.8**	4	**67.1**	2	**41.8**	09/03/2001
CF Miton Select Assets	£17m	**20.4**	1	**5.8**	4	**121.8**	2	**97.4**	30/04/2003
CF Miton Cautious Income	£14m	**7.1**	4	**-3.5**	4	**20.2**	4	**36.3**	09/03/2001
CF Miton Global Income	£3m	**6.5**	4	**11.8**	3	**27.7**	3	**28.8**	13/01/2005

The group's principal focus in 2010 remained its open ended funds (OEICs) and its investment trusts, being the Miton Worldwide Growth Investment Trust with net assets of £37million and the Midas Income & Growth Trust with net assets of £50 million at 31 December 2010. Additionally, the investment teams have proven expertise in managing segregated pension funds, charitable accounts and investment mandates for local authorities and high net worth clients.

Our business continues to operate a team-based approach. Management believes this strategy not only helps the assessment of relative risk but also enhances performance while reducing reliance on any one individual. Consequently, each fund has a co-fund manager and analysts who support the lead manager. All of our OEICs delivered positive returns well in excess of any return available on cash in 2010. Five funds in total ranked in the top half of their respective IMA peer group since launch, two of which were in the top decile and one in the top quartile, reinforcing a highly competitive long term track record.

Miton Select Assets was our best performing fund for the second year running and both Miton Special Situations and Miton Strategic funds benefitted from significant net creations in 2010. Miton Special Situations regularly featured in both the Cofunds and Fidelity Funds Network Top Fund Sales Charts in 2010, finishing the year 28th most popular fund choice out of more than 1,500 funds on Cofunds and 47th most popular fund choice out of over 1,900 funds on Fidelity. It was also voted Winner of the Top Balanced Managed Fund in the Moneywise Pension Awards 2010. The fund has now been voted the winner in the balanced managed fund category three times in the last five years in these awards, demonstrating a remarkable consistency of returns in testing market conditions. Pleasingly, Miton Strategic was also highly commended in the same category and it is encouraging to note that our Midas flagship funds maintained the improvement in their relative performance in 2010.

In our closed ended fund range, Miton Worldwide Growth Investment Trust continued to benefit from being in the sweetspot of the investment trust cycle in 2010. During the period, this trust's NAV recovered 19.3% of its value, well in excess of the 2.9% gain shown in its target benchmark of 3 month Libor +2%. It also exceeded the performance of major global indices during the period. Our other trust, the Midas Income & Growth Trust, saw its NAV recover 10% of its value during the period, exceeding its targeted benchmark of 8% per annum.

With effect from 1 March 2011, Gervais Williams joined the group as Managing Director and took overall responsibility for the fund management team. His key objective in 2011 will be ensuring the culture of the group offers fund managers the best opportunity to excel. Given the company is now debt free, there is improved scope to raise awareness in our customer base of the strength of our product range as well as broadening our offering with the addition of complementary new funds.

Finding new ways of delivering value

Gervais' leadership of our fund management business brings a depth of experience and expertise to support our existing teams and heralds the initial steps in our strategy to introduce complementary new products such as single-strategy funds. By diversifying our product offering, we can strengthen our business in a number of ways; we can broaden our exposure across different asset classes, reduce performance correlation across our fund range and dilute key man risk, all of which will serve to augment and build resilience in our earnings.

It was within this context that we announced on 3 March 2011 the launch of The Diverse Income Trust Plc. This trust, to which Gervais will be investment manager, will be an All Cap equity income fund and will be able to select the anticipated best income generators from a wide universe of shares in the FTSE 100, FT Mid Cap and Small and Micro Cap sectors. With such a diverse portfolio of investments, the intention is that each will represent between 1 % and 1.5% of the total portfolio, laying claim to being truly diversified, and with a low stock specific risk. The principal purpose of the new Trust will be to deliver a good, and most importantly, a growing dividend. It is believed that many small and micro-capitalised companies can deliver good and growing income for the future, since this is one of the few areas of the stock market that is under-distributing at present.

Equally importantly, our fund management strategic thinking will be heavily influenced by RDR which will come into effect on 1 January 2013. We do not underestimate the impact these recommendations are likely to have on the evolution of the Fund Management industry and in particular its distribution strategies. We, therefore, intend to prioritise our assessment of RDR's impact on our business and customers, and to consider specifically the implications it will have for our new product development and platform strategy.

Employee Incentivisation

In January and May 2010, first awards were made to executive directors and senior managers over 8,045,000 options for ordinary shares under the Management Incentive Plan approved by shareholders in June 2009. A further 2,000,000 options remain available to incentivise new hires under this approved plan.

As set out in the circular to shareholders seeking approval for the 14 February 2011 placing proposals, the company intends to issue an equity incentive over 13,117,572 ordinary shares to Ian Dighé, Gervais Williams and Graham Hooper. The new directors will not receive any awards under the Management Incentive Plan.

During 2010, there was an annual bonus scheme in place for all staff. As part of an overall review by the new management team of employee terms and conditions of employment, a new bonus scheme will be introduced during 2011 which will replace the previous 2010 scheme.

Group Financial Highlights

Continuing Operations For the years ended 31 December	2010 £m	2009 £m	Change £m	Change %
Continuing Operations:				
Revenue	20.4	17.5	2.9	16%
Adjusted profit before tax	4.4	3.1	1.3	39%
Adjusted EPS – Basic and Diluted	4.2p	3.9p	0.3p	7%
Cash generated from operations	5.7	1.7	4.0	235%
Net assets	34.7	33.8	0.9	3%
Net debt	(10.2)	(20.4)	10.2	50%
Discontinued Operations:				
Profit/(loss) after tax	1.6	(5.0)	6.6	-
Group Profit/(loss) attributable to equity holders	0.4	(7.0)	7.4	-

In accordance with IFRS 5, Non-current assets held for sale and Discontinued Operations, the group has presented the performance of its disposed divisions separately in the Income Statement for 2010 and 2009 comparatives. IFRS 5 requires current and comparative year performance for these divisions and any related disposal profit or loss in the year post tax to be reported as one line in the Income Statement. Discontinued Operations are covered later in this Review and in the notes to the accounts.

The Continuing Operations profit reported in the 2010 Financial Statements therefore represents the performance of our continuing UK based fund management business and related corporate costs.

Adjusted profit reconciliation to Loss After Tax For the years ended 31 December	**2010 £m**	**2009 £m**	**Change £m**
Continuing Operations:			
Revenue	20.4	17.5	**2.9**
Adjusted administrative expenses	(16.0)	(14.4)	**(1.6)**
Adjusted profit	**4.4**	**3.1**	**1.3**
Adjustments			
Management charge income from Discontinued Operations	-	2.2	**(2.2)**
Amortisation	(3.0)	(3.0)	**-**
Impairment	-	(9.4)	**9.4**
Share based payments	(0.4)	**-**	**(0.4)**
Exceptional operating expense	(0.9)	**-**	**(0.9)**
	(4.3)	**(10.2)**	**5.9**
Operating profit/(loss)	**0.1**	**(7.1)**	**7.2**
Exceptional (loss)/gain on restructuring	(0.1)	7.2	**(7.3)**
Net interest	(1.3)	(2.3)	**1.0**
Tax	**-**	0.2	**(0.2)**
Loss After Tax on Continuing Operations	**(1.3)**	**(2.0)**	**0.7**

Revenue rose by 16% in 2010. Of this increase, broadly half was driven by growth in FUM and half by a favourable movement in the product mix towards higher fee generating funds.

Distribution costs rose by 18% over the year, reflecting the on-going migration to and sharing of revenues with platforms. We anticipate this trend will continue.

Despite this pressure on distribution costs, the adjusted profit margin expanded from 18% in 2009 to 21% in 2010, demonstrating the operational leverage within the business.

In 2010, we incurred £0.9 million of exceptional operating expense. Following the announcement of its placing proposals, the group was required to make full provision in the Income Statement for the compensation costs for loss of office to which Colin Rutherford and Adrian Collins became entitled on the successful completion of those proposals. A provision of £441,000 for these compensations costs and related employment taxes has been charged against exceptional operating expense in the year. Other exceptional operating expenses related to the capital reconstruction, aborted loan and other restructuring costs.

Group interest costs fell by £1.0 million year on year to £1.3 million. This movement reflects the falling Libor rates over the two year period and the reducing debt profile in 2010, as £2.4 million and then £5.5 million of the preference shares were redeemed in December 2009 and September 2010, respectively.

There was a small tax credit in the Income Statement for Continuing Operations in 2010 (2009: £0.2 million tax credit). This represents an effective tax rate of 0.2% (2009: 9.6%). The low effective tax rate is primarily driven by the non-taxable disposal income and a partial reversal in deferred tax provisions for future periods, reflecting the fall in the standard rate of tax after the year end. The higher effective tax rate in 2009 was driven primarily by the non-taxable impacts of the £7.2 million exceptional gain on restructuring, £9.4 million impairment charge and by the ability to recover brought forward losses on the management charge income received in the year.

Adjusted earnings per share on Continuing Operations were 4.18p on both a basic and also a diluted basis (2009: 3.90p). The impact of the increase in adjusted profit in 2010 was moderated by an increase in the average number of shares. Reported earnings per share including Discontinued Operations were 0.56p on both a basic and also a diluted basis (2009: (11.07)p), reflecting the movement from a net loss in 2009 to a net profit in 2010.

Capital Position

Group net assets increased by £0.9 million to £34.7 million at 31 December 2010 (2009: £33.8 million). This increase largely reflected the reported profit attributable to equity holders in the year.

At the beginning of the year, the group had gross debt of £24.9 million outstanding with Bank of Scotland, including preference shares. Cash of £2.4 million was shown within Continuing Operations and £2.1 million within Discontinued Operations, giving rise to net debt of £20.4 million overall.

£5.7 million of cash was generated from operations during the year (2009: £1.7 million), reflecting improved profitability and tighter working capital management within the business. The group used cash generated from operations along with £6.3 million of net proceeds from the sale of non-core assets in 2010 to repay a net £6.7 million of debt (2009: £4.2 million) and £1.0 million of interest in the year (2009: £2.5 million).

The repayment of debt and interest, along with other smaller operating outflows disclosed in the Consolidated Statement of Cash Flows, has led to the group reporting gross debt of £18.6 million, cash balances of £8.4 million and a net debt position of £10.2 million at 31 December 2010. Post the year end all gross debt, along with related transactional costs, was fully repaid from the proceeds of the £20 million equity placing in February 2011.

The group accounts for 'Share Based Payments' in accordance with IFRS 2. This requires the fair value of options and share awards to be charged to the Income Statement over the vesting or performance period. The impact was to reduce 2010 continuing profit before tax by £438,000 (2009: £70,000). However, total equity was unaffected by this charge as it is offset by a corresponding credit direct to equity.

In August 2010, the company completed a capital reconstruction which created £26 million of additional distributable reserves. The effect of this capital restructuring, together with the subsequent February 2011 placing and the related repayment of all debt, has been to restore the group's ability to pay dividends in due course. No dividend is proposed in 2010.

The group continues to hold cash balances in excess of its regulatory capital requirement.

Tony Moore
Chief Financial Officer
11 April 2011

Consolidated Income Statement for the year ended 31 December 2010

	2010 £'000	2009 £'000
Revenue	20,434	17,544
Administrative expenses		
Distribution costs	(9,849)	(8,367)
Other operating expenses	(6,209)	(3,870)
Share based payments	(438)	(70)
Amortisation	(2,969)	(2,968)
Impairment	-	(9,411)
Exceptional operating expense	(850)	-
Total administrative expenses	(20,315)	(24,686)
Operating profit/(loss) from Continuing Operations	119	(7,142)
Exceptional (loss)/gain on restructuring	(63)	7,196
Finance revenue	2	5
Finance costs	(1,336)	(2,306)
Loss for the year from Continuing Operations before taxation	(1,278)	(2,247)
Taxation	31	216
Loss for the year from Continuing Operations	(1,247)	(2,031)
Discontinued Operations		
Profit/(loss) for the year from Discontinued Operations	1,633	(4,983)
Profit/(loss) for the year attributable to equity holders of the parent	**386**	**(7,014)**

	pence	**pence**
Earnings per share		
- basic	0.56	(11.07)
- diluted	0.56	(11.07)
Earnings per share from Continuing Operations		
- basic	(1.79)	(3.20)
- diluted	(1.79)	(3.20)

Consolidated Statement of Changes in Equity for the year ended 31 December 2010

	Share Capital £'000	Share Premium £'000	Treasury Shares £'000	Merger Reserve £'000	Warrant Reserve £'000	Capital Redemption Reserve £'000	Creditors Reserve £'000	Retained Earnings £'000	Total £'000
At 1 January 2009	5,733	10,434	(83)	12,503	-	-	-	10,772	39,359
Loss for the year	-	-	-	-	-	-	-	(7,014)	(7,014)
Exceptional gain on restructuring	-	7,196	-	-	-	-	-	(7,196)	-
Shares issued on Restructuring	13	1,335	-	-	-	-	-	-	1,348
Cost of share issue	-	(63)	-	-	-	-	-	-	(63)
Warrants issued on Restructuring	-	-	-	-	176	-	-	-	176
Movement in year	-	-	51	-	-	-	-	-	51
Share based payments	-	-	-	-	-	-	-	(34)	(34)
Transfer from merger reserve	-	-	-	(12,503)	-	-	-	12,503	-
Redemption of preference shares	-	-	-	-	-	2,438	-	(2,438)	-
At 1 January 2010	**5,746**	**18,902**	**(32)**	**-**	**176**	**2,438**	**-**	**6,593**	**33,823**
Profit for the year	-	-	`-	-	-	-	-	386	386
Exceptional loss on restructuring	-	-	-	-	63	-	-	-	63
Shares issued on exercise of options	1	-	-	-	-	-	-	-	1
Capital reconstruction	(5,677)	(18,902)	-	-	-	(2,438)	978	26,039	-
LTIP direct to equity	-	24	-	-	-	-	-	(64)	(40)
Deferred tax direct to equity	-	-	-	-	-	-	-	24	24
Movement in year	-	-	(20)	-	-	-	-	-	(20)
Share based payments	-	-	-	-	-	-	-	438	438
Redemption of preference shares	-	-	-	-	-	5,527	-	(5,527)	-
Transfer from Creditors Reserve	-	-	-	-	-	-	(179)	179	-
At 31 December 2010	**70**	**24**	**(52)**	**-**	**239**	**5,527**	**799**	**28,068**	**34,675**

Consolidated Balance Sheet as at 31 December 2010

	2010 £'000	2009 £'000
Non-current assets		
Goodwill	34,544	34,544
Intangible assets	18,990	21,946
Property and equipment	125	119
Deferred tax assets	-	48
	53,659	56,657
Current assets		
Trade and other receivables	1,525	2,165
Income tax receivables	393	485
Cash and cash equivalents	8,407	2,448
	10,325	5,098
Assets classified as held for sale	-	7,892
Total assets	63,984	69,647
Current liabilities		
Trade and other payables	2,528	1,438
Financial liabilities	2,550	1,153
Income tax payable	1,341	1,098
Provisions	1,514	409
	7,933	4,098
Non-current liabilities		
Financial liabilities	16,013	23,761
Deferred tax liabilities	4,961	6,147
Provisions	402	583
	21,376	30,491
Liabilities associated with the assets classified as held for sale	-	1,235
Total liabilities	29,309	35,824
Net assets	34,675	33,823
Equity		
Share capital	70	5,746
Share premium	24	18,902
Treasury shares	(52)	(32)
Warrant reserve	239	176
Capital redemption reserve	5,527	2,438
Creditors reserve	799	-
Retained earnings	28,068	6,593
Total equity	34,675	33,823

Ian Dighé
Executive Chairman
11 April 2011

Consolidated Statement of Cash Flows for the year ended 31 December 2010

	2010 £'000	2009 £'000
Operating activities		
Profit/(loss) for the year	386	(7,014)
Adjustments to reconcile operating profit to net cash flow from operating activities:		
Tax on Discontinued Operations	(57)	(324)
Tax on Continuing Operations	(31)	(216)
Net finance cost	1,334	2,291
Depreciation	88	195
Amortisation and impairment of intangible assets	2,969	16,015
Share based payments expense	438	(34)
Decrease/(increase) in trade and other receivables	466	(471)
Increase/(decrease) in trade and other payables	1,004	(1,519)
Impairment of land and buildings	-	160
Movement in provisions	924	432
Profit on disposal of subsidiaries	(1,874)	(767)
Exceptional loss/(gain) on restructuring	63	(7,196)
Direct charge to equity	(40)	-
Movements in investments at fair value through profit or loss	(20)	173
Cash generated from operations	5,650	1,725
Income tax paid	(204)	(955)
Net cash flow from operating activities	5,446	770
Investing activities		
Interest received	2	25
Purchase of property and equipment	(94)	(29)
Purchase of intangible assets	(13)	(5)
Proceeds from disposal of investments	-	58
Proceeds from sale of subsidiaries net of costs of disposal	6,304	2,296
Net cash flow from investing activities	6,199	2,345
Financing activities		
Interest paid	(1,016)	(2,499)
Cost of loan restructuring	-	(1,285)
Repayment of borrowings	(5,977)	(4,188)
Settlement of loans	(744)	(23)
Net cash flow from financing activities	(7,737)	(7,995)
Increase/(decrease) in cash and cash equivalents	3,908	(4,880)
Cash and cash equivalents at the beginning of the year	4,499	9,379
Cash and cash equivalents at the year end	8,407	4,499

Notes

1. Basis of preparation

   The financial information does not constitute statutory accounts as defined in section 435 of the Companies Act 2006, but has been extracted from the statutory accounts for the year ended 31 December 2010 on which an unqualified audit report has been issued and which will be delivered to the Registrar following their adoption at the Annual General Meeting.

2. The statutory accounts will be delivered to the Registrar of Companies following the Company's Annual General Meeting which will be held at the offices of Travers Smith LLP, 10 Snow Hill, London EC1A 2AL on Thursday 19 May 2011 at 10.30am.

   The registered office address is 10 – 14 Duke Street, Reading, RG1 4RU.

3. Copies of the Annual Report and accounts and notice of Annual General Meeting will be published on the group's website www.mamfundsplc.com and posted to shareholders shortly. They will be available to the public at the registered office from the same time.