

**Embargoed for release
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**Numis Corporation Plc Final Results
for the year ended 30 September 2006**

Numis Corporation Plc (“Numis”) today announces final results for the year ended 30 September 2006. Numis is the holding company of Numis Securities Limited, the independent investment banking and broking business.

Financial Highlights

- Operating income up 11% to £73.1m (2005: £65.7m).
- Profit before tax up 22% to £37.2m (2005 Profit before tax and exceptional profits: £30.6m).
- Basic earnings per share up 19% to 25.8p (2005 EPS before exceptional profits: 21.7p).
- Final dividend of 3.75p per share, making a total of 5.0p per share (2005: 3.15p per share) for the year, up 59%.
- Net assets increased by 23% to £90.5m (2005: £73.3m) and cash balances increased to £74.9m (2005: £57.1m), representing 83% of net assets (2005: 78%).

Operational Highlights

- £1,465m raised for corporate clients in the period (2005: £1,062m). Over 65% of deals were for existing clients.
- Corporate client list increased to 101 from 94.
- Further improvement in our service to clients recognised by first places in *The Thomson Extel* survey for research, execution and corporate access for companies with market capitalisation up to £1bn.
- Investment in high calibre staff continues, headcount now 165 (2005: 127).
- Control over costbase maintained with pre-bonus expenses 34% of revenue (2005: 39%).

Commenting on the results, Oliver Hemsley, Chief Executive of Numis, said:

“Despite more challenging market conditions in the second half of the year, the quality of our clients and staff has enabled us to report another record year. We are making good progress towards our goal of making Numis a leading independent investment banking and broking group serving respected London-quoted companies. We will work to set Numis apart as an innovative investment banking business”.

CHIEF EXECUTIVE'S STATEMENT

For the year ended 30 September 2006 operating income was up 11% to £73.1m (2005: £65.7m). Profit before tax and exceptional items for the year rose to £37.2m (2005: £30.6m). Basic earnings per share were 25.8p (2005: 21.7p) while net assets increased to £90.5m (2005: £73.3m) and cash balances to £74.9m (2005: £57.1m).

Numis has achieved these results despite more challenging market conditions during the second half of the year. Although the FTSE 250 has more than recovered from its setback in early May, the AIM market has not done so. However, the quality of our clients and staff has enabled us to continue to increase profits. Further evidence of the strength of our business comes from the result we achieved in the Thomson Extel survey this year. In the market dealing with companies of less than £1bn market capitalisation we were ranked 1st for research, execution services and corporate access. We were also identified as the "most improved firm".

Numis continues to invest in talented and committed people across the business. As our corporate and institutional client base has expanded we have continued to attract such people while still maintaining control over costs. This has enabled us to build our business at the same time as improving our operating margins.

Corporate Broking and Advisory

After an exceptionally busy first half for our corporate clients, the last quarter slowed as a result of the weakening in general market conditions. However, the number of corporate clients for whom we act has now risen to 101 (2005: 94).

During the year, our clients raised a total of £1,465m (2005: £1,062m) through 46 varied transactions across a broad range of sectors. It is also pleasing to note that over 65% of these transactions were on behalf of existing clients, reflecting the success of our corporate clientele, the quality of our service and the strength of our relationships with them.

We are making good progress towards our goal of building a leading independent investment banking and broking group serving respected London-quoted companies. We continue to add to our staff with individuals and teams who wish to work within a growing independent business where they can participate in its direction and success.

Research, Sales and Trading

Our research and execution services are recognised as being exceptional. In this year's Thomson Extel survey, Numis was placed first in 7 out of 14 research sectors and first overall in research and execution. We now have strong and recognised capability in 14 sectors, including aerospace & defence, building & construction, food producers, insurance, IT, leisure, life sciences, media, mining, new energy & emissions, property funds, retail, specialised financials and support services.

Our execution services have made a major contribution to the development of our reputation and the growth in institutional commissions. Our execution business continues to be focused on client facilitation, rather than generating proprietary trading profits and was rewarded with a first place in the Thomson Extel survey.

Sales & Trading is an increasingly competitive area with pressure on commission levels for trades in liquid stocks from electronic trading. However, we will exploit the market for independent and well researched ideas, combined with high quality execution, which help to improve performance for institutional investors. Our New York office is now a significant contributor to our institutional commissions and the relationships we are developing in Europe will add to institutional activity.

Innovation

During the year Numis worked with the former deputy CEO of the Prudential PLC to form Paternoster Limited, a new FSA regulated Life Assurance company. We jointly conceived and developed this business, focused on taking over the liabilities of mature closed final salary pension schemes. We also secured commitments of £500m to fund the business, drawing down £250m during the period, enabling Paternoster to start signing up pension schemes.

Operations and Financial Review

We continue to invest in capable staff in all areas of the business and in improving our service to clients. During the year our average headcount has increased from 112 to 145 and our productivity has been broadly maintained with revenue per employee of £504,000 (2005: £587,000). With this tight cost control our expense ratio and operating margins have improved – with costs before bonuses falling to 34% of revenue (2005: 39%).

We are also pleased with progress on balance sheet management. Our Employee Benefit Trust (“EBT”) has made significant share purchases and reduced potential dilution from options not covered by unencumbered shares held in the EBT. Uncovered options are down from 2,913,000 (2.8% of outstanding share capital) to 1,015,374 (1.0%). At the same time balance sheet discipline has been maintained with cash balances now representing 81% of net assets (2005: 78%).

New Offices at Paternoster Square

On 2 October 2006 we signed a lease for 31,000 square feet of space in the London Stock Exchange building at 5 Paternoster Square, London EC4. This will enable controlled expansion of the business into more efficient office space.

Dividend and Scrip Alternative

The Board has declared a final dividend of 3.75p per share (2005: 2.525p). The dividend will be payable on 9 February 2007 to all shareholders on the register at 15 December 2006. Shareholders will be offered the option to receive shares instead of a cash dividend, the details of which will be explained in a circular to accompany our Annual Report.

Outlook

We have seen a satisfactory start to the new financial year with institutional commission & market making revenues more than double our performance at this point last year and £169m being raised to date for 11 corporate clients. Our corporate business pipeline is strong and the quality of our research is such that we look forward to growth in our secondary market revenues. We work hard to attract high quality companies and people to the organisation and I am confident that we will continue to reap the benefits from these efforts. We also continue to develop services and investment opportunities that will set Numis apart as a flexible and innovative investment banking business.

Oliver Hemsley
Chief Executive

6th December 2006

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Consolidated profit and loss account

For the year ended 30 September 2006

	2006	Restated 2005
	£000	£000
OPERATING INCOME	73,060	65,693
GROSS PROFIT	73,060	65,693
Administrative expenses	(41,127)	(38,076)
OPERATING PROFIT	31,933	27,617
Share of associated undertakings' profit	2,165	1,388
Exceptional item - profits on disposal of fixed asset investments	-	9,299
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST	34,098	38,304
Interest receivable and similar income	3,149	1,652
Interest payable and similar charges	(41)	(48)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	37,206	39,908
Tax on profit on ordinary activities	(11,183)	(9,466)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	26,023	30,442
PROFIT FOR THE YEAR	26,023	30,442
Earnings per share		
Basic	25.8p	31.3p
Diluted	24.9p	30.0p
Earnings per share, excluding exceptional item		
Basic	25.8p	21.7p
Diluted	24.9p	20.9p

Consolidated balance sheet

At 30 September 2006

	2006 £000	Restated 2005 £000
Fixed assets		
Tangible fixed assets	1,802	1,598
Fixed asset investments	-	1,546
Investment in associated undertakings	2,209	859
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	4,011	4,003
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Current assets		
Debtors	104,066	92,103
Investments	25,742	17,812
Cash at bank and in hand	74,898	57,133
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	204,706	167,048
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Creditors		
Amounts falling due within one year	(118,189)	(97,725)
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Net current assets	86,517	69,323
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Net assets	90,528	73,326
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Capital and reserves		
Share capital	5,295	5,258
Share premium account	20,636	19,341
Profit and loss account	64,597	48,727
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Equity shareholders' funds	90,528	73,326
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Consolidated cash flow statement
For the year ended 30 September 2006

	2006	Restated 2005
	£000	£000
Net cash inflow from operating activities	44,342	25,069
Returns on investments and servicing of finance		
Dividends received from associate	150	-
Interest received	3,149	1,631
Interest paid	(41)	(48)
Other dividends received	-	21
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Net cash inflow from returns on investments and servicing of finance	3,258	1,604
Taxation		
Corporation tax paid	(14,009)	(5,683)
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(1,111)	(1,375)
Purchase of fixed asset investments	(5,695)	(1,251)
Disposal of interests in associated undertakings	-	13,540
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Net cash outflow from investing activities from capital expenditure and financial investment	(6,806)	10,914
Equity dividends paid	(2,642)	(1,361)
Financing		
Issue of ordinary shares	130	4,044
Purchase of own shares for the ESOP	(6,508)	(922)
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Increase in cash in the year	17,765	33,665
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Reconciliation of net cash flow to movement in net funds		
Increase in cash balances in the year	17,765	33,665
Net funds at the beginning of the year	57,133	23,468
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Net funds at the end of the year	74,898	57,133
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Notes to the financial statements

1 Operating income

	2006 £000	2005 £000
Institutional trading profits and commissions	17,512	17,386
Corporate retainers	3,464	2,197
Deal fees	8,980	11,044
Placing commission	43,104	35,066
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	73,060	65,693
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2 Exceptional items

	2006 £000	2005 £000
Profit from sale of interest in associate: Squaregain Ltd (formerly Comdirect Ltd)	-	9,299
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	-	9,299
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3 Staff costs

	2006 £000	2005 £000
Employee costs during the year amounted to:		
Wages and salaries	11,482	8,753
Incentive payments	13,050	10,697
Exceptional incentive payments (in connection with Squaregain disposal)	-	600
Social security costs	2,639	4,226
Compensation for loss of office	214	526
Other pension costs	507	755
LTIP award costs	1,009	1,063
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	28,901	26,620
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4 Number of staff employed

	2006 Number	2005 Number
Average for the year		
Professional	112	85
Administration	33	27
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	145	112
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At the year end	165	127
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