

**9 June 2009**

## **HEARTWOOD REPORTS STRONG FINANCIAL YEAR**

Heartwood, the independently owned wealth manager, recorded a strong financial performance in its financial year that closed at end April 2009, in the face of extremely challenging market conditions. Heartwood now has approximately £1 billion of funds under management and administration including over £100m of net new client assets under management in the financial year.

"2008 was a year of significant change and achievement for the company. We made the strategic decision to invest heavily in client service and distribution, investment and HR. If we exclude the impact of these investments we recorded profits actually ahead of those achieved in the prior year. In the circumstances with which everyone is familiar, this was a remarkable result," comments Simon Lough, Chief Executive Officer at Heartwood. The company has 76 employees in its offices in London and Tunbridge Wells.

Heartwood reports that exceptional client retention and strong new business flows, enabled by sound investment performance and a compelling wealth management offering were the key drivers behind a successful financial year.

Simon Lough continued: "We are now at peak levels of discretionary funds under management and our flagship investment strategies benefited from the cautious investment positioning we adopted in 2007 prior to the exceptional volatility experienced last year. Looking back, this was of enormous help in protecting our clients from the worst of the market conditions in 2008 and early 2009. We also worked very hard to stay close to our clients during this challenging period and were delighted to have had some industry recognition with our first nomination for a PAM award earlier this year."

Heartwood also underwent a management transition in 2008, with founder David Lough becoming Chairman and Simon Lough assuming the role of CEO in November 2008. Earlier in the year the company had made several senior hires, with Guy Hudson, formerly of BNY Mellon Asset Management, joining to lead Client Service and Distribution

and Noland Carter, formerly of Rothschild Private Bank, appointed as Chief Investment Officer. Hugh Tottenham joined from GAM to lead business development with wealth advisors and Scott Ingham, also of Rothschild, joined to develop the investment proposition. Rounding out these appointments, Heartwood was able to attract Bernard Charles from Standard Bank as head of Human Resources.

Simon Lough commented: "We are very pleased to have been able to attract individuals of this calibre in a number of key areas in the business. They have blended seamlessly with the existing team and have all contributed significantly to our success in the last year."

Looking forward, Lough commented "We are making significant enhancements to our investment proposition, which we believe will be entirely to our clients' benefit in coming years. Our independently owned status, with over 90% of the company held by those active within it, provides a tremendous advantage as we seek to build our business, firmly aligning as it does our interests with those of our clients'.

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### **Notes to editors**

All figures: Heartwood Wealth Management, as per 30 April 2009

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Heartwood provides integrated investment, tax and retirement planning solutions for ultra high net worth and high net worth individuals from its offices in London and the South East. Heartwood now manages and administers circa £1bn of funds for clients.

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