

### Standard Life plc 2013 Q3 Interim Management Statement 30 October 2013

## Increase in Group AUA driving 15% growth in fee based revenue

- Group assets under administration (AUA) increased by 9% to £237.6bn (FY 2012: £218.1bn; Q3 2012: £211.9bn)
- Group AUA net inflows of £7.7bn<sup>1</sup> (2012: £3.0bn)
- Fee based revenue increased by 15% to £1,059m (2012: £923m) in the first nine months of the year

### Continuing strong growth in fee based propositions in our UK long-term savings business

- UK corporate pension AUA up 11% to £27.3bn (FY 2012: £24.5bn) with net flows in the quarter up 29%
  - We have secured 195,000 new customers who will contribute to future growth in AUA
  - Our pipeline of secured corporate business is strong with increased take-up of our investment solutions
- UK retail new AUA increased by 28% to £36.7bn (FY 2012: £28.7bn)
  - Net inflows in the quarter 35% higher than Q3 2012
  - Number of IFA users on our Wrap platform has increased by 20% to 5,056 (FY 2012: 4,206)
  - Standard Life Wealth AUA increased by £3.2bn to £5.5bn following the acquisition of Newton Private Clients<sup>1</sup>

### Standard Life Investments delivers record third party AUM and strong investment performance

- Third party AUM up 13% to £94.2bn (FY 2012: £83.0bn; Q3 2012: £78.8bn)
- Third party net inflows of £8.3bn<sup>2</sup> (2012: £3.2bn<sup>2</sup>) including net inflows into our multi-asset solutions of £1.1bn in the quarter
- Investing to diversify asset mix, launching new products, and expanding geographic reach
- Strong investment performance with 87%, 89% and 91% of third party AUM above benchmark for one, three and five years respectively

### Strong balance sheet

- Estimated IGD surplus of £3.7bn (HY 2013: £3.7bn; FY 2012: £4.1bn; Q3 2012: £3.4bn) following acquisition of Newton Private Clients

### David Nish, Chief Executive, commented:

*“Standard Life has made good progress in the first nine months of the year, delivering substantial growth in net flows, assets and fee based revenue.*

*In the UK, both our corporate and retail businesses have performed well. We have assisted employers with over 100 auto enrolment implementations and have increased the number of corporate pension customers to 1.4 million, adding 195,000 new customers. Our retail business saw a 20% increase in the number of advisers using our Wrap platform and is showing increasing momentum with a 35% increase in net inflows in the third quarter.*

*Standard Life Investments has delivered strong net inflows, excellent investment performance as well as expanding its product range and geographic reach, while continuing to grow revenue in the third quarter. Our multi-asset solutions continue to attract good net inflows.*

*Canada is making progress in transforming its business and our Indian joint venture delivered another strong performance.*

*We look forward to the future as our propositions, distribution capability and strong balance sheet mean we are confident we can deliver ongoing improvements in value for our customers and shareholders.”*

Unless otherwise stated, all comparisons are in Sterling and are for the nine months ended 30 September 2012.

[www.standardlife.com](http://www.standardlife.com)

Standard Life plc, registered in Scotland (SC286832), Standard Life House, 30 Lothian Road, Edinburgh EH1 2DH. 0131 225 2552.

*Calls may be recorded/monitored.*

Standard Life Group includes Standard Life plc and its subsidiaries.

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## Financial highlights

### Assets under administration

Nine months ended 30 September 2013	Opening AUA at 1 Jan 2013 £bn	Gross flows £bn	Redemptions £bn	Net flows £bn	Market and other movements £bn	Closing AUA at 30 Sep 2013 £bn
<b>Total AUA:</b>						
Fee business	180.7	25.6	(17.4)	8.2	13.6 <sup>2</sup>	202.5
Spread/risk business	25.7	1.0	(1.7)	(0.7)	(0.6)	24.4
Other <sup>3</sup>	11.7	0.3	(0.1)	0.2	(1.2)	10.7
<b>Total</b>	<b>218.1</b>	<b>26.9</b>	<b>(19.2)</b>	<b>7.7</b>	<b>11.8</b>	<b>237.6</b>

#### Fee business:

UK retail new	28.7	4.6	(2.0)	2.6	5.4 <sup>2</sup>	36.7
UK retail old	31.7	0.5	(2.5)	(2.0)	3.2	32.9
Corporate	24.5	2.7	(1.8)	0.9	1.9	27.3
UK retail and corporate	84.9	7.8	(6.3)	1.5	10.5	96.9
Institutional pensions	21.3	4.3	(2.6)	1.7	1.2	24.2
Conventional with profits	4.1	0.1	(1.3)	(1.2)	0.2	3.1
UK	110.3	12.2	(10.2)	2.0	11.9	124.2
Europe	13.6	1.7	(0.8)	0.9	0.7	15.2
Standard Life Investments third party	83.0	17.4	(9.1)	8.3	2.9	94.2
Canada	15.9	2.1	(1.8)	0.3	0.7	16.9
Asia and Emerging Markets (wholly owned)	0.2	0.1	-	0.1	-	0.3
Consolidation/eliminations	(42.3)	(7.9)	4.5	(3.4)	(2.6)	(48.3)
<b>Total fee business</b>	<b>180.7</b>	<b>25.6</b>	<b>(17.4)</b>	<b>8.2</b>	<b>13.6</b>	<b>202.5</b>

#### Spread/risk business:

UK	15.3	0.4	(0.9)	(0.5)	0.1	14.9
Europe	0.5	-	-	-	-	0.5
Canada	9.9	0.6	(0.8)	(0.2)	(0.7)	9.0
<b>Total spread/risk business</b>	<b>25.7</b>	<b>1.0</b>	<b>(1.7)</b>	<b>(0.7)</b>	<b>(0.6)</b>	<b>24.4</b>

### Long-term savings operations new business

Present value of new business premiums (PVNBP)	9 months to 30 Sep 2013 £m	9 months to 30 Sep 2012 £m	Change %	Change in constant currency %
UK and Europe	14,533	11,258	29	29
Canada	2,096	2,599	(19)	(19)
Asia and Emerging Markets	700	565	24	27
<b>Total worldwide long-term savings</b>	<b>17,329</b>	<b>14,422</b>	<b>20</b>	<b>20</b>

## Group performance

Standard Life has continued its strong start to 2013. Group AUA net flows increased to £7.7bn (2012: £3.0bn) contributing to a 9% increase in Group AUA to a record £237.6bn (FY 2012: £218.1bn). Fee based revenue increased by 15% to £1,059m (2012: £923m) with growth across our business units broadly consistent with the first half of the year.

Long-term savings PVNBP sales increased by 20% to £17.3bn (2012: £14.4bn) with sales in the quarter up 18% to £5.1bn (Q3 2012: £4.3bn). Long-term savings net flows increased by 11% to £2.8bn (2012: £2.5bn). Net inflows in the quarter into our UK retail new propositions increased by 35% while net inflows into UK corporate pensions increased by 29%. These strong results were partly offset by an increase in gross outflows of Standard Life Investments institutional pensions business of £0.9bn. This business is reported both within UK long-term savings and Standard Life Investments net flows but does not impact the profitability of the UK business.

Standard Life Investments achieved net inflows of £8.3bn, including net inflows of £1.2bn in the third quarter, with a 92% increase in sales from outside of the UK to £4.3bn. Net inflows in the quarter into our multi-asset range of funds exceeded £1.1bn. Together with positive market movements, this helped to increase third party AUM to a record £94.2bn (FY 2012: £83.0bn).

## Business highlights

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

### Increasing momentum in UK and Europe

In the UK we continue to take advantage of the opportunities that auto enrolment and RDR have created. We have a strong pipeline of new secured corporate pension business and further benefits are expected from auto enrolment implementations for our existing corporate pension clients. Our corporate investment proposition (the equivalent of MyFolio for the corporate market) is proving successful as employers are increasingly seeking our investment expertise. The increasing momentum in our retail business seen in the first half of the year has continued in the third quarter with net inflows into our retail business benefiting from ongoing demand for our higher margin investment solutions including MyFolio funds which saw year to date net inflows up 29% to £1,094m (2012: £845m). We are helping more advisers in transitioning their clients to adviser charging while continuing to improve our Wrap proposition and taking the lead on important industry issues. We continue to see increasing activity from advisers who we have not dealt with before or for several years. Average revenue yield on fee business of 68bps (FY 2012: 72bps) reflected changes in business mix.

At the end of the quarter, we completed the acquisition of Newton Private Clients, increasing the assets that Standard Life Wealth manages for its clients by £3.2bn to £5.5bn.

In Europe we are making progress in shifting our business towards unit linked products with a quarter of new business in Germany now unit linked. We have also seen increasing interest from advisers wishing to explore how we and UK advisers operate under a non-commission based model. Average revenue yield on fee business was 137bps (FY 2012: 138bps).

### Record Standard Life Investments assets under management and strong net flows

Standard Life Investments continues to grow third party AUM with strong net inflows of £8.3bn. Third party AUM net inflows in the quarter amounted to £1.2bn, reflecting good inflows into multi-asset solutions of £1.1bn which were partly offset by outflows of £0.3bn from India money market funds. Investment performance has remained strong with 87%, 89% and 91% of third party AUM above benchmark over one, three and five years respectively. Ten of our mutual funds achieved top decile performance over the last twelve months. Average fee revenue yield from third party business increased to 43bps (FY 2012: 40bps) reflecting continued shift in mix towards higher margin products.

### Growing our fee business in Canada

In Canada our fee business continues to grow with fee based AUA up 9% in constant currency to £16.9bn (FY 2012: £15.9bn) helped by net inflows of £0.3bn (2012: £0.6bn) and positive market movements. While sales of corporate pensions continued to be impacted by the uneven pattern of this business, sales of retail segregated funds increased by 22% with net inflows up 33% to £314m. At the same time efficient back book management remains an important focus of our spread/risk business. Average revenue yield on fee business was 113bps (FY 2012: 113bps).

### Continued progress in Asia and Emerging Markets

Our wholly owned and joint venture businesses in Asia continue to grow and we are in the process of transitioning further shared functions to Hong Kong bringing more of our people closer to customers and our operations in the region. Our business in Hong Kong was ranked no. 3 in the investment linked market including no. 1 in the broker and IFA segment with sales up 57% in constant currency to £276m (2012: £172m). HDFC Life continues to reinforce its strong market position in the private market in India

## Strong balance sheet

Our balance sheet continues to be robust with an estimated IGD surplus of £3.7bn (HY 2013: £3.7bn, FY 2012: £4.1bn; Q3 2012: £3.4bn) and remains relatively insensitive to market movements.

## Outlook

Our UK business is capitalising on regulatory, market and demographic changes and our strategic positioning for these opportunities. Our retail platform and propositions are gathering momentum with ongoing demand for investment solutions as we benefit from our strong positions across the value chain. The pipeline of secured new corporate business is strong. Further benefits are expected from auto enrolment for new and existing corporate pension clients during 2014.

Standard Life Investments remains focused on delivering excellent investment performance as well as expanding its investment capabilities and geographic reach. Its pipeline of institutional business remains good and we are seeing continued net inflows into our multi-asset products.

Canada continues to build on momentum in its fee based propositions and to pursue previously announced management actions of £75m. Our Asia and Emerging Markets business is well positioned for future growth in the attractive international markets in which it operates.

We look forward to the future as our business model, propositions, distribution capability and strong balance sheet mean we are confident that we can deliver ongoing improvements in value for our customers and shareholders.

## Business segment performance

### UK and Europe

#### UK retail new

#### UK corporate

#### AUA and flows

- Retail new AUA increased by 28% to £36.7bn (FY 2012: £28.7bn) driven by a combination of robust net flows and positive market movements
- PVNBP sales of £4.5bn (2012: £3.8bn) and gross inflows of £4.6bn (2012: £3.9bn) have increased by 19% and 18% respectively
- Net flows of £2.6bn (2012: £2.2bn) up 19% on 2012
  - SIPP customers up 13% and AUA up 14% to £22.3bn (FY 2012: £19.6bn)
  - Total platform AUA<sup>4</sup> increased by 24% to £18.1bn (FY 2012: £14.6bn)
  - MyFolio net inflows up 29% to £1,094m (2012: £845m) and AUA up 57% to £3.5bn (FY 2012: £2.2bn)
  - Wealth AUA up to £5.5bn (FY 2012: £1.8bn) reflecting net inflows of £484m and the assets acquired following completion of the Newton Private Clients deal
- Corporate AUA increased by 11% to £27.3bn (FY 2012: £24.5bn)
- Continuing to build momentum:
  - PVNBP sales increased by 53% driven by both higher single and regular premiums as a result of scheme wins and the benefit of auto enrolment to existing schemes
  - Gross inflows increased by 15% to £2.7bn (2012: £2.3bn) as we began to transition some of the schemes won in 2012
- Net inflows of £875m (2012: £1,028m) were affected by further expected outflows from schemes secured by competitors on a commission basis prior to the implementation of RDR
- Net inflows in the third quarter up 29% to £341m (2012: £265m)

#### Operational highlights

- Smooth transition to operating under RDR with 83% of Wrap clients now using adviser charging
- Number of adviser firms using our Wrap platform increased by 8% to 1,206 firms (2012: 1,117 firms) including 14 new firms choosing Wrap during the quarter
- Firms with more than £20m on the platform up 47% on Q3 2012 to 221 firms
- We continue to see increasing activity from advisers who we have not dealt with before or for several years
- Acquisition of Newton Private Client business including transfer of £3.2bn of assets to Standard Life Wealth completed in September 2013
- We have now successfully implemented auto enrolment for 76 existing and 29 new schemes
- Combined with regular joiners, we have secured 61,000 new employees during the quarter and 195,000 new employees in the year to date
- Early experience of auto enrolment remains encouraging with an average opt out rate of 9.3%
- Strong secured pipeline of corporate pension business and increased take-up of our investment solutions
- Our packaged 'off the shelf' auto enrolment solution is being sought by small and medium enterprise (SME) advisers with nine exclusive/panel deals already finalised

#### UK retail old and spread/risk

#### Europe

#### AUA and flows

- Fee retail old AUA increased by 4% to £32.9bn (FY 2012: £31.7bn)
- Robust gross inflows of £0.5bn (2012: £0.7bn) and lower redemptions of £2.5bn (2012: £2.8bn) resulted in a 8% reduction in net outflows to £2.0bn (2012: £2.1bn)
- Spread/risk AUA of £14.9bn was lower due to net outflows from scheduled annuity payments
- Annuity PVNBP sales of £268m were 12% lower (2012: £306m) reflecting customers accelerating the purchase of annuities in 2012 ahead of the implementation of the Gender Discrimination Directive in December 2012
- Our Europe business consists of branches in Germany and Ireland and the UK offshore bond business based in Dublin
- Fee AUA increased by 12% to £15.2bn helped by net inflows of £0.9bn and positive market movements
- Gross inflows increased to £1.7bn (2012: £1.4bn) and net inflows to £0.9bn (2012: £0.8bn) with quarterly net inflows up 16% to £309m (Q3 2012: £266m)
- PVNBP sales of £1.5bn, including sales of £486m in the quarter up 14% in constant currency on Q3 2012
- MyFolio funds have now attracted over €150m in Ireland since launch in June 2012

#### Operational highlights

- Improved persistency in individual pensions driven by normalisation of outflows following implementation of Gender Discrimination Directive in December 2012
- Continue to improve engagement with our existing customers through improved contact strategy
  - Pre-retirement workshops across the country
  - Online information support
  - Information on range of retirement options
- Continue to develop our retirement solutions proposition, with strong advocacy not only from customers, but also from large corporate pension schemes and trustees
- Over 25% of sales in Germany now unit linked and majority of flows going into Standard Life Investments
- Number of IFAs we deal with in Germany has increased by 13% since Q3 2012
- Global Absolute Return Strategies (GARS) is now available to German retail investors
- UK offshore bond business based in Ireland maintained its strong market share
- Launched refreshed Brokerzone and won the Most Improved Life Company at the Irish Broker Association Awards in Ireland

## Standard Life Investments

### Overall

### Product range and geographic reach

#### AUM and flows

- Total AUM increased to £179.6bn (FY 2012: £167.7bn) benefiting from strong flows and market movements
- Third party AUM increased by £11.2bn or 13% to £94.2bn (FY 2012: £83.0bn) and accounts for over 50% of total Standard Life Investments AUM
- Third party gross inflows up 43% to £17.4bn (2012: £12.2bn)
- Net inflows of £8.3bn (2012: £3.2bn) representing an annualised 13% of opening third party AUM
- Net inflows during the quarter of £1.2bn including £1.1bn of flows from multi-asset solutions
- AUM across the MyFolio range increased by £1.3bn or 57% to £3.5bn (FY 2012: £2.2bn) including £0.3bn of net inflows during the quarter

#### Operational highlights

- Continuing to deliver strong investment performance:
  - Money weighted average for third party assets well above median over all key time periods
  - 87%, 89% and 91% of third party AUM above benchmark over one, three and five years respectively
  - Ten of our mutual funds have delivered top decile performance over the past year
- Average fee revenue yield on third party assets increased to 43bps (FY 2012: 40bps) reflecting continued shift in mix towards higher margin products
- Our retention rates were some of the best in the industry, with redemptions at just 15% of opening AUM (2012: 17%)
- Head of Wholesale recruited in Asia to develop Standard Life Investments' private banking and wholesale distribution businesses in the region
- Growing reputation in the US including Multi-Asset Class Partners Programme with the California Public Employees' Retirement System (CalPERS)
- John Hancock Global Conservative Absolute Return Fund launched in the US in July has AUM of £61m at Q3 2013
- Canadian real estate fund for global investors launched in July, expanding the existing Canadian real estate product suite
- Confirmed plan to enter the commercial real estate debt market, building on over 50 years of experience in the commercial lending market in Canada
- Strength of our mutual funds proposition is demonstrated by the proportion of eligible and actively managed funds (45 out of 60) rated 'Silver' or above by Standard & Poor's
- Recently awarded 'Large Investment Group' of the year at the Investment Adviser 100 Club Awards 2013

### Third party AUM of £94.2bn and net inflows of £8.3bn by asset class and geography

Asset class	Percentage of third party AUM		3rd party net inflows	
	Q3 2013	Q3 2012	9 months 2013	9 months 2012
Equities	21%	23%	(£0.7bn)	(£0.8bn)
Fixed income	29%	33%	£1.3bn	(£1.9bn)
Multi-asset	32%	25%	£6.7bn	£4.8bn
Real estate	7%	8%	£0.2bn	£0.3bn
MyFolio	4%	2%	£1.1bn	£0.8bn
Other	7%	9%	(£0.3bn)	-
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>£8.3bn</b>	<b>£3.2bn</b>

Geography	Percentage of third party AUM		3rd party net inflows	
	Q3 2013	Q3 2012	9 months 2013	9 months 2012
UK	65%	65%	£4.0bn	£0.9bn
US	4%	2%	£1.8bn	£1.1bn
Rest of World	31%	33%	£2.5bn	£1.2bn
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>£8.3bn</b>	<b>£3.2bn</b>

## Canada

### Fee business

### Spread/risk

#### AUA and flows

- Fee based AUA increased by 9% in constant currency to £16.9bn (FY 2012: £15.9bn) helped by net flows of £309m (2012: £612m)
- Retail segregated funds continue to see momentum with net inflows up 33% to £314m, or up 72% when excluding discontinued GLWB product
- Retail segregated funds net inflows for the quarter were up 133% on Q3 2012
- Corporate pensions business results continue to reflect the uneven pattern in sales of larger schemes, with underlying defined contribution corporate pensions business gross inflows up 4% to £1,067m (2012: £1,023m) and net inflows of £192m (2012: £330m)
- Spread business comprises corporate and retail spread business as well as group insurance products
- Spread/risk AUA decreased by 5% in constant currency to £9.0bn (FY 2012: £9.9bn) largely as a result of negative market movements of £0.7bn
- Gross inflows increased by 6% to £699m following a change in the pricing of term funds which reflects an improvement in the interest rate environment
- Net outflows, which include scheduled annuity payments, improved by 38% to £193m (2012: net outflows £310m), reflecting the growth in gross inflows and a reduction of 8% in redemptions to £892m (2012: £972m)

#### Operational highlights

- Group Retirement Centre created, bringing together a team of highly qualified professionals focused on delivering retirement income planning services to customers, generating £61m in net inflows in 2013
- Added close to 11,000 members to our corporate pensions (2012: 15,000)
- Increased presence in the important Investment Industry Regulatory Organisation of Canada (IIROC) distribution channel with GARS taken up by five of the six major investment dealers, increasing number of advisors by 130 in the quarter
- Mutual fund product launches included Standard Life Investments managed US Monthly Income and Tactical Bond funds with a new Global REIT to be introduced in the fourth quarter
- Continuing to develop our serious health issues Management and Support Program to assist customers, ensure optimal treatment quality and effectiveness, and help plan sponsors to contain costs
- Launched a series of interactive and multi-media tools designed to help customers move towards their long-term savings and investment objectives and understand how they fit into their broader life goals
- Continued focus on management actions to increase back book profitability and de-risk our balance sheet

## Asia and Emerging Markets

### Wholly owned

### Joint ventures

#### AUA and flows

- Comprises our growing business in Hong Kong as well as newly opened branches in Singapore and Dubai
- AUA increased by 27% to £274m (FY 2012: £215m)
- Sales in Hong Kong increased by 57%, in constant currency, to £276m with gross inflows up 29% to £72m (2012: £56m)
- Our business in Hong Kong is ranked no.3 in the investment linked market including no.1 in the IFA channel
- Comprises our joint ventures, HDFC Life in India and Heng An Standard Life in China
- Net inflows of £0.2bn (2012: £0.2bn) came primarily from our strongly performing HDFC Life business
- AUA in the joint venture businesses of £1.5bn (FY 2012: £1.5bn) has been impacted by adverse foreign exchange movements during the quarter
- Gross inflows of £0.3bn increased by 7% compared to the first 9 months of 2012 in constant currency terms

#### Operational highlights

- Transitioning further shared functions to Hong Kong bringing more of our people closer to customers and our branches in the region and creating more customer facing roles
- In Singapore and Dubai, terms of business agreed with 41 adviser firms and sales of £52m
- Recognised at the International Adviser Awards 2013 during the quarter:
  - 'Best for adviser support/customer service' in the Asia category
  - 'Best international life company' – Global, Readers' Choice awards
- HDFC Life continues to grow and is a leading force in the private market in India where we are well positioned to take advantage of our brand strength and strong customer-focused business practices
- HDFC Life has been a market leader in updating their product range to reflect new Indian product guidelines which will come into force on 1 January 2014

For further information please contact:

### **Institutional Equity Investors**

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### **Debt Investors**

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### **Newsires and online publications**

We will hold a conference call for newsires and online publications on 30 October at 07:30 (UK time). Participants should dial +44 (0)20 3059 8125 and quote Standard Life 2013 Q3 IMS. A replay facility will be available for seven days. To access the replay please dial +44 (0)121 260 4861. The pass code is 3618445#.

### **Investors and Analysts**

A conference call for analysts and investors will take place on 30 October at 09:00 (UK time), hosted by David Nish, Chief Executive, Keith Skeoch, Standard Life Investments Chief Executive, and Paul Matthews, UK and Europe Chief Executive. Participants should dial +44 (0)20 3059 8125 and quote Standard Life 2013 Q3 IMS. There will also be a live audiocast at the same time with the facility to ask questions, which can be accessed via our website [www.standardlife.com](http://www.standardlife.com).

### **Notes to Editors:**

1. Standard Life Wealth, one of the UK's fastest growing discretionary fund management businesses, successfully completed the acquisition of Newton Private Clients from Newton Management Limited at the end of September 2013. Assets of £3.2bn transferred in on acquisition are included within market/other movements in the AUA tables and are not included in net flows.
2. In order to be consistent with the presentation of new business information, certain products are included in both long-term savings and investments AUA and net flows.
3. Other assets included within AUA of £10.7bn (FY 2012: £11.7bn) comprise assets not backing products, joint ventures, non-life assets and consolidation / elimination adjustments.
4. Includes Offshore Wrap of Standard Life International Limited included within Europe AUA.
5. As at 31 August 2013.

**Group assets under administration (summary)**  
**Nine months ended 30 September 2013**

	Opening AUA at 1 Jan 2013 £bn	Gross flows £bn	Redemptions £bn	Net flows £bn	Market and other movements £bn	Closing AUA at 30 Sep 2013 £bn
<b>Fee business</b>						
UK retail new	28.7	4.6	(2.0)	2.6	5.4	36.7
UK retail old	31.7	0.5	(2.5)	(2.0)	3.2	32.9
<b>UK retail</b>	<b>60.4</b>	<b>5.1</b>	<b>(4.5)</b>	<b>0.6</b>	<b>8.6</b>	<b>69.6</b>
Corporate	24.5	2.7	(1.8)	0.9	1.9	27.3
<b>UK retail and corporate</b>	<b>84.9</b>	<b>7.8</b>	<b>(6.3)</b>	<b>1.5</b>	<b>10.5</b>	<b>96.9</b>
Institutional pensions	21.3	4.3	(2.6)	1.7	1.2	24.2
Conventional with profits	4.1	0.1	(1.3)	(1.2)	0.2	3.1
<b>UK total</b>	<b>110.3</b>	<b>12.2</b>	<b>(10.2)</b>	<b>2.0</b>	<b>11.9</b>	<b>124.2</b>
Europe	13.6	1.7	(0.8)	0.9	0.7	15.2
Standard Life Investments third party	83.0	17.4	(9.1)	8.3	2.9	94.2
Canada	15.9	2.1	(1.8)	0.3	0.7	16.9
Asia and Emerging Markets (wholly owned)	0.2	0.1	-	0.1	-	0.3
Consolidation/eliminations <sup>1</sup>	(42.3)	(7.9)	4.5	(3.4)	(2.6)	(48.3)
<b>Total fee business</b>	<b>180.7</b>	<b>25.6</b>	<b>(17.4)</b>	<b>8.2</b>	<b>13.6</b>	<b>202.5</b>
<b>Spread/risk</b>						
UK	15.3	0.4	(0.9)	(0.5)	0.1	14.9
Europe	0.5	-	-	-	-	0.5
Canada	9.9	0.6	(0.8)	(0.2)	(0.7)	9.0
<b>Total spread/risk business</b>	<b>25.7</b>	<b>1.0</b>	<b>(1.7)</b>	<b>(0.7)</b>	<b>(0.6)</b>	<b>24.4</b>
Assets not backing products in long-term savings business	8.5	-	-	-	(1.1)	7.4
Joint ventures	1.5	0.3	(0.1)	0.2	(0.2)	1.5
Other corporate assets	2.0	-	-	-	0.1	2.1
Other consolidation/eliminations <sup>1</sup>	(0.3)	-	-	-	-	(0.3)
<b>Group assets under administration</b>	<b>218.1</b>	<b>26.9</b>	<b>(19.2)</b>	<b>7.7</b>	<b>11.8</b>	<b>237.6</b>
<b>Group assets under administration managed by:</b>						
Standard Life Group entities	176.0					190.6
Other third party managers	42.1					47.0
<b>Total</b>	<b>218.1</b>					<b>237.6</b>

<sup>1</sup> 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.

**Group assets under administration (summary)**  
**Nine months ended 30 September 2012**

	Opening AUA at 1 Jan 2012 £bn	Gross flows £bn	Redemptions £bn	Net flows £bn	Market and other movements £bn	Closing AUA at 30 Sep 2012 £bn
<b>Fee business</b>						
UK retail new	23.7	3.9	(1.8)	2.1	1.6	27.4
UK retail old	32.1	0.7	(2.8)	(2.1)	1.8	31.8
<b>UK retail</b>	<b>55.8</b>	<b>4.6</b>	<b>(4.6)</b>	<b>-</b>	<b>3.4</b>	<b>59.2</b>
Corporate	22.0	2.3	(1.3)	1.0	0.9	23.9
<b>UK retail and corporate</b>	<b>77.8</b>	<b>6.9</b>	<b>(5.9)</b>	<b>1.0</b>	<b>4.3</b>	<b>83.1</b>
Institutional pensions	17.5	3.1	(1.5)	1.6	1.6	20.7
Conventional with profits	5.3	0.2	(1.2)	(1.0)	0.2	4.5
<b>UK total</b>	<b>100.6</b>	<b>10.2</b>	<b>(8.6)</b>	<b>1.6</b>	<b>6.1</b>	<b>108.3</b>
Europe	11.5	1.4	(0.6)	0.8	0.5	12.8
Standard Life Investments third party	71.8	12.2	(9.0)	3.2	3.8	78.8
Canada	14.3	2.1	(1.5)	0.6	0.7	15.6
Asia and Emerging Markets (wholly owned)	0.1	0.1	(0.1)	-	0.1	0.2
Consolidation/eliminations <sup>1</sup>	(35.5)	(6.0)	3.3	(2.7)	(2.6)	(40.8)
<b>Total fee business</b>	<b>162.8</b>	<b>20.0</b>	<b>(16.5)</b>	<b>3.5</b>	<b>8.6</b>	<b>174.9</b>
<b>Spread/risk</b>						
UK	14.4	0.5	(0.9)	(0.4)	0.9	14.9
Europe	0.5	-	-	-	-	0.5
Canada	10.3	0.6	(0.9)	(0.3)	0.2	10.2
<b>Total spread/risk business</b>	<b>25.2</b>	<b>1.1</b>	<b>(1.8)</b>	<b>(0.7)</b>	<b>1.1</b>	<b>25.6</b>
Assets not backing products in long-term savings business	8.5	-	-	-	0.8	9.3
Joint ventures	1.2	0.3	(0.1)	0.2	-	1.4
Other corporate assets	1.6	-	-	-	(0.1)	1.5
Other consolidation/eliminations <sup>1</sup>	(0.9)	-	-	-	0.1	(0.8)
<b>Group assets under administration</b>	<b>198.4</b>	<b>21.4</b>	<b>(18.4)</b>	<b>3.0</b>	<b>10.5</b>	<b>211.9</b>
<b>Group assets under administration managed by:</b>						
Standard Life Group entities	163.3					171.5
Other third party managers	35.1					40.4
<b>Total</b>	<b>198.4</b>					<b>211.9</b>

<sup>1</sup> 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.

**Group assets under administration**  
**Nine months ended 30 September 2013**

	Fee (F) – Spread/risk (S/R)	Opening AUA at 1 Jan 2013 £bn	Gross flows £bn	Redemptions £bn	Net flows £bn	Market and other movements £bn	Closing AUA at 30 Sep 2013 £bn
<b>UK</b>							
Individual SIPP	F	18.8	2.2	(1.5)	0.7	1.9	21.4
Investment bonds	F	0.5	-	-	-	(0.1)	0.4
Mutual funds	F	7.6	1.8	(0.4)	1.4	0.4	9.4
Wealth	F	1.8	0.6	(0.1)	0.5	3.2	5.5
<b>UK retail new fee business</b>		<b>28.7</b>	<b>4.6</b>	<b>(2.0)</b>	<b>2.6</b>	<b>5.4</b>	<b>36.7</b>
Legacy life (excluding conventional with profits)	F	2.1	0.1	(0.2)	(0.1)	0.1	2.1
Other individual pensions	F	22.9	0.4	(1.6)	(1.2)	2.4	24.1
Investment bonds	F	6.7	-	(0.7)	(0.7)	0.7	6.7
<b>UK retail old fee business</b>		<b>31.7</b>	<b>0.5</b>	<b>(2.5)</b>	<b>(2.0)</b>	<b>3.2</b>	<b>32.9</b>
<b>UK retail fee business</b>		<b>60.4</b>	<b>5.1</b>	<b>(4.5)</b>	<b>0.6</b>	<b>8.6</b>	<b>69.6</b>
Corporate pensions	F	24.5	2.7	(1.8)	0.9	1.9	27.3
<b>UK retail and corporate fee business</b>		<b>84.9</b>	<b>7.8</b>	<b>(6.3)</b>	<b>1.5</b>	<b>10.5</b>	<b>96.9</b>
Institutional pensions	F	21.3	4.3	(2.6)	1.7	1.2	24.2
Conventional with profits	F	4.1	0.1	(1.3)	(1.2)	0.2	3.1
<b>UK total fee business</b>	F	<b>110.3</b>	<b>12.2</b>	<b>(10.2)</b>	<b>2.0</b>	<b>11.9</b>	<b>124.2</b>
Annuities	S/R	15.3	0.4	(0.9)	(0.5)	0.1	14.9
Assets not backing products		6.5	-	-	-	(0.8)	5.7
<b>UK long-term savings</b>		<b>132.1</b>	<b>12.6</b>	<b>(11.1)</b>	<b>1.5</b>	<b>11.2</b>	<b>144.8</b>
Fee	F	13.6	1.7	(0.8)	0.9	0.7	15.2
Spread/risk	S/R	0.5	-	-	-	-	0.5
<b>Europe long-term savings</b>		<b>14.1</b>	<b>1.7</b>	<b>(0.8)</b>	<b>0.9</b>	<b>0.7</b>	<b>15.7</b>
<b>UK and Europe long-term savings</b>		<b>146.2</b>	<b>14.3</b>	<b>(11.9)</b>	<b>2.4</b>	<b>11.9</b>	<b>160.5</b>
<b>Canada</b>							
Fee	F	12.0	1.3	(1.2)	0.1	0.6	12.7
Spread/risk	S/R	3.6	0.2	(0.3)	(0.1)	(0.2)	3.3
<b>Corporate pensions</b>		<b>15.6</b>	<b>1.5</b>	<b>(1.5)</b>	<b>0.0</b>	<b>0.4</b>	<b>16.0</b>
<b>Corporate benefits</b>	S/R	<b>0.6</b>	<b>0.2</b>	<b>(0.2)</b>	<b>-</b>	<b>-</b>	<b>0.6</b>
Retail segregated funds	F	2.3	0.6	(0.3)	0.3	0.1	2.7
Retail mutual funds	F	1.6	0.2	(0.3)	(0.1)	-	1.5
<b>Retail investment funds</b>		<b>3.9</b>	<b>0.8</b>	<b>(0.6)</b>	<b>0.2</b>	<b>0.1</b>	<b>4.2</b>
Retail spread/risk	S/R	5.7	0.2	(0.3)	(0.1)	(0.5)	5.1
Asset not backing products		2.0	-	-	-	(0.3)	1.7
<b>Canada long-term savings</b>		<b>27.8</b>	<b>2.7</b>	<b>(2.6)</b>	<b>0.1</b>	<b>(0.3)</b>	<b>27.6</b>
<b>Asia and Emerging Markets</b>							
Wholly owned long-term savings	F	0.2	0.1	-	0.1	-	0.3
Joint ventures long-term savings		1.5	0.3	(0.1)	0.2	(0.2)	1.5
<b>Asia and Emerging Markets long-term savings</b>		<b>1.7</b>	<b>0.4</b>	<b>(0.1)</b>	<b>0.3</b>	<b>(0.2)</b>	<b>1.8</b>
<b>Total worldwide long-term savings</b>		<b>175.7</b>	<b>17.4</b>	<b>(14.6)</b>	<b>2.8</b>	<b>11.4</b>	<b>189.9</b>
Other corporate assets		2.0	-	-	-	0.1	2.1
Standard Life Investments third party assets under management		83.0	17.4	(9.1)	8.3	2.9	94.2
Consolidation and elimination adjustments <sup>1,2</sup>		(42.6)	(7.9)	4.5	(3.4)	(2.6)	(48.6)
<b>Group assets under administration</b>		<b>218.1</b>	<b>26.9</b>	<b>(19.2)</b>	<b>7.7</b>	<b>11.8</b>	<b>237.6</b>

<sup>1</sup> 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.

<sup>2</sup> Consolidation and elimination adjustments closing AUA includes Standard Life Investments third party insurance contracts of £34.9bn (31 December 2012: £31.4bn), UK mutual funds and other £10.3bn (31 December 2012: £8.9bn) and Canada mutual funds of £1.6bn (31 December 2012: £1.6bn)

**Long-term savings operations net flows**  
**Nine months ended 30 September 2013**

	Fee (F) – Spread/risk (S/R)	Gross flows 9 months to 30 Sep 2013 £m	Redemptions 9 months to 30 Sep 2013 £m	Net flows 9 months to 30 Sep 2013 £m	Gross flows 9 months to 30 Sep 2012 £m	Redemptions 9 months to 30 Sep 2012 £m	Net flows 9 months to 30 Sep 2012 £m
<b>UK</b>							
Individual SIPP	F	2,206	(1,544)	662	2,101	(1,365)	736
Investment bonds	F	75	(24)	51	71	(19)	52
Mutual funds	F	1,792	(400)	1,392	1,154	(336)	818
Wealth	F	560	(76)	484	611	(39)	572
<b>UK retail new fee business</b>		<b>4,633</b>	<b>(2,044)</b>	<b>2,589</b>	<b>3,937</b>	<b>(1,759)</b>	<b>2,178</b>
Legacy life (excluding conventional with profits)	F	71	(263)	(192)	83	(256)	(173)
Other individual pensions	F	425	(1,604)	(1,179)	566	(1,758)	(1,192)
Investment bonds	F	19	(668)	(649)	44	(868)	(824)
<b>UK retail old fee business</b>		<b>515</b>	<b>(2,535)</b>	<b>(2,020)</b>	<b>693</b>	<b>(2,882)</b>	<b>(2,189)</b>
<b>UK retail fee business</b>		<b>5,148</b>	<b>(4,579)</b>	<b>569</b>	<b>4,630</b>	<b>(4,641)</b>	<b>(11)</b>
Corporate pensions	F	2,606	(1,731)	875	2,263	(1,235)	1,028
<b>UK retail and corporate fee business</b>		<b>7,754</b>	<b>(6,310)</b>	<b>1,444</b>	<b>6,893</b>	<b>(5,876)</b>	<b>1,017</b>
Institutional pensions	F	4,309	(2,603)	1,706	3,132	(1,512)	1,620
Conventional with profits	F	70	(1,225)	(1,155)	101	(1,140)	(1,039)
<b>UK total fee business</b>		<b>12,133</b>	<b>(10,138)</b>	<b>1,995</b>	<b>10,126</b>	<b>(8,528)</b>	<b>1,598</b>
Annuities	S/R	393	(879)	(486)	433	(884)	(451)
Protection	S/R	45	(33)	12	51	(39)	12
<b>UK long-term savings</b>		<b>12,571</b>	<b>(11,050)</b>	<b>1,521</b>	<b>10,610</b>	<b>(9,451)</b>	<b>1,159</b>
<b>Europe</b>							
Fee	F	1,675	(796)	879	1,437	(654)	783
Spread/risk	S/R	22	(26)	(4)	30	(24)	6
<b>Europe long-term savings</b>		<b>1,697</b>	<b>(822)</b>	<b>875</b>	<b>1,467</b>	<b>(678)</b>	<b>789</b>
<b>UK and Europe long-term savings</b>		<b>14,268</b>	<b>(11,872)</b>	<b>2,396</b>	<b>12,077</b>	<b>(10,129)</b>	<b>1,948</b>
<b>Canada</b>							
Fee	F	1,285	(1,186)	99	1,382	(999)	383
Spread/risk	S/R	155	(266)	(111)	146	(316)	(170)
<b>Corporate pensions</b>		<b>1,440</b>	<b>(1,452)</b>	<b>(12)</b>	<b>1,528</b>	<b>(1,315)</b>	<b>213</b>
<b>Corporate benefits</b>	S/R	<b>335</b>	<b>(272)</b>	<b>63</b>	<b>336</b>	<b>(268)</b>	<b>68</b>
Retail segregated funds	F	581	(267)	314	476	(240)	236
Retail mutual funds	F	158	(262)	(104)	206	(213)	(7)
<b>Retail investments funds</b>		<b>739</b>	<b>(529)</b>	<b>210</b>	<b>682</b>	<b>(453)</b>	<b>229</b>
Retail spread/risk	S/R	209	(354)	(145)	180	(388)	(208)
<b>Canada long-term savings</b>		<b>2,723</b>	<b>(2,607)</b>	<b>116</b>	<b>2,726</b>	<b>(2,424)</b>	<b>302</b>
<b>Asia and Emerging Markets</b>							
Wholly owned long-term savings	F	77	(18)	59	56	(13)	43
Joint ventures long-term savings		321	(141)	180	311	(116)	195
<b>Asia and Emerging Markets long-term savings</b>		<b>398</b>	<b>(159)</b>	<b>239</b>	<b>367</b>	<b>(129)</b>	<b>238</b>
<b>Total worldwide long-term savings</b>		<b>17,389</b>	<b>(14,638)</b>	<b>2,751</b>	<b>15,170</b>	<b>(12,682)</b>	<b>2,488</b>

**Long-term savings operations net flows**  
**Three months ended 30 September 2013**

	Fee (F) – Spread/risk (S/R)	Gross flows 3 months to 30 Sep 2013 £m	Redemptions 3 months to 30 Sep 2013 £m	Net flows 3 months to 30 Sep 2013 £m	Gross flows 3 months to 30 Sep 2012 £m	Redemptions 3 months to 30 Sep 2012 £m	Net flows 3 months to 30 Sep 2012 £m
<b>UK</b>							
Individual SIPP	F	722	(530)	192	607	(436)	171
Investment bonds	F	25	(9)	16	23	(5)	18
Mutual funds	F	631	(134)	497	376	(111)	265
Wealth	F	184	(30)	154	196	(14)	182
<b>UK retail new fee business</b>		<b>1,562</b>	<b>(703)</b>	<b>859</b>	<b>1,202</b>	<b>(566)</b>	<b>636</b>
Legacy life (excluding conventional with profits)	F	23	(91)	(68)	27	(97)	(70)
Other individual pensions	F	122	(516)	(394)	154	(581)	(427)
Investment bonds	F	6	(207)	(201)	13	(275)	(262)
<b>UK retail old fee business</b>		<b>151</b>	<b>(814)</b>	<b>(663)</b>	<b>194</b>	<b>(953)</b>	<b>(759)</b>
<b>UK retail fee business</b>		<b>1,713</b>	<b>(1,517)</b>	<b>196</b>	<b>1,396</b>	<b>(1,519)</b>	<b>(123)</b>
Corporate pensions	F	1,001	(660)	341	680	(415)	265
<b>UK retail and corporate fee business</b>		<b>2,714</b>	<b>(2,177)</b>	<b>537</b>	<b>2,076</b>	<b>(1,934)</b>	<b>142</b>
Institutional pensions	F	1,119	(1,262)	(143)	1,078	(338)	740
Conventional with profits	F	20	(485)	(465)	31	(435)	(404)
<b>UK total fee business</b>		<b>3,853</b>	<b>(3,924)</b>	<b>(71)</b>	<b>3,185</b>	<b>(2,707)</b>	<b>478</b>
Annuities	S/R	125	(294)	(169)	152	(299)	(147)
Protection	S/R	15	(10)	5	16	(13)	3
<b>UK long-term savings</b>		<b>3,993</b>	<b>(4,228)</b>	<b>(235)</b>	<b>3,353</b>	<b>(3,019)</b>	<b>334</b>
<b>Europe</b>							
Fee	F	569	(260)	309	464	(198)	266
Spread/risk	S/R	6	(10)	(4)	9	(9)	-
<b>Europe long-term savings</b>		<b>575</b>	<b>(270)</b>	<b>305</b>	<b>473</b>	<b>(207)</b>	<b>266</b>
<b>UK and Europe long-term savings</b>		<b>4,568</b>	<b>(4,498)</b>	<b>70</b>	<b>3,826</b>	<b>(3,226)</b>	<b>600</b>
<b>Canada</b>							
Fee	F	395	(403)	(8)	575	(283)	292
Spread/risk	S/R	54	(45)	9	48	(105)	(57)
<b>Corporate pensions</b>		<b>449</b>	<b>(448)</b>	<b>1</b>	<b>623</b>	<b>(388)</b>	<b>235</b>
<b>Corporate benefits</b>	S/R	<b>108</b>	<b>(87)</b>	<b>21</b>	<b>114</b>	<b>(90)</b>	<b>24</b>
Retail segregated funds	F	200	(79)	121	123	(71)	52
Retail mutual funds	F	40	(82)	(42)	63	(63)	-
<b>Retail investment funds</b>		<b>240</b>	<b>(161)</b>	<b>79</b>	<b>186</b>	<b>(134)</b>	<b>52</b>
Retail spread/risk	S/R	77	(116)	(39)	66	(131)	(65)
<b>Canada long-term savings</b>		<b>874</b>	<b>(812)</b>	<b>62</b>	<b>989</b>	<b>(743)</b>	<b>246</b>
<b>Asia and Emerging Markets</b>							
Wholly owned long-term savings	F	26	(6)	20	18	(5)	13
Joint ventures long-term savings		92	(37)	55	96	(41)	55
<b>Asia and Emerging Markets long-term savings</b>		<b>118</b>	<b>(43)</b>	<b>75</b>	<b>114</b>	<b>(46)</b>	<b>68</b>
<b>Total worldwide long-term savings</b>		<b>5,560</b>	<b>(5,353)</b>	<b>207</b>	<b>4,929</b>	<b>(4,015)</b>	<b>914</b>

**Long-term savings operations net flows  
15 months ended 30 September 2013**

	Fee (F) – Spread/risk (S/R)	Net flows				
		3 months to 30 Sep 2013 £m	3 months to 30 Jun 2013 £m	3 months to 31 Mar 2013 £m	3 months to 31 Dec 2012 £m	3 months to 30 Sep 2012 £m
<b>UK</b>						
Individual SIPP	F	192	214	256	115	171
Investment bonds	F	16	22	13	15	18
Mutual funds	F	497	494	401	278	265
Wealth	F	154	176	154	167	182
<b>UK retail new fee business</b>		<b>859</b>	<b>906</b>	<b>824</b>	<b>575</b>	<b>636</b>
Legacy life (excluding conventional with profits)	F	(68)	(71)	(53)	(56)	(70)
Other individual pensions	F	(394)	(409)	(376)	(573)	(427)
Investment bonds	F	(201)	(212)	(236)	(239)	(262)
<b>UK retail old fee business</b>		<b>(663)</b>	<b>(692)</b>	<b>(665)</b>	<b>(868)</b>	<b>(759)</b>
<b>UK retail fee business</b>		<b>196</b>	<b>214</b>	<b>159</b>	<b>(293)</b>	<b>(123)</b>
Corporate pensions	F	341	272	262	196	265
<b>UK retail and corporate fee business</b>		<b>537</b>	<b>486</b>	<b>421</b>	<b>(97)</b>	<b>142</b>
Institutional pensions	F	(143)	857	992	212	740
Conventional with profits	F	(465)	(388)	(302)	(408)	(404)
<b>UK total fee business</b>		<b>(71)</b>	<b>955</b>	<b>1,111</b>	<b>(293)</b>	<b>478</b>
Annuities	S/R	(169)	(160)	(157)	(96)	(147)
Protection	S/R	5	3	4	5	3
<b>UK long-term savings</b>		<b>(235)</b>	<b>798</b>	<b>958</b>	<b>(384)</b>	<b>334</b>
<b>Europe</b>						
Fee	F	309	320	250	355	266
Spread/risk	S/R	(4)	(1)	1	3	-
<b>Europe long-term savings</b>		<b>305</b>	<b>319</b>	<b>251</b>	<b>358</b>	<b>266</b>
<b>UK and Europe long-term savings</b>		<b>70</b>	<b>1,117</b>	<b>1,209</b>	<b>(26)</b>	<b>600</b>
<b>Canada</b>						
Fee	F	(8)	(15)	122	117	292
Spread/risk	S/R	9	(59)	(61)	(54)	(57)
<b>Corporate pensions</b>		<b>1</b>	<b>(74)</b>	<b>61</b>	<b>63</b>	<b>235</b>
<b>Corporate benefits</b>	S/R	<b>21</b>	<b>21</b>	<b>21</b>	<b>24</b>	<b>24</b>
Retail segregated funds	F	121	90	103	95	52
Retail mutual funds	F	(42)	(25)	(37)	(9)	-
<b>Retail investment funds</b>		<b>79</b>	<b>65</b>	<b>66</b>	<b>86</b>	<b>52</b>
Retail spread/risk	S/R	(39)	(45)	(61)	(68)	(65)
<b>Canada long-term savings</b>		<b>62</b>	<b>(33)</b>	<b>87</b>	<b>105</b>	<b>246</b>
<b>Asia and Emerging Markets</b>						
Wholly owned long-term savings	F	20	21	18	12	13
Joint ventures long-term savings		55	27	98	54	55
<b>Asia and Emerging Markets long-term savings</b>		<b>75</b>	<b>48</b>	<b>116</b>	<b>66</b>	<b>68</b>
<b>Total worldwide long-term savings</b>		<b>207</b>	<b>1,132</b>	<b>1,412</b>	<b>145</b>	<b>914</b>

## Investment operations

Nine months ended 30 September 2013

### Third party assets under management by geography

		Opening AUM at 1 Jan 2013 £m	Gross flows £m	Redemptions £m	Net flows £m	Market and other movements £m	Net movement in AUM £m	Closing AUM at 30 Sep 2013 £m
UK	Wholesale	14,815	5,320	(2,602)	2,718	837	3,555	18,370
	Institutional	39,437	4,720	(3,486)	1,234	2,120	3,354	42,791
		<b>54,252</b>	<b>10,040</b>	<b>(6,088)</b>	<b>3,952</b>	<b>2,957</b>	<b>6,909</b>	<b>61,161</b>
Europe	Wholesale	2,457	1,564	(810)	754	316	1,070	3,527
	Institutional	5,550	951	(110)	841	292	1,133	6,683
		<b>8,007</b>	<b>2,515</b>	<b>(920)</b>	<b>1,595</b>	<b>608</b>	<b>2,203</b>	<b>10,210</b>
Canada	Wholesale	3,626	612	(539)	73	119	192	3,818
	Institutional	9,397	1,184	(736)	448	(223)	225	9,622
		<b>13,023</b>	<b>1,796</b>	<b>(1,275)</b>	<b>521</b>	<b>(104)</b>	<b>417</b>	<b>13,440</b>
US	Institutional	<b>1,997</b>	<b>2,203</b>	<b>(360)</b>	<b>1,843</b>	<b>23</b>	<b>1,866</b>	<b>3,863</b>
Asia Pacific	Wholesale	416	787	(150)	637	75	712	1,128
	Institutional	823	36	(297)	(261)	112	(149)	674
		<b>1,239</b>	<b>823</b>	<b>(447)</b>	<b>376</b>	<b>187</b>	<b>563</b>	<b>1,802</b>
India	Wholesale	3,306	187	-	187	(623)	(436)	2,870
	Cash funds	1,196	(168)	-	(168)	(175)	(343)	853
		<b>4,502</b>	<b>19</b>	<b>-</b>	<b>19</b>	<b>(798)</b>	<b>(779)</b>	<b>3,723</b>
Total	Wholesale	24,620	8,470	(4,101)	4,369	724	5,093	29,713
	Institutional	57,204	9,094	(4,989)	4,105	2,324	6,429	63,633
	Cash funds	1,196	(168)	-	(168)	(175)	(343)	853
<b>Total third party AUM</b>		<b>83,020</b>	<b>17,396</b>	<b>(9,090)</b>	<b>8,306</b>	<b>2,873</b>	<b>11,179</b>	<b>94,199</b>

### Third party assets under management by asset class

	Opening AUM at 1 Jan 2013 £m	Gross flows £m	Redemptions £m	Net flows £m	Market and other movements £m	Net movement in AUM £m	Closing AUM at 30 Sep 2013 £m
Equities	18,326	1,604	(2,274)	(670)	1,919	1,249	19,575
Fixed Income	27,342	3,548	(2,243)	1,305	(1,647)	(342)	27,000
Multi Asset <sup>1</sup>	22,055	10,122	(3,448)	6,674	1,728	8,402	30,457
Real Estate	6,525	423	(235)	188	(121)	67	6,592
MyFolio	2,241	1,363	(269)	1,094	179	1,273	3,514
Other <sup>2</sup>	6,531	336	(621)	(285)	815	530	7,061
<b>Total third party AUM</b>	<b>83,020</b>	<b>17,396</b>	<b>(9,090)</b>	<b>8,306</b>	<b>2,873</b>	<b>11,179</b>	<b>94,199</b>

### Third party investment products and insurance contracts and total AUM

	Opening AUM at 1 Jan 2013 £m	Gross flows £m	Redemptions £m	Net flows £m	Market and other movements £m	Net movement in AUM £m	Closing AUM at 30 Sep 2013 £m
Third party investment products	51,612	11,764	(5,739)	6,025	1,468	7,493	59,105
Third party insurance contracts	31,408	5,632	(3,351)	2,281	1,405	3,686	35,094
<b>Total third party AUM</b>	<b>83,020</b>	<b>17,396</b>	<b>(9,090)</b>	<b>8,306</b>	<b>2,873</b>	<b>11,179</b>	<b>94,199</b>
<b>Total AUM</b>	<b>167,723</b>						<b>179,571</b>

<sup>1</sup> Comprises suite of global absolute return strategies and balanced funds.

<sup>2</sup> Comprises cash and private equity.

<sup>3</sup> Funds denominated in foreign currencies have been translated to Sterling using the closing exchange rates at 30 September 2013. Investment fund flows are translated at average exchange rates. Gains and losses arising from the translation of funds denominated in foreign currencies are included in the market and other movements column.

## Investment operations

Three months ended 30 September 2013

### Third party assets under management by geography

		Opening AUM at 1 Jul 2013 £m	Gross flows £m	Redemptions £m	Net flows £m	Market and other movements £m	Net movement in AUM £m	Closing AUM at 30 Sep 2013 £m
<b>UK</b>	Wholesale	17,380	1,816	(980)	836	154	990	18,370
	Institutional	42,416	1,136	(1,507)	(371)	746	375	42,791
		<b>59,796</b>	<b>2,952</b>	<b>(2,487)</b>	<b>465</b>	<b>900</b>	<b>1,365</b>	<b>61,161</b>
<b>Europe</b>	Wholesale	3,408	320	(162)	158	(39)	119	3,527
	Institutional	6,623	102	(28)	74	(14)	60	6,683
		<b>10,031</b>	<b>422</b>	<b>(190)</b>	<b>232</b>	<b>(53)</b>	<b>179</b>	<b>10,210</b>
<b>Canada</b>	Wholesale	3,833	186	(174)	12	(27)	(15)	3,818
	Institutional	9,739	353	(166)	187	(304)	(117)	9,622
		<b>13,572</b>	<b>539</b>	<b>(340)</b>	<b>199</b>	<b>(331)</b>	<b>(132)</b>	<b>13,440</b>
<b>US</b>	Institutional	<b>3,583</b>	<b>698</b>	<b>(216)</b>	<b>482</b>	<b>(202)</b>	<b>280</b>	<b>3,863</b>
<b>Asia Pacific</b>	Wholesale	1,088	144	(66)	78	(38)	40	1,128
	Institutional	735	7	(78)	(71)	10	(61)	674
		<b>1,823</b>	<b>151</b>	<b>(144)</b>	<b>7</b>	<b>(28)</b>	<b>(21)</b>	<b>1,802</b>
<b>India</b>	Wholesale	3,266	56	-	56	(452)	(396)	2,870
	Cash funds	1,319	(261)	-	(261)	(205)	(466)	853
		<b>4,585</b>	<b>(205)</b>	<b>-</b>	<b>(205)</b>	<b>(657)</b>	<b>(862)</b>	<b>3,723</b>
<b>Total</b>	Wholesale	28,975	2,522	(1,382)	1,140	(402)	738	29,713
	Institutional	63,096	2,296	(1,995)	301	236	537	63,633
	Cash funds	1,319	(261)	-	(261)	(205)	(466)	853
<b>Total third party AUM</b>		<b>93,390</b>	<b>4,557</b>	<b>(3,377)</b>	<b>1,180</b>	<b>(371)</b>	<b>809</b>	<b>94,199</b>

### Third party assets under management by asset class

	Opening AUM at 1 Jul 2013 £m	Gross flows £m	Redemptions £m	Net flows £m	Market and other movements £m	Net movement in AUM £m	Closing AUM at 30 Sep 2013 £m
Equities	19,045	562	(584)	(22)	552	530	19,575
Fixed Income	27,648	828	(760)	68	(716)	(648)	27,000
Multi Asset <sup>1</sup>	29,339	2,702	(1,594)	1,108	10	1,118	30,457
Real Estate	6,658	135	(70)	65	(131)	(66)	6,592
MyFolio	3,101	453	(109)	344	69	413	3,514
Other <sup>2</sup>	7,599	(123)	(260)	(383)	(155)	(538)	7,061
<b>Total third party AUM</b>	<b>93,390</b>	<b>4,557</b>	<b>(3,377)</b>	<b>1,180</b>	<b>(371)</b>	<b>809</b>	<b>94,199</b>

### Third party investment products and insurance contracts and total AUM

	Opening AUM at 1 Jul 2013 £m	Gross flows £m	Redemptions £m	Net flows £m	Market and other movements £m	Net movement in AUM £m	Closing AUM at 30 Sep 2013 £m
Third party investment products	58,502	3,129	(1,889)	1,240	(637)	603	59,105
Third party insurance contracts	34,888	1,428	(1,488)	(60)	266	206	35,094
<b>Total third party AUM</b>	<b>93,390</b>	<b>4,557</b>	<b>(3,377)</b>	<b>1,180</b>	<b>(371)</b>	<b>809</b>	<b>94,199</b>
<b>Total AUM</b>	<b>178,792</b>						<b>179,571</b>

<sup>1</sup> Comprises suite of global absolute return strategies and balanced funds.

<sup>2</sup> Comprises cash and private equity.

<sup>3</sup> Funds denominated in foreign currencies have been translated to Sterling using the closing exchange rates at 30 September 2013. Investment fund flows are translated at average exchange rates. Gains and losses arising from the translation of funds denominated in foreign currencies are included in the market and other movements column.

**Long-term savings operations new business**  
**Nine months ended 30 September 2013**

	Fee (F) – Spread/risk (S/R)	Single premiums		New regular premiums		PVNBP <sup>1</sup>		Change in constant currency	
		9 months to 30 Sep 2013 £m	9 months to 30 Sep 2012 £m	9 months to 30 Sep 2013 £m	9 months to 30 Sep 2012 £m	9 months to 30 Sep 2013 £m	9 months to 30 Sep 2012 £m	Change %	Change %
<b>UK</b>									
Individual SIPP	F	2,247	2,159	36	50	2,377	2,337	2%	2%
Investment bonds	F	75	71	-	-	75	71	6%	6%
Mutual funds	F	1,853	1,190	20	19	2,024	1,343	51%	51%
<b>UK retail new fee business</b>		<b>4,175</b>	<b>3,420</b>	<b>56</b>	<b>69</b>	<b>4,476</b>	<b>3,751</b>	<b>19%</b>	<b>19%</b>
Other individual pensions	F	155	263	13	13	183	292	(37%)	(37%)
Investment bonds	F	7	37	-	-	8	37	(78%)	(78%)
<b>UK retail old fee business</b>		<b>162</b>	<b>300</b>	<b>13</b>	<b>13</b>	<b>191</b>	<b>329</b>	<b>(42%)</b>	<b>(42%)</b>
<b>UK retail fee business</b>		<b>4,337</b>	<b>3,720</b>	<b>69</b>	<b>82</b>	<b>4,667</b>	<b>4,080</b>	<b>14%</b>	<b>14%</b>
Corporate pensions	F	942	718	652	423	4,018	2,630	53%	53%
<b>UK retail and corporate fee business</b>		<b>5,279</b>	<b>4,438</b>	<b>721</b>	<b>505</b>	<b>8,685</b>	<b>6,710</b>	<b>29%</b>	<b>29%</b>
Institutional pensions	F	4,076	2,977	12	-	4,123	2,978	38%	38%
<b>UK total fee business</b>		<b>9,355</b>	<b>7,415</b>	<b>733</b>	<b>505</b>	<b>12,808</b>	<b>9,688</b>	<b>32%</b>	<b>32%</b>
Annuities	S/R	268	306	-	-	268	306	(12%)	(12%)
Protection	S/R	-	-	-	-	1	1	-	-
<b>UK long-term savings</b>		<b>9,623</b>	<b>7,721</b>	<b>733</b>	<b>505</b>	<b>13,077</b>	<b>9,995</b>	<b>31%</b>	<b>31%</b>
<b>Europe</b>									
Fee	F	1,147	962	26	23	1,435	1,238	16%	13%
Spread/risk	S/R	21	25	-	-	21	25	(16%)	(19%)
<b>Europe long-term savings</b>		<b>1,168</b>	<b>987</b>	<b>26</b>	<b>23</b>	<b>1,456</b>	<b>1,263</b>	<b>15%</b>	<b>13%</b>
<b>UK and Europe long-term savings</b>		<b>10,791</b>	<b>8,708</b>	<b>759</b>	<b>528</b>	<b>14,533</b>	<b>11,258</b>	<b>29%</b>	<b>29%</b>
<b>Canada</b>									
Fee	F	275	448	19	40	734	1,193	(38%)	(38%)
Spread/risk	S/R	61	50	3	6	143	158	(9%)	(9%)
<b>Corporate pensions</b>		<b>336</b>	<b>498</b>	<b>22</b>	<b>46</b>	<b>877</b>	<b>1,351</b>	<b>(35%)</b>	<b>(35%)</b>
<b>Corporate benefits</b>	S/R	<b>-</b>	<b>1</b>	<b>23</b>	<b>30</b>	<b>356</b>	<b>466</b>	<b>(24%)</b>	<b>(23%)</b>
Retail segregated funds	F	581	476	-	-	581	476	22%	22%
Retail mutual funds	F	158	206	-	-	158	206	(23%)	(23%)
<b>Retail investment funds</b>		<b>739</b>	<b>682</b>	<b>-</b>	<b>-</b>	<b>739</b>	<b>682</b>	<b>8%</b>	<b>9%</b>
Retail spread/risk	S/R	124	100	-	-	124	100	24%	24%
<b>Canada long-term savings</b>		<b>1,199</b>	<b>1,281</b>	<b>45</b>	<b>76</b>	<b>2,096</b>	<b>2,599</b>	<b>(19%)</b>	<b>(19%)</b>
<b>Asia and Emerging Markets</b>									
<b>Wholly owned long-term savings</b>	F	<b>11</b>	<b>6</b>	<b>46</b>	<b>27</b>	<b>328</b>	<b>172</b>	<b>91%</b>	<b>86%</b>
India		41	27	61	69	311	324	(4%)	2%
China		19	36	9	7	61	69	(12%)	(15%)
<b>Joint ventures long-term savings</b>		<b>60</b>	<b>63</b>	<b>70</b>	<b>76</b>	<b>372</b>	<b>393</b>	<b>(5%)</b>	<b>(1%)</b>
<b>Asia and Emerging Markets long-term savings</b>		<b>71</b>	<b>69</b>	<b>116</b>	<b>103</b>	<b>700</b>	<b>565</b>	<b>24%</b>	<b>27%</b>
<b>Total worldwide long-term savings</b>		<b>12,061</b>	<b>10,058</b>	<b>920</b>	<b>707</b>	<b>17,329</b>	<b>14,422</b>	<b>20%</b>	<b>20%</b>

<sup>1</sup> Present value of new business premiums (PVNBP) is the industry measure of insurance new business sales under the EEV methodology, calculated as 100% of single premiums plus the expected present value of new regular premiums.

<sup>2</sup> New business gross sales for overseas operations are calculated using average exchange rates.

**Long-term savings operations new business**  
**Three months ended 30 September 2013**

	Fee (F) – Spread/risk (S/R)	Single premiums		New regular premiums		PVNBP <sup>1</sup>		Change in constant currency	
		3 months to 30 Sep 2013 £m	3 months to 30 Sep 2012 £m	3 months to 30 Sep 2013 £m	3 months to 30 Sep 2012 £m	3 months to 30 Sep 2013 £m	3 months to 30 Sep 2012 £m	Change %	Change %
<b>UK</b>									
Individual SIPP	F	728	629	12	14	770	668	15%	15%
Investment bonds	F	25	23	-	-	25	23	9%	9%
Mutual funds	F	653	392	7	4	717	427	68%	68%
<b>UK retail new fee business</b>		<b>1,406</b>	<b>1,044</b>	<b>19</b>	<b>18</b>	<b>1,512</b>	<b>1,118</b>	<b>35%</b>	<b>35%</b>
Other individual pensions	F	36	58	5	4	46	66	(30%)	(30%)
Investment bonds	F	1	11	-	-	2	11	(82%)	(82%)
<b>UK retail old fee business</b>		<b>37</b>	<b>69</b>	<b>5</b>	<b>4</b>	<b>48</b>	<b>77</b>	<b>(38%)</b>	<b>(38%)</b>
<b>UK retail fee business</b>		<b>1,443</b>	<b>1,113</b>	<b>24</b>	<b>22</b>	<b>1,560</b>	<b>1,195</b>	<b>31%</b>	<b>31%</b>
Corporate pensions	F	424	152	153	103	1,200	635	89%	89%
<b>UK retail and corporate fee business</b>		<b>1,867</b>	<b>1,265</b>	<b>177</b>	<b>125</b>	<b>2,760</b>	<b>1,830</b>	<b>51%</b>	<b>51%</b>
Institutional pensions	F	991	1,024	2	-	1,003	1,025	(2%)	(2%)
<b>UK total fee business</b>		<b>2,858</b>	<b>2,289</b>	<b>179</b>	<b>125</b>	<b>3,763</b>	<b>2,855</b>	<b>32%</b>	<b>32%</b>
Annuities	S/R	82	106	-	-	82	106	(23%)	(23%)
Protection	S/R	-	-	-	-	-	-	-	-
<b>UK long-term savings</b>		<b>2,940</b>	<b>2,395</b>	<b>179</b>	<b>125</b>	<b>3,845</b>	<b>2,961</b>	<b>30%</b>	<b>30%</b>
<b>Europe</b>									
Fee	F	387	308	8	8	481	401	20%	15%
Spread/risk	S/R	6	8	-	-	5	8	(38%)	(36%)
<b>Europe long-term savings</b>		<b>393</b>	<b>316</b>	<b>8</b>	<b>8</b>	<b>486</b>	<b>409</b>	<b>19%</b>	<b>14%</b>
<b>UK and Europe long-term savings</b>		<b>3,333</b>	<b>2,711</b>	<b>187</b>	<b>133</b>	<b>4,331</b>	<b>3,370</b>	<b>29%</b>	<b>28%</b>
<b>Canada</b>									
Fee	F	103	302	3	7	159	421	(62%)	(61%)
Spread/risk	S/R	15	7	-	-	25	7	257%	320%
<b>Corporate pensions</b>		<b>118</b>	<b>309</b>	<b>3</b>	<b>7</b>	<b>184</b>	<b>428</b>	<b>(57%)</b>	<b>(55%)</b>
<b>Corporate benefits</b>	S/R	-	1	6	10	95	165	(42%)	(41%)
Retail segregated funds	F	200	123	-	-	200	123	63%	66%
Retail mutual funds	F	40	63	-	-	40	63	(37%)	(34%)
<b>Retail investment funds</b>		<b>240</b>	<b>186</b>	<b>-</b>	<b>-</b>	<b>240</b>	<b>186</b>	<b>29%</b>	<b>32%</b>
Retail spread/risk	S/R	49	40	-	-	49	40	23%	23%
<b>Canada long-term savings</b>		<b>407</b>	<b>536</b>	<b>9</b>	<b>17</b>	<b>568</b>	<b>819</b>	<b>(31%)</b>	<b>(28%)</b>
<b>Asia and Emerging Markets</b>									
<b>Wholly owned long-term savings</b>	F	<b>2</b>	<b>1</b>	<b>16</b>	<b>7</b>	<b>118</b>	<b>47</b>	<b>151%</b>	<b>148%</b>
India		12	6	13	22	72	91	(21%)	(6%)
China		4	8	3	2	19	18	6%	(1%)
<b>Joint ventures long-term savings</b>		<b>16</b>	<b>14</b>	<b>16</b>	<b>24</b>	<b>91</b>	<b>109</b>	<b>(17%)</b>	<b>(6%)</b>
<b>Asia and Emerging Markets long-term savings</b>		<b>18</b>	<b>15</b>	<b>32</b>	<b>31</b>	<b>209</b>	<b>156</b>	<b>34%</b>	<b>42%</b>
<b>Total worldwide long-term savings</b>		<b>3,758</b>	<b>3,262</b>	<b>228</b>	<b>181</b>	<b>5,108</b>	<b>4,345</b>	<b>18%</b>	<b>18%</b>

<sup>1</sup> Present value of new business premiums (PVNBP) is the industry measure of insurance new business sales under the EEV methodology, calculated as 100% of single premiums plus the expected present value of new regular premiums.

<sup>2</sup> New business gross sales for overseas operations are calculated using average exchange rates.

**Long-term savings operations new business  
15 months ended 30 September 2013**

	Fee (F) – Spread/risk (S/R)	PVNBP				
		3 months to 30 Sep 2013 £m	3 months to 30 Jun 2013 £m	3 months to 31 Mar 2013 £m	3 months to 31 Dec 2012 <sup>1</sup> £m	3 months to 30 Sep 2012 £m
<b>UK</b>						
Individual SIPP	F	770	805	802	666	668
Investment bonds	F	25	29	21	23	23
Mutual funds	F	717	693	614	445	427
<b>UK retail new fee business</b>		<b>1,512</b>	<b>1,527</b>	<b>1,437</b>	<b>1,134</b>	<b>1,118</b>
Other individual pensions	F	46	59	78	49	66
Investment bonds	F	2	1	5	19	11
<b>UK retail old fee business</b>		<b>48</b>	<b>60</b>	<b>83</b>	<b>68</b>	<b>77</b>
<b>UK retail fee business</b>		<b>1,560</b>	<b>1,587</b>	<b>1,520</b>	<b>1,202</b>	<b>1,195</b>
Corporate pensions	F	1,200	1,499	1,319	690	635
<b>UK retail and corporate fee business</b>		<b>2,760</b>	<b>3,086</b>	<b>2,839</b>	<b>1,892</b>	<b>1,830</b>
Institutional pensions	F	1,003	1,434	1,686	919	1,025
<b>UK total fee business</b>		<b>3,763</b>	<b>4,520</b>	<b>4,525</b>	<b>2,811</b>	<b>2,855</b>
Annuities	S/R	82	94	92	156	106
Protection	S/R	-	1	-	-	-
<b>UK long-term savings</b>		<b>3,845</b>	<b>4,615</b>	<b>4,617</b>	<b>2,967</b>	<b>2,961</b>
<b>Europe</b>						
Fee	F	481	504	450	685	401
Spread/risk	S/R	5	7	9	10	8
<b>Europe long-term savings</b>		<b>486</b>	<b>511</b>	<b>459</b>	<b>695</b>	<b>409</b>
<b>UK and Europe long-term savings</b>		<b>4,331</b>	<b>5,126</b>	<b>5,076</b>	<b>3,662</b>	<b>3,370</b>
<b>Canada</b>						
Fee	F	159	189	386	419	421
Spread/risk	S/R	25	43	75	58	7
<b>Corporate pensions</b>		<b>184</b>	<b>232</b>	<b>461</b>	<b>477</b>	<b>428</b>
<b>Corporate benefits</b>	S/R	<b>95</b>	<b>126</b>	<b>135</b>	<b>214</b>	<b>165</b>
Retail segregated funds	F	200	183	198	192	123
Retail mutual funds	F	40	52	66	69	63
<b>Retail investment funds</b>		<b>240</b>	<b>235</b>	<b>264</b>	<b>261</b>	<b>186</b>
Retail spread/risk	S/R	49	45	30	33	40
<b>Canada long-term savings</b>		<b>568</b>	<b>638</b>	<b>890</b>	<b>985</b>	<b>819</b>
<b>Asia and Emerging Markets</b>						
<b>Wholly owned long-term savings</b>	F	<b>118</b>	<b>117</b>	<b>93</b>	<b>89</b>	<b>47</b>
India		72	49	190	111	91
China		19	19	23	18	18
<b>Joint ventures long-term savings</b>		<b>91</b>	<b>68</b>	<b>213</b>	<b>129</b>	<b>109</b>
<b>Asia and Emerging Markets long-term savings</b>		<b>209</b>	<b>185</b>	<b>306</b>	<b>218</b>	<b>156</b>
<b>Total worldwide long-term savings</b>		<b>5,108</b>	<b>5,949</b>	<b>6,272</b>	<b>4,865</b>	<b>4,345</b>

<sup>1</sup> The three month period to 31 December 2012 excludes the full impact of year end changes to non-economic assumptions. The effect of changes to year end non-economic assumptions was an increase in total PVNBP of £6m.