



ST. JAMES'S PLACE

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| Share trading data as at 8 May 2014 | |
| Ticker (London) | STJ |
| Market Capitalisation | £4.1bn |
| Price | 793p |
| 12-month Price Range | 488-908p |
| Dividend Yield (12/13) | 2% |
| Fiscal Year End | December |

St. James's Place Plc is a FTSE 100 financial services group that provides high quality wealth management services to businesses and individuals across the UK. With around 400,000 wealth management clients and £45.8bn in funds under management as at 31 March 2014. St. James's Place is well established as one of the UK's leading wealth managers. The strength of the Group's adviser-led approach to wealth management, twinned with a proven investment management proposition, leaves St. James's Place uniquely positioned to benefit from favourable long-term demographic and market opportunities in wealth management.

St. James's Place announced its 2013 final results in February, reporting 20% growth in its own new business to £762.9m (on an APE basis), a 26% rise in EEV operating profits to £462.7m, a 42% increase in IFRS profit before shareholder tax to £190.7m, and a strong increase in Partnership numbers to 1,958. In addition, the underlying cash result for the year was £168.8m, an increase of 84% reflecting the increasing maturity of the business and the impact of higher stock market levels during the year. Driven by strong new business flows and excellent fund retention, net inflows totalled £4.3bn in 2013, up 28%.

THE MARKET PLACE

There are more than 9m individuals in the UK with between £50,000 and £5m in liquid assets. This segment is forecast to control an aggregate £2 trillion in investable assets by 2016.

The UK population is ageing while the state and corporate sectors are shifting the burden of retirement onto individuals. These favourable demographics, twinned with an ever-increasing tax burden, will create further demand for high quality wealth management services over the longer term.

'VERTICALLY INTEGRATED' BUSINESS MODEL

Key to the success of St. James's Place is the group's own dedicated distribution network, known as the Partnership, which benefits from the strength of the St. James's Place brand. As at end-December 2013, St. James's Place had nearly 2,000 high-quality and experienced advisor businesses which are focused on establishing long term client relationships. Through the Partnership, the group has been able to consistently achieve predictable and high quality new business flows, as well as sustainable asset accumulation through exceptional fund retention and strong client advocacy.

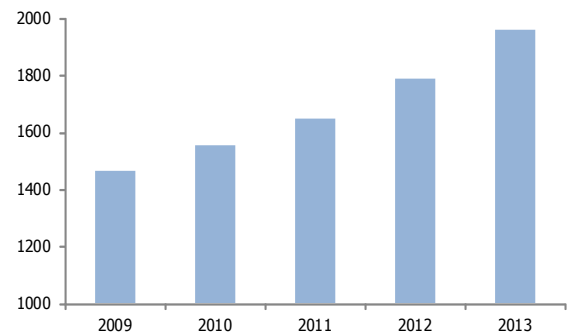
The drivers of growth in new business sales are two-fold: increasing the scale and the productivity of the Partnership. The Partnership has grown in size for eleven successive years and new business per Partner has increased steadily over time. Whilst the demand for high quality face-to-face advice is rising, the number of active financial advisers in the UK has continued to reduce. This provides St. James's Place with a compelling competitive advantage.

In February 2012, St. James's Place re-launched the Academy, a training and development programme for experienced City professionals and those with a non-finance industry background, as well as a parallel programme for sons and daughters of existing Partners who aspire to join the business. These initiatives complement St. James's Place's traditional advisor recruitment activities.

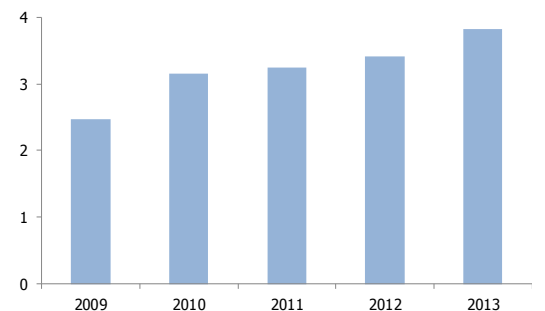
DISTINCT INVESTMENT MANAGEMENT APPROACH

St. James's Place has a distinctive approach to investment management. The Group has no in-house team of investment managers, believing that no single investment house can have a monopoly of investment expertise. Instead St. James's Place selects a number of leading external managers from around the world to manage its broad range of funds. The cornerstone of this approach is the Investment Committee who 'manage the fund managers' on behalf of clients. In addition, St. James's Place retains an independent investment consulting firm, Stamford Associates, which plays a crucial role in selection and management. This approach provides St. James's Place with both the flexibility to respond to market conditions as they change and also the confidence that it is employing the best fund managers for its clients.

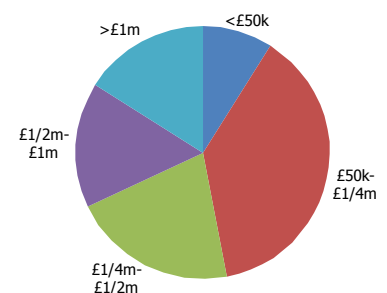
Number of Partners



Single premiums per Partner (£m)



FUM by Value of Client



FUNDS UNDER MANAGEMENT

The combination of new business sales growth, positive investment returns and consistently strong fund retention rates, has seen St. James's Place grow funds under management by 22% per annum over the past five years, to £44.3bn as at end-2013. Since then, strong inflows have seen funds under management grow further to £45.8bn as at 31 March 2014.

DELIVERING GROWTH

In spite of the difficult market conditions that have prevailed through much of the past five years, St. James's Place has delivered 16% compound annual growth in new investments over this period, in line with the Group's target of 15-20% pa growth over the longer term.

Reflecting confidence in the cash earnings of the business as the in-force book continues to mature, St. James's Place announced with its 2013 results a 50% increase in the full year dividend. This followed three successive years of 33% annual dividend growth. Going forward, the Group announced it anticipates a dividend increase in the range of 30 to 40% in 2014.

STRONG CAPITAL POSITION

The Group operates with a robust balance sheet. St. James's Place has regulatory capital well in excess of solvency requirements. The Group has a prudent investment policy for managing solvency assets - being predominantly in cash, AAA rated money market funds and UK government securities.

The Group does not offer options or guarantees on its investment products, is not exposed to longevity risk through an annuity book and uses a prudent reinsurance programme to manage the mortality and morbidity risks.

FINANCIAL REPORTING

St. James's Place reports its financial results twice yearly at the half and full year stage. In addition the company updates its new business sales and funds under management quarterly, via the interim management statements.

Results are reported on both a statutory, IFRS, basis as well as on a European embedded value basis (EEV) which aims to reflect the future value of in-force life business accruing to shareholders in the income statement and balance sheet. Deeming the latter to provide a more meaningful basis for long term performance analysis, the Group's key financial performance measures are growth in: new business profits, EPS and net asset value per share on an EEV basis as well as growth in sales on an annual premium equivalent (APE) basis and funds under management.

RETAIL DISTRIBUTION REVIEW

As a vertically integrated business that acts as both distributor and manufacturer, St. James's Place is well placed to take advantage of the opportunities that RDR will continue to present going forward.

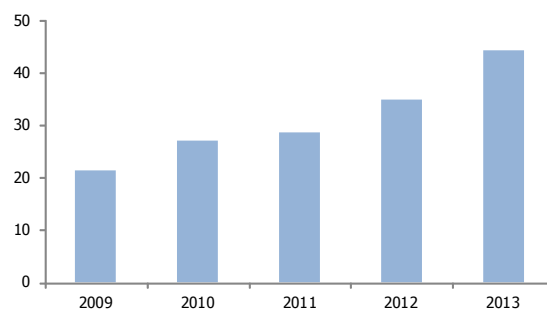
EXPERIENCED MANAGEMENT TEAM

St. James's Place is led by a very experienced executive management team, which comprises David Bellamy (Chief Executive), Andrew Croft (Chief Financial Officer), Ian Gascoigne (Managing Director - Partnership) and David Lamb (Managing Director -Business Development).

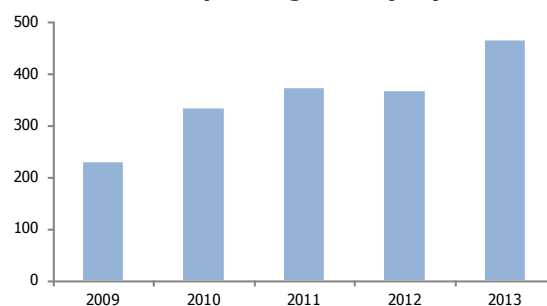
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Funds Under Management (£bn)



EEV Operating Profit (£m)



Dividends per share(p)

