WALKERCRIPS
GROUP PLC

20th November 2014

Walker Crips Group plc

Results for the six months ended 30 September 2014

Walker Crips Group plc ("Walker Crips", the "Company" or the "Group"), the financial services group with activities covering stockbroking, investment and wealth management services today announces unaudited results for the six months ended 30 September 2014 (the "Period").

Highlights

- Revenue for the Period increased 12.4% to £10.9 million (2013: £9.7 million)

- Gross profit (Net Revenue) for the Period increased 10.4% to £7.4 million (2013: £6.7 million) reflecting considerable progress made in investment and wealth management businesses

- Excluding uncontrollable FSCS levy costs and despite volatile markets, Group operating profit of £0.28 million in the Period compares with £0.36 million in the prior period

- Group operating profit of £0.13 million in the Period (2013: operating profit of £0.26 million) after FSCS levy costs of £0.15 million (2013: £0.10 million)

- Administrative expenses of £7.3 million (2013: £6.4 million) reflect growth costs incurred expanding the number of investment managers whose revenue benefits are expected to accrue in future periods

- Interim dividend up 3.9% to 0.53 pence per share (2013: 0.51 pence per share)

- Discretionary and Advisory Assets under Management (AUM) at Period end increased 26.1% to £1.45 billion year on year (30 September 2013: £1.15 billion) and 9.4% over the period (31 March 2014: £1.32 billion)

- Total Assets under Management and Administration increased 24.9% year on year to £2.66 billion (30 September 2013; £2.13 billion) and 6.0% over the period (31 March 2014: £2.51 billion)

- Fees and non-broking income up 23.5% to £6.3 million (2013: £5.1 million) representing 57% of total income (2013: 52%)

Commenting, David Gelber, Chairman of Walker Crips, says:

"As we approach the end of our centenary year in 2014, the implementation of our strategic plan continues to strengthen the business and evidences our ability and commitment to expand.

The successful execution of the strategy is becoming increasingly recognised by market participants. We remain committed to increasing shareholder value and to growing the dividend for shareholders not only by focusing on organic growth but also through expansion in London, York and targeted regions through new hires. In each of these earnings enhancing initiatives we are ahead of expectations. We also continue to evaluate target companies and businesses for suitably measured and value-added acquisitions."

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Further information on Walker Crips Group plc is available on the Company's website: www.wcgplc.co.uk

Chairman's Statement
Introduction

I am very pleased to report a continuation of the successful implementation of our strategy for expansion reflected by a rise in Revenue of 12.4% to £10.9 million for the first half of our current year.

Development through organic growth and recruitment in our investment and wealth management divisions has been continuing apace. The steady influx of additional Investment Managers with strong revenue bases now exceeds 40 since April 2012. The full impact of the new revenues of the most recent seven such individuals will be felt materially in the second half year, most of whom have commenced towards the end of the period being reported. They have strong backgrounds and expertise having transferred from some of our peers such as Barclays Wealth, JM Finn, Charles Stanley and EFG Harris Allday with the attraction being a combination of the Group's committed advisory offering, a strong control and reporting framework and a traditional approach to client relationship management.

Notwithstanding the increase in revenue, after recording an increase in administrative expenses, a material proportion of which relate to the development and growth of existing businesses referred to above from which future revenues will emerge. The operating profit for the period consequently showed a reduction, which we believe to be temporary, of 51% to £128,000 from £263,000 for the prior period. These results also include uncontrollable half year costs levied by the Financial Services Compensation scheme of £155,000 (2013: £102,000) being an increase of 52% over the prior period levy. Nevertheless the overall trend is encouraging given the full year loss of £1.1 million in year ended 31 March 2012.

The Board is further encouraged by growth of 26.1% in Discretionary and Advisory Assets under Management over the six month period during which the value of the FTSE Index recorded a material decrease.

Trading

Revenue for the Period was £10.9 million (2013: £9.7 million), an increase of 12.4%.

Gross Profit (Net Revenue) in the Period increased by 10.4% to £7.4 million (2013: £6.7 million), further demonstrating the pleasing rate of growth driven by our strategy for our Investment and Wealth Management businesses in the last three years.

Non-broking income as a proportion of total income increased to 57% (2013: 52%) as the conversion of our client base to discretionary or portfolio-managed mandates gathers pace, fuelled by incoming new advisers whose clients already provide predominantly fee driven revenue streams and a further shift by existing clients to fee-based charging.

Higher employment costs, particularly in revenue generating areas, will yield corresponding higher revenues after the inevitable delay in transferring new clients and assets across. Overall administrative expenses in the Period were £7.3 million (2013: £6.4 million).

After payment of the final and special dividends in relation to the previous year end, at the Period end, the Group had net assets of £20.9 million (31 March 2014: £21.5 million) including net cash of £7.8 million (31 March 2014: £8.2 million), a very strong balance sheet from which to generate further growth in line with the Board's Strategic Plan.

Operations

Investment Management

Discretionary and Advisory assets under management at the Period end were £1.45 billion (30 September 2013: £1.15 billion; 31 March 2014: £1.33 billion). This increase is a clear reflection of the Company's greater emphasis on fee generation rather than transactional brokerage. Discretionary assets were £0.57 billion (30 September 2013: £0.47 billion) and Advisory assets were £0.88 billion (30 September 2013: £0.68 billion).

Revenues from the Investment Management division increased by 10.5% during the Period to £9.5 million (2013: £8.6 million), a significant improvement considering the uncertainty in investment sentiment and lower market volumes of recent months.

Despite challenging market conditions for structured products, continued low interest rates and low equity market volatility, our Structured Investments business has continued to deliver consistent results both in terms of revenue for the firm but moreover, consistent returns for investors.

Wealth Management

Revenues and profits increased materially by 27% and 115% respectively at our York-managed wealth management division following a strong contribution from our recently acquired Inverness branch, improving joint venture profits and a significant overall increase in AUM.

Dividend

A 3.9% increase in the interim dividend to 0.53 pence per share (2013: 0.51 pence per share) recognises the encouraging progress being made in the Group's trading performance and the confidence of much greater profitability in the near future. The interim dividend will be paid on 19 December 2014 to those shareholders on the register at the close of business on 5 December 2014.

Directors, Account Executives and Staff

I would like to thank all my fellow directors, account executives and members of staff for their continued support. Their professionalism, diligence and loyalty give the Company every reason to be regarded as a special place to work in this most exciting phase of our long history.

Outlook

As we approach the end of our centenary year in 2014, the implementation of our strategic plan continues to strengthen the business and evidences our ability and commitment to expand.

The successful execution of the strategy is becoming increasingly recognised by market participants. We remain committed to increasing shareholder value and to growing the dividend for shareholders not only by focusing on organic growth but also through expansion in London, York and targeted regions through new hires. In each of these earnings enhancing initiatives we are ahead of expectations. We also continue to evaluate target companies and businesses for suitably measured and value-added acquisitions.

The Group has continued trading profitably since the Period end and remains in a strong financial position. Since the reporting date, encouragement has been gained from revenues of the newly recruited investment managers which are now coming through and we remain cautiously optimistic in volatile markets.

D. M. Gelber
Chairman
20 November 2014
Walker Crips Group plc

Walker Crips Group plc
Condensed Consolidated Income Statement
For the six months ended 30 September 2014

	Notes	Unaudited Six months to 30 September 2014 £'000	Unaudited Six months to 30 September 2013 £'000	Audited Year to 31 March 2014 £'000
Continuing operations				
Revenue	2	10,881	9,722	20,688
Commission payable		(3,507)	(3,052)	(6,584)
Gross profit		7,374	6,670	14,104
Share of after tax profit of joint venture		7	4	17
Administrative expenses		(7,253)	(6,411)	(13,651)
Operating profit		**128**	**263**	**470**
Gain on disposal of investments	3	-	1,836	1,836
Loss on disposal of subsidiary undertaking	4	-	(8)	(13)
Investment revenues		143	141	240
Finance costs		(1)	(2)	(4)
Profit before tax		**270**	**2,230**	**2,529**
Taxation		(65)	(524)	(495)
Profit for the period attributable to equity holders of the company		**205**	**1,706**	**2,034**
Earnings per share	5			
Basic		0.55p	4.62p	5.50p
Diluted		0.55p	4.52p	5.39p

Walker Crips Group plc
Condensed Consolidated Statement of Comprehensive Income
For the six months ended 30 September 2014

	Unaudited Six months to 30 September 2014 £'000	Unaudited Six months to 30 September 2013 £'000	Audited Year to 31 March 2014 £'000
Profit for the period	205	1,706	2,034
Other comprehensive income:			
Profit on revaluation of available-for-sale investments taken to equity	-	62	243
Deferred tax on profit on available-for-sale investments	-	(13)	(35)
Long Term Incentive Plan (LTIP) credit to equity	-	-	13
Total comprehensive income for the period attributable to equity holders of the company	205	1,755	2,255

Walker Crips Group plc
Condensed Consolidated Statement of Financial Position
As at 30 September 2014

	Unaudited 30 September 2014 £'000	Unaudited 30 September 2013 £'000	Audited 31 March 2014 £'000
Non-current Assets			
Goodwill	2,901	2,901	2,901
Other intangible assets	1,148	1,279	1,168
Property, plant and equipment	801	846	872
Investment in joint ventures	34	30	38
Available for sale investments	2,458	1,142	2,404
	7,342	6,498	7,383
Current Assets			
Trade and other receivables	29,568	41,388	46,648
Trading Investments	2,015	1,071	1,670
Deferred tax asset	-	16	-
Cash and cash equivalents	7,857	9,970	8,173
	39,440	52,445	56,491
Total assets	46,782	58,943	63,874
Current liabilities			
Trade and other payables	(25,238)	(37,148)	(41,801)
Current tax liabilities	(388)	(544)	(330)
Bank Overdrafts	(40)	(91)	(70)
Deferred tax liabilities	(202)	-	(202)
	(25,868)	(37,783)	(42,403)
Net current assets	13,572	14,662	14,088
Net assets	20,914	21,160	21,471
Equity			
Share capital	2,515	2,515	2,515
Share premium account	1,818	1,818	1,818
Own shares	(312)	(312)	(312)
Revaluation reserve	827	668	827
Other reserves	4,668	4,668	4,668
Retained earnings	11,398	11,803	11,955
Equity attributable to equity holders of the company	20,914	21,160	21,471

Walker Crips Group plc
Condensed Consolidated Statement of Cash Flows
For the six months ended 30 September 2014

	Unaudited Six months to 30 September 2014 £'000	Unaudited Six months to 30 September 2013 £'000	Audited Year to 31 March 2014 £'000
Operating activities			
Cash generated/(used) by operations	953	(3,149)	(3,074)
Interest received	46	157	229
Interest paid	(1)	(2)	(4)
Tax paid	-	-	-
Net cash generated/(used) by operating activities	998	(2,994)	(2,849)
Investing activities			
Purchase of property, plant and equipment	(104)	(345)	(542)
Purchase of intangible assets	(116)	(474)	(602)
Net (purchase)\sale of investments held for trading	(345)	(408)	(1,036)
Net sale of available for sale investments	-	6,248	5,466
Net cash received on disposal of subsidiary	-	292	292
Dividends received	43	39	42
Net cash (used)/generated by from investing activities	(522)	5,352	3,620
Financing activities			
Proceeds on issue of shares	-	6	6
Dividends paid	(762)	(333)	(522)
Net cash used in financing activities	(762)	(327)	(516)
Net (decrease)/increase in cash and cash equivalents	(286)	2,031	255
Net cash and cash equivalents at the start of the period	8,103	7,848	7,848
Net Cash and cash equivalents at the end of the period	7,817	9,879	8,103
Cash and cash equivalents	7,857	9,970	8,173
Bank overdrafts	(40)	(91)	(70)
	7,817	9,879	8,103

Walker Crips Group plc
Condensed Consolidated Statement Of Changes In Equity
For the six months ended 30 September 2014 (£000's)

	Called up share capital	Share premium	Own shares held	Capital Redemption	Other	Revaluation	Retained earnings	Total Equity
Equity as at 31 March 2013	**2,470**	**1,630**	**(312)**	**111**	**4,557**	**619**	**10,430**	**19,505**
Revaluation of investment at fair value						62		62
Deferred tax credit to equity						(13)		(13)
Profit for the 6 months ended 30 September 2013							1,706	1,706
Total recognised income and expense for the period						49	1,706	1,755
March 2013 final dividend							(333)	(333)
Issue of shares on exercise of options	1	5						6
Issue of shares on acquisition of intangible asset	44	183						227
Equity as at 30 September 2013	**2,515**	**1,818**	**(312)**	**111**	**4,557**	**668**	**11,803**	**21,160**
Revaluation of investment at fair value						181		181
Deferred tax credit to equity						(22)		(22)
Long Term Incentive Plan (LTIP) credit to equity							13	13
Profit for the 6 months ended 31 March 2014							328	328
Total recognised income and expense for the period						159	341	500
September 2013 interim dividend							(189)	(189)
Equity as at 31 March 2014	**2,515**	**1,818**	**(312)**	**111**	**4,557**	**827**	**11,955**	**21,471**
Profit for the 6 months ended 30 September 2014							205	205
Total recognised income and expense for the period							205	205
March 2014 final dividend							(392)	(392)
Special final dividend							(370)	(370)
Equity as at 30 September 2014	**2,515**	**1,818**	**(312)**	**111**	**4,557**	**827**	**11,398**	**20,914**

Walker Crips Group plc
Notes to the condensed consolidated financial statements
For the six months ended 30 September 2014

1. Basis of preparation and accounting policies
The Group's consolidated financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU (IFRS). These condensed financial statements are presented in accordance with IAS 34 *Interim Financial Reporting*.

The condensed consolidated financial statements have been prepared on the basis of the accounting policies and methods of computation set out in the Group's consolidated financial statements for the year ended 31 March 2014.

The condensed consolidated financial statements should be read in conjunction with the Group's audited financial statements for the year ended 31 March 2014.The interim financial information is unaudited and does not constitute statutory accounts as defined in section 434 of the Companies Act 2006.The Group's financial statements for the year ended 31 March 2014 have been reported on by the auditors and delivered to the Registrar of Companies. The report of the auditors was unqualified and did not draw attention to any matters by way of emphasis. They also did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

Going Concern
As both the net asset base and cash position remain healthy, the directors are satisfied that the Group has sufficient resources to continue in operation for the foreseeable future, a period of not less than 12 months from the date of this report. Accordingly, they also conclude in accordance with guidance from the Financial Reporting Council, that the use of the going concern basis for the preparation of the financial statements continues to be appropriate.

Interests in joint ventures
The Group's share of the assets, liabilities, income and expenses of jointly controlled entities are accounted for in the consolidated financial statements under the equity method.

Income from the sale or use of the Group's share of the output of jointly controlled assets, and its share of the joint venture expenses, are recognised when it is probable that the economic benefits associated with the transactions will flow to / from the Group and their amount can be measured accurately.

Goodwill
Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary or jointly controlled entity at the date of acquisition. Goodwill is initially recognised as an asset at cost and reviewed for impairment at least annually. Any impairment is recognised immediately in the income statement and is not subsequently reversed in future periods.

Intangible assets
At each period end date, the Group reviews the carrying amounts of its intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the assets belong.

Deferred tax
Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Principal risks and uncertainties
Under the Financial Conduct Authority's Disclosure and Transparency Rules, the Directors are required to identify those material risks to which the company is exposed and take appropriate steps to mitigate those risks. The principal risks and uncertainties faced by the Group are discussed in detail in the Annual Report for the year ended 31 March 2014.

Related party transactions
No transactions took place in the period that would materially or significantly affect the financial position or performance of the group.

2. Segmental analysis

Revenue (£'000)	Investment Management	Wealth Management		Total
6m to 30 September 2014	9,514	1,367		10,881
6m to 30 September 2013	8,645	1,077		9,722
Year to 31 March 2014	18,290	2,398		20,688
Result (£'000)			**Unallocated Costs**	**Operating Profit**
6m to 30 September 2014	319	247	(438)	128
6m to 30 September 2013	574	115	(426)	263
Year to 31 March 2014	1,150	221	(901)	470

Subsequent to the sale of subsidiary Keith Bayley Rogers & Co Ltd in the prior period, the Directors have determined that Corporate Finance is no longer a segment of continuing significance and has therefore been omitted from current and prior periods which have been restated. The immaterial amounts involved have been included within the Investment Management segment for all periods.

3. Gain on disposal of investments

There were no disposals of investments during the period.

During the prior period, conversion and disposal of Liontrust Convertible Unsecured Loan Stock (CULS) with a nominal value of £3.03million and the redemption of the remaining holding with a nominal value of £0.07m, yielded a profit of £1,836,000.

4. Loss on disposal of subsidiary undertaking

There were no disposals of subsidiary undertakings during the period.

During the prior period, on 31 May 2013 the Group completed the disposal of its subsidiary Keith Bayley Rogers & Co Limited (following FCA approval) resulting in a loss of £8,000.

5. Earnings per share

The calculation of basic earnings per share for continuing operations is based on the post-tax profit for the period of £205,000 (2013: £1,706,000) and on 36,996,187 (2013: 36,938,203) ordinary shares of 6 2/3p, being the weighted average number of ordinary shares in issue during the period.

The effect of the exercise of outstanding options would be to reduce the reported earnings per share. The calculation of diluted earnings per share is based on 37,607,437 (2013: 37,752,011) ordinary shares, being the weighted average number of ordinary shares in issue during the period adjusted for dilutive potential ordinary shares.

6. Dividends

The interim dividend of 0.53 pence per share (2013: 0.51 pence) is payable on 19 December 2014 to shareholders on the register at the close of business on 5 December 2014. The interim dividend has not been included as a liability in this interim report.

7. Total Income (£'000)

	Six months Ended 30 September 2014	Six months Ended 30 September 2013	Year Ended 31 March 2014
Revenue	10,881	9,722	20,688
Investment revenues	143	141	240
	11,024	9,863	20,928

The Group's income can also be categorised as follows for the purpose of measuring a Key Performance Indicator, non-broking income to total income.

Income (£'000)	**Six months Ended 30 September 2014**	**%**	**Six months Ended 30 September 2013**	**%**	**Year Ended 31 March 2014**	**%**
Broking	4,719	43	4,722	48	9,904	47
Non-Broking	6,305	57	5,141	52	11,024	53
	11,024	100	9,863	100	20,928	100

Directors' Responsibility Statement

The Directors confirm that to the best of their knowledge:

(a) The condensed set of financial statements contained within the half yearly financial report has been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the EU;

(b) The half yearly report from the Chairman (constituting the interim management report) includes a fair review of the information required by DTR 4.2.7R; and

(c) The half yearly report from the Chairman includes a fair review of the information required by DTR 4.2.8R as far as applicable.

On Behalf of the Board

Rodney FitzGerald
Chief Executive Officer
20 November 2014