



PRESS RELEASE

For immediate release

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Tilney's landmark year as group achieved record AUM, revenues and profits¹

Tilney, the award winning financial planning and investment group, today announces its full year financial results for the year ended 31 December 2016.

The key highlights include:

- 138% increase in assets under management (AUM) to £22.4 billion (2015: £9.4 billion)
- Completion of the acquisitions of Ingenious Asset Management (April 2016) and the Towry Group (July 2016)
- 209% increase in run-rate revenues to £213.1million (2015 reported revenues: £69.0 million)²
- 268% increase in run-rate EBITDA to £64.7 million (2015 reported EBITDA: £17.6 million)²
- 19% increase in run rate EBITDA as a percentage of revenues to 30.4% (2015 reported: 25.5%)
- Increase in number of advisers from 146 to 328 at year end
- Increase in gross new money per adviser from £9.8 million to £10.0 million
- Initiated a £15 million investment programme in new technology and systems to enhance client experience

Wadham Downing, Chief Financial Officer, commented on the results:

"2016 was a record breaking year for Tilney with the landmark acquisitions of Towry and Ingenious Asset Management, and strong investment returns for our clients, propelling our assets under management 138% higher to £22.4 billion. This has had a transformational effect on our turnover and earnings both on a reported and run-rate basis. Had both businesses been owned by Tilney for

the entirety of 2016, then adding on those earlier months on a pro forma basis EBITDA would have been £65 million – a threefold increase on 2015. As integration synergies flow through and we bring the combined businesses onto one back office system, this will enable us to continue to grow not only our EBITDA, but also demonstrate operational leverage through growing EBITDA margins up from the record 30.4% level the business achieved in 2016.”

Peter Hall, Chief Executive Officer of Tilney, added:

“In addition to the successful delivery and integration of two major acquisitions in 2016, the year also saw an acceleration of organic growth in the original Tilney Bestinvest business. The gross new money per adviser of £10 million demonstrates the strong organic growth achieved at the same time as the Towry and Ingenious integrations were taking place.

“With a team of 328 advisers and a local office presence in 30 towns and cities across the UK, Tilney is now in a very strong position for the future. Our strategic vision is to become the UK's leading wealth management business with a dual expert approach that offers clients a highly professional and personalised service across both financial planning and investment management.

“After a landmark year in 2016 we have also had a great start to 2017. We have completed the restructuring of the business and Towry integration, launched a new ‘best of both’ client service proposition and are investing heavily in new technology solutions to enhance client experience. We have also initiated a major marketing campaign to raise our profile under the new Tilney branding and have an active recruitment programme for additional advisers. With these foundations in place, I am confident that we are exceptionally well positioned to deliver a great service to both existing and new clients right across the UK, whatever their financial needs.”

-ENDS-

(1) The Board regards adjusted EBITDA (Earnings Before Interest, Tax, Depreciation & Amortisation) as the most appropriate measure of the underlying financial performance of the business. Adjusted EBITDA excludes items that the Board sees as one-off and non-recurring (such as acquisition and integration related costs), as well as non-cash accounting charges (depreciation and amortisation).

(2) Pro-forma figures reflect the run-rate financial performance had Towry and Ingenious Asset Management been owned for the full 12-months. On a reported basis, reflecting the completions of acquisitions of Towry and Ingenious Asset Management part way through the year, 2016 revenues were £135.2 million (2015: £69.0 million) and EBITDA was £43.0m (2015: £17.6 million).

Press contacts:

Jason Hollands

Managing Director

0207 189 9919 / 07768 661382

jason.hollands@tilney.co.uk

Katy Moore

Media Relations Manager

0203 818 6969 / 07584 235 806

katy.moore@tilney.co.uk

Gillian Kyle

Media Relations Manager

0203 818 6846 / 07989 650 604

gillian.kyle@tilney.co.uk

About the Tilney Group

Tilney is a leading investment and financial planning group that builds on a heritage of more than 180 years. Our clients are private investors, charities and professional intermediaries who trust us with over £22 billion of their assets. We offer a range of services including financial planning, investment management and advice and, through our Bestinvest service, a leading online platform for those who prefer to manage their own investments. We have won numerous awards. Bestinvest was voted best SIPP Provider and Best Fund Platform at the 2017 City of London Wealth Management Awards. Tilney has been awarded Best Advisory Service in the 2015 City of London Wealth Management Awards; Investment Award – Cautious category in the Private Asset Management Awards; and Stockbroker of the Year, Execution-only Stockbroker of the Year and Self-select ISA Provider of the Year 2015, as voted by readers of the Financial Times and Investors Chronicle.

Headquartered in Mayfair, London, the Tilney Group employs over 1,000 staff across our network of 30 offices, enabling us to support clients with a local service throughout the UK.

For further information, please visit: www.tilney.co.uk