

17 April 2019

**Quilter plc**  
**First Quarter 2019 Flows Update**

**Quilter plc (the “Group”) reports resilient NCCF in a challenging market**

**Highlights**

- First quarter Net Client Cash Flow (NCCF) of £0.5 billion, excluding Quilter Life Assurance (Q4 2018: £0.6 billion).
- AuMA of £114.9 billion (+5.1% from 31 December 2018) supported by market performance.
- Integrated net flows of £0.6 billion continuing to demonstrate the robustness of the Quilter business model.
- Outflows of £0.9 billion within Quilter Life Assurance included £0.6 billion in respect of the deliberate run-off of the institutional book.
- Offer for Lighthouse Group plc announced on 3 April 2019.

**Quilter plc highlights for the three months ended 31 March 2019**

Quilter plc (£bn)	Q1 2019 YTD	Q1 2018 YTD
NCCF	(0.2)	1.6
NCCF (excluding Quilter Life Assurance)	0.5	2.0
NCCF/opening AuMA (excluding Quilter Life Assurance), annualised	2%	8%
Gross sales	3.2	4.4
Total integrated net flows (excluding Quilter Life Assurance)	0.6	1.5
<i>Of which Quilter Financial Planning &amp; Private Client Advisers generated</i>	0.6	1.1

Quilter plc (£bn)	31 March 2019	31 December 2018
Assets under Management/Administration (AuMA)	114.9	109.3

**Overview**

First quarter NCCF of £0.5 billion, excluding Quilter Life Assurance, remained resilient in the context of the challenging market conditions and was broadly as indicated with our full year results. In contrast, the first quarter of 2018 was particularly strong for both gross and net flows. First quarter 2019 NCCF, excluding Quilter Life Assurance, represented 2% of opening AuMA on an annualised basis and reflects the impact that the uncertain UK political environment continues to have on discretionary investor sentiment. Notwithstanding the challenging flow environment, the rebound in equity markets and strong investment performance have supported overall AuMA which stood at £114.9 billion at the end of the first quarter (+5.1% from 31 December 2018). This was ahead of the prior year (£111.6 billion) and in line with the average for 2018 (£114.7 billion).

Overall trends in gross sales and outflows across each business were similar to the last quarter of 2018. The expected loss of a £0.2 billion institutional-like portfolio within Quilter Cheviot is not reflected in the first quarter results but is anticipated to be withdrawn during the second quarter. The Group delivered good levels of integrated flows of £0.6 billion relative to total NCCF for the quarter, underlining the value of Quilter’s integrated advice-led model and customer proposition. Outflows of £0.9 billion within Quilter Life Assurance included £0.6 billion in respect of the deliberate run-off of the institutional book, in line with expectations. Defined Benefit to Defined Contribution gross sales of £0.2 billion in the first quarter of 2019 contrasted with £0.6 billion in the first quarter of 2018 as the Group’s attitude towards this source of new business remains cautious.

The Lighthouse Scheme document was circulated to shareholders on 15 April 2019. Completion of the acquisition continues to be expected towards the end of the second quarter, subject to the satisfaction of the outstanding conditions including Lighthouse shareholders’ approval and FCA consent.

**Paul Feeney, CEO of Quilter plc, commented:**

“As indicated at our full year results, net client cash flows have continued to be affected by the challenging markets. However, we continue to be encouraged by the resilience of integrated flows which have remained robust during this period, and the high level of customer asset retention across our businesses which was broadly stable on 2018 at 89%. While near-term headwinds remain, this demonstrates that our clients and their advisers value Quilter’s integrated advice-led model, and continues to be supportive of our operating margin and revenue outlook.

“To support our continued strategic progress, we were delighted to announce the recommended cash offer for Lighthouse Group. The Scheme document was posted to their shareholders earlier this week and we look forward to their advisers joining the Quilter family, and helping to secure our position as the best place to go for trusted financial advice in the UK.”

YTD Gross flows, NCCF and AuMA (£bn)						
	AuMA as at 31 December 2018	Gross inflows	Gross outflows	Net flows	Market and other movements	AuMA as at 31 March 2019
Quilter Investors	17.8	1.0	(0.8)	0.2	1.2	19.2
Quilter Cheviot	22.4	0.7	(0.6)	0.1	1.2	23.7
Quilter Financial Planning	1.0	-	-	-	0.1	1.1
<b>Advice &amp; Wealth Management</b>	<b>41.2</b>	<b>1.7</b>	<b>(1.4)</b>	<b>0.3</b>	<b>2.5</b>	<b>44.0</b>
Quilter Wealth Solutions	49.9	1.6	(1.2)	0.4	2.8	53.1
Quilter International	18.4	0.4	(0.3)	0.1	0.7	19.2
Quilter Life Assurance	12.4	0.1	(0.9)	(0.8)	0.6	12.2
<b>Wealth Platforms</b>	<b>80.7</b>	<b>2.1</b>	<b>(2.4)</b>	<b>(0.3)</b>	<b>4.1</b>	<b>84.5</b>
<b>Elimination of intra-group assets</b>	<b>(12.6)</b>	<b>(0.6)</b>	<b>0.4</b>	<b>(0.2)</b>	<b>(0.8)</b>	<b>(13.6)</b>
<b>Quilter plc</b>	<b>109.3</b>	<b>3.2</b>	<b>(3.4)</b>	<b>(0.2)</b>	<b>5.8</b>	<b>114.9</b>
	AuMA as at 31 December 2017	Gross inflows	Gross outflows	Net flows	Market and other movements	AuMA as at 31 March 2018
Quilter Investors	16.9	1.6	(0.6)	1.0	(0.8)	17.1
Quilter Cheviot	23.6	0.8	(0.5)	0.3	(1.1)	22.8
Quilter Financial Planning	1.2	-	-	-	-	1.2
<b>Advice &amp; Wealth Management</b>	<b>41.7</b>	<b>2.4</b>	<b>(1.1)</b>	<b>1.3</b>	<b>(1.9)</b>	<b>41.1</b>
Quilter Wealth Solutions	50.2	2.3	(1.0)	1.3	(1.8)	49.7
Quilter International	19.3	0.5	(0.4)	0.1	(0.8)	18.6
Quilter Life Assurance	15.3	0.2	(0.7)	(0.5)	(0.5)	14.4
<b>Wealth Platforms</b>	<b>84.8</b>	<b>3.0</b>	<b>(2.1)</b>	<b>0.9</b>	<b>(3.0)</b>	<b>82.7</b>
<b>Elimination of intra-group assets</b>	<b>(12.1)</b>	<b>(1.0)</b>	<b>0.4</b>	<b>(0.6)</b>	<b>0.4</b>	<b>(12.2)</b>
<b>Quilter plc</b>	<b>114.4</b>	<b>4.4</b>	<b>(2.8)</b>	<b>1.6</b>	<b>(4.4)</b>	<b>111.6</b>

Business unit descriptor:

Previous	New
Intrinsic	Quilter Financial Planning
Old Mutual Wealth Private Client Advisers	Quilter Private Client Advisers
UK Platform	Quilter Wealth Solutions
International	Quilter International
Heritage	Quilter Life Assurance

## Enquiries:

### Investor Relations:

John-Paul Crutchley +44 (0)20 7002 7016

Keilah Codd +44 (0)20 7002 7054

### Media:

Tim Skelton-Smith +44 (0)7824 145 076

### **Camarco**

Geoffrey Pelham-Lane +44 (0)20 3757 4985

### **Aprio (South Africa)**

Julian Gwillim +27 (0)11 880 0037

### Company Secretary:

Patrick Gonsalves +44 (0)20 7778 9670

## About Quilter plc:

Quilter plc is a leading wealth management business in the UK and internationally, helping to create prosperity for the generations of today and tomorrow.

Quilter plc oversees £114.9 billion in investments (as at 31 March 2019).

It has an adviser and customer offering spanning: financial advice; investment platforms; multi-asset investment solutions; and discretionary fund management.

The business is comprised of two segments: **Advice and Wealth Management** and **Wealth Platforms**.

**Advice and Wealth Management** encompasses the financial planning network, Intrinsic; Quilter Private Client Advisers; the discretionary fund management business, Quilter Cheviot; and Quilter Investors, the Multi-asset investment solutions business.

**Wealth Platforms** includes the Old Mutual Wealth UK Platform; Old Mutual International, including AAM Advisory in Singapore; and the Old Mutual Wealth Heritage life assurance business.

The Quilter plc businesses are being re-branded to Quilter over a period of approximately two years:

- The Multi-asset business is now Quilter Investors
- Intrinsic to Quilter Financial Planning
- The private client advisers business is now Quilter Private Client Advisers
- The UK Platform to Quilter Wealth Solutions
- The International business to Quilter International
- The Heritage life assurance business to Quilter Life Assurance
- Quilter Cheviot will retain its name.