



ST. JAMES'S PLACE plc
27 St. James's Place, London SW1A 1NR
Telephone 020 7493 8111 Facsimile 020 7493 2382

PRESS RELEASE

22 January 2015

ST. JAMES'S PLACE WEALTH MANAGEMENT

FUNDS UNDER MANAGEMENT INCREASE TO A RECORD £52 BILLION

St. James's Place plc ("SJP"), the wealth management group, today issues its new business update for the twelve months ended 31 December 2014.

Highlights:

- Total new single investments of £7.8 billion (2013: £6.6 billion) – up 18%
- Retention of clients existing funds under management at 96%
- Net inflow of funds under management of £5.09 billion (2013: £4.23 billion) – up 20%
- Funds under management of £52 billion (2013: £44.3 billion) – up 17%
- SJP new business on an APE basis of £895.6 million (2013: £762.9 million) – up 17%
- Partnership numbers up 8.9% to 2,132 (including new Partners in Asia)
- Total number of qualified advisers up 10.3% to 2,835

David Bellamy, Chief Executive, commented:

"I am delighted to report another record year of new investments. These results, together with the continued strong retention of our client funds and positive investment returns, saw our funds under management increase by £7.7 billion to a record £52 billion.

We attracted over 50,000 new clients in the year and our record on retention underpins our belief that, as well as the positive investment returns and the individual advice they can rely on, clients value the human relationship and highly personal interaction that our proposition delivers. This is evidenced by the consistency of our growth in recent years with funds under management growing by a compound 19% pa for both the last 5 year and 10 year periods.

I'm also pleased to report that through the continued acquisition of established advisers, the integration of our acquisition in Asia and Academy students graduating in the year, we start 2015 with 10% more qualified advisers in the St. James's Place Partnership, which bodes well for the future.

Despite the uncertainty that markets face in 2015, the momentum of our business, coupled with the increasing need for professional financial advice, reinforces our confidence in the future growth opportunities."

The details of the announcement are attached.

Enquiries:

David Bellamy, Chief Executive Officer
Andrew Croft, Chief Financial Officer
Tony Dunk, Investor Relations Director

Tel: 020 7514 1963
Tel: 020 7514 1963
Tel: 020 7514 1963

Bell Pottinger
John Sunnucks & Ben Woodford

Tel: 020 3772 2566

Contents

1. Funds under management
2. SJP new business
3. Third party new business
4. Capital and dividend

1. Funds under Management

During the fourth quarter of 2014 we have once again seen a net inflow of funds under management which, at £1.38 billion (2013: £1.21 billion), brings the total net inflow for the year to date to £5.09 billion (2013: £4.23 billion), up 20%.

Given this strong net inflow, total funds under management increased to £52 billion.

	Unaudited 3 Months to 31 December		Unaudited 12 Months to 31 December	
	2014	2013	2014	2013
	£'BN	£'BN	£'BN	£'BN
Opening funds under management	49.1	41.8	44.3	34.8
New money invested*	2.1	1.9	7.9	6.8
Net investment return	1.5	1.2	2.6	5.2
Regular income withdrawals and maturities	(0.2)	(0.2)	(0.9)	(0.7)
Surrenders and part surrenders	(0.5)	(0.4)	(1.9)	(1.8)
Closing funds under management	52.0	44.3	52.0	44.3
Net inflows	1.38	1.21	5.09	4.23
Implied surrender rate as a percentage of average funds under management			4.0%	4.7%

* 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 December:

	31 December 2014		31 December 2013	
	£'BN	% of total	£'BN	% of total
UK Equities	14.9	29%	13.3	30%
North American Equities	10.4	20%	8.4	19%
Fixed Interest	7.1	14%	6.1	14%
European Equities	6.0	11%	5.0	11%
Asia & Pacific Equities	4.8	9%	3.9	9%
Cash	4.4	8%	3.6	8%
Property	1.5	3%	1.1	2%
Alternative Investments	0.9	2%	1.3	3%
Other	2.0	4%	1.6	4%
Total	52.0	100%	44.3	100%

2. SJP New Business

	Unaudited 3 Months to 31 December			Unaudited 12 Months to 31 December		
	2014	2013		2014	2013	
	£'M	£'M		£'M	£'M	
New single investments						
Investment	649.1	702.3		2,449.9	2,314.4	
Pension	609.5	537.0		2,187.4	1,964.4	
Unit Trust and ISA	754.0	568.5		3,126.1	2,300.2	
	<u>2,012.6</u>	<u>1,807.8</u>	+11%	<u>7,763.4</u>	<u>6,579.0</u>	+18%
New annualised regular investments						
Investment	5.3	4.8		18.0	16.5	
Pension	28.0	22.8		99.0	86.1	
Protection	0.6	0.7		2.3	2.4	
	<u>33.9</u>	<u>28.3</u>	+20%	<u>119.3</u>	<u>105.0</u>	+14%
Total new business (APE)*						
Investment	145.6	131.9		575.6	478.0	
Pension	88.9	76.5		317.7	282.5	
Protection	0.6	0.7		2.3	2.4	
	<u>235.1</u>	<u>209.1</u>	+12%	<u>895.6</u>	<u>762.9</u>	+17%

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

3. 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

For the three month period to 31 December 2014, the total third party single new business was £143.6 million (2013: £145.7 million) and total annualised new regular business was £15.2 million (2013: £11.1 million).

For the twelve month period to 31 December 2014, the total third party single new business was £598.1 million (2013: £591.1 million) and total annualised new regular business was £51.8 million (2013: £43.2 million).

4. Capital and Dividend

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.

Dividend

As stated at the time of our half year results announcement, the Board expects to increase the full year dividend by 40% and this remains our intention.