



# ST. JAMES'S PLACE plc

27 St. James's Place, London SW1A 1NR  
Telephone 020 7493 8111 Facsimile 020 7493 2382

## PRESS RELEASE

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### ST. JAMES'S PLACE WEALTH MANAGEMENT INTERIM MANAGEMENT STATEMENT FOR THREE MONTHS TO 31 MARCH 2008

#### TOTAL SINGLE INVESTMENTS REMAIN STRONG AT £759 MILLION

St. James's Place plc ("SJP"), the wealth management group, today issues its interim management statement for the three months ended 31 March 2008.

Highlights for the three months are:

- New total single investments at £759 million in line with 2007
- Pension single investments of £252 million up 8%
- Funds under management at £17.2 billion down 5% since the start of the year and up 6% over the last twelve months
- Total new business (on an annual premium equivalent) of £98.7 million up 1%

#### **Mike Wilson, Chairman, commented:**

"We are very pleased that, despite challenging market conditions, new business is ahead of the same period last year, which was itself up 41% on the prior year.

"We are confident that we will increase our market share in the current year and our new business target remains 15-20% over the longer term.

"Last week St. James's Place won the *Financial Times and Investors Chronicle* Wealth Manager of the Year Award, having won *The Daily Telegraph* Wealth Manager of the Year Award last year. Both awards are a tribute to the quality of the St. James's Place Partnership."

The details of the announcement are attached.

#### **Enquiries:**

Mike Wilson Chairman

Tel: 020 7514 1907

Anita Scott Brunswick  
Anna Jones

Tel: 020 7404 5959



## Commentary

During the first quarter of 2008 we have seen a continuation of the credit crisis witnessed in the later part of 2007, continued volatile world stock markets and growing concerns about a global downturn.

We always viewed the first quarter of 2008 as challenging due to the 41% growth achieved in the corresponding period last year.

Given these factors we are very pleased to have achieved growth in overall business which demonstrates the resilience of the St. James's Place Partnership.

### Review of new business

Pension investments increased by 8% across both regular and single investments as clients continue to invest for their long term future and to utilise the tax advantages to pension savings.

Investment bond business at £349 million remained strong and in line with last year whilst unit trust sales were down by 11% to £158 million.

Finally protection business, which represents less than 5% of the total APE, was some 6% lower than the corresponding quarter last year, partly as a result of the slowing housing market.

### Funds under management

Despite global markets having fallen around 10% over the first quarter, funds under management at 31 March 2008 were £17.2 billion, down only 5% over the same period, and up 6% over the last twelve months.

The table below provides an analysis of the movement in funds under management during the quarter.

	<b>Unaudited 3 Months to 31 March 2008 £'bn</b>
Opening funds under management	18.2
New money invested	0.7
Net investment return	<u>(1.4)</u>
	17.5
Regular income withdrawals & maturities	(0.1)
Surrenders & part surrenders	<u>(0.2)</u>
<b>Closing funds under management</b>	<b>17.2</b>
Annualised surrender rate as a % of average funds under management	<u>5.0%</u>

## **Capital**

There have been no material changes to capital during the first quarter. The investment policy for the surplus assets remains on a prudent basis, which has immunised the capital base from both stock market falls and credit write downs.

## **Outlook**

We are confident we will increase our market share in the current year despite the more challenging market conditions and are also confident of achieving strong growth in the size of the Partnership for the third consecutive year.

Our new business growth target remains 15-20% per annum over the longer term.

**ST. JAMES'S PLACE GROUP  
NEW BUSINESS FIGURES  
FIRST QUARTER 2008  
LONG TERM SAVINGS**

	<b>Unaudited 3 Months to 31 March 2008</b>		
<b>NEW PREMIUMS</b>	<b>2008 £'m</b>	<b>2007 £'m</b>	<b>Change %</b>
<b>New Regular Premiums</b>			
<b>Pensions</b>	18.3	17.0	8%
<b>Protection</b>	4.5	4.8	(6%)
	<hr/> <b>22.8</b> <hr/>	<hr/> <b>21.8</b> <hr/>	<hr/> <b>5%</b> <hr/>
<b>New Single Premiums</b>			
<b>Investment</b>	349.2	350.8	0%
<b>Pensions</b>	251.8	232.3	8%
	<hr/> <b>601.0</b> <hr/>	<hr/> <b>583.1</b> <hr/>	<hr/> <b>3%</b> <hr/>
<b>Unit Trust Sales</b> (including PEPs and ISAs)	<b>158.2</b>	<b>177.2</b>	<b>(11%)</b>

<b>NEW BUSINESS (RP + 1/10<sup>th</sup> SP)</b>	<b>2008 £'m</b>	<b>2007 £'m</b>	<b>Change %</b>
<b>Investment</b>	50.7	52.8	(4%)
<b>Pensions</b>	43.5	40.2	8%
<b>Protection</b>	4.5	4.8	(6%)
	<hr/> <b>98.7</b> <hr/>	<hr/> <b>97.8</b> <hr/>	<hr/> <b>1%</b> <hr/>
<b>Total</b>			

**ST. JAMES'S PLACE GROUP  
NEW BUSINESS FIGURES  
FIRST QUARTER 2008**

**Notes**

1. New business from long term savings is calculated in accordance with the standard industry measure of adding together new regular premiums and one-tenth of single premiums and unit trust sales ('APE').
2. Sales of manufactured business on an APE basis for the three months was 85% of the total reported (2007: 89%).

Sales of non-manufactured pensions including stakeholder by St. James's Place Partnership have been included in the reported figures under Pensions. These amount to £5.2 million new regular premiums (2007: £4.1 million) and £5.6 million single premiums (2007: £6.2 million) for the three months to 31 March 2008. This equates to £5.8 million new business premiums (2007: £4.7 million).

Sales of annuities by St. James's Place Partnership have been included in the reported figures under Pensions. These amount to £18.3 million single premiums (2007: £15.7 million) for the three months to 31 March 2008 and equate to £1.8 million new business premiums (2007: £1.6 million).

Sales of protection business by St. James's Place Partnership through a panel of providers have been included in the reported figures under New Regular Premium Protection. These amount to £2.7 million of new regular premiums (2007: £2.8 million) for the three months to 31 March 2008. This equates to £2.7 million new business premiums (2007: £2.8 million).

Sales of non-manufactured single premium investment business amounting to £40.7 million (2007: £16.5 million) have been included in the figures under investments for the three months to 31 March 2008. This equates to £4.1 million new business premiums (2007: £1.6 million).

3. Gross fees generated from other wealth management services amounted to £6.2 million for the three months to 31 March 2008 (2007: £7.9 million).