



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

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

#### **CONTINUED GROWTH IN NEW INFLOWS TAKES FUNDS UNDER MANAGEMENT TO OVER £100 BILLION**

St. James's Place plc, the wealth management group, today issues its update on new business inflows and funds under management for the nine months ended 30 September 2018.

#### **New Investment and Funds under Management**

- Gross inflow of funds of £11.75 billion (2017: £10.46 billion), up 12%.
- Continued strong retention of client funds – 96%.
- Net inflow of funds of £7.68 billion (2017: £6.66 billion), up 15%.
- Group funds under management – £100.6 billion (2017: £85.7 billion), up 11% since the beginning of the year and 17% over the twelve months.

#### **Andrew Croft, Chief Executive, commented:**

“Building on the exceptional growth we achieved over the last two years, I am pleased to report continued growth in the third quarter. Gross flows, at £3.83 billion, were 7% higher than the prior year comparator, which itself was up 28%. This takes the year to date gross flows to £11.75 billion, growth of 12%. With continued strong retention, net flows for the nine months were up 15% to £7.68 billion, taking funds under management to a record £100.6 billion, up 11% since the start of the year and 17% over the twelve months.

We have delivered this continued growth despite both tough comparatives and a more challenging environment for the industry, once again demonstrating our resilience in these market conditions.

There remains growing demand for high-quality financial advice, notwithstanding the current macro and geo-political uncertainty. With the strength and professionalism of the Partnership, together with the breadth of our client proposition, we have a major and sustainable competitive advantage. Consequently, we remain confident in our ability to grow our business in line with our stated objectives over the medium-term.”

The details of the announcement are attached.

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## 1. Funds under Management

Nine Months Ended 30 September 2018	Investment	Pension	UT/ISA & DFM	Total
	£'Billion	£'Billion	£'Billion	£'Billion
Opening funds under management	28.31	36.15	26.29	90.75
Gross inflows	1.76	6.59	3.40	11.75
Net investment return	0.49	1.31	0.36	2.16
Regular income withdrawals and maturities	(0.37)	(0.89)	-	(1.26)
Surrenders and part surrenders	(0.74)	(0.81)	(1.26)	(2.81)
<b>Closing funds under management</b>	<b>29.45</b>	<b>42.35</b>	<b>28.79</b>	<b>100.59</b>
Net inflows	0.65	4.89	2.14	7.68
Implied surrender rate as a percentage of average funds under management	3.4%	2.8%	6.1%	3.9%

Included within “UT/ISA & DFM” are closing funds under management of £2.42 billion, gross inflows of £0.41 billion and outflows of £0.08 billion in relation to the Rowan Dartington Group funds under management.

Not included within Group funds under management is a further £438 million of funds under management in third party funds within our Asia business.

Nine Months Ended 30 September 2017	Investment	Pension	UT/ISA & DFM	Total
	£'Billion	£'Billion	£'Billion	£'Billion
Opening funds under management	25.88	28.25	21.18	75.31
Gross inflows	1.85	5.04	3.57	10.46
Net investment return	1.15	1.67	1.17	3.99
Regular income withdrawals and maturities	(0.42)	(0.70)	-	(1.12)
Surrenders and part surrenders	(0.85)	(0.68)	(1.15)	(2.68)
Matching strategy disinvestment	(0.13)	(0.14)	-	(0.27)
<b>Closing funds under management</b>	<b>27.48</b>	<b>33.44</b>	<b>24.77</b>	<b>85.69</b>
Net inflows	0.58	3.66	2.42	6.66
Implied surrender rate as a percentage of average funds under management	4.3%	3.0%	6.7%	4.4%

Included within “UT/ISA & DFM” are closing funds under management of £1.96 billion, gross inflows of £0.37 billion and outflows of £0.08 billion in relation to the Rowan Dartington Group funds under management.

Not included within Group funds under management is a further £500 million of funds under management in third party funds within our Asia business.

<b>Three Months Ended 30 September 2018</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	28.89	39.84	27.88	96.61
Gross inflows	0.55	2.23	1.05	3.83
Net investment return	0.37	0.85	0.29	1.51
Regular income withdrawals and maturities	(0.12)	(0.30)	-	(0.42)
Surrenders and part surrenders	(0.24)	(0.27)	(0.43)	(0.94)
<b>Closing funds under management</b>	<b>29.45</b>	<b>42.35</b>	<b>28.79</b>	<b>100.59</b>
Net inflows	0.19	1.66	0.62	2.47

<b>Three Months Ended 30 September 2017</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	27.17	31.92	23.95	83.04
Gross inflows	0.61	1.82	1.16	3.59
Net investment return	0.07	0.17	0.05	0.29
Regular income withdrawals and maturities	(0.13)	(0.24)	-	(0.37)
Surrenders and part surrenders	(0.24)	(0.23)	(0.39)	(0.86)
<b>Closing funds under management</b>	<b>27.48</b>	<b>33.44</b>	<b>24.77</b>	<b>85.69</b>
Net inflows	0.24	1.35	0.77	2.36

## 2. Analysis of Funds under Management

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

	30 September 2018		30 September 2017	
	£'Billion	% of total	£'Billion	% of total
North American Equities	21.8	22%	18.8	22%
Fixed Interest	19.5	19%	15.0	17%
UK Equities	18.7	19%	19.2	22%
Asia & Pacific Equities	10.7	11%	7.4	9%
European Equities	10.6	10%	10.0	12%
Cash	7.0	7%	6.7	8%
Alternative Investments	4.8	5%	2.3	3%
Property	3.1	3%	2.8	3%
Other	4.4	4%	3.5	4%
<b>Total</b>	<b>100.6</b>	<b>100%</b>	<b>85.7</b>	<b>100%</b>

## 3. Gross Inflow Figures

	Unaudited 3 Months to 30 September		Unaudited 9 Months to 30 September		
	2018	2017	2018	2017	
	£'Billion	£'Billion	£'Billion	£'Billion	
<b>Gross inflows</b>					
Investment	0.55	0.61	1.76	1.85	
Pension	2.23	1.82	6.59	5.04	
Unit Trust and ISA	1.05	1.16	3.40	3.57	
	<b>3.83</b>	<b>3.59</b>	<b>11.75</b>	<b>10.46</b>	<b>+12%</b>

## 4. EEV Net Asset Value per Share

The net asset value on the European Embedded Value basis at 30 September 2018 was approximately 1165 pence per share (cum div) and 1150 pence per share after the payment of the interim dividend on 28 September 2018.