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ASX RELEASE | 21 October 2021

AMP Limited provides Q3 21 AUM and cashflows update

- Australian wealth management (AWM) assets under management (AUM) remained steady at A$131.2 billion during Q3 21, with improved investment markets offsetting net cash outflows.
- AWM net cash outflows of A$1.4 billion in Q3 21 improved from A$1.8 billion of net cash outflows in Q3 20 and includes A$0.5 billion in regular pension payments to clients in retirement.
- North AUM increased A$1.7 billion to A$58.6 billion during Q3 21 supported by higher net cashflows of A$1.0 billion, including cash inflows of A$333 million from external financial advisers.
- AMP Bank total loan book increased by A$0.3 billion to A$21.3 billion in Q3 21 driven by growth in residential owner-occupied loans in a highly competitive market.
- AMP Capital AUM reduced to A$180.3 billion (1H 21: A$187.6 billion) reflecting an increase in net cash outflows.
- AMP Capital experienced external net cash outflows of A$2.4 billion in Q3 21, primarily due to redemptions in public markets and real estate funds and partially offset by inflows into infrastructure equity capabilities.
- AMP Capital internal net cash outflows of A$9.6 billion, largely reflects the previously announced exit of the NZ wealth management (NZWM) mandate of A$9.2 billion.

AMP Chief Executive Alexis George said:

"With most of Australia in lockdown during the third quarter our businesses have focused on supporting customers, continuing to drive forward our simplification and preparing for our demerger next year.

"AMP Bank has delivered another strong quarter, amid a very active market, helping more of our customers to purchase a home.

"We've progressed our transformation of wealth management enabling us to deliver superannuation fee reductions at the start of Q4 as we committed. We've also continued to invest in our North platform, which has again grown assets under management.

"AMP Capital's cashflows primarily reflected the internal outflows from NZWM, after the transition of the mandate to an index-based investment strategy, announced earlier this year, in line with market trends. Our Private Markets teams have continued to invest on behalf of our infrastructure clients and build its pipeline of opportunities.

"We have a clear focus on our priorities ahead, including to deliver the demerger of our Private Markets business from AMP in the first half of next year. We will provide an update on progress and the path forward at an Investor Day in November."

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Business unit results

Australian wealth management

- AUM of A$131.2 billion at Q3 21 remained flat on the prior quarter, with positive investment market returns offsetting the impact of net cash outflows. Average AUM increased A$3.7 billion to A$132.4 billion.
- Net cash outflows of A$1.4 billion in Q3 21 improved from A$1.8 billion net cash outflows in Q3 20 with the improvement largely attributed to an absence of Early Release of Super (ERS) payments, which were A$692 million in Q3 20. Net cash outflows for the period included A$468 million in regular pension payments to clients in retirement.
- AUM on the North platform increased A$1.7 billion to A$58.6 billion during Q3 21.
- North net cashflows of A$991 million were up 21 per cent on Q3 20, supported by pricing reductions announced in Q2 21 and an increase in inflows from external financial advisers to A$333 million.

AMP Bank

- AMP Bank's total loan book grew by A$0.3 billion to A$21.3 billion in Q3 21, driven by competitive owner-occupied pricing. Residential loan growth was above system growth for the period of July and August, at approximately 1.1x, in a highly competitive market.
- Total deposits increased by A$1.0 billion to A$17.1 billion during Q3 21, reflecting a deposit to loan ratio of 81 per cent. A majority of flows were sourced from customer deposits, in line with the Bank's strategy to optimise its funding mix.

AMP Capital

- AMP Capital AUM reduced 4 per cent to A$180.3 billion, primarily reflecting an increase in net cash outflows.
- Net cash outflows of A$12.0 billion in Q3 21 (net cash outflows of A$2.4 billion in Q3 20), includes:
    - Internal net cash outflows of A$9.6 billion, primarily due to the transition of the NZWM mandate to an index-based ESG-linked investment strategy, in line with market trends in the KiwiSaver market.
    - External net cash outflows of A$2.4 billion, reflecting redemptions and asset sales across public markets and real estate funds. Real Estate outflows included the sale of 200 George St for A$578.5 million, delivering an excellent result for the AMP Capital Wholesale Office Fund (AWOF) and its investors.
    - Cash inflows were supported by continued capital deployment in infrastructure equity investments during the quarter, including A$134 million through the Global Infrastructure Fund series and A$109 million in the AMP Capital Community Infrastructure Fund.
    - AMP Capital is continuing to actively defend its Real Estate funds, including from a capital perspective, with a focus on delivering the strongest outcomes to clients. In relation to the current AWOF management process, the Trustee has advised investors in the fund, including AMP Capital, that it now expects to update investors on its decision around mid-November.

New Zealand wealth management

- New Zealand wealth management AUM increased to A$12.9 billion in Q3 21 (Q2 21: A$12.6 billion), driven by investment market gains which offset net cash outflows.

- New Zealand wealth management net cash outflows of A$39 million (Q3 20: A$13 million), includes cash inflows of A$362 million, up 17 per cent on Q3 20. Inflows were offset by increased outflows, partly driven by KiwiSaver cash outflows following the announcement that our status as a default KiwiSaver provider was not renewed. AMP remains a non-default KiwiSaver provider with A$6.4 billion in total KiwiSaver AUM.
- KiwiSaver net cash inflows of A$40 million were down on the prior corresponding period (Q3 20: A$64 million).

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Q3 21 cashflows

Australian wealth management

Q3 21 Cashflows

	Cash inflows		Cash outflows		Net cashflows	
Cashflows by product (A$m)	**Q3 21**	**Q3 20[1]**	**Q3 21**	**Q3 20[1]**	**Q3 21**	**Q3 20[1]**
North[2]	5,221	4,205	(4,230)	(3,387)	991	818
Summit, Generations and iAccess[3]	138	103	(491)	(577)	(353)	(474)
Other retail investment and platforms[4]	2	4	(226)	(41)	(224)	(37)
External platforms[5]	62	62	(271)	(277)	(209)	(215)
Total Platforms	**5,423**	**4,374**	**(5,218)**	**(4,282)**	**205**	**92**
AMP Flexible Super[6]	295	290	(998)	(1,038)	(703)	(748)
Flexible Lifetime Super (superannuation and pension)[7]	421	331	(863)	(1,001)	(442)	(670)
Total retail superannuation	**716**	**621**	**(1,861)**	**(2,039)**	**(1,145)**	**(1,418)**
SignatureSuper and AMP Flexible Super - Employer	644	751	(792)	(898)	(148)	(147)
Other corporate superannuation[8]	236	231	(535)	(604)	(299)	(373)
Total corporate superannuation	**880**	**982**	**(1,327)**	**(1,502)**	**(447)**	**(520)**
Total Super	**1,596**	**1,603**	**(3,188)**	**(3,541)**	**(1,592)**	**(1,938)**
Total Australian wealth management	**7,019**	**5,977**	**(8,406)**	**(7,823)**	**(1,387)**	**(1,846)**

Cash inflow composition (A$m)	**Q3 21**	**Q3 20[1]**
Member contributions	1,180	674
Employer contributions	783	812
Total contributions	**1,963**	**1,486**
Transfers, rollovers in and other[9]	5,056	4,491
Total Australian wealth management	**7,019**	**5,977**

1 Q3 20 inflows and outflows have been restated to reflect the treatment of insurance premiums to AMP life, no impact to total cashflow. Other retail investment and platforms and External platforms restated to reflect impact of no longer reporting certain products following changes to grandfathered legislation.
2 North is a fully functioning wrap platform which includes guaranteed and non-guaranteed options. Includes North and MyNorth platforms.
3 Summit and Generations are owned and developed platforms. iAccess is ipac's badge on Summit.
4 Other retail investment and platforms includes AMP Personalised Portfolio.
5 External platforms comprise AMP administered, Asgard manufactured platform products.
6 AMP Flexible Super is a flexible all in one superannuation and retirement account for individual retail business.
7 Flexible Lifetime Super (superannuation and pension) was closed to new business from 1 July 2010. A small component of corporate superannuation schemes are included.
8 Other corporate superannuation comprises CustomSuper and SuperLeader.
9 Transfers, rollovers in and other includes the transfer of accumulated member balances into AMP from both internal (e.g. retail superannuation to allocated pension/annuities) and external products.

Q3 21 AUM

	Q2 21	Q3 21 Net cashflows						Q3 21
AUM (A$m)	**AUM**	**Super-annuation**	**Investment**	**Pension**	**Pension payments**	**Total net cashflows**	**Other movements[1]**	**AUM**
North	56,965	67	313	931	(320)	991	671	58,627
Summit, Generations and iAccess	6,916	(167)	(63)	(90)	(33)	(353)	69	6,632
Other retail investment and platforms	648	-	(224)	-	-	(224)	25	449
External platforms	3,478	(39)	(97)	(59)	(14)	(209)	57	3,326
Total Platforms	**68,007**	**(139)**	**(71)**	**782**	**(367)**	**205**	**822**	**69,034**
AMP Flexible Super[2]	12,765	(299)	-	(334)	(70)	(703)	194	12,256
Flexible Lifetime Super (superannuation and pension)[3]	20,879	(326)	-	(93)	(23)	(442)	194	20,631
Total retail superannuation	**33,644**	**(625)**	**-**	**(427)**	**(93)**	**(1,145)**	**388**	**32,887**
SignatureSuper and AMP Flexible Super - Employer[4]	18,896	(135)	-	(5)	(8)	(148)	117	18,865
Other corporate superannuation[5]	10,678	(299)	-	-	-	(299)	43	10,422
Total corporate superannuation	**29,574**	**(434)**	**-**	**(5)**	**(8)**	**(447)**	**160**	**29,287**
Total Super	**63,218**	**(1,059)**	**-**	**(432)**	**(101)**	**(1,592)**	**548**	**62,174**
Total Australian wealth management[6]	**131,225**	**(1,198)**	**(71)**	**350**	**(468)**	**(1,387)**	**1,370**	**131,208**
Assets under administration - SuperConcepts[7]	17,391	-	-	-	-	-	(332)	17,059
Total AUM and administration	**148,616**	**(1,198)**	**(71)**	**350**	**(468)**	**(1,387)**	**1,038**	**148,267**

1 Other movements include fees, investment returns, distributions, taxes and foreign exchange movements.
2 AMP Flexible Super includes A$1.0b in MySuper (Q2 21 A$1.0b).
3 Flexible Lifetime Super (superannuation and pension) includes A$5.9b in MySuper (Q2 21 A$5.8b).
4 SignatureSuper and AMP Flexible Super – Employer includes A$10.3b in MySuper (Q2 21 A$10.3b).
5 Other corporate superannuation includes A$5.5b in MySuper (Q2 21 A$5.7b).
6 At Q3 21, 82% of AUM is ultimately externally managed, while 18% is internally managed.
7 SuperConcepts assets under administration includes AMP SMSF, Multiport, Cavendish, SuperIQ, Moore Stephens Annual, JustSuper, Ascend and SuperConcepts platforms, but does not include Multiport Annual, SuperConcepts Accountants Outsource, SMSF Managers and MORE Superannuation.

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AUM (A$m)	Q2 21	Q3 21
AUM by product	**AUM**	**AUM**
Superannuation	81,424	80,986
Pension	35,087	35,380
Investment	14,714	14,842
Total	**131,225**	**131,208**
AUM by asset class		
Cash and fixed interest	28%	29%
Australian equities	31%	30%
International equities	30%	30%
Property	6%	6%
Other	5%	5%
Total	**100%**	**100%**

	Q2 21	Q3 21
AUM (A$b)	**AUM**	**AUM**
Closing AUM	131.2	131.2
Average AUM	128.7	132.4

AMP Bank

Deposits and loans (A$m)	Q2 21 End balance	Movement[1]	Q3 21 End balance
Customer deposits	9,452	895	10,347
At call deposits	7,547	806	8,353
Term deposits	1,905	89	1,994
Platforms[2]	3,867	435	4,302
Super[3]	2,194	(55)	2,139
Other[4]	607	(249)	358
Total deposits	**16,120**	**1,026**	**17,146**
Residential Mortgages	20,619	311	20,930
Practice Finance Loans	355	(23)	332
Total loans	**20,974**	**288**	**21,262**
Deposit to loan ratio	**77%**	**4%**	**81%**

1. Represents movements in AMP Bank's deposits, loan books and deposit to loan ratio.
2. At 30 Sep 2021, Platforms include North (A$3.7b) and other platform deposits (A$0.6b).
3. At 30 Sep 2021, Super deposits include AMP Supercash (A$1.8b) and Super TDs (A$0.3b).
4. Other deposits include internal and wholesale.

AMP Capital

AUM (A$m)	Q2 21	Q3 21 Net cashflows						Q3 21
	AUM	Cash inflows (ex NZ mandate)	Cash outflows (ex NZ mandate)	Total net cashflows (ex NZ mandate)	Total net cashflows from NZ mandate	Total net cashflows	Other movements[1]	AUM[2]
Australian equities	30,371	1,446	(2,539)	(1,093)	(339)	(1,432)	1,461	30,400
International equities	43,946	9,823	(11,245)	(1,422)	(4,561)	(5,983)	2,293	40,256
Fixed interest	59,092	7,630	(8,175)	(545)	(3,762)	(4,307)	(173)	54,612
Infrastructure	25,856	888	(287)	601	(1)	600	392	26,848
Infra debt	6,869	107	(141)	(34)	-	(34)	237	7,072
Infra equity	18,987	781	(146)	635	(1)	634	155	19,776
Real estate	24,710	878	(1,849)	(971)	(179)	(1,150)	517	24,077
Alternative assets and direct investment	3,599	860	(177)	683	(386)	297	186	4,082
Total AMP Capital (closing)	**187,574**	**21,525**	**(24,272)**	**(2,747)**	**(9,228)**	**(11,975)**	**4,676**	**180,275**
Total AMP Capital (average)	**185,346**	-	-	-	-	-	-	**182,201**
External	97,215	18,012	(20,375)	(2,363)	-	(2,363)	2,820	97,672
Internal	90,359	3,513	(3,897)	(384)	(9,228)	(9,612)	1,856	82,603

1 Other movements include fees, investment returns, distributions, taxes, and foreign exchange movements. Includes FUM no longer consolidated upon sale of a business or fund.

2 AUM is invested capital. Committed real asset capital is excluded from AUM.

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New Zealand wealth management

Cashflows by product (A$m)	Cash inflows		Cash outflows		Net cashflows	
	Q3 21	Q3 20	Q3 21	Q3 20	Q3 21	Q3 20
KiwiSaver	238	203	(198)	(139)	40	64
Other[1]	124	106	(203)	(183)	(79)	(77)
Total New Zealand wealth management	**362**	**309**	**(401)**	**(322)**	**(39)**	**(13)**

AUM (A$m)	Q2 21	Q3 21 Net cashflows				Q3 21
	AUM	Super-annuation	Investment	Total net cashflows	Other movements[2]	AUM
KiwiSaver	6,191	40	-	40	159	6,390
Other[1]	6,389	(42)	(37)	(79)	157	6,467
Total New Zealand wealth management	**12,580**	**(2)**	**(37)**	**(39)**	**316**	**12,857**

1 Other includes superannuation, retail investment platform and legacy products.

2 Other movements include fees, investment returns, distributions, taxes, as well as foreign currency movements on New Zealand AUM.