

Impax Asset Management Group plc

Trading update and change of Nominated Adviser

London, 8 October 2013 - Impax Asset Management Group plc ("Impax" or the "Company"), the AIM quoted investment manager focused on environmental markets and related resource efficiency sectors, today reports a trading update ahead of the announcement of its final results for the year ending 30 September 2013 (the "Period"), expected on 28 November 2013.

Assets under management and advisory ("AUM") were £2,197 million on 30 September 2013, a 20% increase from 30 September 2012 (£1,828 million) as shown in the table below. The Board expects the Company's operating earnings (*) to be in line with market expectations.

During the Period, Impax's principal listed equity strategies out-performed global equity markets. In particular, the Impax Leaders strategy returned 31.7% while the Specialists and Water strategies returned respectively 30.2% and 24.9%, compared to a 17.4% return for the MSCI All Country World Index (**).

Net inflows for the Period were £178 million, an amount which does not include the net loss of £190 million of assets arising from the closure of Impax Asian Environmental Markets plc. The development of Impax's business in the United States remains particularly encouraging: AUM from US investors increased 122% to £73 million at the end of the Period, and the Company has recently been appointed by a leading wealth management firm to sub-advise on a new water strategy.

Investment of the Impax New Energy Investors II private equity fund has continued to advance, and we have now invested, committed or reserved approximately 60 per cent of the fund's €330 million of committed capital. We have recently sold the first asset from this fund at an attractive profit. Although the assets from the Impax New Energy Investors I fund continue to perform well, the fund's holdings of Spanish solar projects have been negatively impacted by the Spanish government's plans to reduce financial support to the energy sector; we expect to book a write-down of the Company's holding as a result.

During the Period, the Company invested £2 million to seed a new Food and Agriculture fund and spent £2.4 million buying back 6.8 million Impax shares. At the end of the Period, the Company's cash reserves were ca. £17 million.

The Board expects to recommend an increased dividend for the Period (compared to the previous period) and also to move to the payment of an interim dividend during the next period, i.e., the financial year ending 30 September 2014.

The Company is pleased to announce that Peel Hunt LLP has been appointed as Nominated Adviser and Broker to the Company with immediate effect.

Ian Simm, Chief Executive of Impax, commented: "Investor interest in the resource efficiency sectors continues to build. Our investment performance remains strong relative to global markets, sector benchmarks and the peer group, and the Company is well positioned for further expansion."

The table below sets out the movements in the Company's AUM over the year:

AUM movement Year to 30 September 2013	Impax label listed equity funds £m	Third party listed equity funds and accounts £m	Private equity funds £m	Total £m
Total AUM at 30 September 2012	637	829	362	1,828
Net inflows	(66)	244	-	178
Closure of Impax Asian Environmental Markets plc	(190)	-	-	(190)
Market movement and performance	122	241	18	381
Total AUM at 30 September 2013	503	1,314	380	2,197

* Revenue less operating costs.

** All data in GBP. The return on each Impax Strategy is determined with reference to a representative mandate, net of fees. The returns for the MSCI All Country World Index include reinvested dividends, net of withholding tax (source: FactSet).

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Notes to Editors

About Impax Asset Management

Founded in 1998, Impax Asset Management (“Impax”) was one of the world’s first managers dedicated to identifying the investment opportunities in resource efficiency and environmental markets and demand for cleaner, more efficient products and services through listed and private equity strategies.

Impax now manages £2.2 billion* for investors globally, and is committed to providing strong long-term risk-adjusted returns.

The company’s team of 28 investment professionals has been assembled over 15 years. Impax’s listed equity funds seek out mispriced companies that are set to benefit from the long-term trends of changing demographics, rising consumption, limited natural resources and urbanisation.

Investment is focused on the alternative energy, water, waste, food, agriculture and related markets. Impax’s private equity infrastructure funds invest in power generation assets in the renewable energy sector.

*As of 30 September, 2013