

2021 Interim results

28 July 2021

H1 2021 highlights

- FUMA up 8.2% to £59.2bn
 - FY 20: £54.7bn, H1 20: £49.4bn
- Strong financial performance driven by growing FUMA
- Acquisition of Saunderson House
- Investing in technology



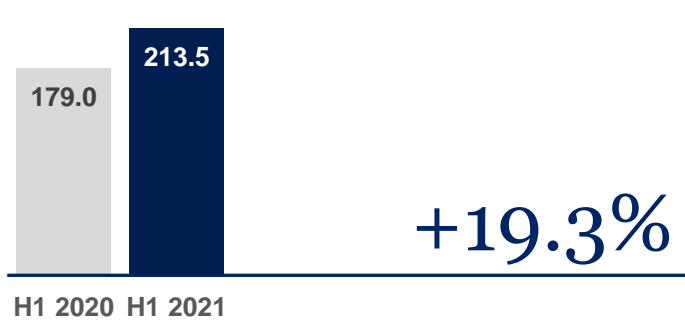


Financial Results

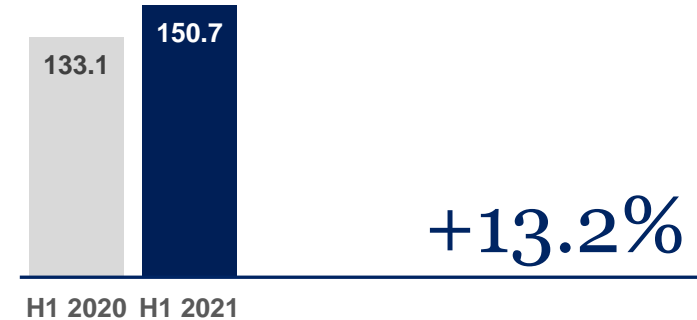
Jennifer Mathias
Group Finance Director

A strong first half

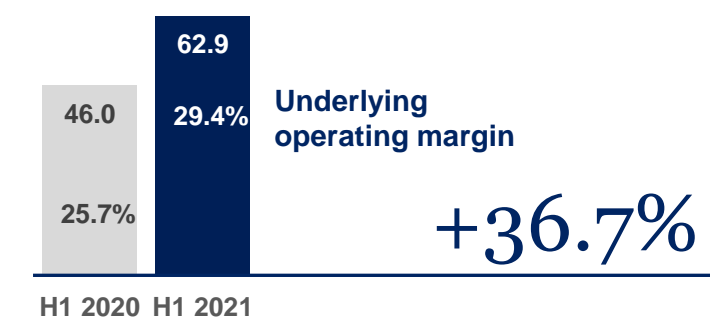
Operating income (£m)



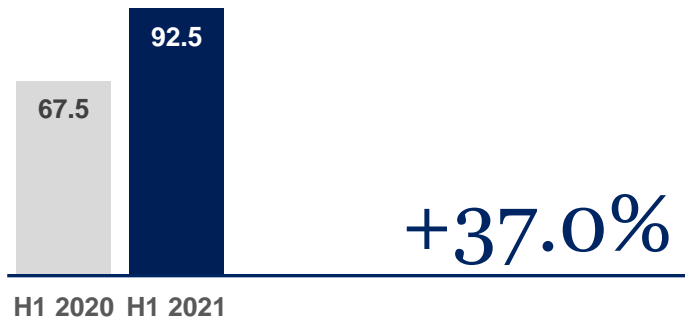
Underlying operating expenses (£m)



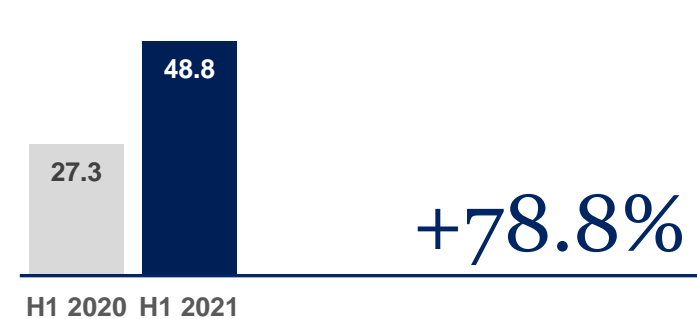
Underlying PBT (£m)



Underlying basic EPS (pence)



Profit before tax (£m)



Total dividend per share (pence)



Investment Management flows and FUMA

Investment Management business

	H1 2021 (£bn)	H1 2020 (£bn)	% change
Opening funds under management and administration	44.9	43.0	4.4
Inflows	2.4	2.4	-
– organic ¹	2.3	1.9	21.1
– purchased ²	0.1	0.5	(80.0)
Outflows	(1.9)	(1.6)	18.8
– retained accounts	(1.2)	(1.0)	20.0
– closed accounts	(0.7)	(0.6)	16.7
Market effect and investment performance	2.4	(2.4)	200.0
Closing funds under management and administration	47.8	41.4	15.5
Net organic (outflows)/inflows	0.4	0.3	
Rate of net organic growth³	1.9%	1.4%	
Total rate of net growth³	2.1%	3.6%	

- FUMA growth of 15.5% y-o-y, 6.5% YTD
- Gross organic flows up 21.1% y-o-y
- Purchased inflows excludes Saunderson House (due to complete in Q3); H1 2020 includes acquisition of personal injury business from Barclays
- Continuing to see majority of outflows from retained rather than closed accounts
- Total net flows of £0.5bn
 - organic: £0.4bn
 - purchased: £0.1bn
- Positive market movements and investment performance

1. Organic growth excludes income items and represents new business from current clients or from new clients (including those via intermediaries)

2. Purchased growth is defined as corporate or team acquisitions

3. Calculated using unrounded numbers

Rathbone Funds flows and FUMA

Funds business

	H1 2021 (£bn)	H1 2020 (£bn)	% change
Opening funds under management	9.8	7.4	32.4
Inflows	2.2	1.7	29.4
Outflows	(1.1)	(1.1)	-
Market effect and investment performance	0.5	-	
Closing funds under management and administration	11.4	8.0	42.5
Net organic inflows	1.1	0.6	66.7
Total rate of net growth¹	21.0%	14.9%	

- FUMA growth of 42.5% y-o-y, 10.7% YTD
 - Single strategy funds grew to £9.1bn (FY20: £8.1bn), multi-asset funds grew to £2.3bn (FY20 £1.7bn)
- Record first half net organic inflows of £1.0bn
- Top five position for UK net retail unit trust sales in 2021 (Pridham)
- Launch of 4 Rathbone Greenbank Multi-Asset Portfolio funds in March 2021
 - Third anniversary of Rathbone Greenbank Global Sustainability Fund

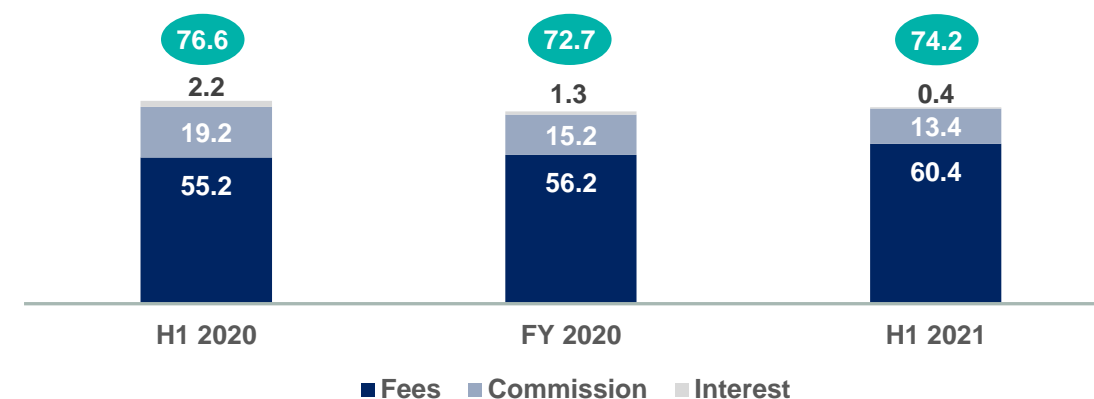
1. Calculated using unrounded numbers

Revenue growth reflects growing FUMA and positive markets

	IM (£m)	Funds (£m)	H1 2021 (£m)	H1 2020 (£m)	% change
Average MSCI PIMFA index (on quarterly billing dates)			1741	1482	17.5
Average FTSE 100 index (on quarterly billing dates)			6887	5793	18.9
Net investment management fee income	140.7	27.8	168.5	126.3	33.4
Net commission income	31.2	-	31.2	37.3	(16.4)
Net interest income	2.3	-	2.3	4.8	(52.1)
Fees from advisory services and other income ¹	10.6	0.9	11.5	10.6	8.5
Total operating income	184.8	28.7	213.5	179.0	19.3

1. IM includes income from trust and tax services, Rathbones Financial Planning and Vision Independent Financial Planning. Funds includes the fair value gain on units held by the Funds business.

Investment Management revenue margin² (bps)



Investment Management

- Total income up 16.4% (H1 2020: £158.7m)
- Trend toward fee based income continues
 - Rathbones fee-only tariff for ex-S&J clients
- Interest rate cut from Mar 2020
- Continued growth in advisory service revenues

Rathbone Funds

- Income up 41.4% (H1 2020: £20.3m) reflecting strong net inflows and market outperformance

Strong operating margin supported by growth

	H1 2021 (£m)	H1 2020 (£m)	% change
Fixed staff costs	62.9	59.3	6.1
Average FTE ¹ employees	1,645	1,508	9.1
Actual FTE ¹ employees	1,688	1,522	10.9
Variable staff costs	41.9	32.1	30.5
Other direct expenses	45.9	41.6	10.3
Total underlying operating expenses	150.7	133.0	13.3
Underlying profit before tax	62.9	46.0	36.7
Underlying cost/income ratio	70.6%	74.3%	
Underlying operating margin	29.4%	25.7%	

1. Full time equivalent

Fixed staff costs

- Planned recruitment to support our client proposition and change agenda

Variable staff costs

- Higher performance-related awards following sustained strong growth in the funds business

Other direct expenses

- Expenditure on digital solutions & technology infrastructure of £5m as planned (FY20: £4.2m)
- Includes FSCS levies; total anticipated to be £7m for FY21 (FY20: £6.3m)

Accelerating pace of expenditure during H2

- Focussed on digital solutions & infrastructure, ongoing planned recruitment
- Anticipate increasing marketing and travel costs

Profit before tax reflects growth and strategic delivery

	H1 2021 (£m)	H1 2020 (£m)	% change
Underlying profit before tax	62.9	46.0	36.7
Charges in relation to client relationships and goodwill	(7.2)	(7.0)	2.9
Acquisition-related costs	(6.9)	(11.7)	(41.0)
Profit before tax	48.8	27.3	78.8
Profit after tax	38.0	19.4	95.9
Effective tax rate	22.2%	28.8%	
Total comprehensive income, net of tax	44.4	11.9	273.1

Acquisition-related costs

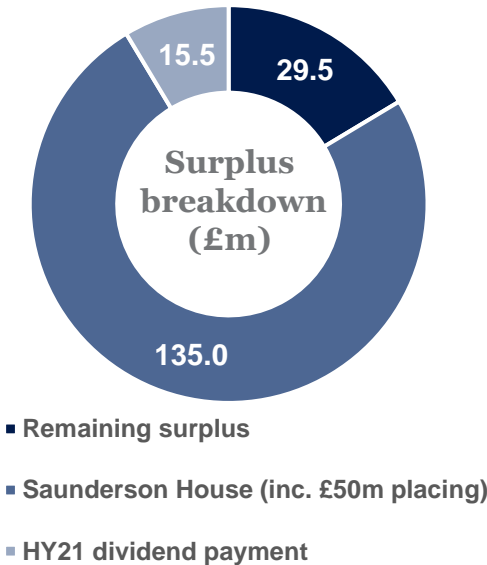
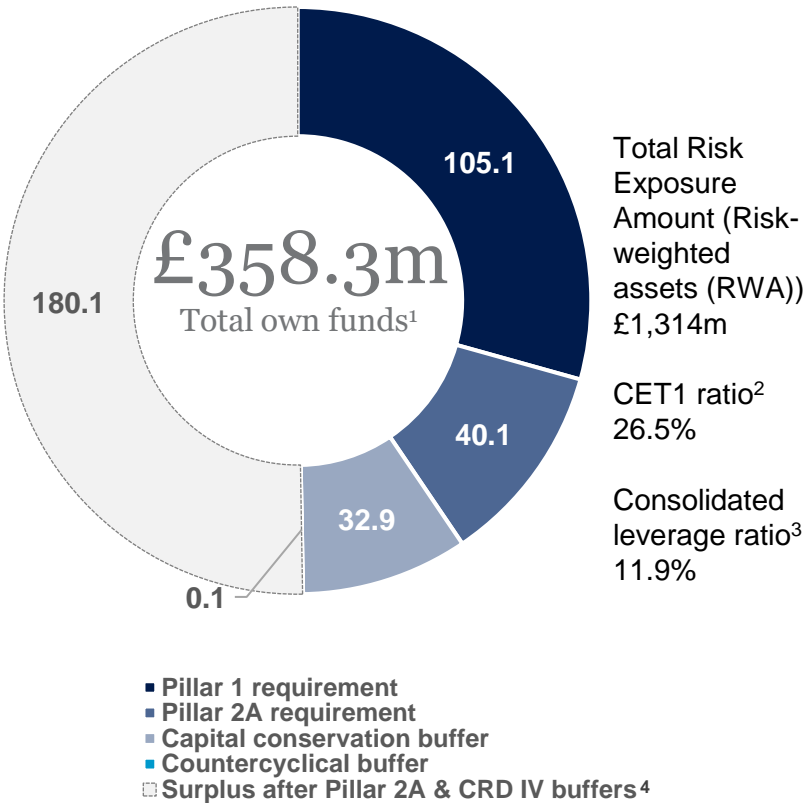
- £6.5m in relation to S&J consideration
 - Total FY charge anticipated of c.£10m
- £0.4m professional services costs for Saunderson House
 - Up to £1.75m payable on completion of transaction

Short-term tax rate higher

- 2021/2022 tax rate anticipated to be closer to 25% reflecting disallowable acquisition related costs
 - March budget signalled UK corporation tax rate to 25.0% in 2023

Robust capital position

30 June 2021 (£m)



Pillar 1: Minimum requirement for capital
— Expected losses across credit, market and operational risk requirements

Pillar 2A: Additional requirement for firm-specific risks
— 2021 consistent with 2020

Combined buffer
Capital conservation buffer (CCB)⁵
— Set at 2.5% of total risk exposure amount
Countercyclical capital buffer (CCyB)
— In March 2020 the FPC announced a reduction in the buffer rate for UK exposures to 0%
— Not expected to increase buffer rate before March 2022

Surplus capital allocation
— Acquisition of Saunderson House in H2
— Dividend payment
— Smaller inorganic opportunities

1. For a reconciliation between total equity and total own funds, see slide 38
2. Common Equity Tier 1 capital as a proportion of total risk exposure amount
3. Tier 1 capital resources as a percentage of total assets, excluding intangible assets and investment in associates, plus a proportion of off balance sheet exposures
4. Any additional firm specific buffer remains confidential between the group and the PRA
5. The capital conservation buffer is a loss provision in the event of a stress

Financial outlook and guidance for H2

- Investment in the business continues, in line with strategic plans (operating expenditure)
- Total S&J deferred consideration P&L charge of £10m expected in 2021
- Saunderson House to complete in H2
- Maintaining mid-20's underlying operating margin over the medium term

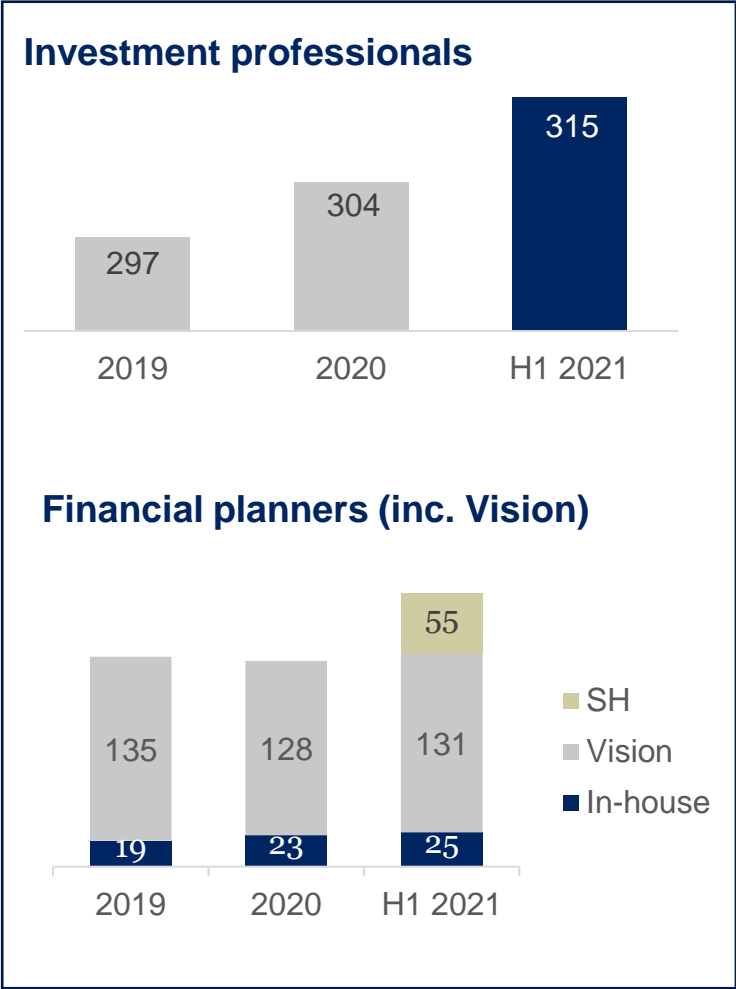
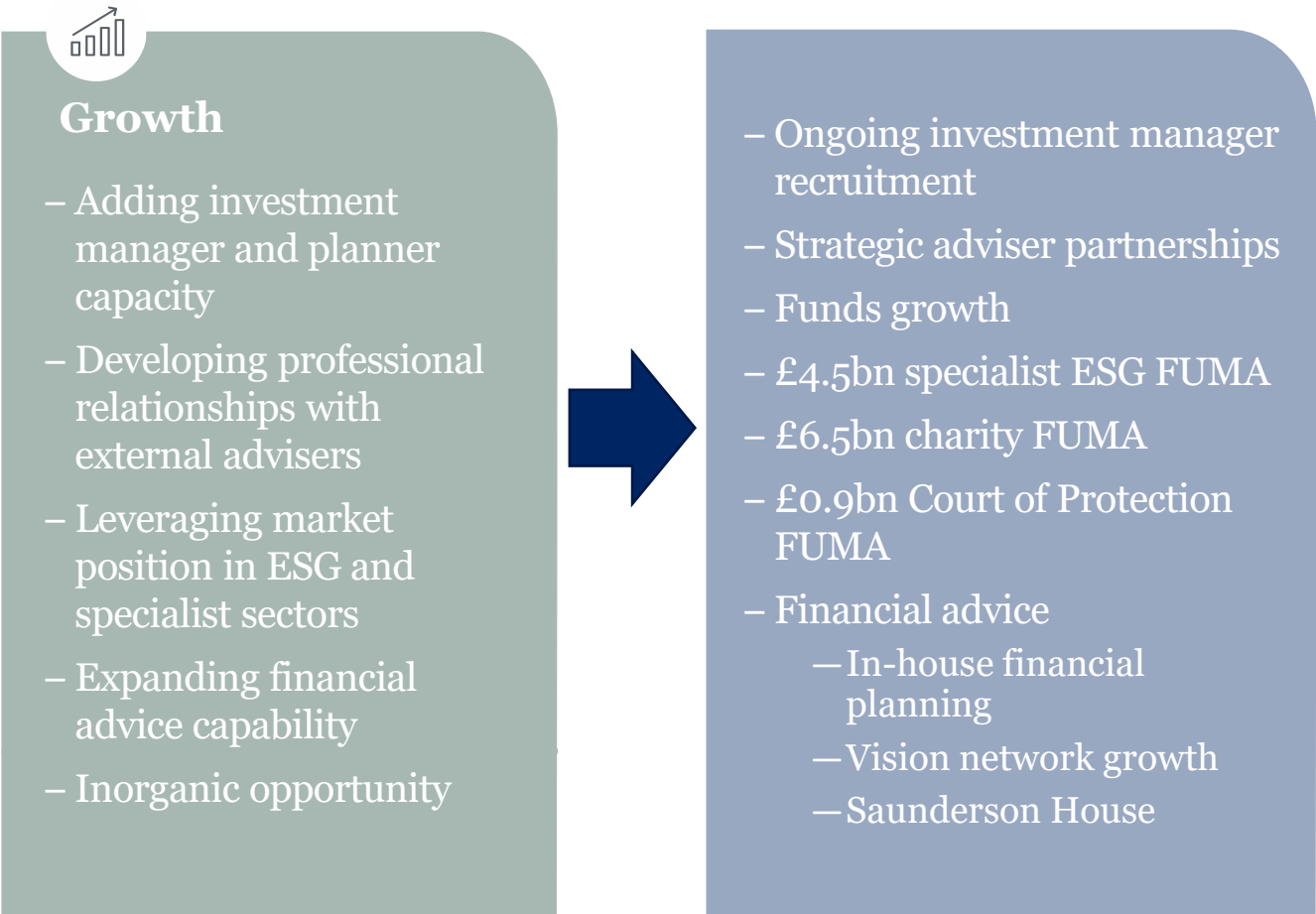




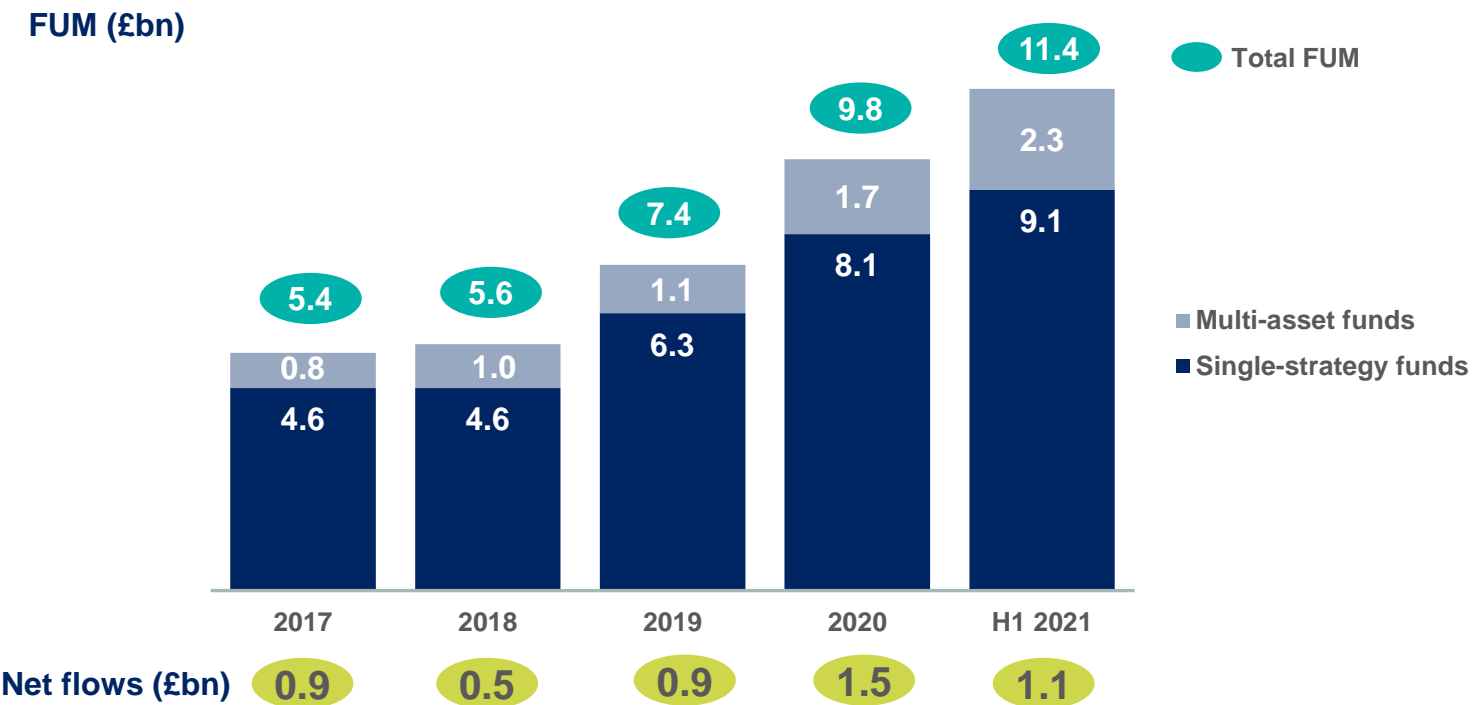
Strategic update

Paul Stockton
Chief Executive Officer

Delivering on our commitments (1/3)



Rathbone Funds - a success story



- A clear strategy and culture
- Relevant products
- Incubating next generation of funds
- Performance
- Distribution
- Strong governance and oversight

Saunderson House - filling a strategic gap



Growth

Increases capacity to source new business

- Increases Rathbones financial planning FUMA (inc. Vision) to £8.3bn
- Increases in house planners to 80+ (plus 131 Vision FPs)
- Leverage Rathbones investment capability
- Expansion from South East



Proposition

Further broaden Rathbones' financial planning capability to provide clients with deeper expertise, and widen the choice of services we offer them

- HNW professional clients with complex needs (avg. portfolio size £2.2m)
- Individuals earlier on in life and careers
- Avg. age of new client 47



People

Strong cultural fit, adding broader community of like-minded financial planning and investment professionals and creating wider career development opportunities

- Deeper financial planning and business development capability
- Greater skills and management depth

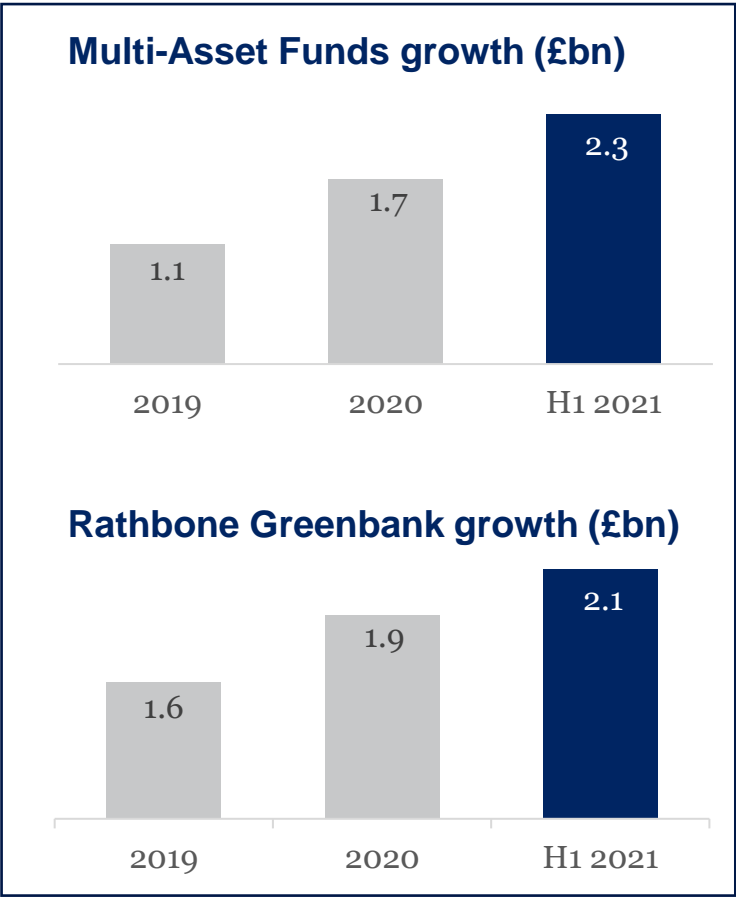
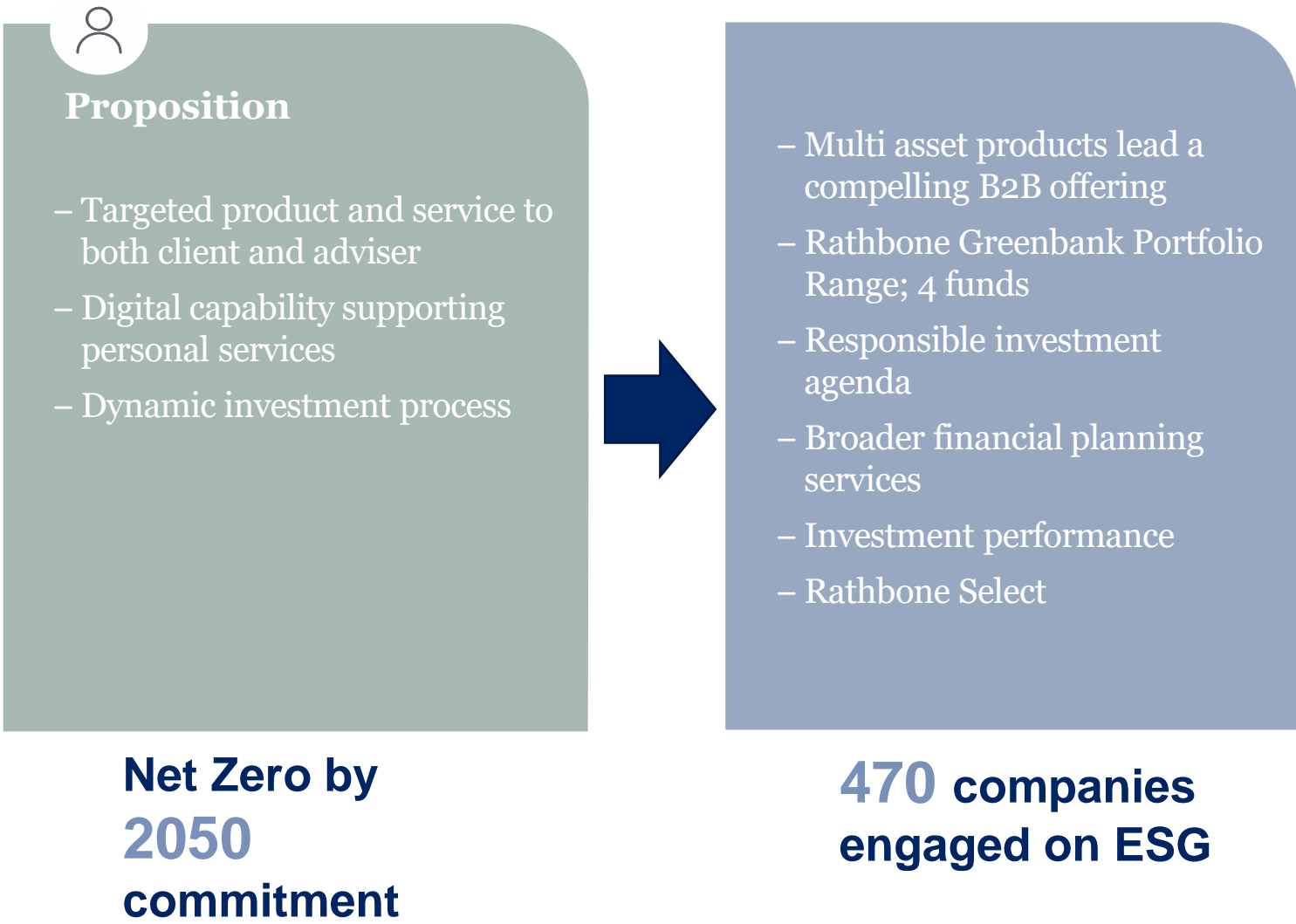


Efficiency

Adds scale and presents opportunities to streamline operational processes to drive efficiency and productivity

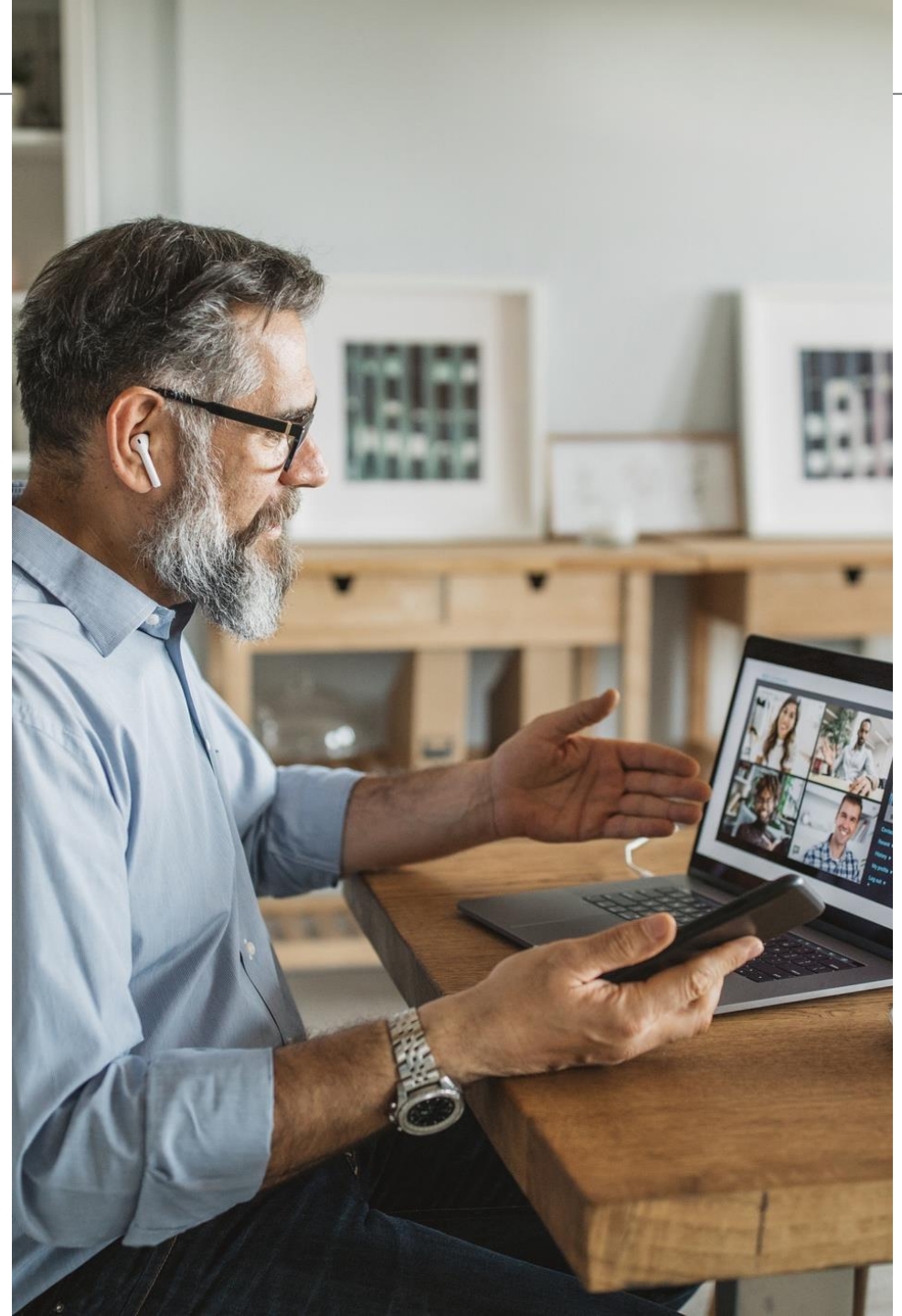
- Reinforces industry positioning with pro-forma FUMA of c.£64 bn
- Cost and revenue synergies, EPS accretion of c.10% and ROIC of C.12% in 2024

Delivering on our commitments (2/3)



MyRathbones

- Web portal and mobile app fully launched to all users in Q1 2021
- Migration of clients from old system to new portal ongoing
 - 13k active users to date, rising rapidly by year end
- Enhanced client/adviser experience via digital
 - Effective client communication – investment information and market research available on demand
- Ongoing development



Delivering on our commitments (3/3)



People

- Employee engagement
- Building skills and careers
- Strengthened management team
- Well-being



- Employee survey
- New Chief People Officer
- Graduate programme
- Early careers conference
- Mentoring
- Covid support

83%
**employee survey
response rate**

**Top quartile
employee net
promoter
score**



Efficiency

- Process improvement programme
- Upgrading client lifecycle management
- Robust infrastructure
- Flexible workplace experience



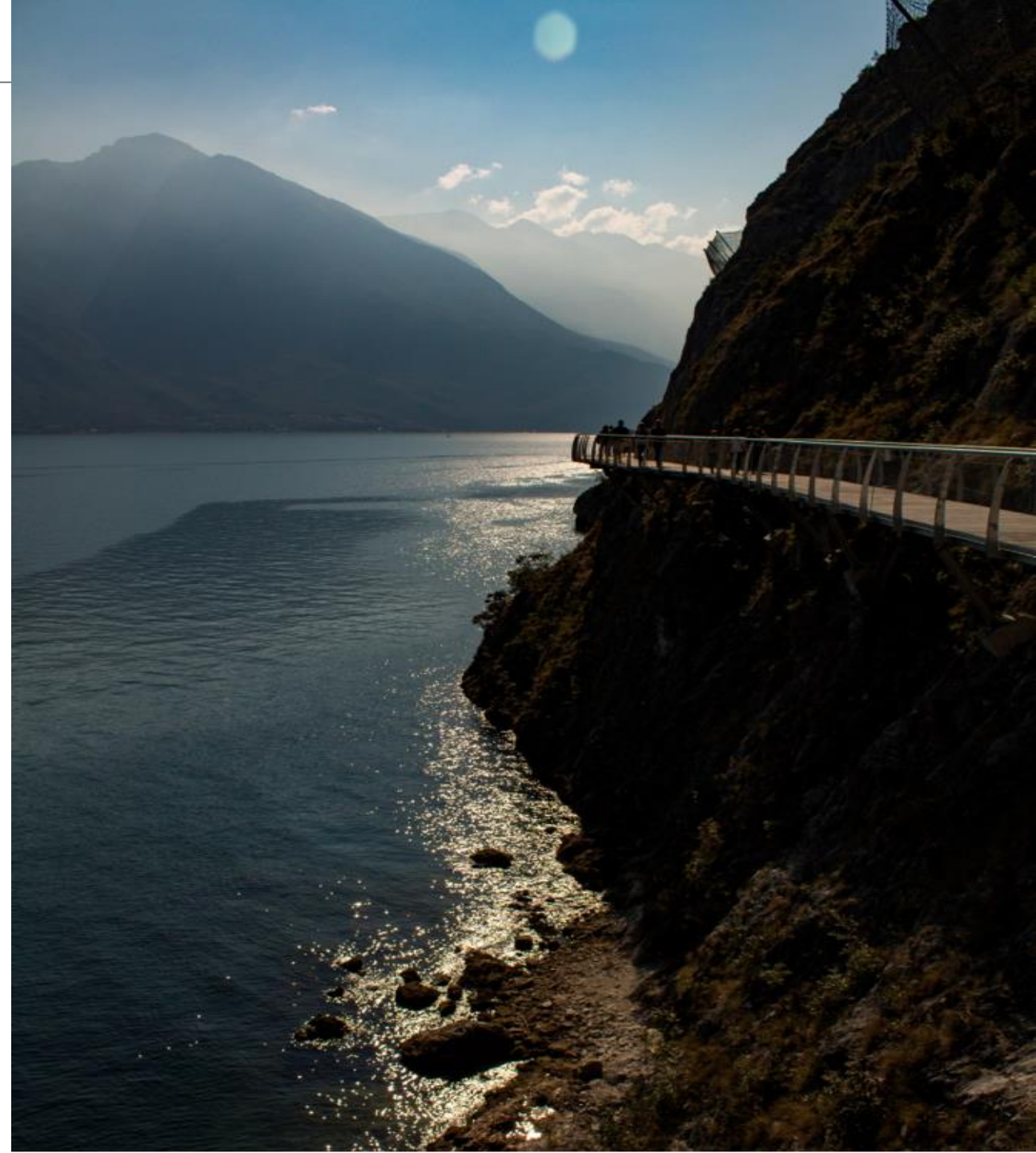
- Upgraded client reporting packs
- Digitised and simplified onboarding processes
- Video conferencing capabilities
- Client and adviser lifecycle experience
- Hybrid working in 2022

**c.£10m
capex and opex
spend on
technology in H1**

**63
hires to support
technology investment
in H1**

Priorities for H2

- Completion of Saunderson House and associated integration
- Client lifecycle management process improvement and technology
- Driving growth
- Return to office model



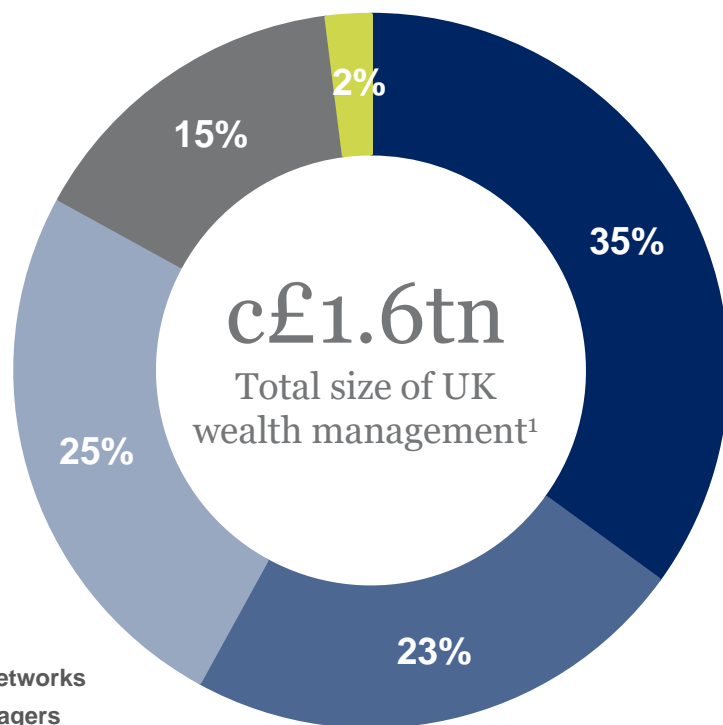


Q&A

An aerial photograph of a braided river system. The river is composed of numerous light blue channels that meander and branch out, separated by dark brown, sediment-rich bars and islands. The overall pattern is complex and organic, resembling a network of veins or a web. The colors are primarily light blue for the water and various shades of brown and tan for the sediment. The perspective is from directly above, looking down at the river's course.

Appendix

Our target market is large and structurally growing



c£1.6tn

Total size of UK
wealth management¹

- Financial advisers and networks
- Independent wealth managers
- Private banks and global wealth managers
- Direct-to-consumer and robo advice
- High-street banks

Several business models

- The market is fragmented with different business models
- These business models are usually a product of the different origins of the business
- Rathbones' model of personalised investment management puts clients at heart of journeys
- Rathbones accounts for approximately:

3.8%
of the UK wealth
management market

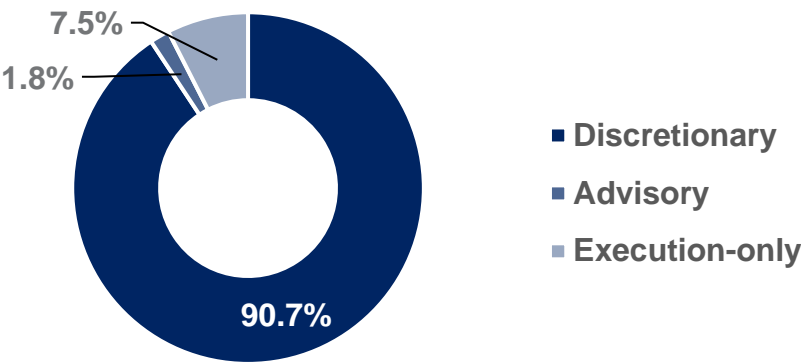
16.3%
of the independent
wealth management
market

1. Sources: FCA, Platform, PIMFA, PAM Directory, Oliver Wyman estimates.

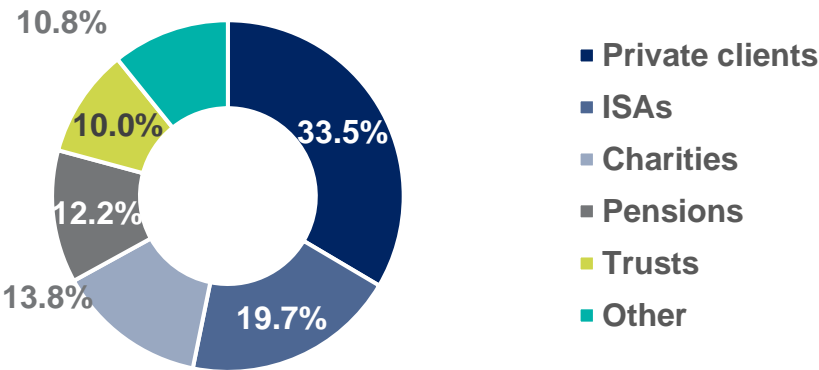
Investment Management client base

Analysis of funds under management¹

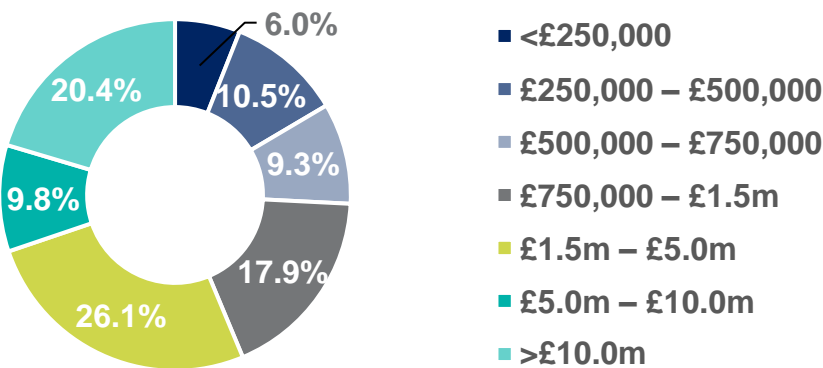
Service level by number



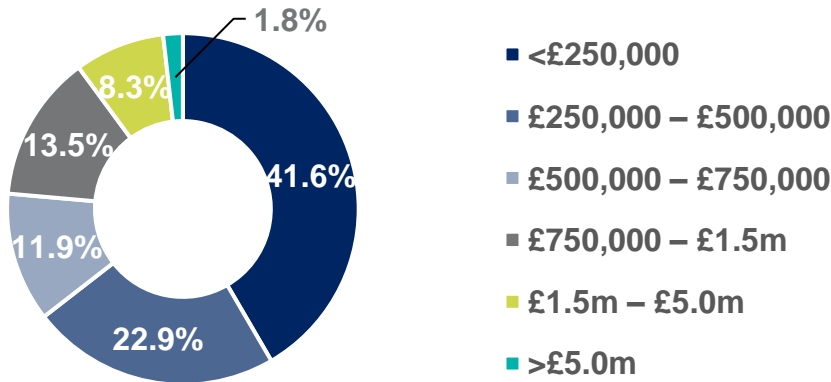
Fund type by value



Size of client relationship by value

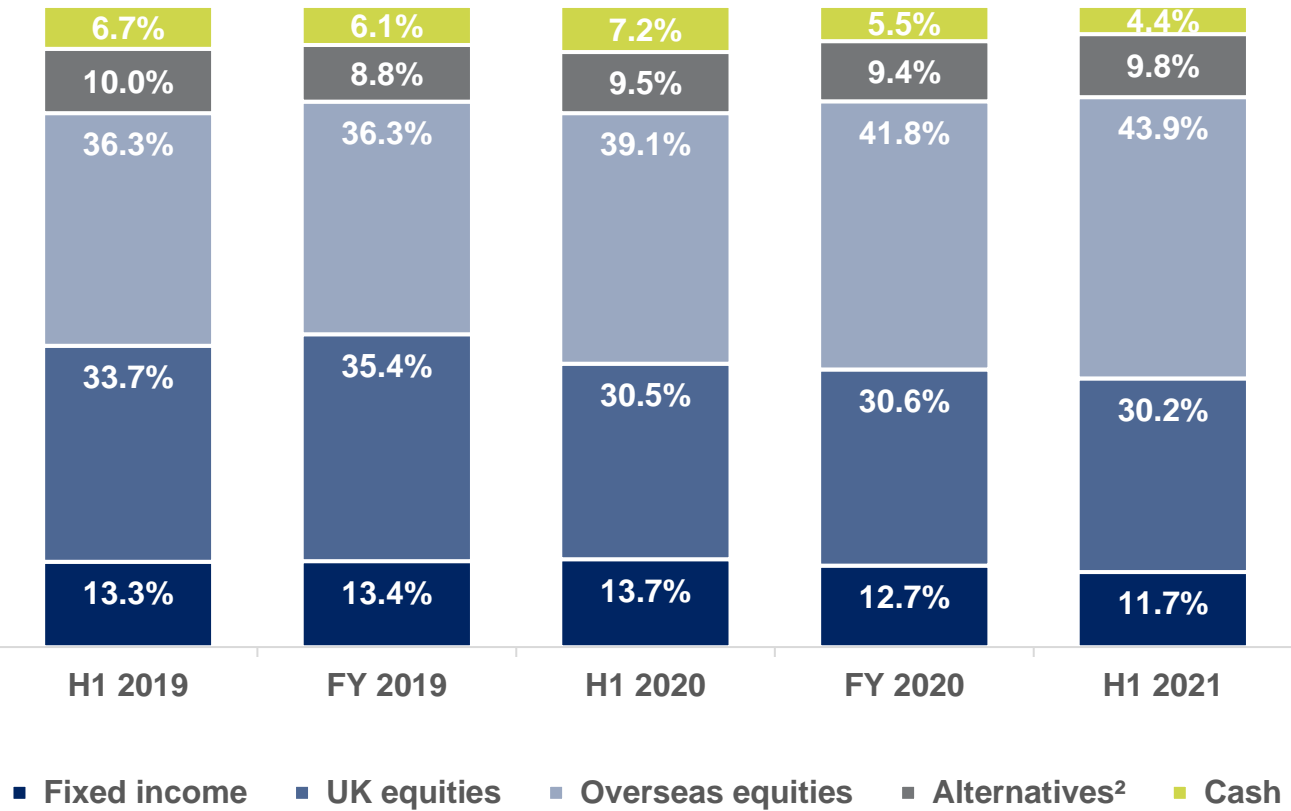


Size of client relationship by number



1. As a percentage of total funds under management at 30 June 2021

Where our clients' assets are invested¹



Direct holdings
52%
Collectives
48%

1. Total Investment Management including Rathbone Investment Management International
2. Including fund of hedge funds and structured products

Community investment

Rathbones community response to COVID-19

We recognise the challenging time the communities in which we operate are facing

- In 2020 Rathbones employees chose to support Mental Health UK and the Trussell Trust and in total over £70,000 was donated to each charity
- Having equipped our employees to work remotely we donated over 1,000 PC's to two charities operating in the UK and in Jersey



Ongoing support for local community projects

We and our employees continue to support local projects, where we can make a material impact

- In 2020 our corporate donations represented 1.1% of profit before tax (representing over £467,000)
- Employee donations through GAYE reached over £200,000
- We supported over 50 charities working across the UK and Jersey



Over **£140,000**
donated to our two Covid-19
charity partners

1.1% of profit before tax
donated to charities

Our future responsible investment approach

Our ambition is to cater to the needs of all clients – whether their interest in ESG factors is driven simply by financial materiality or by specific sustainability preferences.



Flexible Responsible Investment

- Consider material ESG risks and opportunities alongside financial risks and opportunities
- Sustainability themes incorporated into the assessment of investment fundamentals
- Client preferences can incorporate selected exclusion screening and/or sustainability preferences

Ethical/sustainable/impact Investment

- Emphasis of ethical, sustainable, impact investment themes, with robust ESG screens
- Detailed client preferences reflected throughout portfolio construction
- Alignment of ESI¹ approach across all portfolios with stock universe determined by integrated investment and ESI¹ research process

1. Ethical, sustainable and impact

Accessing the financial advice market

RFP — In-house financial planning

- ‘Whole of market’ advice through in-house financial planners for clients with complex needs
- Saunderson House acquisition
- Regulated advice on a one-off or ongoing basis
- Complement and support existing relationships between IMs and their clients
- Increasingly important part of presenting “One Rathbones” in pitches for UHNW clients
- Continued investment for growth

Vision Independent Financial Planning

- Independent IFA network committed to DFM investment solution
- Focused on mass affluent to HNW segments
- £2.5bn FUA, 131 self-employed advisers
- Targeting average recruitment of 10 IFAs per year

Distribution of investment services to external IFAs

- Combined RIM/RUTM sales team and market presence with a new integrated proposition to on-board IFA firms
- DFM distribution specialist in each of the 6 regions
- Ongoing support
- Complemented by existing IM local and other relationships

Saunderson House financials

Initial consideration	£135.1m ¹	<ul style="list-style-type: none">– Funded by a combination of internal cash resources and £50m placing– Includes repayment of £45m of existing debt– Management and employee shareholders will hold a significant proportion of their consideration in Rathbones shares subject to ongoing employment conditions and vesting restrictions
Deferred consideration	£14.9m	<ul style="list-style-type: none">– Payable on the first anniversary following completion– Majority payable in cash with management and employees who are shareholders receiving Rathbones shares
Employee Incentive plan	Up to £7.5m	<ul style="list-style-type: none">– Key employees will be eligible for an employee incentive plan award based on achieving growth and operational targets aligned to the value creation of the transaction up to 31 December 2024– Payable shortly after fiscal year 2024 and in Rathbones shares
Expected completion	Q3 2021	<ul style="list-style-type: none">– Acquisition subject to FCA approval and other customary closing conditions
Attractive returns	ROIC: c.12% EPS: c.10%	<ul style="list-style-type: none">– Underlying returns are for the third year following the acquisition– EPS accretive on an underlying basis in the first full year

1. Before a locked box adjustment mechanism with an additional impact of £3.4m for excess net working and regulatory capital. With the locked box adjustment, the initial consideration increased to £138.5m comprised of £133.2m cash and £5.3m in new shares

Investment management: Service level breakdown of FUMA

	30 June 2021 £m	30 June 2020 £m	% change
Direct	35,982	30,355	18.5
Financial Adviser linked	10,246	8,524	20.2
Total discretionary	46,228	38,879	18.9
Non-Discretionary Investment Management	1,114	1,957	(43.1)
Execution Only	2,922	2,330	25.4
Gross Investment Management FUMA	50,264	43,166	16.4
Discretionary wrapped funds ¹	(2,466)	(1,846)	33.6
Total Investment Management FUMA	47,798	41,320	15.7
Proportion of non-discretionary investment management to total gross FUMA	2.3%	4.7%	

1. Holdings of our RUTM Unit Trusts in Rathbone Investment Management portfolios and funds where the management of the assets is undertaken by Rathbone Investment Management teams. Excludes charity clients

Performance: single strategy funds

Performance ¹ and Quartile Ranking at 30 June 2021	1 year		3 year		5 year		10 years		Size of fund (£m) ⁷
Rathbone Global Opportunities Fund I Acc⁴	24.05%	3	61.46%	1	142.89%	1	313.91%	1	3693.19
Sector: IA Global	25.92%		42.61%		92.50%		172.51%		
Rathbone Greenbank Global Sustainability Fund I Acc²									88.60
FTSE World (£)	28.00%	2							
Sector: IA Global	25.47%								
Rathbone Heritage Fund I Inc	25.92%								11.64
UK Consumer Price Index +3% ⁶									
FTSE World (£)	14.19%		18.20%		41.75%				
Rathbone Income Fund I Inc⁴	5.19%		14.44%		27.93%				832.33
FTSE All Share	25.47%		46.63%		97.02%				
Sector: IA UK Equity Income									
Rathbone UK Opportunities Fund I Inc^{3,4}	23.41%	3	8.23%	2	31.49%	2	114.82%	1	64.25
FTSE All Share	21.45%		6.28%		36.86%		85.47%		
Sector: IA UK All Companies	25.44%		5.70%		33.75%		92.69%		
Rathbone Ethical Bond Fund I Acc⁴									2,431.89
Sector: IA Sterling Corporate Bond	36.94%	1	18.62%	1	63.52%	1	134.26%	2	
Rathbone High Quality Bond Fund I Acc⁵	21.45%		6.28%		36.86%		85.47%		302.51
Bank of England Base Rate +0.5%	27.66%		11.10%		48.48%		102.53%		
Rathbone Strategic Bond Fund I Acc	24.05%	3	61.46%	1	142.89%	1	313.91%	1	209.95
Sector: IA Sterling Strategic Bond	25.92%		42.61%		92.50%		172.51%		

1. Performance figures and indices are stated on a total return basis

2. Rathbone Global Sustainability Fund launched on 16th July 2018. (Performance from 19th July 2018).

3. Formerly known as the Rathbone Recovery Fund. The name was changed to Rathbone UK Opportunities Fund on 23rd October 2017.

4. Performance is a combination of I-Class units and R-Class units (where I-Class was unavailable). I-Class units were launched on 1st March 2012.

5. Performance is a combination of I-Class shares and S-Class shares (where I-Class was unavailable). I-Class shares were launched on 23rd July 2019. (Performance from 19th November 2018).

6. UK Consumer Price Inflation figures quoted with a 1 month lag.

7. Overall fund (mid-market) value (including all onshore share/unit classes).

Performance: multi-asset funds

Discrete year performance ¹ at 30 June 2021 (S-class shares)	1 year	3 years	5 years	10 years	Size of fund (£m) ⁴
Rathbone Multi-Asset Total Return Portfolio S Inc²	8.46%	16.16%	24.82%	55.89%	318.9
Bank of England Base Rate +2%	2.10%	7.60%	12.71%	27.59%	
Volatility as % of FTSE Developed (£) [Target <33%]	28.06%	32.66%	33.49%	34.80%	
Rathbone Multi-Asset Defensive Growth Portfolio S Acc	12.05%				200.6
UK Consumer Price Index +2%	4.17%				
Volatility as % of FTSE Developed (£) [Target <50%]	40.69%				
Rathbone Multi-Asset Strategic Income Portfolio S Inc	12.62%	14.57%	32.69%		89.4
UK Consumer Price Index +3% ³	5.19%	14.44%	27.93%		
Volatility as % of FTSE Developed (£) [Target <66%]	55.56%	57.83%	59.00%		
Rathbone Multi-Asset Strategic Growth Portfolio S Inc²	16.40%	23.45%	48.99%	98.19%	1,338.9
UK Consumer Price Index +3% ³	5.19%	14.44%	27.93%	59.43%	
Volatility as % of FTSE Developed (£) [Target <66%]	56.91%	61.61%	61.74%	61.67%	
Rathbone Multi-Asset Dynamic Growth Portfolio S Acc	20.00%				88.9
UK Consumer Price Index +4%	6.22%				
Volatility as % of FTSE Developed (£) [Target <83%]	70.42%				
Rathbone Multi-Asset Enhanced Growth Portfolio S Acc²	25.95%	34.14%	74.89%		181.8
UK Consumer Price Index +5% ³	7.24%	21.23%	40.84%		
Volatility as % of FTSE Developed (£) [Target <100%]	80.42%	85.70%	86.12%		

These funds are part of the volatility managed sector where quartile rankings are prohibited in the Investment Association guidelines

Note: The Rathbone Multi-Asset Defensive Growth Portfolio and the Rathbone Multi-Asset Dynamic Growth Portfolio funds were launched in June 2020 and therefore are not included in the above performance chart.

1. Performance figures are stated on a total return basis

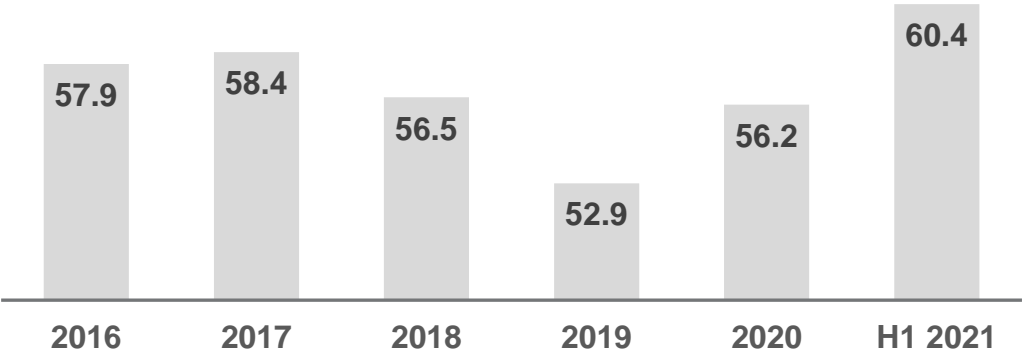
2. Performance is a combination of S-Class shares and R-Class shares (where S-Class was unavailable). S-Class shares were launched on 1st October 2012

3. UK Consumer Price Inflation figures quoted with a 1 month lag

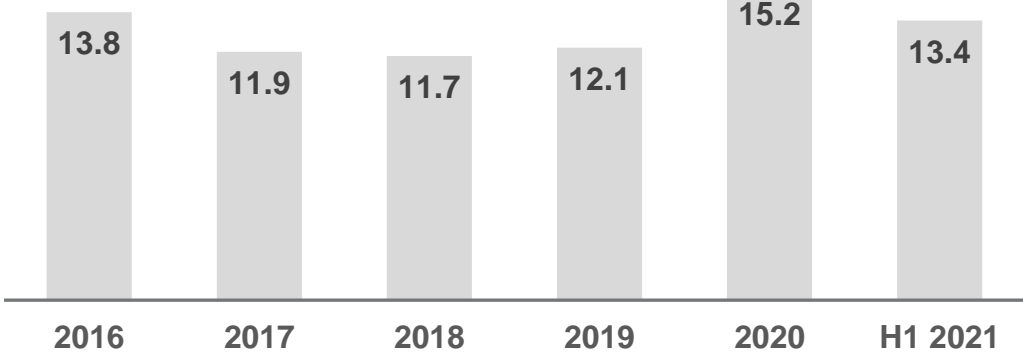
4. Overall fund (mid-market) value (including all onshore share/unit classes)

Analysis of operating income

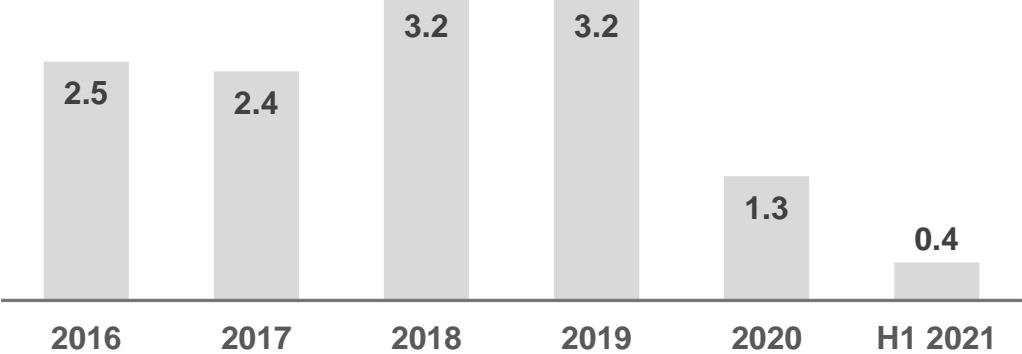
Basis point return from fees



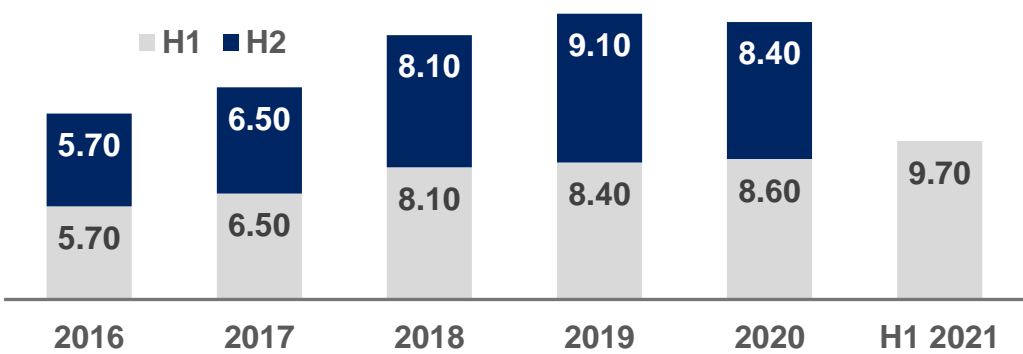
Basis point return from commission



Basis point return from interest

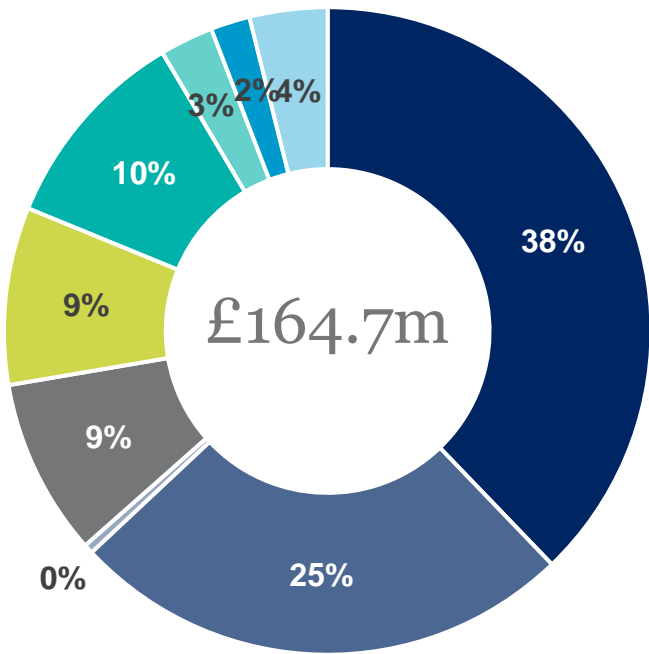


Advisory fee income (£m)



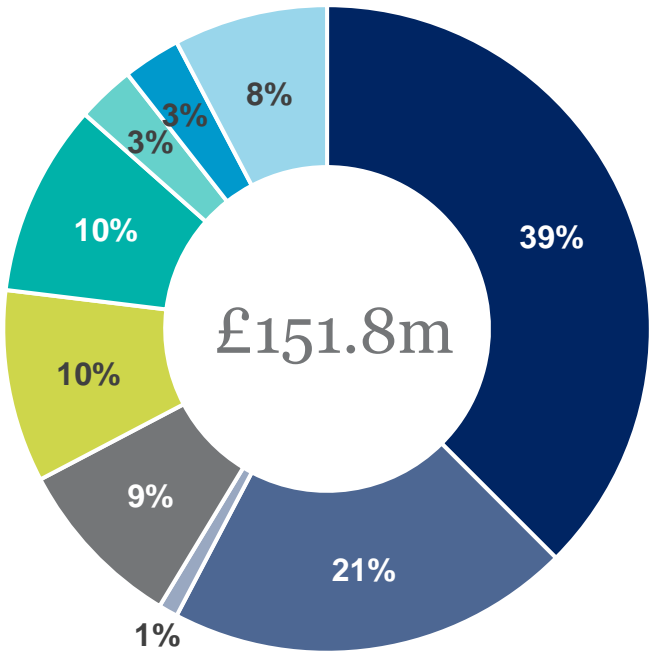
Total operating expenses

30 June 2021



- Staff — payroll (excluding variable)
- Staff — variable
- Staff — other
- Property
- Depreciation & amortisation
- Professional
- Settlements
- IT
- Acquisition related costs

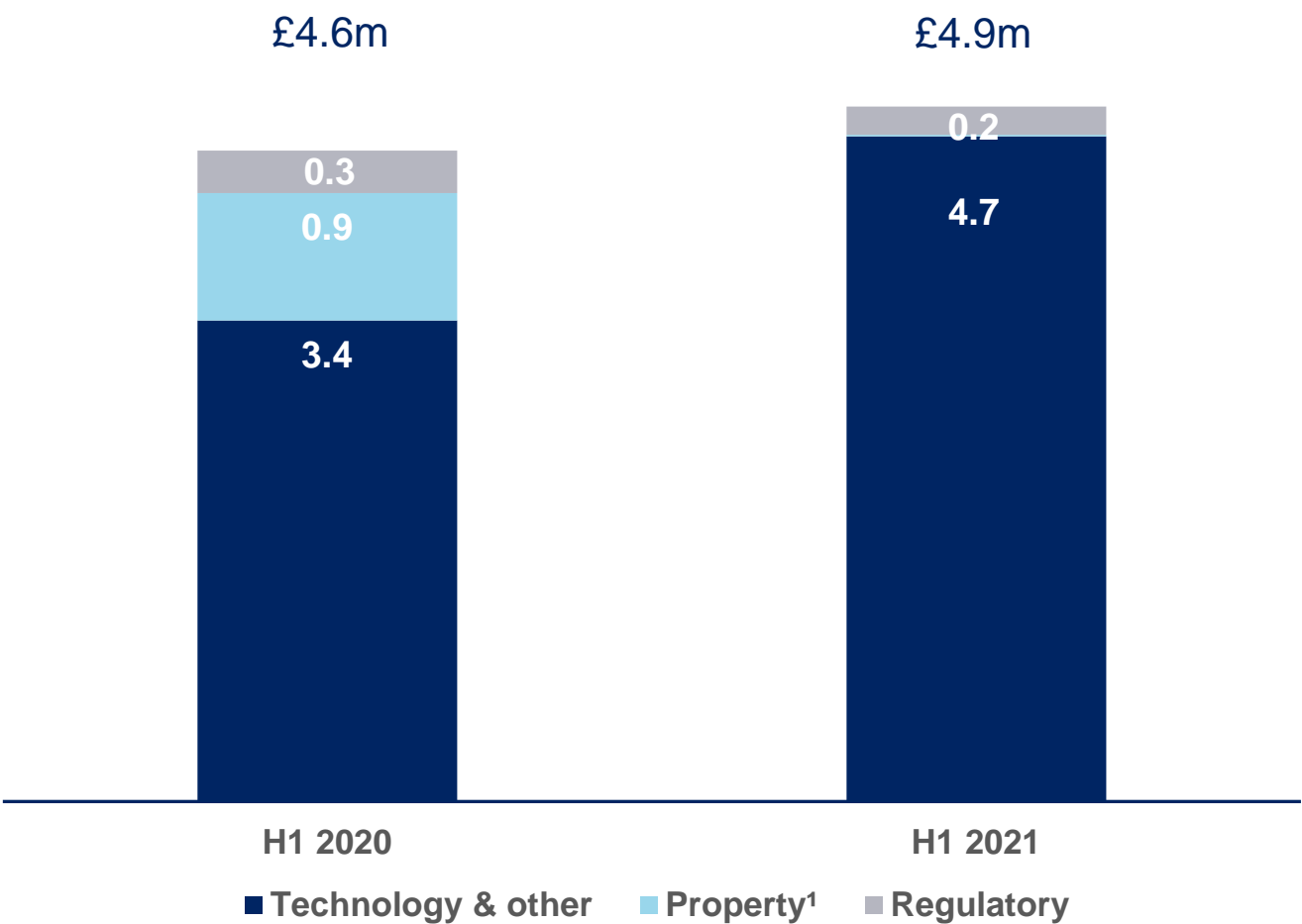
30 June 2020



- Staff — payroll (excluding variable)
- Staff — variable
- Staff — other
- Property
- Depreciation & amortisation
- Professional
- Settlements
- IT
- Acquisition related costs

Capital expenditure

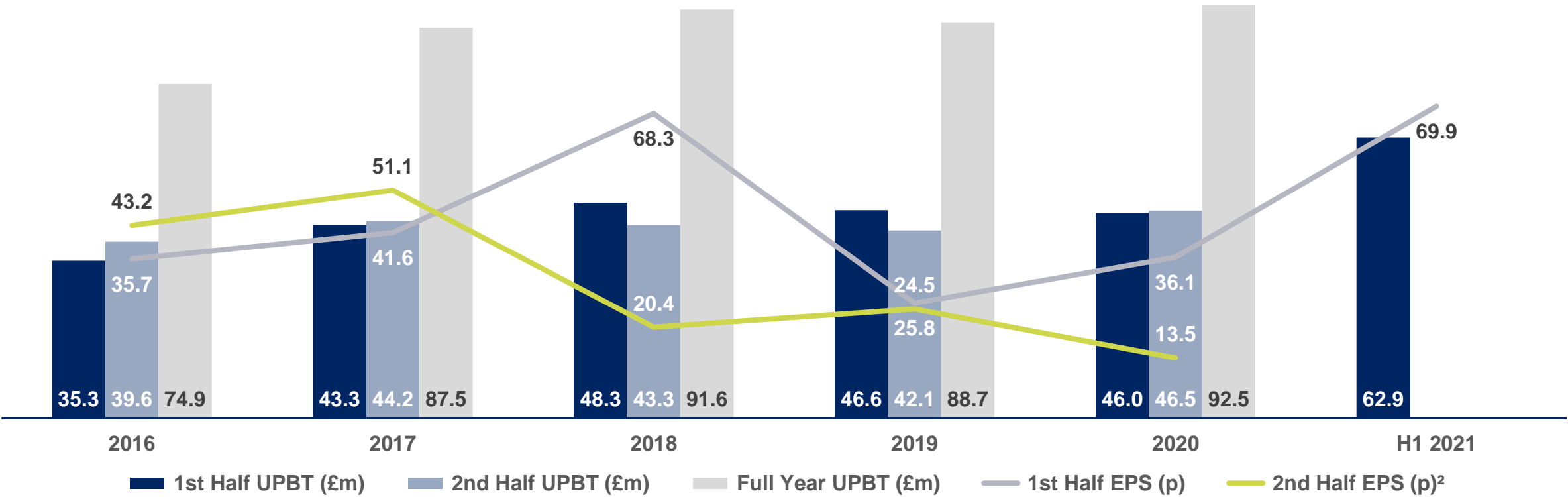
Capital expenditure (£'m)



- Technology and other represents ongoing investment in strategic initiatives to date:
 - MyRathbones new portal
 - MyRathbones App
 - Hybrid working
- FY 21 capex expected to be in line with FY 20

1. Property expenditure in general only includes leasehold improvements from the consolidated financial statements.

Underlying profits before tax¹ (£m) and EPS (p)



1. See slide 35 for a reconciliation between underlying profit before tax and profit before tax

Earnings per share

	H1 2021			H1 2020		
	Pre tax (£m)	Post tax (£m)	EPS (p) ¹	Pre tax (£m)	Post tax (£m)	EPS (p) ²
Underlying profit attributable to shareholders	62.9	50.3	92.5	46.0	36.2	67.5
Charges in relation to client relationships and goodwill	(7.2)	(5.8)	(10.7)	(7.0)	(5.7)	(10.7)
Acquisition-related costs	(6.9)	(6.5)	(11.9)	(11.7)	(11.1)	(20.7)
Profit attributable to shareholders	48.8	38.0	69.9	27.3	19.4	36.1

1. Weighted average number of shares in issue in the year ended 30 June 2021 = 54,332,383

2. Weighted average number of shares in issue in the year ended 30 June 2020 = 53,714,423

Segmental results

30 June 2021

	Investment Management (£m)	Funds (£m)	Indirect (£m)	Total (£m)
Net investment management fee income	140.7	27.8	-	168.5
Net commission income	31.2	-	-	31.2
Net interest income	2.3	-	-	2.3
Fees from advisory services and other income	10.6	0.9	-	11.5
Operating income	184.8	28.7	-	213.5
Staff costs – fixed	(43.8)	(2.3)	(16.8)	(62.9)
Staff costs – variable	(29.8)	(6.8)	(5.2)	(41.8)
Other direct expenses	(20.2)	(5.9)	(19.8)	(45.9)
Allocation of indirect expenses	(37.7)	(4.1)	41.8	-
Profit before tax	53.3	9.6	-	62.9

30 June 2020

	Investment Management (£m)	Funds (£m)	Indirect (£m)	Total (£m)
Net investment management fee income	106.4	19.9	-	126.3
Net commission income	37.3	-	-	37.3
Net interest income	4.8	-	-	4.8
Fees from advisory services and other income	10.2	0.4	-	10.6
Operating income	158.7	20.3	-	179.0
Staff costs – fixed	(42.9)	(2.1)	(14.3)	(59.3)
Staff costs – variable	(23.9)	(4.8)	(3.4)	(32.1)
Other direct expenses	(37.1)	(4.6)	(18.6)	(60.3)
Allocation of indirect expenses	(31.2)	(3.7)	34.9	-
Profit before tax	23.6	5.1	(1.4)	27.3

Analysing the balance sheet

Assets	30/06/21 (£'000)	30/06/20 (£'000)
Cash and balances with central banks	1,414,086	2,303,875
Settlement balances	127,818	178,416
Loans and advances to banks	158,986	162,143
Loans and advances to customers ¹	186,166	134,575
Investment securities – fair value through profit or loss	112,579	109,874
Investment securities – amortised cost	714,765	647,068
Prepayments, accrued income and other assets	116,285	94,394
Property, plant and equipment	13,814	14,841
Right of use assets	42,460	47,052
Current tax asset	247	888
Deferred tax asset	3,406	1,382
Intangible assets	228,417	236,553
Total assets	3,119,029	3,931,061

Banking operational and shareholder cash	Working capital
Financing related	Equity capital related

Liabilities	30/06/21 (£'000)	30/06/20 (£'000)
Deposits by banks	1,604	3
Settlement balances	152,745	189,795
Due to customers	2,193,869	3,071,196
Accruals, deferred income and other	91,381	83,306
Lease liabilities	53,627	58,492
Current tax liabilities	–	–
Provisions for liabilities and charges	9,286	7,172
Subordinated loan notes	19,964	19,989
Retirement benefit obligations	1,690	16,447
Total liabilities	2,524,166	3,446,400

Equity		
Called up share capital	3,070	2,868
Share premium/other reserves	312,452	238,778
Retained earnings	279,341	243,015
Total equity	594,863	484,661

Total liabilities and equity	3,119,029	3,931,061
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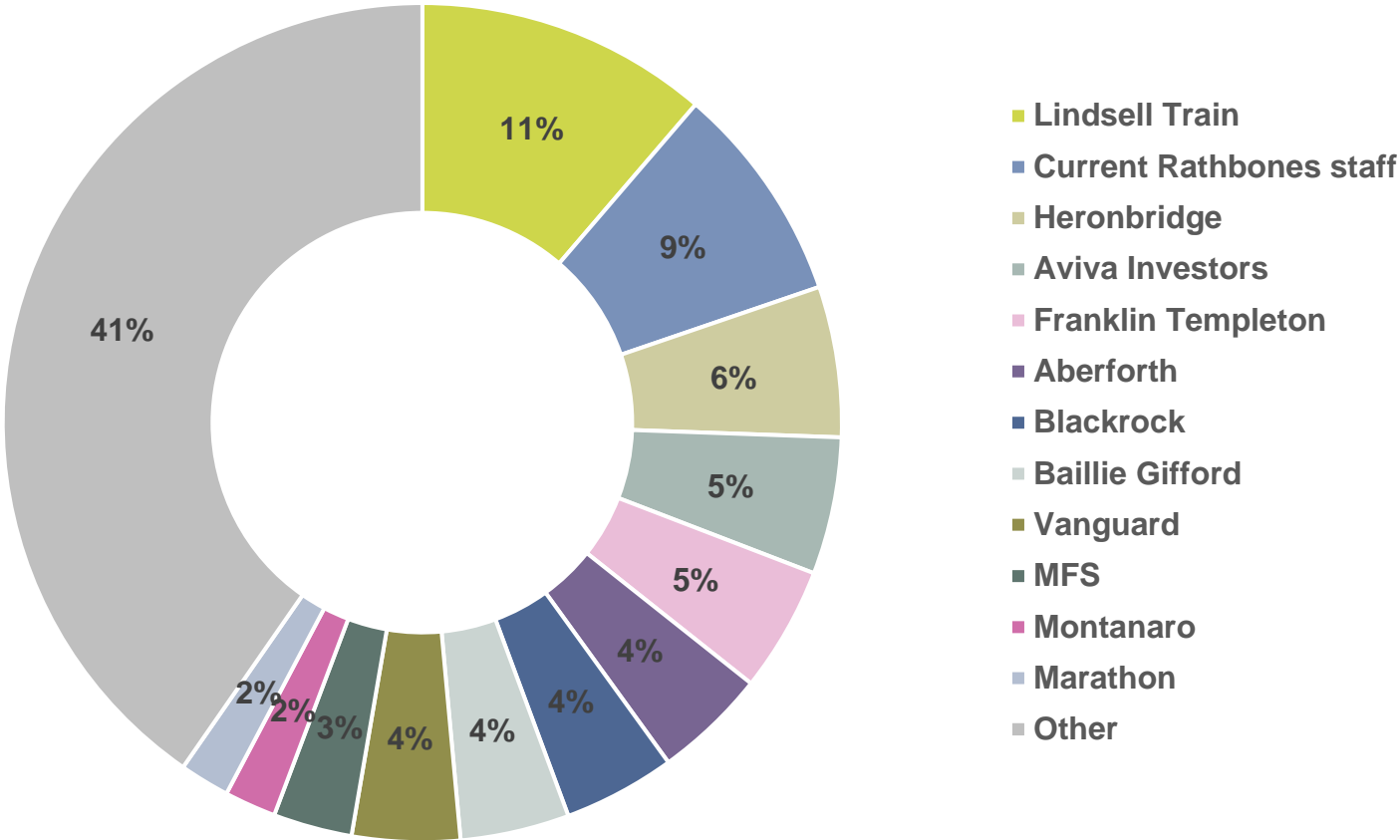
1. Loans and advances to customers largely consist of the investment management loan book, but also include overdrafts, trust and financial planning debtors and other debtors

Reconciliation of equity to total own funds

	H1 2021 (£m)	H1 2020 (£m)	FY 2020 (£m)
Equity			
– Share capital and share premium	292.2	216.0	218.0
– Reserves	320.7	308.7	342.6
Less:			
– Own shares	(48.4)	(46.1)	(46.7)
– Intangible assets ¹	(215.9)	(225.8)	(220.7)
Total common equity tier 1 own funds	348.6	252.8	293.2
Tier 2 own funds	9.7	11.9	10.7
Total own funds	358.3	264.7	303.9

1. Net book value of goodwill, client relationship intangibles and software are deducted directly from capital resources

Shareholders at 30 June 2021



Other information: Investment Management

	H1 2021	FY 2020	Change
Investment Management			
Total rate of net growth in funds under management	2.1%	1.4%	
Revenue yield on FUM (excluding Charities and excluding S&J) (bps)	78.2	79.2	(1.0)bps
Revenue yield on FUM (excluding Charities and including S&J) (bps)	76.6	74.8	1.8bps
Revenue yield on Charities FUM (bps)	50.8	52.6	(1.8)bps
Underlying operating income (£m)	184.9	320.6	(42.3)%
Underlying profit margin	28.8%	24.8%	400bps
Operating income ¹ per investment manager (£m)	0.5	1.0	(50)%
Average FUM per investment manager (£m) ³	137.6	134.8	2.1%
Operations and support staff ² to investment manager ratio	3.5	3.3	6.1%
Average FUM per client ³ (£'000)	668	629	6.2%

1. Operating income excluding interest on own reserves, interest payable on Tier 2 note issued, fees from advisory income and other income

2. Includes secretarial and administrative support and Investment Management operations staff

3. Excludes charity clients

Investment Management: Number of investment managers and FUMA per office

Office location	Number of investment managers ¹	Investment Management funds under management and administration (£bn at 30/06/21)
London	136	24.4
Glasgow	43	7.5
Liverpool	28	3.3
Edinburgh	24	3.1
Other offices ²	84	9.5
Total	315	47.8

1. As at 30 June 2021, excluding 19 fund managers in the Funds business

2. Including: Aberdeen, Birmingham, Bristol, Cambridge, Chichester, Exeter, Kendal, Lymington, Newcastle, Winchester and the Rathbone Investment Management International office in Jersey

Investment Management: Annual management fees for direct private clients¹

Discretionary management fees (subject to VAT)

	Applied across Main Funds and ISA funds (pa) ²
First £250,000	1.20%
Next £500,000	1.00%
Next £750,000	0.75%
Balance over £1,500,000	0.50%

Illustration of fees (how our management fees are applied to a portfolio of £400,000 VAT should be added)

£250,000 charged at 1.20%	£3,000
£150,000 charged at 1.00%	£1,500
Total annual management fee	£4,500

Our fee is completely transparent and we do not charge:

- Fixed and minimum fees
- Dealing and commission charges
- Third party brokerage charges
- Set-up and exit fees
- Transfer in or out charges
- Custody or platform fees
- Performance fees

1. With effect from 1 January 2015 for new clients only
2. Management fees are calculated on the aggregate value of a defined group of related funds

Important information

The value of investments and the income from them may go down as well as up and you may not get back your original investment. Past performance should not be seen as an indication of future performance. Changes in rates of exchange between currencies may cause the value of investments to decrease or increase.

Information valid at date of presentation.

Tax regimes, bases and reliefs may change in the future.

Rathbone Brothers Plc is independently owned, is the sole shareholder in each of its subsidiary businesses and is listed on the London Stock Exchange.

Issued and approved by Rathbone Investment Management Limited, which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Registered office: Port of Liverpool Building, Pier Head, Liverpool L3 1NW, Registered in England No. 01448919.

Rathbones is the trading name of Rathbone Investment Management Limited.

Rathbone Unit Trust Management Limited is authorised and regulated by the Financial Conduct Authority. Registered office: 8 Finsbury Circus, London EC2M 7AZ, Registered in England No. 02376568.

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