

Press Release

Scheduled Trading Update

16 November 2017

Embargoed for release at 7.00am on 16 November 2017

Close Brothers Group plc (“the group” or “Close Brothers”) today issues its trading update for the first quarter from 1 August 2017 to 31 October 2017 (“the quarter”). All statements in this release relate to that period unless otherwise indicated.

Group and divisional performance

Close Brothers has made a good start to the year with continued strong profitability across all three divisions.

The **Banking** division delivered a good performance in the first quarter with loan book growth and stable margin.

The loan book increased 1.4% in the period to £7.0 billion (31 July 2017: £6.9 billion), driven by good growth in Property and Premium Finance. As expected, the Asset and Motor Finance loan books remained broadly flat, as we maintain our underwriting and pricing discipline.

Both the net interest margin and bad debt ratio remained in line with the last financial year, and we have not seen any significant change in credit performance or trading conditions.

Winterflood benefited from continued retail investor trading activity.

The **Asset Management** division continued to benefit from strong net inflows as well as positive market movements, with managed assets increasing 6.5% to £9.5 billion (31 July 2017: £8.9 billion) and total client assets growing to £11.7 billion (31 July 2017: £11.2 billion).

Outlook

We achieved a good performance in the first quarter and, at this early stage, remain well positioned for the remainder of the financial year.

About Close Brothers

Close Brothers is a leading UK merchant banking group providing lending, deposit taking, wealth management services and securities trading. We employ over 3,200 people, principally in the UK. Close Brothers Group plc is listed on the London Stock Exchange and is a member of the FTSE 250.

Enquiries

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