

## Summary - Group Annual Report 2019

The Close Brothers Group plc Annual Report 2019 is now available, so we would like to share a summary of the key information. If you would like to read the report in full, you can find it at [closebrothers.com](https://www.closebrothers.com)

### Our purpose

Our purpose is to **help the people and businesses of Britain thrive over the long term**. We support the unique needs of our customers to ensure that they thrive, rather than simply survive, whatever the market conditions.

### Our specialist businesses

We provide lending, wealth management services and securities trading. Operating principally in the UK, we employ over 3,000 people.

- **Banking** – specialist finance, lending and deposit taking services for over two million customers and intermediaries
- **Asset Management** – financial advice and investment management services to private clients across the UK
- **Securities** – trading and execution services through Winterflood, a leading UK market maker

### Group financial highlights for the year ended 31 July 2019

- Adjusted operating profit: **£270.5million**
- Return on opening equity: **15.7%**
- Adjusted basic earnings per share: **136.7p**
- Ordinary dividend per share: **66.0p**

### Financial strength

- Capital base remains strong: common equity tier 1 ratio at 13% (increase from 12.7% in 2018)
- The group generates income from a diverse range of activities, not relying on one profit centre or sector
- Our loans: predominantly secured, small ticket and short-term, with the average maturity of funding significantly ahead of loan book maturity

### Independent credit ratings

Our strong credit ratings have been reaffirmed by Moody's Investors Services and Fitch Ratings:

- Both give us a **'stable' outlook**
- Moody's rates Close Brothers Group **A3/P2** and Close Brothers Limited **Aa3/P1**
- Fitch rates both Close Brothers Group and Close Brothers Limited **A/F1**

### Another successful year

Chairman Michael Biggs' statement sums up another successful year for Close Brothers. We have:

- Continued to deliver strong returns to our shareholders
- Maintained good employee engagement and high levels of customer satisfaction

He highlights:

- Our strategic and financial discipline, which allows us to deliver consistent service and solid profitability
- Our long term, sustainable approach, with prudent and consistent underwriting standards, across every aspect of our business
- Our distinctive, customer-focused culture and talented and diverse employees

### Close Brothers Savings

Close Brothers Savings provides a range of accounts and services for business and personal customers. With competitive interest rates, these include fixed term deposits, notice accounts and SIPP and SASS pension accounts. Highlights in our area this year include:

- Deposits increased to £5.6 billion (from £5.5 billion in 2018)
- We launched and implemented a new customer deposit platform to allow us to offer a wider range of deposit products, as well as improve customer experience
  - Launched new notice accounts for both our retail and pension customers
  - In the 2020 financial year we will be introducing a suite of new savings products and a new retail online portal