

## **Focus on fee business driving growth and performance**

- Fee based revenue, including Ignis, up 17% to £761m with 95% of income now fee based
- Assets under administration<sup>1</sup> up to £302.1bn (FY 2014: £296.6bn; H1 2014: £223.9bn) in volatile markets, driven by increased demand for our investment solutions and acquisition of Ignis
- Standard Life Investments meeting the investment needs of customers across the globe:
  - Strong 3rd party net inflows of £5.2bn despite outflow from low revenue margin mandate of £1.7bn
  - Wholesale and institutional net inflows of £7.1bn of which 70% from outside of the UK
  - Continuing excellent investment performance with 3rd party AUM above benchmark<sup>2</sup> – 1 year 79%; 3 years 95%; 5 years 97%
- UK business building momentum and well placed in a changing long-term savings environment:
  - Workplace and retail new fee business net inflows up 23% to £2.9bn, representing annualised 8% of opening AUA
  - Added 120,000 new customers in the UK through auto enrolment in H1 2015 contributing to 15% increase in regular contributions into workplace pensions
  - Increased Wrap assets by 11% to £23.3bn with Wrap net inflows up 17% to £2.1bn
- Group underlying performance<sup>\*,1</sup> up 9% to £299m and operating profit<sup>1,3</sup> before tax up 6% to £290m after a £39m reduction in spread/risk margin
- Group underlying cash generation<sup>1</sup> up 17% to £223m
- Interim dividend up 7.5% to 6.02p

## **David Nish, Chief Executive, commented:**

*“Standard Life has performed well during the first half of 2015 driven by a focus on providing value for our customers, clients and shareholders. We have increased the assets that we administer on behalf of our customers to £302bn helped by strong demand for our propositions.*

*“Standard Life Investments actively manages £250bn of assets across the globe driven by consistently strong investment performance. We are continuing to see the benefits of our expanding distribution capabilities and strategic relationships with 70%<sup>4</sup> of net inflows from outside the UK and strong growth in net inflows through the wholesale channel.*

*“Our UK fee based propositions continue to build momentum with regular contributions into our workplace pensions up 15%. The strength of these propositions, investment solutions and our market positioning means we have been able to help our customers with the new pensions regulations and continue to support them as saving for their futures becomes increasingly front of mind.*

*“It has been an absolute privilege to lead Standard Life for the last six years and to help build our business into the strong global player it is today. I wish Keith and the inspirational people across all of our Group every success for the future. Standard Life is very well positioned to deliver ongoing growth and to help our customers and clients to save and invest, so that they can look forward to their financial futures with confidence.”*

Unless otherwise stated, all figures are reported on a continuing operations basis<sup>1</sup>.

\* Group underlying performance is Group operating profit before tax from continuing operations after excluding the impact of spread/risk operating actuarial assumption changes and specific management actions in the reporting period. A full reconciliation to profit for the period attributable to equity holders of Standard Life plc is presented on page 2 of this release.

## Financial highlights

	H1 2015 £m	H1 2014 £m
<b>Group profitability</b>		
Fee based revenue	761	652
Spread/risk margin	40	79
Total income	801	731
Total operating expenses	(533)	(473)
Capital management	1	(4)
Share of associates' and joint ventures' profit before tax	30	20
<b>Group underlying performance from continuing operations<sup>1</sup></b>	<b>299</b>	<b>274</b>
One-off contribution to with-profits business in Germany	(9)	-
<b>Group operating profit before tax from continuing operations<sup>1</sup></b>	<b>290</b>	<b>274</b>
Tax on operating profit	(37)	(46)
Share of associates' and joint ventures' tax expense	(5)	(1)
<b>Operating profit after tax</b>	<b>248</b>	<b>227</b>
Non-operating items	(158)	(36)
Tax on non-operating items	19	11
Dubai and Singapore included in discontinued operations segment <sup>5</sup>	(40)	(6)
<b>Profit for the period attributable to equity holders of Standard Life plc from continuing operations<sup>1</sup></b>	<b>69</b>	<b>196</b>
IFRS profit from discontinued operations <sup>5</sup>	1,142	79
<b>Total IFRS profit for the period attributable to equity holders of Standard Life plc</b>	<b>1,211</b>	<b>275</b>

	H1 2015 £m	H1 2014 £m
<b>Group underlying performance from continuing operations<sup>1</sup></b>		
Standard Life Investments	154	102
UK	141	165
Europe	15	23
India and China	21	12
Other	(32)	(28)
<b>Group underlying performance from continuing operations<sup>1</sup></b>	<b>299</b>	<b>274</b>

	H1 2015	H1 2014
<b>Other Group performance indicators from continuing operations<sup>1</sup></b>		
Group operating profit before tax (£m)	290	274
Group underlying cash generation (£m)	223	191
Group assets under administration (£bn)	302.1	296.6 <sup>6</sup>
Group net inflows (£bn)	3.4	4.3

	H1 2015	H1 2014
<b>Other Group financial highlights</b>		
Group IGD surplus (£bn)	2.6	2.9 <sup>6</sup>
Group diluted operating EPS from continuing operations (p)	13.6	11.4
Group diluted EPS from continuing operations (p)	3.2	8.2
Interim dividend per share (p)	6.02	5.60

## Group performance

Standard Life continues to perform well driven by a focus on delivering value for money for our customers and clients.

Group assets under administration (AUA)<sup>1</sup> increased to £302.1bn (FY 2014: £296.6bn) in volatile markets, benefiting from strong net inflows of £3.4bn and small but positive market movements of £2.1bn.

Net inflows of £3.4bn included outflows from spread/risk business of £0.5bn which were more than offset by net inflows into our fee propositions of £3.8bn. Excluding natural run-off from conventional with profits of £0.4bn and net outflows from assets managed for the Phoenix Group of £2.2bn, adjusted net inflows into our fee based propositions were strong at £6.4bn (H1 2014: £5.1bn).

Standard Life Investments continued to deliver strong investment performance and saw total assets under management (AUM) increase to £250.0bn (FY 2014: £245.9bn). Within this, third party AUM (excluding strategic partner life business) increased to £124.4bn (FY 2014: £117.5bn) benefiting from net inflows of £7.1bn into our institutional and wholesale propositions which were partially offset by outflows from our Ignis business of £1.9bn including a divestment of £1.7bn from one large low revenue margin mandate. Strategic partner life business AUM of £125.6bn (FY 2014: £128.4bn), which includes assets managed on behalf of Standard Life Group and the Phoenix Group, reflects scheduled outflows from annuities and conventional with profits as well as the expected outflows from the assets managed for the Phoenix Group.

AUA in the UK of £130.4bn (FY 2014: £128.1bn) benefited from a 15% increase in regular contributions into UK workplace pensions as well as strong inflows into our retail new propositions driven by ongoing growth in assets on our Wrap platform and strong demand for our market-leading drawdown proposition. Total UK workplace and retail new net inflows of £2.9bn were up 23% and represented annualised 8% of opening AUA.

Steady net inflows in Europe and India and China also contributed to the growth in AUA. Positive market movements at the start of the year were mostly offset by market volatility in June and the strength of Sterling against other currencies including the Euro.

Group operating profit<sup>1</sup> increased by 6% to £290m (H1 2014: £274m) after a £39m reduction in spread/risk margin due to lower annuity sales and the reduced benefit from asset liability management. This was more than offset by strong growth in our fee business with fee based revenue up 17% to £761m driven by growth in AUA including the acquisition of Ignis in the second half of 2014. Group operating expenses as a proportion of average AUA reduced by 5bps to 42bps (FY 2014: 47bps). In the UK, demand for our auto enrolment solutions, including from SMEs, helped us to add in excess of 120,000 new customers during H1 2015 and we have secured over 3,700 new schemes with 680,000 joiners since the start of auto enrolment. Standard Life Investments revenue increased by 40% to £402m (H1 2014: £288m), which included a 31% increase in revenue from third party assets (excluding strategic partner life business) to £298m (H1 2014: £227m).

IFRS profit after tax attributable to equity holders<sup>1</sup> was £69m (H1 2014: £196m) reflecting an increase in non-operating items. This includes a one-off charge of £46m for the acceleration of DAC amortisation in Hong Kong due to regulatory change, £38m due to the closure of our Singapore insurance business, £20m related to the restructuring of the UK defined benefit staff pension scheme and £17m of Ignis integration costs. Total IFRS profit of £1,211m (H1 2014: £275m) includes IFRS profit from discontinued operations of £1,142m (H1 2014: £79m) reflecting the gain on the sale of our Canadian business to Manulife.

Following the sale of our Canadian business and the return of value to shareholders of £1.75bn in April 2015 our capital position remains strong with an IGD surplus of £2.6bn (FY 2014: £2.9bn). We expect our capital position to remain strong following the implementation of the Solvency 2 regime.

The Board has proposed an interim dividend of 6.02p per share (H1 2014: 5.60p), an increase of 7.5%. The Group will continue to apply its existing progressive dividend policy taking account of market conditions and the Group's financial performance.

## Outlook

We continue to deliver our clear and consistent strategy.

Standard Life Investments remains focused on delivering excellent investment performance and continuing to respond to the needs of our customers and clients through new and innovative investment solutions. We will continue to expand our geographic reach by building on success in overseas markets through strengthening our own distribution as well as relationships with global distribution partners in the US, Canada, India, Japan and across the Standard Life Group. The integration of Ignis is on track and we expect to achieve £50m of planned annual cost savings and our EBITDA margin target of 45% by 2017.

Following changes announced in the Budget in March 2014 and in line with guidance given at our Full year results 2014 in February we expect the full year contribution from annuity new business to reduce by between £10m-£15m and the contribution from asset liability management to reduce by between £30m-£40m compared to full year 2014.

The investments we have made in our UK business in recent years leave us well positioned to benefit from evolving customer needs and regulatory changes. This, combined with the investment expertise of Standard Life Investments and our focus on providing value for our customers, continues to drive demand for our propositions across the retail, workplace, institutional and wholesale channels. Our fee business, including our leading income drawdown proposition, is well placed for future growth.

As our business in Germany continues to accelerate its transition away from with profits to unit linked products, we expect a similar level of underlying performance from our German and Irish savings businesses in the second half of the year.

In Hong Kong, our wholly owned operation continues to adapt to regulatory change. Our JV in China is continuing to focus on profitable growth and in India, HDFC Life and HDFC AMC continue to perform strongly. We welcome the developments in respect of foreign direct investment rules in India.

We are very well placed for the future. We have the products, experience and proven investment performance to help our customers and clients in all of our markets to save and invest, so that they can look forward to their financial futures with confidence.

## Business highlights - continuing operations<sup>1</sup>

Our goal is to create shareholder value through being a leading customer-driven business focused on long-term investment savings propositions in our chosen markets. This is underpinned by a simple business model: increasing assets, maximising revenue and lowering unit costs while optimising the balance sheet.

We continue to make good progress in each of our businesses:

### Consistently strong performance by Standard Life Investments

- Benefiting from the acquisition of Ignis, strong investment performance, ongoing product innovation, high levels of client service, and an expanding global distribution capability and footprint
- Operating profit before tax increased by 51% to £154m, benefiting from a 31% rise in third party revenue (excluding strategic partner life business) to £298m, the acquisition of Ignis, increased profit from HDFC AMC and a continuing shift in mix towards higher margin products including UK mutual funds and multi-asset investment solutions
- EBITDA margin increased to 40% (H1 2014: 36%) and we are on track to achieve EBITDA margin of 45% by 2017
- Strong third party net inflows (excluding strategic partner life business) of £5.2bn (H1 2014: £4.0bn) were impacted by the disinvestment of £1.7bn from one large low revenue margin mandate from our Ignis business
- Excluding Ignis, third party net inflows increased to £7.1bn (H1 2014: £4.0bn)
- Net inflows into higher margin wholesale channel of £5.3bn (H1 2014: £2.5bn) with strong demand for MyFolio, equities, fixed income, real estate and our suite of multi-asset investment solutions
- £5.0bn (H1 2014: £2.2bn) of third party net inflows (excluding strategic partner life business) from outside the UK as we begin to see traction in Asia Pacific with net inflows of £0.8bn (H1 2014: £0.1bn) and strong net inflows of £2.2bn from Europe (H1 2014: £0.6bn)
- Strong investment performance in volatile market conditions with third party AUM (excluding strategic partner life business) above benchmark: one year 79%; three years 95%; and five years 97%

### Continuing growth in UK fee business

- Our UK business continues to benefit from structural market changes, careful strategic positioning, as well as its attractive propositions and investment solutions
- UK operating profit of £141m (H1 2014: £165m) reflects ongoing momentum in fee business offset by an expected £37m reduction in spread/risk margin due to lower annuity sales and reduced benefit from asset liability management
- Fee revenue increased 4% to £314m (H1 2014: £303m) benefiting from higher AUA offset by a £6m reduction in revenue earned on client cash balances
- Added over 120,000 (H1 2014: 180,000) new customers during the period driven by auto enrolment and the success of our "Good to Go" proposition for SMEs
- Our Wrap platform continued to attract advisers and assets with AUA up 11% to £23.3bn (FY 2014: £20.9bn), while the number of adviser firms using our Wrap platform increased to 1,405, an increase of 65 adviser firms in H1 2015
- Assets in our market-leading drawdown proposition increased by 12% to £12.9bn (FY 2014: £11.5bn)
- £6.0bn (86%) of total MyFolio AUM of £6.9bn is distributed through the UK business and a quarter of total platform AUA of £24.3bn is managed by Standard Life Investments

### Continued progress in India and China

- Operating profit before tax from JV business up 67% to £15m (H1 2014: £9m) reflecting continued growth in premium income
- HDFC Life ranked 2<sup>nd</sup> for new business sales in the private life insurance market and leads the market in online sales<sup>7</sup>
- Heng An Standard Life new business sales up 28%
- Hong Kong business continues to adapt to regulatory changes
- Announced closure of Singapore insurance business in June 2015

## Business highlights - discontinued operations

### Sale of business in Canada to Manulife for £2.2bn

The sale of our Canadian business, comprising Canadian long-term savings and retirement, individual and group insurance business and Canadian investment management business to Manulife was completed on 30 January 2015:

- Gain on sale of £1,097m included within non-operating items
- IFRS profit after tax for the Canadian business, which in H1 2015 included the results for the month of January, was £45m (H1 2014: £79m)
- Return of £1.75bn of value to shareholders in April 2015, and share consolidation (9 for 11 shares) to maintain comparability of share metrics completed on 16 March 2015

## Business segment performance

### Standard Life Investments

#### Strategy

We remain very well positioned to deliver profitable growth. We are increasing our domestic and global presence and expertise across a range of asset classes while delivering consistently strong investment performance and strengthening relationships with our distribution partners. We also continue to leverage our investment expertise to maximise opportunities and revenues for the wider Group.

#### Operating profit

	H1 2015 £m	H1 2014 £m
Fee based revenue	402	288
Expenses	(263)	(197)
Share of associates' and joint ventures' profit before tax	15	11
<b>Operating profit before tax</b>	<b>154</b>	<b>102</b>
Interest, depreciation, amortisation <sup>8</sup>	7	3
<b>Earnings before interest, tax, depreciation and amortisation (EBITDA)</b>	<b>161</b>	<b>105</b>

- Operating profit up 51% to £154m (H1 2014: £102m) driven by acquisition of Ignis and strong net inflows into higher margin products including UK mutual funds and multi-asset investment solutions
- EBITDA up 53% to £161m (H1 2014: £105m) while EBITDA margin increased to 40% (H1 2014: 36%)
- Average fee revenue yield from third party business (excluding strategic partner life business) maintained at 53bps (FY 2014: 53bps)
- Operating expense bps expressed as a proportion of average AUM maintained at 22bps (FY 2014: 22bps), reflecting higher AUM and ongoing investment in expanding our distribution and geographic reach as we increase the scale of our business
- Our associate, HDFC AMC, remains the largest mutual fund company in India with AUM of £15.8bn (FY 2014: £15.1bn) contributing £15m (H1 2014: £11m) to operating profit

#### AUM and flows

- Total AUM increased by 2% to £250.0bn (FY 2014: £245.9bn) in volatile markets, benefiting from strong net inflow momentum and small but positive market movements
- Third party AUM (excluding strategic partner life business) increased to £124.4bn (FY 2014: £117.5bn), representing 50% of total AUM, while the reduction in strategic partner life business AUM to £125.6bn (FY 2014: £128.4bn) was in line with expectations
- Third party net inflows (excluding strategic partner life business) of £5.2bn were impacted by the disinvestment of £1.7bn from one large low revenue margin mandate from our Ignis business
- Excluding Ignis, third party net inflows increased 78% to £7.1bn (H1 2014: £4.0bn) driven by strong sales of MyFolio, equities, fixed income, real estate and multi-asset strategies through our wholesale distribution channel
- 70% of third party net inflows (excluding Ignis) from outside the UK reflecting the increasingly global nature of our business with strong net inflows from Europe and North America of £2.2bn (H1 2014: £0.6bn) and £1.5bn (H1 2014: £1.1bn) respectively, while growing demand from Asia Pacific generated net inflows of £0.8bn (H1 2014: £0.1bn)
- Increased institutional client base to 2,371 (H1 2014: 1,695) across 48 countries, including around 400 institutional clients through Ignis

#### Operational highlights

- Strong investment performance from Standard Life Investments with third party AUM (excluding strategic partner life business) above benchmark: one year 79%; three years 95%; and five years 97%
- Collaborating across the Group to maximise the Group's share of the value chain – AUM across our market-leading range of MyFolio risk-based funds has reached £6.9bn (FY 2014: £5.9bn) of which 86% has been distributed through the UK business
- Continued investment to expand our geographical footprint with offices in 23 cities across 14 countries providing close support to our clients
- Strong pipeline of new investment initiatives, including new innovative customer and client multi-asset and fixed income solutions
- We successfully converted our award-winning Property Income Trust into a Real Estate Investment Trust to ensure greater accessibility and tax efficiency for investors



## UK and Europe Strategy

We continue to strengthen the business by building on our innovative propositions and investment solutions. We remain focused on meeting the needs of our customers in an evolving regulatory and economic environment. Our market-leading solutions make effective use of technology to offer individual customers, advisers, employee benefit consultants and employers the choices and support necessary to meet their long-term savings objectives. This multi-channel approach, strengthened by a direct digital offering and recent launch of a UK-wide advice business, and ability to leverage the close relationship with Standard Life Investments continues to benefit not only customers but also our business and Standard Life Group as a whole.

### Operating profit

	H1 2015 £m	H1 2014 £m
Fee based revenue	314	303
Spread/risk margin	38	75
<b>UK total income</b>	<b>352</b>	<b>378</b>
Operating expenses	(172)	(173)
Investment management fees to SLI	(47)	(41)
Capital management	8	1
<b>UK operating profit before tax</b>	<b>141</b>	<b>165</b>

- UK operating profit of £141m (H1 2014: £165m) reflects ongoing momentum in fee business offset by expected £37m reduction in spread/risk margin due to lower annuity sales and reduced benefit from asset liability management
- UK fee revenue increased by 4% to £314m (H1 2014: £303m) benefiting from growth in AUA and demand for newer style propositions partially offset by a £6m reduction in revenue earned on client cash balances
- Average UK fee revenue yield broadly stable at 61bps (FY 2014: 62bps) reflecting the impact of changes in business mix including a growing proportion of newer style propositions
- Total UK operating expenses of £219m (H1 2014: £214m), up only £5m, include a £6m increase in investment fees paid to Standard Life Investments
- Europe operating profit of £6m (H1 2014: £23m) reflecting a one-off £9m contribution to with-profits business in Germany, adverse foreign exchange movements and a reduction in benefit from asset liability management

### AUA and flows

- UK AUA up 2% to £130.4bn (FY 2014: £128.1bn) driven by demand for our newer style retail and workplace propositions and positive market movements
- UK fee retail new net inflows increased by 21% to £1.8bn (H1 2014: £1.5bn) with gross inflows up 17% to £3.6bn (H1 2014: £3.1bn) as Wrap continued to lead the adviser platform market<sup>9</sup>
- UK workplace net inflows increased by 26% to £1.1bn (H1 2014: £0.9bn) reflecting our success in securing new schemes and the positive impact of auto enrolment which drove a 15% increase in regular contributions
- Our distribution capabilities continue to benefit the Group, with MyFolio assets sold through our UK business up 15% to £6.0bn (FY 2014: £5.2bn) and a quarter of assets on our Wrap platform managed by Standard Life Investments
- Europe AUA of £17.4bn (FY 2014: £17.8bn) up 5% in constant currency with net inflows of £0.5bn (H1 2014: £0.6bn) up 4% in constant currency

### Operational highlights

- Increased Wrap platform assets by 11% to £23.3bn (FY 2014: £20.9bn) with the highest net sales in the advised platform market during Q1<sup>9</sup>
- Number of adviser firms using our Wrap platform increased by 5% to 1,405 firms (FY 2014: 1,340) and number of adviser firms with assets on Wrap greater than £20m up 5% to 271 firms (FY 2014: 259)
- Added over 120,000 (H1 2014: 180,000) new customers during the period driven by auto enrolment and the success of our "Good to Go" proposition for SMEs
- Drawdown AUA up 12% to £12.9bn (FY 2014: £11.5bn) with our newly launched non-advised drawdown proposition attracting £140m of assets largely managed by Standard Life Investments
- In Germany the proportion of net inflows from unit linked business continues to grow and increased to 19% (H1 2014: 9%)

## Business segment performance *continued*

### India and China

#### Strategy

Our India and China business consists of life joint ventures in India and China, and our wholly owned operation in Hong Kong. We continue to support the development of our joint ventures and wholly owned business, including identifying opportunities across Asia that can benefit our wider group, including asset management opportunities for Standard Life Investments.

#### Operating profit

	H1 2015 £m	H1 2014 £m
Insurance JV businesses	15	9
Hong Kong	6	3
<b>Operating profit before tax from continuing operations<sup>1</sup></b>	<b>21</b>	<b>12</b>

- Operating profit increased to £21m (H1 2014: £12m) due to growth in premium income in our joint ventures:
  - Ranked 2nd by new business sales in the private life insurance market in India<sup>7</sup> with almost 20m customers
  - Heng An Standard Life now operates across 40 cities in China with over 320,000 in-force policies
  - Strong net inflows and investment performance driving 7% constant currency increase in AUA in our joint venture businesses to £2.2bn (FY 2014: £2.1bn)
- Hong Kong underlying performance expected to be lower in the second half of the year reflecting changing regulatory environment
- We have announced the closure of our insurance business in Singapore, subject to regulatory approval, which has been classified as a discontinued operation



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\* Calls may be monitored and/or recorded to protect both you and us and help with our training. Call charges will vary.

#### **Newsires and online publications**

A conference call for newsires and online publications will take place on Tuesday 4 August at 7.45am (UK time). Participants should dial +44 (0)20 3059 8125 and quote Standard Life half year results 2015. A replay facility will be available for seven days after the event. To access the replay please dial +44 (0)121 260 4861. The pass code is 1128166#.

#### **Investors and Analysts**

A presentation for investors and analysts will take place at 9am (UK time) at Deutsche Bank, Winchester House, 1 Great Winchester Street, London EC2N 2DB. There will also be a live webcast and teleconference at 9am (UK Time), both of which will have the facility to ask questions at the end of the formal presentation. Participants should dial +44 (0)20 3059 8125 and quote Standard Life half year results 2015. A replay facility will be available for seven days after the event. To access the reply please dial +44 (0)121 260 4861 followed by 4450213#.

#### **Notes to Editors:**

1. Continuing operations excludes the Canada and Dubai businesses and our Singapore insurance business, the closure of which we announced in June 2015.
2. Excluding strategic partner life business.
3. Operating profit is IFRS profit before tax adjusted to remove the impact of short-term market driven fluctuations in investment return and economic assumptions, restructuring costs, impairment of intangible assets, amortisation of intangible assets acquired in business combinations, profit or loss on the sale of a subsidiary, associate or joint venture and other significant one-off items outside the control of management and not indicative of the long-term operating performance of the Group.
4. Excluding Ignis.
5. Under IFRS 5, Singapore and Dubai do not constitute discontinued operations and are included under continuing operations in the consolidated income statement. Therefore the analysis of Group operating profit by segment includes the reclassification of Dubai and Singapore results between discontinued and continuing operations.
6. As at 31 December 2014.
7. As at 31 March 2015.
8. Excludes amortisation of intangibles acquired in business combinations which is excluded from operating profit before tax.
9. Source: Fundscape latest available data.
10. In order to be consistent with the presentation of new business information, certain products are included in both life and pensions AUA and investment operations. Therefore, at a Group level an elimination adjustment is required to remove any duplication, in addition to other necessary consolidation adjustments. Comprises £17.1bn (FY14: £15.2bn) related to fee business eliminations and £0.4bn (FY14: £0.4bn) related to other eliminations.
11. Comprises suite of global absolute return strategies and balanced funds.
12. Comprises cash, private equity and Wealth. Net inflows from India cash funds £0.2bn (H1 2014: net inflow £0.1bn).
13. Net inflows from Ignis liquidity funds £0.7bn (H1 2014: £nil).
14. For more detailed information on the statutory results of the Group refer to the Half year results 2015.

## Assets and flows

### Group assets under administration - six months ended 30 June 2015

	Fee (F) Spread/risk (S/R) Other (O)	Opening AUA at 1 Jan 2015 £bn	Gross flows £bn	Redemptions £bn	Net flows £bn	Market and other movements £bn	Closing AUA at 30 Jun 2015 £bn
Total fee		268.6	21.3	(17.5)	3.8	3.0	275.4
Total spread/risk		16.1	0.1	(0.6)	(0.5)	(0.2)	15.4
Total other		11.9	0.3	(0.2)	0.1	(0.7)	11.3
<b>Total AUA</b>		<b>296.6</b>	<b>21.7</b>	<b>(18.3)</b>	<b>3.4</b>	<b>2.1</b>	<b>302.1</b>
<b>By business:</b>							
<b>Standard Life Investments</b>							
Third party <sup>2</sup>		117.5	16.0	(10.8)	5.2	1.7	124.4
Third party strategic partner life business		43.8	-	(2.2)	(2.2)	0.5	42.1
<b>Standard Life Investments total third party</b>	<b>F</b>	<b>161.3</b>	<b>16.0</b>	<b>(13.0)</b>	<b>3.0</b>	<b>2.2</b>	<b>166.5</b>
<b>UK</b>							
UK retail new fee business		37.3	3.6	(1.8)	1.8	1.3	40.4
UK retail old fee business		33.5	0.4	(1.6)	(1.2)	1.1	33.4
Workplace		32.0	2.1	(1.0)	1.1	0.1	33.2
<b>UK retail and workplace fee</b>	<b>F</b>	<b>102.8</b>	<b>6.1</b>	<b>(4.4)</b>	<b>1.7</b>	<b>2.5</b>	<b>107.0</b>
Conventional with profits	F	2.1	-	(0.4)	(0.4)	-	1.7
Annuities	S/R	15.5	0.1	(0.6)	(0.5)	(0.1)	14.9
Assets not backing products	O	7.7	-	-	-	(0.9)	6.8
<b>UK total</b>		<b>128.1</b>	<b>6.2</b>	<b>(5.4)</b>	<b>0.8</b>	<b>1.5</b>	<b>130.4</b>
<b>Europe</b>							
Fee	F	17.2	1.1	(0.6)	0.5	(0.8)	16.9
Spread/risk	S/R	0.6	-	-	-	(0.1)	0.5
<b>Europe total</b>		<b>17.8</b>	<b>1.1</b>	<b>(0.6)</b>	<b>0.5</b>	<b>(0.9)</b>	<b>17.4</b>
<b>UK and Europe total</b>		<b>145.9</b>	<b>7.3</b>	<b>(6.0)</b>	<b>1.3</b>	<b>0.6</b>	<b>147.8</b>
<b>India and China</b>							
Hong Kong	F	0.4	-	-	-	-	0.4
Joint ventures	O	2.1	0.3	(0.2)	0.1	-	2.2
<b>India and China total</b>		<b>2.5</b>	<b>0.3</b>	<b>(0.2)</b>	<b>0.1</b>	<b>-</b>	<b>2.6</b>
Other corporate assets	O	2.5	-	-	-	0.2	2.7
Consolidation and eliminations <sup>10</sup>	F/O	(15.6)	(1.9)	0.9	(1.0)	(0.9)	(17.5)
<b>Group AUA – continuing operations</b>		<b>296.6</b>	<b>21.7</b>	<b>(18.3)</b>	<b>3.4</b>	<b>2.1</b>	<b>302.1</b>

### Standard Life Investments assets under management - six months ended 30 June 2015

	Opening AUA at 1 Jan 2015 £bn	Gross flows £bn	Redemptions £bn	Net flows £bn	Market and other movements £bn	Closing AUA at 30 Jun 2015 £bn	
UK	75.5	7.7	(5.6)	2.1	2.5	80.1	
Europe	11.3	3.1	(0.9)	2.2	(1.0)	12.5	
North America	8.1	2.3	(0.8)	1.5	0.1	9.7	
Asia Pacific	2.0	1.1	(0.3)	0.8	0.1	2.9	
India	6.1	0.5	-	0.5	(0.3)	6.3	
Ignis	14.5	1.3	(3.2)	(1.9)	0.3	12.9	
<b>By geography of client</b>	<b>117.5</b>	<b>16.0</b>	<b>(10.8)</b>	<b>5.2</b>	<b>1.7</b>	<b>124.4</b>	
<b>Third party AUM<sup>2</sup></b>	Equities	15.5	1.3	(1.4)	(0.1)	0.9	16.3
	Fixed Income	22.0	1.9	(1.5)	0.4	(1.2)	21.2
	Multi Asset <sup>11</sup>	38.6	8.9	(3.3)	5.6	1.7	45.9
	Real Estate	7.4	0.5	(0.3)	0.2	0.4	8.0
	MyFolio	5.9	1.3	(0.4)	0.9	0.1	6.9
	Other <sup>12</sup>	13.6	0.8	(0.7)	0.1	(0.5)	13.2
	Ignis <sup>13</sup>	14.5	1.3	(3.2)	(1.9)	0.3	12.9
<b>By asset class</b>	<b>117.5</b>	<b>16.0</b>	<b>(10.8)</b>	<b>5.2</b>	<b>1.7</b>	<b>124.4</b>	
Wholesale	35.5	8.9	(3.6)	5.3	(0.2)	40.6	
Institutional	61.4	5.4	(3.6)	1.8	1.4	64.6	
Wealth	6.1	0.4	(0.4)	-	0.2	6.3	
Ignis	14.5	1.3	(3.2)	(1.9)	0.3	12.9	
<b>By channel</b>	<b>117.5</b>	<b>16.0</b>	<b>(10.8)</b>	<b>5.2</b>	<b>1.7</b>	<b>124.4</b>	
Standard Life Group	84.6	2.3	(3.5)	(1.2)	0.1	83.5	
Phoenix Group	43.8	-	(2.2)	(2.2)	0.5	42.1	
<b>Strategic partner life business AUM</b>	<b>128.4</b>	<b>2.3</b>	<b>(5.7)</b>	<b>(3.4)</b>	<b>0.6</b>	<b>125.6</b>	
<b>Standard Life Investment AUM – continuing operations</b>	<b>245.9</b>	<b>18.3</b>	<b>(16.5)</b>	<b>1.8</b>	<b>2.3</b>	<b>250.0</b>	

## Group assets under management net flows - 15 months ended 30 June 2015

	Fee (F) Spread/risk (S/R) Other (O)	3 months to 30 Jun 2015 £bn	3 months to 31 Mar 2015 £bn	3 months to 31 Dec 2014 £bn	3 months to 30 Sep 2014 £bn	3 months to 30 Jun 2014 £bn
Total fee		0.8	3.0	(3.1)	0.2	2.3
Total spread/risk		(0.3)	(0.2)	(0.3)	(0.2)	(0.2)
Total other		-	0.1	0.1	-	-
<b>Total net flows</b>		<b>0.5</b>	<b>2.9</b>	<b>(3.3)</b>	<b>-</b>	<b>2.1</b>
<b>By business:</b>						
<b>Standard Life Investments</b>						
Third party <sup>2</sup>		1.5	3.7	(2.9)	0.6	2.1
Third party strategic partner life business		(0.9)	(1.3)	(0.9)	(0.7)	-
<b>Standard Life Investments total third party</b>	F	<b>0.6</b>	<b>2.4</b>	<b>(3.8)</b>	<b>(0.1)</b>	<b>2.1</b>
<b>UK</b>						
UK retail new fee business		0.9	0.9	0.8	0.6	0.7
UK retail old fee business		(0.7)	(0.5)	(0.5)	(0.6)	(0.5)
Workplace		0.5	0.6	0.6	0.7	0.4
<b>UK retail and workplace fee</b>	F	<b>0.7</b>	<b>1.0</b>	<b>0.9</b>	<b>0.7</b>	<b>0.6</b>
Conventional with profits	F	(0.2)	(0.2)	(0.3)	(0.2)	(0.3)
Annuities	S/R	(0.3)	(0.2)	(0.3)	(0.2)	(0.2)
Assets not backing products	O	-	-	-	-	-
<b>UK total</b>		<b>0.2</b>	<b>0.6</b>	<b>0.3</b>	<b>0.3</b>	<b>0.1</b>
<b>Europe</b>						
Fee	F	0.2	0.3	0.3	0.2	0.3
Spread/risk	S/R	-	-	-	-	-
<b>Europe total</b>		<b>0.2</b>	<b>0.3</b>	<b>0.3</b>	<b>0.2</b>	<b>0.3</b>
<b>UK and Europe total</b>		<b>0.4</b>	<b>0.9</b>	<b>0.6</b>	<b>0.5</b>	<b>0.4</b>
<b>India and China</b>						
Hong Kong	F	-	-	-	0.1	-
Joint ventures	O	-	0.1	0.1	-	-
<b>India and China total</b>		<b>-</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>-</b>
Consolidation and eliminations <sup>10</sup>	F	(0.5)	(0.5)	(0.2)	(0.5)	(0.4)
<b>Group net flows - continuing operations</b>		<b>0.5</b>	<b>2.9</b>	<b>(3.3)</b>	<b>-</b>	<b>2.1</b>

## Standard Life Investments assets under management net flows - 15 months ended 30 June 2015

		3 months to 30 Jun 2015 £bn	3 months to 31 Mar 2015 £bn	3 months to 31 Dec 2014 £bn	3 months to 30 Sep 2014 £bn	3 months to 30 Jun 2014 £bn
Third party net flows <sup>2</sup>	UK	1.1	1.0	0.4	(0.3)	1.4
	Europe	1.0	1.2	0.5	0.2	0.1
	North America	0.7	0.8	0.3	0.1	0.4
	Asia Pacific	0.6	0.2	0.1	0.2	-
	India	-	0.5	0.3	0.2	0.2
	Ignis	(1.9)	-	(4.5)	0.2	-
	<b>By geography of client</b>	<b>1.5</b>	<b>3.7</b>	<b>(2.9)</b>	<b>0.6</b>	<b>2.1</b>
	Equities	-	(0.1)	(1.0)	(0.5)	-
	Fixed Income	-	0.4	-	(0.9)	(0.1)
	Multi Asset <sup>11</sup>	2.9	2.7	1.4	1.0	1.4
	Real Estate	0.1	0.1	0.3	0.2	0.2
	MyFolio	0.5	0.4	0.5	0.3	0.4
	Other <sup>12</sup>	(0.1)	0.2	0.4	0.3	0.2
	Ignis <sup>13</sup>	(1.9)	-	(4.5)	0.2	-
	<b>By asset class</b>	<b>1.5</b>	<b>3.7</b>	<b>(2.9)</b>	<b>0.6</b>	<b>2.1</b>
	Wholesale	2.7	2.6	1.5	1.2	1.1
Institutional	0.7	1.1	0.1	(0.8)	0.9	
Wealth	-	-	-	-	0.1	
Ignis	(1.9)	-	(4.5)	0.2	-	
<b>By channel</b>	<b>1.5</b>	<b>3.7</b>	<b>(2.9)</b>	<b>0.6</b>	<b>2.1</b>	
Standard Life Group	(0.7)	(0.5)	(0.5)	(0.8)	(0.7)	
Phoenix Group	(0.9)	(1.3)	(0.9)	(0.7)	-	
<b>Strategic partner life business net flows</b>	<b>(1.6)</b>	<b>(1.8)</b>	<b>(1.4)</b>	<b>(1.5)</b>	<b>(0.7)</b>	
<b>Standard Life Investment net flows – continuing operations</b>	<b>(0.1)</b>	<b>1.9</b>	<b>(4.3)</b>	<b>(0.9)</b>	<b>1.4</b>	

## Assets and flows *continued*

### Group assets under administration - six months ended 30 June 2014

	Fee (F) Spread/risk (S/R) Other (O)	Opening AUA at 1 Jan 2014 £bn	Gross flows £bn	Redemptions £bn	Net flows £bn	Market and other movements £bn	Closing AUA at 30 Jun 2014 £bn
Total fee		190.7	15.4	(10.8)	4.6	3.2	198.5
Total spread/risk		15.1	0.2	(0.6)	(0.4)	0.6	15.3
Total other		8.9	0.2	(0.1)	0.1	1.1	10.1
<b>Total AUA</b>		<b>214.7</b>	<b>15.8</b>	<b>(11.5)</b>	<b>4.3</b>	<b>4.9</b>	<b>223.9</b>
<b>By business:</b>							
<b>Standard Life Investments</b>							
Third party <sup>2</sup>		89.8	10.8	(6.8)	4.0	1.5	95.3
Third party strategic partner life business		-	-	-	-	-	-
<b>Standard Life Investments total third party</b>	<b>F</b>	<b>89.8</b>	<b>10.8</b>	<b>(6.8)</b>	<b>4.0</b>	<b>1.5</b>	<b>95.3</b>
<b>UK</b>							
UK retail new fee business		33.8	3.1	(1.6)	1.5	0.9	36.2
UK retail old fee business		33.5	0.3	(1.4)	(1.1)	0.6	33.0
Workplace		29.2	1.8	(0.9)	0.9	(0.2)	29.9
<b>UK retail and workplace fee</b>	<b>F</b>	<b>96.5</b>	<b>5.2</b>	<b>(3.9)</b>	<b>1.3</b>	<b>1.3</b>	<b>99.1</b>
Conventional with profits	F	2.9	-	(0.5)	(0.5)	0.1	2.5
Annuities	S/R	14.6	0.2	(0.6)	(0.4)	0.5	14.7
Assets not backing products	O	5.7	-	-	-	0.5	6.2
<b>UK total</b>		<b>119.7</b>	<b>5.4</b>	<b>(5.0)</b>	<b>0.4</b>	<b>2.4</b>	<b>122.5</b>
<b>Europe</b>							
Fee	F	14.9	1.1	(0.5)	0.6	0.3	15.8
Spread/risk	S/R	0.5	-	-	-	0.1	0.6
<b>Europe total</b>		<b>15.4</b>	<b>1.1</b>	<b>(0.5)</b>	<b>0.6</b>	<b>0.4</b>	<b>16.4</b>
<b>UK and Europe total</b>		<b>135.1</b>	<b>6.5</b>	<b>(5.5)</b>	<b>1.0</b>	<b>2.8</b>	<b>138.9</b>
<b>India and China</b>							
Hong Kong	F	0.3	-	-	-	-	0.3
Joint ventures	O	1.6	0.2	(0.1)	0.1	0.1	1.8
<b>India and China total</b>		<b>1.9</b>	<b>0.2</b>	<b>(0.1)</b>	<b>0.1</b>	<b>0.1</b>	<b>2.1</b>
Other corporate assets	O	2.0	-	-	-	0.5	2.5
Consolidation and eliminations <sup>10</sup>	F/O	(14.1)	(1.7)	0.9	(0.8)	-	(14.9)
<b>Group AUA – continuing operations</b>		<b>214.7</b>	<b>15.8</b>	<b>(11.5)</b>	<b>4.3</b>	<b>4.9</b>	<b>223.9</b>

### Standard Life Investments assets under management - six months ended 30 June 2014

		Opening AUA at 1 Jan 2014 £bn	Gross flows £bn	Redemptions £bn	Net flows £bn	Market and other movements £bn	Closing AUA at 30 Jun 2014 £bn
UK		68.3	6.8	(5.0)	1.8	0.8	70.9
Europe		10.4	1.5	(0.9)	0.6	(0.5)	10.5
North America		5.2	1.7	(0.6)	1.1	0.7	7.0
Asia Pacific		1.8	0.4	(0.3)	0.1	(0.2)	1.7
India		4.1	0.4	-	0.4	0.7	5.2
Ignis		-	-	-	-	-	-
<b>By geography of client</b>		<b>89.8</b>	<b>10.8</b>	<b>(6.8)</b>	<b>4.0</b>	<b>1.5</b>	<b>95.3</b>
<b>Third party AUM<sup>2</sup></b>	Equities	15.1	1.5	(1.3)	0.2	0.3	15.6
	Fixed Income	20.2	1.4	(1.5)	(0.1)	0.6	20.7
	Multi Asset <sup>11</sup>	31.4	5.7	(3.0)	2.7	(0.1)	34.0
	Real Estate	6.1	0.5	(0.3)	0.2	0.3	6.6
	MyFolio	4.0	1.0	(0.2)	0.8	-	4.8
	Other <sup>12</sup>	13.0	0.7	(0.5)	0.2	0.4	13.6
	Ignis <sup>13</sup>	-	-	-	-	-	-
	<b>By asset class</b>		<b>89.8</b>	<b>10.8</b>	<b>(6.8)</b>	<b>4.0</b>	<b>1.5</b>
Wholesale		28.9	6.0	(3.5)	2.5	0.4	31.8
Institutional		55.1	4.5	(3.0)	1.5	1.0	57.6
Wealth		5.8	0.3	(0.3)	-	0.1	5.9
Ignis		-	-	-	-	-	-
<b>By channel</b>		<b>89.8</b>	<b>10.8</b>	<b>(6.8)</b>	<b>4.0</b>	<b>1.5</b>	<b>95.3</b>
Standard Life Group		80.3	2.1	(3.2)	(1.1)	1.5	80.7
Phoenix Group		-	-	-	-	-	-
<b>Strategic partner life business AUM</b>		<b>80.3</b>	<b>2.1</b>	<b>(3.2)</b>	<b>(1.1)</b>	<b>1.5</b>	<b>80.7</b>
<b>Standard Life Investment AUM – continuing operations</b>		<b>170.1</b>	<b>12.9</b>	<b>(10.0)</b>	<b>2.9</b>	<b>3.0</b>	<b>176.0</b>