

## **Rathbone Brothers Plc Funds under management and administration update (FUMA) and Notice of Results**

Rathbone Brothers Plc (“Rathbones”) announces a FUMA update for the year ended 31 December 2019.

- Total FUMA at 31 December 2019 were £50.4 billion, up 14.3% from £44.1 billion at 31 December 2018. The FTSE 100 Index increased 12.1% and the MSCI WMA Private Investor Balanced Index increased 13.1% over 2019.
  - £43.0 billion in the Investment Management business, up 11.7% from £38.5 billion at 31 December 2018.
  - £7.4 billion in the Unit Trusts business, up 32.1% from £5.6 billion at 31 December 2018.
- Total net inflows across the group in 2019 were £0.6 billion (2018: £8.5 billion). Total net inflows in 2018 included the impact of £6.8 billion of acquired FUMA driven primarily by the acquisition of Speirs and Jeffrey.
  - Gross organic inflows in Investment Management for the year totalled £3.3 billion (2018: £3.8 billion) in spite of weaker investor sentiment and no reoccurrence of the larger shorter term mandates won in 2018. Gross outflows for the year totalled £3.9 billion (2018: £2.7 billion). The last quarter of 2019 saw the exit of some lower margin mandates following the integration of Speirs & Jeffrey and additional outflows as some pension and other institutional mandates were repositioned by trustees.
  - Full year net inflows in Unit Trusts of £943 million (2018: £543 million) were particularly strong against a difficult market backdrop for asset managers. This represents 16.7% of opening funds under management.

### **Outlook**

Although we continue to expect macro-economic conditions to drive volatility more generally across investment markets in the shorter term, we remain focussed on pursuing the strategic objectives we set out in October 2019.

### **Notice of results**

The Company will issue its preliminary statement of annual results for the year ended 31 December 2019 on Thursday 20 February 2020. A presentation to analysts will be held at 8 Finsbury Circus, London.

## Funds under management and administration

	3 months ended		Year ended	
	31 December		31 December	
	2019	2018	2019	2018
	£m	£m	£m	£m
<b>(i) Investment Management</b>				
Opening FUMA (1 October / 1 January)	42,422	41,274	38,456	33,780
Inflows	820	1,336	3,510	10,598
Organic new business	794	1,319	3,278	3,812
Acquired new business	26	17	232	6,786
Outflows	(1,147)	(745)	(3,861)	(2,667)
Market adjustment	870	(3,409)	4,860	(3,255)
<b>Closing FUMA (31 December)</b>	<b>42,965</b>	<b>38,456</b>	<b>42,965</b>	<b>38,456</b>
Underlying annualised rate of net organic growth <sup>1</sup>	(3.3%)	5.6%	(1.5%)	3.4%
Annualised rate of net inflows	(3.1%)	5.7%	(0.9%)	23.5%
<b>(ii) Unit Trusts</b>				
Opening FUM (1 October / 1 January)	7,028	6,006	5,643	5,367
Inflows	642	457	2,298	1,889
Outflows	(348)	(334)	(1,355)	(1,346)
Market adjustment	116	(486)	852	(267)
<b>Closing FUM (31 December)</b>	<b>7,438</b>	<b>5,643</b>	<b>7,438</b>	<b>5,643</b>
<b>Total FUMA (31 December)<sup>1</sup></b>	<b>50,403</b>	<b>44,099</b>	<b>50,403</b>	<b>44,099</b>
<b>Net inflows</b>				
Investment Management	(327)	591	(351)	7,931
Unit Trusts	294	123	943	543
<b>Total</b>	<b>(33)</b>	<b>714</b>	<b>592</b>	<b>8,474</b>

<sup>1</sup> Includes £2.4 billion (31 December 2018: £2.1 billion) of execution only funds, Greenbank funds of £1.6 billion (31 December 2018: £1.2 billion) and funds managed with a charitable mandate of £6.1 billion (31 December 2018: £5.3 billion).

### (iii) Investment Management; Service level breakdown

	31	30	31	Change	Change
	December	September	December	3	12
	2019	2019	2018	months	months
	£m	£m	£m	%	%
Direct	31,013	30,311	26,642	2.3	16.4
Financial Adviser linked <sup>2</sup>	8,735	8,567	7,515	2.0	16.2
Total Discretionary	39,748	38,878	34,157	2.2	16.4
Non-Discretionary Investment Management	2,550	2,721	3,332	(6.3)	(23.5)
Execution Only	2,412	2,466	2,158	(2.2)	11.8
<b>Gross Investment Management FUMA</b>	<b>44,710</b>	<b>44,065</b>	<b>39,647</b>	<b>1.5</b>	<b>12.8</b>
Discretionary wrapped funds <sup>3</sup>	(1,745)	(1,643)	(1,191)	6.2	46.5
<b>Total Investment Management FUMA</b>	<b>42,965</b>	<b>42,422</b>	<b>38,456</b>	<b>1.3</b>	<b>11.7</b>

<sup>2</sup> Of the £7.8 billion of financial adviser linked business that we reported in the 2018 report and accounts, £7.5 billion is included in Discretionary and £0.3 billion in Execution Only.

<sup>3</sup> Holdings of our Unit Trusts in Rathbone Investment Management portfolios and funds where the management of the assets is undertaken by Rathbone Investment Management teams.

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**Rathbone Brothers Plc**

Rathbones provides individual investment and wealth management services for private clients, charities, trustees and professional partners. We have been trusted for generations to manage and preserve our clients' wealth. Our tradition of investing and acting responsibly has been with us from the beginning and continues to lead us forward. Our ambition is to be recognised as the UK's most responsible wealth manager.

Rathbones has over 1,400 staff in 15 UK locations and Jersey; its headquarters is 8 Finsbury Circus, London.

[rathbones.com](http://rathbones.com)