



ST. JAMES'S PLACE plc

27 St. James's Place, London SW1A 1NR
Telephone 020 7493 8111 Facsimile 020 7493 2382

PRESS RELEASE

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ST. JAMES'S PLACE WEALTH MANAGEMENT

RECORD SINGLE INVESTMENTS OF £7.2 BILLION SEES FUNDS UNDER MANAGEMENT GROW TO £44.3 BILLION

St. James's Place plc ("SJP"), the wealth management group, today issues its new business update for the twelve months ended 31 December 2013.

Highlights:

- Total new single investments of £7.2 billion (2012: £5.9 billion) – up 22%
- Continued strong retention of clients' funds under management – 95%
- Net inflow of funds under management of £4.3 billion (2012: £3.35 billion) – up 28%
- Funds under management of £44.3 billion (2012: £34.8 billion) – up 27%
- SJP new business on an APE basis of £762.9 million (2012: £637.2 million) – up 20%
- Total new business (including third party business) on an APE basis of £865.2 million (2012: £743.3 million) – up 16%
- Partnership numbers up 9.5% to 1,958

David Bellamy, Chief Executive, commented:

"I am very pleased to report another record year of new investments which, when combined with the continued high retention of our clients and their funds and positive investment returns, saw our funds under management increase by £9.5 billion in the year to a new record high of £44.3 billion.

As I have said previously, there is a reassuring consistency about our business, most clearly demonstrated by the sustained growth in our funds under management over the last five years. Over this period of changing economic and market conditions, funds under management have grown by a compound 22% pa compared to growth in the FTSE 100 of 8.8% pa.

At the heart of this sustained growth is the importance we place on maintaining long lasting relationships with, and between, our Partners and clients and serving them well.

At a time when access to trusted advice is increasingly in short supply, we remain focused on this aspect of our business and believe our clients value our approach. They also value the importance we place on looking after their wealth through our distinct approach to investment management which offers them a breadth of investment options and bespoke portfolios.

I am confident that the growth we achieved in 2013, in both new investments and Partner numbers, bodes well for the continued momentum in our business and for our future growth in line with our medium term objectives."

The details of the announcement are attached.

Enquiries:

David Bellamy, Chief Executive Officer
Andrew Croft, Chief Financial Officer

Tel: 020 7514 1963

Tel: 020 7514 1963

Bell Pottinger
John Sunnucks, Executive Chairman
Ben Woodford, Partner

Tel: 020 7861 3923

**ST. JAMES'S PLACE WEALTH MANAGEMENT
NEW BUSINESS FIGURES TO 31 DECEMBER 2013
ST. JAMES'S PLACE NEW BUSINESS**

NEW BUSINESS	Unaudited 3 Months to 31 December			Unaudited 12 Months to 31 December		
	2013 £'m	2012 £'m	Change %	2013 £'m	2012 £'m	Change %
New Regular Contributions						
- Investment	4.8	3.3	45%	16.5	9.2	79%
- Pensions	22.8	23.7	(4%)	86.1	83.5	3%
- Protection	0.7	0.6	17%	2.4	2.7	(11%)
	28.3	27.6	3%	105.0	95.4	10%
New Single Contributions						
- Investment	702.3	647.2	9%	2,314.4	1,951.5	19%
- Pensions	537.0	609.9	(12%)	1,964.4	1,981.8	(1%)
	1,239.3	1,257.1	(1%)	4,278.8	3,933.3	9%
Unit Trust (including PEPs and ISAs)	568.5	388.6	46%	2,300.2	1,484.7	55%

APE (RP + 1/10 TH SP)	Unaudited 3 Months to 31 December			Unaudited 12 Months to 31 December		
	2013 £'m	2012 £'m	Change %	2013 £'m	2012 £'m	Change %
Investment	131.9	106.9	23%	478.0	352.8	35%
Pensions	76.5	84.7	(10%)	282.5	281.7	-
Protection	0.7	0.6	17%	2.4	2.7	(11%)
Total	209.1	192.2	9%	762.9	637.2	20%

% of total new business	89%	86%	88%	86%
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**ST. JAMES'S PLACE WEALTH MANAGEMENT
NEW BUSINESS FIGURES TO 31 DECEMBER 2013
THIRD PARTY NEW BUSINESS**

For the three months:

- Investment into various schemes (e.g. VCT, EIS etc.) of £59.9 million (2012: £21.9 million), amounting to £6.0 million (2012: £2.2 million) on an APE basis.
- Single investments into group pensions, annuities and SIPPS of £85.8 million (2012: £119.6 million) and regular contributions of £5.1 million (2012: £10.4 million), amounting to £13.7 million (2012: £22.3 million) on an APE basis.
- Protection business of £6.0 million regular premiums (2012: £7.1 million).
- Total new business, on an APE basis, of £25.7 million (2012: £31.6 million).

For the twelve months:

- Investments of £206.3 million (2012: £72.5 million), amounting to £20.6 million (2012: £7.2 million) on an APE basis.
- Pension single investments of £384.8 million (2012: £384.7 million) and regular contributions of £21.5 million (2012: £39.8 million), amounting to £60.0 million (2012: £78.3 million) on an APE basis.
- Protection business of £21.7 million regular premiums (2012: £20.6 million).
- Total new business, on an APE basis, of £102.3 million (2012: £106.1 million).

Funds under Management

During the fourth quarter of 2013 we have once again seen a net inflow of funds under management which, at £1.3 billion (2012: £1.09 billion), brings the total net inflow for the year to date to £4.3 billion (2012: £3.35 billion).

The increase in the world stock markets together with these strong net inflows have resulted in funds under management increasing to £44.3 billion, growth of 6% during the quarter and 27% since the start of the year.

The table below provides an analysis of the movement in funds under management:

	Unaudited Year Ended 31 December 2013	Unaudited Year Ended 31 December 2012
	£'bn	£'bn
Opening funds under management	34.8	28.5
New money invested	6.8	5.6
Net investment return	5.2	3.0
	<hr/> 46.8	<hr/> 37.1
Regular income withdrawals & maturities	(0.7)	(0.7)
Surrenders & part surrenders	(1.8)	(1.6)
Closing funds under management	<hr/> 44.3 <hr/>	<hr/> 34.8 <hr/>
Implied surrender rate as a % of average funds under management	<hr/> 4.7%	<hr/> 4.9%

Analysis of Funds under Management

The following table provides an analysis of the funds under management at 31 December split by geography and asset type:

	FUM £'bn	% of total
UK Equities	13.3	30%
North American Equities	8.4	19%
European Equities	5.0	11%
Asia & Pacific Equities	3.9	9%
Property	1.1	2%
Fixed Interest	6.1	14%
Alternative Investments	1.3	3%
Cash	3.6	8%
Other	1.6	4%
	<hr/>	<hr/>
Total	<hr/> 44.3 <hr/>	<hr/> 100% <hr/>

Capital

There have been no material changes to solvency capital during the final quarter. The investment policy for non-linked assets remains on a prudent basis, with no exposure to equity investments: non-linked liabilities are matched by government backed gilts and bonds, and surplus assets are invested in AAA rated money market funds.