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MEDIA RELEASE | 22 October 2020

AMP Limited Q3 20 AUM and cashflows update

- Australian wealth management (AWM) assets under management (AUM) increased 0.3 per cent to A$121.4 billion (Q2 20: A$121.0 billion) supported by improved investment markets. Average Q3 AUM increased 2 per cent to A$122.1 billion (Q2 20: A$120.0 billion).
- AWM net cash outflows of A$1.95 billion were broadly flat (Q3 19: A$1.94 billion), with signs of underlying improvement after adjusting for A$692 million of early release of super payments.
- North platform growth continued, delivering A$818 million in net cash inflows, including A$196 million from external financial advisers.
- AMP Capital AUM reduced by 0.4 per cent to A$189.2 billion reflecting cash outflows, and average AUM decreased to A$189.8 billion (Q2 20: A$191.9 billion).
- AMP Capital experienced net external cash outflows of A$1.1 billion, primarily due to redemptions from public markets products.
- AMP Bank deposits increased A$52 million to A$17.0 billion and total loan book decreased A$303 million to A$20.6 billion reflecting highly competitive market conditions and economic impact of COVID-19.
- Portfolio review progressing in parallel with transformation strategy; on-market share buyback remains on hold during the portfolio review.

AMP Chief Executive Francesco De Ferrari said:

"Our business has performed resiliently through the challenges of COVID-19 and a period of internal change in the third quarter. Our people have continued to face into the disruption, remaining focused on supporting our clients through programs such as the early release of super, and by providing financial advice to those who need it.

"Assets under management have increased slightly in our wealth management businesses in Australia and New Zealand and were resilient in AMP Capital. AMP Bank continues to adapt in a challenging market environment as we complete the renovation of our core systems to enable future growth.

"As we move into the second year of our three-year strategy, we are accelerating our business transformation, and continuing to mitigate our legacy issues including our client remediation program which remains on track to complete in 2021. Our portfolio review, announced in this quarter, is progressing in parallel and being managed without delay to our transformation."

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Business unit results

AMP Australia

Australian wealth management

- Australian wealth management average AUM increased 2 per cent to A$122.1 billion from A$120.0 billion in Q2 20. AUM as at 30 September 2020 increased 0.3 per cent to A$121.4 billion compared to Q2 20, reflecting stronger market movement offset by net cash outflows.
- North platform growth continued, delivering A$818 million in net cash inflows, including A$196 million from external financial advisers.
- Net cash outflows of A$1.95 billion in Q3 20 include:
  - Cash inflows of A$6.0 billion, A$1.1 billion lower than Q3 19 (A$7.1 billion).
  - Cash outflows of A$8.0 billion, down from A$9.0 billion in Q3 19, included regular pension payments of A$453 million and A$692 million in early release of super payments.
- Further outflows of approximately A$450 million are expected in Q4 20 from a lost corporate super mandate.

AMP Bank

- Total deposits increased A$52 million to A$17.0 billion with growth in platform deposits offsetting a reduction in retail deposits.
- AMP Bank's total loan book decreased 1.4 per cent to A$20.6 billion during Q3 20, reflecting a highly competitive lending environment and continued credit discipline.
- AMP Bank is continuing to support clients on home loan repayment pauses to recommence payments.

AMP Capital

- AUM as at 30 September 2020 declined 0.4 per cent to A$189.2 billion from A$189.9 billion in Q2 20 while AMP Capital average AUM reduced to A$189.8 billion from A$191.9 billion in Q2 20.
- AMP Capital net external cash outflows of A$1.1 billion (net cashflows of A$766 million in Q3 19), reflected the run-off of legacy business[1] and redemptions from public markets products.
- AMP Capital's Infrastructure Debt strategy recorded net external cash inflows of A$688 million during Q3 20 from the continued deployment of capital on behalf of investors in Infrastructure Debt Fund IV and the September 2020 launch of a new Infrastructure Debt Asia Pacific strategy.
- Net internal cash outflows of A$1.3 billion reflected outflows in Australian wealth management.

New Zealand wealth management

- New Zealand wealth management total AUM increased 1.2 per cent to A$11.8 billion in Q3 20 (Q2 20: A$11.6 billion).
- New Zealand wealth management net cash outflows decreased to A$13 million compared to A$79 million in net cash outflows in Q3 19.

[1] Run-off legacy business was previously categorised as 'internal' prior to the sale of the AMP Life business to Resolution Life, effective 30 June 2020.

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Q3 20 cashflows

Australian wealth management

Cashflows by product (A$m)	Cash inflows		Cash outflows		Net cashflows	
	Q3 20	Q3 19	Q3 20	Q3 19	Q3 20	Q3 19
North[1]	4,205	4,873	(3,387)	(3,776)	818	1,097
AMP Flexible Super[2]	290	469	(1,038)	(1,191)	(748)	(722)
Summit, Generations and iAccess[3]	103	130	(577)	(633)	(474)	(503)
Flexible Lifetime Super (superannuation and pension)[4]	331	352	(1,001)	(1,203)	(670)	(851)
Other retail investment and platforms[5]	10	27	(90)	(95)	(80)	(68)
Total retail on AMP platforms	**4,939**	**5,851**	**(6,093)**	**(6,898)**	**(1,154)**	**(1,047)**
SignatureSuper and AMP Flexible Super - Employer	751	744	(898)	(859)	(147)	(115)
Other corporate superannuation[6]	231	341	(604)	(745)	(373)	(404)
Total corporate superannuation	**982**	**1,085**	**(1,502)**	**(1,604)**	**(520)**	**(519)**
Total retail and corporate superannuation on AMP platforms	**5,921**	**6,936**	**(7,595)**	**(8,502)**	**(1,674)**	**(1,566)**
External platforms[7]	110	168	(389)	(543)	(279)	(375)
Total Australian wealth management	**6,031**	**7,104**	**(7,984)**	**(9,045)**	**(1,953)**	**(1,941)**

Cash inflow composition (A$m)	Q3 20	Q3 19
Member contributions	674	776
Employer contributions	819	893
Total contributions	**1,493**	**1,669**
Transfers, rollovers in and other[8]	4,538	5,435
Total	**6,031**	**7,104**

[1] North is an award-winning fully functioning wrap platform which includes guaranteed and non-guaranteed options. Includes North and MyNorth platforms.
[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. Business Super was closed in May 2020 with members migrated to CustomSuper or AMP Flexible 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 (e.g. retail superannuation to allocated pension/annuities) and external products.

AUM (A$m)	Q2 20 AUM	Q3 20 Net cashflows: Super-annuation	Pension payments	Other pension	Investment	Total net cashflows	Other movements[1]	Q3 20 AUM
North	46,021	230	(276)	748	116	818	1,101	47,940
AMP Flexible Super[2]	13,310	(347)	(83)	(318)	-	(748)	224	12,786
Summit, Generations and iAccess	7,347	(175)	(38)	(151)	(110)	(474)	179	7,052
Flexible Lifetime Super (superannuation and pension)[3]	19,305	(561)	(26)	(83)	-	(670)	287	18,922
Other retail investment and platforms	1,907	-	-	-	(80)	(80)	65	1,892
Total retail on AMP platforms	**87,890**	**(853)**	**(423)**	**196**	**(74)**	**(1,154)**	**1,856**	**88,592**
SignatureSuper and AMP Flexible Super - Employer[4]	17,169	(129)	(8)	(10)	-	(147)	181	17,203
Other corporate superannuation[5]	10,088	(373)	-	-	-	(373)	129	9,844
Total corporate superannuation	**27,257**	**(502)**	**(8)**	**(10)**	**-**	**(520)**	**310**	**27,047**
Total retail and corporate superannuation on AMP platforms	**115,147**	**(1,355)**	**(431)**	**186**	**(74)**	**(1,674)**	**2,166**	**115,639**
External platforms	5,892	(50)	(22)	(82)	(125)	(279)	136	5,749
Total Australian wealth management[6]	**121,039**	**(1,405)**	**(453)**	**104**	**(199)**	**(1,953)**	**2,302**	**121,388**
Australian wealth management - SuperConcepts[7] Assets under administration	17,434	-	-	-	-	-	(175)	17,259

[1] Other movements include fees, investment returns, distributions, taxes, and foreign exchange movements.
[2] AMP Flexible Super includes A$0.8b in MySuper (Q2 20 A$0.8b).
[3] Flexible Lifetime Super (superannuation and pension) includes A$4.9b in MySuper (Q2 20 A$5.0b).
[4] SignatureSuper and AMP Flexible Super – Employer includes A$9.1b in MySuper (Q2 20 A$9.1b).
[5] Other corporate superannuation includes A$4.9b in MySuper (Q2 20 A$5.0b).
[6] At Q3 20, 76% of AUM is externally managed, while 24% is internally managed.
[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.

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AUM (A$m)	Q2 20	Q3 20
AUM by product	**AUM**	**AUM**
Superannuation	73,411	73,244
Pension	32,840	33,174
Investment	14,788	14,970
Total	**121,039**	**121,388**
AUM by asset class		
Cash and fixed interest	32%	32%
Australian equities	29%	29%
International equities	28%	28%
Property	6%	6%
Other	5%	5%
Total	**100%**	**100%**

AUM (A$b)	Q2 20 AUM	Q3 20 AUM
Closing AUM	121.0	121.4
Average AUM	120.0	122.1

AMP Capital

AUM (A$m)	Q2 20	Q3 20 Net cashflows				Q3 20
	AUM[1]	Cash inflows	Cash outflows	Total net cashflows	Other movements[2]	AUM[3]
External	107,027	4,397	(5,503)	(1,106)	85	106,006
Internal	82,837	3,142	(4,482)	(1,340)	1,698	83,195
Total AMP Capital	**189,864**	**7,539**	**(9,985)**	**(2,446)**	**1,783**	**189,201**

AUM (A$b)	Q2 20 AUM	Q3 20 AUM
Closing AUM	189.9	189.2
Average AUM	191.9	189.8

[1] AUM transitioned from internal to external AUM category following the sale of the AMP Life business to Resolution Life, effective 30 June 2020.
[2] Other movements include fees, investment returns, distributions, taxes, and foreign exchange movements.
[3] AUM is invested capital. Committed real asset capital is excluded from AUM.

AMP Bank

AMP Bank by product	Q2 20	Other	Q3 20
Deposits and loans (A$m)	**End balance**	**Movements[1]**	**End balance**
Deposits (super and platform)[2]	6,913	317	7,230
Deposits (other)[3]	10,076	(265)	9,811
Loans	20,929	(303)	20,626

[1] Represents movements in AMP Bank's deposits and loan books.
[2] At 30 Sep 2020, Super and Platform deposits include AMP Supercash and Super Term Deposits (A$2.6b), North and platform deposits (A$4.6b).
[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	
	Q3 20	Q3 19	Q3 20	Q3 19	Q3 20	Q3 19
KiwiSaver	203	222	(139)	(179)	64	43
Other[1]	106	119	(183)	(241)	(77)	(122)
Total New Zealand wealth management	**309**	**341**	**(322)**	**(420)**	**(13)**	**(79)**

AUM (A$m)	Q2 20	Q3 20 Net cashflows				Q3 20
	AUM	Super-annuation	Investment	Total net cashflows	Other movements[2]	AUM
KiwiSaver	5,522	64	-	64	64	5,650
Other[1]	6,099	(45)	(32)	(77)	90	6,112
Total New Zealand wealth management	**11,621**	**19**	**(32)**	**(13)**	**154**	**11,762**

[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.