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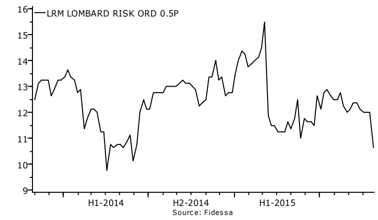
Software & Computer Services



Market data	
EPIC/TKR	LRM
Price (p)	9.0
12m High (p)	15.5
12m Low (p)	9.0
Shares (m)	304.0
Mkt Cap (£m)	27.4
EV (£m)	25.1
Free Float* (%)	58%
Market	AIM

**As defined by AIM Rule 26*

Description

Provision of financial services software to banks and asset managers. Solutions are focused on collateral and risk management and regulatory reporting.

Company information	
Chairman	Philip Crawford
CEO	-
CFO	Nigel Gurney

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Next event	
May 2016	Final results
July 2016	AGM
Oct 2016	Interim results

Analyst

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Lombard Risk Management

Interim results announced

Lombard Risk interims (22nd October) pave the way to a profitable full year FY16, ongoing sales growth. H1 sales growth was 16.1%. Nonetheless, we are trimming our FY16 sales estimates by £0.3m in order to be conservative. We also note the spending on sales, marketing and a likely rise in expensed technology spend for FY16. FY15 was a difficult year, with profit downgrades and the CEO departing in May. At the time we stated 'medium term undimmed'. These interims confirm this, both financially and operationally, but ongoing investment for expansion means we re-instigate FY16 PBT estimates at conservative levels just below FY15.

- **Strategy:** This is a growth story. This requires software development, direct and indirect sales commitment globally and expansion to large referenceable clients and partners. Each of these factors support our repeat statements re: 'medium term undimmed'.
- **Growth:** Bookings have grown 48% yoy. 5 year sales CAGR of 19% demonstrates the historic success. Whilst we estimate sales growth short term at 9% FY16 (5% FY15), over the coming years we consider the 19% rate to be repeatable. Total costs grew 20% last year and we estimate 15% FY16E (or 9% cash basis).
- **Cost breakdown assessed:** In the current year, we estimate 25% expensed technology spending growth. Amortisation/impairment rises 74% to £3.3m from £1.9m. This includes a £0.7m impairment as a result of a review of products' respective growth potential. We expand on this trend, impacting FY16E PBT.
- **Risks:** Lombard Risk operates in a series of high growth global markets, selling to large customers with complex requirements. This has translated into consistent ongoing growth, the visibility of which is supported by evolving customer relationships and technology spend. Both require cash spending.
- **Investment summary:** FY16E may prove to be a second year of annual sales growth sub prior years' high teens % rates. Sales generation is broadening and includes Alliances. This brings higher potential, with timing dependent on more complex inputs – thus supporting FY17. Pricing and pipeline remain strong.

Financial summary and valuation

Year end March (£m)	2011	2012	2013	2014	2015	2016E
Sales	11.8	12.8	16.8	20.4	21.5	23.5
EBITDA	0.7	3.0	5.3	6.0	4.4	5.2
EBIT	0.6	2.5	4.0	4.5	2.3	1.5
PBT	0.5	2.5	3.9	4.4	2.3	1.5
EPS (p)	0.3	1.1	1.7	2.1	0.8	0.5
DPS (p)	0.030	0.055	0.065	0.075	0.085	0.090
Net cash	1.8	(1.9)	0.2	2.3	2.2	3.0
P/E (x)	30.0	8.2	5.2	4.3	11.2	18.0
EV/Sales (x)	2.2	2.3	1.6	1.2	1.2	1.0
EV/EBITDA (x)	36.8	9.8	5.2	4.2	5.7	4.7
FCF Yield (%)	3.9	-ve	4.5	-ve	0.6	-ve
Dividend Yield (%)	0.3	0.6	0.7	0.8	0.9	1.0

Source: Hardman & Co Research

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Executive summary

Sales growth 16.1%

First half EBITDA down £0.3m

Net cash £2.7m

Interims:

- Sales £10.8m (vs £9.3m half to September 2014), up 16.1% year on year.
- The order book of contracted revenue £6.8m vs £5.1m a year prior.
- Loss pre tax £1.8m (vs £0.01m PBT 1H15); EBITDA £0.5m vs £0.8m comparable.
- Cash stands at £2.7m, vs £2.2m end September 2014. This is post the benefit of £3.95m net from the equity fund raise towards the start of the period.

H2 traditionally more profitable and cash generative

H2 is traditionally always a stronger half for cash flows. Cash flow was positive in the past two months. Note that the figures bear the impact of a £0.7m impairment 'one-off' from a review, equating to 4% of total capitalised software costs. Recurring sales are stable at c45% total revenue, typically with three year contracts which are usually rolled on into new contracts. As ever, due to R&D allowances, tax rate remains low (albeit H1 saw a write down of deferred tax assets).

£3.0m net cash estimated March 2016

We reinstigate FY16 estimates: taking into account higher technology costs, we reduce the PBT estimates. Our sales estimate is reduced to a round £0.5m multiple.

FY16E:

FY16E: sales +9%; costs +15%

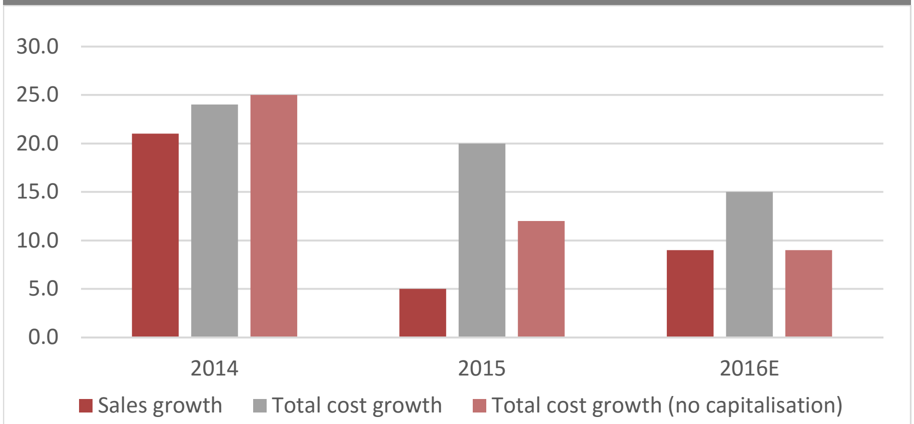
- We estimate a second year of relatively modest top-line growth as we assume continued lead times for the new lines of Alliance-driven work to come through.
- We estimate cost growth of 15% vs 9% revenue growth; this is ahead of revenue acceleration FY17E.
- Cash inflows for H2 are estimated to more than cover all costs of investing in the business and supporting the growing order book, thus we see £3m net year end cash, up from £2.7m at the recent interims. We see full year cash-based cost growth (i.e on a non-capitalised basis) in line with sales growth.

We would anticipate accelerating growth in the FY17E top line as, by then, the Alliances should be generating useful income.

Revenue and costs trends overview: Past and current years see top line growth – but growth lower than the historic levels. We summarise revenue and costs trends:

FY16E cash costs +9% with bias toward software support and R&D

Revenue and costs % annual growth



Source: Lombard Risk accounts, Hardman estimates

Cost breakdown assessed: Some 75% of costs are people costs. The accounting requirement to capitalise certain costs is proof that a high proportion of costs relate to investment in software products – which are costs to grow the business.

Strong growth modelled in expensed tech spend and in amortisation, impairment

In the current year we estimate 25% growth in spending in the segment of expensed technology, with a low rate of increase (below the sales rise) in non technology costs. This is principally spending to support existing clients and projects. As one example, COREP has been growing strongly and has some 125 clients now. There are costs of implementation.

We estimate total technology spend FY16E of £9.0m vs £7.5m FY15 and £7.1m FY14. Within this, we estimate the expensed element is £3.0m vs £2.4m FY15 and £1.8m FY14.

It is interesting to note these rising faster than the revenue line. We would be surprised if this quantum of increase is repeated after FY16E. Secondly, amortisation/impairment rises 74% to £3.3m from £1.9m. These non-cash costs are rising as Lombard Risk invests and capitalises.

In the Operational Highlights segment, page 5, we give details as to the drivers to this investment, looking at the Strategic reasons to drive future growth in revenue and costs, whilst assessing the Costs Breakdown.

Strategy: Client growth requires 1) software development, 2) direct and 3) indirect sales commitment and focus on referrals (e.g. from new large clients in new territories) as well as broadcasting the message on reputation. Our repeat statements on 'medium term undimmed' is supported by each of these factors.

H1 £0.7m impairment charge illustrates an element of product re-focus

1) At the interim stage a one-off £0.7m impairment charge was taken, as a result of a re-assessment of these priorities of various product lines. Spending is being prioritised after a thorough review of all product priorities.

Value based selling

Re-energising sales focus

2) Direct sales effort is being expanded with senior appointments and "sales team strengthening", a key focus being "value based selling" (especially in collateral) and a constantly refined team approach.

3) Indirect sales is executed primarily the series of Alliances. We estimate sales from these constitute under 10% of the total (from maybe 1% in FY14), whilst costs are above 10% of the total. This is investment for the future.

We look to the medium term sales rate of 19% historic as to being the sort of level achievable in the future

Growth into FY17: CAGR sales 19% over the past five years demonstrates the historic success. Whilst for modelling purposes we estimate sales growth short term at 9% FY16 (5% FY15), over the coming years we consider the 19% rate to be achievable again. The growth in Alliances and increasing spread of major clients has presented an opportunity to review the investment, the sales and the operational focus. There have been senior appointments on the sales side. There has been a thorough assessment of the investment focus and we consider this has confirmed the spending as being thoroughly focused on generation of sales growth.

We look forward to significant acceleration in FY17 – note +48% bookings announced last week's results

The drivers – which achieved approaching 20% CAGR in sales in recent years – are firmly in place, as illustrated by specific major new client wins reported in recent months. These are with clients who are as large or larger than the historic successes. For these specific reasons we fully anticipate both a rise in the rate of sales growth in FY17 and also a rise in the EBITDA margins. We note, also, the firmer revenue in Regulatory in H1 just announced.

Operational highlights

Strategy:

Growing markets are effectively a given in this space – LRM has a strong history of growth and no reason for the medium term to slow down

Client growth requires 1) software development, 2) direct and 3) indirect sales commitment and 4) focus on referrals (e.g. from new large clients in new territories) as well as broadcasting the message on reputation. Our repeat statements on 'medium term undimmed' is supported by each of these factors.

First, we point to the success of the strategy, namely strong top line growth in each year since the global financial crisis. This has been achieved through being in strong markets, expanding globally, investing in its technology and through increasing resource into marketing.

- Strong sales growth since global financial crisis (high teens % over all five year periods).

It is important to have a spread – which LRM demonstrably has

- Requirements at regulation and risk controls continue to grow strongly.
- Lombard Risk has expanded its geographical footprint (particularly Asia).
- Alliances will benefit, but to date the effect has primarily been on costs of investing in software for the roll-outs.
- Alliances: many and varied points of growth. Each partner has a different rationale for relying on Lombard Risk.

Spending is honed product-by-product with team skills transferrable

As to the specific points:

1) The software development clearly is undertaken product by product, driven by assessment of the client requirements. At the interim stage a one-off £0.7m impairment charge was taken. This is as a result of a re-assessment of the priorities of various product lines. Development is accelerating in part through the additional significant opportunities opened up by the various Alliances. We take this as a clear signal that the spending is progressing with the benefit of ongoing thorough review and ranking of all priorities. There is an increasing product focus, aligned to supporting client revenue growth and an example of this is an element of redeploying headcount to support this. Lombard Risk refers to enhancing the sales process and product lifecycle process.

Sales teams 'strengthened'…

…. and complement…..

2) Direct sales effort is being expanded, with senior appointments and, we understand, constant emphasis on benchmarking best performance for individual sales programmes. Lombard Risk has pointed to "sales team strengthening". One region of growth we believe to be Asia regulatory. This raises costs now and should raise sales in the near term future. A key focus is "value based selling", closely demonstrating to clients how the Lombard Risk product creates value as well as fulfilling regulatory legal requirements.

….. indirect sales

3) Indirect sales primarily comprises the series of formal Alliances. We estimate sales from these constitute under 10% of the total (from maybe 1% in FY14), whilst costs are above 10% of the total. These are varied and have varied drivers. For example, this would include blue chip professional services organisations, working in partnership with Lombard Risk to generate long term services income from these new joint clients. Oracle has recently announced that it will use Lombard Risk products to support areas of specialism. Genpact and Lombard

Referrals.....

Risk are setting up a joint business processing outsourcing (BPO) service for the collateral management function. Banks naturally are cost conscious. A key Genpact-client driver is addressing major cost pain points in the industry, improving margin and collateral management efficiencies. The variety brings strength to the breadth of sales advance. It also does take time to secure significant traction on all these fronts, benefitting the revenue line at dates beyond these interims just reported.

4) Referrals for example would be that Lombard Risk is number one in US foreign banks but not domestic banks. This latter should be a growth node in the near future. In Asia there has been success with a large client and – whilst Lombard Risk is long established in this market – this should prove beneficial.

There have been important client-facing NEDs appointed in recent months.

Cost growth breakdown

Cost breakdown assessed:

Some 75% of costs are people costs. It is important to highlight costs of sales which are de minimis. This is a 98-99% gross margin business.

Costs split in FY15 was R&D 25%; General and admin 24%; Professional services 21%; Sales & marketing 20%; Support, maintenance 10% - all expressed as % of revenue.

In the current year we estimate 25% growth in expensed technology spending. Amortisation/impairment (i.e of the previously capitalised spend) rises 74% to £3.3m from £1.9m. This includes a £0.7m impairment as a result of a review of products' respective growth potential. Ex the one-off, this cost is rising 35% FY16E and at an estimated 20% pa in future years, reflecting the rising number for capitalised software standing in the Lombard Risk balance sheet. The % rise abates over time as the quantum of capitalised assets (and indeed the rise in fully amortised capitalised assets) rises.

Whilst the exact shape may change, our model sees strong expansion FY16E in expensed tech spend and much less in general costs

We accept that our breakdown of costs may be overly detailed and may be refined as we progress towards the March 2016 year end, but for clarity we consider it worth sharing the composition of our estimates.

Sales, costs breakdown, profits

Year end March £m	2011	2012	2013	2014	2015	2016E
Sales	11.8	12.8	16.8	20.4	21.5	23.5
Cost of sales	(0.1)	(0.1)	(0.2)	(0.2)	(0.3)	(0.2)
Tech spend expensed	(2.7)	(1.2)	(1.9)	(1.8)	(2.4)	(3.0)
Amortisation, impairment [1]	(0.0)	(0.4)	(1.1)	(1.2)	(1.9)	(3.3)
Total tech spend	(2.7)	(4.5)	(6.1)	(7.1)	(7.5)	(9.0)
Depreciation	(0.1)	(0.1)	(0.1)	(0.3)	(0.2)	(0.4)
Sales marketing spend estimate	n.a.	n.a.	(3.1)	(3.8)	(4.3)	(4.7)
Other costs estimate	n.a.	n.a.	(6.3)	(8.6)	(10.1)	(10.4)
EBIT	2.4	2.5	4.0	4.5	2.3	1.5
Interest cost	0.0	0.0	0.1)	0.0	0.0	0.0
PBT reported	2.4	2.5	3.9	4.4	2.3	1.5

Source: Lombard Risk accounts, Hardman estimates

[1] FY16E includes £0.7m impairment H1. The accounting policy changed as of FY12. Before that date, all spending was expensed through the p&l. Lombard Risk Accountants and Auditors have required capitalisation since that date.

Markets and marketing

The revenue line is a mix of up front licences (which will normally be taken to profits up front too), three to five year contracts, upgrades (to cope with new regulations or make clients' money by selecting for them the most efficient collateral to serve) and other income. Currently just under 50% of revenue repeats over several years.

Revenue growth is assisted by the fact there has been no significant client loss for several years, nor do we anticipate any.

Growing markets are effectively a given in this space but Regulatory has on several occasions been variable short term

Rapid growth in recent years has been achieved through being in strong markets, expanding globally, investing in technology and through increasing resource into marketing.

The markets addressed are regulatory and risk.

Regulatory has reported a good H1

Regulatory has seen some slow trading in FY15, as indeed has happened in certain other years, for example 2010. This is a market which does come in waves, of different length and amplitude in different markets but some years are less strong. Indeed the figures for the half year just reported indicate a renewed upturn here.

It is important to have a spread – which LRM demonstrably has

Risk (and collateral management within that) has moved from a middle office to frontline over the past recent years. Markets addressed are thus clearly large and growing but growth rates do have to be managed. Part of that management is the regional spread.

Growth has been faster in the 'up and coming' geographies

Income by region

Year end March £m	2010	2015	change
UK	4.0	10.0	+150%
Rest Europe, Mid East, Africa	1.1	3.4	+209%
The Americas	2.7	5.1	+89%
Asia Pacific	1.1	3.0	+170%

Source: Lombard Risk accounts

Alliances

Lombard Risk has always been an international business. US foreign bank regulatory reporting has been a major plank and this has broadened as shown. Growth has been greater in Asia Pacific and also Rest of Europe, Mid East, Africa. These pair of regions remain smaller in terms of Lombard Risk sales than the US/ Americas and the UK. This is a strong space – there is still plenty of mileage. In percentage terms there is more mileage in the newer areas. We see strong growth in Asia and elsewhere.

There is indeed plenty of mileage regionally with new customers having been won and then 'legitimising' the use of LRM software in other institutions in those newer countries and regions. In addition, growth through Alliances re-selling has been emphasised. This was a short term disappointment in FY15, as the time taken to taxi before takeoff is substantial. In addition, there are costs: principally software development costs (smaller in terms of overheads).

Total technology spend was de minimis as recently as 2010 and revenue growth (3% in each year FY09 and FY10) quickly accelerated rapidly. LRM is a software business and to spend on software development is a sine qua non. There are priorities and these are continually assessed. We welcome management being open about a 'big picture' of those priorities. They are broadly as follows.

Technology cash costs and estimates are as per table below.

Software spend: £1m FY09, £7.5m FY15

Technology spend

Year end March £m	2012	2013	2014	2015	2016E
Total technology expenditure	4.5	6.1	7.1	7.5	9.0
As % sales	35	36	35	35	38

Source: Lombard Risk accounts, Hardman estimates

Just as the large rise in technology spending in FY11 boosted sales in FY11 and especially FY12, the anticipated rise in technology spend for Alliances in FY16 will feed through rapidly. These Alliances are several in number and a number of them are now well and fully established and bringing mandates.

Strengthening sales teams

This brings the analysis to 'selling and marketing'. There is a strengthening of the sales team under way. Marketing has expanded Lombard Risk into progressively wider markets, both geographically and into different types of customers. Fund managers are now significant buyers and expansion into larger Japanese banks has been an important recent feature.

Large wins with large clients in recent months.....

..... taking some months to reach 'full volume'

One of the largest banks in the United States by market value selected COLLINE to support collateral management. Further, the investment management subsidiary of a major Tier 1 multi-national banking and financial services selected COLLINE, as did one of Canada's largest banks. The product was also bought by a Japanese cooperative bank as well as a Japanese multi-national banking and financial services company in order to manage its collateral from Tokyo, New York and London. We conclude there is strong expansion in large and demanding clients and into the Asia Pacific space, highlighted in the Table on page 7 as having been a driver to historic growth. These driving factors – which achieved approaching 20% CAGR revenue in recent years – are in place. This is with clients who are as large or larger than the case in prior years. In addition there is expansion in clients' fulfilment via the Cloud.

Alliances are a marketing success. This is being sold in a more targeted 'senior' way. Senior appointments have been made.

Risks and investment case

Lombard Risk operates in a series of high growth global markets, selling to large customers with complex requirements. This has translated into consistent ongoing growth, the visibility of which is supported by evolving customer relationships and technology spend. Both require cash spending.

When required, the Group has a short-term overdraft facility, which has not been used for some time. Nonetheless, the Group is often cash flow negative for many months of the first half of each fiscal year. We calculate free cash flow (ie net of capital expenditure) to have been negative £0.6m FY14 and to be negative £2.8m FY16E, the current year. The past half year has seen significant cash outflows, net of equity raised. Nonetheless operational cash flow (prior to capitalised costs) is consistently significantly positive (albeit it is estimated to fall circa 36% this current full year to circa £3.6m).

Costs and revenues are spread globally, but the Group's main on-going transactional exposure is to be long of Euro and US Dollars and short of Chinese Yuan (and some element of Chinese costs).

As stated in 2010 accounts by the then CEO: "I agreed to split my combined Chairman and Chief Executive Officer role at the time of the institutional fund-raising, and the Board and I were delighted to welcome Philip Crawford as our new Non-executive Chairman from 1 May 2010." Since May the Group has the Chairman Philip Crawford acting in place of CEO and Philip has been proactively involved during the tenure of the former CEO.

Investment summary: This has presented an opportunity to review the operations and the focus – on an evolutionary basis. There have been major wins with financial institutions amongst the largest in the world and on several Continents. Yet these take some months to come through. FY16E may well prove to be the second year of annual sales growth below the high teens % of prior years. Sales generation is broadening and includes Alliances. This brings higher potential, but the timing is dependent on more complex inputs. Pricing and pipeline remain strong.

With the strong (raised) pipeline, FY17 should see an acceleration in revenue growth and, whilst costs are not anticipated to fall, the rise should be modest. With gross margins over 98% and a consistently positive balance sheet, this rapidly translates to significant free cash flow and profits. Given the rise in shares in issue, it would not be currently expected that FY17 would see a return of PBT or EPS to the peak levels attained in FY14.

Financial analysis

Income and expenditure

Year end March £m	2011	2012	2013	2014	2015	2016E
Sales	11.8	12.8	16.8	20.4	21.5	23.5
Gross profit	11.7	12.6	16.6	20.2	21.2	23.3
Tech spend expensed	(2.7)	(1.2)	(1.9)	(1.8)	(2.4)	(3.0)
Capitalisation	0.0	3.3	4.3	5.3	5.1	6.0
Amortisation, impairment	0.0	0.4	1.1	1.2	1.9	3.3
Depreciation	0.1	0.1	0.1	0.3	0.2	0.4
Adjusted EBITDA incl. capitalisation*	2.6	3.0	5.3	6.0	4.4	5.2
EBITDA margin %	*22.0*	*23.5*	*31.4*	*29.4*	*20.4*	*22.1*
Operating profit *	2.5	2.5	4.0	4.5	2.3	1.5
Interest	(0.0)	(0.0)	(0.1)	(0.0)	(0.0)	0.0
PBT including capitalisation *	2.4	2.5	3.9	4.4	2.3	1.5
EPS (p) *	1.5	1.1	1.7	2.1	0.8	0.5
Cash from operations **	0.7	3.0	5.3	6.1	4.6	5.2

** **This is the profit line AS REPORTED**. FY11 was stated with no capitalisation pre change in policy FY12.*
*** Operating profit adding back depreciation, amortisation and share-based payment charge.*

Source: Lombard Risk accounts, Hardman estimates

Income and expenditure

Year end March £m	2011	2012	2013	2014	2015	2016E
Adjusted EBITDA with no capitalisation	**0.7**	**(0.3)**	**1.0**	**0.7**	**(0.7)**	**(0.8)**
PBT with no capitalisation		**(0.5)**	**0.7**	**0.2**	**(1.1)**	**(1.2)**
Total tech spend	2.7	4.5	6.1	7.1	7.5	9.0
Above includes support, maintenance	-	3.3	1.3	1.6	2.2	2.7
Above includes R&D	2.7	1.2	4.9	5.4	5.3	6.3
Sales marketing spend estimate	n.a.	n.a.	3.1	3.8	4.3	4.7
Cash from operations *	0.7	3.0	5.3	6.1	4.6	5.2
Cash from ops with no capitalistion**	0.7	(0.3)	1.0	0.7	(0.5)	(0.8)

** Operating profit adding back depreciation, amortisation and share-based payment charge.*
*** Operating profit less capitalised development costs adding back depreciation, amortisation and share-based payment charge.*

Source: Lombard Risk accounts, Hardman estimates

For comparison, we compare PBT and EBITDA (in bold above) which would be stated were no software expenditure to be capitalised. Accounting standards mandate that the relevant software development costs do require to be capitalised onto the balance sheet. They are amortised and impaired on average over five years.

Income and expenditure, cash flow, balance sheet

Year end March £m	2011	2012	2013	2014	2015	2016E
P&L (£m)						
Sales	11.8	12.8	16.8	20.4	21.5	23.5
Gross profit	11.7	12.6	16.6	20.2	21.2	23.3
Tech spend expensed	(2.7)	(1.2)	(1.9)	(1.8)	(2.4)	(3.0)
Tech spend capitalised	(0.0)	(3.3)	(4.3)	(5.3)	(5.1)	(6.0)
EBITDA	0.7	3.0	5.3	6.0	4.4	5.2
Operating profit	0.6	2.5	4.0	4.5	2.3	1.5
PBT Reported	0.6	2.4	3.9	4.4	2.3	1.5
EPS Reported (p)	0.3	1.1	1.6	2.0	0.8	0.5
DPS (p)	0.030	0.055	0.065	0.075	0.085	0.090
Cashflow (£m)						
Operating cash flow	1.2	1.8	5.8	5.1	5.7	3.6
Interest & tax	(0.0)	0.0	(0.0)	0.1	(0.1)	(0.0)
Capex / Acquisitions	(0.1)	(5.5)	(5.0)	(5.7)	(5.5)	(6.4)
Dividends	(0.0)	(0.1)	(0.1)	(0.2)	(0.2)	(0.2)
Equity	(0.0)	0.1	1.5	2.8	0.0	3.8
Other items	(0.0)	(0.0)	(0.1)	(0.0)	(0.0)	(0.0)
Change in net cash	1.1	(3.7)	2.1	2.1	(0.0)	0.7
Closing net cash	1.8	(1.9)	0.2	2.3	2.2	3.0
Balance sheet (£m)						
Goodwill	3.6	5.8	5.8	5.8	5.9	5.9
Capitalised devt costs	(0.0)	3.0	6.3	10.4	13.8	16.5
Deferred income	(3.0)	(4.4)	(4.3)	(5.2)	(7.2)	(7.2)
Other items	1.9	1.0	2.7	7.1	8.2	10.4
Net assets	2.6	5.4	10.5	18.2	20.7	25.7
Ave shares issue (m)	207	231	235	255	267	300

Source: Lombard Risk accounts, Hardman estimates

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