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Financial Highlights

1.0 Overview

Revenue 2018 H1: £74.1m
2017 H1: £52.4m

£74.1m



Total income 2018 H1: £74.5m
2017 H1: £53.8m

£74.5m



Numis is a leading independent investment banking group offering a full range of research, execution, corporate broking and advisory services

Profit before tax 2018 H1: £19.5m
2017 H1: £10.5m

£19.5m



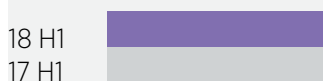
Earnings per share 2018 H1: 15.8p
2017 H1: 8.0p

15.8p



Interim dividend 2018 H1: 5.5p
2017 H1: 5.5p

5.5p



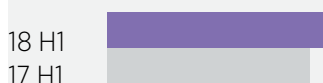
Cash balances 2018 H1: £82.5m
2017 H1: £71.2m

£82.5m



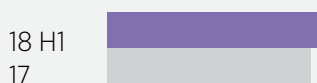
Net assets 2018 H1: £140.0m
2017 H1: £130.7m

£140.0m



Annualised Return on Equity 2018 H1 Annualised: 24.6%
2017: 23.1%

24.6%



1.0 Overview

Financial Highlights (*continued*)

Annualised revenue per head 2018 H1 Annualised: £606,000
2017: £591,000

£606,000



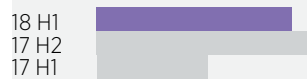
Share buy back spend 2018 H1: £9.7m
2017 H2: £17.5m
2017 H1: £5.7m

£9.7m



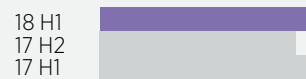
Corporate broking & advisory revenue 2018 H1: £50.9m
2017 H2: £56.4m
2017 H1: £28.9m

£50.9m



Equities revenue 2018 H1: £23.3m
2017 H2: £21.4m
2017 H1: £23.4m

£23.3m



Corporate client base average market capitalisation 2018 Mar: £711m
2017 Mar: £637m

£711m



Chief Executives' Statement

2.0 Chief Executives' Statement

Review of Performance

Overall Performance

The business has delivered a strong performance during the six months ended 31 March 2018 across all areas of our business activities. Total income increased by 38% to £74.5m (2017: £53.8m) and profit before tax increased by 86% to £19.5m (2017: £10.5m). Profit before tax includes £0.4m of net gains recognised on investments held outside of our market making business (2017: £1.4m). Our balance sheet remains strong with cash balances totalling £82.5m (2017: £71.2m) while net assets have increased to £140.0m (2017: £130.7m).

Market Conditions

Market conditions have been mixed across the period with the first quarter witnessing generally favourable equity markets and second quarter subject to greater volatility and generally declining indices prompted by heightened geo-political concerns. Overall the FTSE All Share declined over the period from 1 October 2017 to 31 March 2018 by approximately 4%.

UK equity issuance levels have been 20% higher than the comparable prior period, but 25% lower than the second half of the prior financial year. UK M&A volumes have remained relatively low but increasingly we are aware of M&A becoming a higher strategic priority for corporate clients.

Corporate Broking & Advisory ('CB&A')

Numis has established a retained client list of 208 corporates across a broad variety of sectors ranging from FTSE100 to AIM companies. This client base has been built on the basis of quality of service across a variety of disciplines, long-term relationships and insightful market-related advice. Our client base is the key source of high quality transaction activity and fee opportunities.

| CB&A Revenues | H1 2018 | H1 2017 | % Change |
|--------------------------------|---------------|---------|----------|
| Capital Markets ⁽¹⁾ | £33.0m | £17.0m | 94.1% |
| Advisory ⁽¹⁾ | £11.7m | £6.3m | 85.7% |
| Corporate retainers | £6.2m | £5.6m | 8.9% |
| Total CB&A income | £50.9m | £28.9m | 75.8% |

Revenue from CB&A activities for the period totalled £50.9m representing an increase of 76% on the prior period which was a relatively slow revenue performance (2017: £29.0m) and only 10% lower than the very strong performance in the second half of the prior financial year. Encouragingly, the good performance in the first half has been delivered across both Capital Markets and Advisory activities.

Transaction volumes have been broadly consistent with the comparable period, however we have benefited from a material increase in average deal fees which is reflective of our participation in larger transactions, an increase in the seniority of our role on both IPOs and M&A transactions, and our overall standing in the market.

Our strong performance in Capital Markets, which includes IPOs, secondary issuance for clients, and block trades has resulted in us capturing a strong share in UK ECM activities where we ranked 1st for the six month period ending 31 March 2018. Notable transactions included the \$546m equity raise for Catco Reinsurance and IPO of Sabre Insurance Group.

Developing, and promoting, our advisory capability is a key element of our strategy in CB&A. Advisory fees for the period totalled £11.7m (2017: £6.3m) representing growth of 85% compared to the prior period. The significant majority of these fees relate to financial advisory mandates awarded by the existing corporate client base in relation to M&A activities. During the period we acted as financial adviser in relation to the £281m recommended cash offer for SQS Software Quality Systems AG and financial adviser to Helical Bar plc on the disposal of Renaissance Villages.

We continue to attract high quality corporate clients gaining a net 6 brokershops during the six month period to give a total of 208 clients. The market capitalisation of our client list now averages around £711m, and the median is £322m. We will continue to target corporate clients of all sizes where we believe we have the opportunity to provide a high quality service in support of the strategic ambitions of the board.

The business delivered a strong performance across all business activities against a mixed market backdrop

⁽¹⁾ Certain fees charged in relation to Capital Markets transactions were previously categorised as Advisory revenues and have been reclassified. The value of fees affected by this reclassification is £545k H1 2017 and £2,115k for 2017 full year. In prior years Capital Markets revenue was disclosed as Placing Commissions.

2.0 Chief Executives'
StatementChief Executives' Statement (*continued*)

Equities revenue performance in line with prior period notwithstanding implementation of MiFID II

Equities

Equities delivered revenue of £23.3m for the period ended 31 March 2018 which was broadly in line with the comparable prior period and ahead of the second half of the financial year. Notwithstanding the significant regulatory change introduced through MiFID II, the foundations of our equities business will remain a high quality research and sales service, and strong execution capability.

| Equities Revenues | H1 2018 | H1 2017 | % Change |
|-----------------------|---------------|---------|----------|
| Institutional income | £18.7m | £18.4m | 1.5% |
| Trading | £4.6m | £5.0m | (8.8)% |
| Total Equities income | £23.3m | £23.4m | (0.7)% |

Institutional income comprising commission, CSAs and MiFID II research fees earned post 3 January 2018, totalled £18.7m (2017: £18.4m). The amendments to our business model demanded by MiFID II involved a significant level of constructive engagement with our institutional clients. We are pleased to have implemented MiFID II whilst experiencing no material changes to the breadth and composition of our institutional client base. We believe this to be indicative of the value of our differentiated product offering across the institutional investor community.

Trading delivered another good performance in the period with gains of £4.6m (2017: £5.0m). Performance was impacted by the increase in volatility during the second quarter but we continue to apply a consistent approach to risk in our trading activities.

Costs and People

| Administrative costs | H1 2018 | H1 2017 | % Change |
|---|---------------|---------|----------|
| Staff costs (including variable compensation) | £34.8m | £25.3m | 37.7% |
| Share based payments charge | £5.2m | £5.0m | 4.0% |
| Non-staff costs | £14.9m | £13.1m | 13.6% |
| Total administrative costs | £54.8m | £43.4m | 26.3% |

Administrative costs for the period increased by 26% to £54.8m. Total staff costs, including share based payments, have increased to £40.0m (2017: £30.3m) mainly due to investment in headcount and the improved revenue performance resulting in higher variable compensation. Fixed staff costs have increased broadly in line with average headcount which was 245 for the 6 month period (2017: 214), we ended the period with headcount of 254.

During the period we have made targeted senior hires across the business as we seek to enhance our capabilities in certain sectors and product areas. We will continue to recruit high quality individuals in the coming months who we believe can thrive as part of our culture and make a meaningful contribution to the development of the business. As a consequence we expect fixed staff costs to increase in the second half of the financial year as we absorb the impact of higher headcount and the initial costs associated with recruitment activities.

Compensation costs as a percentage of revenue have decreased to 54% (2017: 58%) as a result of the increase in revenue performance. We expect the share based payment charge to be marginally higher in the second half due to the impact of share awards granted in the period.

Non-staff costs have increased 14% to £14.9m (2017: £13.1m). The increase is largely attributable to continued investment in our technology platform and the implementation of MiFID II as well as other regulatory and business initiatives. We expect to continue investing in our platform over the remainder of the year as we seek to improve operational efficiency.

2.0 Chief Executives' Statement

Strong balance sheet and focused on delivering shareholder returns

Strategic Investments

The value of our strategic investments as at 31 March 2018 totalled £27.6m (30 September 2017: £28.1m). Of this value, £12.5m represented seed investment in the Numis Mid Cap Fund. During the period we made the decision to liquidate the fund and return proceeds to the fund's investors. The fund performed broadly in line with benchmark since launch, however we did not consider the performance to be sufficiently strong to invest in marketing the fund to third party investors.

The unquoted portfolio has a valuation of £13.9m (30 September 2017: £13.5m). The movement during the period reflects new investments amounting to £0.6m, disposals of £0.9m and £0.7m of net fair value uplifts. We continue to explore opportunities to re-cycle our older portfolio investments in favour of attractive, early stage investment opportunities where we believe we can contribute to the development of the company through our network, and position in the market.

Overall we do not anticipate the number of investments within the unquoted portfolio to materially change over the medium term.

Financial Position

We continue to maintain a strong balance sheet to support both business growth and shareholder returns. Our net asset position as at 31 March 2018 was £140.0m representing significant headroom over our minimum regulatory requirements. Our liquidity position is subject to material movements on a daily basis as a result of our trading activities. As at 31 March 2018 we held cash balances of £82.5m which is £11.3m higher than 31 March 2017 but down £13.3m on that reported as at 30 September 2017. The cash reduction during the six months ended 31 March 2018 reflects outflows in respect of seasonal expense items which fall within the first half of our financial year. The cash position at period end does not reflect the £12.5m proceeds from the closure of the Numis Mid Cap Fund which were received in the first week of April 2018.

During the period we spent £9.7m on the repurchase of shares into Treasury and the Employee Benefit Trust (2017: £5.3m). Including the final dividend payment in respect of previous financial year, the aggregate cash spend in the six months to 31 March 2018 is £16.6m (2017: £12.6m).

We will continue to repurchase our shares in order to avoid the prospective dilutive impact attached to unvested share awards with the medium term objective of reducing the number of shares in issue subject to capital and liquidity requirements, and market outlook.

Dividend

Alongside our results for the year ended 30 September 2017 we confirmed our intention to use earnings and cashflow to underpin shareholder returns through a combination of dividends and share buybacks. Our goal is to pay a stable ordinary dividend and re-invest in our platform, pursue selective growth opportunities and return excess cash to shareholders subject to capital and liquidity requirements and market outlook.

The Board has approved the payment of an interim dividend of 5.50p per share (2017: interim 5.50p per share, 2017 total: 12.00p per share). This dividend will be payable on 22 June 2018 to shareholders on the register of members at the close of business on 18 May 2018. Shareholders have the option to elect to use their cash dividend to buy additional shares in Numis through a Dividend Re-Investment Plan (DRIP).

Current Trading and Outlook

Trading in recent weeks has been positive with a number of Capital Markets transactions completed and Equities revenues running at similar levels to the first half. We will continue to review the impact of MiFID II on the Equities business but the early indications suggest the revenue impact will be limited, however the ultimate impact will only become clear following a longer period of trading under the new regime.

Our transaction pipeline remains strong, in particular we have been mandated on a number of IPOs which is reflective of our successful marketing efforts in the first half. Execution of the IPO pipeline will inevitably be dependent upon equity market conditions. In addition our pipeline is benefiting from good levels of M&A activity across the corporate client base.

We will continue to focus our efforts on providing high quality independent advice to our clients and, where appropriate, we will continue to take advantage of opportunities to strengthen our capabilities through investing in selective recruitment and growing our overall headcount. We have good momentum in the business and look forward to the second half with confidence.

Alex Ham & Ross Mitchinson

Co-Chief Executives

4 May 2018

3.0 Financial Statements

Consolidated Income Statement

Unaudited for the
6 months ended
31 March 2018

| | Notes | 6 months ended 31 March 2018 Unaudited £'000 | 6 months ended 31 March 2017 Unaudited £'000 | Year ended 30 September 2017 Audited £'000 |
|---------------------------|-------|--|--|--|
| Revenue | 3 | 74,140 | 52,388 | 130,095 |
| Other operating income | 4 | 399 | 1,441 | 3,431 |
| Total income | | 74,539 | 53,829 | 133,526 |
| Administrative expenses | 5 | (54,831) | (43,340) | (95,395) |
| Operating profit | | 19,708 | 10,489 | 38,131 |
| Finance income | 6 | 150 | 179 | 293 |
| Finance costs | 6 | (332) | (203) | (105) |
| Profit before tax | | 19,526 | 10,465 | 38,319 |
| Taxation | | (2,716) | (1,636) | (7,942) |
| Profit after tax | | 16,810 | 8,829 | 30,377 |
| Attributable to: | | | | |
| Owners of the parent | | 16,810 | 8,829 | 30,377 |
| Earnings per share | 7 | | | |
| Basic | | 15.8p | 8.0p | 27.4p |
| Diluted | | 14.6p | 7.6p | 25.9p |

Consolidated Statement of Comprehensive Income

3.0 Financial Statements

| | 6 months ended 31 March 2018 | 6 months ended 31 March 2017 | Year ended 30 September 2017 | Unaudited for the 6 months ended 31 March 2018 |
|--|---|------------------------------------|------------------------------------|--|
| | Unaudited £'000 | Unaudited £'000 | Audited £'000 | |
| Profit for the period | 16,810 | 8,829 | 30,377 | |
| Exchange differences on translation of foreign operations | 29 | 11 | 21 | |
| Other comprehensive income for the period, net of tax | 29 | 11 | 21 | |
| Total comprehensive income for the period, net of tax, attributable to the owners of the parent | 16,839 | 8,840 | 30,398 | |

3.0 Financial Statements

Consolidated Balance Sheet

Unaudited as at
31 March 2018

| | | 31 March 2018 | 31 March 2017 | 30 September 2017 |
|----------------------------------|-------|----------------------|--------------------|-------------------|
| | Notes | Unaudited £'000 | Unaudited £'000 | Audited £'000 |
| Non-current assets | | | | |
| Property, plant and equipment | 9a | 3,236 | 3,479 | 2,998 |
| Intangible assets | | 101 | 78 | 33 |
| Deferred tax | 9b | 4,102 | 2,502 | 3,116 |
| | | 7,439 | 6,059 | 6,147 |
| Current assets | | | | |
| Trade and other receivables | 9c | 218,545 | 272,151 | 255,933 |
| Trading investments | 9d | 51,263 | 49,003 | 47,424 |
| Stock borrowing collateral | 9e | 10,926 | 11,154 | 8,606 |
| Derivative financial instruments | | 466 | 682 | 35 |
| Cash and cash equivalents | 9g | 82,531 | 71,199 | 95,852 |
| | | 363,731 | 404,189 | 407,850 |
| Current liabilities | | | | |
| Trade and other payables | 9c | (221,386) | (259,720) | (254,799) |
| Financial liabilities | 9f | (7,277) | (17,606) | (19,875) |
| Current income tax | | (2,483) | (2,198) | (5,697) |
| | | (231,146) | (279,524) | (280,371) |
| Net current assets | | 132,585 | 124,665 | 127,479 |
| Non current liabilities | | | | |
| Deferred tax | 9b | (11) | (11) | - |
| Net assets | | 140,013 | 130,713 | 133,626 |
| Equity | | | | |
| Share capital | | 5,922 | 5,922 | 5,922 |
| Share premium | | - | 38,854 | - |
| Other reserves | | 12,669 | 10,183 | 13,416 |
| Retained earnings | | 121,422 | 75,754 | 114,288 |
| Total equity | | 140,013 | 130,713 | 133,626 |

Consolidated Statement of Changes in Equity

3.0 Financial Statements

| | Share capital | Share premium | Other reserves | Retained earnings | Total |
|--|---------------|---------------|----------------|-------------------|-----------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Balance at 1 October 2016 | 5,922 | 38,854 | 8,238 | 76,063 | 129,077 |
| Profit for the period | | | | 8,829 | 8,829 |
| Other comprehensive income | | | 11 | - | 11 |
| Total comprehensive income for the period | - | - | 11 | 8,829 | 8,840 |
| Dividends paid | | | | (7,307) | (7,307) |
| Movement in respect of employee share plans | | | 1,934 | (1,199) | 735 |
| Deferred tax related to share based payments | | | | 271 | 271 |
| Net movement in Treasury shares | | | | (903) | (903) |
| Transactions with shareholders | - | - | 1,934 | (9,138) | (7,204) |
| Balance at 31 March 2017 | 5,922 | 38,854 | 10,183 | 75,754 | 130,713 |
| Balance at 1 October 2016 | 5,922 | 38,854 | 8,238 | 76,063 | 129,077 |
| Profit for the year | | | | 30,377 | 30,377 |
| Other comprehensive income | | | 21 | - | 21 |
| Total comprehensive income for the year | - | - | 21 | 30,377 | 30,398 |
| Share premium cancellation | | (38,854) | | 38,854 | - |
| Dividends paid | | | | (13,473) | (13,473) |
| Movement in respect of employee share plans | | | 5,157 | (546) | 4,611 |
| Deferred tax related to share based payments | | | | 251 | 251 |
| Net movement in Treasury shares | | | | (17,238) | (17,238) |
| Transactions with shareholders | - | (38,854) | 5,157 | 7,848 | (25,849) |
| Balance at 30 September 2017 | 5,922 | - | 13,416 | 114,288 | 133,626 |
| Balance at 1 October 2017 | 5,922 | - | 13,416 | 114,288 | 133,626 |
| Profit for the period | | | | 16,810 | 16,810 |
| Other comprehensive income | | | 29 | - | 29 |
| Total comprehensive income for the period | - | - | 29 | 16,810 | 16,839 |
| Dividends paid | | | | (6,902) | (6,902) |
| Movement in respect of employee share plans | | | (776) | (3,357) | (4,133) |
| Deferred tax related to share based payments | | | | 638 | 638 |
| Net movement in Treasury shares | | | | (55) | (55) |
| Transactions with shareholders | - | - | (776) | (9,676) | (10,452) |
| Balance at 31 March 2018 | 5,922 | - | 12,669 | 121,422 | 140,013 |

Unaudited for the
6 months ended
31 March 2018

3.0 Financial Statements

Consolidated Statement of Cash Flows

Unaudited for the
6 months ended
31 March 2018

| | Notes | 6 months ended 31 March 2018 Unaudited £'000 | 6 months ended 31 March 2017 Unaudited £'000 | Year ended 30 September 2017 Audited £'000 |
|---|-------|--|--|--|
| Cash from/(used in) operating activities | 10 | 10,860 | (1,217) | 50,410 |
| Interest paid | | (17) | (34) | (14) |
| Taxation paid | | (6,527) | (3,576) | (7,027) |
| Net cash from/(used in) operating activities | | 4,316 | (4,827) | 43,369 |
| Investing activities | | | | |
| Purchase of property, plant and equipment | | (820) | (344) | (493) |
| Purchase of intangible assets | | (93) | - | - |
| Interest received | | 150 | 179 | 295 |
| Net cash (used in) investing activities | | (763) | (165) | (198) |
| Financing activities | | | | |
| Purchase of own shares – Employee Benefit Trust | | (4,801) | (2,114) | (3,298) |
| Purchase of own shares – Treasury | | (4,979) | (3,215) | (19,588) |
| Dividends paid | | (6,902) | (7,307) | (13,473) |
| Net cash used in financing activities | | (16,682) | (12,636) | (36,359) |
| Net movement in cash and cash equivalents | | (13,129) | (17,628) | 6,812 |
| Opening cash and cash equivalents | | 95,852 | 89,002 | 89,002 |
| Net movement in cash and cash equivalents | | (13,129) | (17,628) | 6,812 |
| Exchange movements | | (192) | (175) | 38 |
| Closing cash and cash equivalents | | 82,531 | 71,199 | 95,852 |

Notes to the Financial Statements

3.0 Financial Statements

1. Basis of preparation

Numis Corporation Plc is a UK AIM traded company incorporated and domiciled in the United Kingdom. The address of its registered office is 10 Paternoster Square, London, EC4M 7LT. The Company is incorporated in the United Kingdom under the Companies Act 2006 (company registration No. 2375296).

The consolidated financial information contained within these financial statements is unaudited and does not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. These financial statements have been prepared in accordance with AIM Rule 18. The statutory accounts for the year ended 30 September 2017, which were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and in accordance with International Financial Reporting Interpretations Committee (IFRIC) interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS, have been delivered to the Registrar of Companies. The report of the independent auditor on those statutory accounts contained no qualification or statement under Section 498(2) or (3) of the Companies Act 2006.

The preparation of these interim financial statements requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The judgements and estimates applied by the Group in these interim financial statements have been applied on a consistent basis with the statutory accounts for the year ended 30 September 2017. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those of estimates.

These interim financial statements are prepared on the historical cost basis, except for the revaluation of certain financial instruments.

These interim financial statements are prepared on a going concern basis as the directors have satisfied themselves that, at the time of approving these interim financial statements, the Group has adequate resources to continue in operational existence for at least the next twelve months.

During the period, a number of amendments to IFRS became effective and were adopted by the Company and the Group. None of these amendments have a material impact on the Group's income statement, statement of comprehensive income, balance sheet, statement of changes in equity or statement of cash flows.

Notes to the Financial Statements (*continued*)

2. Segmental reporting

Geographical information

The Group is managed as an integrated investment banking business and although there are different revenue types (which are separately disclosed in note 3) the nature of the Group's activities is considered to be subject to the same and/or similar economic characteristics. Consequently the Group is managed as a single business unit.

The Group earns its revenue in the following geographical locations:

| | 6 months ended 31 March 2018 | 6 months ended 31 March 2017 | Year ended 30 September 2017 |
|--------------------------|---|------------------------------------|------------------------------------|
| | Unaudited £'000 | Unaudited £'000 | Audited £'000 |
| United Kingdom | 67,893 | 47,778 | 119,867 |
| United States of America | 6,247 | 4,610 | 10,228 |
| | 74,140 | 52,388 | 130,095 |

The following is an analysis of the carrying amount of non-current assets (excluding financial instruments and deferred tax assets) by the geographical area in which the assets are located:

| | 6 months ended 31 March 2018 | 6 months ended 31 March 2017 | Year ended 30 September 2017 |
|--------------------------|---|------------------------------------|------------------------------------|
| | Unaudited £'000 | Unaudited £'000 | Audited £'000 |
| United Kingdom | 2,933 | 3,482 | 2,982 |
| United States of America | 404 | 75 | 49 |
| | 3,337 | 3,557 | 3,031 |

Other information

In addition, the analysis below sets out the income performance and net asset split between our investment banking business and the small number of equity holdings which constitute our investment portfolio.

| | 6 months ended 31 March 2018 | 6 months ended 31 March 2017 | Year ended 30 September 2017 |
|---|---|------------------------------------|------------------------------------|
| | Unaudited £'000 | Unaudited £'000 | Audited £'000 |
| Equities income | 23,278 | 23,433 | 44,799 |
| Corporate retainers | 6,123 | 5,615 | 11,578 |
| Total corporate transactions revenues | 44,739 | 23,340 | 73,718 |
| Revenue (see note 3) | 74,140 | 52,388 | 130,095 |
| Investment activity net gains | 399 | 1,441 | 3,431 |
| Contribution from investment portfolio | 399 | 1,441 | 3,431 |
| Total income | 74,539 | 53,829 | 133,526 |

2. Segmental reporting (continued)

Net assets

| | 6 months ended 31 March 2018 | 6 months ended 31 March 2017 | Year ended 30 September 2017 |
|-------------------------------|---|------------------------------------|------------------------------------|
| | Unaudited £'000 | Unaudited £'000 | Audited £'000 |
| Investment Banking activities | 29,889 | 27,262 | 9,633 |
| Investing activities | 27,593 | 32,252 | 28,141 |
| Cash and cash equivalents | 82,531 | 71,199 | 95,852 |
| Total net assets | 140,013 | 130,713 | 133,626 |

3. Revenue

| | 6 months ended 31 March 2018 | 6 months ended 31 March 2017 | Year ended 30 September 2017 |
|--------------------------------|---|------------------------------------|------------------------------------|
| | Unaudited £'000 | Unaudited £'000 | Audited £'000 |
| Net trading gains | 4,557 | 4,997 | 9,047 |
| Institutional income | 18,721 | 18,436 | 35,752 |
| Equities income | 23,278 | 23,433 | 44,799 |
| Corporate retainers | 6,123 | 5,615 | 11,578 |
| Advisory ⁽¹⁾ | 11,732 | 6,345 | 14,356 |
| Capital markets ⁽¹⁾ | 33,007 | 16,995 | 59,362 |
| CB&A income | 50,862 | 28,955 | 85,296 |
| | 74,140 | 52,388 | 130,095 |

⁽¹⁾ Certain fees charged in relation to Capital Markets transactions were previously categorised as Advisory revenues and have been reclassified. The value of fees affected by this reclassification is £545k H1 2017 and £2,115k for 2017 full year. In prior years Capital Markets revenue was disclosed as Placing Commissions.

4. Other operating income

Other operating income represents net gains made on investments which are held outside of the market making portfolio. The gains reflect price movements on quoted holdings, fair value adjustments on unquoted holdings and related dividend income. In the period positive fair value movements in our unquoted holdings have been partially offset by negative movements in our listed portfolio.

Notes to the Financial Statements (*continued*)

5. Administrative expenses

| | 6 months ended 31 March 2018 | 6 months ended 31 March 2017 | Year ended 30 September 2017 |
|-----------------|---|------------------------------------|------------------------------------|
| | Unaudited £'000 | Unaudited £'000 | Audited £'000 |
| Staff costs | 39,966 | 30,254 | 68,999 |
| Non-staff costs | 14,865 | 13,086 | 26,396 |
| | 54,831 | 43,340 | 95,395 |

The average number of employees during the period has increased to 245 (H1 2017: 214). Staff costs excluding share award related charges have increased by 37% compared to the prior period due to investment in headcount and the improved revenue performance resulting in higher variable compensation.

Non-staff costs have increased by 14% compared to the prior period. The increase is largely attributable to continued investment in our technology platform and the implementation of MiFID II as well as other regulatory and business initiatives.

6. Finance income and Finance costs

Finance income for the period:

| | 6 months ended 31 March 2018 | 6 months ended 31 March 2017 | Year ended 30 September 2017 |
|------------------------|---|------------------------------------|------------------------------------|
| | Unaudited £'000 | Unaudited £'000 | Audited £'000 |
| Interest income | 150 | 179 | 293 |

Finance costs for the period

| | 6 months ended 31 March 2018 | 6 months ended 31 March 2017 | Year ended 30 September 2017 |
|-----------------------------|---|------------------------------------|------------------------------------|
| | Unaudited £'000 | Unaudited £'000 | Audited £'000 |
| Net foreign exchange losses | 315 | 167 | 80 |
| Interest expense | 17 | 36 | 25 |
| | 332 | 203 | 105 |

3.0 Financial Statements

7. Earnings per share

Basic earnings per share is calculated on profits after tax of £16,810,000 (2017: £8,829,000) and 106,654,473 (2017: 110,544,897) ordinary shares being the weighted average number of ordinary shares in issue during the period. Diluted earnings per share takes account of contingently issuable shares arising from share scheme award arrangements where their impact would be dilutive. In accordance with IAS 33, potential ordinary shares are only considered dilutive when their conversion would decrease the profit per share or increase the loss per share from continuing operations attributable to the equity holders. Therefore shares that may be considered dilutive while positive earnings are being reported may not be dilutive while losses are incurred.

The calculations exclude shares held by the Employee Benefit Trust on behalf of the Group and shares held in Treasury.

| | 6 months ended 31 March 2018 | 6 months ended 31 March 2017 | Year ended 30 September 2017 |
|---|---|---|---|
| | Unaudited Number Thousands | Unaudited Number Thousands | Audited Number Thousands |
| Weighted average number of ordinary shares in issue during the period – basic | 106,654 | 110,545 | 110,919 |
| Dilutive effect of share awards | 8,153 | 6,184 | 6,328 |
| Diluted number of ordinary shares | 114,807 | 116,729 | 117,247 |

8. Dividends

| | 6 months ended 31 March 2018 | 6 months ended 31 March 2017 | Year ended 30 September 2017 |
|--|---|---|---|
| | Unaudited £'000 | Unaudited £'000 | Unaudited £'000 |
| Final dividend year ended 30 September 2016 (6.50p) | | 7,308 | 7,308 |
| Interim dividend year ended 30 September 2017 (5.50p) | | | 6,165 |
| Final dividend year ended 30 September 2017 (6.50p) | 6,902 | | |
| Distribution to equity holders of Numis Corporation Plc | 6,902 | 7,308 | 13,473 |

The Board has approved the payment of an interim dividend of 5.50p per share (2017: interim 5.50p per share). This dividend will be payable on 22 June 2018 to shareholders on the register of members at the close of business on 18 May 2018. These financial statements do not reflect this dividend payable.

Notes to the Financial Statements (*continued*)

9. Balance sheet items

(a) Property, plant and equipment

The Group's offices in London underwent a program of refurbishment during 2015. No material additions have been made since then.

(b) Deferred tax

As at 31 March 2018 deferred tax assets totalling £4,102,000 (30 September 2017: £3,116,000) have been recognised reflecting management's confidence that there will be sufficient levels of future taxable profits against which these deferred tax asset can be utilised. The deferred tax asset principally comprises amounts in respect of unvested share based payments.

(c) Trade and other receivables and Trade and other payables

Trade and other receivables and trade and other payables principally comprise amounts due from and due to clients, brokers and other counterparties. Such amounts represent unsettled sold and unsettled purchased securities transactions and are stated gross. The magnitude of such balances varies with the level of business being transacted around the reporting date. Included within Trade and other receivables are cash collateral balances held with securities clearing houses of £13,994,000 (30 September 2017: £9,530,000).

(d) Trading investments

Included within trading investments is £27,577,000 (30 September 2017: £28,141,000) of investments held outside of the market making portfolio. The net decrease during the period has primarily been due to disposals, however this has been partially offset by net favourable fair value adjustments.

(e) Stock borrowing collateral

The Group enters stock borrowing arrangements with certain institutions which are entered into on a collateralised basis with cash advanced as collateral. Under such arrangements a security is purchased with a commitment to return it at a future date at an agreed price. The securities purchased are not recognised on the balance sheet. Where cash has been used to affect the purchase, an asset is recorded on the balance sheet as stock borrowing collateral at the amount of cash collateral advanced or received.

In the rare event that trading investments are pledged as security these remain within trading investments and the value of security pledged disclosed separately except in the case of short-term highly liquid assets with an original maturity of three months or less, which are reported within cash and cash equivalents with the value of security pledged disclosed separately.

(f) Financial liabilities

Financial liabilities comprise short positions in quoted securities arising through the normal course of business in facilitating client order flow and form part of the market making portfolio.

(g) Cash and cash equivalents

Cash balances are higher than those reported at 31 March 2017 reflecting increased levels of operating profit and positive working capital movements. This has been achieved whilst maintaining dividend distributions (£6.9m cash outflow) and the repurchase of shares into Treasury and the Employee Benefit Trust (£9.7m cash outflow).

3.0 Financial Statements

10. Reconciliation of profit before tax to cash from operating activities

| | 6 months ended 31 March 2018 | 6 months ended 31 March 2017 | Year ended 30 September 2017 |
|---|---|------------------------------------|------------------------------------|
| | Unaudited £'000 | Unaudited £'000 | Audited £'000 |
| Profit before tax | 19,526 | 10,465 | 38,319 |
| Net finance income/(expense) | 182 | 24 | (188) |
| Depreciation charge on property, plant and equipment | 582 | 604 | 1,226 |
| Amortisation charge on intangible assets | 25 | 44 | 89 |
| Share scheme charges | 5,158 | 4,975 | 10,454 |
| (Increase)/ Decrease in current asset trading investments | (3,665) | (550) | 1,029 |
| Decrease/(Increase) in trade and other receivables | 37,389 | (101,665) | (85,583) |
| Net movement in stock borrowing collateral | (2,320) | (7,253) | (4,705) |
| (Decrease)/Increase in trade and other payables | (46,011) | 92,205 | 89,188 |
| (Increase)/Decrease in derivatives | (6) | (66) | 581 |
| Cash from/(used in) operating activities | 10,860 | (1,217) | 50,410 |

The cash from operating activities during the six months ended 31 March 2018 reflects the higher operational inflows, principally due to higher cash-based revenues, combined with outflows in respect of seasonal expense items which fall within the first half of our financial year.

4.0 Other Information

Information for Shareholders

Directors during the period

| | |
|---------------------|---|
| Alan Carruthers | Non-executive Chairman |
| Alex Ham | Co-CEO |
| Ross Mitchinson | Co-CEO |
| Andrew Holloway | Chief Finance Officer & Company Secretary (<i>appointed 8 January 2018</i>) |
| <i>Simon Denyer</i> | Group Finance Director & Company Secretary (<i>resigned 8 January 2018</i>) |
| Geoffrey Vero | Non-executive Director |
| Catherine James | Non-executive Director |
| Robert Sutton | Non-executive Director |

Financial Calendar

2017-2018

| | |
|---------------|---|
| December 2017 | Year end results announced |
| January 2018 | 2017 Annual Report issued |
| February 2018 | 2018 Annual General Meeting |
| February 2018 | Final dividend paid in relation to the year ended 30 September 2017 |
| May 2018 | Half year results announced and half year report issued |
| June 2018 | Interim dividend for the half year ended 31 March 2018 paid |

Company Information

Company Registration Number

2375296

Registered Office

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Nominated Advisor

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Registrar

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