

Record

FY18 results

Maintaining client commitment

Record is in its 35th year and underlying its longevity are expertise and service levels that have sustained a client base through changing markets. FY18 saw further investment in personnel to support customised services, while a new product offering in passive hedging has the potential to earn performance fees that we have not included in our estimates. Similarly, positive net AUME flows could allow earnings to beat our expectations.

| Year end | Revenue (£m) | PBT (£m) | EPS* (p) | DPS** (p) | P/E (x) | Yield (%) |
|----------|--------------|----------|----------|-----------|---------|-----------|
| 03/17 | 23.0 | 7.9 | 2.90 | 2.00 | 15.9 | 4.3 |
| 03/18 | 23.8 | 7.3 | 2.98 | 2.30 | 15.5 | 5.0 |
| 03/19e | 22.7 | 6.2 | 2.49 | 2.37 | 18.5 | 5.1 |
| 03/20e | 23.2 | 6.3 | 2.54 | 2.44 | 18.2 | 5.3 |

Note: *EPS are diluted and **DPS excludes special dividends.

FY18 result

AUME reached a new high at \$62.2bn (+7% from FY17) with FX and market movements offsetting a modest net outflow. Revenue was slightly ahead while investment in additional staff contributed to a reduction in operating margin and pre-tax profits (from £7.9m to £7.3m). A lower tax charge allowed earnings per share to increase modestly (fully diluted EPS 2.98p versus 2.90p). The total ordinary dividend of 2.30p represented an increase of 15%; 10 percentage points of the increase is intended to compensate for the reduction in share count following the c £10m tender offer in July 2017. Including the special payment of 0.50p, the yield would be over 6%. The balance sheet remains strong with cash and money market instruments of £22.7m (or £17.2m net of cash in seed funds that are consolidated).

Outlook: Seeing well-diversified interest

The global macro background, with a number of tail risks apparent, remains conducive to Record's discussions with potential clients and it reports a good range of opportunities by geography and client type. The group has developed an enhanced passive hedging product for which a lower management fee applies but where it can also earn performance fees. As noted, we do not allow for the performance fees in our estimates but Record expects them to at least make up for lost management revenue. Such innovations should help attract AUME inflows and retain existing clients.

Valuation

Our earnings estimate for FY19 is little changed and although the shares trade on a higher prospective multiple than the average for a group of UK asset managers (page 7), this differential could be eliminated if the group earns performance fees sufficient to offset the expected 10% reduction in passive hedging management fees. The strong balance sheet and yield on the ordinary dividend alone of over 5% are attractive features.

Financial services

20 June 2018

Price 46.10p
Market cap £92m

Net cash and money market instruments (£m), as of March 2018 22.7

Shares in issue 199.1m

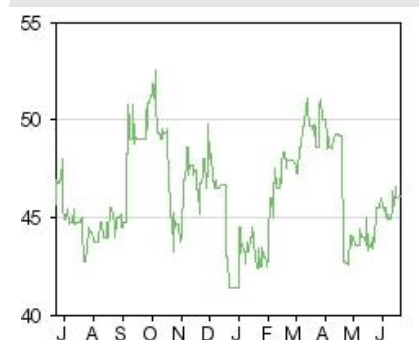
Free float 32%

Code REC

Primary exchange LSE

Secondary exchange N/A

Share price performance



| % | 1m | 3m | 12m |
|------------------|-------|--------|-------|
| Abs | 6.0 | (7.2) | 0.8 |
| Rel (local) | 8.1 | (13.7) | (1.1) |
| 52-week high/low | 52.5p | 41.2p | |

Business description

Record is a specialist independent currency manager that provides a number of products and services, including passive and dynamic hedging, and a range of currency for return strategies, including funds and customised segregated accounts.

Next events

Q119 trading update 20 July 2018

Analysts

Andrew Mitchell +44 (0)20 3681 2500
Martyn King +44 (0)20 3077 5745

financials@edisongroup.com

[Edison profile page](#)

**Record is a research client of
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Currency manager offering tailored services

Record was founded in 1983 by chairman Neil Record. The company's main activity is the provision of currency hedging services to clients, including public and private defined benefit pension schemes and other institutional investors. In FY18 hedging services as a whole accounted for 75% of fee income and passive hedging 53%. Passive hedging mandates tend to be sticky and revenues from these clients cover almost the whole of Record's operating expenditure before variable remuneration.

Passive hedging mandates require expertise in execution and operational efficiency and Record uses its experience to help tailor the systematic approach to meet each client's needs, differentiating itself from more standardised services. It has recently offered an enhanced passive hedging service that exploits opportunities to reduce costs for clients (see further details below). The company's status as a well-capitalised independent operator is a positive factor when it tenders for hedging mandates. Dynamic hedging also targets a systematic reduction of currency risk, but has a secondary aim of generating value by modifying the level of hedging dynamically to allow clients to benefit from weakness in their base currency.

The remaining 25% of fee income is generated by Record's currency for return and multi-product categories. In its return-seeking strategies the company employs its experience in and understanding of currency markets to identify stable inefficiencies that it can seek to exploit for clients to generate diversifying returns. While foreign exchange markets are highly liquid, they are also characterised by a majority of non-profit seeking participants, providing the opportunities Record targets with its strategies. The strategies include: (1) a carry-based approach; (2) emerging market currency; (3) momentum and value; and (4) multi-strategy. Multi-strategy employs a blend of the other strategies and has been the principal product recently.

Exhibit 1 summarises the AUME, client and fee analysis that Record provides and we pick out a number of features from this below.

The **analysis by strategy** shows the relatively low level of fees applied to passive hedging mandates (three basis points) that have accounted for a rising proportion of total AUME (now over 85%). As noted, these mandates have tended to be more sticky and are not subject to the same performance risk that applies to dynamic hedging and currency for return (as for any active fund manager). Passive hedging mandates account for more than half of fee income.

The **client analysis** highlights that, against a mixed market background, Record has succeeded in making net additions to clients in recent years. This has contributed to the rise in AUME from \$30.9bn to \$62.2bn between FY12 and FY18 (CAGR 12.4%), allowing fee income to make modest progress despite a significant mix change away from the higher fee margin categories over the period. Corporate and public pension funds each make up c 40% of AUME, while concentration is quite high, with the top 10 clients accounting for over 70% of fee income.

Geographically, by client location, continental Europe (mainly Switzerland) accounts for 72% of AUME. Swiss clients account for 44% of fee income (the preponderance of passive hedging mandates accounts for the lower proportion versus AUME). The US and UK are the other main markets.

Looking at **market exposure** for the hedging mandates, equity markets account for an estimated 50% of hedging management fees with fixed income c 30% (we have allowed for the expected 10% reduction in passive hedging management fees following the offer of the enhanced passive hedging service, but not assumed any performance fees).

Exhibit 1: Record profile in numbers
Analysis by strategy

| | AUME % | Management fees % | Fees bp |
|---------------------|--------------|-------------------|----------|
| Dynamic hedging | 6.9 | 22 | 14 |
| Passive hedging | 85.2 | 53 | 3 |
| Currency for return | 2.6 | 8 | 16 |
| Multi-product | 4.8 | 17 | 18 |
| Cash | 0.5 | N/A | N/A |
| Total | 100.0 | 100 | 5 |
| Value | \$62.2bn | £23.5m | |

Client analysis

| Number (by financial year) | Type | % AUME | Concentration | % fees |
|----------------------------|-----------------------------|------------|---------------|------------|
| 2013 | 44 Public pension funds | 42 | Top 10 | 72 |
| 2014 | 48 Corporate pension funds | 40 | Next 10 | 17 |
| 2015 | 55 Foundations & trusts | 10 | Balance | 11 |
| 2016 | 58 Investment/private funds | 8 | | |
| 2017 | 59 | | | |
| 2018 | 60 | 100 | | 100 |

Geographical analysis

| By region | AUME % | Country (location of client) | % fees |
|--------------------|------------|------------------------------|------------|
| Continental Europe | 72 | Switzerland | 44 |
| UK | 17 | US | 28 |
| US | 11 | UK | 12 |
| | | Other | 16 |
| | 100 | | 100 |

Underlying asset class exposure of hedging AUME (%)

| | Dynamic | Passive | Est. % of hedging fees |
|--------------|------------|------------|------------------------|
| Equity | 96 | 29 | 50 |
| Fixed income | - | 42 | 29 |
| Other | 4 | 29 | 21 |
| | 100 | 100 | 100 |

Source: Record, Edison Investment Research. Note: Year to end March 2018.

FY18 results

The quarterly update at the end of March gave figures for movements in **AUME** and in Exhibit 2 we summarise these and average AUME levels, together with management fee rates and management fee figures from the full-year results. Within the AUME movements the main outflow was in dynamic hedging, where the remaining UK clients terminated hedging mandates or transferred to passive hedging against the background of previous sterling weakness. Currency for return saw inflows boosting AUME from a relatively low level. Currency movements and underlying asset market movements were significantly positive giving an overall increase in AUME of 7% at the year end or 8% for average AUME.

Exhibit 2: AUME movements, average AUME, fee rates and management fees

| Year end March | AUME movements (\$bn) | | Ave. AUME (\$bn) | | | Ave. mgt. fee rates (bp) | | Management fees (£000) | | |
|---------------------|-----------------------|-------------|------------------|-------------|------------|--------------------------|----------|------------------------|---------------|------------|
| | FY17 | FY18 | FY17 | FY18 | % change | FY17 | FY18 | FY17 | FY18 | % change |
| Dynamic hedging | 0.7 | -1.7 | 5.9 | 4.8 | -18.2 | 12 | 14 | 5,542 | 5,111 | -7.8 |
| Passive hedging | 2.5 | -0.5 | 45.2 | 51.7 | 14.4 | 4 | 3 | 12,130 | 12,569 | 3.6 |
| Currency for return | 0.3 | 0.6 | 0.9 | 1.5 | 65.3 | 15 | 16 | 1,025 | 1,803 | 75.9 |
| Multi-product | -0.4 | 0.3 | 2.7 | 2.9 | 8.3 | 20 | 18 | 4,021 | 4,014 | -0.2 |
| Cash & futures | 0.1 | 0.1 | 0.2 | 0.3 | 37.5 | | | | | |
| Total | 3.2 | -1.2 | 56.7 | 61.2 | 8.0 | 5 | 5 | 22,718 | 23,497 | 3.4 |
| Markets | 5.4 | 1.3 | | | | | | | | |
| FX and scaling | -3.3 | 3.9 | | | | | | | | |
| Total change | 5.3 | 4.0 | | | | | | | | |
| Opening AUME | 52.9 | 58.2 | | | | | | | | |
| Closing AUME | 58.2 | 62.2 | | | | | | | | |

Source: Record, Edison Investment Research

Although average **fee rates** by category show some variation between FY17 and FY18, this reflects the mix of different rates on mandates added or closed and the group average was little changed between the two years. Record indicates that pricing has been stable on existing products.

In sterling terms AUME was 4.9% lower at £44.3bn at the year end and the strength of the pound, moderated by the averaging effect over the year, was also reflected in the 3% increase in **management fees** compared with the 8% increase in US dollar-denominated average AUME.

Total **administrative expenses** increased by 9% with the principal factor being an 11% increase in fixed staff costs, which in turn reflected a similar increase in the average number of employees (to 81) as Record has invested in supporting service enhancements and its customised product offering. A smaller factor was the full impact of an increase in office lease costs in FY17.

As a result, operating margin declined from 33.7% to 30.5%. **Pre-tax profit** was £7.3m versus £7.9m. The tax charge was reduced to 16% compared with 20% mainly reflecting claims for prior years relating to research and development spending. Fully diluted **earnings per share** therefore increased by 2.7% to 2.98p.

The ordinary **dividend** for the full year of 2.30p represented an increased 15% which Record indicates represents an increase of 10% as an offset to the tender offer together with a 5% underlying increase. In line with its dividend policy a special dividend of 0.50p (0.91p) was announced. This reflected the excess of earnings per share over the ordinary dividend net of a c 0.23p per share increase in the capital requirement according to group policy. This included a small increase in the pillar II requirement, together with an allowance for the expected increase in FY19 expenses.

On **product performance**, the hedging strategies performed as expected with the dynamic product reducing the level of hedging with base currency weakness allowing clients to benefit in part from foreign currency strength. Within the currency for return products, the composite multi-strategy product (Exhibit 3) had a negative 12-month return but the since-inception return remained positive and during the year the company seeded a fund based on the strategy that will make it available to clients for whom a pooled fund is more suitable. Although the fund is new, the track record of over five years for the strategy should be helpful in attracting external investors.

Exhibit 3: Currency for return investment performance to 31 March 2018

| Fund name | Gearing | 12 month return | Return SI p.a. | Volatility SI p.a. | Inception |
|--|---------|-----------------|----------------|--------------------|-----------|
| FTSE FRB10 Index Fund | 1.8 | -2.61% | 1.44% | 7.04% | Dec-10 |
| Emerging Market Currency Fund | 1.0 | 1.01% | 1.51% | 6.17% | Dec-10 |
| Index/Composite returns | | | | | |
| FTSE Currency FRB10 GBP excess return | | -1.47% | 2.22% | 4.57% | Dec-87 |
| Record Multi-Strategy composite (4% target volatility) | | -1.74% | 1.73% | 2.41% | Jul-12 |

Source: Record. Note: All GBP base apart from Record Multi-Strategy, which is on a US\$ base and shows excess returns gross of fees.

Enhanced passive hedging

As reported at the time of the Q418 update, Record has developed an enhanced passive hedging product over the last four years. This aims to reduce the cost of hedging by implementing hedging in a flexible manner without changing the hedge ratio. There are two main areas addressed: first, managing the direct costs of maintaining a hedge and second, varying the tenor of contracts employed. As returns from this incremental service are episodic, Record offers the option of charging a lower management fee but with the potential to earn a performance fee. Over time, the performance fees are expected to match or exceed the management fee forgone. For the current year (FY19) Record has guided that the impact of introducing the enhanced hedging product on passive hedging management fees alone (excludes potential performance fees) could be a reduction of 10%.

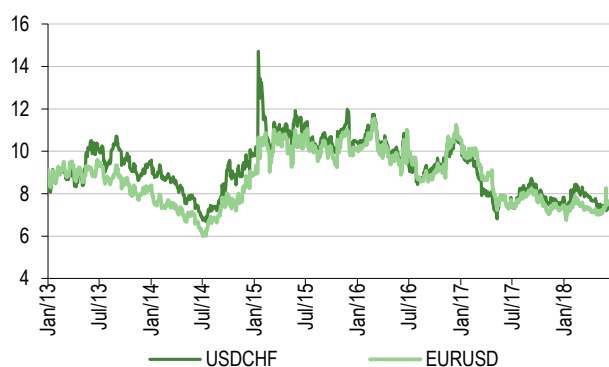
Record has reported the returns for a representative account that has been running since October 2014, which gives an example of the returns that may be earned by using the enhanced passive hedging approach. Compared with a fixed-tenor benchmark, the return was 0.12% for the year to end March 2018 and since inception the per-year return was similar at 0.11%. If we made the simple assumption that about 30% of passive hedging AUME used the new service and a performance fee of 10% was applied to an 0.11% return, then we calculate that this would result in performance fee revenue at or above the level that would make up for the reduction in management fee income signalled.

Outlook, estimates and financial position

The market background was relatively calm during Record's FY18 and this is reflected in Exhibit 4, which charts the level of implied volatility for FX derivatives for the Swiss franc and euro versus the US dollar. There have been short-lived increases in volatility but the level remains significantly lower than during 2015 and 2016. Nevertheless, the geopolitical background remains uncertain and concerns over a trade war, unwinding of exceptional monetary policies and implementation of Brexit are prominent topics contributing to favourable conditions for Record's conversations with potential clients.

More specifically the recent strengthening trend in the US dollar (Exhibit 5) may create better conditions for marketing services in the US, while the launch of the enhanced passive hedging product should be helpful in attracting (and retaining) clients. Record reports a broad range of client opportunities by geography and type of client. This includes potential interest in its enhanced passive hedging product in Switzerland and the rest of Europe while the US is seen as a promising area for currency for return products.

Exhibit 4: Implied volatility CHF, € versus US\$



Source: Bloomberg. Note: For one year at the money options.

Exhibit 5: US\$ trade weighted index



Source: Bloomberg

Within our estimates we have allowed for the changes in AUME in Q119 confirmed with the full-year figures. These included the termination of one passive hedging mandate of \$1.7bn, the addition of a new passive hedging mandate of \$2.2bn and a new \$0.3bn multi-strategy mandate (in Australia). Our estimates allow for 2% appreciation in underlying assets for passive and dynamic hedging AUME but do not include inflows or outflows until announced.

We do not allow for any performance fees within our forecast; Record will disclose those it has earned with its quarterly updates. Otherwise we have allowed for FX movements year-to-date and for a slightly higher level of costs than previously, reflecting the investment in personnel to support enhanced services. We assume the tax charge moves back in line with the standard rate at 19%, although allowances for research and development spending could reduce this modestly.

Changes in the headline numbers from our estimates are shown in Exhibit 6 below. The changes for FY19 are limited and we have introduced a new estimate for FY20. Further details are shown in the financial summary on page 8.

| Exhibit 6: Estimate changes | | | | | | | | | | | | |
|--|---------------|------|--------|-----------|-----|--------|----------|------|--------|-----------|------|--------|
| | Revenue* (£m) | | % chg. | PBT* (£m) | | % chg. | EPS* (p) | | % chg. | DPS** (p) | | % chg. |
| | Old | New | | Old | New | | Old | New | | Old | New | |
| 03/18 | 24.4 | 23.8 | -2% | 8.0 | 7.3 | -8% | 3.07 | 2.98 | -3% | 2.30 | 2.30 | 0% |
| 03/19e | 22.5 | 22.7 | 1% | 6.2 | 6.2 | -1% | 2.49 | 2.49 | 0% | 2.42 | 2.42 | 0% |
| 03/20e | N/A | 23.2 | | N/A | 6.3 | | N/A | 2.54 | | N/A | 2.54 | |
| Source: Edison Investment Research. Note: *03/18 new = actual, old = estimate. **Ordinary DPS. | | | | | | | | | | | | |

The group figure for net cash and money market instruments managed as cash stood at £22.7m at the year-end compared with £37.2m at end FY17. Stripping out cash held in seed funds over which the group was deemed to have control would give equivalent figures of £29.2m and £17.3m respectively. Operating cash flow as reported was significantly lower at £2.8m versus £7.1m but this primarily reflected the deconsolidation of cash in a seed fund, without which operating cash flow would have been at a similar level. Focusing instead on cash movements excluding seed fund cash the main items below the operating line were outflows of c £10m relating to the tender offer in July 2017 and £6.8m in dividend payments.

The board policy is to retain sufficient capital (effectively equivalent to shareholders funds) to at least meet the regulatory requirement plus 12 months of operating expenses (less variable compensation) plus working capital requirements, plus capital required to finance new business opportunities. With shareholders' funds of £26.6m at end FY18 less proposed dividends of £3.3m, intangible assets of £0.2m and the £9.1m FY18 regulatory requirement, Record retains a strong balance sheet cushion of c £14m. This provides confidence to its clients and potential clients while capital discipline is exercised through the policy of paying out excess earnings in special dividend payments.

Valuation

We have updated a table showing Record's valuation in the context of a group of UK asset managers. Record is clearly differentiated by its role as a specialist currency manager but does earn its fees largely based on the size of assets under management equivalent so, like the asset managers, is exposed to movements in underlying equity and fixed income markets as well as flows.

Record does stand on an above average P/E ratio (calendar 2018) but if it is able to earn a level of performance fees that offsets the change in its average passive hedging fee rate then its multiple would fall below 15x putting it close to an average rating. The EV/EBITDA ratios are historical and include a wide range. Record is below both the average (17.1x) and median (10.7x) values.

Exhibit 7: Earnings and EBITDA multiples for UK fund managers

| | Price (p) | Market capitalisation (£m) | P/E (x) | EV/EBITDA (x) |
|--------------------------|--------------|-------------------------------|-------------|------------------|
| Ashmore | 377 | 2,688 | 16.6 | 12.4 |
| City of London Inv Group | 419 | 113 | 10.0 | 8.2 |
| Impax Asset Management | 213 | 277 | 18.6 | 43.0 |
| Jupiter | 462 | 2,113 | 13.5 | 9.0 |
| Liontrust | 596 | 301 | 13.5 | 22.7 |
| Man Group | 183 | 2,944 | 9.7 | 7.3 |
| Polar Capital | 616 | 576 | 17.0 | 26.3 |
| Schroders | 3,177 | 8,582 | 14.5 | 8.1 |
| Average | | | 14.2 | 17.1 |
| Record | 46 | 92 | 17.7 | 9.3 |

Source: Bloomberg, Edison Investment Research. Note: P/E and EV/EBITDA using calendar 2018 estimated earnings and last reported EBITDA, respectively. Priced as at 18 June 2018.

Exhibit 8: Financial summary

| £'000s | 2015 | 2016 | 2017 | 2018 | 2019e | 2020e |
|--|----------|----------|----------|----------|----------|----------|
| Year to end March | IFRS | IFRS | IFRS | IFRS | IFRS | IFRS |
| PROFIT & LOSS | | | | | | |
| Revenue (underlying) | 20,865 | 21,246 | 22,952 | 23,834 | 22,722 | 23,230 |
| Revenue | 21,057 | 21,134 | 22,952 | 23,834 | 22,722 | 23,230 |
| Operating expenses | (13,521) | (14,344) | (15,365) | (16,735) | (16,667) | (17,095) |
| Other income/(expense) | | | 157 | 173 | 0 | 0 |
| Operating Profit (before amort. and except.) | 7,536 | 6,790 | 7,744 | 7,272 | 6,055 | 6,135 |
| Finance income | 146 | 143 | 112 | 56 | 107 | 138 |
| Profit Before Tax | 7,682 | 6,933 | 7,856 | 7,328 | 6,162 | 6,273 |
| Taxation | (1,708) | (1,523) | (1,540) | (1,182) | (1,171) | (1,192) |
| Minority interests | (192) | 131 | 0 | 0 | 0 | 0 |
| Attributable profit | 5,782 | 5,541 | 6,316 | 6,146 | 4,991 | 5,081 |
| Normalised revenue (underlying) | 20,865 | 21,246 | 22,952 | 23,834 | 22,722 | 23,230 |
| Operating expenses (excl. dep'n and amortisation) | (13,206) | (14,023) | (15,023) | (16,430) | (16,357) | (16,785) |
| EBITDA | 7,659 | 7,223 | 7,929 | 7,404 | 6,365 | 6,445 |
| Depreciation and amortisation | (315) | (321) | (342) | (305) | (310) | (310) |
| Other income/(expense) | | | 157 | 173 | 0 | 0 |
| Normalised Operating profits | 7,344 | 6,902 | 7,744 | 7,272 | 6,055 | 6,135 |
| Finance income | 146 | 143 | 112 | 56 | 107 | 138 |
| Profit Before Tax (norm) | 7,490 | 7,045 | 7,856 | 7,328 | 6,162 | 6,273 |
| Normalised revenue/AuME (excl. perf fees) bps | 6.2 | 6.0 | 5.2 | 5.1 | 4.7 | 4.8 |
| Normalised operating margin (%) | 35.2 | 32.5 | 33.7 | 30.5 | 26.6 | 26.4 |
| Average Number of Shares Outstanding (m) | 218.4 | 217.9 | 218.0 | 206.5 | 200.1 | 200.1 |
| Basic EPS (p) | 2.66 | 2.55 | 2.91 | 3.03 | 2.51 | 2.55 |
| EPS - normalised (p) | 2.65 | 2.54 | 2.90 | 2.98 | 2.49 | 2.54 |
| Dividend per share (p) | 1.65 | 1.65 | 2.00 | 2.30 | 2.37 | 2.44 |
| Special dividend per share (p) | 0.00 | 0.00 | 0.91 | 0.50 | 0.14 | 0.11 |
| Total dividend (p) | 1.65 | 1.65 | 2.91 | 2.80 | 2.51 | 2.55 |
| BALANCE SHEET | | | | | | |
| Fixed Assets | 3,273 | 423 | 1,228 | 2,339 | 2,229 | 2,179 |
| Intangible Assets | 504 | 299 | 245 | 228 | 178 | 178 |
| Tangible Assets | 129 | 81 | 881 | 910 | 850 | 800 |
| Investments | 2,567 | 0 | 0 | 1,115 | 1,115 | 1,115 |
| Deferred tax assets | 73 | 43 | 102 | 86 | 86 | 86 |
| Current Assets | 37,053 | 40,541 | 44,247 | 29,737 | 29,164 | 29,267 |
| Debtors | 6,324 | 5,695 | 6,972 | 6,775 | 6,694 | 6,793 |
| Cash | 12,010 | 21,720 | 19,120 | 12,498 | 12,006 | 12,010 |
| Money market instruments | 18,100 | 13,020 | 18,102 | 10,198 | 10,198 | 10,198 |
| Other | 619 | 106 | 53 | 266 | 266 | 266 |
| Current Liabilities | (4,522) | (3,256) | (8,644) | (5,525) | (5,494) | (5,532) |
| Creditors | (2,949) | (2,372) | (3,013) | (2,630) | (2,599) | (2,637) |
| Financial liabilities | | | (4,779) | (2,467) | (2,467) | (2,467) |
| Other | (1,573) | (884) | (852) | (428) | (428) | (428) |
| Net Assets | 35,804 | 37,708 | 36,831 | 26,551 | 25,899 | 25,914 |
| Minority interests | 3,876 | 4,019 | 0 | 0 | 0 | 0 |
| Net assets attributable to ordinary shareholders | 31,928 | 33,689 | 36,831 | 26,551 | 25,849 | 25,899 |
| No of shares at year end | 217.5 | 217.2 | 221.4 | 199.1 | 199.1 | 199.1 |
| NAV per share p | 14.7 | 15.5 | 16.6 | 13.3 | 13.0 | 13.0 |
| CASH FLOW | | | | | | |
| Operating Cash Flow | 6,472 | 5,509 | 7,107 | 2,746 | 5,244 | 5,193 |
| Capex | (128) | (29) | (899) | (236) | (150) | (160) |
| Cash flow from investing activities | 0 | (39) | (189) | (82) | (50) | (100) |
| Dividends | (3,266) | (3,750) | (3,592) | (6,810) | (5,643) | (5,066) |
| Other financing activities | (2,571) | 7,737 | (5,163) | (2,386) | 107 | 138 |
| Other | 0 | 282 | 136 | 146 | 0 | 0 |
| Net Cash Flow | 507 | 9,710 | (2,600) | (6,622) | (492) | 5 |
| Opening cash/(net debt) | 11,503 | 12,010 | 21,720 | 19,120 | 12,498 | 12,006 |
| Other | 0 | 0 | 0 | 0 | 0 | 0 |
| Closing net (debt)/cash | 12,010 | 21,720 | 19,120 | 12,498 | 12,006 | 12,010 |
| Closing net debt/(cash) inc money market instruments | 30,110 | 34,740 | 37,222 | 22,696 | 22,154 | 22,109 |
| AUME | | | | | | |
| Opening (\$'bn) | 51.9 | 55.4 | 52.9 | 58.2 | 62.2 | 64.1 |
| Net new money flows | 2.9 | (1.4) | 3.1 | (1.2) | 0.8 | 0.0 |
| Market/other | 0.6 | (1.1) | 2.2 | 5.2 | 1.1 | 1.2 |
| Closing (\$'bn) | 55.4 | 52.9 | 58.2 | 62.2 | 64.1 | 65.3 |

Source: Company accounts, Edison Investment Research

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