

Pendal Group Limited
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Australia

ABN 28 126 385 822



14 October 2020

Company Announcements Office
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

Pendal Group Limited (PDL): Funds under management for the quarter ended 30 September 2020

Pendal Group Limited's announcement of funds under management for the quarter ended 30 September 2020 is attached for release.

Yours sincerely

A handwritten signature in black ink, appearing to read "Joanne Hawkins", written in a cursive style.

Authorising Officer

Joanne Hawkins
Group Company Secretary
Pendal Group Limited
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ASX Announcement

Pendal Group FUM for the quarter ended 30 September 2020

Sydney, Australia, 14 October 2020 - Pendal Group Limited (ASX: PDL) today announced a 3.4 per cent uplift in closing funds under management (FUM), an increase of \$3.0 billion to \$92.4 billion, for the quarter ended 30 September 2020.

Positive net flows, favourable markets and investment performance contributed \$3.8 billion to FUM, while there was a negative currency impact of \$0.8 billion, as the Australian dollar appreciated against major currencies.

Mr Emilio Gonzalez, Pendal Group's Chief Executive Officer, said, "With the attraction of \$1.2 billion in positive net flows this quarter, we are seeing the benefits of Pendal's business model, in managing through market cycles.

"We have seen strong flows globally in the institutional channel, and continued positive net flows in the US pooled funds. Importantly, we are seeing early signs of a turnaround in flows in JOHCM, achieving net inflows of \$1.2 billion this quarter.

"The diversification of our global business, and the enhanced regional focus brought about by the new CEOs in UK, Europe and Asia; and the US, is also delivering results.

"Markets have improved substantially since the depths of the COVID-19 period in the March quarter. As a business and an industry, we have adapted well to the COVID-19 environment, and have focussed on providing support for our clients and the health and well-being of our staff. Whilst investor confidence has strengthened, there remains uncertainty over the macroeconomic outlook in the short to medium term."

FUNDS UNDER MANAGEMENT (AUD \$ billion)	30 Jun 20 Closing FUM	Net Flows	Other ¹	FX Impact	30 Sep 20 Closing FUM
Institutional	19.0	0.5	0.3		19.8
Wholesale	7.1	0.1	0.1		7.3
Westpac					
- Legacy retail	4.3	(1.1)	0.1		3.3
- Other	12.2	0.5	0.0		12.7
Total Pendal Australia FUM	42.6	0.0	0.5		43.1
Segregated mandates	16.5	1.0	0.8	(0.2)	18.1
OEICs	13.0	(0.4)	(0.3)	0.1	12.4
US pooled funds	17.3	0.6	1.6	(0.7)	18.8
Total JOHCM FUM	46.8	1.2	2.1	(0.8)	49.3
TOTAL PENDAL GROUP FUM	89.4	1.2	2.6	(0.8)	92.4

¹ Other includes investment performance, market movement and distributions.

Highlights

- FUM of \$92.4 billion as at 30 September 2020, up 3.4 per cent on the prior quarter.
- Notable improvement from previous quarters with total net inflows of \$1.8 billion (ex-Westpac) across multiple channels and regions.
- JOHCM achieving net inflows of \$1.2 billion in the quarter.
- New mandate wins from institutional clients.

J O Hambro Capital Management

JOHCM saw net inflows of \$1.2 billion in the September quarter, reflecting improving fund performance and strong support from institutional clients.

Positive flow momentum continued in the US pooled funds with net inflows of \$0.6 billion on the back of improved investor sentiment in the US and continued outperformance in the International Select strategy.

There were milestone new account wins in the UK Growth and UK Opportunities strategies, totalling \$0.7 billion. Both of these investment strategies have performed well during the COVID-19 period, in particular UK Opportunities which is now first quartile over one, three and five years.

European outflows have moderated as investment performance has improved.

During the quarter, the UK Equity Income strategy experienced net outflows of \$0.4 billion, which has underperformed in a challenging period since the onset of COVID-19.

Pendal Australia

Pendal Australia achieved net inflows of \$0.6 billion (ex-Westpac) in the quarter.

Australian equities attracted net inflows of \$0.5 billion through the institutional channel from both existing clients and new mandate wins.

Despite a difficult trading environment, the wholesale channel has seen improved momentum with four consecutive months of positive flows, as a result of a number of strategies recently being added to model portfolios and increasing flows into the range of sustainable funds.

Net outflows from the Westpac portfolio totalled \$0.6 billion, which included pre-advised outflows due to the consolidation of their superannuation platform.

Pendal will present its full year results to the market on 4 November 2020.

For further information, please contact:

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