



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

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### **PRESS RELEASE**

**25 October 2016**

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

#### **STRONG INFLOWS AND INVESTMENT PERFORMANCE DRIVE FUNDS UNDER MANAGEMENT TO A RECORD £71 BILLION**

St. James's Place plc ("SJP"), the wealth management group, today issues its update on new business inflows and funds under management for the three months ended 30 September 2016.

- Gross inflows of funds under management of £2.80 billion (2015: £2.32 billion)
- Continued strong retention of client funds – 95%
- Net inflow of funds under management of £1.66 billion (2015: £1.48 billion)
- Group funds under management of £71.4 billion (2015: £54.5 billion)

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

“The third quarter fell between two political turning points in the UK: the EU referendum result announced on 24 June and Theresa May's first Brexit planning speech on 3 October. However, despite the backdrop of political uncertainty, it's been very much business as usual and we've maintained good momentum in the business since the half year, with new investments in the most recent three months 21% higher at £2.8 billion. Together with the continued high retention of clients and their investments, this resulted in net inflows in the period of £1.66 billion. At £71.4 billion, Group funds under management are £12.8 billion higher than at the beginning of the year.

The globally diverse range of funds and portfolios we offer, continues to serve our clients well. However, recognising the growing client demand for income, we were pleased to announce the launch of a new Worldwide Income fund earlier this month, managed by the investment team at Investec Asset Management, based in Cape Town and led by Clyde Rossouw.

These results and continued resilience of our business give us further confidence that, through the outstanding job our Partners do in managing their clients' financial affairs and our distinctive approach to the management of their wealth, we can continue to grow our business in line with our objectives in the final quarter of 2016 and beyond.”

The details of the announcement are attached.

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On Monday 31 October, St. James's Place will host a Capital Markets Briefing for analysts and investors at Numis Securities, The London Stock Exchange Building, 10 Paternoster Square, London, EC4M 7LT. The meeting will commence at 3pm and finish at 5pm.

The event will provide attendees the opportunity to hear senior members of our executive management team talk about the Partnership, the value of advice and our culture.

A full recording of the meeting will be published shortly after the event.

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## 1. Funds under Management

During the third quarter of 2016 gross inflows to our funds under management were up 21% at £2.80 billion (2015: £2.32 billion) and we continue to experience high retention of existing clients and their investments, such that we are able to report net inflows of £1.66 billion (2015: £1.48 billion) in the quarter.

<b>Nine Months Ended 30 September 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	1.61	3.64	2.82	8.07
Net investment return	1.97	3.14	1.67	6.78
Regular income withdrawals and maturities	(0.39)	(0.61)	(0.07)	(1.07)
Surrenders and part surrenders	(0.63)	(0.67)	(0.97)	(2.27)
<b>Closing funds under management</b>	<b>25.08</b>	<b>26.36</b>	<b>19.94</b>	<b>71.38</b>
Net inflows	0.59	2.36	1.78	4.73
Implied surrender rate as a percentage of average funds under management	3.5%	3.7%	7.1%	4.6%

Included within “UT/ISA & DFM” are gross inflows of £0.31 billion and outflows from regular income withdrawals and maturities of £0.11 billion in relation to the Rowan Dartington Group funds under management.

In addition, there is a further £443 million of funds under management in third party funds within our Asia business.

<b>Nine Months Ended 30 September 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	1.85	2.54	2.33	6.72
Net investment return	(0.66)	(0.66)	(0.37)	(1.69)
Regular income withdrawals and maturities	(0.36)	(0.46)	-	(0.82)
Surrenders and part surrenders	(0.60)	(0.47)	(0.68)	(1.75)
<b>Closing funds under management</b>	<b>21.37</b>	<b>19.03</b>	<b>14.07</b>	<b>54.47</b>
Net inflows	0.89	1.61	1.65	4.15
Implied surrender rate as a percentage of average funds under management	3.8%	3.4%	6.8%	4.4%

In addition, there was a further £428 million of funds under management in third party funds within our Asia business.

<b>Three Months Ended 30 September 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	23.59	23.79	18.18	65.56
Gross inflows	0.57	1.24	0.99	2.80
Net investment return	1.27	1.75	1.14	4.16
Regular income withdrawals and maturities	(0.13)	(0.21)	(0.03)	(0.37)
Surrenders and part surrenders	(0.22)	(0.21)	(0.34)	(0.77)
<b>Closing funds under management</b>	<b>25.08</b>	<b>26.36</b>	<b>19.94</b>	<b>71.38</b>
Net inflows	0.22	0.82	0.62	1.66

<b>Three Months Ended 30 September 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	21.93	19.39	14.14	55.46
Gross inflows	0.62	0.96	0.74	2.32
Net investment return	(0.89)	(0.98)	(0.60)	(2.47)
Regular income withdrawals and maturities	(0.12)	(0.17)	-	(0.29)
Surrenders and part surrenders	(0.17)	(0.17)	(0.21)	(0.55)
<b>Closing funds under management</b>	<b>21.37</b>	<b>19.03</b>	<b>14.07</b>	<b>54.47</b>
Net inflows	0.33	0.62	0.53	1.48

## 2. Analysis of Funds under Management

The following table provides an analysis of the funds under management at 30 September 2016 split by geography and asset type:

	30 September 2016		30 September 2015	
	£'Billion	% of total	£'Billion	% of total
UK Equities	16.8	24%	15.3	28%
North American Equities	15.7	22%	11.4	21%
Fixed Interest	11.7	16%	8.3	15%
European Equities	7.7	11%	5.9	11%
Asia & Pacific Equities	6.3	9%	4.5	8%
Cash	5.4	7%	4.1	8%
Property	2.2	3%	2.1	4%
Alternative Investments	1.6	2%	1.2	2%
Other*	4.0	6%	1.7	3%
<b>Total</b>	<b>71.4</b>	<b>100%</b>	<b>54.5</b>	<b>100%</b>

\*Included within "Other" is £1.5 billion (2015: Nil) in relation to Rowan Dartington Group funds under management.

## 3. Gross Inflow Figures

	Unaudited 3 Months to 30 September		Unaudited 9 Months to 30 September		
	2016	2015	2016	2015	
	£'Billion	£'Billion	£'Billion	£'Billion	
<b>Gross inflows</b>					
Investment	0.57	0.62	1.61	1.85	
Pension	1.24	0.96	3.64	2.54	
Unit Trust and ISA	0.99	0.74	2.82	2.33	
	<b>2.80</b>	<b>2.32</b>	<b>8.07</b>	<b>6.72</b>	<b>+20%</b>

## 4. EEV Net Asset Value per Share

The net asset value on the European Embedded Value basis at 30 September 2016 was approximately 850 pence per share (cum div) and 838 pence per share after the payment of the interim dividend on 30 September 2016.