

Ashmore Group plc



Goldman Sachs, Diversified Financials Symposium - 24 November 2009

Citibank, Investor Day – 30 November 2009

Ashmore

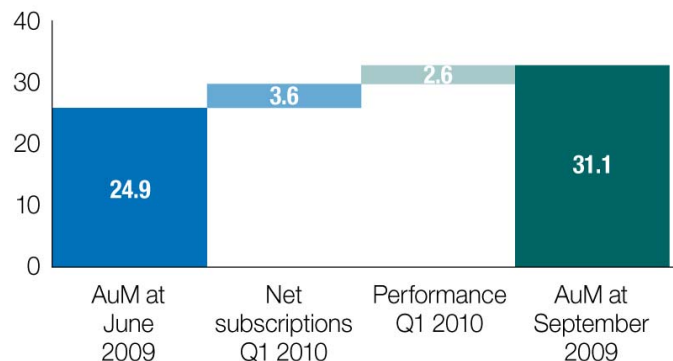
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Q1 interim management statement

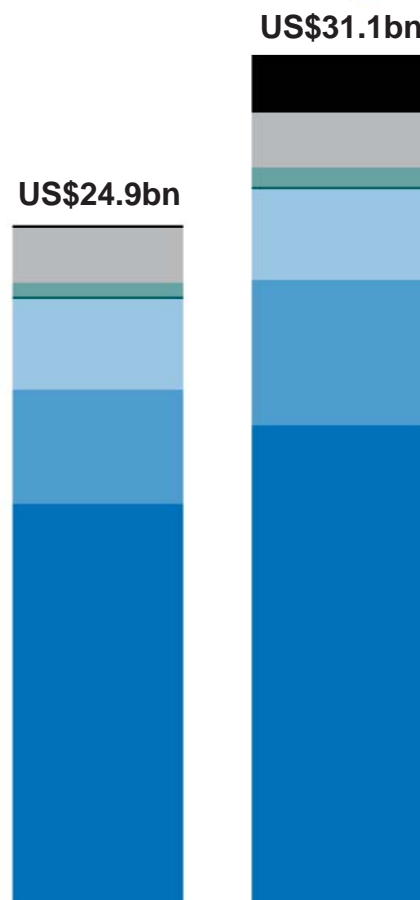
- The quarter saw assets under management increase 25% to US\$31.1 billion
- The drivers of this were net inflows of US\$3.6 billion and positive performance of US\$2.6 billion
- Inflows have been earliest and strongest in the external debt theme, now beginning to resume in the local currency theme
- Significant growth in the level of AuM in the “Other” theme (US\$0.1bn to US\$2.1bn), principally in local currency hedging/overlay strategies
- Trading conditions are in line with management expectations and the Group remains confident of its prospects for the current year
- The GBP:USD exchange rate has been relatively stable over the period (30 September GBP1:1.60 vs. 30 June 1.65), with an average rate for the quarter of GBP1:1.63USD

Q1 2010 AuM development (US\$bn)



Q1 interim management statement

AuM as classified by mandate (US\$bn)



	30 Jun 2009	30 Sep 2009
External debt	14.7	17.6
Local currency	4.2	5.3
Special situations	3.3	3.3
Equity	0.1	0.1
Corporate high yield	0.5	0.7
Multi-strategy	2.0	2.0
Other	0.1	2.1

Assets under management

Investment performance - public funds

Theme	Fund	Launch Date	AuM US\$M ⁽¹⁾	Annualised Performance						
				1m ⁽²⁾	3m ⁽²⁾	6m ⁽²⁾	1 Year ⁽²⁾	3 Year ⁽²⁾	5 Year ⁽²⁾	Since Launch ⁽²⁾
External Debt	EMLIP	Oct-1992	3,413.4	6.6%	14.7%	27.3%	6.6%	6.9%	12.3%	21.9%
	Benchmark	(EMBI GD)		4.9%	10.4%	23.0%	18.7%	7.4%	8.6%	12.1%
	AEMDF	May-2003	1,920.4	6.0%	12.9%	24.0%	10.7%	9.3%	13.3%	13.8%
	Benchmark	(EMBI GD)		4.9%	10.4%	23.0%	18.7%	7.4%	8.6%	8.9%
	SICAV EMDF ⁽³⁾	Jan-2003	1,775.8	6.3%	13.2%	26.2%	16.1%	7.3%	11.0%	14.1%
	Benchmark	(EMBI GD)		4.9%	10.4%	23.0%	18.7%	7.4%	8.6%	10.5%
Local Currency	LCD	Mar-1997	821.7	3.6%	8.7%	24.6%	6.5%	10.6%	12.2%	15.6%
	Benchmark	(ELMI +)		1.7%	4.5%	15.1%	3.0%	9.6%	9.3%	8.2%
	ALCF	Mar-2006	889.9	3.6%	8.9%	25.4%	7.5%	11.2%	NA	9.6%
	Benchmark	(ELMI +)		1.7%	4.5%	15.1%	3.0%	9.6%		8.9%
	SICAV LCF ⁽³⁾	Aug-2006	596.5	3.6%	8.3%	23.8%	2.4%	NA	NA	8.5%
	Benchmark	(ELMI +)		1.7%	4.5%	15.1%	3.0%			9.1%
Special Situations ⁽⁴⁾	GSSF2	Feb-2005	375.4	3.3%	-2.3%	-2.4%	-21.9%	11.4%	NA	12.8%
	GSSF3 ⁽⁶⁾	Aug-2006	1,132.1	2.6%	-3.6%	-9.5%	-23.0%	NA	NA	-4.0%
	GSSF4 ⁽⁶⁾	Oct-2007	1,221.6	3.6%	1.8%	0.5%	-4.2%	NA	NA	-4.8%
	ARF	May-1998	880.9	2.3%	-1.3%	-3.8%	-14.9%	4.4%	10.3%	16.1%
Corporate High Yield	EMCHY	Aug-2007	535.5	9.0%	21.0%	44.5%	22.4%	NA	NA	8.4%
	Benchmark	(CEMBI BD)		6.2%	10.6%	27.7%	19.9%			6.2%
Equity	AEEP	Jun-2000	121.1	9.0%	22.0%	63.2%	16.4%	0.7%	10.7%	13.1%
	Benchmark	(MSCI EM)		8.9%	20.1%	60.4%	16.2%	5.5%	14.5%	8.1%
Multi-Strategy	AMSF ⁽⁵⁾	Mar-2003	1,158.7	4.6%	7.4%	12.0%	-3.2%	6.2%	11.6%	18.8%

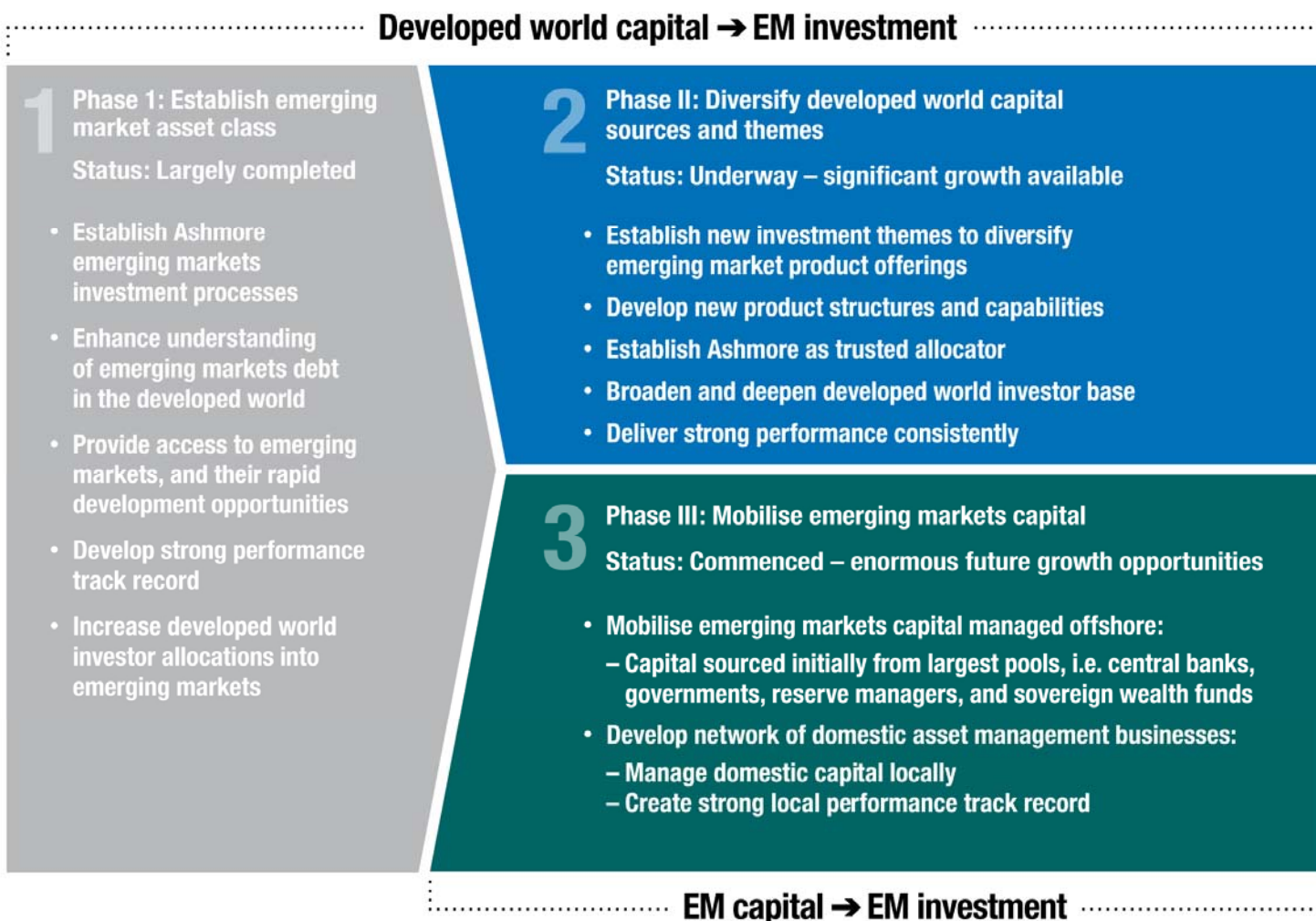
Source: Ashmore (un-audited). Source benchmarks: JP Morgan and Morgan Stanley

(1) As at 30 September 2009; (2) Gross returns with dividends reinvested, as at 30 September 2009; (3) Performance shown for institutional dollar tranche;

(4) Special Situations and Multi-Strategy do not have a relevant benchmark; (5) AMSF 5 year and since inception performance from December 2000 to March 2003 from single account managed in same style, AMSF pooled fund launched in December 2003; (6) GSSF 3 and GSSF 4 performance calculation methodology is IRR.

...post crisis, following expected profile of investment outperformance

Strategy



...capitalising on increasing investor allocations into, and between, emerging markets

Slides & information from FY2009 presentation



Financial highlights

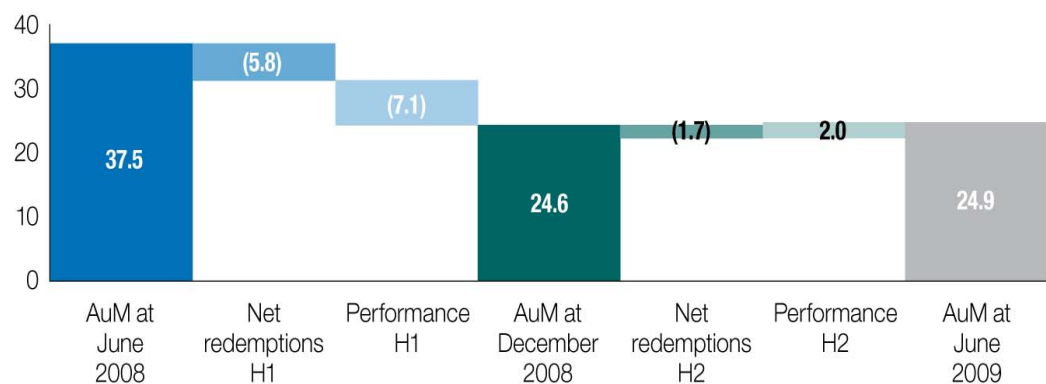
- Total FY2009 net revenue of £203.5 million, a decrease of 15% from FY2008 (£240.0 million)
 - Net management fees⁽¹⁾ up by 1% to £183.2 million
 - Performance fees of £52.5 million (FY2008: £44.7 million)
 - Foreign exchange hedging cost of £42.4 million, of which £4.1 million relates to future periods
- Operating margin for FY2009 of 74.0% (FY2008: 75.5%)
- Profit before tax for FY2009 of £159.8 million, a decrease of 19% from FY2008 (£196.2 million)
- Basic earnings per share for FY2009 of 17.1p (FY 2008: 21.0p)
- 8.34p final dividend, making a full year 2009 dividend of 12.0p

...broadly satisfactory financial performance in a challenging market

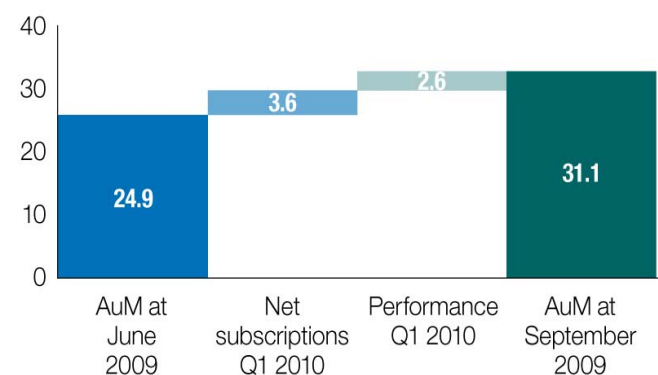
Assets under management

Subscriptions and redemptions

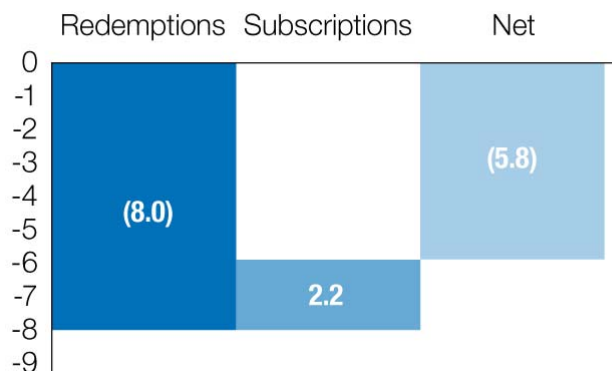
2009 AuM development (US\$bn)



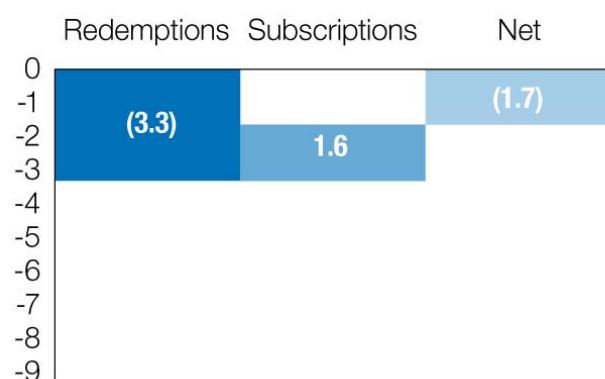
Q1 2010 AuM development (US\$bn)



H1 2009 subscriptions and redemptions (US\$bn)



H2 2009 subscriptions and redemptions (US\$bn)



...marked contrast between two halves in FY09, followed by recovery in Q1 10

Update on themes

External debt

Theme premise

- Ashmore's longest established and largest theme
- Principally US Dollar and other hard currency denominated instruments, which may include derivatives, investing in mainly sovereign bonds

Facts

- Launched 1992
- Management fees⁽¹⁾ £74.5m (FY2008: £85.1m)
- Average mgmt fee margin: 79 bps (FY2008: 76 bps)
- Performance fees: £17.5m (FY2008: 17.0m)
- 5 public funds
- AuM invested into 36 countries

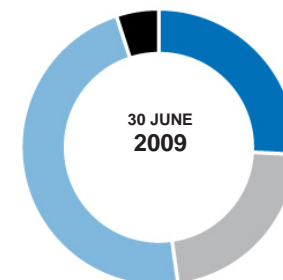
Current markets / opportunities

- Now widely accepted as an asset class within fixed income
- Dominated by long-term institutional investors
- Strategic allocation benefits from improving fundamentals and global importance of emerging economies

	Year ended 30 June 2009 US\$bn
Opening AuM	20.9
Subscriptions	1.3
Redemptions	(5.8)
Net (redemptions)/subscriptions	(4.5)
Performance	(1.7)
Closing AuM	14.7

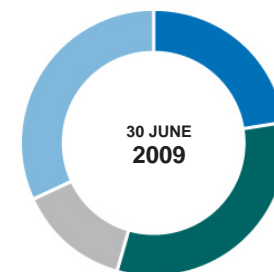
AuM as invested by geography (%)

Eastern Europe	26
Asia	22
Latin America	47
Middle East and Africa	5



Fund classification (No.)

Ashmore sponsored	5
Segregated	7
Structured product	3
White label/dual branded	7
Total	22



...return to centre stage during year

(1) Net of distribution costs and fee rebates.

Update on themes

Local currency

Theme premise

- Local currency and local currency denominated debt instruments, which may include derivatives, investing in FX and mainly sovereign bonds

Facts

- Launched 1997
- Management fees⁽¹⁾ £36.1m (FY2008: 28.3m)
- Average mgmt fee margin: 106 bps (FY2008: 114 bps)
- Performance fees: £16.0m (FY2008: £16.2m)
- 8 public funds
- AuM invested into 30 countries

Current markets / opportunities

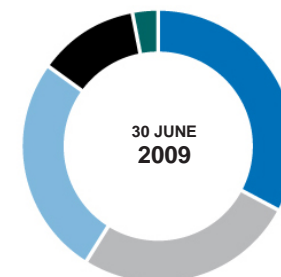
- Rapidly growing asset class
- Best hedge against the long-term structural decline in the US Dollar
- Many countries are looking to develop domestic yield curves to help develop local capital markets and stimulate growth

Year ended 30 June 2009
US\$bn

Opening AuM	7.2
Subscriptions	1.4
Redemptions	(3.1)
Net (redemptions)/subscriptions	(1.7)
Performance	(1.3)
Closing AuM	4.2

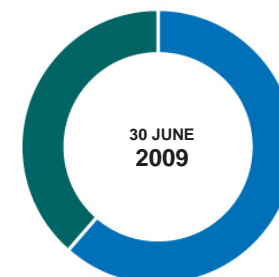
AuM as invested by geography (%)

Eastern Europe	33
Asia	26
Latin America	26
Middle East and Africa	12
G7 and other	3



Fund classification (No.)

Ashmore sponsored	8
Segregated	5
Total	13



...core long-term theme for growth after volatile period

(1) Net of distribution costs and fee rebates.

Update on themes

Special situations

Theme premise

- Investments in debt and / or other instruments, typically focusing on situations involving corporate distressed for control investments or restructuring, distressed assets or distressed sellers of assets, and often with a private equity approach

Facts

- Launched 2000
- Management fees⁽¹⁾ £44.3m (FY2008: £37.3m)
- Average mgmt fee margin: 196 bps (FY2008: 184 bps)
- Performance fees: £16.4m (FY2008: £7.2m)
- 8 public funds
- AuM invested into 30 countries

Current markets / opportunities

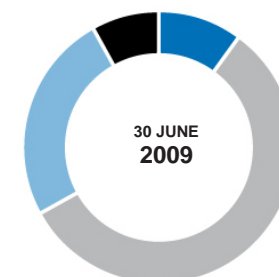
- Unique access to private investments in emerging markets which are often complex and difficult situations
- Aim to create value through an event(s) which transform the Company, hence preference for distressed for control

Year ended 30 June 2009
US\$bn

Opening AuM	4.6
Subscriptions	0.2
Redemptions	(0.5)
Net (redemptions)/subscriptions	(0.3)
Performance	(1.0)
Closing AuM	3.3

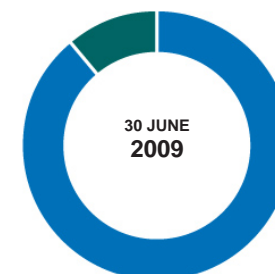
AuM as invested by geography (%)

Eastern Europe	10
Asia	57
Latin America	25
Middle East and Africa	8



Fund classification (No.)

Ashmore sponsored	8
Segregated	1
Total	9



...investment opportunities excellent, asset raising challenging

(1) Net of distribution costs and fee rebates.

Update on themes Equity

Theme premise

- Public equity and equity-related securities
- Can include equities, convertibles, warrants and equity derivatives

Facts

- Launched 2000
- Management fees⁽¹⁾ £1.4m (FY2008: £3.5m)
- Average mgmt fee margin: 124 bps (FY2008: 115 bps)
- Performance fees: £0.1m (FY2008: £3.2m)
- 5 public funds
- AuM invested into 18 countries

Current markets / opportunities

- Attractive, potentially high, returns from growing and deepening emerging equity markets
- Index returns have seen ten year periods of negative returns, emphasising the benefit of active management of country risk

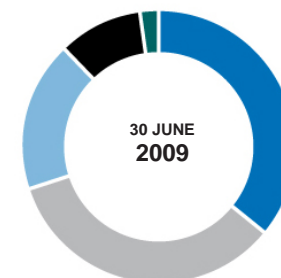
Year ended 30 June 2009

US\$bn

Opening AuM	0.5
Subscriptions	0.0
Redemptions	(0.1)
Net (redemptions)/subscriptions	(0.1)
Performance	(0.3)
Closing AuM	0.1

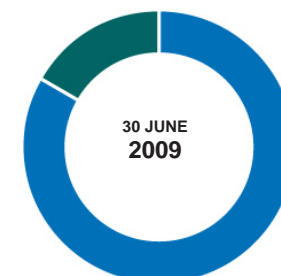
AuM as invested by geography (%)

Eastern Europe	36
Asia	34
Latin America	18
Middle East and Africa	10
G7 and other	2



Fund classification (No.)

Ashmore sponsored	5
Segregated	1
Total	6



...investment case returning

(1) Net of distribution costs and fee rebates.

Update on themes

Corporate high yield

Theme premise

- Investments in corporate debt within emerging markets

Facts

- Launched 2007
- Management fees⁽¹⁾ £4.9m (FY2008: £4.1m)
- Average mgmt fee margin: 183 bps (FY2008: 165 bps)
- Performance fees: £0.1m (FY2008: nil)
- 1 public fund
- AuM invested in to 21 countries

Current markets / opportunities

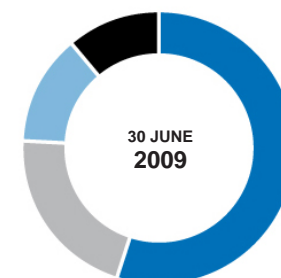
- Emerging markets corporate high yield is a fast growing segment of emerging debt markets
- Offers historically attractive risk-adjusted returns, and a strong alternative to G7 corporates

Year ended 30 June 2009
US\$bn

Opening AuM	0.5
Subscriptions	0.1
Redemptions	0.0
Net (redemptions)/subscriptions	0.1
Performance	(0.1)
Closing AuM	0.5

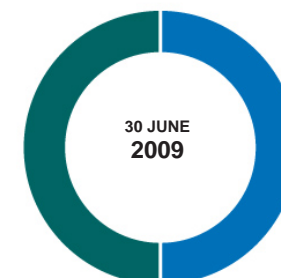
AuM as invested by geography (%)

Eastern Europe	55
Asia	21
Latin America	13
Middle East and Africa	11



Fund classification (No.)

Ashmore sponsored	1
Segregated	1
Total	2



...significant alpha being embedded through investment expertise

(1) Net of distribution costs and fee rebates.

Update on themes

Multi-strategy

Theme premise

- Supplements the core product range, investing into the 5 core themes and any new themes where appropriate
- Includes Ashmore Global Opportunities Limited, a permanent capital vehicle, which listed on the LSE on 12 December 2007

Facts

- Launched 2003
- Management fees⁽¹⁾ £21.6m (FY2008: £23.7m)
- Average mgmt fee margin: 135 bps (FY2008: 144 bps)
- Performance fees: £2.4m (FY2008: £1.1m)
- 2 public funds
- AuM invested in underlying funds included in themes

Current markets / opportunities

- An ideal strategy for investors who prefer to let Ashmore make the dynamic asset allocation decisions across Ashmore's investment themes
- As asset classes increase, the strategy will be able to take an early advantage, for example real estate

Year ended 30 June 2009
US\$bn

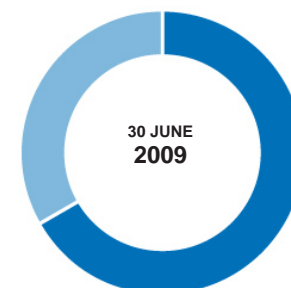
Opening AuM	3.8
Subscriptions	0.7
Redemptions	(1.8)
Net (redemptions)/subscriptions	(1.1)
Performance	(0.7)
Closing AuM	2.0

Allocation by investment theme (%)



Fund classification (No.)

Ashmore sponsored	2
White label/dual branded	1
Total	3



...dynamic asset allocations across Ashmore's themes

(1) Net of distribution costs and fee rebates.

Update on themes Other

Theme premise

- New themes developed in line with strategy to diversify capabilities and investor base

Facts

Existing

- Fund of third party funds
- Liquidity management

In development

- Overlay/hedging strategies
- Infrastructure
- Real estate

Current markets / opportunities

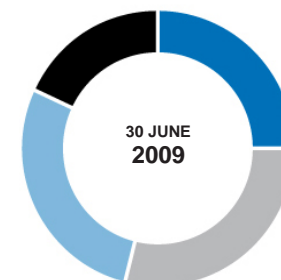
- For every asset class in the developed world there is a potential asset class in the emerging world
- There is a strong strategy case for investing in the emerging world across a growing number of asset classes, particularly at their nascent stages

Year ended 30 June 2009
US\$bn

Opening AuM	0.0
Subscriptions	0.1
Redemptions	0.0
Net (redemptions)/subscriptions	0.1
Performance	0.0
Closing AuM	0.1

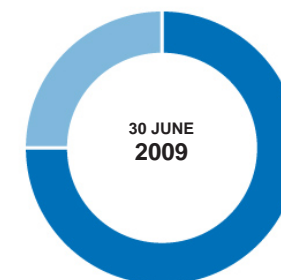
AuM as invested by geography (%)

Eastern Europe	25
Asia	29
Latin America	28
Middle East and Africa	18



Fund classification (No.)

Ashmore sponsored	3
White label/dual branded	1
Total	4



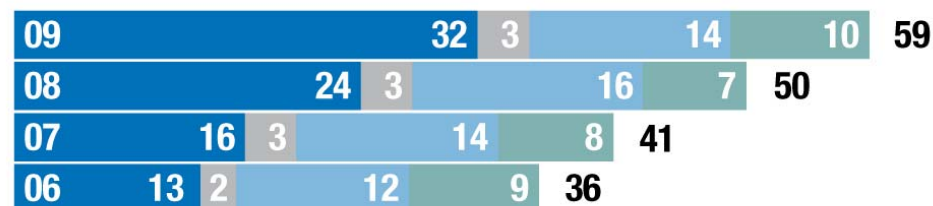
...a pipeline of current & future initiatives

Fund diversification

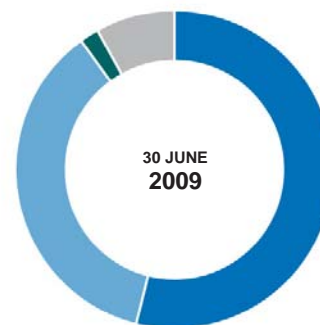
New funds and classification

- 4 public funds launched:
 - Global Special Situations Fund 5 (US\$0.1 billion)
 - Global Consolidated Recovery Fund (US\$0.1 billion)
 - 2 Brazilian equity funds, 1 onshore, 1 offshore
- 3 dual branded funds launched:
 - Turkish mutual funds, specialising in Turkish equities, debt and liquidity respectively
- 2 new segregated mandates won in the period:
 - Within external debt and corporate high yield themes

Fund classification by number of funds



Fund classification by AuM (%)



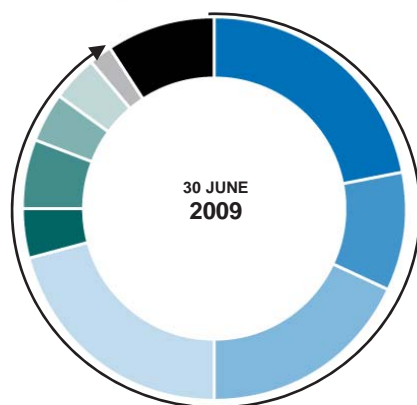
	2009	2008
Ashmore sponsored	54	56
Segregated	36	31
Structured product	2	4
White label/dual branded	8	9

...continued diversification through new funds

Investor analysis

Investor type and geography

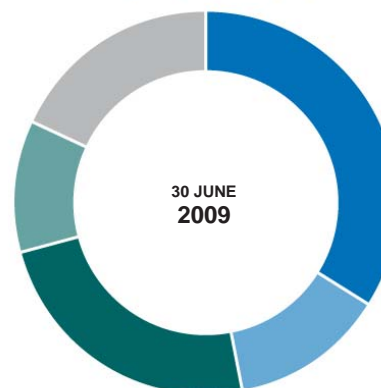
AuM by investor type (%)



Institutional⁽¹⁾
91% (88%)

	2009	2008
1 Corporate pension plan	22	16
2 Banks	10	16
3 Public pension plans	18	18
4 Governments	21	15
5 Fund of funds	4	6
6 Insurance	6	6
7 Fund/sub advisor	4	5
8 Other	4	4
9 Permanent capital	2	2
10 HNWI/retail	9	12

AuM by geography (%)



	2009	2008
Europe	34	35
UK	13	13
Americas	24	22
Asia	11	16
Middle East	18	14

...investor diversification maintained

(1) Prior period parenthesised.

Financial results

Income statement

	Year ended 30 June 2009 £m	Year ended 30 June 2008 £m	Variance As reported £m
Net management fees	183.2	182.0	1.2
Performance fees	52.5	44.7	7.8
Other revenue	6.4	10.1	(3.7)
Foreign exchange	(38.6)	3.2	(41.8)
Net revenue	203.5	240.0	(36.5)
Personnel expenses	11.5	7.4	4.1
Variable compensation	24.5	40.3	(15.8)
Other operating costs	16.9	11.1	5.8
Total operating expenses	(52.9)	(58.8)	5.9
Operating profit	150.6	181.2	(30.6)
Net interest	9.2	15.0	(5.8)
Profit before tax	159.8	196.2	(36.4)
Tax	(44.3)	(55.2)	10.9
Profit after tax ⁽¹⁾	115.5	141.0	(25.5)
Earnings per share - basic	17.1p	21.0p	
Interim dividend per share	3.66p	3.66p	
Final dividend per share	8.34p	8.34p	
Operating profit margin	74.0%	75.5%	

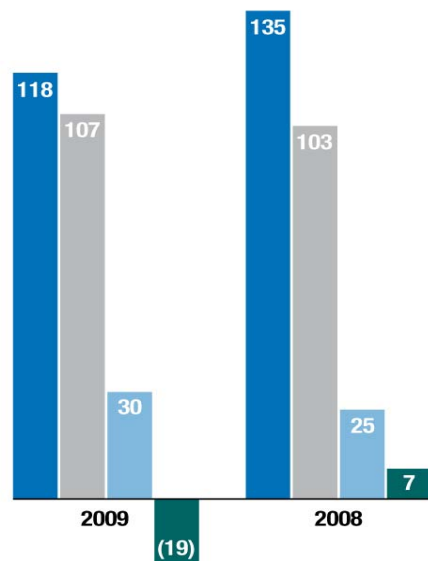
...Ashmore remains highly profitable

(1) Attributable to equity holders of the parent £115.0m (FY2008: £140.8m)

Financial results

Revenue margins (basis points)

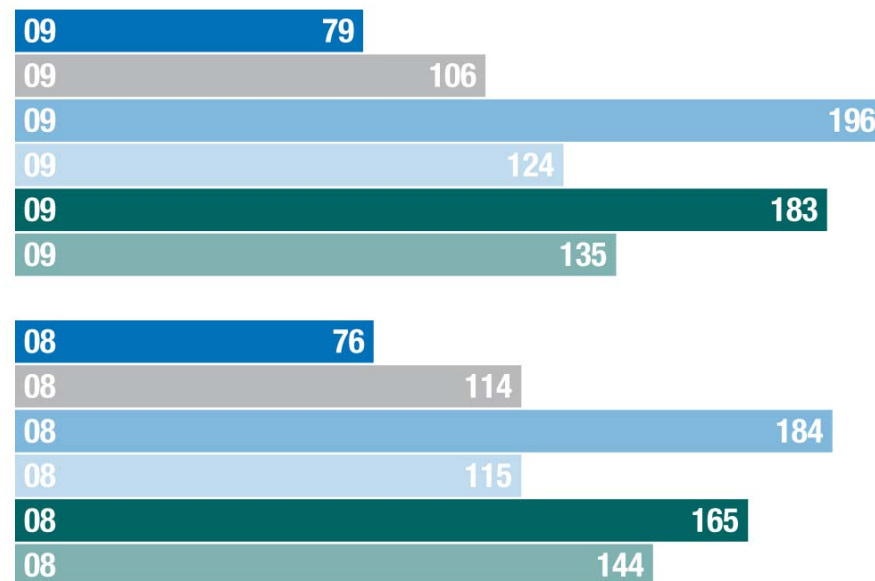
Total net revenue margins (bps)



- Total net revenue
- Net management fee
- Performance fee
- Foreign exchange and other income

- Principal component remains management fees
- Performance fees diversified and provide upside opportunity
- FX impacted total net revenue in FY08/09

Net management fee margins (bps)



- External debt
- Local currency
- Equity
- Special situations
- Corporate high yield
- Multi-strategy

...revenue margins maintained

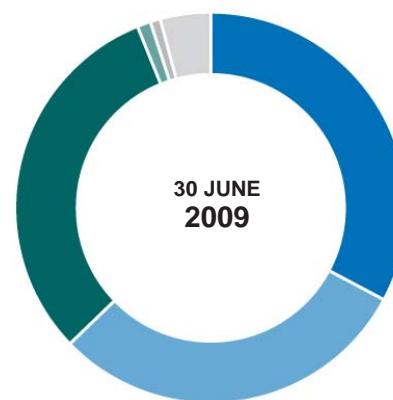
Financial results

Performance fees

	Year ended 30 June 2009	Year ended 30 June 2008
	£m	£m
External debt	17.5	17.0
Local currency	16.0	16.2
Special situations ⁽¹⁾	16.4	7.2
Equity	0.1	3.2
Corporate high yield	0.1	-
Multi-strategy	2.4	1.1
Other	-	-
Total performance fees	52.5	44.7

- H1: £48.9m, H2: £3.6m (FY2008: H1: £32.2m, H2: £12.5m)
- Annual performance fees for funds years ended 31 August 2009 (including EMLIP and LCD) were £5.1m (August 2008: £31.0m)

Performance fees by theme (%)



	2009	2008
External debt	33	39
Local currency	30	36
Special situations	31	16
Equity	1	7
Corporate high yield	1	-
Multi-strategy	4	2

...diversified performance fee contribution

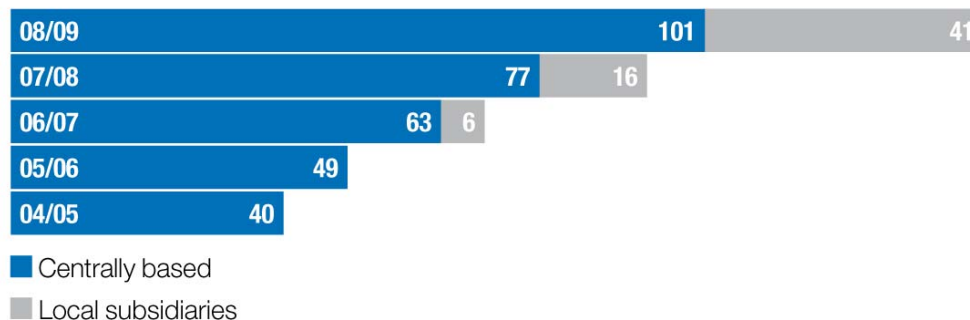
(1) GSSF term performance fee of £15.7m (August 2008).

Financial results

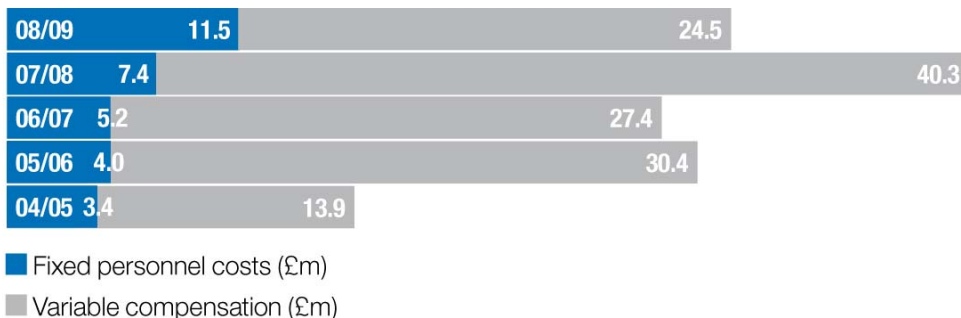
Personnel

- Headcount grown as planned in FY2009 including:
 - expansion of local asset management subsidiaries
 - investment in infrastructure platform for next growth phase
- Employee cost increases for FY2009:
 - total personnel cost of £36.0 million (FY2008: £47.7 million)
 - fixed personnel costs £11.5 million (FY2008: £7.4 million)
 - variable compensation £24.5 million, 14.0% of EBVCIT⁽¹⁾ (FY2008: £40.3 million, 18.2%)
- Reduced variable component reflects performance of business and market conditions
- FY2010 headcount growth modest relative to FY2009, and focused on distribution and marketing

Year end headcount



Costs



...headcount increases under budgeted levels

(1) EBVCIT defined as earnings before variable compensation, interest and tax.

Financial results

Cash flow & balance sheet

	Year ended 30 June 2009	Year ended 30 June 2008		Year ended 30 June 2009	Year ended 30 June 2008
	£m	£m		£m	£m
Cash from operations	150.9	195.5	Total assets	399.4	366.1
Deferred acquisition costs	-	(14.6)	Net liabilities	88.9	92.8
Acquisition of subsidiary	(3.7)	-	Net assets/total equity	310.5	273.3
Treasury / own shares	(7.8)	-	<i>Including:</i>		
Purchase of seed investments ⁽¹⁾	(11.6)	(15.1)	Non-current assets	12.2	7.4
Dividends	(81.9)	(70.1)	Deferred tax asset	14.0	13.8
Taxation	(47.7)	(46.5)	Deferred acquisition costs	11.3	13.4
Interest	9.3	15.4	Cash and cash equivalents	288.4	279.2
FX and other	1.7	(3.4)	Available-for-sale financial assets ⁽¹⁾	4.8	-
Increase in cash	9.2	61.2	Non-current assets held for sale ⁽¹⁾	27.4	16.4

...cash generative, strong balance sheet

(1) Represents seed capital invested by the Group in its funds and classified as either available-for-sale financial assets or non-current assets held for sale

Appendices



Financial results

Net management fees

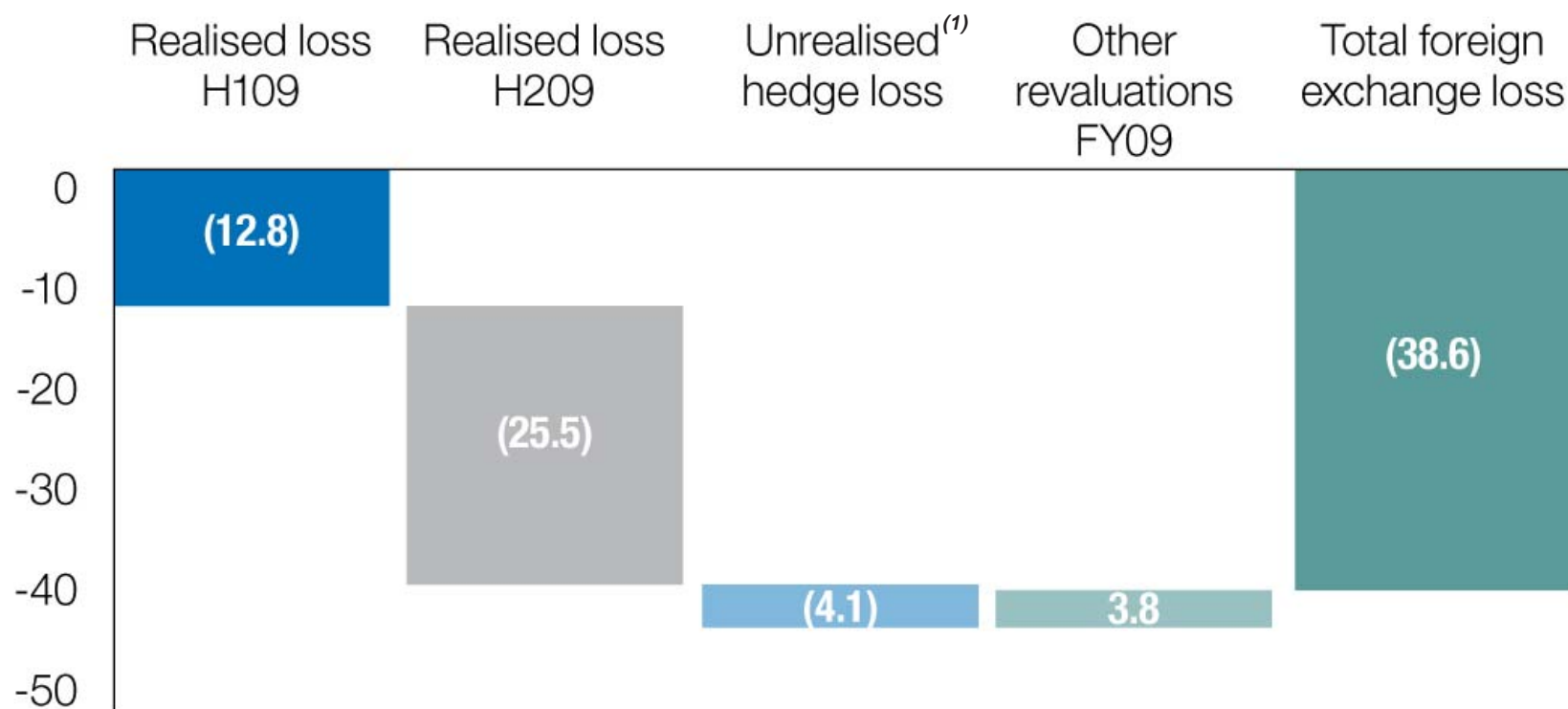
GBP net management fees	Year ended	Year ended	Variance
	30 June 2009	30 June 2008	
	£m	£m	
External debt	74.5	85.1	(12)
Local currency	36.1	28.3	28
Special situations	44.3	37.3	19
Equity	1.4	3.5	(60)
Corporate high yield	4.9	4.1	20
Multi-strategy	21.6	23.7	(9)
Other	0.4	-	100
Net management fees	183.2	182.0	1
USD net management fees	Year ended	Year ended	Variance
	30 June 2009	30 June 2008	
	US\$m	US\$m	
External debt	120.9	171.1	(29)
Local currency	58.4	56.9	3
Special situations	72.0	75.0	(4)
Equity	2.2	7.0	(69)
Corporate high yield	7.9	8.2	(4)
Multi-strategy	35.1	47.6	(26)
Other	0.6	-	100
Net management fees	297.1	365.8	(19)

...US Dollar management fees reduced in line with fall in AuM

Financial results

Foreign exchange - the impact

Foreign exchange loss (£m)



...majority of FX now realised

(1) Analysed as £4.5m loss in respect of forward foreign exchange contracts for FY09/10 and £0.4m gain on options in respect of FY10/11

Disclaimer

IMPORTANT INFORMATION

This document does not constitute an offer to sell or an invitation to buy shares in Ashmore Group plc or any other invitation or inducement to engage in investment activities. Certain statements, beliefs and opinions in this document are forward-looking, which reflect the Company's current expectations and projections about future events. By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions that could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements.

Forward-looking statements contained in this document regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. The value of investments, and the income from them, may go down as well as up, and is not guaranteed. Past performance cannot be relied on as a guide to future performance. Exchange rate changes may cause the value of overseas investments or investments denominated in different currencies to rise and fall. The Company does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. You should not place undue reliance on any forward-looking statements, which speak only as of the date of this document.

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