

Numis Smaller Companies Index

Industry Update

Q1 2014 review

UK smaller companies performed well again in Q1 2014, up by 3.5% and outperforming the UK market by 4%. This extends the sector's run of strong outperformance since 2012. Style and sector influences have been relatively limited so far in 2014. In other words, for smaller company fund managers this year has so far been a true "stock pickers market", so frequently predicted by strategists yet in practice so rare.

- **Good performance in Q1 2014:** The Numis Smaller Companies Index, excluding Investment Companies, produced a total return of +3.5%. This beat the FTSE All-Share index, which declined very modestly in Q1, by 4.1%. Since the index bottomed just over five years ago, the Numis Smaller Companies Index return has been +280%.
- **Style factors not to the fore:** There were, of course, some style and sector factors at work during Q1 2014, most notably a strong performance by microcaps, which we discuss in this note. However the scale of these has been relatively limited. As such, the smaller companies sector has predominantly been a stock pickers market through the first quarter.
- **Microcaps outperform:** The smallest small companies have done well, with the FTSE Fledgling index up by 8% in Q1. Style factors including Value/Growth and Momentum were however broadly neutral in Q1.
- **Resources performance in line:** The key underperforming sectors for the last two years in smaller companies have been Mining and to a lesser extent Oil & Gas. Individual share price performance in these sectors in Q1 has been highly variable, but in aggregate the main market smaller company resources sectors performed in line. Elsewhere the consumer-driven sectors of Retail and Travel & Leisure produced another good performance, while Technology and Healthcare also did well. Industrials did comparatively poorly.
- **Numis Smaller Companies Index background:** The Numis Smaller Companies Index is the most widely used UK smaller companies benchmark. The index is compiled by Professor Paul Marsh and Professor Elroy Dimson of London Business School, and has been distributed by Numis since 2012. The index was first published in 1987, with a back-history dating from 1955. The primary index covers around 800 companies which make up the bottom 10% of the UK main listed market by value. Over 1955-2013 the Numis SC Index ex Investment Companies total return beat the FTSE All-Share by an average of 3.5% pa.

Analyst

Will Wallis
+44 (0)20 7260 1339
w.wallis@numis.com

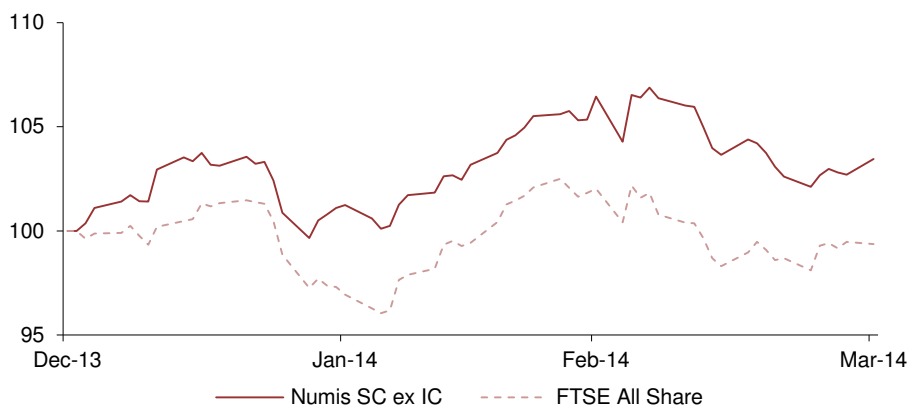
This research was prepared and approved by
Numis Securities Ltd
The London Stock Exchange Building
10 Paternoster Square
London EC4M 7LT, UK
Tel +44 (0)20 7260 1000
Fax +44 (0)20 7260 1010
Email mail@numis.com

For FCA purposes this marketing communication has not been prepared in accordance with legal requirements designed to promote the independence of investment research. Important disclosures relating to Numis Securities Limited are on pages 9 to 10 and include the analyst certification on page 9. For investment banking relationships, if any, with companies mentioned in the report, potential conflicts of interest and additional disclosure please refer to pages 9 to 10. When applicable, disclosures regarding ratings may be found at <http://www.numis.com/x/us/regulatory.html>

Smaller company performance

UK smaller companies have started the year well. Total returns of 3.5% from the main Numis smaller company benchmark compare with a small drop in the FTSE All-Share index, giving outperformance of 4.1%. The chart below shows the benchmark Numis Smaller Companies excluding Investment Companies total returns index year to date, by comparison to the FTSE All-Share index.

Figure 1. Smallcaps outperformed in Q114



Source: Numis Securities Research Department, Datastream

The strong start to 2014 follows an extended period of smaller company outperformance. This is in particular discussed in the Numis Smaller Companies Index 2014 Annual Review, Elroy Dimson & Paul Marsh, January 2014 (copies available on request). The primary Numis benchmark outperformed by 16% in 2013, with a total return of 37%. This followed outperformance of 18% in 2012 (30% total return).

The table below shows the performance of various indices for Q1 2013 and for the whole of 2012, giving a broader perspective on smaller company performance.

Table 1. UK smaller company index performance, Q1 2014 and 2013

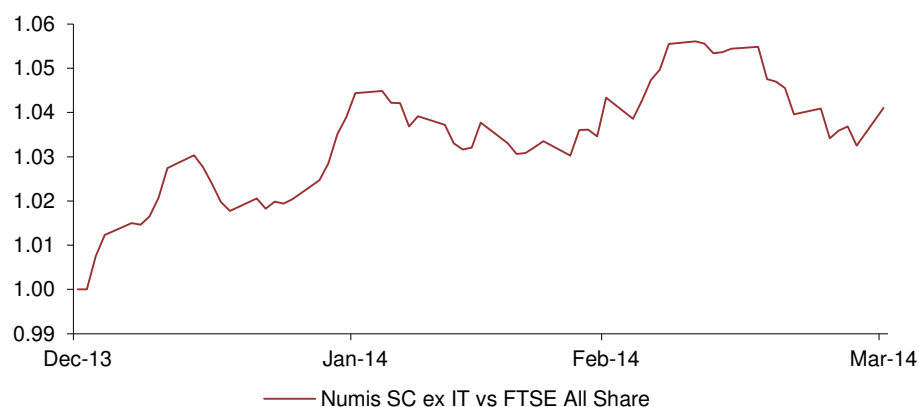
	Q114 % change (capital gains)	Q114 % change (total returns)	2013 % change (capital gains)	2013 % change (total returns)
Numis SC Index (ex Inv Cos)	3.0	3.5	33.1	36.9
Numis SC Index (ex Inv Cos) rel All-Share	4.5	4.1	16.4	16.1
Numis SC + AIM (ex Inv Cos)	3.0	3.4	27.7	30.9
Numis SC + AIM (ex Inv Cos) rel All-Share	4.5	4.0	11.0	10.1
Numis SC Index (inc Inv Cos)	2.2	2.7	28.0	31.7
Numis SC + AIM (inc Inv Cos)	2.4	2.8	24.7	28.0
Numis 1000 Index (ex Inv Cos)	3.6	3.9	42.2	46.0
Numis 1000 Index (inc Inv Cos)	1.9	2.5	30.5	34.2
FTSE All-Share	(1.5)	(0.6)	16.7	20.8
FTSE 100	(2.2)	(1.3)	14.4	18.7
FTSE 250 (inc Inv Cos)	2.1	2.5	28.8	32.3
FTSE 250 (ex Inv Cos)	2.4	2.7	31.3	34.9
FTSE 350	(1.6)	(0.7)	16.4	20.5
FTSE SmallCap (inc Inv Cos)	0.9	1.4	29.6	32.8
FTSE SmallCap (ex Inv Cos)	1.7	2.1	40.2	43.9
FTSE Fledgling (inc Inv Cos)	5.0	5.4	35.8	39.0
FTSE Fledgling (ex Inv Cos)	7.9	8.3	45.2	48.4
FTSE AIM All-Share	0.0	0.2	20.3	21.3

Source: Numis Securities Research Department, Datastream

The most notable index performance so far in 2014 has come from the minnows, with the FTSE Fledgling ex Investment Companies index giving a total return of +8.3% YTD. This repeats the pattern seen in 2013. Overall smaller companies, as measured by the Numis index, have modestly outperformed midcaps (FTSE 250) so far in 2014. This also repeats the pattern seen in 2013. Once again the FTSE 100 has been the least rewarding part of the market.

The Numis + AIM index is increasingly used as a smaller companies benchmark by fund managers. Year to date the choice of NSCI or NSC + AIM benchmark has made very little difference, with only 0.1% difference in total return. The FTSE AIM All-Share index is flat for the year to date, significantly below the Numis indices. However this flat overall AIM performance has not translated to underperformance of the Numis + AIM index performance. This is because AIM has been dragged down by poor performances from the shares of the three largest AIM companies (ASOS, Gulf Keystone and Indus Gas), none of which qualified for the NSC + AIM index at the start of 2014.

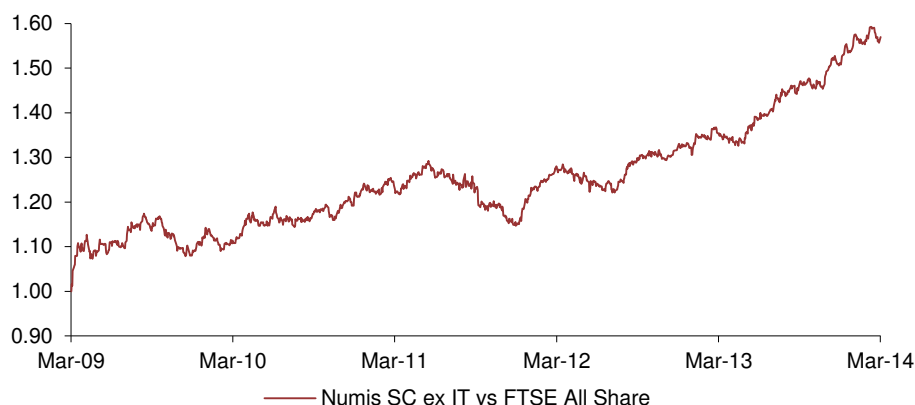
Figure 2. Smallcap relative performance in Q114



Source: Numis Securities Research Department, Datastream

Looked at over a longer time period, UK smaller companies have been an exceptionally strong asset class. In total returns terms the Numis SC index ex ITs has more than tripled over five years, returning 335% of the initial value (+27% CAGR). In relative terms the index is 57% ahead of the FTSE All-Share over this period (213% of the initial value, or 16% CAGR), illustrated in the chart below.

Figure 3. Smallcap relative performance over five years



Source: Numis Securities Research Department, Datastream

Industry group and stock performance

The table below shows the performance of broad industry groupings within the Numis SC Index, excluding Investment Companies.

Table 2. Industry grouping total return within the Numis Smallcap Index

	Weighting (start of 2014)	Return 2014 YTD	Weighting (start of 2013)	Return 2013
Financials	20	2	17	44
Consumer Services	18	6	24	44
Industrials (1)	16	1	12	43
Support Services	12	2	15	46
Technology	8	7	6	18
Oil & Gas	5	3	5	12
Mining	4	5	4	(38)
Health Care	3	7	3	37
Other	14	4	13	38
Index (ex Inv cos)		4		37

(1) The ICB Industrials sector ex Support Services (includes Construction, Capital Goods and Industrial Transportation)
Source: Numis Securities Research Department

Year to date sector performance has diverged less than in recent years. The Resources sectors underperformed substantially in 2013, but this was not repeated in Q1 2014. The leading sectors in Q1 2014 have been Consumer Services (led by Retail and Travel & Leisure), Technology and Health Care. Looked at in more detail by sector, we pick out the following highlights and lowlights:

- **Consumer Services:** The Consumer Services sector has continued as the largest individual sector contributor to performance. Notable strong performances YTD have included WH Smith, Restaurant Group, SuperGroup, and Entertainment One, with underperformers including ITE, Mothercare and, in the +AIM index, Blinkx.
- **Financials:** Financials sector performance has been muted, with robust performance by Real Estate services offset elsewhere. The insurers Partnership Assurance and Just Retirement were the two biggest negative contributors to the NSCI index in Q1 2014, with Tullett Prebon and Lancashire also performing poorly. In the +AIM index, Songbird and Plus500 have been particularly strong.
- **Industrials:** Capital Goods has underperformed, with notable laggards including Oxford Instruments, Vesuvius, Fenner and Xaar. Bodycote has been the most significant gainer in this area. Construction has performed in line, with Tyman and Galliford Try doing well, but Kier and Keller less so. Note that the Building companies are classified in "Other".
- **Technology:** Pace and CSR are among the key positive performers year to date for the main listed Numis index. In the broader Numis + AIM index Quindell has been the largest positive contributor to performance of any company in any sector.
- **Health Care:** A strong performance overall, led by Al Noor, but held back by Genus. In the +AIM index Abcam was a notable underperformer.
- **Resources:** Performance for the overall Resources sectors has been broadly in line with the index, but underlying that there have been highly divergent movements. African Barrick Gold, Heritage Oil and Kazakhmys have notably outperformed, while Ferrexpo, Kenmare and Caracal have fallen back. When AIM constituents are included in the overall assessment, the Resources sectors have been broadly flat in Q1.
- **Other:** Among the range of sectors that we include here in "Other", strong performers include FirstGroup, Greencore, and Colt.

Style returns in smaller companies

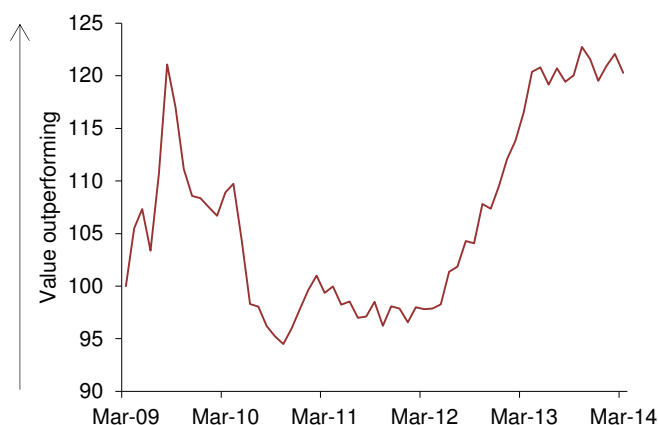
We look at four different style definitions. Long term performance data quoted here all refer to the period up to the end of 2013:

- **Value:** Value is measured by ranking stocks by their ratio of equity book value to market value. The 40% highest book-to-market group are measured as Value, and the 40% lowest as Growth. Since 1955 Value has outperformed Growth by +4.7% per annum.
- **Size:** In addition to the comparison of the overall bottom 10% of the market with the whole market, shown above, we also provide data on size performance within the Numis SC Index. We divide into smaller small (the 70% of the Numis SC Index by number with the lowest capitalisation) and larger small (the top 30%). Since 1955 smaller small companies have modestly outperformed larger small companies (+0.9% pa), although since 2000 smaller small and larger small have performed exactly in line with each other.
- **Momentum:** We produce two momentum measures. The primary measure that we focus on is “12-1-1”. This involves ranking stocks by their returns over the past 12 months and defining winners as the top 20% of performers, and losers as the bottom 20%. The strategy is to then wait 1 month before investing for 1 month in the winners and losers, then to repeat the process, rebalancing each month. We also provide data on a “6-1-6” strategy (measure over 6 months, wait 1 month, hold for 6 months, rebalance every 6 months). Over the very long term, winners have very strongly outperformed losers, on average by 18% pa since 1955, using the “12-1-1” approach.
- **Yield:** We define high yield and low yield as the 30% of highest and lowest yielding stocks immediately prior to the start of the year. We also monitor the performance of non-dividend payers. Since 1956 high yield UK smaller companies have returned 18.7% annualised total return, low yield UK smaller companies have returned 14.0%, and non-dividend payers have returned 9.5%.

Value versus Growth

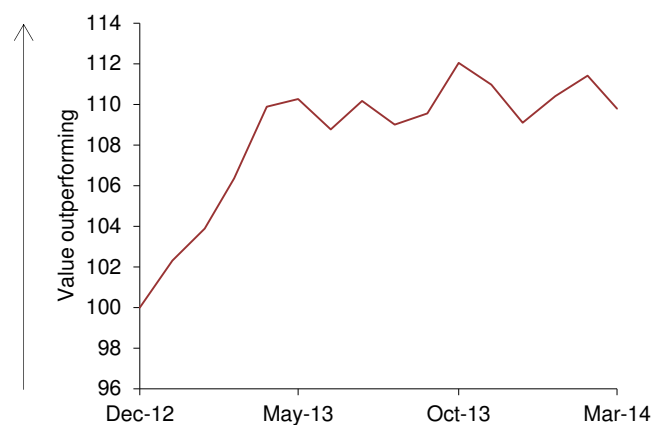
The Value style outperformed significantly from the middle of 2012 through to Q2 2013. However relative performance has been very steady over the last 12 months.

Figure 4. Value vs growth (5 years)



Source: Numis Securities Research Department

Figure 5. Value vs growth (15 months)

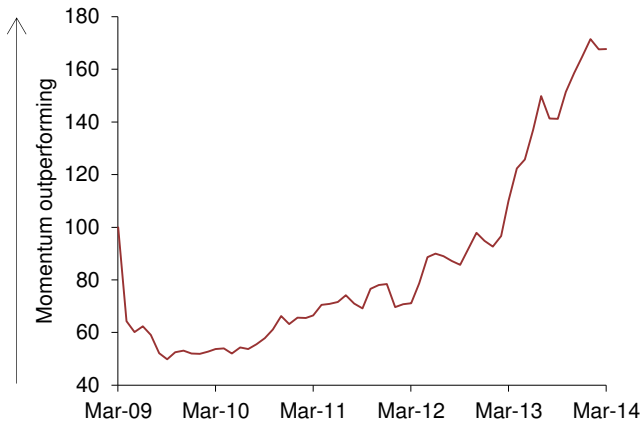


Source: Numis Securities Research Department

Momentum

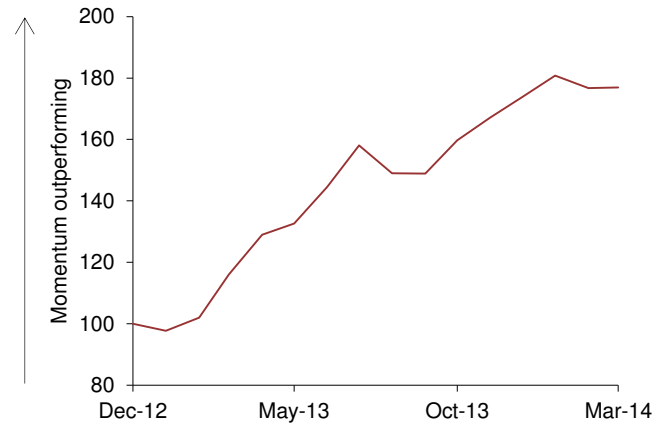
Momentum has been an exceptionally strong style factor over the last few years. Since the start of 2013 smaller companies with strong price momentum have outperformed those with weak price momentum by around 75%. Relative performance has not however been particularly notable in the last three months.

Figure 6. Winners vs losers (5 years)



Source: Numis Securities Research Department

Figure 7. Winners vs losers (15 months)

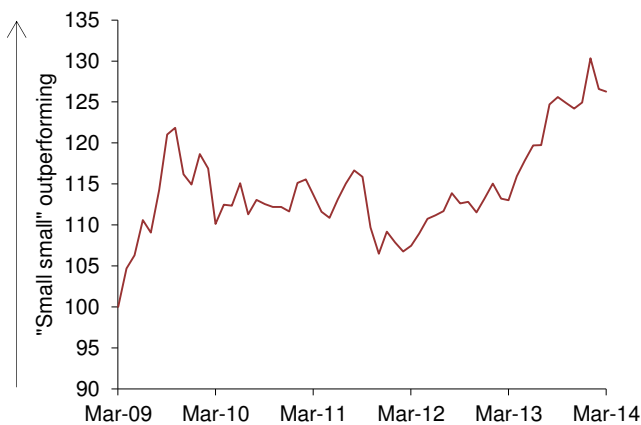


Source: Numis Securities Research Department

“Large small” versus “small small”

For a number of years through until the start of 2013 there was little to choose between larger small companies and smaller small companies. However in the last year in particular smaller small companies have performed very well.

Figure 8. “Large small” vs “small small” (5 years)



Source: Numis Securities Research Department

Figure 9. “Large small” vs “small small” (15 months)

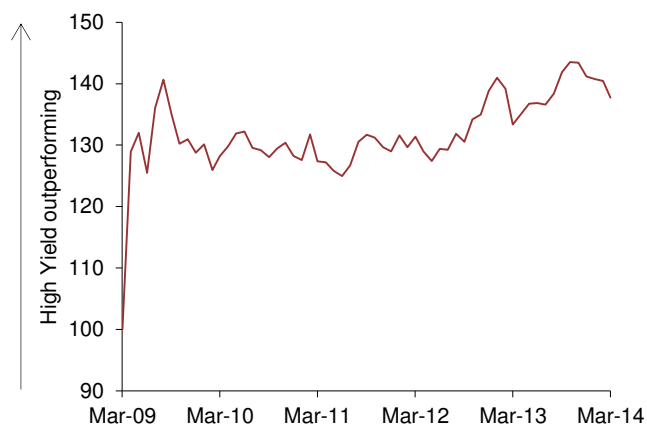


Source: Numis Securities Research Department

High Yield versus Low Yield

While there have of course been monthly fluctuations, there is no clear recent trend in the performance of high yield and low yield companies. The performance of zero yield companies is not reflected on the chart, but also has been broadly similar since the start of 2013, albeit the long term performance of zero yield companies has been poor.

Figure 10. High Yield vs Low Yield (5 years)



Source: Numis Securities Research Department

Figure 11. High Yield vs Low Yield (12 months)



Source: Numis Securities Research Department

Numis Index cutoff update

At the start of 2014 the cutoff for the Numis Index was £1,503m, with all companies at or below this level being included in the index.

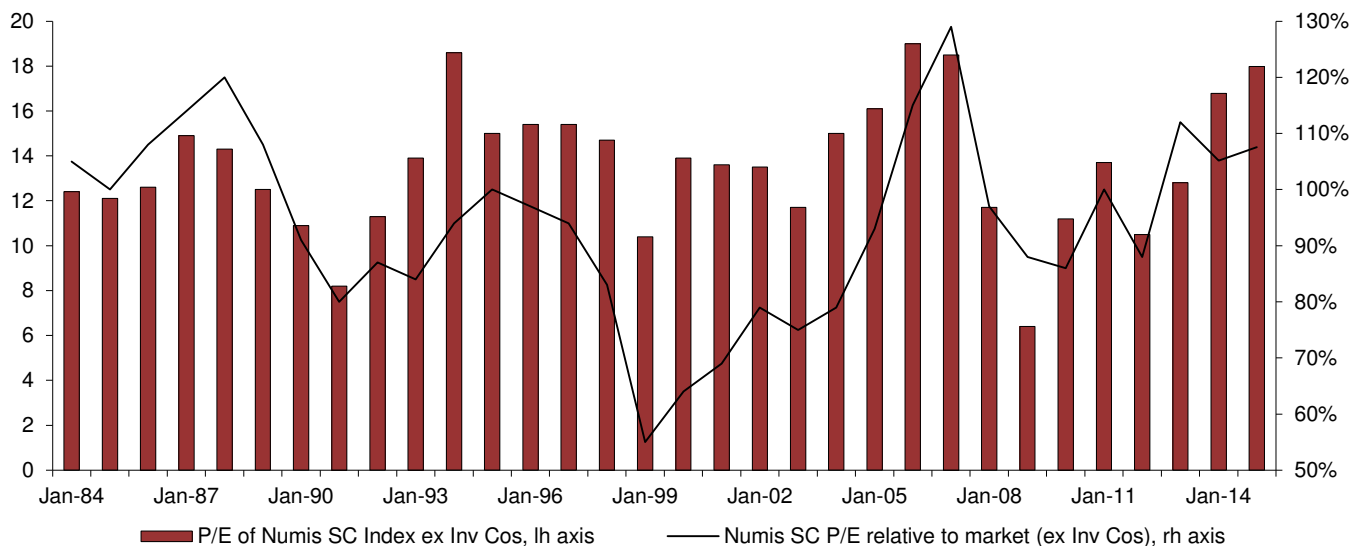
The first quarter of 2014 has seen significant new issue activity, biased towards smaller companies issuance. In fact this has been the first Q1 when births of NSCI-eligible stocks have exceeded deaths since before the global financial crisis. On the main market there were 12 NSCI-eligible IPOs in Q1 2014 (4 of which were investment companies) and only one “death” (itself an investment company).

NSCI re-balancing takes place only once a year, to minimise the need for trading for investors tracking the index. However, as a result of these new smaller companies, if the NSCI index rebalancing had taken place at the end of March, then the cut-off would have been £1,377m, or almost 10% lower than the actual cut-off at the start of the year.

Smaller Company P/E ratios

The chart below shows the trailing PE of the aggregate Numis Smaller Companies index, by comparison to the trailing PE of the market overall.

Figure 12. Smaller company trailing PE ratios



Source: Numis Securities Research Department

The trailing P/E valuation is at comparatively high levels compared to history, both in absolute and market relative terms, although these metrics remain, as the chart shows, below historic peak levels.

We calculate that the Numis Smaller Companies index ex Investment Companies is currently on a trailing PE of 18.0x, compared to the overall UK market on a trailing PE of 16.7x. In absolute terms a trailing PE of 18x is approximately a 33% premium to the 30-year average trailing PE for smaller companies of around 13.5x. The 7% premium for smaller companies compares to a 30-year average discount of around 7%.

We caution that these valuation calculations are backward rather than forward-looking. Multiples can also be influenced by loss-makers moving in or out of the calculations, and by fluctuating levels of items such as intangible amortisation.

The following disclosures are addressed to US-based recipients.

Analyst Certification

The research analyst who prepared this research report was Will Wallis. The analyst hereby certifies that all of the views expressed herein accurately reflect the analyst's personal views about any and all of the subject security and/or issuer at the date of original publication of this document.

The research analyst who prepared this research report also certifies that no part of the analyst's compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed by the analyst in the research report.

Important Disclosure

This research report has been prepared and approved by Numis Securities Limited ("Numis"), a securities dealer in the United Kingdom. Numis is not a registered brokerdealer in the United States and therefore is not subject to U.S. rules regarding the preparation of research reports and the independence of research analysts. This research report is provided in the United States for distribution solely to "major U.S. institutional investors" in reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended. Any recipient of this research report wishing to effect any transaction to buy or sell securities or related financial instruments based on the information provided in this research report should do so only through Numis Securities Inc. ("Numis Inc."). Numis Inc. may be contacted in writing or by phone: Numis Securities Inc., 275 Madison Avenue, 40th Floor, New York, NY 10016, U.S. phone (212) 277 7300. Numis Inc. is an affiliate of Numis. Under no circumstances should any recipient effect any transaction to buy or sell securities or related financial instruments through Numis.

Numis Inc. accepts responsibility for the contents of this research report, subject to the terms set out below, to the extent that it is delivered to a U.S. person other than a major U.S. institutional investor.

Numis, Numis Inc. and/or their affiliates, directors, officers, and employees may have or have had interests, or long or short positions, and may at any time make purchases or sales as a principal or agent of the subject companies mentioned or referred to in this report.

The research analyst who prepared this research report receives compensation based upon various factors (such as the general perception of the analyst's ability and commitment to his/her analytical work) and upon the overall revenues including the investment banking revenues of Numis and/or one or more of its affiliates.

Additional Disclosure

This Numis Securities Limited ("Numis") research report is for distribution only under such circumstances as may be permitted by applicable law. This research report has no regard to the specific investment objectives, financial situation, or particular needs of any specific recipient, even if sent only to a single recipient. This research report is offered solely for informational purposes and is not to be construed as a solicitation or an offer to buy or sell securities or related financial instruments, nor is it to be construed as a recommendation for Numis to effect any transaction to buy or sell securities or related financial instruments on behalf of any recipient. There is no express or implied understanding between Numis or Numis Securities Inc. ("Numis Inc.") and any recipient of this research report that Numis will receive any commission income in connection with this research report. The securities that may be described in this research report may not be eligible for sale in all jurisdictions or to certain categories of investors. This research report is based on information believed to be reliable, but it has not been independently verified and is not guaranteed as being accurate. This research report is not guaranteed to be a complete statement or summary of any securities, markets, reports or developments referred to in this research report.

Any statements or opinions expressed in this research report are subject to change without notice and Numis is not under any obligation to update or keep current the information contained herein. All statements and opinions expressed in this research report are made as of the date of this research report and are not held out as applicable thereafter. Neither Numis nor any of its directors, officers, employees, or agents shall have any liability, however arising, for any error, inaccuracy or incompleteness of fact or opinion in this research report or lack of care in this research report's preparation or publication; provided that this shall not exclude liability to the extent that this is impermissible under the law relating to UK financial services.

Numis may rely on information barriers, such as "Chinese Walls", to control the flow of information within the areas, units, divisions, groups, or affiliates of Numis.

Investing in any non-U.S. securities or related financial instruments (including ADRs) discussed in this research report may present certain risks. The securities of non-U.S. issuers may not be registered with, nor be subject to the regulation of the U.S. Securities and Exchange Commission. Information on such non-U.S. securities or related financial instruments may be limited. Foreign corporations are typically not subject to audit and reporting standards and regulatory requirements comparable to those in effect within the United States.

Past performance is not an indication or guarantee of future performance and no representation or warranty, express or implied, is made by Numis with respect to future

performance. The value of any investment or income from any securities or related financial instruments discussed in this research report is subject to volatility and can fall as well as rise. Investors may not get back the full amount they originally invested. The value of any investment or income from any securities or related financial instruments discussed in this research report denominated in a currency other than U.S. dollars is subject to exchange rate fluctuations that may have a positive or adverse effect on the value of or income from any securities or related financial instruments discussed in this research report.

No part of the content of this research report may be copied, forwarded or duplicated in any form or by any means without the prior consent of Numis and Numis accepts no liability whatsoever for the actions of third parties in this respect.

The following disclosures are addressed to non-US-based recipients.

Regulatory Notice & Disclaimer

Numis regards this document as research. It has been approved under part IV article 19 of The Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "FPO") by Numis Securities Limited ("Numis") for communication in the United Kingdom only to investment professionals as that term is defined in article 19(5) of the FPO. Its contents are not directed at, may not be suitable for and should not be relied on by anyone who is not an investment professional including retail clients. Numis does not provide investment advisory services to retail clients. This research report is not directed at you if Numis is prohibited or restricted by any legislation or regulation in any jurisdiction from making it available to you. You should satisfy yourself before reading it that Numis is permitted to provide research concerning investments to you under relevant legislation and regulations. This research report is not an offer or a solicitation to buy or sell any security. It does not constitute a personal recommendation and recipients must satisfy themselves that any dealing is appropriate in the light of their own understanding, appraisal of risk and reward, objectives, experience, and financial and operational resources. It has not been prepared in accordance with legal requirements designed to promote the independence of research. Non independent research is not subject under the Markets in Financial Instruments Directive ("MiFID") to any prohibition on dealing ahead of the dissemination of research. However, Numis is required by the FCA to have policies in place to manage the conflicts of interest which may arise in its production, which include preventing dealing ahead. The prices of the investments referred to in this research report and the income from them may go down as well as up and investors may realise losses on them. Neither past performance nor forecasts are a reliable indicator of future results. Numis accepts no fiduciary duties to the reader of this research report and in communicating it Numis is not acting in a fiduciary capacity. Neither Numis nor any of its directors, officers, employees or agents shall have any liability, howsoever arising, for any error, inaccuracy or incompleteness of fact or opinion in it or lack of care in its preparation or publication except where such is caused by its gross negligence, wilful default or fraud; nor shall it exclude or restrict any liability it has under the regulatory system to the extent that to do so is impermissible under the law relating to financial services.

All statements and opinions are made as of the date on the face of this document and are not held out as applicable thereafter. Research will carry the date of publication or, on research printed overnight, the date on which it was sent to the printers. Where a price is quoted in research it will generally, in the absence of contrary words, be the latest practicable price prior to distribution or, in the case of research printed overnight, the closing price at the close of business. Unless otherwise stated, prices in this research report are derived from quotations on the London Stock Exchange.

A list of significant items which could create a conflict of interest and other material interests in relation to research, together with Numis's policy for managing such conflicts of interest, is set out on the Numis website (www.numis.com/x/regulatory.html).

Numis or one or more of its associates or a director or an employee of Numis or of an associate may from time to time have a position, or may have undertaken or may undertake an own-account transaction, in a security referred to in this document or in a related security. Such a position or such a transaction may relate to the market making activities of Numis or to other activities of Numis.

Numis or one or more of its associates may from time to time have a broking, advisory or other relationship with a company which is the subject of or referred to in this research, including acting as that company's official or sponsoring broker and providing corporate finance or other financial services. It is the policy of Numis to seek to act as corporate adviser or broker to many of the companies which are covered by the Research Department. Accordingly companies covered in any research may be the subject of marketing initiatives by the Corporate Finance Department.

A company covered in this research may have paid for an analyst's reasonable expenses to visit their premises or offered modest hospitality or entertainment; further details are available on request.

Printed research will identify material sources; electronic research reports are normally based on company announcements made through the Regulatory Information Service. In those cases (but not otherwise) where the subject company has seen a draft of the research report and has suggested factual amendments which are incorporated by the researcher, this will be noted on the research. This applies normally only to printed pieces.

In printed research the risk warnings (if any) attaching to a particular company will be set out; in electronic pieces there is a cross-reference to the archive of research on the Numis website where, under the appropriate company name, details of such matters can be viewed.

The archive of research (available to all clients who normally receive Numis research) is available on the Numis website (www.numis.com/x/Mainresearch.html).

Numis accepts no responsibility whatever for any failure by a person resident outside the United Kingdom to observe the foregoing. No part of the content of any research material may be copied, forwarded or duplicated in any form or by any means without the prior consent of Numis and Numis accepts no liability whatsoever for the actions of third parties in this respect.

The following disclosures are addressed to non-US and US-based recipients.

With effect from 19 October 2010 Numis research is being produced in accordance with COBS 12.3 as Non-Independent Research.

Sector Notes (mentioning 6 or more companies)

Our sector notes may contain references to information on companies (e.g. target prices and recommendations) which has already been published by us (see our website at <http://www.numiscorp.com/x/us/research.html>) and consequently, details of our assumptions, the material investment risks and/or the basis for each company's target price may not be repeated in these sector notes.

Valuation and Risks

For details relating to valuation and risks in printed research, please refer to the company comment contained herein. In electronic pieces of research please refer to the relevant company section of the Numis website <http://www.numis.com/x/us/research.html>

Ratings Key

In making a recommendation the analyst should compare his target price with the actual share price and then make a recommendation derived from the percentage thus calculated.:

As from 14 February 2005, the formula is:

Buy	> +20%
Add	> +10% to +19.99%
Hold	0% to +/-9.99%
Reduce	-10% to -19.99%
Sell	> -20%

With effect from 9 February 2010 upon the initial establishment of a recommendation and target price for a company, an additional 10 % deviation in the price from the default bands set out above is permitted before the recommendation has to be changed in subsequently published research documents.

Distribution of Ratings

	US Requirement 01/01/2013 - 31/12/2014		UK Requirement 01/09/2013 - 31/12/2013	
	All Securities	Corporate Clients	All Securities	Corporate Clients
Buy	33.7%	58.9%	30.8%	58.6%
Add	27.8%	30.4%	32.8%	29.9%
Hold	31.7%	10.7%	31.5%	11.5%
Reduce	4.5%	0.0%	2.8%	0.0%
Sell	2.3%	0.0%	2.1%	0.0%
Total	100%	100%	100%	100%

The above table shows the split of recommendations based on the last recommendation for each research stock during the last four calendar quarters.

The above table shows the split of recommendations based on all recommendations during the last calendar quarter for all securities and within each category the proportion of issuers to which Numis supplied material banking services.

For the split of recommendations by sector for the period from 1 Jan 2012 to 31 Dec 2012, please contact the Research Department of Numis Securities Ltd.