

## Press Release

### Interim Management Statement

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22 May 2015

Embargoed for release at 7.00am on 22 May 2015.

Close Brothers Group plc (“the group” or “Close Brothers”) today issues its Interim Management Statement relating to the third quarter from 1 February 2015 to 30 April 2015 (“the quarter”).

All statements in this release relate to that time period unless otherwise stated.

- Close Brothers delivered another good performance in the quarter
- Banking continues to generate solid returns with the loan book up 6.1% year to date to £5.6 billion
- Market conditions for Winterflood improved in the quarter with an increase in investor risk appetite
- Assets under Management (“AuM”) increased 9% year to date to £10.6 billion with solid net inflows

#### **Banking**

The Banking division continued to deliver a solid performance with the loan book up 2.7% in the quarter and 6.1% year to date to £5.6 billion and a stable net interest margin. This reflects continued good demand in Property and asset finance and a seasonal improvement in motor finance. The bad debt ratio has increased marginally from the low level seen in the first half.

#### **Securities**

Winterflood has benefited from improved market conditions in the quarter, particularly in AIM, and increased investor risk appetite, when compared to the difficult trading environment seen in the first half. As a result both income per bargain and average bargains per day have increased.

#### **Asset Management**

Asset Management continues to make steady progress with AuM up 4% in the quarter and 9% year to date to £10.6 billion, benefiting from both solid net inflows and positive market movements. The revenue margin has remained broadly stable on the first half.

#### **Outlook**

Overall, the group remains well positioned for the remainder of the current financial year.

In Banking we expect to deliver continued loan book growth at good returns.

Winterflood has benefited from the improved trading environment but remains sensitive to market conditions.

We continue to see steady growth in Asset Management.

## **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 2,800 people, principally in the UK. Close Brothers Group plc is listed on the London Stock Exchange and is a member of the FTSE 250.