



ST. JAMES'S PLACE plc

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

PRESS RELEASE

29 April 2014

ST. JAMES'S PLACE WEALTH MANAGEMENT INTERIM MANAGEMENT STATEMENT FOR THREE MONTHS TO 31 MARCH 2014

26% INCREASE IN NET INFLOW SEES FUNDS UNDER MANAGEMENT GROW TO £45.8 BILLION

Highlights*:

- Total new single investments of £1.8 billion (2013: £1.5 billion) – up 22%
- Continued strong retention of clients' funds under management – 95%
- Net inflow of funds under management of £1.2 billion (2013: £0.9 billion) – up 26%
- Funds under management of £45.8 billion (2013: £39.0 billion) – up 17% over 12 months and 3.4% since the beginning of the year.
- SJP new business on an APE basis of £205.4 million (2013: £170.6 million) – up 20%

* See notes to editors

David Bellamy, Chief Executive, commented:

“I am very pleased to report another strong quarter of net inflows resulting in our client funds under management increasing by £1.5 billion to £45.8 billion.

Against the strong first quarter comparatives of last year and some volatility in equity markets, our Partners attracted £1.8 billion of new single investments, up 22% on the same period last year. Coupled with strong retention of existing client funds, we are able to report a 26% increase in net inflows of £1.2 billion.

Alongside this positive momentum in new business, we have recently extended our range of fund managers with the additions of Woodford Investment Management, Threadneedle Investments, Wasatch Advisors and Manulife Asset Management to our increasingly broad range of funds and fund managers. The fact that we are able to attract and retain some of the most respected asset managers from around the world is a strong endorsement for our investment proposition. Whilst providing real added value to our UK based clients, it will also underpin our expansion into the Far East expatriate market where we are close to receiving the necessary regulatory approvals to complete the acquisition of the Singapore based Henley Group.

We are also encouraged by the pensions and savings initiatives announced in last month's budget and fully support any steps that simplify the current regime and encourage savings for the future.

Demand for trusted wealth management advice remains as high as ever which, twinned with good growth in Partner numbers in recent years, means that we are well placed to maintain momentum in our business in line with our medium term growth objectives.”

The details of the announcement are attached.

Enquiries:

David Bellamy, Chief Executive Officer	Tel: 020 7514 1963
Andrew Croft, Chief Financial Officer	Tel: 020 7514 1963
Tony Dunk, Investor Relations Director	Tel: 020 7514 1963

Bell Pottinger	Tel: 020 7861 3923
John Sunnucks & Ben Woodford	

Notes to Editors

About St. James's Place:

St. James's Place Wealth Management is a leading UK wealth manager providing face-to face financial advice through the St. James's Place Partnership, to individuals, trustees and businesses. The company carefully selects external managers of outstanding ability to manage the range of its funds and operates on a Partnership principle which plays the leading role in delivering the wealth management service. The company provides advice to over 400,000 clients based on a review of individual circumstances to ensure investment strategies are aligned to client objectives.

Founded in 1991, St. James's Place was listed on the London Stock Exchange in 1997 and is now a constituent of the FTSE 100 Index.

The Henley Group

Based in Singapore, the Henley Group is a well respected adviser business with an existing team of advisers based in Singapore, Hong Kong & Shanghai.

Key Reporting Metric

As previously indicated the Board consider our own business to be the key reporting metric for new business and both the current year and prior year numbers reflect this. Third party new business can be found on page 6. Shareholders can find historic data on this new basis of reporting via our Investor Relations website at <http://www1.sjp.co.uk/investor-relations/results-archive/2014>.

Contents

1. Commentary and outlook
2. Funds under management
3. SJP new business
4. Third party new business

1. Commentary and Outlook

The first quarter of 2014 has seen a more positive economic outlook for the world's developed economies and whilst this confidence has not been matched by higher stock markets, there has been a further improvement in retail investor sentiment.

This has contributed to strong levels of new business, with a 22% increase in new single investments to £1.8 billion and a particularly strong 37% growth in unit trust and ISA business.

This level of new business, together with the continued excellent retention of existing client funds, resulted in a net inflow of funds under management of £1,191 million up 26%.

On 3 April we announced a number of significant changes to our range of fund managers and portfolios that will take effect from April 2014. These include the announcement that we will be the first company to launch a segregated mandate with Neil Woodford's new venture, Woodford Investment Management, demonstrating the strengths of our investment approach and the importance of our direct relationship with investment managers. In addition, we will be appointing Manulife Asset Management (Paul Boyne and Doug McGraw), Threadneedle Investments (Richard Colwell, Stephen Thornber and Jim Cielinski) and Wasatch Advisers (Ajay Krishnan and Roger Edgley) to our investment proposition.

The changes result from regular reviews conducted by the Investment Committee and Stamford Associates to ensure the best outcome for clients. The committee believes that these manager changes will help St. James's Place clients achieve their long term objectives to build and maintain capital.

EEV net asset value per share

The net asset value on the European Embedded Value basis at 31 March 2014 was approximately 590 pence per share (580 pence after the payment of the full year dividend).

Capital

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

Outlook

Demand for trusted wealth management advice remains as high as ever which, twinned with good growth in Partner numbers in recent years, means that we are well placed to maintain momentum in our business in line with our medium term growth objectives.

2. Funds under Management

During the first quarter of 2014 we have once again seen a net inflow of funds under management which, at £1,191 million, was some 26% higher than the £947 million for the first quarter of 2013.

Given this strong net inflow, total funds under management increased to £45.8 billion despite the slight fall in the world stock markets (with the FTSE100 index for example down some 2%).

	Unaudited 3 Months Ended 31 March 2014	Unaudited 3 Months Ended 31 March 2013
	£'bn	£'bn
Opening funds under management	44.3	34.8
New money invested*	1.9	1.6
Net investment return	0.3	3.3
	<hr/> 46.5	<hr/> 39.7
Regular income withdrawals and maturities	(0.2)	(0.2)
Surrenders and part surrenders	(0.5)	(0.5)
Closing funds under management	<hr/> 45.8	<hr/> 39.0
Net inflows	<hr/> 1.2	<hr/> 0.9
Implied surrender rate as a percentage of average funds under management	<hr/> 4.3%	<hr/> 5.1%

* Includes gross new single investments together with the current year contributions in respect of regular investments plans

Analysis of Funds under Management

The following table provides an analysis of the funds under management at 31 March 2014 split by geography and asset type:

	FUM	% of total
	£'bn	
UK Equities	13.7	30%
North American Equities	8.9	19%
European Equities	5.4	12%
Asia & Pacific Equities	3.9	9%
Property	1.3	3%
Fixed Interest	6.3	14%
Alternative Investments	1.3	3%
Cash	3.4	7%
Other	1.6	3%
Total	<hr/> 45.8	<hr/> 100%

3. SJP New Business

	Unaudited 3 Months to 31 March		
	2014	2013	
	£'m	£'m	
New single investments			
Investment	623.9	498.3	
Pension	515.1	490.8	
Unit trust and ISA	671.4	489.4	
	<hr/>	<hr/>	
	1,810.4	1,478.5	+22%
New annualised regular investments			
Investment	3.2	3.3	
Pension	20.7	18.8	
Protection	0.5	0.6	
	<hr/>	<hr/>	
	24.4	22.7	+7%
Total new business (APE)*			
Investment	132.7	102.1	
Pension	72.2	67.9	
Protection	0.5	0.6	
	<hr/>	<hr/>	
	205.4	170.6	+20%

*Calculated as 1/10th single investments plus the annualised regular investments

4. Third Party New Business

In addition to SJP new business, the Partnership also advises on the products and services of a number of selected third party providers.

- Investment into various schemes (eg VCT and EIS etc)
- Pensions: Group Personal Pension Schemes, Annuities and SIPPs
- Protection and general insurance

During the three month period the total third party single new business was £166.5 million (2013: £122.9 million) and total annualised new regular business was £9.5 million (2013: £16.3 million).