



## **ST. JAMES'S PLACE plc**

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### **PRESS RELEASE**

**26 January 2017**

### **ST. JAMES'S PLACE WEALTH MANAGEMENT**

### **RECORD FLOWS IN FINAL QUARTER DRIVE FUNDS UNDER MANAGEMENT TO £75 BILLION**

St. James's Place plc ("SJP"), the wealth management group, today issues an update on new business inflows and funds under management for the three months ended 31 December 2016.

- Gross inflow of funds at £3.3 billion was up 30% in the quarter, taking the total for the year to £11.4 billion, up 23%
- Continued strong retention of client funds – 95%
- Net inflow of funds of £2.1 billion was up 26% in the quarter and 17% for the year at £6.8 billion
- Group funds under management of £75.3 billion up 28% for the year
- We now have 3,415 qualified advisers, up 10% for the year

#### **David Bellamy, Chief Executive, commented:**

"I am delighted to announce that the momentum we reported in October continued into the final quarter. We achieved record flows which, together with characteristically high retention of clients and the strong investment returns they enjoyed, lifted funds under management to £75.3 billion. Alongside these fund flows, we've continued to expand our capacity to attract new clients and build upon our existing client relationships, both in the UK and in Asia, and this bodes well for our future growth.

These results and the continued resilience of our business reinforce our confidence in our strategy and the outstanding job our advisers do in managing their clients' financial affairs and the benefits of our distinctive investment management approach.

Despite challenging market conditions and some surprising political events, 2016 has been another record-breaking year for St. James's Place. We've achieved strong growth across all the key aspects of the business and I believe that we are better placed today for the opportunities that lie ahead than ever before."

The details of the announcement are attached.

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## 1. Funds under management

Movements in funds under management over both the most recent quarter and the past 12 months, are analysed in the tables below:

<b>Twelve Months Ended 31 December 2016</b>	<b>Investment</b>	<b>Pension</b>	<b>UT/ISA &amp; DFM</b>	<b>Total</b>
	<b>£'Billion</b>	<b>£'Billion</b>	<b>£'Billion</b>	<b>£'Billion</b>
Opening funds under management	22.52	20.86	15.23	58.61
Rowan Dartington acquisition	-	-	1.26	1.26
Gross inflows	2.28	5.12	3.95	11.35
Net investment return	2.12	4.40	2.19	8.71
Regular income withdrawals and maturities	(0.52)	(0.84)	(0.11)	(1.47)
Surrenders and part surrenders	(0.90)	(0.91)	(1.29)	(3.10)
Rowan Dartington - Ardan International disposal	-	-	(0.05)	(0.05)
<b>Closing funds under management</b>	<b>25.50</b>	<b>28.63</b>	<b>21.18</b>	<b>75.31</b>
Net inflows	0.86	3.37	2.55	6.78
Implied surrender rate as a percentage of average funds under management	3.7%	3.7%	6.8%	4.6%

Included within "UT/ISA & DFM" are gross inflows of £0.42 billion and outflows of £0.16 billion relating to Rowan Dartington. Also included is the £0.05 billion reduction in funds under management relating to the disposal of Rowan Dartington's non-core international platform business, Ardan International, in December 2016.

In addition, there was a further £466 million of funds under management in third party funds within our Asia business.

<b>Twelve Months Ended 31 December 2015</b>	<b>Investment</b>	<b>Pension</b>	<b>UT/ISA</b>	<b>Total</b>
	<b>£'Billion</b>	<b>£'Billion</b>	<b>£'Billion</b>	<b>£'Billion</b>
Opening funds under management	21.14	18.08	12.79	52.01
Gross inflows	2.45	3.66	3.13	9.24
Net investment return	0.19	0.38	0.25	0.82
Regular income withdrawals and maturities	(0.48)	(0.62)	-	(1.10)
Surrenders and part surrenders	(0.78)	(0.64)	(0.94)	(2.36)
<b>Closing funds under management</b>	<b>22.52</b>	<b>20.86</b>	<b>15.23</b>	<b>58.61</b>
Net inflows	1.19	2.40	2.19	5.78
Implied surrender rate as a percentage of average funds under management	3.6%	3.3%	6.7%	4.3%

In addition, there was a further £430 million of funds under management in third party funds within our Asia business.

<b>Three Months Ended 31 December 2016</b>	<b>Investment</b>	<b>Pension</b>	<b>UT/ISA &amp; DFM</b>	<b>Total</b>
	<b>£'Billion</b>	<b>£'Billion</b>	<b>£'Billion</b>	<b>£'Billion</b>
Opening funds under management	25.08	26.36	19.94	71.38
Gross inflows	0.67	1.48	1.13	3.28
Net investment return	0.15	1.26	0.52	1.93
Regular income withdrawals and maturities	(0.13)	(0.23)	(0.04)	(0.40)
Surrenders and part surrenders	(0.27)	(0.24)	(0.32)	(0.83)
Rowan Dartington - Ardan International disposal	-	-	(0.05)	(0.05)
<b>Closing funds under management</b>	<b>25.50</b>	<b>28.63</b>	<b>21.18</b>	<b>75.31</b>
Net inflows	0.27	1.01	0.77	2.05

<b>Three Months Ended 31 December 2015</b>	<b>Investment</b>	<b>Pension</b>	<b>UT/ISA</b>	<b>Total</b>
	<b>£'Billion</b>	<b>£'Billion</b>	<b>£'Billion</b>	<b>£'Billion</b>
Opening funds under management	21.37	19.03	14.07	54.47
Gross inflows	0.60	1.12	0.80	2.52
Net investment return	0.85	1.04	0.62	2.51
Regular income withdrawals and maturities	(0.12)	(0.16)	-	(0.28)
Surrenders and part surrenders	(0.18)	(0.17)	(0.26)	(0.61)
<b>Closing funds under management</b>	<b>22.52</b>	<b>20.86</b>	<b>15.23</b>	<b>58.61</b>
Net inflows	0.30	0.79	0.54	1.63

## 2. Analysis of funds under management

The following table provides an analysis of the funds under management at 31 December 2016 split by geography and asset type:

	31 December 2016		31 December 2015	
	£'Billion	% of total	£'Billion	% of total
North American Equities	17.5	23%	13.1	22%
UK Equities	17.3	23%	15.6	27%
Fixed Interest	12.8	17%	8.8	15%
European Equities	8.2	11%	6.2	11%
Asia & Pacific Equities	6.2	8%	4.9	8%
Cash	6.0	8%	4.6	8%
Property	2.4	3%	2.2	4%
Alternative Investments	1.9	3%	1.3	2%
Other	3.0	4%	1.9	3%
<b>Total</b>	<b>75.3</b>	<b>100%</b>	<b>58.6</b>	<b>100%</b>

## 3. Gross inflow figures

	3 Months to 31 December		12 Months to 31 December	
	2016	2015	2016	2015
	£'Billion	£'Billion	£'Billion	£'Billion
<b>Gross inflows</b>				
Investment	0.67	0.60	2.28	2.45
Pension	1.48	1.12	5.12	3.66
Unit Trust and ISA	1.13	0.80	3.95	3.13
	<b>3.28</b>	<b>2.52</b>	<b>11.35</b>	<b>9.24</b>

## 4. Analysis of Partner & adviser numbers

Within 2,378 Partner businesses (2015: 2,264), we now have 3,415 qualified advisers (2015: 3,113).