



ARBUTHNOT BANKING GROUP PLC

2022 Year-end Results
30 March 2023



Highlights

Strategy & group overview

Financial review

Appendix



Key Messages



Financial

- Reported profit before tax of £20.0m (FY21: £4.6m)
- Underlying profit before tax of £31.1m (FY21: £17.0m), an increase of 83%
- Period-end loan book* of £2,208m, an increase of 11%
- Client deposits increased 9% to £3,093m at the period-end, representing loan*-to-deposit ratio of 71.4%
- Assets Under Management £1,327m at the period-end
- Adjusted EPS growth of 56% to 169.2 pence per share
- Total 2022 dividend of 42 pence per share inclusive of a final dividend of 25p due to shareholders on the register on 21 April 2023



Key Indicators

- Gross yield on loan book of 5.7% (FY21: 4.5%)
- Cost of funding increased to 0.61%
- Net interest margin of 5.1%
- Pre tax return on deployed capital of 12.15% versus 2.97% for FY21 (a key Future State objective achieved, with an upward revision of strategic targets contemplated)
- CET1 ratio of 11.6% against a minimum requirement of 8.1%
- Total Capital ratio of 14.0%
- Net assets per share 1,411p
- Prudent approach to maintaining liquidity with a surplus of 186% at year-end



Operational

- Successful implementation of a significant upgrade to the Bank's Oracle Banking Platform following an 18-month project
- Launch of a new lending automation system improving the loan origination process for commercial and private clients
- Continued growth in client numbers and transactions with c. 1m inbound and outbound payments processed in 2022, growth of 24% on prior year
- Addition of Confirmation of Payee to the Bank's online banking proposition further strengthening the anti-fraud controls
- Satisfactory self assessment of compliance with requirements under the Supervisory Statement (SS) 1/21: Impact Tolerances for Important Business Services



Strategic

- Continuing to generate strong net interest margins in a rising interest rate environment, leveraging the low cost funding from deposits along with increased loan/asset yields
- Continued focus on the Group's strategy of building loan* book and profitability in new lending divisions – subsidiaries now £607m/27% of loans*, up from £418m/21% in 2021
- Maintaining strong lending discipline and low cost of risk
- Sold King Street property, freeing up capital of c£8m for reinvestment in Core / Subsidiary lending growth
- Continue to demonstrate prudent liquidity and capital management, with the Bank well positioned to benefit from higher interest rates and capitalise on opportunities as they arise



Financial Highlights and KPIs

Key Performance Indicator	FY22	FY21	% Change
Net revenue margin	5.1%	4.1%	24%
Total cost income ratio	79%	92%	(14%)
Underlying PBT	£31.1m	£17.0m	83%
EPS (basic)	109.6p	45.2p	142%
EPS (underlying)	169.2p	108.2p	56%
Full year ordinary dividend per share	42p	38p*	11%
Annualised ROAE	10.0%	4.3%	133%
Net assets per share	£14.11	£13.15	7%
Period-end loan book **	£2,208m	£1,993m	11%
Period-end deposits	£3,093m	£2,838m	9%
Loan-to-deposit ratio	71.4%	70.2%	1.7%
Lending (flow)	£668m	£663m	1%
Cost of risk	0.28%	0.16%	75%
Cost of funding	0.61%	0.39%	56%
CET1 ratio	11.6%	12.3%	(6%)

Commentary

- Total ordinary dividend of 42 pence per share, up from 38 pence/11% per share excluding the special dividend of 21 pence per share paid in 2021
- 11%/£215m loan book** increase driven by strong subsidiary growth and continued growth in the Core loan book despite an increase in planned repayments of 100% risk weighted loans
- Cost of risk 0.28%, up from 0.16% in 2021 due to maturing subsidiary businesses and increased IFRS9 downside economic scenario weightings
- Cost of funding increased in 2022 to an average of 0.61% following the impact of BoE base rate increases throughout 2022
- December 2022 annualised cost of funds stands at 1.30% versus 0.32% at December 2021, up 0.98% compared to an increase in BoE base rate of 3.25% for the corresponding period
- CET1 Ratio 11.6% (2021: 12.3%)

* A special dividend of 21p per share was also paid in 2021

** Includes £172m of AAG lease assets



Highlights

Strategy & group overview

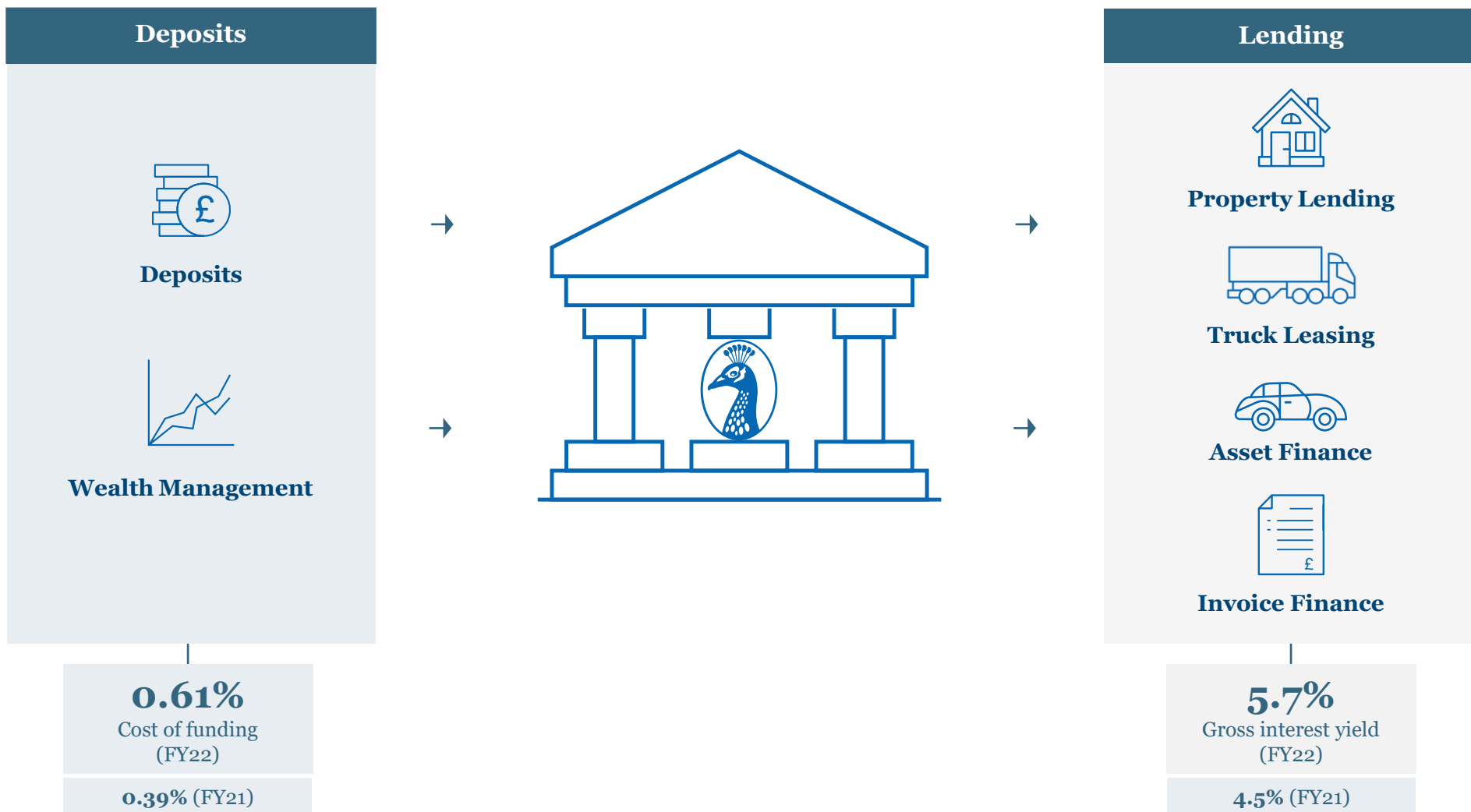
Financial review

Appendix



Group Strategic Overview

Business model





Strategic “Future State” Vision

Division	Loans £ bn				Capital £m				Gross Margin				Pre tax Return on Capital Employed			
	2021	2022	Future State 1	Future State 2	2021	2022	Future State 1	Future State 2	2021	2022	Future State 1	Future State 2	2021	2022	Future State 1	Future State 2
Core Bank	1.57	1.60	1.5	1.8	87	87	76	99	3.8%	4.9%	3-5%	4-6%	9%	34%	14%	26%
Renaissance Asset Finance	0.10	0.13	0.2	0.3	10	15	20	35	8.8%	8.1%	8-9%	8-9%	-1%	3%	29%	20%
Asset Based Lending	0.18	0.27	0.3	0.5	14	23	28	60	8.4%	8.3%	8-9%	8-9%	40%	30%	33%	27%
Specialist Finance	0.01	0.01	0.1	-	1	2	15	-	8.2%	8.6%	8-10%	-	-109%	-44%	23%	-
Asset Alliance	0.13	0.19	0.45	0.45	17	25	57	68	7.6%	8.7%	7-9%	10-12%	30%	-11%	25%	20%
Treasury assets	1.19	1.29	1.5	1.8	7	12	13	23								
Other assets	0.18	0.12	0.1	0.1	26	14	14	19							n/a	n/a
Group Costs													-7%	-8%	-5%	-5%
Total Assets	3.4	3.6	4.1	4.9	163	179	223	304					3.0%	12%	12-15%	15%
Total Deposits	2.8	3.1	3.6	4.5												
Total AUMs	1.4	1.3	1.7	2.5												

The numbers set out above represent, in broad terms, the way the Group currently anticipates allocating capital among its businesses in the medium term. The potential scenario is not a forecast

Future State 1: published with 2020 annual results and targeted c£225m of Capital requirement, c£8bn of Client balances (Loans, Deposits and Assets under Management) and a constant BoE base rate of 0.75%

7 Future State 2: published with 2022 annual results and targets c£300m of Capital requirement, c£10bn of Client balances, a constant BoE base rate of 3.00%, and is based on the current standardised credit risk capital rules



Banking Overview



Private Banking

Current accounts, deposit accounts, overdrafts, term loans. Lombard lending and foreign exchange services



Commercial Banking

Current accounts, deposits, overdrafts, term loans and charge cards. Clients have a dedicated Banker who is key to managing the relationship

Overview of the business

Full service Private & Commercial Bank with a heritage going back to 1833 that is focussed on low risk sustainable growth.

Bankers serve clients across Media, Sports, Professionals, Executives, Entrepreneurs, International, Real Estate and UK SMEs.

Relationship led proposition delivered in London and UK regional offices, working with Wealth Planners & Investment Managers to deliver a holistic banking service.

Business Model / Strategy

Full-service, human scale bank supported by modern technology to help our clients go further.

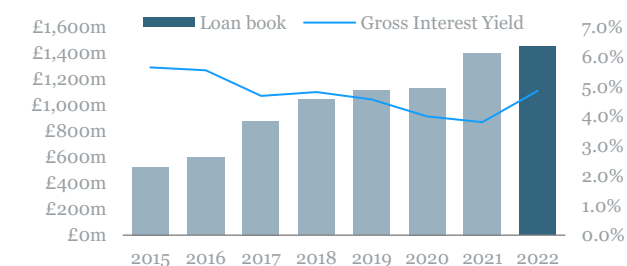
We listen to our **clients** to gain a profound understanding of their financial requirements. We build lasting, **close, personal relationships** with our clients. Once we understand their needs, we deliver **expert solutions** efficiently, so we can help our clients achieve their ambitions,

- Wide range of high net worth clients from sectors including Media, Sports, Professionals, Executives, Entrepreneurs, International, Real Estate and UK SMEs.
- Over 90% of lending is secured against UK property with an average LTV <60%, with the majority of the remainder also secured against Investment Assets and Cash .

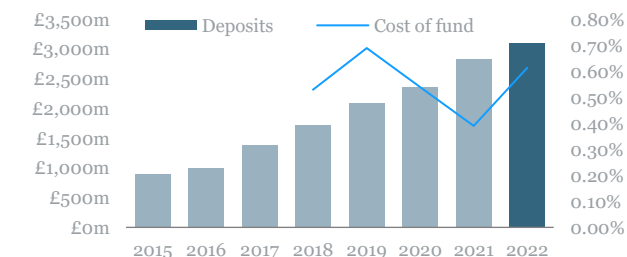
Banking operating metrics

Gross interest yield
 Bad debt / impairment %
 Banking as a % of loan book
 Average loan size at period end
 Typical loan maturity

Banking Loan book growth and gross interest yield



Deposit growth and interest expense rate



	FY 2022	FY 2021
Gross interest yield	4.9%	3.8%
Bad debt / impairment %	(0.11%)	0.03%
Banking as a % of loan book	66%	69%
Average loan size at period end	£1.01m	£1.00m
Typical loan maturity	61.5 months	58.6 months



Wealth Management Overview



Wealth Management

Financial Planning

Estate and tax planning, pensions and wealth preservation and generation

Investment Management

Developing tailored investment strategies through Discretionary Investment Management

Overview of the business

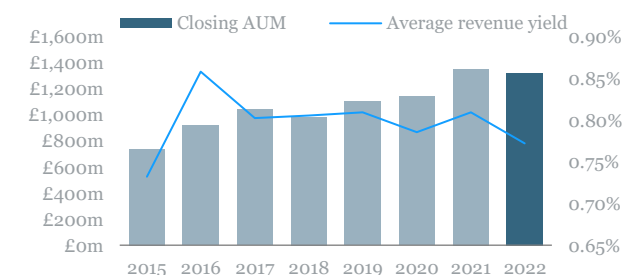
A service led business that provides high quality advice across all key areas of financial planning and delivering discretionary investment management services, tailored to meet our clients' objectives. Highly qualified and experienced advisors provide a client centric approach throughout the client journey.

Business Model / Strategy

Building sustainable long term relationships, leveraging Arbuthnot Latham's strong brand and typically winning business on service, flexibility, speed and complexity.

Differentiating our Wealth Management proposition through the quality of our advice capability at the point of need by supporting the client relationship with specialist knowledge as part of the front line client team. Enabling clients to protect, preserve and grow their wealth with appropriate structures and solutions.

Assets under Management and revenue yield



To retain and acquire criteria clients via investment strategies that are designed to meet the needs of the target market. Leading on research to make informed investment decisions that will enhance the long-term risk-adjusted returns on behalf of our clients.

Broadening our distribution channel of investment services via UK independent financial advisers, we offer our model portfolio service via UK leading investment platforms and discretionary portfolio service for more complex needs.

Wealth Management operating metrics

WM balance
WM clients
WM average portfolio balance
Net Inflow performance

	FY 2022	FY 2021
WM balance	£1,327m	£1,356m
WM clients	1,196	938
WM average portfolio balance	£1.11m	£1.45m
Net Inflow performance	£105m	£80m



Renaissance Asset Finance (RAF)



A specialist asset finance provider, making funding facilities available, both direct and via brokers, to the UK market.



Finance Lease & Hire Purchase



Block Discounting business supplying wholesale funding to other asset finance and smaller lenders



Overview of the business

Acquired in April 2017, the subsidiary is based in Basildon with a sales team giving UK wide coverage. 45 staff in total

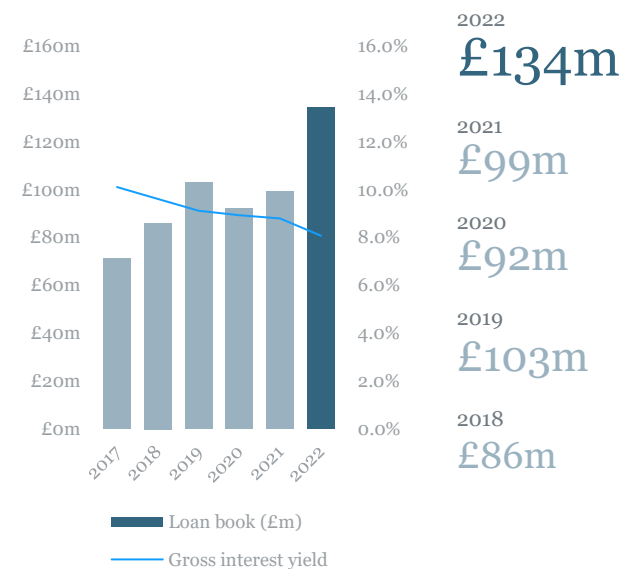
Principal products are Hire Purchase, Finance Leases and Refinance facilities for a range of assets, including: motor vehicles, plant & machinery, engineering and manufacturing equipment and business critical soft assets

Block Discounting business launched 2022 to supply wholesale funding to other asset based lenders

Business Model / Strategy

- Secured against relevant assets and further mitigated by a large number of personal guarantees
- Clients are UK SME's and High Net Worth individuals
- Relationship led, via a number of key broker connections combined with expansion into direct relationship management and cross-selling into the AL client base
- 2022 Average net return (after broker commission) on new business 6.9%
- Average tenor of 3-4 years
- Average loan size £130k (2022)

RAF Loan book growth & gross interest yield



Divisional operating metrics

Gross interest yield
 Bad debt / impairment %
 RAF as a % of loan book
 Average loan size at period end
 Typical loan maturity

	FY 2022	FY 2021
Gross interest yield	8.1%	8.8%
Bad debt / impairment %	(0.67%)	(2.42%)
RAF as a % of loan book	6.1%	5.0%
Average loan size at period end	£0.130m	£0.105m
Typical loan maturity	43.3 months	43.6months



Arbuthnot Commercial Asset Based Lending (ACABL)



Asset-Based Lending



Growth

Tailored refinance and corporate restructuring facilities, providing additional headroom for growth



Acquisitions

Bespoke funding structures in support of buy-and-build acquisitions, management buyouts and management buy-ins



Corporate Carve Outs

Financing carve-outs of portfolio businesses, following the corporate divestiture of non-core assets

Overview of the business

Established in January 2018. Commenced trading in May 2018
Based in Gatwick, employing 30 staff. Nationwide presence
Backing SMEs and lower mid-market corporates

Business Model / Strategy

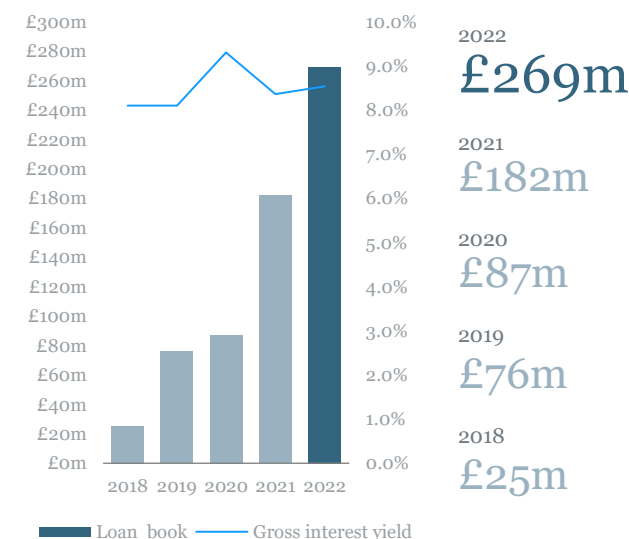
A specialist asset-based lender, focused on delivering facilities to UK family owned / Private Equity backed SME and mid-tier businesses. Provides a full suite of asset-based lending facilities including, invoice discounting, stock finance, property, plant & machinery and cashflow loans

- Event-driven transactions, supporting businesses with working capital and acquisition finance. RLS loans also available
- Introducer-led via corporate finance advisers and accountancy firms as well as private equity sponsors
- Founded on a combination of personal service and advanced front-end technology
- Access to senior team; focus on quantum, speed and certainty
- Lending rates ranging from 2.25% to 5% above BoE Base Rate with additional service fees contributing to an overall average rate in 2022 of 8.5% (including facility/transaction fees)
- Average tenor of 3-5 years
- Average loan size is £2.67m

Divisional operating metrics

Gross interest yield (including service fees)
Bad debt / impairment %
ACABL as a % of loan book
Average loan size at period end
Typical length of facility

ACABL Loan book growth & gross interest yield



	FY 2022	FY 2021
Gross interest yield (including service fees)	8.5%	8.4%
Bad debt / impairment %	(0.92%)	(0.04%)
ACABL as a % of loan book	12.2%	9.3%
Average loan size at period end	£2.67m	£2.24m
Typical length of facility	3-5 years	3-5 years



Asset Alliance Group (AAG)



Top 5 provider* of Contract Hire, Operating Lease and hire of new and used Commercial Vehicles in UK

UK's largest Independent used truck & trailer dealer ensuring excellent asset remarketing performance and highly accurate residual value expertise



UK's leading Bus & Coach leasing and finance provider

Highly experienced management team with strong sector and asset knowledge throughout the business

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Complementary Asset Finance provider predominantly supporting Commercial Vehicle and Bus & Coach divisions



A 'one stop shop' for all the clients funding requirements, ensuring capture of as much revenue as possible whilst aiming to prevent customer leakage to a competitor

Overview of the business

A specialist lender focusing on the UK commercial vehicle and bus & coach sectors. Widespread customer base spanning SME to mid to large corporates. Delivered via a full suite of products including Contract Hire, Operating Lease, Hire Purchase and Finance Lease with our core strength being on residual value-based products. Our residual value expertise is provided via our Asset Sales division, being the largest independent UK player in its market.

Business Model / Strategy

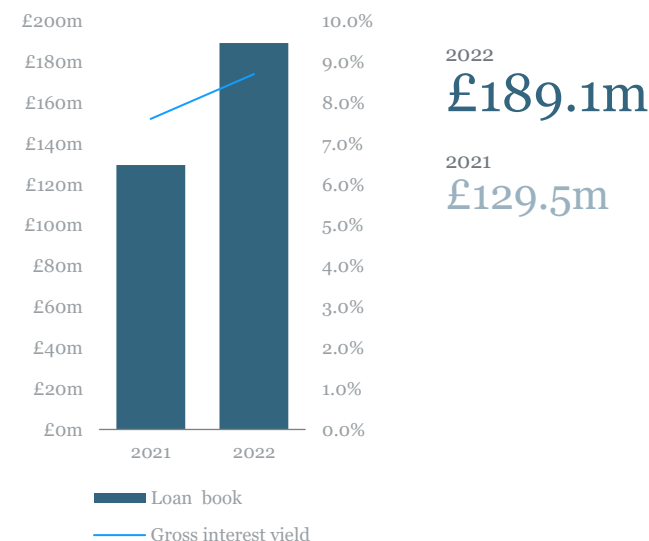
Specialist Asset Based Lender, focussed on delivering asset finance for the procurement or hire of commercial vehicles and bus and coach assets.

- Transactional lending on a Relationship basis
- Direct to customer sales channels
- Provider of Vendor Finance Facilities with selected leading manufacturers and dealer groups
- Full UK National footprint with 5 Regional offices
- Largest independent buyer of Commercial vehicles in UK providing an average unit discount of c 40%
- Lending yields range from 6% => 12% providing an average book yield above 8.5% on an average tenor of c 42 months.
- Access to all sales channels ensuring negligible bad debt exposure

Divisional operating metrics

Gross interest yield
Bad debt / impairment %
AAG as a % of loan book
Average loan size at period end
Typical length of facility

AAG Loan book growth & gross interest yield



	FY 2022	FY 2021
Gross interest yield	8.7%	7.6%
Bad debt / impairment %	(0.40%)	(0.37%)
AAG as a % of loan book	8.6%	6.5%
Average loan size at period end	£0.68m	£0.42m
Typical length of facility	42.0 months	33.5 months



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Summarised Income Statement & Balance Sheet

Income statement (£m)	Financial Year 2022	Financial Year 2021	% Change
Interest income	120.01	77.10	56%
Interest expense	(20.93)	(13.03)	61%
Net interest income	99.08	64.08	55%
Net fees and commission income	21.05	18.12	16%
Revenue – leasing activities	99.37	80.33	24%
Cost of goods sold – leasing activities	(82.11)	(73.85)	11%
Operating income	137.39	88.68	55%
Net impairment loss	(5.50)	(3.20)	72%
Gain from a bargain purchase	-	8.63	n/a
Loss on sale of property	(4.59)	-	n/a
Other income	1.63	3.96	(59%)
Operating expenses	(108.91)	(93.42)	17%
Profit before tax	20.01	4.64	331%
Tax	(3.55)	2.15	(265%)
Profit after tax	16.46	6.79	143%

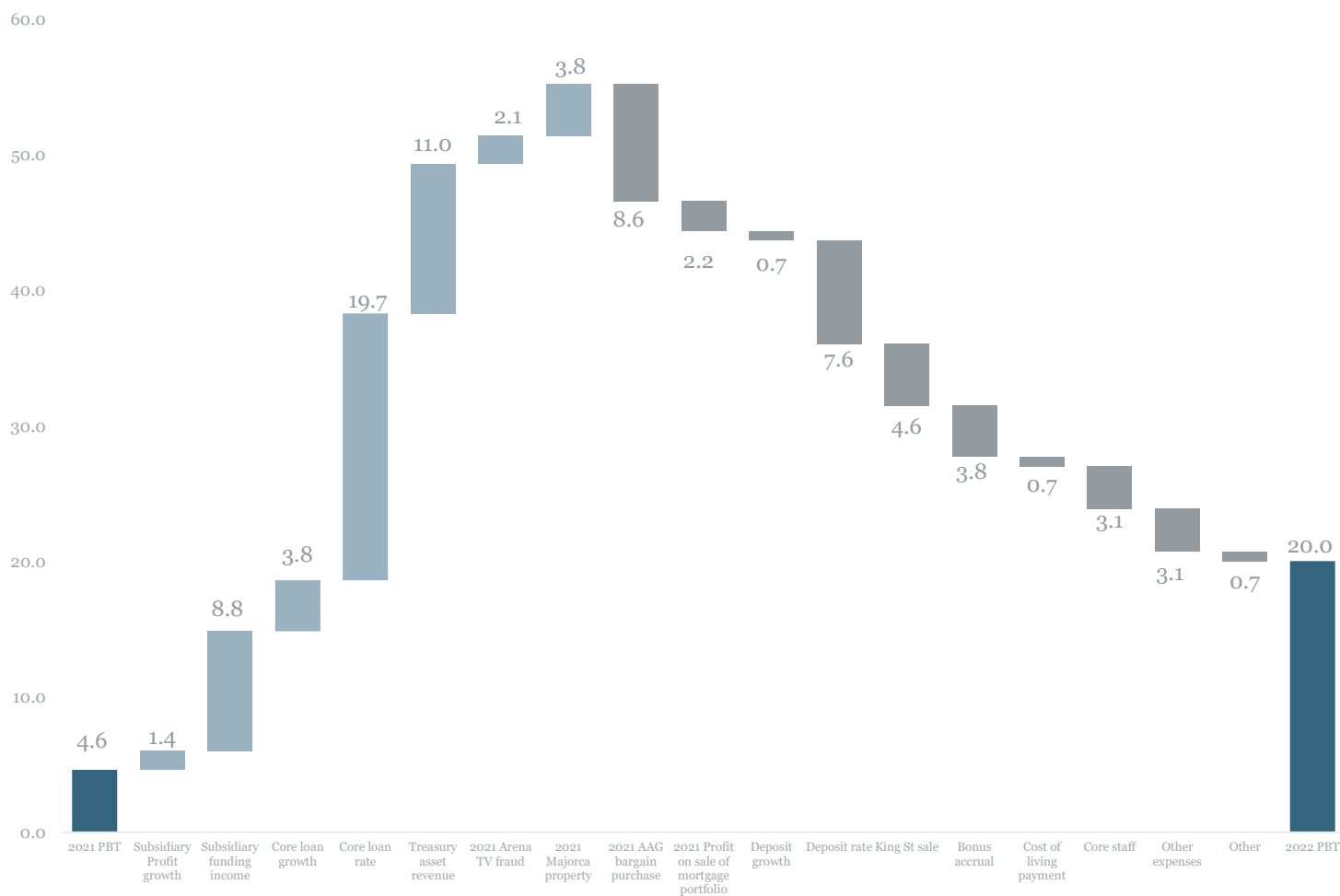
Balance sheet (£m)	Financial Year 2022	Financial Year 2021	% Change
Cash and Liquidity assets	1,288	1,189	8%
Customer loans*	2,208	1,993	11%
Other assets	119	178	(33%)
Total assets	3,614	3,359	6%
Customer deposits	3,093	2,838	9%
Deposits from banks	236	240	(2%)
Other liabilities	73	80	(9%)
Total liabilities	3,402	3,158	8%
Total equity	212	201	5%
Total equity and liabilities	3,614	3,359	8%

Commentary

- Interest income up 56% due to a combination of Core & Subsidiary loan* growth and rate increases
- Interest expense up 61% due to a combination of deposit growth and BoE base rate increases
- Revenue and Cost of goods sold reflect disposal activity in relation to Asset Alliance, with the majority of the year-on-year increase down to a full year of AAG results in 2022 versus 9 months in 2021
- Impairment loss increased by £2.30m due to maturing subsidiary businesses and increased IFRS9 downside economic scenario weightings
- Operating expenses increased 17% year-on-year to £108.9m, due to incremental headcount, bonus accruals and investment in technology/infrastructure, operational resilience and business growth
- 11%/£215m loan book* increase driven by strong subsidiary growth and continued growth in the Core loan book despite increased repayments of 100% Risk Weighted loans
- 9%/£255m deposit book growth



Profit Before Tax Progression



Commentary

- 2022 PBT £20.0m, up from £4.6m in 2021
- Subsidiary profit growth over £1.4m as loan book increases
- Core funding benefit from subsidiaries increased £8.8m
- Core lending growth £3.8m
- Increase in Core loan rate £19.7m
- Surplus deposit revenue £11.0m
- 2021 Arena TV fraud £2.1m
- 2021 Majorca property impairment £3.8m
- 2021 AAG Bargain Purchase profit on acquisition (£8.6m)
- 2021 disposal of mortgage portfolio (£2.2m)
- Deposit balance growth (£0.7m)
- Increase in Deposit rates (£7.6m)
- King Street property sale (£4.6m)
- Increase in bonus accrual (£3.8m)
- Cost of living payments (£0.7m)
- Core Staff growth (£3.1m)
- Operating Costs (£3.1m) due to continued investment in technology and infrastructure
- Other (£0.7m)



Summary Financials - Operating Segments

Profit/(Loss) before Tax £m	Financial Year 2022	Financial Year 2021	% Change
Banking	19.14	6.53	193%
Wealth Management	(4.10)	(2.12)	(93%)
Mortgage Portfolios	3.76	5.63	(33%)
RAF	0.19	(0.06)	417%
ACABL	5.19	4.74	9%
ASFL	(0.95)	(1.03)	8%
AAG	(2.07)	3.83	(154%)
All Other Divisions	11.70	(2.25)	620%
Group Centre	(12.86)	(10.63)	(21%)

Commentary

- Banking 193%/£12.6m higher, mainly due to increased loan rates resulting from BoE base rate increases
- Wealth Management lower due to increased allocation of central costs
- Mortgage Portfolio profit 33%/£1.9m lower due to the sale of Tay portfolio in Q1 2021
- RAF 417%/£0.25m higher due to loan growth, partially offset by margin compression and increased costs
- ACABL 9%/£0.45m higher due loan growth offset by increased funding charges
- AAG £5.9m lower due to 2021 including the £8.6m of net gain on acquisition. Excluding this, profit was £2.7m higher than 2021. AAG also generated £6m of profit from sale of trucks which is excluded from the results on consolidation
- Aggregate Specialist Lending underlying profit increased by £10.2m*
- Other Divisions £14.0m higher due to increased funding recharge income from subsidiaries and higher income on surplus deposits, partially offset by loss on sale of King St and higher costs
- Group Centre costs (21%)/(£2.2m) higher due to higher staff bonuses and higher Tier 2 sub-debt funding costs

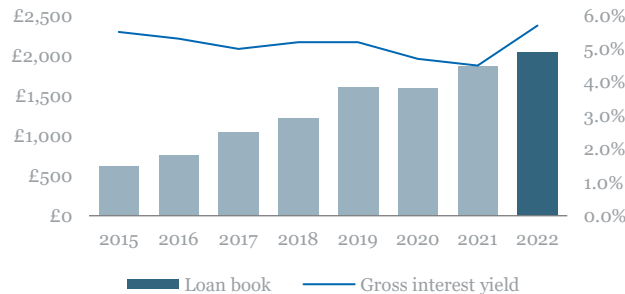


Loan Portfolio Analysis - Key Metrics

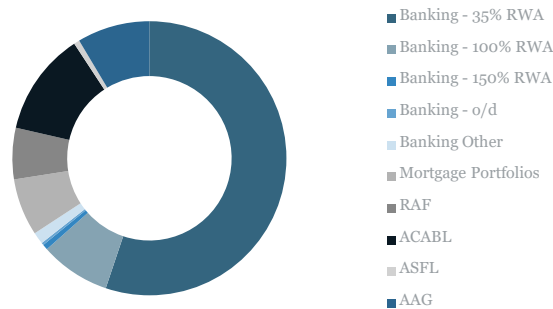
£597k Average loan amount (£481k in 2021)	98.7% of total lending secured	52.5% LTV average for the Banking loan book – maximum 70% permitted
5.7% Gross interest yield in 2022 (4.5% in 2021)	5.1% Net interest margin (4.1% in 2021)	2.5% Non-performing loans (2.0% in 2021)
		Specialist lending 27% of total loans (21% in 2021)

High quality, well diversified loan book

Loan Book and Average Gross Interest Yield



Loans by Type £m



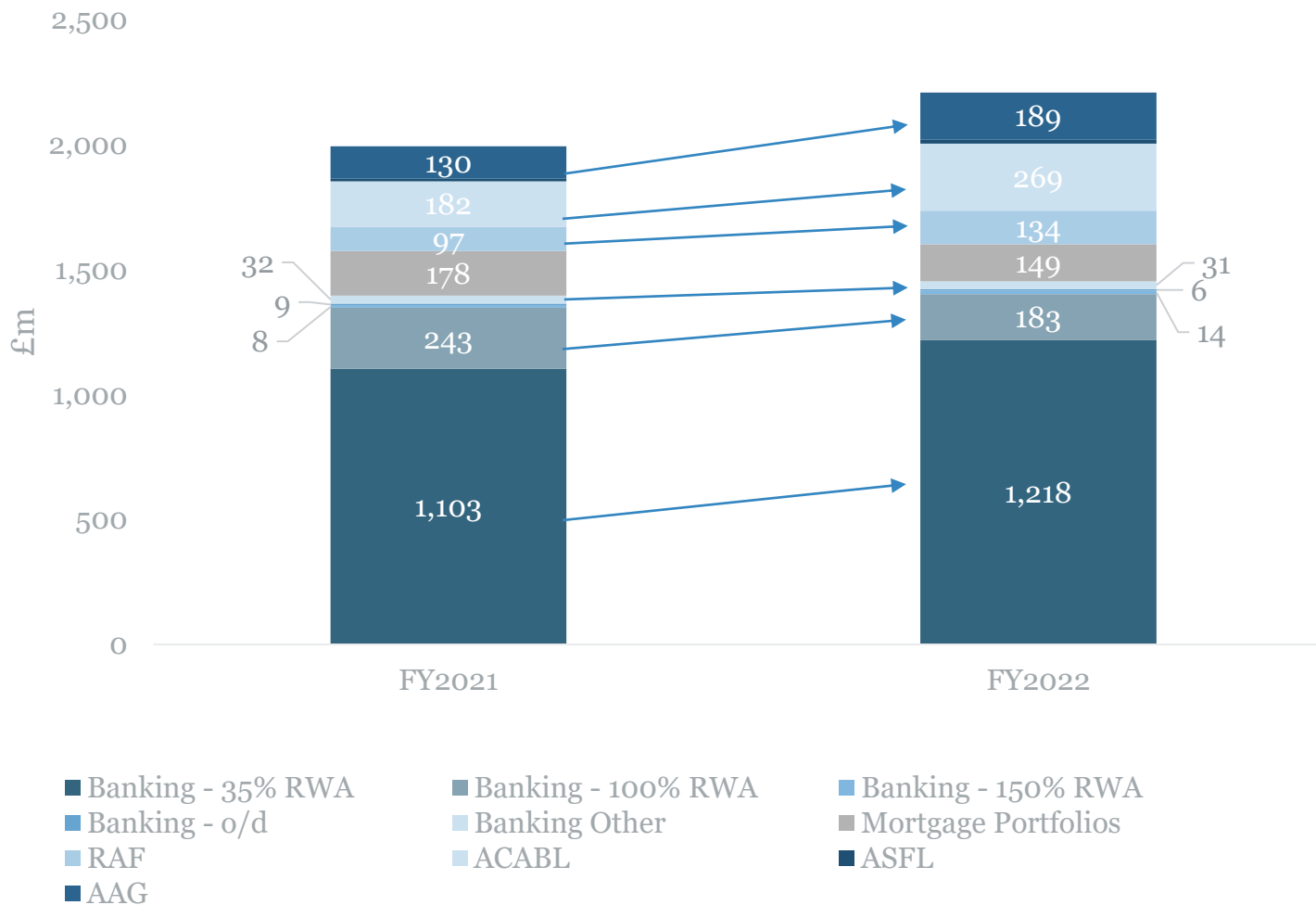
P&L Provision Charge / Total Loan Book





Loan Book Development

Increase of £215m (11%) in 2022 vs 2021



Commentary

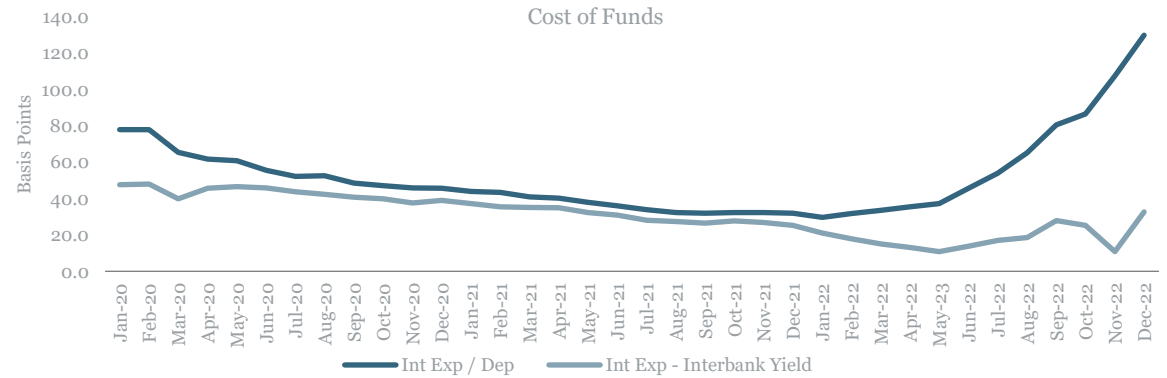
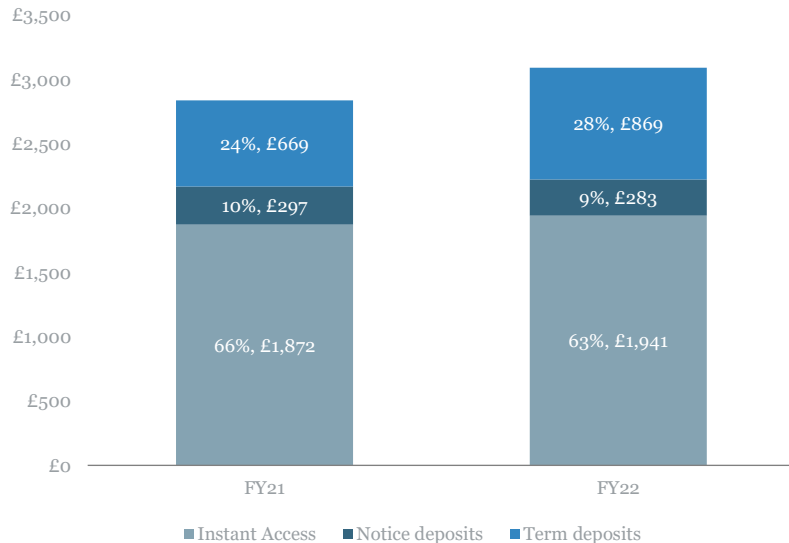
- Banking growth of £57m
- Acquired mortgage portfolio continued to amortise down £29m
- Net loan balance growth in higher margin lending divisions of £188m due to growth across all entities
- Investment to continue pace of disciplined lending growth across both the core bank and other lending divisions



Customer Deposit Analysis - Key Metrics

11.1 Month Average term (original) (16.7 Months in 2021)	1.30% Average deposit interest rate at December 2022 (0.32% in 2021)	0.61% FY22 cost of funding (0.39% in 2021)	£919m Notice and Time inflows	£69m Call and Current Net Flow	£3.09bn Customer deposits at 31 December 2022
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Breakdown of Customer Deposits (£m)

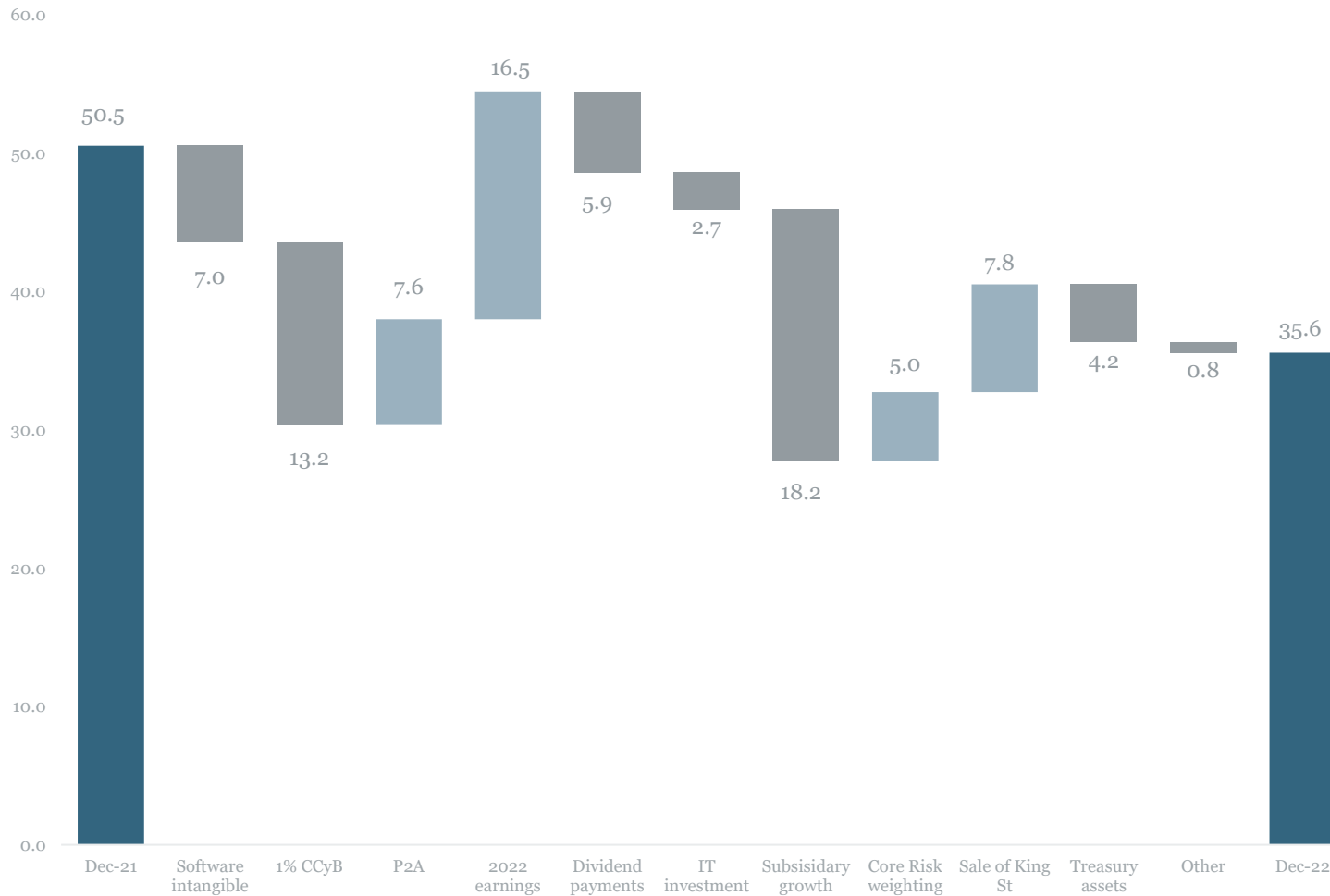


Commentary

- Short term deposits grew by £69m during 2022
- Notice accounts balances fell by £14m
- Term deposits increased by £200m
- 2022 full year cost of funding increased to 0.61%
- Annualised cost of deposits 1.30% as at December 2022



Capital Surplus



Commentary

- Total capital position at year end of £213.0m, with surplus capital of £35.6m
- CET1 capital ratio at the period end of 11.6%
- Regulation: Reversal of Intangible software deduction [applied during Covid] reducing resources by £7.0m
- Regulation: 1% Countercyclical Buffer increased requirement by £13.2m
- Regulation: P2A reduction reduced requirement by £7.6m
- 2022 retained earnings increased resources by £16.5m
- Dividend payments reduced resources by £5.9m
- Movement in intangibles (investment in nCino and Oracle offset by annual amortisation) reducing resources by £2.7m
- Subsidiary lending growth increased requirement by £18.2m
- Core Risk Weighting (repayment of 100% risk weighted loans offset by new 35% risk weighted loans) reduced requirement by £5.0m
- Sale of King St reduced requirement by £7.8m
- Treasury Assets increased requirement by £4.2m
- Other £0.8m



Underlying Profit Reconciliation

	£'000	
	2022	2021
Profit before tax and group recharges	20,009	4,638
Exceptional reduction in BoE Base Rate*	-	11,492
Loss on sale of King Street property	4,590	-
Write down of repossessed property in Majorca	-	3,835
Arena TV Ltd impairment	-	2,055
Gain on sale of Tay mortgage portfolio	-	(2,239)
Gain from bargain purchase	-	(8,626)
Profits earned on sale of trucks included in bargain purchase	6,479	5,830
Underlying Profit	31,078	16,985
Underlying earnings per share (pence)	169.2	108.2



Group Summary



One of the oldest specialist banks in the UK, having served our clients since 1833



Well capitalised with strong liquidity and low cost of funding from a deposit-based funding model. Significant 2022 profit growth driven by increased base rate environment, which will be carried into 2023



Established Private and Commercial Bank and expanding into high margin commercial lending sectors where management has proven capabilities



Focus on underserved niche lending sectors of the market where Arbuthnot can establish a prominent position and generate attractive net interest margins



Clear Future State strategy to capitalise on significant lending opportunities to achieve 15% returns on capital employed



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Substantial Track Record of Value Creation

Overview

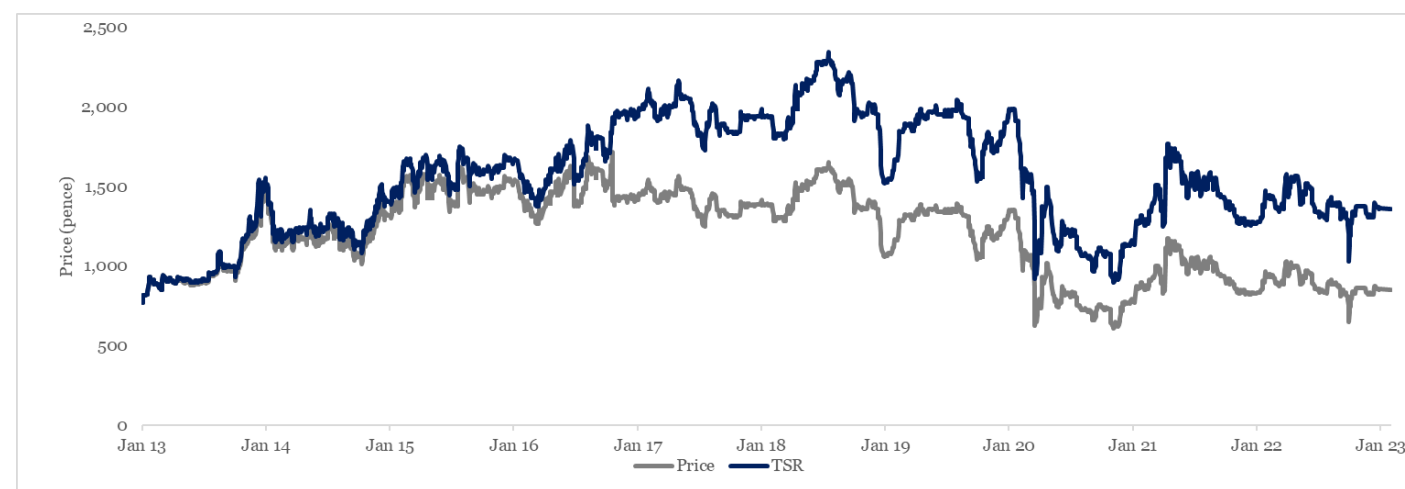
- Market capitalisation of £141 million¹
- £94m (£6.30 per share) cumulatively returned to shareholders since 2012
- Total dividends of 42 pence per share comprising interim dividend of 17 pence per share paid in September 2022 and a final dividend of 25 pence per share
- Over the past 10 years, net assets per share have risen threefold to £14.11 per share; fourfold before the distribution of dividends of £6.30 per share over the same period

¹ – as of 16/03/23

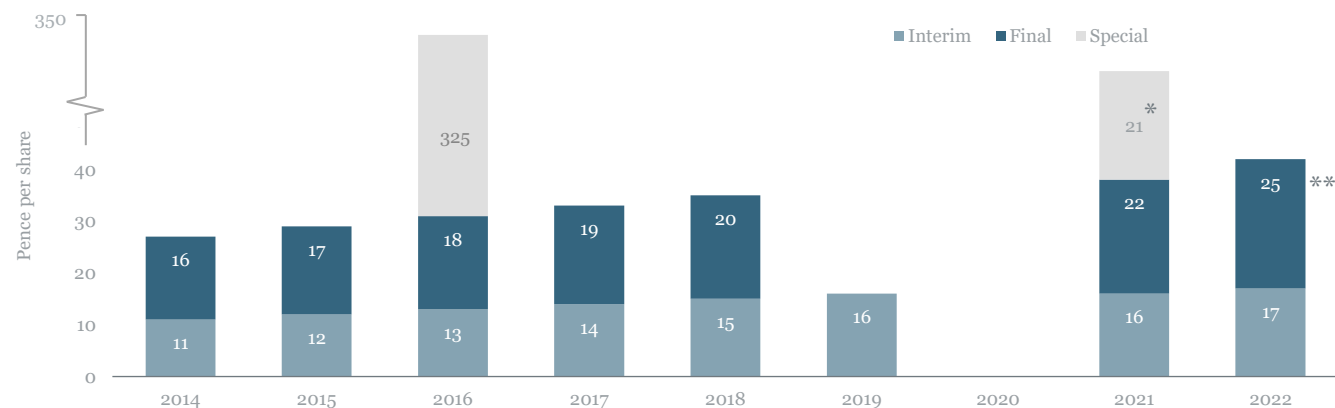
Major Shareholders

Sir Henry Angest	56.3%
Liontrust Asset Management Plc	11.9%
Slater Investments	7.4%
Mr R. Paston	3.6%

Share Price Performance & TSR



Dividend



²⁴ * Special dividend paid in lieu of 2019 Final dividend that was cancelled following guidance from the PRA at the onset of the pandemic

** Final dividend for 2022 of 25 pence per share not yet approved/declared and is not included in any of the figures quoted in the 'overview' section above



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This document is a summary only of certain information contained in the announcement dated 30 March 2023 and should be read in conjunction with the full text of the announcement.

This document contains forward looking statements with respect to the business, strategy and plans of the Arbuthnot Banking Group and its current goals and expectations relating to its future financial condition and performance. Statements that are not historical facts, including statements about Arbuthnot Banking Group's or management's beliefs and expectations, are forward looking statements. By their nature, forward looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. Arbuthnot Banking Group's actual future results may differ materially from the results expressed or implied in these forward looking statements as a result of a variety of factors, including UK domestic and global economic and business conditions, risks concerning borrower credit quality, market related risks such as interest rate risk and exchange rate risk in its banking businesses, inherent risks regarding market conditions and similar contingencies outside Arbuthnot Banking Group's control, any adverse experience in inherent operational risks, any unexpected developments in regulation or regulatory and other factors. The forward looking statements contained in this document are made as of the date hereof, and Arbuthnot Banking Group undertakes no obligation to update any of its forward looking statements.

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ARBUTHNOT BANKING GROUP PLC

Thank You

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Andrew Salmon – Group Chief Operating Officer
James Cobb – Group Finance Director

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