



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

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### **PRESS RELEASE**

**25 January 2018**

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

#### **RECORD INFLOWS AND STRONG INVESTMENT RETURNS DRIVE FUNDS UNDER MANAGEMENT 20% HIGHER TO £90.7 BILLION**

St. James's Place plc ("SJP"), the wealth management group, today issues an update on new business inflows and funds under management for the twelve months ended 31 December 2017.

- Gross inflows of funds of £14.6 billion – up 29%
- Continued strong retention of client funds – 96%
- Net inflow of funds of £9.5 billion – up 40%
- Group funds under management of £90.7 billion – up 20%
- Qualified advisers 3,661 – up 7%

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

“It gives me great pleasure to confirm that the strong performance we experienced in the first nine months of 2017 continued into the final quarter, making 2017 a record year.

Gross inflows for the final quarter exceeded £4 billion taking full year inflows to £14.6 billion, growth of 29%. The continued strong and improving retention of client funds provided for net inflows of over £2.8 billion in the quarter and £9.5 billion for the twelve months, growth of 40%. This result, together with positive investment returns, increased funds under management by £15.4 billion to £90.7 billion, growth of 20%.

At the heart of this sustained growth is the importance we place on maintaining long lasting relationships with, and between, our Partners and clients and serving them well. We continue to see a growing demand for advice and it is therefore also pleasing to report a 7% increase in the number of qualified advisers across our Partner businesses.

Our continuing focus on achieving the best possible outcomes for our clients, through the provision of trusted financial advice and our distinctive investment management approach, gives us confidence that we will continue to grow our business, in line with our objectives, in 2018 and beyond”

The details of the announcement are attached.

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## 1. Funds under Management

Twelve Months Ended 31 December 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	2.49	7.26	4.85	14.60
Net investment return	1.69	2.70	1.81	6.20
Regular income withdrawals and maturities	(0.56)	(0.96)	-	(1.52)
Surrenders and part surrenders	(1.06)	(0.96)	(1.55)	(3.57)
Matching strategy disinvestment	(0.13)	(0.14)	-	(0.27)
<b>Closing funds under management</b>	<b>28.31</b>	<b>36.15</b>	<b>26.29</b>	<b>90.75</b>
Net inflows	0.87	5.34	3.30	9.51
Implied surrender rate as a percentage of average funds under management	3.9%	3.0%	6.5%	4.3%

Included within “UT/ISA & DFM” are closing funds under management of £2.11 billion, gross inflows of £0.49 billion and outflows of £0.10 billion in relation to the Rowan Dartington Group funds under management.

In addition, there is a further £496 million of funds under management in third party funds within our Asia business.

Twelve Months Ended 31 December 2016	Investment	Pension	UT/ISA & DFM	Total
	£'Billion	£'Billion	£'Billion	£'Billion
Opening funds under management	22.52	20.86	15.23	58.61
Rowan Dartington acquisition	-	-	1.26	1.26
Gross inflows	2.28	5.12	3.95	11.35
Net investment return	2.50	4.02	2.19	8.71
Regular income withdrawals and maturities	(0.52)	(0.84)	(0.11)	(1.47)
Surrenders and part surrenders	(0.90)	(0.91)	(1.29)	(3.10)
Rowan Dartington – Ardan International disposal	-	-	(0.05)	(0.05)
<b>Closing funds under management</b>	<b>25.88</b>	<b>28.25</b>	<b>21.18</b>	<b>75.31</b>
Net inflows	0.86	3.37	2.55	6.78
Implied surrender rate as a percentage of average funds under management	3.7%	3.7%	6.8%	4.6%

Included within “UT/ISA & DFM” are closing funds under management of £1.57 billion, gross inflows of £0.42 billion and outflows of £0.16 billion in relation to the Rowan Dartington Group funds under management. Also included is the £0.05 billion reduction in funds under management relating to the disposal of Rowan Dartington’s non-core international platform business, Ardan International, in December 2016.

In addition, there is a further £466 million of funds under management in third party funds within our Asia business.

<b>Three Months Ended 31 December 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	27.48	33.44	24.77	85.69
Gross inflows	0.64	2.22	1.28	4.14
Net investment return	0.54	1.03	0.64	2.21
Regular income withdrawals and maturities	(0.14)	(0.26)	-	(0.40)
Surrenders and part surrenders	(0.21)	(0.28)	(0.40)	(0.89)
<b>Closing funds under management</b>	<b>28.31</b>	<b>36.15</b>	<b>26.29</b>	<b>90.75</b>
Net inflows	0.29	1.68	0.88	2.85

<b>Three Months Ended 31 December 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	25.08	26.36	19.94	71.38
Gross inflows	0.67	1.48	1.13	3.28
Net investment return	0.53	0.88	0.52	1.93
Regular income withdrawals and maturities	(0.13)	(0.23)	(0.04)	(0.40)
Surrenders and part surrenders	(0.27)	(0.24)	(0.32)	(0.83)
Rowan Dartington – Ardan International disposal	-	-	(0.05)	(0.05)
<b>Closing funds under management</b>	<b>25.88</b>	<b>28.25</b>	<b>21.18</b>	<b>75.31</b>
Net inflows	0.27	1.01	0.77	2.05

## 2. Analysis of Funds under Management

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

	31 December 2017		31 December 2016	
	£'Billion	% of total	£'Billion	% of total
North American Equities	20.0	22%	17.5	23%
UK Equities	19.3	21%	17.3	23%
Fixed Interest	16.7	19%	12.8	17%
European Equities	10.5	12%	8.2	11%
Asia & Pacific Equities	8.5	9%	6.2	8%
Cash	6.6	7%	6.0	8%
Property	2.9	3%	2.4	3%
Alternative Investments	2.6	3%	1.9	3%
Other	3.6	4%	3.0	4%
<b>Total</b>	<b>90.7</b>	<b>100%</b>	<b>75.3</b>	<b>100%</b>

## 3. Gross Inflow Figures

	Unaudited 3 Months to 31 December		Unaudited 12 Months to 31 December		
	2017	2016	2017	2016	
	£'Billion	£'Billion	£'Billion	£'Billion	
<b>Gross inflows</b>					
Investment	0.64	0.67	2.49	2.28	
Pension	2.22	1.48	7.26	5.12	
Unit Trust/ISA & DFM	1.28	1.13	4.85	3.95	
	<b>4.14</b>	<b>3.28</b>	<b>14.60</b>	<b>11.35</b>	<b>+29%</b>

## 4. Analysis of Partner and Adviser Numbers

Within 2,415 Partner businesses (2016: 2,378), we now have 3,661 qualified advisers (2016: 3,415).