



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

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

### **PRESS RELEASE**

**5 May 2011**

#### **ST. JAMES'S PLACE WEALTH MANAGEMENT INTERIM MANAGEMENT STATEMENT FOR THREE MONTHS TO 31 MARCH 2011**

#### **CONTINUED STRONG GROWTH WITH NEW BUSINESS UP 18% AND NEW INVESTMENTS OF £1.3 BILLION**

St. James's Place plc ("SJP"), the wealth management group, today issues its interim management statement for the three months ended 31 March 2011.

Highlights for the three months are:

##### New Business

- Total new single investments of £1,288 million (2010: £1,115 million) up 16%
- Combined unit trust and ISA investments of £360.3 million (2010: £295.6 million) up 22%, with ISA business up 28%
- Total new business on an Annual Premium Equivalent (APE) basis of £156.7 million (2010: £133.3 million) up 18%

##### Funds under Management

- Funds under management of £28.0 billion, up 4% for the year to date and 20% over the twelve months
- Net inflow of funds under management of £0.8 billion and continued 95% retention

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

"We are pleased to report a good start to the year for St. James's Place, with the Group having grown new business 18% against what was a strong comparator for 2010. Funds under management have grown 4% to £28.0 billion despite little help from stock markets over the quarter, highlighting the continued momentum in new business together with our excellent retention of existing client funds.

The increasing breadth of our investment proposition and the strength of our distribution leaves us well placed to deliver continued strong growth in the business going forward."

The details of the announcement are attached.

##### **Enquiries:**

David Bellamy, Chief Executive	Tel: 020 7514 1963
Andrew Croft, Group Finance Director	Tel: 020 7514 1963
Tulchan Communications Group Ltd	Tel: 020 7353 4200
John Sunnucks / Mal Patel	

**ST. JAMES'S PLACE GROUP  
NEW BUSINESS FIGURES  
FIRST QUARTER 2011  
TOTAL  
LONG TERM SAVINGS**

	<b>Unaudited 3 Months to 31 March 2011</b>		
<b>NEW PREMIUMS</b>	<b>2011 £'m</b>	<b>2010 £'m</b>	<b>Change %</b>
<b>New Regular Premiums</b>			
- Pensions	23.3	17.4	34%
- Protection	4.6	4.4	5%
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	<b>27.9</b>	<b>21.8</b>	<b>28%</b>
	<hr/>	<hr/>	<hr/>
<b>New Single Premiums</b>			
- Investment	518.0	441.0	17%
- Pensions	410.0	378.4	8%
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	<b>928.0</b>	<b>819.4</b>	<b>13%</b>
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<b>Unit Trust Sales (including PEPs and ISAs)</b>	<b>360.3</b>	<b>295.6</b>	<b>22%</b>

	<b>2011 £'m</b>	<b>2010 £'m</b>	<b>Change %</b>
<b>NEW BUSINESS (RP + 1/10<sup>th</sup> SP)</b>			
<b>Investment</b>	87.8	73.7	19%
<b>Pensions</b>	64.3	55.2	16%
<b>Protection</b>	4.6	4.4	5%
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<b>Total</b>	<b>156.7</b>	<b>133.3</b>	<b>18%</b>
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**ST. JAMES'S PLACE GROUP  
NEW BUSINESS FIGURES  
FIRST QUARTER 2011  
MANUFACTURED  
LONG TERM SAVINGS**

	<b>Unaudited 3 Months to 31 March 2011</b>		
<b>NEW PREMIUMS</b>	<b>2011 £'m</b>	<b>2010 £'m</b>	<b>Change %</b>
<b>New Regular Premiums</b>			
- Pensions	18.3	15.1	21%
- Protection	1.3	1.3	-
	<hr/>	<hr/>	<hr/>
	<b>19.6</b>	<b>16.4</b>	<b>20%</b>
	<hr/>	<hr/>	<hr/>
<b>New Single Premiums</b>			
- Investment	506.2	437.3	16%
- Pensions	377.0	340.2	11%
	<hr/>	<hr/>	<hr/>
	<b>883.2</b>	<b>777.5</b>	<b>14%</b>
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<b>Unit Trust Sales (including PEPs and ISAs)</b>	<b>360.3</b>	<b>295.6</b>	<b>22%</b>

<b>NEW BUSINESS (RP + 1/10<sup>th</sup> SP)</b>	<b>2011 £'m</b>	<b>2010 £'m</b>	<b>Change %</b>
<b>Investment</b>	86.6	73.3	18%
<b>Pensions</b>	56.0	49.1	14%
<b>Protection</b>	1.3	1.3	-
	<hr/>	<hr/>	<hr/>
<b>Total</b>	<b>143.9</b>	<b>123.7</b>	<b>16%</b>
	<hr/>	<hr/>	<hr/>

% of total new business	92%	93%
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**ST. JAMES'S PLACE GROUP  
NEW BUSINESS FIGURES  
FIRST QUARTER 2011  
NON MANUFACTURED  
LONG TERM SAVINGS**

- Investment premiums of £11.9 million (2010: £3.7 million), amounting to £1.2 million (2010: £0.4 million) on an APE basis.
- Pension single premiums of £32.9 million (2010: £38.2 million) and regular premiums of £5.0 million (2010: £2.3 million), amounting to £8.3 million (2010: £6.1 million) on an APE basis.
- Protection business of £3.3 million regular premiums (2010: £3.1 million).
- Total new business, on an APE basis, of £12.8 million (2010: £9.6 million).



## Commentary

During the first quarter of 2011 market conditions for our business have remained positive with economic headlines gradually improving and the corporate sector generally performing well. Investment appetite remains healthy in spite of increased market volatility driven by events in the Middle East and Japan during the period.

Against this backdrop we have seen a continuation of the strong new business growth reported in the final quarter of 2010.

### Review of new business

Total new single investments for the quarter at £1.3 billion were up 16% with strong growth across all categories of business. ISA business in particular was very strong recording growth of 28%.

On the APE measure new business for the quarter was up 18% with investment business up 19% and pension business up 16%.

Our manufactured business also performed strongly recording growth in the quarter of 16% and represented 92% of total business.

### Funds under management

The continued momentum in new business together with 95% retention of existing client funds, has resulted in funds under management increasing by £1.0 billion during the quarter to £28.0 billion.

The table below provides an analysis of the movement in funds under management for the three months.

	Unaudited	
	3 months to 31 March 2011	3 months to 31 March 2010
	£' bn	£' bn
Opening funds under management	27.0	21.4
New money invested	1.3	1.1
Net investment return	0.2	1.2
	<hr/> 28.5	<hr/> 23.7
Regular income withdrawals & maturities	(0.1)	(0.1)
Surrenders & part surrenders	<hr/> (0.4)	<hr/> (0.3)
Closing funds under management	<hr/> 28.0	<hr/> 23.3
Annualised surrender rate as a % of average funds under management	<hr/> 5.3%	<hr/> 5.1%

The net asset value per share at 31 March 2011 was around 366 pence.

## **Capital**

There have been no material changes to group solvency capital during the period.

## **Outlook**

The enduring need for individuals to save for their retirement bodes well for wealth management companies.

Our business model of face to face advice through our own distribution, together with the increasing breadth of our investment proposition leaves us well placed for continued strong growth in the business going forward.