

Company-compiled consensus ^{1,2,3}

As at 19 November 2024



Income statement	FY 2025E Consensus				FY 2026E Consensus				FY 2027E Consensus			
	Low	Mean	High	# analysts	Low	Mean	High	# analysts	Low	Mean	High	# analysts
Close Brothers Group plc ("CBG Total")												
Income	777	796	812	8	788	818	854	8	810	859	901	8
Expenses	(559)	(547)	(538)	8	(565)	(551)	(520)	8	(580)	(561)	(537)	8
Pre-provision profit	235	249	265	8	236	266	299	8	245	298	344	8
Impairment losses	(109)	(99)	(87)	8	(110)	(96)	(73)	8	(118)	(99)	(79)	8
CBG Total Adjusted operating profit ("AOP") excl. CBAM	143	150	158	8	155	170	191	8	164	199	240	8
Total Adjusting Items	(310)	(156)	0	8	(215)	(94)	0	8	(33)	(5)	0	8
<i>Estimated impact of the FCA's review of historical motor finance commission arrangements and the Court of Appeal's judgment⁴</i>	(298)	(139)	0	8	(185)	(88)	0	8	(30)	(4)	0	8
<i>Complaints handling and other operational costs associated with the FCA's review of motor finance</i>	(15)	(10)	0	8	(15)	(4)	0	8	(3)	(0)	0	8
<i>Provision in relation to the BIFD review</i>	0	0	0	8	0	0	0	8	0	0	0	8
<i>Restructuring costs</i>	(10)	(7)	0	8	(15)	(3)	0	8	(5)	(1)	0	8
CBG Total Statutory Operating Profit Before Tax excl. CBAM	(152)	(6)	148	8	(45)	76	188	8	152	194	240	8
Discontinued operations (CBAM)												
Profit/(loss) after tax	5	7	9	8	0	0	0	8	0	0	0	8
Profit on disposal of discontinued operations	45	52	78	6	0	0	0	8	0	0	0	8
Profit/(loss) from discontinued operations⁵	50	59	85	6	0	0	0	8	0	0	0	8
Banking												
Income	714	730	745	8	709	744	768	8	740	777	816	8
Expenses	(434)	(427)	(419)	8	(443)	(433)	(410)	8	(460)	(442)	(424)	8
Pre-provision profit	290	303	318	8	292	312	333	8	301	335	372	8
Impairment losses	(109)	(99)	(87)	8	(110)	(96)	(73)	8	(118)	(99)	(79)	8
Banking AOP	198	204	212	8	195	216	252	8	207	236	278	8
Winterflood												
Income	74	81	90	8	80	92	113	8	84	100	139	8
Expenses	(83)	(77)	(74)	8	(95)	(81)	(74)	8	(108)	(84)	(74)	8
Winterflood AOP	(1)	4	7	8	3	11	18	8	4	16	31	8
Group (central functions)⁶												
Income	(17)	(15)	(11)	8	(44)	(18)	(9)	8	(44)	(18)	(9)	8
Expenses	(46)	(43)	(40)	8	(44)	(38)	(31)	8	(45)	(35)	(25)	8
Group (central functions) net expenses	(60)	(58)	(56)	8	(87)	(56)	(45)	8	(82)	(53)	(40)	8
CBG Total metrics												
Effective tax rate ("ETR")	22.6%	24.6%	27.1%	6	22.7%	24.7%	27.0%	6	23.5%	24.9%	27.0%	8
Adjusted earnings per share ("AEPS") ⁷ on continuing operations	55.3	61.6	67.1	7	64.3	73.0	82.3	7	68.8	86.1	106.1	7
Dividend per share ("DPS")	0.0	5.9	25.0	8	0.0	25.7	45.0	8	0.0	40.0	51.0	8
Common Equity Tier 1 ("CET1") ratio - transitional ⁸	12.2%	13.0%	14.2%	8	11.5%	12.3%	14.4%	8	11.2%	12.4%	15.1%	8

Banking metrics
Net interest margin ("NIM")
Bad debt ratio
Closing net loan book (including operating lease assets)

Low	Mean	High	# analysts
7.1%	7.2%	7.3%	7
0.9%	1.0%	1.5%	8
9,667	10,204	10,433	7

Low	Mean	High	# analysts
7.1%	7.2%	7.3%	7
0.7%	1.0%	1.4%	8
10,134	10,594	10,819	7

Low	Mean	High	# analysts
7.1%	7.2%	7.4%	7
0.7%	0.9%	1.2%	8
10,748	11,077	11,468	7

Notes

- 1 Close Brothers has a financial year-end of 31 July.
- 2 Averages presented throughout this document are calculated on a line-by-line basis and may not add up to the totals provided.
- 3 Includes updated estimates from eight analysts that have updated estimates following our FY24 results on 19 September 2024.
- 4 Average of estimates from eight analysts (where an adjusting item in relation to the FCA's review of historical motor finance commissions and the Court of Appeal's judgment has not been included in the analyst's forecasts, zero has been assumed). Excluding the analysts who have not included an adjusting item in relation to the FCA's review of motor finance commissions and the Court of Appeal's judgment, the averages of estimated impact are £186m for FY 2025 (Low:£92m; High:£298m; Number of analysts: 6), £140m for FY 2026 (Low:£92m; High:£185m; Number of analysts: 5) and £30m for FY 2027 (Number of analysts: 1). On the same basis, the average of total estimated impact between FY2025-FY2027 is £264m (Low:£150m; High:£385m; Number of analysts: 7). Estimates for the potential impact of the FCA's review of historical motor finance commission arrangements and the Court of Appeal's judgment vary considerably, for quantum, timing and tax treatment.
- 5 Analysts' estimates included in the consensus for CBAM's estimated profit on disposal are based on CBAM's net asset value ("NAV") of £121.8 million at 31 July 2024 as opposed to the estimated NAV at completion. The transaction is expected to complete in early 2025 calendar year. Analysts' estimates for profit from discontinued operation excludes amortisation of intangible assets on acquisition.
- 6 Group (central functions) consists of central functions as well as various non-trading head office companies and consolidation adjustments and is presented in order that the information presented reconciles to the consolidated income statement.
7. Adjusted earnings per share ("AEPS") on continuing operations exclude 'Adjusting items' estimated by analysts.
8. Estimates for the impact of the FCA's review of historical motor finance commission arrangements and the execution of the capital management actions announced in March 2024 vary considerably between analysts and are reflected in the CET1 capital ratio average included in consensus.

Disclaimer

The analysts' consensus is provided for information purposes only, for the convenience of our investors and analysts. Consensus figures are those as at 19 November 2024, and may not reflect any changes to analyst estimates after that date. Figures shown include a simple arithmetic average, as well as the minimum and maximum values, of the latest forecasts provided to Close Brothers by a number of registered investment analysts by this date. Close Brothers excluded forecasts which have not been updated following the last reported full set of financial results (i.e. Full-Year or Half-Year Results) or have not been updated to reflect significant announcements or events.

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Investor Relations contacts

Sophie Gillingham
Camila Sugimura
Kimberley Taylor
Ingrid Diaz

sophie.gillingham@closebrothers.com
camila.sugimura@closebrothers.com
kimberley.taylor@closebrothers.com
ingrid.diaz@closebrothers.com

020 3857 6574
020 3857 6577
020 3857 6233
020 3857 6088