

Press Release

Close Brothers Group plc Interim Management Statement

23 May 2014

Embargoed for release at 7.00am on 23 May 2014.

Close Brothers Group plc (“the group” or “Close Brothers”) today issues its Interim Management Statement relating to the third quarter from 1 February 2014 to 30 April 2014 (“the quarter”).

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

- Close Brothers delivered a positive result in the quarter, consistent with its first half performance
- Good result in Banking with the loan book now £5.1 billion, up 10% year to date
- In Winterflood, performance remained consistent with the first half
- Asset Management continued to gain momentum as Assets under Management (“AuM”) increased 4% in the quarter to £9.6 billion
- We have maintained our strong capital, funding and liquidity positions

Banking

The division has continued its good performance with the loan book up 5% to £5.1 billion (31 January 2014: £4.9 billion) in the quarter and 10% year to date. The stronger loan book growth has been driven by a particularly good quarter in Property as well as a seasonal uplift in demand in motor finance. The quality of the loan book remains strong and, while the net interest margin has declined slightly in the quarter, the favourable credit environment has continued.

Securities

Winterflood’s performance has remained consistent with the first half despite periods of trading volatility in the quarter. A change in mix reflecting the quarter’s stronger trading in lower margin large cap and international stocks has led to an increase in average bargains per day, largely offset by a slight decline in income per bargain. Seydler’s performance has remained consistent with the half year.

Asset Management

Total AuM increased 4% to £9.6 billion (31 January 2014: £9.3 billion) in the quarter, up 6% year to date. The revenue margin has remained stable on the half year and the business has continued to build good momentum in its inflows, supported by positive market movements.

Outlook

Performance has been positive in the quarter and we are well placed for the remainder of the year.

We remain focused on the quality of our lending and expect to continue to deliver good growth at attractive margins in the Banking division.

Winterflood is well positioned to benefit from a stronger cyclical recovery but remains sensitive to market conditions.

In Asset Management we continue to progress towards our profitability target as the business builds scale.

Overall, our outlook is unchanged and we remain confident in delivering a strong result for the 2014 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 2,700 people, principally in the UK. Close Brothers Group plc is listed on the London Stock Exchange and is a member of the FTSE 250.