

## Press Release

### Scheduled Trading Update

---

19 May 2017

Embargoed for release at 7.00am on 19 May 2017.

Close Brothers Group plc (“the group” or “Close Brothers”) today issues its trading update relating to the third quarter from 1 February 2017 to 30 April 2017 (“the quarter”). All statements in this release relate to that period unless otherwise indicated.

#### Performance overview

The group continued to perform well in the quarter, with strong profitability across all three divisions.

The **Banking division** achieved solid loan book growth with continued strong returns, as we continue to apply our disciplined approach to lending in a competitive environment. Overall, the loan book increased 2.3% in the quarter and is up 4.1% year to date at £6.7 billion (31 January 2017: £6.5 billion). The net interest margin and bad debt ratio both remained broadly stable on the first half.

Performance was particularly good in **Property Finance**, with good loan book growth and strong profitability. **Retail Finance** and **Commercial Finance** delivered more modest growth, as we continue to focus on maintaining margins and prudent underwriting, which support our long track record of sustainable lending through the cycle.

**Winterflood’s** performance improved further in the quarter, benefiting from continued high retail trading activity. However, the business remains sensitive to any changes in market conditions.

**Asset Management** benefited from strong net inflows as well as positive market movements. As a result, managed assets increased 7% in the quarter to £8.5 billion at 30 April 2017 (31 January 2017: £7.9 billion) and total client assets grew 5% to £10.7 billion (31 January 2017: £10.2 billion).

#### Outlook

Following our performance in the third quarter, we remain confident in delivering a good result for the full year.

#### Enquiries

Sophie Gillingham	Close Brothers Group plc	020 7655 3844
Liya Dashkina	Close Brothers Group plc	020 7655 3468
Eva Hatfield	Close Brothers Group plc	020 7655 3350
Andy Donald	Maitland	020 7379 5151

## **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.