

## AMP Limited provides Q3 23 Bank, AUM and cashflows update

- AMP Bank total loan book grew by \$0.5 billion to \$25.0 billion in Q3 23
- AMP Bank total deposits increased by \$0.8 billion to \$22.1 billion during Q3 23
- Platforms net cashflows<sup>1</sup> were \$426 million (Q3 22: \$748 million)
- North inflows from Independent Financial Advisers (IFAs) increased 17% on Q3 22 to \$565 million
- Platforms Assets Under Management (AUM) were steady at \$68.3 billion (Q2 23: \$68.3 billion)
- Master Trust cashflows and AUM reflect the \$4.3 billion mandate loss announced last year that transferred in August, with negative net cashflows of \$4.9 billion (Q3 22: negative net cashflows of \$722 million)
- New Zealand Wealth Management's KiwiSaver recorded net cashflows of \$59 million (Q3 22: \$71 million)

### AMP Chief Executive Alexis George said:

*"We continue to actively manage the Bank portfolio in what remains a highly competitive environment, particularly as the Term Funding Facility (TFF) refinancing continues across the market. We expect to see subdued growth for the remainder of the year as we continue to manage Net Interest Margin (NIM), with full year NIM now expected to be below previous guidance of 1.30-1.35%.*

*"In Platforms, we continue to focus on driving flows from IFAs, with a 17% increase on the prior corresponding period. AUM remained steady, and net cashflows were lower as we continued to see a reduction in discretionary investment, as clients respond to the current economic environment.*

*"Our retirement solution, My North Lifetime<sup>2</sup>, was last week globally recognised, winning the award for Pension Fund Design and Reform at the World Pension Summit in the Netherlands. This supports our intention to be a leader in this space, ensuring more Australians can enjoy a better life in retirement.*

*"As we confirmed at half year results, the transfer of a Master Trust mandate loss in August was reflected in negative net cashflows and a decline in AUM.*

*"In New Zealand, the KiwiSaver market remains resilient, with net cashflows of \$59 million during the quarter. The divestment of a legacy product resulted in a negative movement in cashflows and a decline in AUM."*

### Business unit results

#### AMP Bank

AMP Bank's total loan book grew by \$0.5 billion to \$25.0 billion in Q3 23. Residential loan growth to the end of August 2023, was 1.64x system (based on APRA market share data as at 31 August 2023), although

<sup>1</sup> In Platforms and Master Trust, net cashflows excludes regular pension payments to members. Prior periods have been restated to reflect this.

<sup>2</sup> [MyNorth Lifetime Super \(northonline.com.au\)](https://northonline.com.au)

this is expected to be subdued for the remainder of the year, as AMP Bank continues to actively manage its portfolio in a highly competitive market.

Total deposits increased by \$0.8 billion to \$22.1 billion during Q3 23, with a deposit to loan ratio broadly steady at 88%. The majority of inflows were from customer deposits, with moderate uplift in term deposits driven by customer rates.

### Platforms

In Platforms, a decline in net cashflows (excluding pension payments) to \$426 million (Q3 22: \$748 million), was predominantly driven by the reduction in non-superannuation investment in response to the current economic conditions.

Pension payments were \$499 million (\$385 million Q3 22), reflecting increases to minimum pension drawdown rates from July 2023.

Platforms AUM was steady at \$68.3 billion (Q2 23: \$68.3 billion), with net cashflows of \$426 million offsetting pension payments of \$499 million. Investment market movements had a minor positive impact on AUM for the period.

North inflows from IFAs were up 17% on Q3 22 to \$565 million, reflecting the strategic focus on this market.

### Master Trust

In Master Trust, net cashflows reflected the \$4.3 billion mandate loss announced last year that transferred in August 2023, resulting in negative net cashflows of \$4.9 billion (Q3 22: negative net cashflows of \$722 million). This was also reflected in lower AUM of \$50.3 billion (Q2 23: \$55.4 billion).

Pension payments of \$106 million in Q3 23 compared to \$97 million in Q3 22.

### New Zealand Wealth Management

Net cashflows and AUM in New Zealand in the quarter were impacted by the strategic decision to divest legacy products to simplify and derisk the business. Negative net cashflows of \$36 million in Q3 23 (Q3 22: net cashflows of \$23 million), and AUM of \$10.4 billion (Q2 23: \$10.8 billion) largely reflect the handover of funds from these divested legacy products.

KiwiSaver net cashflows were \$59 million in Q3 23 (Q3 22: \$71 million).

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All figures are in Australian dollars (A\$) unless otherwise noted.  
Authorised for release by the Market Disclosure Committee.

## Q3 23 Cashflows

### AMP Bank

Deposits and loans (\$m)	Q2 23	Movement <sup>1</sup>	Q3 23
	End balance		End balance
Customer deposits	14,619	524	15,143
At call deposits	8,257	183	8,440
Term deposits	6,362	341	6,703
Platforms <sup>2</sup>	4,501	331	4,832
Master Trust <sup>3</sup>	1,870	(83)	1,787
Other <sup>4</sup>	303	(11)	292
<b>Total deposits</b>	<b>21,293</b>	<b>761</b>	<b>22,054</b>
Residential Mortgages	24,300	480	24,780
Practice Finance Loans	237	(6)	231
<b>Total loans</b>	<b>24,537</b>	<b>474</b>	<b>25,011</b>
<b>Deposit to loan ratio</b>	<b>87%</b>	<b>1%</b>	<b>88%</b>

1. Represents movements in AMP Bank's deposits, loan books and deposit to loan ratio.

2. At 30 Sep 2023, Platforms include Cash (A\$3.6b) and Term Deposits (A\$1.2b).

3. At 30 Sep 2023, Master Trust deposits include AMP Supercash (A\$1.7b) and Super TDs (A\$0.1b).

4. Other deposits include internal deposits and wholesale deposits.

## Platforms

Cashflows by product (\$m)	Cash inflows <sup>1</sup>		Cash outflows <sup>1,2</sup>		Net cashflows <sup>2</sup>	
	Q3 23	Q3 22	Q3 23	Q3 22	Q3 23	Q3 22
North <sup>3</sup>	6,064	5,219	(5,532)	(4,100)	532	1,119
Legacy Platforms <sup>4</sup>	-	82	-	(300)	-	(218)
External platforms <sup>5</sup>	26	35	(132)	(188)	(106)	(153)
<b>Total Platforms</b>	<b>6,090</b>	<b>5,336</b>	<b>(5,664)</b>	<b>(4,588)</b>	<b>426</b>	<b>748</b>

Platforms cash inflow composition (\$m)	Q3 23	Q3 22
Member contributions	1,044	1,128
Employer contributions	180	168
<b>Total contributions</b>	<b>1,224</b>	<b>1,296</b>
Transfers, rollovers in and other <sup>6</sup>	4,866	4,040
<b>Total Platforms</b>	<b>6,090</b>	<b>5,336</b>

1 Inflows and outflows include those from internal and external sources. Internal includes transfers across and within products (eg moving from Super to Pension within North).

2 Cash outflows and Net cashflows exclude regular pension payments to members. Prior periods have been restated to reflect this.

3 North is a fully functioning wrap platform which includes guaranteed and non-guaranteed options. Includes North and MyNorth platforms.

4 Legacy Platforms include Summit, Generations, iAccess and AMP Personalised Portfolio. During Q4 22 Summit and Generations were closed and during Q2 23 iAccess was closed, with existing customers migrated to MyNorth. AMP Personalised Portfolio closed in Q1 2022.

5 External platforms comprise Asgard platform products issued by AMP.

6 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 (\$m)	Q2 23	Q3 23 Net cashflows <sup>1</sup>		Net cashflows	Other movements <sup>2</sup>		Q3 23
	AUM	Super-annuation	Investment		Pension payments	Market/Other	AUM
North	66,376	627	(95)	532	(488)	96	66,516
Legacy Platforms	-	-	-	-	-	-	-
External platforms	1,946	(59)	(47)	(106)	(11)	(13)	1,816
<b>Total Platforms</b>	<b>68,322</b>	<b>568</b>	<b>(142)</b>	<b>426</b>	<b>(499)</b>	<b>83</b>	<b>68,332</b>

AUM (\$m)	Q2 23	Q3 23
<b>AUM by product</b>	<b>AUM</b>	<b>AUM</b>
Superannuation	26,072	25,775
Pension	28,346	28,850
Investment	13,904	13,707
<b>Total</b>	<b>68,322</b>	<b>68,332</b>
<b>AUM by asset class</b>	<b>Q2 23</b>	<b>Q3 23</b>
Cash and fixed interest	31%	32%
Australian equities	33%	31%
International equities	29%	31%
Property	5%	5%
Other	2%	1%
<b>Total</b>	<b>100%</b>	<b>100%</b>

	Q2 23	Q3 23
<b>AUM (\$b)</b>	<b>AUM</b>	<b>AUM</b>
Closing AUM	68.3	68.3
Average AUM	67.9	69.5

1 Net Cashflows excludes pension payments to members. Prior periods have been restated to reflect this.

2 Other movements includes pension payments, fees, investment returns, distributions, taxes and foreign exchange movements.

## Master Trust

Cashflows by product (\$m)	Cash inflows <sup>1</sup>		Cash outflows <sup>1,2</sup>		Net cashflows <sup>2</sup>	
	Q3 23	Q3 22	Q3 23	Q3 22	Q3 23	Q3 22
Retail superannuation	631	609	(1,051)	(1,077)	(420)	(468)
Corporate superannuation	791	795	(5,283)	(1,049)	(4,492)	(254)
<b>Total Master Trust</b>	<b>1,422</b>	<b>1,404</b>	<b>(6,334)</b>	<b>(2,126)</b>	<b>(4,912)</b>	<b>(722)</b>

Master Trust cash inflow composition (\$m)	Q3 23	Q3 22
Member contributions	82	92
Employer contributions	648	658
<b>Total contributions</b>	<b>730</b>	<b>750</b>
Transfers, rollovers in and other <sup>3</sup>	692	654
<b>Total Master Trust</b>	<b>1,422</b>	<b>1,404</b>

1 Inflows and outflows include those from internal and external sources. Internal includes transfers across and within products.

2 Cash outflows and Net cashflows exclude regular pension payments to members. Prior periods have been restated to reflect this.

3 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 (\$m)	Q2 23	Q3 23 Net cashflows <sup>1</sup>		Net cashflows	Other movements <sup>2</sup>		Q3 23
	AUM	Super-annuation	Investment		Pension payments	Market/Other	AUM
Retail superannuation <sup>3</sup>	29,157	(420)	-	(420)	(90)	(85)	28,562
Corporate superannuation <sup>4</sup>	26,270	(4,492)	-	(4,492)	(16)	(67)	21,695
<b>Total Master Trust</b>	<b>55,427</b>	<b>(4,912)</b>	<b>-</b>	<b>(4,912)</b>	<b>(106)</b>	<b>(152)</b>	<b>50,257</b>

AUM (\$m)	Q2 23	Q3 23
<b>AUM by product</b>	<b>AUM</b>	<b>AUM</b>
Superannuation	50,260	45,497
Pension	5,167	4,760
<b>Total</b>	<b>55,427</b>	<b>50,257</b>
<b>AUM by asset class</b>	<b>Q2 23</b>	<b>Q3 23</b>
Cash and fixed interest	23%	23%
Australian equities	29%	29%
International equities	33%	39%
Property	6%	6%
Other	9%	3%
<b>Total</b>	<b>100%</b>	<b>100%</b>

	Q2 23	Q3 23
<b>AUM (\$b)</b>	<b>AUM</b>	<b>AUM</b>
Closing AUM	55.4	50.3
Average AUM	55.1	53.6

1 Net Cashflows excludes regular pension payments to members. Prior periods have been restated to reflect this.

2 Other movements includes pension payments, fees, investment returns, distributions, taxes and foreign exchange movements.

3 Retail superannuation includes A\$7.4b in MySuper (Q2 23 A\$7.3b).

4 Corporate superannuation includes A\$12b in MySuper (Q2 23 A\$15.3b).

## New Zealand Wealth Management

Cashflows by product (\$m)	Cash inflows		Cash outflows		Net cashflows	
	Q3 23	Q3 22	Q3 23	Q3 22	Q3 23	Q3 22
KiwiSaver	198	175	(139)	(104)	59	71
Other <sup>1</sup>	148	69	(243)	(117)	(95)	(48)
<b>Total New Zealand wealth management</b>	<b>346</b>	<b>244</b>	<b>(382)</b>	<b>(221)</b>	<b>(36)</b>	<b>23</b>

AUM (\$m)	Q2 23	Q3 23 Net cashflows			Other movements <sup>2,3</sup>	Q3 23
	AUM	Super-annuation	Investment	Net cashflows		AUM
KiwiSaver	5,536	59	-	59	(53)	5,542
Other <sup>1</sup>	5,253	(53)	(42)	(95)	(317)	4,841
<b>Total New Zealand wealth management</b>	<b>10,789</b>	<b>6</b>	<b>(42)</b>	<b>(36)</b>	<b>(370)</b>	<b>10,383</b>

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.

3 Other movements in Other also includes the sale of legacy products in Q3 with AUM outflows of ~A\$270m.