Impax Asset Management

AUM +4% in Q3 on strong returns, improving flows

17 July 2026

In Q3 of Impax's FY26 (1 Apr 26 – 30 Jun 26), AUM grew by £1.0bn (+4.4%) to £23.3bn. Investment performance was very strong, contributing +£2.7bn to AUM growth (+12% of opening AUM). The net flow outlook is improving, with -£994m of net outflows in Q3 (excluding the impact of Impax Environmental Markets plc: -£754m of net outflows, see below*), compared to -£2,010m total net outflows in Q2 and -£1,629m in Q1.

Impax has flagged an improving flow trend from its largest distribution partner (BNP Paribas) with increased interest in its thematic equities range, and positive net flows for its systematic equities strategies in the US. With strong demand for this strategy in Europe, Impax intends to launch its first UCITS systematic equities product later this year.

*Impax Asset Management has been managing the portfolio of listed investment trust, IEM. In response to activist investor action (by Saba Capital), IEM implemented an *Exit Tender Offer* process which saw c. 80% of non-Saba shareholders choosing to exit the company, with Impax Asset Management experiencing the consequent outflows. This process has now largely run its course, but Impax AM has offered IEM investors a switch to an equivalent portfolio in its UCITs fund range, which could attract some net inflows from previous IEM investors.

Fair value unchanged at 250p per share, well above share price

While we do not change our end-FY26 (30 Sep 26) AUM forecast from £22.8bn, the AUM increase in Q3 does nudge our FY26 average AUM, revenue, and adjusted operating profit (AOP) forecasts upwards: revenue from £110.3m to £111.6m; AOP from £14.9m to 15.7m.

This is offset by taking a more cautious approach to FY27, where we adjust revenue and adjusted operating profit downwards slightly: revenue from £111.7m to £111.5m; AOP from £19.6m to £17.3m, although these forecasts are highly dependent on AUM moves over the next year or so (we are currently modelling what we believe is a fairly modest £1.5bn AUM increase in FY27 <7% growth).

Our DCF valuation remains 250p / share, more than twice the share price despite a positive investor reaction to the latest AUM update, and we note that cash and on-balance sheet investments (seeding of funds) makes up c. 43% of current market capitalisation (and that is at the half-year low point of the annual cash cycle due to dividend and annual bonus payments in H1).

Key financials & valuation metrics

Year to 30 Sep (£m)	FY23A	FY24A	FY25A	FY26E	FY27E
AUM (£bn)	37.4	37.2	26.1	22.8	24.3
Revenue	178.4	170.1	141.9	111.6	111.5
Adj. Op. Profit	58.1	52.7	33.6	15.7	17.3
PAT	39.2	36.5	20.3	8.6	12.6
EPS basic (p)	30.5	28.5	15.9	7.1	10.3
EPS adj. & dil. (p)	35.2	32.2	21.3	10.9	11.8
Net cash	91.5	93.1	68.0	61.3	63.6
P/E	3.8	4.1	7.3	16.6	11.4
DPS (p)	27.6	27.6	12.0	7.0	8.0
Dividend yield	23.6%	23.6%	10.3%	6.0%	6.8%

Source: Company data, Equity Development, priced at 16/07/26

Company data

EPIC	IPX.L
Price (last close)	116.8p
52 weeks Hi/Lo	210p/93p
Market cap	£148m
ED Fair Value / share	250p
Net cash** H126A	£46m
Avg. daily volume (3m)	648k

Share price, p

Source: Investing.com

Description

Founded in 1998, Impax is a specialist asset manager, with approximately £23.3 billion of AUM on 30 June 2026, in both listed and private markets strategies, investing in the transition to a more sustainable global economy.

It seeks to invest in higher quality companies with strong business models that demonstrate sound management of risk. Its investment solutions span multiple asset classes and seek superior risk-adjusted returns over the medium to long term.

Next event

Q4'26 AUM update, Oct 2026

Paul Bryant (Analyst)
0207 065 2690
paul.bryant@equitydevelopment.co.uk

Andy Edmond
0207 065 2691
andy@equitydevelopment.co.uk

Contacts

Andy Edmond
Direct: 020 7065 2691
Tel: 020 7065 2690
andy@equitydevelopment.co.uk

Hannah Crowe
Direct: 0207 065 2692
Tel: 0207 065 2690
hannah@equitydevelopment.co.uk

Equity Development Limited is regulated by the Financial Conduct Authority

Disclaimer