

# GROUP FINANCIAL PERFORMANCE

## TOTAL REVENUE

\$2,241m

## GROSS PROFIT

\$1,734m

## CONTROLLABLE COSTS

\$775m

AMP's controllable costs (excluding AMP Capital) were

↓ 7% on 2020

due to cost-out benefits which were partly offset by structural cost increases, variable remuneration and reinvestment spend.

## 2021 INVESTMENT INCOME

\$102m

(2020: \$30m)

increase driven by improved returns on the group's cash investments, growth in China Life Pension Company earnings, and the contribution from a minority stake in Resolution Life Australasia.

## CAPITAL POSITION

\$383m

↑ above target requirements

The board has resolved to not declare a final 2021 dividend and continues to maintain a conservative approach to capital management to support the transformation of the business. The capital management strategy and payment of dividends will be reviewed following the completion of the demerger.

## AMP SHAREHOLDER EQUITY

\$3,874m

EARNING PER SHARE  
(UNDERLYING)

10.7CPS

## NPAT (UNDERLYING)

\$356m

↑ 53% from

\$233m in 2020

This increase largely reflects stronger AMP Bank, AMP Capital and New Zealand Wealth Management earnings.

## NPAT (STATUTORY)

\$(252)m

Impacted by items reported below NPAT including:

\$312m

Impairment charges, reflecting a comprehensive review of the balance sheet

\$133m

Transformation costs

\$78m

Remediation and related costs.

# GROUP FINANCIAL PERFORMANCE

Profit and loss (A\$m)	FY 21 A\$m	2H 21 A\$m	1H 21 A\$m	FY 20 A\$m	% FY
Revenue					
AUM based revenue	1,519	738	781	1,586	(4.2)
Non-AUM based revenue	90	46	44	96	(6.3)
Performance and transaction fees	74	66	8	51	45.1
Net interest income	399	195	204	391	2.0
Other revenue	159	89	70	207	(23.2)
<b>Total revenue</b>	<b>2,241</b>	<b>1,134</b>	<b>1,107</b>	<b>2,331</b>	<b>(3.9)</b>
Variable costs					
Investment management expense	(302)	(148)	(154)	(309)	2.3
Marketing and distribution	(22)	(12)	(10)	(21)	(4.8)
Brokerage and commissions	(71)	(37)	(34)	(69)	(2.9)
Loan impairment expense	26	13	13	(31)	n/a
Other variable costs	(138)	(69)	(69)	(171)	19.3
Total variable costs	(507)	(253)	(254)	(601)	15.6
<b>Gross profit</b>	<b>1,734</b>	<b>881</b>	<b>853</b>	<b>1,730</b>	<b>0.2</b>
Controllable costs					
Employee costs	(726)	(356)	(370)	(741)	2.0
Technology	(154)	(80)	(74)	(157)	1.9
Regulatory, insurance and professional services	(140)	(78)	(62)	(149)	6.0
Project costs	(160)	(82)	(78)	(179)	10.6
Property costs	(68)	(37)	(31)	(80)	15.0
Other operating expenses	(42)	(18)	(24)	(53)	20.8
Total controllable costs	(1,290)	(651)	(639)	(1,359)	5.1
<b>EBIT</b>	<b>444</b>	<b>230</b>	<b>214</b>	<b>371</b>	<b>19.7</b>
Interest expense	(73)	(38)	(35)	(85)	14.1
Investment income	102	45	57	30	240.0
Tax expense	(117)	(62)	(55)	(67)	(74.6)
Minority interests MUTB (post-tax)	–	–	–	(16)	n/a
<b>NPAT (underlying)</b>	<b>356</b>	<b>175</b>	<b>181</b>	<b>233</b>	<b>52.8</b>
AMP Bank	153	69	84	111	37.8
Australian Wealth Management	48	21	27	64	(25.0)
New Zealand Wealth Management	39	20	19	35	11.4
AMP Capital	154	94	60	131	17.6
Group Office	(38)	(29)	(9)	(108)	64.8
<b>NPAT (underlying) by business unit</b>	<b>356</b>	<b>175</b>	<b>181</b>	<b>233</b>	<b>52.8</b>
Items reported below NPAT	(608)	(573)	(35)	(56)	n/a
<b>NPAT (statutory)</b>	<b>(252)</b>	<b>(398)</b>	<b>146</b>	<b>177</b>	<b>n/a</b>

	FY 21	2H 21	1H 21	FY 20
<b>Earnings</b>				
EPS – underlying (cps)	10.7	5.4	5.3	8.6
EPS – actual (cps)	(7.6)	(12.2)	4.3	5.2
RoE – underlying	8.4%	8.5%	8.3%	6.3%
RoE – actual	(6.0%)	(19.3%)	6.7%	3.8%
<b>Dividend</b>				
Special dividend per share (cps)	–	–	–	10.0
Franking rate	–	–	–	100%
Ordinary shares on issue (m)	3,266	3,266	3,266	3,437
Weighted average number of shares on issue (m) – basic	3,337	3,266	3,411	3,437
– fully diluted	3,384	3,313	3,460	3,493
– statutory	3,335	3,264	3,409	3,428
Share price for the period – closing (A\$)				
– low	0.91	0.91	1.07	1.11
– high	1.62	1.20	1.62	2.08
Market capitalisation – end period (A\$m)	3,299	3,299	3,674	5,361
<b>Capital and corporate debt</b>				
AMP shareholder equity (A\$m)	3,874	3,874	4,202	4,212
Corporate debt (excluding AMP Bank debt) (A\$m)	1,431	1,431	2,130	2,130
Corporate gearing	22%	22%	26%	26%
Interest cover – underlying (times)	8.0	8.0	7.0	6.1
Interest cover – actual (times)	–	–	3.4	4.1
<b>Margins</b>				
AMP Bank net interest margin (over average interest earning assets)	1.62%	1.53%	1.71%	1.59%
Australian Wealth Management AUM based revenue to average AUM (bps)	66	62	71	73
AMP Capital management fees to average AUM (bps)	34.5	34.8	34.4	34.1
<b>Cashflows and AUM</b>				
Australian Wealth management net cashflows (A\$m)	(5,163)	(2,461)	(2,702)	(7,776)
Australian Wealth management AUM (A\$b)	134.0	134.0	131.2	124.1
AMP Capital real asset net cashflows (A\$m)	(6,012)	(2,209)	(3,803)	2,682
AMP Capital public markets net cashflows (A\$m)	(21,553)	(15,925)	(5,628)	(14,512)
AMP Capital net cashflows (A\$m)	(27,565)	(18,134)	(9,431)	(11,830)
AMP Capital AUM (A\$b)	177.8	177.8	187.6	189.8
Non-AMP Capital managed AUM (A\$b)	70.4	70.4	68.5	64.7
Total AUM and administration (A\$b)	248.2	248.2	256.1	254.5
<b>Controllable costs (pre-tax) and cost ratios</b>				
Total controllable costs (A\$m)	1,290	651	639	1,359
Controllable costs – excluding AMP Capital (A\$m)	775	390	385	834
Controllable costs – AMP Capital (A\$m)	515	261	254	525
Cost to income ratio	71.3%	71.4%	71.2%	75.5%
<b>Controllable costs to average AUM (bps)</b>	<b>51</b>	<b>52</b>	<b>51</b>	<b>52</b>