

## Press Release

### Scheduled Trading Update

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17 November 2016

Embargoed for release at 7.00am on 17 November 2016

Close Brothers Group plc (“the group” or “Close Brothers”) today issues its trading update relating to the first quarter from 1 August 2016 to 31 October 2016 (“the quarter”). All statements in this release relate to that period unless otherwise indicated.

#### **Group and divisional performance**

Close Brothers has made a very good start to the year principally driven by a strong performance in Banking as well as increased trading income in Winterflood.

The Banking division performed strongly in the first quarter with continued good growth in loan book and profit.

The loan book was up 2.7% in the period to £6.6 billion (31 July 2016: £6.4 billion) with the net interest margin stable on the last financial year. The bad debt ratio reduced markedly compared to the prior year, driven by continued good underlying credit performance as well as provision releases.

Growth was particularly good in our Property business, with continued strong demand for residential development finance. Retail also performed well with growth in both premium finance and motor finance in Ireland. In Commercial, growth continues to be driven by more specialist lending areas.

Winterflood has continued to see increased investor risk appetite and retail trading activity, particularly in August and September.

Asset Management benefited from improved market levels with managed assets at 31 October 2016 up at £8.2 billion (31 July 2016: £8.0 billion) driven by positive market movements.

#### **Outlook**

Although the macroeconomic outlook remains uncertain, at this stage we are confident in delivering a good outcome for our 2017 financial year.

## **Enquiries**

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## **About Close Brothers**

Close Brothers is a leading UK merchant banking group providing lending, deposit taking, wealth management services and securities trading. We employ over 3,000 people, principally in the UK. Close Brothers Group plc is listed on the London Stock Exchange and is a member of the FTSE 250.