

Standard Life plc

2015 Q3 AUA and flows update

28 October 2015

Strong demand in volatile investment markets

Assets under administration¹ up 2% to £301.9bn (FY 2014: £296.6bn; Q3 2014: £290.0bn) in volatile markets, driven by strong net inflows of £5.8bn, including net inflows of £2.4bn in Q3 2015

- Standard Life Investments meeting the investment needs of clients across the globe with 3rd party net inflows of £5.3bn (2014: £3.9bn):
 - Wholesale and institutional net inflows more than doubled to £10.0bn (2014: £4.4bn) representing annualised 14% of opening AUM, including £2.9bn in Q3 2015 (Q3 2014: £0.4bn)
 - 64% of net inflows² year to date from outside the UK as we continue to expand our global reach
 - Third party AUM³ ahead of benchmark over 1 year: 85%; 3 years: 94%; and 5 years: 95%
- UK and Europe business continuing to build momentum with net inflows of £1.9bn (2014: £1.5bn):
 - Workplace and retail new fee business net inflows up 20% to £4.4bn (annualised 8.5% of opening AUA) including £1.5bn in Q3 2015 (Q3 2014: £1.3bn)
 - Added 190,000 new customers year to date and 70,000 in the quarter through auto enrolment, contributing to 12% increase in regular contributions into workplace pensions
 - Increased Wrap⁴ assets to £23.6bn (up 20% year-on-year) with Wrap net inflows up 25% to £3.3bn including a record £1.2bn in Q3 2015
- Agreed terms to increase stake in HDFC Life from 26% to 35% for c£170m subject to regulatory approval

Keith Skeoch, Chief Executive, commented:

“Standard Life has performed well against a backdrop of volatile investment markets. We have delivered consistently strong investment performance and record third party net inflows of £10bn across our institutional and wholesale channels. The strength of our propositions has helped our Wrap platform to achieve its highest ever quarterly net inflows and regular contributions into our workplace pensions are growing strongly. We remain well positioned with clients and customers to deliver growth as we continue to innovate and increase collaboration across our businesses.”

Unless otherwise stated, all figures are reported
on a continuing basis¹ for the nine months ended 30 September 2015

Assets and flows

Group assets under administration – nine months ended 30 September 2015

	Fee (F) Spread/risk (S/R) Other (O)	Opening AUA at 1 Jan 2015 £bn	Gross flows £bn	Redemptions £bn	Net flows £bn	Market and other movements £bn	Closing AUA at 30 Sep 2015 £bn
Total fee		268.6	31.1	(24.8)	6.3	(0.6)	274.3
Total spread/risk		16.1	0.2	(0.9)	(0.7)	(0.2)	15.2
Total other		11.9	0.4	(0.2)	0.2	0.3	12.4
Total AUA		296.6	31.7	(25.9)	5.8	(0.5)	301.9
By business:							
Standard Life Investments							
Third party ³		117.5	22.9	(15.1)	7.8	0.8	126.1
Third party strategic partner life business		43.8	0.2	(2.7)	(2.5)	1.2	42.5
Standard Life Investments total third party	F	161.3	23.1	(17.8)	5.3	2.0	168.6
UK							
UK retail new fee business		37.3	5.6	(2.7)	2.9	-	40.2
UK retail old fee business		33.5	0.5	(2.4)	(1.9)	0.3	31.9
Workplace		32.0	3.1	(1.6)	1.5	(1.9)	31.6
UK retail and workplace fee	F	102.8	9.2	(6.7)	2.5	(1.6)	103.7
Conventional with profits	F	2.1	-	(0.7)	(0.7)	0.1	1.5
Annuities	S/R	15.5	0.2	(0.9)	(0.7)	(0.1)	14.7
Assets not backing products	O	7.7	-	-	-	0.1	7.8
UK total		128.1	9.4	(8.3)	1.1	(1.5)	127.7
Europe							
Fee	F	17.2	1.6	(0.8)	0.8	(0.6)	17.4
Spread/risk	S/R	0.6	-	-	-	(0.1)	0.5
Europe total		17.8	1.6	(0.8)	0.8	(0.7)	17.9
UK and Europe total		145.9	11.0	(9.1)	1.9	(2.2)	145.6
India and China							
Hong Kong	F	0.4	0.1	(0.1)	-	-	0.4
Joint ventures	O	2.1	0.4	(0.2)	0.2	-	2.3
India and China total		2.5	0.5	(0.3)	0.2	-	2.7
Other corporate assets	O	2.5	-	-	-	0.2	2.7
Consolidation and eliminations ⁵	F/O	(15.6)	(2.9)	1.3	(1.6)	(0.5)	(17.7)
Group AUA – continuing operations¹		296.6	31.7	(25.9)	5.8	(0.5)	301.9

Standard Life Investments assets under management – nine months ended 30 September 2015

	Opening AUM at 1 Jan 2015 £bn	Gross flows £bn	Redemptions £bn	Net flows £bn	Market and other movements £bn	Closing AUM at 30 Sep 2015 £bn
UK	75.5	11.4	(7.8)	3.6	1.3	80.4
Europe	11.3	4.1	(1.4)	2.7	(0.9)	13.1
North America	8.1	3.6	(1.2)	2.4	0.2	10.7
Asia Pacific	2.0	1.4	(0.7)	0.7	0.2	2.9
India	6.1	0.7	-	0.7	(0.3)	6.5
Ignis	14.5	1.7	(4.0)	(2.3)	0.3	12.5
By geography of client	117.5	22.9	(15.1)	7.8	0.8	126.1
Third party AUM³						
Equities	15.5	2.0	(2.0)	-	0.2	15.7
Fixed income	22.0	2.5	(1.9)	0.6	(0.8)	21.8
Multi-asset ⁶	38.6	12.6	(5.2)	7.4	1.5	47.5
Real estate	7.4	0.8	(0.5)	0.3	0.5	8.2
MyFolio	5.9	1.9	(0.5)	1.4	(0.1)	7.2
Other ⁷	13.6	1.4	(1.0)	0.4	(0.8)	13.2
Ignis ⁸	14.5	1.7	(4.0)	(2.3)	0.3	12.5
By asset class	117.5	22.9	(15.1)	7.8	0.8	126.1
Wholesale	35.5	12.6	(5.5)	7.1	(0.7)	41.9
Institutional	61.4	8.0	(5.1)	2.9	1.2	65.5
Wealth	6.1	0.6	(0.5)	0.1	-	6.2
Ignis	14.5	1.7	(4.0)	(2.3)	0.3	12.5
By channel	117.5	22.9	(15.1)	7.8	0.8	126.1
Standard Life Group	84.6	3.2	(4.8)	(1.6)	(1.0)	82.0
Phoenix Group	43.8	0.2	(2.7)	(2.5)	1.2	42.5
Strategic partner life business AUM	128.4	3.4	(7.5)	(4.1)	0.2	124.5
Standard Life Investments AUM – continuing operations¹	245.9	26.3	(22.6)	3.7	1.0	250.6

For further information please contact:

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* Calls may be monitored and/or recorded to protect both you and us and help with our training. Call charges will vary.

Newsires and online publications

A conference call for newsires and online publications will take place on Wednesday 28 October at 07:30 (UK time). Participants should dial +44 (0)20 3059 8125 and quote Standard Life Q3 AUA and flows update. A replay facility will be available for seven days. To access the replay please dial +44 (0)121 260 4861. The pass code is 1655869#.

Investors and Analysts

A conference call for analysts and investors will take place on Wednesday 28 October at 09:00 (UK time). Participants should dial +44 (0)20 3059 8125 and quote Standard Life Q3 AUA and flows update. A replay facility will be available for seven days. To access the replay please dial +44 (0)121 260 4861. The pass code is 1595850#.

There will also be a live audiocast at the same time with the facility to ask questions.

Notes to Editors

- 1 Continuing operations excludes Canada and our Dubai and Singapore insurance businesses.
- 2 Excluding strategic partner life business and Ignis.
- 3 Excluding strategic partner life business.
- 4 Wrap AUA and flows are reported predominantly within UK retail new fee business (offshore bond reported within Europe fee).
- 5 Certain products are included in both Group AUA and Standard Life Investments third party AUM. Therefore, at a Group level an elimination adjustment is required to remove any duplication, in addition to other necessary consolidation adjustments. Comprises £17.3bn (FY 2014: £15.2bn) related to fee business eliminations and £0.4bn (FY 2014: £0.4bn) related to other eliminations.
- 6 Comprises suite of global absolute return strategies and balanced funds.
- 7 Comprises cash, private equity and Wealth. Year to date net inflows from India cash funds £0.3bn (2014: £0.3bn).
- 8 Year to date net inflows from Ignis liquidity funds £0.6bn (2014: £0.1bn).

Supplementary information

Group assets under management net flows - 15 months ended 30 September 2015

	Fee (F) Spread/risk (S/R) Other (O)	3 months to 30 Sep 2015 £bn	3 months to 30 Jun 2015 £bn	3 months to 31 Mar 2015 £bn	3 months to 31 Dec 2014 £bn	3 months to 30 Sep 2014 £bn
Total fee		2.5	0.8	3.0	(3.1)	0.2
Total spread/risk		(0.2)	(0.3)	(0.2)	(0.3)	(0.2)
Total other		0.1	-	0.1	0.1	-
Total net flows		2.4	0.5	2.9	(3.3)	-
By business:						
Standard Life Investments						
Third party ³		2.6	1.5	3.7	(2.9)	0.6
Third party strategic partner life business		(0.3)	(0.9)	(1.3)	(0.9)	(0.7)
Standard Life Investments total third party	F	2.3	0.6	2.4	(3.8)	(0.1)
UK						
UK retail new fee business		1.1	0.9	0.9	0.8	0.6
UK retail old fee business		(0.7)	(0.7)	(0.5)	(0.5)	(0.6)
Workplace		0.4	0.5	0.6	0.6	0.7
UK retail and workplace fee	F	0.8	0.7	1.0	0.9	0.7
Conventional with profits	F	(0.3)	(0.2)	(0.2)	(0.3)	(0.2)
Annuities	S/R	(0.2)	(0.3)	(0.2)	(0.3)	(0.2)
Assets not backing products	O	-	-	-	-	-
UK total		0.3	0.2	0.6	0.3	0.3
Europe						
Fee	F	0.3	0.2	0.3	0.3	0.2
Spread/risk	S/R	-	-	-	-	-
Europe total		0.3	0.2	0.3	0.3	0.2
UK and Europe total		0.6	0.4	0.9	0.6	0.5
India and China						
Hong Kong	F	-	-	-	-	0.1
Joint ventures	O	0.1	-	0.1	0.1	-
India and China total		0.1	-	0.1	0.1	0.1
Consolidation and eliminations ⁵	F	(0.6)	(0.5)	(0.5)	(0.2)	(0.5)
Group net flows – continuing operations¹		2.4	0.5	2.9	(3.3)	-

Standard Life Investments assets under management net flows - 15 months ended 30 September 2015

		3 months to 30 Sep 2015 £bn	3 months to 30 Jun 2015 £bn	3 months to 31 Mar 2015 £bn	3 months to 31 Dec 2014 £bn	3 months to 30 Sep 2014 £bn
UK		1.5	1.1	1.0	0.4	(0.3)
Europe		0.5	1.0	1.2	0.5	0.2
North America		0.9	0.7	0.8	0.3	0.1
Asia Pacific		(0.1)	0.6	0.2	0.1	0.2
India		0.2	-	0.5	0.3	0.2
Ignis		(0.4)	(1.9)	-	(4.5)	0.2
By geography of client		2.6	1.5	3.7	(2.9)	0.6
Third party net flows³	Equities	0.1	-	(0.1)	(1.0)	(0.5)
	Fixed income	0.2	-	0.4	-	(0.9)
	Multi-asset ⁶	1.8	2.9	2.7	1.4	1.0
	Real estate	0.1	0.1	0.1	0.3	0.2
	MyFolio	0.5	0.5	0.4	0.5	0.3
	Other ⁷	0.3	(0.1)	0.2	0.4	0.3
	Ignis	(0.4)	(1.9)	-	(4.5)	0.2
	By asset class	2.6	1.5	3.7	(2.9)	0.6
	Wholesale	1.8	2.7	2.6	1.5	1.2
	Institutional	1.1	0.7	1.1	0.1	(0.8)
Wealth	0.1	-	-	-	-	
Ignis	(0.4)	(1.9)	-	(4.5)	0.2	
By channel	2.6	1.5	3.7	(2.9)	0.6	
Standard Life Group	(0.4)	(0.7)	(0.5)	(0.5)	(0.8)	
Phoenix Group	(0.3)	(0.9)	(1.3)	(0.9)	(0.7)	
Strategic partner life business net flows	(0.7)	(1.6)	(1.8)	(1.4)	(1.5)	
Standard Life Investments net flows – continuing operations¹	1.9	(0.1)	1.9	(4.3)	(0.9)	

Group assets under administration - nine months ended 30 September 2014

	Fee (F) Spread/risk (S/R) Other (O)	Opening AUA at 1 Jan 2014 £bn	Gross flows £bn	Redemptions £bn	Net flows £bn	Market and other movements £bn	Closing AUA at 30 Sep 2014 £bn
Total fee		190.7	24.5	(19.7)	4.8	68.2	263.7
Total spread/risk		15.1	0.3	(0.9)	(0.6)	1.1	15.6
Total other		8.9	0.3	(0.2)	0.1	1.7	10.7
Total AUA		214.7	25.1	(20.8)	4.3	71.0	290.0
By business:							
Standard Life Investments							
Third party ³		89.8	17.2	(12.6)	4.6	22.4	116.8
Third party strategic partner life business		-	-	(0.7)	(0.7)	42.8	42.1
Standard Life Investments total third party	F	89.8	17.2	(13.3)	3.9	65.2	158.9
UK							
UK retail new fee business		33.8	4.5	(2.4)	2.1	1.5	37.4
UK retail old fee business		33.5	0.5	(2.2)	(1.7)	1.2	33.0
Workplace		29.2	3.0	(1.4)	1.6	-	30.8
UK retail and workplace fee	F	96.5	8.0	(6.0)	2.0	2.7	101.2
Conventional with profits	F	2.9	0.1	(0.8)	(0.7)	0.1	2.3
Annuities	S/R	14.6	0.3	(0.9)	(0.6)	1.0	15.0
Assets not backing products	O	5.7	-	-	-	0.9	6.6
UK total		119.7	8.4	(7.7)	0.7	4.7	125.1
Europe							
Fee	F	14.9	1.6	(0.8)	0.8	0.5	16.2
Spread/risk	S/R	0.5	-	-	-	0.1	0.6
Europe total		15.4	1.6	(0.8)	0.8	0.6	16.8
UK and Europe total		135.1	10.0	(8.5)	1.5	5.3	141.9
India and China							
Hong Kong	F	0.3	0.1	-	0.1	-	0.4
Joint ventures	O	1.6	0.3	(0.2)	0.1	0.2	1.9
India and China total		1.9	0.4	(0.2)	0.2	0.2	2.3
Other corporate assets	O	2.0	-	-	-	0.6	2.6
Consolidation and eliminations ⁵	F/O	(14.1)	(2.5)	1.2	(1.3)	(0.3)	(15.7)
Group AUA – continuing operations¹		214.7	25.1	(20.8)	4.3	71.0	290.0

Standard Life Investments assets under management - nine months ended 30 September 2014

		Opening AUM at 1 Jan 2014 £bn	Gross flows £bn	Redemptions £bn	Net flows £bn	Market and other movements £bn	Closing AUM at 30 Sep 2014 £bn
UK		68.3	10.4	(8.9)	1.5	2.8	72.6
Europe		10.4	2.0	(1.2)	0.8	(0.6)	10.6
North America		5.2	2.3	(1.1)	1.2	1.0	7.4
Asia Pacific		1.8	0.7	(0.4)	0.3	(0.2)	1.9
India		4.1	0.6	-	0.6	0.8	5.5
Ignis		-	1.2	(1.0)	0.2	18.6	18.8
By geography of client		89.8	17.2	(12.6)	4.6	22.4	116.8
Third party AUM³	Equities	15.1	2.1	(2.4)	(0.3)	0.3	15.1
	Fixed income	20.2	1.7	(2.7)	(1.0)	1.8	21.0
	Multi-asset ⁶	31.4	8.5	(4.8)	3.7	1.3	36.4
	Real estate	6.1	0.7	(0.3)	0.4	0.4	6.9
	MyFolio	4.0	1.6	(0.5)	1.1	0.2	5.3
	Other ⁷	13.0	1.4	(0.9)	0.5	(0.2)	13.3
	Ignis ⁸	-	1.2	(1.0)	0.2	18.6	18.8
	By asset class		89.8	17.2	(12.6)	4.6	22.4
Wholesale		28.9	8.5	(4.8)	3.7	0.6	33.2
Institutional		55.1	7.0	(6.3)	0.7	3.0	58.8
Wealth		5.8	0.5	(0.5)	-	0.2	6.0
Ignis		-	1.2	(1.0)	0.2	18.6	18.8
By channel		89.8	17.2	(12.6)	4.6	22.4	116.8
Standard Life Group		80.3	2.9	(4.8)	(1.9)	3.4	81.8
Phoenix Group		-	-	(0.7)	(0.7)	42.8	42.1
Strategic partner life business AUM		80.3	2.9	(5.5)	(2.6)	46.2	123.9
Standard Life Investments AUM – continuing operations¹		170.1	20.1	(18.1)	2.0	68.6	240.7