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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

Sale of insurance business and enhanced long-term strategic partnership with Phoenix Group completes transformation to a fee based capital light investment company

Summary

- Sale of capital-intensive insurance business to Phoenix Group while retaining the core of the fast growing Retail channel
- Total consideration of £3.24bn¹, including £2.28bn¹ in cash and a 19.99% shareholding in Phoenix Group
- Enhanced and expanded strategic partnership with Phoenix Group providing a long-term source of assets, access to retail customers as well as the opportunity for wider collaboration
- Standard Life Aberdeen also today announces its full year results for 2017

Key highlights

- Accelerates strategy of building a world-class investment company completing the transformation to a fee based capital light business
- Significantly simplifies the Group, supporting extraction of further efficiencies across the Standard Life Aberdeen business
- Enhanced long-term strategic partnership and valuable investment in Phoenix Group providing:
 - Investment management over £158bn of assets under management (AUM)
 - A commitment to review further investment management mandates not currently managed by Aberdeen Standard Investments, subject to normal commercial and governance constraints
 - Opportunity for wider collaboration as the asset manager of choice for Phoenix Group
 - Reinforced through 19.99% shareholding and representation on Phoenix Group board
- Standard Life Aberdeen will retain its market-leading and fast growing adviser platforms (Wrap, Elevate and Parmenion) and financial advice business (1825) with £58bn of assets under administration (AUA), a business with a five year compound annual growth rate (CAGR) in AUA of 35% and a five year revenue CAGR of 26%
- Realises attractive value for the insurance businesses being sold through cash proceeds and a strategic investment in UK's pre-eminent closed life fund consolidator
- Strengthens our financial position enabling Standard Life Aberdeen to accelerate its growth strategy through targeted investments, while maintaining its commitment to efficient capital management and a progressive dividend policy

Commenting on the Transaction, Sir Gerry Grimstone, Chairman of Standard Life Aberdeen, said:

"This transaction completes our transformation to a capital light investment business, a process started in 2010 with the sale of Standard Life Bank, continuing with the sale of our Canadian business and the merger last year between Standard Life and Aberdeen Asset Management. This transaction represents excellent value for our shareholders,

including a comprehensive and mutually beneficial strategic relationship entered into with Phoenix Group, a longstanding partner of the firm. In addition, I am particularly pleased to note Phoenix Group's commitment to maintain operational headquarters in Edinburgh."

Commenting on the Transaction, Martin Gilbert and Keith Skeoch, Co-CEOs of Standard Life Aberdeen, said:

"Today's announcement represents a logical next step in Standard Life Aberdeen's journey to build a world-class investment company positioning us strongly for the future and enabling us to meet the evolving needs of our customers and clients. We have a diverse range of modern investment capabilities with global distribution and our leading UK retail platforms are growth engines generating significant net inflows for our asset management business.

"The enhancement of our strategic partnership with Phoenix Group is evidence of our market-leading insurance asset management capabilities. It is also a great opportunity for wider collaboration as the asset manager of choice for Phoenix Group who see further significant consolidation opportunities. With the foundations of a world-class investment company in place we look forward to capitalising on the opportunities that we see ahead of us whilst continuing to deliver for our shareholders."

Overview

Standard Life Aberdeen plc ("Standard Life Aberdeen") today announces the sale of its capital-intensive insurance business to Phoenix Group Holdings ("Phoenix Group") (the "Sale") and an expansion and significant enhancement of their existing long-term strategic partnership (the "Strategic Partnership", and together with the Sale, the "Transaction").

The Sale involves the disposal of Standard Life Assurance Limited ("SLAL"), with Standard Life Aberdeen retaining its UK retail platforms and financial advice business (the "Retail Platforms"). The businesses transferring to Phoenix Group as part of the Sale include the UK Mature Retail and Spread/risk books and the Europe, UK Retail and Workplace businesses (the "Disposed Businesses").

On completion Standard Life Aberdeen will receive total consideration of £3.24bn¹, comprising cash consideration of £2.28bn¹ and a shareholding of 19.99% in Phoenix Group.

Standard Life Aberdeen and Phoenix Group have agreed to significantly enhance and expand their existing long-term strategic partnership whereby Standard Life Aberdeen continues as Phoenix Group's long-term asset management partner for the business acquired by Phoenix Group and the existing arrangements between the parties under which Aberdeen Standard Investments manages £48 billion of assets for Phoenix Group have been extended. The Phoenix Group life companies have committed to review the investment management mandates not currently managed by Aberdeen Standard Investments, subject to normal commercial and governance constraints.

Background to and reasons for the Sale

Following the merger of Standard Life and Aberdeen Asset Management in 2017, this Transaction completes the transformation to a fee based capital-light business and is a major step towards the creation of a world-class investment company.

SLAL was founded in 1825 and is one of the UK's oldest life and pensions businesses. Today it is a leading provider of long-term savings and investment propositions, primarily based in the UK, with operations in Ireland and Germany, and serving around 4.5 million customers and clients.

In recent years, SLAL has focused on investing in its range of modern savings propositions in the workplace and retail savings markets, where it has built leading positions. The successful execution of this strategy has led to growth in Workplace and Retail AUA of 123% over the last five years, while revenues increased by 53%.

While the long-term savings market in the UK is supported by attractive structural growth trends, the Board believes that Standard Life Aberdeen can best capture the benefits of these growth dynamics through Aberdeen Standard Investments and its Retail Platforms. In partnering with Phoenix Group, whose expertise is in administering and servicing long-term savings, Standard Life Aberdeen is able to realise attractive value for the Disposed Businesses, while continuing to benefit from access to related assets and flows.

Key benefits of the Sale

The Transaction is consistent with Standard Life Aberdeen's strategy to build a world-class investment company:

- The Strategic Partnership is underpinned by long-term agreements supporting the £158bn of AUM currently managed by Aberdeen Standard Investments on behalf of both SLAL and Phoenix Group. In addition, subject to normal commercial and governance constraints, Phoenix Group has committed to review further investment management mandates not currently managed by Aberdeen Standard Investments, who will be its preferred asset management partner for insurance investment solutions, as well as future consolidation opportunities
- Standard Life Aberdeen retains its market-leading Retail Platforms, together with Parmenion, with AUA of £58bn. The retained platforms have generated organic net inflows of between 18% and 26% of opening AUA in each of the last five years, resulting in AUA CAGR of 35% over the same period. Its platform and financial advice businesses offer Standard Life Aberdeen greater proximity to retail customers at a time when individuals are becoming increasingly responsible for their own saving needs and the need for financial advice continues to grow
- Standard Life Aberdeen's medium-term earnings growth profile is expected to be enhanced by the Transaction:
 - Significantly simplifies the retained group, supporting extraction of further efficiencies across the Standard Life Aberdeen business. Following the Sale and the delivery of cost savings from the merger of Standard Life and Aberdeen Asset Management, Standard Life Aberdeen will target a cost/income ratio of less than 60% in the medium term
 - Retained Retail Platforms have attractive, sustainable growth prospects and benefit from substantial operating leverage
- The Sale realises attractive value for the business through cash proceeds and an investment in Phoenix Group with total consideration of £3.24bn¹
- Standard Life Aberdeen will receive cash proceeds of £2.28bn¹ and its remaining businesses will have significantly lower capital requirements. Its strengthened financial position will enable Standard Life Aberdeen to accelerate its growth strategy through targeted investments, while maintaining its commitment to efficient capital management and its progressive dividend policy
- Post completion over 50% of the enlarged Phoenix Group's people will be based in Edinburgh and Phoenix Group has indicated that its long-term intention is to maintain operational headquarters in Edinburgh to benefit from SLAL's highly experienced management team and depth of talent which it sees as fundamental to the future success of its business

Standard Life Aberdeen following the Transaction

Standard Life Aberdeen will continue to offer its investment solutions to a wide range of institutional, wholesale and retail clients globally, either through its own distribution or through its strategic partners, including Phoenix Group. The business will be better positioned to capitalise on global trends that are shaping the savings and investments landscape. The Transaction enables Standard Life Aberdeen to continue to invest for the future, to meet the needs of customers and clients, and to generate growing and sustainable returns for shareholders.

Following the Transaction, Standard Life Aberdeen will have:

- An extensive range of investment capabilities, with expertise in "new active" meeting client demand for next generation investment and savings solutions
- Breadth and depth in distribution with the right capabilities and solutions, brand and scale to compete globally
- Leading retail platforms capturing the significant opportunity in wealth management, driving strong, sustainable flows and offering unique distribution for Aberdeen Standard Investments
- The Strategic Partnership with Phoenix Group in workplace and insurance solutions positions Standard Life Aberdeen for long-term structural growth trends

- Global reach, with strategic partnerships providing scale in international markets
- Efficient and scalable operations that are capable of driving improving profit margins from asset and revenue growth
- Financial strength and cash generation supporting continued investment for growth and the company's progressive dividend

Principal terms of the Sale

The total consideration payable to Standard Life Aberdeen by Phoenix Group in respect of the Sale is £3.24bn¹. This comprises cash payable on completion of £2.0bn, a dividend to be paid by SLAL to Standard Life Aberdeen of £0.3bn in Q2 2018 and new shares issued at completion representing 19.99% of the then issued share capital of Phoenix Group following the completion of the rights issue undertaken to part finance the acquisition and worth £1.0bn based on Phoenix Group's share price on 22 February 2018.

The consideration is subject to adjustment in certain circumstances, including if assets or mandates associated with the Phoenix Group and SLAL are withdrawn in certain circumstances prior to the tenth anniversary of the transaction.

The share purchase agreement and related documentation for the Sale contains representations and warranties, covenants, indemnities and undertakings. The conditions for the transaction include:

- Approval of the transaction by the shareholders of both Standard Life Aberdeen and Phoenix Group
- Merger clearance and regulatory consents
- Successful completion of a rights issue by Phoenix Group
- Certain share transfers being effected as part of a reorganisation of the Standard Life Aberdeen group

The share purchase agreement for the Sale provides for a reciprocal break fee payable in certain situations.

It is anticipated that the existing investment management agreements pursuant to which investment management services are provided to SLAL, Phoenix Life Limited and Phoenix Assurance Limited will remain broadly on the same terms as the existing arrangements and will each be for a rolling three year term.

Under the terms of a new relationship agreement, Standard Life Aberdeen will have rights to two board seats as long as its shareholding is above 15% and one board seat above 10%. The shareholding is subject to a lock-up of 12 months from completion.

Standard Life Aberdeen views its shareholding in Phoenix Group as a core component of its long-term partnership with Phoenix Group. The Strategic Partnership rests on the complementary strengths of each company: Phoenix Group as an administrator of long-term savings and Standard Life Aberdeen as a provider of investment solutions. It is underpinned by mutually beneficial commercial nature of the relationship, the long-term agreements entered into as part of the Transaction and Standard Life Aberdeen's shareholding in Phoenix Group.

Additionally, through its shareholding, Standard Life Aberdeen will share in the benefits of the combination of SLAL and Phoenix Group's businesses and in the future growth of Phoenix Group.

Should the transaction not complete before the record date of the Phoenix Group interim dividend for the financial year 2018, Standard Life Aberdeen will be entitled to receive a payment equal to the amount which would have been received as part of the Phoenix Group interim dividend had the transaction completed before this date.

The Sale constitutes a Class 1 transaction for the purpose of the Listing Rules and is conditional upon the approval of Standard Life Aberdeen's shareholders at a General Meeting.

The Sale is expected to complete in the third quarter of 2018 and is also conditional upon relevant regulatory approvals, including from the Prudential Regulatory Authority ("PRA") and the Financial Conduct Authority ("FCA").

Information on the Disposed Businesses

SLAL is a leading provider of long-term savings and investment propositions, based in the UK, with operations in Ireland and Germany, serving around 4.5 million customers and clients. The businesses transferring to Phoenix Group as part of the Sale comprise:

- Spread/risk
- UK Mature Retail
- UK Retail (excluding the adviser platforms Wrap, Elevate and Parmenion and financial advice business 1825)
- UK Workplace
- Europe

Summary financial information with respect to the Disposed Businesses is set out below:

	2017
	£m
Fee based revenue	796
Spread/risk margin	165
Total adjusted operating income	961
Total adjusted operating expenses	(457)
Investment management fees to ASI	(125)
Adjusted operating profit	379
Capital management	2
Adjusted profit before tax	381
Analysed between:	
Fee	224
Spread/risk	157
Adjusted profit before tax	381
Total assets under administration (£bn)	159

Aberdeen Standard Investments will continue to manage £110.5bn of AUM on behalf of the Disposed Businesses, while Phoenix Group will continue to provide and administer insurance products to Standard Life Aberdeen's Retail Platforms representing £24.5bn AUA comprising largely SIPPs and offshore bonds.

Information on the retained Retail Platforms

The following elements of the UK Pensions and Savings business will be retained by Standard Life Aberdeen:

- UK Retail Platforms, including Wrap and Elevate
- 1825, its financial advice business

Standard Life Aberdeen's retained Retail Platforms, together with Parmenion, are the largest provider of adviser platforms in the UK with £58bn of assets serving over 3,000 adviser firms and providing access to the full range of Aberdeen Standard Investments' investment capabilities. The UK Retail Platforms have grown AUA by 353% over the last five years, generating net flows of £24.6bn at an annualised rate of 35%.

Standard Life Aberdeen continues to grow its 1825 financial advice business, which offers a full financial planning and personal tax advice service. Offering a wide range of investment options, supported by investment experts and technology, clients are able to access support how and when they need it. Standard Life Aberdeen has acquired four adviser firms to date, broadening its reach across the country and bringing total assets under advice in 1825 up to £3.6bn.

1. Inclusive of a £312m dividend payable from Disposed Businesses to Standard Life Aberdeen pre-completion.
2. Excludes SLAL AUM of £18.3bn included in growth channels.

Current trading

Standard Life Aberdeen today issued its results for the full year ended 31 December 2017.

Media

A conference call for the media will take place on Friday 23 February at 7.30am (UK time). Participants should dial +44 (0)330 336 9411 and quote 'Standard Life Aberdeen'. A replay facility will be available for seven days after the event. To access the replay please dial +44 (0)207 660 0134 followed by the pass code 4609114.

Investors and analysts

An analyst and investor presentation will take place on Friday 23 February at 8.30am (UK time). The presentation will take place at Standard Life Aberdeen plc, Bow Bells House, 1 Bread Street, London, EC4M 9HH. There will also be a live webcast and teleconference starting at 8.30am. Participants should dial +44 (0)330 336 9411 and quote 'Standard Life Aberdeen'. A replay facility will be available for seven days after the event. To access the replay please dial +44 (0)207 660 0134 followed by 4207551.

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Important Notices

This announcement is for information purposes only and does not constitute or form part of any offer to sell or subscribe for or any invitation to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Transaction.

Inside Information

The information contained within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014. By the publication of this announcement, this inside information is now considered to be in the public domain.

Overseas Jurisdictions

The release, publication or distribution of this announcement in or into jurisdictions other than the United Kingdom may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about, and observe any applicable legal or regulatory requirements. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law the companies and persons involved in the Transaction disclaim any responsibility or liability for the violation of such restrictions by any person. This announcement has been prepared for the purpose of complying with English law and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside the United Kingdom.

Cautionary Note Regarding Forward-Looking Statements

This announcement (including information incorporated by reference into this announcement), oral statements regarding the Transaction and other information published by Standard Life Aberdeen may contain certain “forward-looking statements” with respect to the financial condition, performance, results, strategy, objectives, plans, goals and expectations of Standard Life Aberdeen and its affiliates. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of the management of Standard Life Aberdeen about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. For example, statements containing words such as “may”, “will”, “should”, “could”, “continue”, “aims”, “estimates”, “projects”, “believes”, “intends”, “expects”, “hopes”, “plans”, “pursues”, “seeks”, “targets” and “anticipates”, and words of similar meaning, may be forward-looking. These statements are based on assumptions and assessments made by Standard Life Aberdeen in light of its experience and its perception of historical trends, current conditions, future developments and other factors it believes appropriate. By their nature, all forward-looking statements involve risk and uncertainty because they are based on information available at the time they are made, including current expectations and assumptions, and relate to future events and depend on circumstances which may be or are beyond Standard Life Aberdeen’s control, including among other things: UK domestic and global political, economic and business conditions (such as the United Kingdom’s exit from the European Union); market related risks such as fluctuations in interest rates and exchange rates, and the performance of financial markets generally; the impact of inflation and deflation; experience in particular with regard to mortality and morbidity trends, lapse rates and policy renewal rates; the impact of competition; the timing, impact and other uncertainties associated with future acquisitions, disposals or combinations undertaken by Standard Life Aberdeen or its affiliates and/or within relevant industries; default by counterparties; information technology or data security breaches; natural or man-made catastrophic events; the failure to attract or retain necessary key personnel; the policies and actions of regulatory authorities; and the impact of changes in capital, solvency or accounting standards, and tax and other legislation and regulations in the jurisdictions in which Standard Life Aberdeen and its affiliates operate. These may for example result in changes to assumptions used for determining results of operations or re-estimations of reserves for future policy benefits. As a result, Standard

Life Aberdeen's actual future financial condition, performance and results may differ materially from the plans, goals, objectives and expectations set forth in the forward-looking statements. Persons reviewing this announcement should not place undue reliance on forward-looking statements. Neither Standard Life Aberdeen nor its affiliates assume any obligation to update or correct any of the forward-looking statements contained in this announcement or any other forward-looking statements it or they may make (whether as a result of new information, future events or otherwise), except as required by law. Past performance is not an indicator of future results and the results of Standard Life Aberdeen and its affiliates in this announcement may not be indicative of, and are not an estimate, forecast or projection of, Standard Life Aberdeen's or its affiliates' future results.

Rounding

Certain figures included in this Announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

Publication on website and availability of hard copies

A copy of this announcement is and will be available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, for inspection on Standard Life Aberdeen's website www.standardlifeaberdeen.com by no later than 12 noon (London time) on the Business Day following this announcement. For the avoidance of doubt, the contents of the website referred to in this announcement are not incorporated into and do not form part of this announcement.

Standard Life Aberdeen shareholders may request a hard copy of this announcement by: (i) contacting Standard Life Aberdeen Shareholder Services during business hours on 0345 113 0045 or +44 (0)20 3367 8224, (ii) by submitting a request in writing to Standard Life Aberdeen Shareholder Services, 34 Beckenham Road, Beckenham, Kent BR3 4TU.

If you are in any doubt about the contents of this announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

LEI number of Standard Life Aberdeen plc: 0TMBS544NMO7GLCE7H90

Important notices relating to financial advisers

J.P. Morgan Securities plc, which conducts its UK investment banking business as J.P. Morgan Cazenove ("J.P. Morgan Cazenove"), is authorised in the UK by the PRA and regulated in the UK by the PRA and the FCA. J.P. Morgan Cazenove is acting as joint financial adviser exclusively for Standard Life Aberdeen and no one else in connection with the matters set out in this announcement and will not regard any other person as its client in relation to the matters set out in this announcement and will not be responsible to anyone other than Standard Life Aberdeen for providing the protections afforded to clients of J.P. Morgan Cazenove or its affiliates, or for providing advice in relation to any matter referred to herein.

Fenchurch Advisory Partners LLP ("Fenchurch"), which is authorised and regulated in the UK by the FCA, is acting as joint financial adviser exclusively for Standard Life Aberdeen and no one else in connection with the matters set out in this announcement and will not regard any other person as its client in relation to the matters set out in this announcement and will not be responsible to anyone other than Standard Life Aberdeen for providing the protections afforded to clients of Fenchurch, or for providing advice in relation to any matter referred to herein.

Goldman Sachs International, which is authorised in the UK by the PRA and regulated in the UK by the FCA and the PRA, is acting exclusively for Standard Life Aberdeen and no one else in connection with the matters set out in this announcement and will not regard any other person as its client in relation to the matters set out in this announcement and will not be responsible to anyone other than Standard Life Aberdeen for providing the protections afforded to clients of Goldman Sachs International, or for providing advice in relation to any matter referred to herein.

Cenkos Securities plc, which is authorised and regulated in the UK by the FCA, is acting exclusively for Standard Life Aberdeen and no one else in connection with the matters set out in this announcement and will not regard any other person as its client in relation to the matters set out in this announcement and will not be responsible to anyone other than Standard Life Aberdeen for providing the protections afforded to clients of Cenkos Securities plc, or for providing advice in relation to any matter referred to herein.

Standard Life Aberdeen plc full year results 2017

Building a diversified world-class investment company

	2017	2016
Pro forma basis:		
Assets under management and administration (£bn)	654.9	647.6
Net flows (£bn)	(31.0)	(36.8)
Fee based revenue (£m)	2,763	2,686
Adjusted profit before tax (£m)	1,039	1,054
Adjusted diluted earnings per share (p)	28.9	28.8
Adjusted cash generation (£m)	841	893
Reported basis:		
Adjusted profit before tax (£m)	854	718
IFRS profit for the year attributable to equity holders of Standard Life Aberdeen plc (£m)	699	368
Diluted earnings per share (p)	29.6	18.6
Full year dividend per share (p)	21.30	19.82

Growing assets by delivering for our clients and customers

- Total AUMA increased by 1% to £654.9bn (2016: £647.6bn) including stable Aberdeen Standard Investments assets under management of £575.7bn (2016: £580.6bn) and Standard Life Pensions and Savings assets under administration up 10% to £188.1bn (2016: £171.6bn)
- Benefiting from diversification with growth channel net outflows improving to 3.7% (2016: 6.0%) of opening AUMA – Aberdeen Standard Investments net outflows down £4.0bn to £22.1bn (2016: £26.1bn) and Pensions and Savings net inflows up 37% to £8.1bn (2016: £5.9bn)
- Mature books of business net outflows of £16.6bn (2016: £15.9bn) in line with expectations and flat at 7% of opening AUMA

Revenue growth and continuing focus on financial discipline

- Total adjusted operating income increased by 4% to £2,928m (2016: £2,820m) with fee revenue up 3% to £2,763m (2016: £2,686m) driven by our growth channels as well as stable revenue from our mature books of business
- Spread/risk margin up £31m to £165m (2016: £134m) benefiting from asset liability management and an increase in positive assumption changes
- Cost/income ratio up to 66% (2016: 64%) largely reflecting the impact of one-off costs

Generating cash and realising value to drive sustainable growth and returns to shareholders

- Adjusted profit before tax of £1,039m (2016: £1,054m) with strong foundations in place to drive future growth
- Adjusted cash generation after tax of £841m with 81% of adjusted profit before tax being converted to cash
- Successful IPO of HDFC Life generating net cash proceeds of £359m increasing holding company cash to £1.2bn
- Full year dividend up 7.5% to 21.30p extending our unbroken record of dividend growth to 11 years

Martin Gilbert and Keith Skeoch, Chief Executive Officers, commented:

“With today’s news of the proposed sale of the capital-intensive insurance business and an enhanced long-term strategic partnership with Phoenix Group, Standard Life Aberdeen has completed its transformation to a fee based capital-light investment company.

“Over the past year, as our teams come together with a sense of energy and purpose, we have continued to deliver for our clients, growing assets, revenues and dividends. At the same time, the merger integration is progressing well and we are now targeting at least £250m of annualised cost synergies. While market conditions remain tough, particularly within the institutional channel, the momentum in our business is good demonstrated by the £80bn of gross inflows attracted during the year. Although we have seen net outflows, these have reduced year on year and continue to improve as our investment and distribution teams begin to leverage the full breadth of our capabilities, global reach and scale.

“We continue to innovate, launching 22 new funds during the year with strong backing from clients and while the recent decision by Lloyds Banking Group to review their long-term asset management arrangements is disappointing, we are winning new mandates across a wide range of investment strategies. Meanwhile, our adviser platforms, which are not subject to the proposed sale, have attracted record flows demonstrating the diversity of our business and our leading position in a fast growing market.

“Strong foundations are now in place as we continue to build a world-class investment company to deliver long-term value for our clients, our people and our shareholders.”

All figures in this full year results release are presented on a Pro forma basis unless otherwise stated¹.

Building a diversified world-class investment company

In August 2017 Standard Life plc and Aberdeen Asset Management PLC merged to become Standard Life Aberdeen plc, one of the world's largest investment companies. Our purpose is to invest for a better future. We do it to make a difference – to the lives of our clients and customers, our people and our shareholders. To achieve our purpose, we aim to build a world-class investment company.

We have a commitment to excellence in everything that we do – supported by innovation and collaboration from our talented people. Combined with a broad range of products and services to meet evolving client needs, global distribution which takes us closer to clients across 80 countries, and a culture of inclusion and respect, we are well placed to deliver for our customers and shareholders as well as the wider communities in which we operate.

Growing assets by delivering for our clients and customers

	2017	2016
	£bn	£bn
Assets under management and administration (AUMA)		
Total AUMA at 1 January	647.6	586.6
Growth net flows:		
Aberdeen Standard Investments	(22.1)	(26.1)
Standard Life Pensions and Savings	8.1	5.9
Eliminations	(0.9)	(1.1)
	(14.9)	(21.3)
Mature net flows:		
Aberdeen Standard Investments	(15.2)	(13.6)
Standard Life Pensions and Savings	(4.1)	(4.4)
Eliminations	2.7	2.1
	(16.6)	(15.9)
India and China life net flows	0.5	0.4
Markets and performance	42.6	87.8
Corporate actions ²	(4.3)	10.0
Total AUMA at 31 December	654.9	647.6

Total AUMA increased by 1% to £654.9bn (2016: £647.6bn). Within total AUMA, Aberdeen Standard Investments assets under management were £575.7bn (2016: £580.6bn) while Standard Life Pensions and Savings assets under administration increased by 10% to £188.1bn (2016: £171.6bn).

Within our growth channels, net outflows have reduced to £14.9bn (2016: £21.3bn). Aberdeen Standard Investments growth channel net outflows improved by £4.0bn with an increase of £2.9bn in net outflows from our Institutional channel, where market conditions remain challenging, more than offset by a £6.6bn improvement in net outflows from the Wholesale channel.

We attracted record growth channel net inflows into Standard Life Pensions and Savings which increased by £2.2bn (37%) further demonstrating the benefits of diversification as well as our investment company business model. Combined AUA across our adviser platforms, Wrap and Elevate, of £54bn, benefited from industry-leading net inflows of £7.0bn. In addition, Parmenion net flows amounted to £1.3bn with AUM now £4.4bn.

We are seeing good momentum across a wide range of products with gross inflows across the Group of £80.1bn (2016: £80.4bn). We continue to see particularly strong demand for emerging market debt and multi-asset solutions such as MyFolio and our diversified growth funds. We have also continued to innovate during the year, launching 22 new funds across a range of asset classes which added £3.8bn of assets. This included the Global Equity Impact Fund, the European Logistics Income investment trust and the Secure Income & Cash Flow Fund – all designed to meet the growing demand for 'new active' investment solutions. Within our mature books of business net outflows of £16.6bn (2016: £15.9bn) were stable at 7% of opening AUM.

Revenue growth and continuing focus on financial discipline

Total adjusted operating income increased by 4% to £2,928m with fee revenue rising 3% to £2,763m driven by our growth channels as well as stable mature books of business. Spread/risk margin income increased by £31m to £165m as we benefited from asset liability management of £23m (2016: £25m) and positive assumption changes of £91m (2016: £42m) reflecting expectations of higher future mortality rates.

	2017	2016
Profitability (Pro forma basis)	£m	£m
Fee based revenue	2,763	2,686
Spread/risk margin	165	134
Total adjusted operating income	2,928	2,820
Total adjusted operating expenses	(1,994)	(1,853)
Adjusted operating profit	934	967
Capital management	6	11
Share of associates' and joint ventures' profit before tax	99	76
Adjusted profit before tax	1,039	1,054

Within Aberdeen Standard Investments fee revenue was stable at £1,912m (2016: £1,920m), including performance fees of £26m (2016: £33m), and average revenue margin across growth channels was 0.5bps lower at 51.1bps (2016: 51.6bps). Standard Life Pension and Savings fee revenue increased by 12% to £964m (2016: £861m) reflecting strong growth in assets including the benefit resulting from the acquisition of the adviser platform Elevate in Q4 2016.

Overall, the cost/income ratio increased to 66% (2016: 64%) largely driven by the one-off alignment of accounting treatment following the merger, an impairment of internally developed software, as well as the build out of our financial planning and specialist advice business, 1825, and the acquisition of Elevate. We continue to focus on driving down the cost/income ratio to 60% over the medium term helped by targeted merger synergies which we now expect to be at least £250m (previously: £200m). As at 31 December 2017, actions have been taken to deliver £73m of annualised cost savings, which will begin to take effect in 2018. The expected integration costs have increased by £50m to c£370m to achieve these additional synergies. So far we have co-located c2,600 employees across a number of global locations including some of our largest offices in Edinburgh, London and Singapore and our distribution and investment teams are coming together well.

	2017	2016
Adjusted profit by business unit (Pro forma basis)	£m	£m
Aberdeen Standard Investments	677	722
Standard Life Pensions and Savings	381	362
India and China life	59	36
Other	(78)	(66)
Adjusted profit before tax	1,039	1,054

Adjusted profit before tax of £1,039m (2016: £1,054m) reflects growth in revenue and an increase in share of profit from our India and China associates and joint ventures offset by an increase in the cost/income ratio. On a Reported basis, the adjusted profit before tax increased to £854m (2016: £718m) reflecting the inclusion of £131m of Aberdeen adjusted profit for the period since the completion of the merger. IFRS profit for the year attributable to shareholders of Standard Life Aberdeen, also on a Reported basis, increased to £699m (2016: £368m) reflecting higher adjusted profit before tax and lower loss before tax attributable to adjusting items of £40m (2016: loss £269m).

Adjusting items (Reported basis) included a gain of £302m relating to the sale of 5.4ppts of our c35% stake in HDFC Life as part of its IPO as well as a gain of £67m (2016: gain £13m) from short-term fluctuations in investment return. These gains were offset by an increase in the provision for annuity sales practices of £100m (2016: £175m) as well as restructuring and corporate transaction expenses of £173m (2016: £67m) and the amortisation and impairment of intangible assets acquired in business combinations of £138m (2016: £38m) which increased largely as a result of the merger.

Generating cash and returns to shareholders

Adjusted cash generation (Pro forma basis) and dividends	2017	2016
Adjusted cash generation (£m)	841	893
Final dividend per share (p)	14.30	13.35
Full year dividend per share (p)	21.30	19.82

Adjusted cash generation after tax of £841m remained strong with 81% of adjusted profit before tax being converted to cash. The Board has proposed a final dividend of 14.30p per share making a total of 21.30p (2016: 19.82p), an increase of 7.5%. We continue to apply our existing progressive pence per share dividend policy taking account of market conditions and the Group's financial performance.

Solvency position remains strong

Solvency II capital surplus and solvency ratio ³		2017	2016
Solvency II capital surplus	Investor view	3.8	3.3
	Regulatory view	3.6	3.1
Solvency II solvency ratio (%):	Investor view	225	214
	Regulatory view	197	177

We remain strongly capitalised, with a Solvency II investor view surplus of £3.8bn (2016: £3.3bn), representing solvency cover of 225% (2016: 214%). The investor view surplus has benefited from the disposal of 5.4ppts of our c35% stake in HDFC Life as part of its successful IPO raising £359m. Our capital surplus is also resilient and largely insensitive to market movements. For example, the investor view surplus of £3.8bn would change by £0.2bn or less following a 20% rise or fall in equities; 100bps rise or fall in fixed interest yields; or a 50bps rise or fall in credit spreads.

Post-year end update

On 15 February 2018, we announced that we had been informed by Lloyds Banking Group (“LBG”) and Scottish Widows their intention to review long-term asset management arrangements including services undertaken by certain legacy Aberdeen entities. In aggregate, these arrangements represent c£109bn of AUM and less than 5% of Pro forma 2017 fee based revenue. Termination is subject to a 12 month notice period and we have included an impairment charge of £40m on the intangible asset relating to the LBG customer relationship.

On 23 February 2018, we announced the proposed sale of the capital-intensive insurance business to Phoenix Group. The transaction completes our strategic transformation and will bring a number of benefits including an enhanced long-term strategic partnership with Phoenix Group providing security over existing assets, potential to access 10m individual customers and the opportunity for wider collaboration as their asset manager of choice. The sale is subject to approvals and is expected to close in Q3 2018.

Outlook

While optimism across financial markets fluctuates it is clear that the uncertainty that accompanies economies, markets and politics has remained, including the ongoing Brexit negotiations. This will continue to reinforce the global trends that are shaping the savings and investments landscape. Standard Life Aberdeen is well placed to both take advantage of the opportunities and to deal with the challenges that these trends present.

As we continue to benefit from our long-term relationships with a broad and well diversified range of clients and customers, the slowdown in gross inflows which we have seen in 2017 is expected to ease as we progress with the merger integration. The recent news that LBG and Scottish Widows are seeking to terminate investment management arrangements is disappointing however, we will seek to minimise the related profit impact by reducing our costs as and when required. We also expect to benefit from strong demand for our retail platforms and extensive suite of investment capabilities.

Targeted investments to further our diversification agenda, together with a continued focus on operational efficiency including delivery of merger cost synergies, will increase our pace of strategic delivery. This will help us to continue to meet changing client and customer needs, and generate growing and sustainable returns for our shareholders.

Delivering against our strategic objectives

Our strategic objectives are designed to help us capitalise on the global trends shaping the savings and investments landscape and allow us to achieve our world-class ambitions.

Developing strong relationships with customers and clients

We are focused on developing strong relationships with customers and clients both globally through Aberdeen Standard Investments and closer to home within Standard Life, our pensions and savings business:

- Increased proximity to clients with Aberdeen Standard Investments now serving clients in over 80 countries from 50 unique locations
- Over 3,000 adviser businesses are supported by our Retail business with total platform AUA up 22% to £54.0bn and net inflows up 66% to £7.0bn (2016: £4.2bn), including Elevate which was acquired in Q4 2016

- Added over 200,000 new Workplace defined contribution pensions customers during the period driven by the success of our small and medium-sized enterprises (SME) proposition with the number of “Good to Go” schemes up 22% to 9,247 (2016: 7,576). Regular premiums increased 5% to £3.2bn (2016: £3.1bn).
- Continued to build out our own advice capability through 1825 with assets under advice now over £3.5bn

Broadening and deepening our investment capability

We have a long-established programme of innovation and product development and we continue to broaden and deepen our investment capability to meet client needs and drive sustainable long-term growth:

- The merger has transformed the breadth and depth of investment capabilities we can offer clients and we have already made good progress integrating the investment teams and capabilities
- Investment performance⁴ in 2017 was positive with 70% of AUM ahead of benchmark over 1 year. Within this, 65% of growth channel assets were ahead of benchmark. Positive performance was broad based across most asset classes although overall short-term equities performance lagged in 2017. Longer-term performance over three and five years stands at 63% and 64% of total assets ahead of benchmark respectively.
- Continued investment in innovation and backing from clients with the launch of 22 new funds in 2017 across a range of asset classes including equities, multi-asset, fixed income and private markets
- New funds launched during the year added £3.8bn of assets and included the Secure Income & Cash Flow Fund, Private Equities Secondaries Fund, Global Short Duration Corporate Bond Fund and the European Logistics Income investment trust
- Further enhanced our ESG capabilities by launching our first ‘impact investing’ product – the Global Equity Impact Fund – as well as the UK Equity Impact Employment Opportunities Fund in collaboration with Big Issue Invest

Building an efficient and effective business

We have an established track record of improving both the scalability and efficiency of our business. While financial discipline remains a key area of focus for us, our cost/income ratio increased to 65.9% (2016: 64.0%) impacted by one-off costs. Excluding these items, our cost/income ratio remained stable at 64.2% (2016: 64.0%) despite the inclusion of a full year of Elevate expenses (acquired Q4 2016) and the ongoing build-out of 1825.

We are maintaining our sharp focus on driving down the cost/income ratio to 60% over the medium term. When we announced the merger we originally targeted annual cost savings of approximately £200m through synergies such as premises, systems and duplicated operational costs. The integration is progressing well and we now expect to deliver at least £250m of annual cost savings. As at 31 December 2017, actions have been taken to deliver £73m of annualised cost savings, which will begin to take effect in 2018.

Growing and diversifying our revenue and profit

We remain focused on growing and diversifying revenue and profit, to deliver sustainable value for our shareholders and other key stakeholders. The merger accelerated this key objective as we build a world-class investment company that is well diversified by geography, distribution channel, client type and asset class.

We are well positioned to capture revenue across the value chain by providing our customers and clients with asset management, administration and advice. Our range of investment capabilities continues to expand and we are increasing our penetration into other global markets.

Our associate and joint venture businesses in Asia are becoming an increasingly important contributor to profitability and are a further source of diversification. During the period our share of adjusted profit before tax from these businesses increased by 30% to £99m (2016: £76m).

Attracting, retaining and developing talented people

Our people are central to building long-term customer and client relationships, contributing to our businesses’ performance, our reputation, profitability and long-term shareholder value. We continue to make progress:

- Co-located c2,600 employees following the merger with moves in Amsterdam, Edinburgh, Frankfurt, Hong Kong, London, New York, Seoul, Singapore, Stockholm, Sydney, Tokyo and Zurich already completed
- Ranked in the top 3% of companies in the FTSE4Good Index and top 5% in our sector in the Dow Jones Sustainability Index
- Named as one of the UK’s Best Employers for Race by Business in the Community and ranked fourth in the first ever UK Social Mobility Employer Index
- Reported new gender pay gap disclosures and are committed to improving gender balance at all levels of the business
- Both Aberdeen Asset Management and Standard Life Investments were ranked in the top 10 asset managers globally that people want to work for by eFinancial Careers

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

Notes to editors

1. International Financial Reporting Standards (IFRS) requires the Aberdeen results to be included only from the date of the merger – 14 August 2017 onwards. The financial statements in the Annual report and accounts 2017 have been prepared on this basis – the “Reported basis”. However, we believe that it is helpful to also provide additional information which is more readily comparable with the historic results of the combined businesses. Therefore, unless otherwise stated we combine the full 12 month results of the two companies for both the current year and prior years in this document – the “Pro forma basis”. A reconciliation between Reported basis and Pro forma basis profitability is provided in this release.
2. Corporate actions in the twelve months to 31 December 2017 include the closure of an uneconomic multi-manager fund range and the rationalisation of the US fixed income business previously reported by Aberdeen Asset Management; as well as the impact of the sale of 5.4ppts of our c35% stake in HDFC Life as part of its IPO. The comparative period included the decision to exit low margin property management business, the rationalisation of the US fixed income business as well as the benefit from the acquisitions of Parmenion and Elevate, and the increased stake in HDFC Life.
3. 2017 figures based on draft regulatory returns and do not reflect any adjustment for the proposed sale of the capital-intensive insurance business to Phoenix Group.
4. Investment performance is measured as a money weighted percentage of our total assets under management which are outperforming their respective benchmarks. Benchmarks differ by fund and are defined in each fund’s fact sheet.

Standard Life Aberdeen plc is registered in Scotland (SC286832) at Standard Life House, 30 Lothian Road, Edinburgh EH1 2DH.

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Analysis of adjusted profit by segment

Reconciliation of adjusted profit before tax – Pro forma basis to Reported basis:

	Aberdeen Standard Investments		UK Pensions and Savings		Europe Pensions and Savings		India and China life		Other		Eliminations		Total		
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	
Pro forma basis	Fee based revenue	1,912	1,920	757	664	207	197	12	17	-	-	(125)	(112)	2,763	2,686
	Spread/risk margin	-	-	159	119	6	15	-	-	-	-	-	-	165	134
	Total adjusted operating income	1,912	1,920	916	783	213	212	12	17	-	-	(125)	(112)	2,928	2,820
	Total adjusted operating expenses	(1,278)	(1,231)	(503)	(400)	(141)	(143)	(11)	(22)	(61)	(57)	-	-	(1,994)	(1,853)
	Investment management fees to ASI	-	-	(96)	(87)	(29)	(25)	-	-	-	-	125	112	-	-
	Adjusted operating profit	634	689	317	296	43	44	1	(5)	(61)	(57)	-	-	934	967
	Capital management	2	(2)	22	23	(1)	(1)	-	-	(17)	(9)	-	-	6	11
	Share of associates' and joint ventures' profit before tax	41	35	-	-	-	-	58	41	-	-	-	-	99	76
	Adjusted profit before tax	677	722	339	319	42	43	59	36	(78)	(66)	-	-	1,039	1,054
	Adjust for Aberdeen results pre-merger completion (pre 14 August 2017)	(185)	(336)	-	-	-	-	-	-	-	-	-	-	(185)	(336)
Adjusted profit before tax	492	386	339	319	42	43	59	36	(78)	(66)	-	-	854	718	
Reported basis	Tax on adjusted profit	(86)	(73)	(77)	(55)	48	(16)	-	-	7	18	-	-	(108)	(126)
	Share of associates' and joint ventures' tax expenses	(29)	(11)	-	-	-	-	(12)	(2)	-	-	-	-	(41)	(13)
	Adjusted profit after tax	377	302	262	264	90	27	47	34	(71)	(48)	-	-	705	579
	Adjusting items	(151)	(53)	(82)	(213)	2	6	268	(3)	(77)	(6)	-	-	(40)	(269)
	Tax on adjusting items	25	10	11	42	(13)	4	-	-	19	2	-	-	42	58
	Profit attributable to non-controlling interests (preference shares and perpetual notes)	(8)	-	-	-	-	-	-	-	-	-	-	-	(8)	-
Profit for the year attributable to equity holders of Standard Life Aberdeen plc	243	259	191	93	79	37	315	31	(129)	(52)	-	-	699	368	

Analysis of adjusted profit before tax – Reported basis:

	Aberdeen Standard Investments		UK Pensions and Savings		Europe Pensions and Savings		India and China life		Other		Eliminations		Total		
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	
Reported basis	Fee based revenue	1,260	885	757	664	207	197	12	17	-	-	(125)	(112)	2,111	1,651
	Spread/risk margin	-	-	159	119	6	15	-	-	-	-	-	-	165	134
	Total adjusted operating income	1,260	885	916	783	213	212	12	17	-	-	(125)	(112)	2,276	1,785
	Total adjusted operating expenses	(811)	(534)	(503)	(400)	(141)	(143)	(11)	(22)	(61)	(57)	-	-	(1,527)	(1,156)
	Investment management fees to ASI	-	-	(96)	(87)	(29)	(25)	-	-	-	-	125	112	-	-
	Adjusted operating profit	449	351	317	296	43	44	1	(5)	(61)	(57)	-	-	749	629
	Capital management	2	-	22	23	(1)	(1)	-	-	(17)	(9)	-	-	6	13
	Share of associates' and joint ventures' profit before tax	41	35	-	-	-	-	58	41	-	-	-	-	99	76
	Adjusted profit before tax	492	386	339	319	42	43	59	36	(78)	(66)	-	-	854	718

Assets under management and administration flows

12 months ending 31 December

	Gross inflows		Redemptions		Net flows	
	2017 £bn	2016 £bn	2017 £bn	2016 £bn	2017 £bn	2016 £bn
Aberdeen Standard Investments:						
Equities	16.2	15.0	(24.4)	(28.9)	(8.2)	(13.9)
Fixed income	8.4	9.4	(11.7)	(14.7)	(3.3)	(5.3)
Multi-asset	13.9	16.7	(20.8)	(20.3)	(6.9)	(3.6)
Private markets and alternatives	1.9	1.6	(2.7)	(2.8)	(0.8)	(1.2)
Real estate	3.6	4.3	(4.6)	(5.9)	(1.0)	(1.6)
Quantitative	0.2	0.3	(0.7)	(0.5)	(0.5)	(0.2)
Cash/liquidity	6.7	7.8	(8.1)	(8.1)	(1.4)	(0.3)
Growth	50.9	55.1	(73.0)	(81.2)	(22.1)	(26.1)
Standard Life Pensions and Savings	3.3	3.5	(6.0)	(5.6)	(2.7)	(2.1)
Third party strategic partner life business	12.3	12.9	(24.8)	(24.4)	(12.5)	(11.5)
Mature	15.6	16.4	(30.8)	(30.0)	(15.2)	(13.6)
Total AUM flows	66.5	71.5	(103.8)	(111.2)	(37.3)	(39.7)
Standard Life Pensions and Savings:						
UK Retail	12.9	8.1	(6.5)	(4.4)	6.4	3.7
UK Workplace	4.2	4.1	(2.8)	(2.4)	1.4	1.7
Europe growth	1.3	1.3	(1.0)	(0.8)	0.3	0.5
Growth	18.4	13.5	(10.3)	(7.6)	8.1	5.9
UK Mature Retail	0.6	0.6	(3.9)	(4.0)	(3.3)	(3.4)
Europe mature fee	0.7	0.7	(0.6)	(0.8)	0.1	(0.1)
Spread/risk	0.2	0.2	(1.1)	(1.1)	(0.9)	(0.9)
Mature	1.5	1.5	(5.6)	(5.9)	(4.1)	(4.4)
Total AUA flows	19.9	15.0	(15.9)	(13.5)	4.0	1.5
India and China life	1.0	0.9	(0.5)	(0.5)	0.5	0.4
Eliminations	(7.3)	(7.0)	9.1	8.0	1.8	1.0
Total AUMA flows	80.1	80.4	(111.1)	(117.2)	(31.0)	(36.8)

	Gross inflows		Redemptions		Net flows	
	2017 £bn	2016 £bn	2017 £bn	2016 £bn	2017 £bn	2016 £bn
Analysis of growth channels flows:						
Institutional	24.3	28.6	(44.0)	(45.4)	(19.7)	(16.8)
Wholesale	24.2	24.8	(27.7)	(34.9)	(3.5)	(10.1)
Wealth/Digital	2.4	1.7	(1.3)	(0.9)	1.1	0.8
Aberdeen Standard Investments	50.9	55.1	(73.0)	(81.2)	(22.1)	(26.1)
UK Retail	12.9	8.1	(6.5)	(4.4)	6.4	3.7
UK Workplace	4.2	4.1	(2.8)	(2.4)	1.4	1.7
Europe growth	1.3	1.3	(1.0)	(0.8)	0.3	0.5
Standard Life Pensions and Savings	18.4	13.5	(10.3)	(7.6)	8.1	5.9
Eliminations	(4.0)	(3.5)	3.1	2.4	(0.9)	(1.1)
Total growth channels flows	65.3	65.1	(80.2)	(86.4)	(14.9)	(21.3)

Assets under management and administration

12 months ending 31 December 2017

	1 Jan 2017 £bn	Gross inflows £bn	Redemptions £bn	Net flows £bn	Markets and performance £bn	Corporate actions £bn	31 Dec 2017 £bn
Aberdeen Standard Investments:							
Equities	97.4	16.2	(24.4)	(8.2)	15.3	-	104.5
Fixed income	55.1	8.4	(11.7)	(3.3)	0.9	(1.3)	51.4
Multi-asset	79.1	13.9	(20.8)	(6.9)	2.6	(2.4)	72.4
Private markets and alternatives	25.7	1.9	(2.7)	(0.8)	(0.4)	-	24.5
Real estate	27.5	3.6	(4.6)	(1.0)	2.0	-	28.5
Quantitative	2.4	0.2	(0.7)	(0.5)	0.3	-	2.2
Cash/liquidity	21.9	6.7	(8.1)	(1.4)	(0.1)	-	20.4
Growth	309.1	50.9	(73.0)	(22.1)	20.6	(3.7)	303.9
Standard Life Pensions and Savings	90.2	3.3	(6.0)	(2.7)	4.7	-	92.2
Third party strategic partner life business	181.3	12.3	(24.8)	(12.5)	10.8	-	179.6
Mature	271.5	15.6	(30.8)	(15.2)	15.5	-	271.8
Total assets under management	580.6	66.5	(103.8)	(37.3)	36.1	(3.7)	575.7
Standard Life Pensions and Savings:							
UK Retail	62.9	12.9	(6.5)	6.4	6.4	-	75.7
UK Workplace	37.4	4.2	(2.8)	1.4	1.4	-	40.2
Europe growth	10.8	1.3	(1.0)	0.3	0.9	-	12.0
Growth	111.1	18.4	(10.3)	8.1	8.7	-	127.9
UK Mature Retail	34.9	0.6	(3.9)	(3.3)	3.6	-	35.2
Europe mature fee	9.5	0.7	(0.6)	0.1	0.3	-	9.9
Spread/risk	16.1	0.2	(1.1)	(0.9)	(0.1)	-	15.1
Mature	60.5	1.5	(5.6)	(4.1)	3.8	-	60.2
Total assets under administration	171.6	19.9	(15.9)	4.0	12.5	-	188.1
India and China life	4.6	1.0	(0.5)	0.5	0.3	(0.6)	4.8
Eliminations	(109.2)	(7.3)	9.1	1.8	(6.3)	-	(113.7)
Total AUMA	647.6	80.1	(111.1)	(31.0)	42.6	(4.3)	654.9

	1 Jan 2017 £bn	Gross inflows £bn	Redemptions £bn	Net flows £bn	Markets and performance £bn	Corporate actions £bn	31 Dec 2017 £bn
Analysis of growth channels:							
Institutional	202.4	24.3	(44.0)	(19.7)	11.1	(1.3)	192.5
Wholesale	96.9	24.2	(27.7)	(3.5)	9.2	(2.4)	100.2
Wealth/Digital	9.8	2.4	(1.3)	1.1	0.3	-	11.2
Aberdeen Standard Investments	309.1	50.9	(73.0)	(22.1)	20.6	(3.7)	303.9
UK Retail	62.9	12.9	(6.5)	6.4	6.4	-	75.7
UK Workplace	37.4	4.2	(2.8)	1.4	1.4	-	40.2
Europe growth	10.8	1.3	(1.0)	0.3	0.9	-	12.0
Standard Life Pensions and Savings	111.1	18.4	(10.3)	8.1	8.7	-	127.9
Eliminations	(19.0)	(4.0)	3.1	(0.9)	(1.6)	-	(21.5)
Total growth channels	401.2	65.3	(80.2)	(14.9)	27.7	(3.7)	410.3