

MEDIA RELEASE | 23 April 2020

AMP Limited provides Q1 20 AUM and cashflows update

- AMP Capital total assets under management (AUM) reduced to A\$192.4 billion (Q4 19: A\$203.1 billion). Average AUM for the Q1 20 period increased from A\$202.7 billion to A\$203.4 billion.
- AMP Capital net external cashflows increased to A\$1.3 billion from net cash outflows of A\$20 million in Q1 19, reflecting strong inflows into fixed income products managed by China Life AMP Asset Management.
- Australian wealth management AUM as at 31 March 2020 reduced to A\$116.3 billion (Q4 19: A\$134.5 billion), primarily reflecting COVID-19-related market movements. Average AUM in Q1 20 was A\$131.3 billion.
- Australian wealth management net cash outflows of A\$1.9 billion includes outflows of A\$430 million from a number of exiting corporate super mandates and A\$205 million from the impacts of Protecting Your Super legislation. Excluding these impacts, Australian wealth management net cash outflows are A\$1.3 billion.
- Australian wealth management cash inflows increased A\$1.1 billion (24 per cent) largely due to strong inflows into North.
- AMP Bank's total loan book grew by A\$162 million to A\$20.8 billion and deposits grew by A\$773m to A\$15.2 billion.

AMP Chief Executive Francesco De Ferrari said:

"During this time of uncertainty, we have focused on supporting our clients whilst working to continue to execute on our strategy. We're responding to a record level of client enquiries for advice and support as people weigh up important financial decisions.

"Markets in Q1 were extremely volatile particularly in March, with significant falls in equities, fixed income and key commodities impacting our assets under management. We have seen some recovery since the quarter-end, but expect market volatility to continue and the economic impact of the pandemic to emerge over the remainder of the year.

"In Australian wealth management, our North platform continued its strong growth. North net inflows were higher against Q1 19, and drove a better performance across our retail platforms, with net outflows reducing. The Protecting Your Super legislation and the expected exit of corporate super mandates in the quarter impacted overall net cash outflows for the business.

"AMP Capital saw strong external cashflows, particularly into fixed income products through our asset management partnership in China. Our infrastructure teams are also seeing opportunities for further investment, particularly in infrastructure debt. AMP Bank increased its mortgage lending and grew deposits while also offering relief measures to clients in hardship.

"Amid the uncertainty, I'm pleased we are showing up strongly for our clients and demonstrating the resilience of our business."

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Business unit results

AMP Australia

Australian wealth management

- Australian wealth management average AUM declined 2 per cent to A\$131.3 billion from A\$134.0 billion in Q4 19. AUM as at 31 March 2020 declined 13.5 per cent to A\$116.3 billion (Q4 19: A\$134.5 billion), reflecting weaker investment markets in March 2020.
- Net cash outflows of A\$1.9 billion in Q1 20 include:
 - o Cash inflows of A\$5.8 billion, increased from A\$4.7 billion in Q1 19, driven by a 41 per cent increase in flows on North platform, including A\$400 million from external financial advisers.
 - o Cash outflows of A\$7.7 billion included A\$563 million in regular pension payments to clients, the expected exit of a number of corporate super mandates representing A\$430 million, and A\$205 million from the impacts of Protecting Your Super legislation.

AMP Bank

- AMP Bank's total loan book grew A\$162 million to A\$20.8 billion during Q1 20, reflecting continued growth in residential mortgages.
- Total deposits increased 5.4 per cent to A\$15.2 billion, in line with AMP Bank's strategy to become more deposit-led funded.
- To support clients experiencing financial hardship as a result of COVID-19, AMP Bank is offering clients the option to pause home loan repayments for three months, with the option to extend for a further three months.

AMP Capital

- AMP Capital average AUM increased to A\$203.4 billion from A\$202.7 billion in Q4 19. AUM as at 31 March 2020 declined 5.3 per cent to A\$192.4 billion (Q4 19: A\$203.1 billion), primarily due to weaker investment markets. A higher portion of external AUM is exposed to foreign currency, which benefited from the depreciation of the Australian dollar.
- AMP Capital net external cashflows increased to A\$1.3 billion (Q4 19: A\$20 million net external cash outflows), primarily driven by strong inflows in China Life AMP Asset Management, across money market funds and fixed income products as investors moved to defensive asset classes.
- During Q1 20, outflows included the return of A\$300 million to investors in the AMP Capital Infrastructure Debt Fund II and III, delivering strong performance outcomes for clients.
- An additional A\$8.1 billion in committed capital remains available for real assets investment of which A\$1.6 billion is ear-marked for transactions yet to close. Committed capital will be reflected in AUM when transactions close. AMP Capital continues to pursue quality infrastructure investment opportunities in the market.

New Zealand wealth management

- New Zealand wealth management average AUM increased 1.2 per cent to A\$12.1 billion in Q1 20. AUM as at 31 March 2020 declined 9.8 per cent to A\$11.1 billion (Q4 19: A\$12.3 billion) reflecting weaker investment markets.
- New Zealand wealth management net cash outflows were broadly stable at A\$56 million (Q1 19: A\$52 million net cash outflows).
- Cash inflows into KiwiSaver remain strong at A\$163 million in Q1 20 (Q1 19: A\$162 million).

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Q1 20 cashflows

Australian wealth management

	Cash inflows		Cash outflows		Net cashflows	
Cashflows by product (A\$m)	Q1 20	Q1 19	Q1 20	Q1 19	Q1 20	Q1 19
North ¹	3,988	2,832	(2,966)	(2,424)	1,022	408
AMP Flexible Super ²	278	384	(867)	(894)	(589)	(510)
Summit, Generations and iAccess ³	90	106	(575)	(533)	(485)	(427)
Flexible Lifetime Super (superannuation and pension) ⁴	324	277	(902)	(848)	(578)	(571)
Other retail investment and platforms ⁵	27	29	(156)	(84)	(129)	(55)
Total retail on AMP platforms	4,707	3,628	(5,466)	(4,783)	(759)	(1,155)
SignatureSuper and AMP Flexible Super - Employer	677	623	(1,228)	(739)	(551)	(116)
Other corporate superannuation ⁶	296	305	(574)	(473)	(278)	(168)
Total corporate superannuation	973	928	(1,802)	(1,212)	(829)	(284)
Total retail and corporate superannuation on AMP platforms	5,680	4,556	(7,268)	(5,995)	(1,588)	(1,439)
External platforms ⁷	121	133	(480)	(463)	(359)	(330)
Total Australian wealth management	5,801	4,689	(7,748)	(6,458)	(1,947)	(1,769)

Cash inflow composition (A\$m)	Q1 20	Q1 19
Member contributions	752	596
Employer contributions	965	968
Total contributions	1,717	1,564
Transfers, rollovers in and other ⁸	4,084	3,125
Total	5,801	4,689

¹ North is an award-winning fully functioning wrap platform which includes guaranteed and non-guaranteed options.

² AMP Flexible Super is a flexible all in one superannuation and retirement account for individual retail business.

³ Summit and Generations are owned and developed platforms. iAccess is ipac's badge on Summit.

⁴ Flexible Lifetime Super (superannuation and pension) was closed to new business from 1 July 2010. A small component of corporate superannuation schemes are included.

⁵ Other retail investment and platforms include Flexible Lifetime - Investments and AMP Personalised Portfolio.

⁶ Other corporate superannuation comprises CustomSuper, SuperLeader and Business Super.

⁷ External platforms comprise Asgard, Macquarie, BT Wrap platforms and Challenger annuities.

⁸ Transfers, rollovers in and other includes the transfer of accumulated member balances into AMP from both internal (eg retail superannuation to allocated pension/annuities) and external products.

	Q4 19	Q1 20 Net Cashflows						Q1 20
AUM (A\$m) ¹	AUM	Super-annuation	Pension Payments	Other Pension	Investment	Total Net Cashflows	Other Movements ²	AUM
North	47,587	542	(319)	600	199	1,022	(6,301)	42,308
AMP Flexible Super ³	14,361	(219)	(110)	(260)	-	(589)	(1,574)	12,198
Summit, Generations and iAccess	8,892	(169)	(58)	(127)	(131)	(485)	(1,134)	7,273
Flexible Lifetime Super (superannuation and pension) ⁴	21,866	(473)	(37)	(68)	-	(578)	(2,678)	18,610
Other retail investment and platforms	2,307	-	-	-	(129)	(129)	(363)	1,815
Total retail on AMP platforms	95,013	(319)	(524)	145	(61)	(759)	(12,050)	82,204
SignatureSuper and AMP Flexible Super - Employer ⁵	19,901	(538)	(9)	(4)	-	(551)	(2,190)	17,160
Other corporate superannuation ⁶	12,284	(278)	-	-	-	(278)	(1,206)	10,800
Total corporate superannuation	32,185	(816)	(9)	(4)	-	(829)	(3,396)	27,960
Total retail and corporate superannuation on AMP platforms	127,198	(1,135)	(533)	141	(61)	(1,588)	(15,446)	110,164
External platforms	7,263	(61)	(30)	(83)	(185)	(359)	(804)	6,100
Total Australian wealth management	134,461	(1,196)	(563)	58	(246)	(1,947)	(16,250)	116,264
Australian wealth management - SuperConcepts ⁷ Assets under administration	19,686						(2,771)	16,915

¹ AUM reflects a post separation view following the sale of Australian and New Zealand wealth protection and mature businesses to Resolution Life.

² Other movements include fees, investment returns, distributions, taxes, and foreign exchange movements.

³ AMP Flexible Super includes A\$0.3b in MySuper (Q4 19 A\$0.4b).

⁴ Flexible Lifetime Super (superannuation and pension) includes A\$4.8b in MySuper (Q4 19 A\$5.5b).

⁵ SignatureSuper and AMP Flexible Super – Employer includes A\$9.0b in MySuper (Q4 19 A\$10.6b).

⁶ Other corporate superannuation includes A\$5.4b in MySuper (Q4 19 A\$6.2b).

⁷ SuperConcepts assets under administration includes AMP SMSF, Multiport, Cavendish, SuperIQ, yourSMSF, Justsuper, Ascend and SuperConcepts platforms, but does not include Multiport Annual, SuperConcepts Accountants Outsource, SMSF Managers and MORE Superannuation.

AUM (A\$m)	Q4 19	Q1 20
AUM by product	AUM	AUM
Superannuation	81,749	70,617
Pension	36,157	31,496
Investment	16,555	14,151
Total	134,461	116,264
AUM by asset class		
Cash and fixed interest	29%	33%
Australian equities	30%	27%
International equities	30%	29%
Property	6%	6%
Other	5%	5%
Total	100%	100%

AUM (A\$b)	Q4 19	Q1 20
	AUM	AUM
Closing AUM	134.5	116.3
Average AUM	134.0	131.3

AMP Capital

AUM (A\$m)	Q4 19	Q1 20 Net Cashflows				Q1 20
	AUM	Cash inflows	Cash outflows	Total net Cashflows	Other movements ¹	AUM ²
External	77,395	3,787	(2,494)	1,293	2,077	80,765
Internal	125,700	3,841	(6,293)	(2,452)	(11,573)	111,675
Total AMP Capital	203,095	7,628	(8,787)	(1,159)	(9,496)	192,440

AUM (A\$b)	Q4 19	Q1 20
	AUM	AUM
Closing AUM	203.1	192.4
Average AUM	202.7	203.4

¹ Other movements include fees, investment returns, distributions, taxes, and foreign exchange movements.

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

AMP Bank

AMP Bank by product	Q4 19	Other	Q1 20
Deposits and loans (A \$m)	end balance	movements ¹	end balance
Deposits (super and platform) ²	5,383	740	6,123
Deposits (other) ³	9,031	33	9,064
Loans	20,684	162	20,846

¹ Represents movements in AMP Bank's deposits and loan books.

² At 31 Mar 2020, Super and Platform deposits include AMP Supercash and Super Term Deposits (A\$1.9b), North and platform deposits (A\$4.2b).

³ Deposits (other) includes retail deposits, internal deposits, wholesale deposits and other deposits.

New Zealand wealth management

Cashflows by product (A\$m)	Cash inflows		Cash outflows		Net cashflows	
	Q1 20	Q1 19	Q1 20	Q1 19	Q1 20	Q1 19
KiwiSaver	163	162	(126)	(125)	37	37
Other ¹	108	110	(201)	(199)	(93)	(89)
Total New Zealand wealth management	271	272	(327)	(324)	(56)	(52)

AUM (A\$m)	Q4 19	Q1 20 Net cashflows				Q1 20
	AUM	Superannuation	Investment	Total net cashflows	Other movements ²	AUM
KiwiSaver	5,664	37	-	37	(491)	5,210
Other ¹	6,606	(24)	(69)	(93)	(627)	5,886
Total New Zealand wealth management	12,270	13	(69)	(56)	(1,118)	11,096

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.