

## AMP announces intention to pursue demerger of AMP Capital's private markets investment management business

AMP Limited today announces its intention to pursue a demerger of AMP Capital's private markets business ("Private Markets") of infrastructure equity, infrastructure debt and real estate.

The proposed demerger follows a decision by the AMP Board to conclude discussions with Ares Management Corporation regarding a potential sale of Private Markets.

The demerger would create two more focused businesses, better equipped to pursue and allocate capital to distinct growth opportunities, and realise efficiencies:

- **AMP Limited:** a retail-focused, wealth management, investment and banking group with scale and market-leading positions in the Australian and New Zealand markets and strategic investments in key international partnerships. AMP Limited will also retain:
  - A minority stake in Private Markets of up to 20 per cent to participate in the future growth of the business
  - AMP Capital's Global Equity and Fixed Income (GEFI) business, for which AMP is currently exploring sale or partnership options; and
  - AMP Capital's Multi-Asset Group, which is in the process of being transferred to the AMP Australia business
- **Private Markets:** a leading global private markets investment manager with a strong performance track record in differentiated asset classes of infrastructure equity, infrastructure debt and real estate, and capabilities to expand into attractive growth adjacencies.

The proposed demerger would unlock further value in the Private Markets business by simplifying its structure, providing operational independence and enabling it to establish a new brand. Private Markets will also put in place a new management equity plan, to attract and retain talented investment professionals and management.

The targeted timeline is for the demerger to be completed in 1H 22.

### Leadership

As previously announced, Alexis George will be the CEO of AMP Limited and will be joining AMP in Q3 21. An international search process for a new CEO to lead Private Markets is already underway, with David Atkin continuing to lead the business on an operational basis.

As part of the separation of Private Markets, AMP Capital's Global Head of Infrastructure Equity and North West Region, Boe Pahari, has decided to leave the business. Mr Pahari will work closely with the Infrastructure Equity leadership team to ensure a smooth transition.

**AMP Chair Debra Hazelton commented:**

*“Our portfolio review confirmed that AMP has two distinct businesses in retail wealth and institutional private markets, with different client bases and growth opportunities. From the extensive work that has been done we believe that operational and structural separation will significantly benefit both business units. The Private Markets business operates in growing, global markets in which investment management talent and strong client relationships are critical. While AMP Australia and New Zealand Wealth Management share the same commitment to clients, they are predominantly domestic businesses focused on wealth, banking and investment solutions for retail customers.*

*“Through our review, we assessed the alternatives of a sale or separation for Private Markets and found both options would support the acceleration of growth in the business. We have had substantial and constructive discussions with Ares regarding a sale, however, we have not been able to reach an agreement that would deliver appropriate value for our shareholders. The Board has therefore concluded a demerger provides investors with the strongest value outcome, creating two more focused entities, with the agility to pursue new growth opportunities in their respective markets. We will now accelerate our demerger planning, building on the preliminary work already undertaken.”*

**Next Steps**

AMP will commence the internal separation of Private Markets immediately, including establishing operational independence for management, new branding and a Private Markets Board of Directors. Michael Sammells will be appointed as interim Chairman of the Private Markets Board. Mr Sammells, a non-executive director of AMP Limited and current Chairman of AMP Capital, has extensive experience with private equity and preparing a company for an ASX listing.

On demerger, existing AMP shareholders would receive shares in Private Markets proportional to their existing shareholdings in AMP Limited, after taking into account any shares to be retained by AMP. Under the proposed demerger, Private Markets is expected to be listed on the ASX.

A demerger would be subject to final AMP Board approval, required regulatory approvals, applicable consents and approval from AMP’s shareholders. Further details regarding capital structure, dividend policy, separation, management and governance will also be announced in due course.

Having concluded the portfolio review the Board will restart the share buy-back of up to A\$200 million.

**Media enquiries**

---

**Mark Roberts**

Mobile: +61 466 328 581

**Katherine Perry**

Mobile: +61 411 247 629

**Investor enquiries**

---

**Jason Bounassif**

Phone: +61 2 9257 9684

**Michael Vercoe**

Phone: +61 2 9257 4244

Authorised for release by the AMP Limited Board.

---

**AMP LIMITED**

33 Alfred Street, Sydney NSW 2000 Australia  
ABN 49 079 354 519

**CORPORATE AFFAIRS**

T 02 9257 6127  
E [media@amp.com.au](mailto:media@amp.com.au)  
W [AMP.com.au/media](http://AMP.com.au/media)  




# AMP Limited Demerger Overview

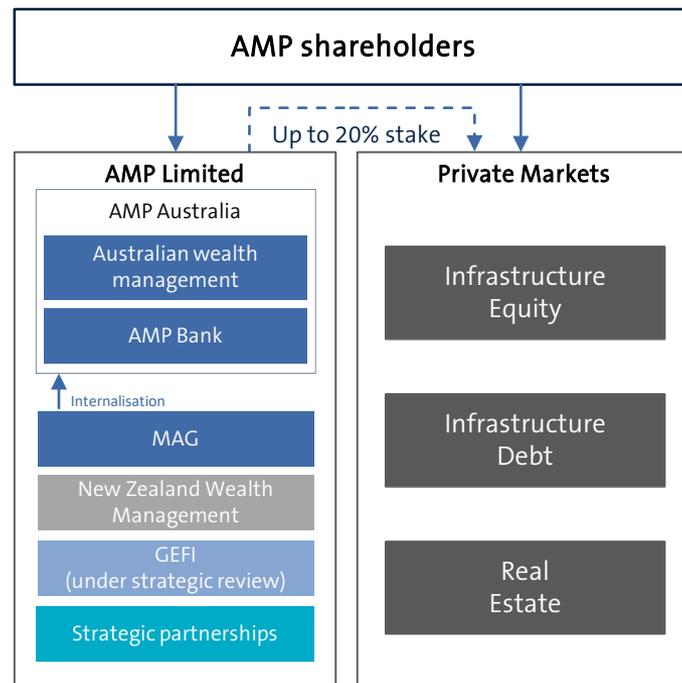
23 April 2021



# Transaction Overview

Demerger creates independent, global Private Markets investment manager, and simplified AMP focused on retail wealth and banking

- |            |  |
|------------|--|
| Overview   | <ul style="list-style-type: none"> <li>Separation of Private Markets business from AMP Limited to create operational independence, simplify structures and accelerate growth in their respective markets.</li> </ul>   |
| Businesses | <ul style="list-style-type: none"> <li>Creation of:           <ul style="list-style-type: none"> <li><b>Private Markets:</b> Leading global private market investment manager with strong performance track record in differentiated asset classes of infrastructure equity, infrastructure debt and real estate</li> <li><b>AMP Limited:</b> Leading retail-focused, wealth management, super, retirement, investment and banking group, with scale and market-leading positions in the Australia and New Zealand markets, and strategic investments in key international partnerships</li> </ul> </li> </ul>   |
| Benefits   | <ul style="list-style-type: none"> <li>Opportunity for Private Markets to create new brand and achieve autonomy consistent with global peers</li> <li>Management equity to align Private Markets management with clients and shareholders interests           <ul style="list-style-type: none"> <li>Strengthened ability to attract and retain key investment and management talent</li> </ul> </li> <li>Provides both businesses with direct access to capital markets to fund own growth opportunities</li> <li>Potential to drive further efficiencies and reduction of corporate overheads</li> <li>Increased ability to participate in inorganic opportunities</li> <li>Focused and independent management teams in both businesses</li> </ul> |



# Private Markets – Overview

Private Markets is a leading global investment manager, and is positioned to benefit from its geographic reach and sector expertise

1 Leading investment manager with over ~A\$50billion invested AUM

**A\$18.9billion**  
Infrastructure Equity Invested AUM

**A\$26.9billion**  
Real Estate Invested AUM

**A\$7.3billion**  
Infrastructure Debt Invested AUM

2 Extensive global reach with operations in the largest and deepest global markets

North America, Europe & Middle East



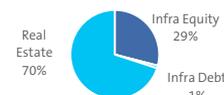
Invested AUM A\$13.4bn

Asia



Invested AUM A\$6.3bn

Australia & New Zealand



Invested AUM A\$33.3bn

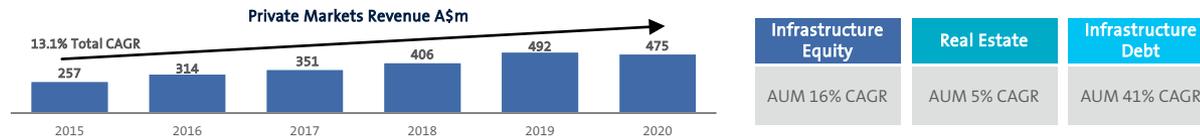
3 Proven sector expertise with top 10 league table position across businesses and track record of solid investment performance

**#7**  
Global Infrastructure Equity<sup>1</sup>

**#2**  
Australian Real Estate<sup>1</sup>

**#6**  
Global Infrastructure Debt<sup>1</sup>

4 Financial outlook underpinned by shifting business model to closed end fund structure



5 Broad global institutional investor network with fast paced international growth supported by stable domestic client base



<sup>1</sup> Infrastructure Investor 50 capital raising league tables with numbers based on capital raised over preceding 5 year period. Real Estate based on ANREV / INREV / NCREIF Fund Manager Survey 2020.

<sup>2</sup> Direct Institutional clients and AUM excludes partnerships.

# AMP Limited – Post Demerger Overview

AMP Limited continues to be a leading provider of wealth and banking solutions to retail customers, and is positioned to drive industry transformation in a sector with growing customer needs and attractive industry structure

1 Leading independent retail wealth business in Australia

**A\$124billion**  
Australian Wealth AUM

**#1**  
Retail Managed Funds<sup>1</sup>

**#2**  
Advisor Network<sup>2</sup>

**#3**  
Platform Wrap Size<sup>3</sup>

2 Unique wealth and digital banking offering to Australian AMP customers

**Wealth**

- Opportunity to deliver differentiated “wealth-first” retail offering from integrated wealth platforms
- Leading open architecture leveraging best in class capabilities and scale platform

**Bank**

- Efficient, high return mortgage banking business with attractive customer base
- Potential to deliver banking services on platform as part of turn-key solutions

3 Opportunity to deliver turnkey solutions to independent financial advisers via the North platform as advice model transitions to fee income

**1,573**  
Advisor Network

**A\$96billion**  
Retail Super and Platform AUM

MyNorth ranked as most improved platform<sup>4</sup>

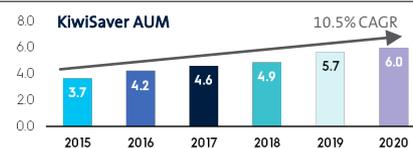
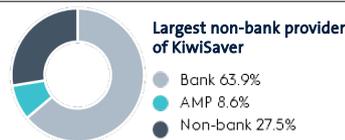
- Strong incumbent position to lead sector transformation to advice-first wealth management
- Potential over the medium term to become an independent provider of wealth services to support advisers in all activities

4 Financial outlook underpinned by simplification strategy and advice network optimisation



- On track to deliver the current A\$300m cumulative gross cost savings by the end of FY22
- Clear strategy to simplify business, rationalise network and modernise product offering

5 Strong position in New Zealand market as one of the largest non-bank providers of KiwiSaver and leading provider of corporate superannuation.



1 Plan for Life as at December 2020. Retail Managed Funds are those funds which are characterised as being investment products with relatively low minimum investment eg \$1,000 to \$5,000 in a single investment choice.

2 Rainmaker data as at December 2019 proforma for the MLC and IOOF merger.

3 Plan for Life data as at December 2020. Product rank and market share refers to total master trusts, platforms & wrap funds under management proforma for the MLC and IOOF merger. MyNorth platform ranked #5 by

leading product analysis.

4 Investment Trends 2019

# Important notice

## Summary information

This presentation has been prepared by AMP Limited (ABN 49 079 354 519) ("AMP"). It is a presentation of general background information about AMP's activities current at the date of this presentation, which may be subject to change. The information is in a summary form and does not purport to be complete, comprehensive or to comprise all the information which a securityholder or potential investor in AMP may require in order to determine whether to deal in AMP securities, nor does it contain all the information which would be required in a disclosure document prepared in accordance with the Corporations Act 2001 (Cth) ("Corporations Act"). It is to be read in conjunction with AMP's other announcements released to the Australian Securities Exchange (available at [www.asx.com.au](http://www.asx.com.au)).

Nothing contained in this presentation constitutes an offer to sell or a solicitation of an offer to buy or sell shares or securities in any entity, or financial product, investment, legal, tax or other advice or any recommendation. It does not take into account the investment objectives, financial situation or needs of any particular investor. The appropriateness of the information in this presentation should be considered by you having regard to your own investment objectives, financial situation and needs and with your own professional advice, when deciding if an investment is appropriate.

## Forward-looking statement

This presentation contains forward looking statements, including statements regarding the financial condition, results of operations and business of AMP, and the implementation of AMP's announced strategy. These statements relate to expectations, beliefs, intentions or strategies regarding the future. Forward looking statements may be identified by the use of words like 'anticipate', 'believe', 'aim', 'estimate', 'expect', 'intend', 'may', 'plan', 'project', 'will', 'should', 'seek' and similar expressions.

Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements, as well as statements about market and industry trends, which are based on interpretations of current market conditions. The forward-looking statements reflect views and assumptions with respect to future events as of the date of this presentation. However, they are not guarantees of future performance. They involve known and unknown risks, uncertainties, assumptions, contingencies and other factors, many of which are beyond the control of AMP and its related bodies corporate and affiliates and each of their respective directors, securityholders, officers, employees, partners, agents, advisers and management, and may involve significant elements of subjective judgement and assumptions as to future events that may or may not be correct. Forward-looking statements speak only as of the date of this presentation and there can be no assurance that actual outcomes will not differ materially. Past performance is not indicative of future performance.

No guarantee, representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns, statements or tax treatment in relation to future matters contained in this presentation. Readers are cautioned not to place undue reliance on the forward-looking statements, which are based only on information currently available to AMP. Except as required by applicable laws or regulations, AMP does not undertake to publicly update or revise the forward-looking statements or other statements in this presentation, whether as a result of new information or future events or circumstances.

A demerger would be subject to final AMP Board approval, required regulatory approvals, applicable consents and approval by AMP shareholders.

# Important notice (continued)

## Financial data and rounding

All dollar values are in Australian dollars (A\$) and financial data is presented as at 31 December 2020 unless stated otherwise. A number of figures, amounts, percentages, estimates, calculations of value and other fractions used in the presentation are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this presentation.

## Disclaimer

To the maximum extent permitted by law, AMP and its affiliates and related bodies corporate and each of their respective directors, officers, partners, employees, agents and advisers exclude and expressly disclaim all liabilities in respect of, and make no representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of information in this presentation or that this presentation contains all material information about AMP or which a prospective investor or purchaser may require in evaluating a possible investment in AMP or acquisition of securities in AMP, or likelihood of fulfilment of any forward-looking statement or any event or results expressed or implied in any forward-looking statement.

Statements made in this presentation are made only as at the date of this presentation. The information in this presentation remains subject to change without notice. AMP may in its absolute discretion, but without being under any obligation to do so, update or supplement this presentation. Any further information will be provided subject to the terms and conditions contained in this Important Notice.

Authorised for release by the AMP Limited Board