



# ST. JAMES'S PLACE plc

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## PRESS RELEASE

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### ST. JAMES'S PLACE WEALTH MANAGEMENT INTERIM MANAGEMENT STATEMENT FOR THREE MONTHS TO 30 SEPTEMBER 2010

#### TOTAL NEW INVESTMENTS OF £1.1 BILLION UP 32%

St. James's Place plc ("SJP"), the wealth management group, today issues its interim management statement for the three months ended 30 September 2010.

Highlights for the three months are:

#### New Business

- Total single investments of £1.1 billion (2009: £0.8 billion), up 32%
- Total new business on an APE basis of £136.5 million (2009: £104.6 million), up 30%
- Our own business represents 89% of the total

#### Funds Under Management

- Net inflow of funds under management of £700 million (2009: £600 million)
- Continue to retain 95% of existing clients' funds
- Funds under management of £24.8 billion, up £2.4 billion over the three months

#### David Bellamy, Chief Executive, commented:

"We are delighted with the continued momentum in new business and investment inflows during the quarter, which is attributable to the increasing breadth of our investment offering and the strength of our distribution.

This performance, together with the recovery in world stock markets, has given rise to strong growth in funds under management to £24.8 billion. Funds under management have now doubled over the last five years.

Although the outlook was uncertain earlier in the year, 2010 is proving to be a very successful year for St. James's Place. While we are up against tougher comparatives in the short term we remain confident in our ability to deliver average new business growth within our 15-20% per annum range over the medium term."

The details of the announcement are attached.

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**ST. JAMES'S PLACE WEALTH MANAGEMENT**  
**NEW BUSINESS FIGURES TO 30 SEPTEMBER 2010**  
**TOTAL LONG TERM SAVINGS**

	Unaudited 3 Months to 30 September 2010			Unaudited 9 Months to 30 September 2010		
	2010 £'m	2009 £'m	Change %	2010 £'m	2009 £'m	Change %
<b>NEW PREMIUMS</b>						
<b>New Regular Premiums</b>						
- Pensions	20.7	15.8	31%	64.8	56.0	16%
- Protection	5.3	5.3	-	14.7	14.2	4%
	<hr/> <b>26.0</b>	<hr/> <b>21.1</b>	<hr/> <b>23%</b>	<hr/> <b>79.5</b>	<hr/> <b>70.2</b>	<hr/> <b>13%</b>
<b>New Single Premiums</b>						
- Investment	474.7	353.5	34%	1,423.4	934.1	52%
- Pensions	370.2	280.1	32%	1,120.0	829.9	35%
	<hr/> <b>844.9</b>	<hr/> <b>633.6</b>	<hr/> <b>33%</b>	<hr/> <b>2,543.4</b>	<hr/> <b>1,764.0</b>	<hr/> <b>44%</b>
<b>Unit Trust Sales</b> (including PEPs and ISAs)	<hr/> <b>259.6</b>	<hr/> <b>201.2</b>	<hr/> <b>29%</b>	<hr/> <b>952.3</b>	<hr/> <b>609.5</b>	<hr/> <b>56%</b>

  

	Unaudited 3 Months to 30 September 2010			Unaudited 9 Months to 30 September 2010		
	2010 £'m	2009 £'m	Change %	2010 £'m	2009 £'m	Change %
<b>NEW BUSINESS</b> (RP + 1/10 <sup>TH</sup> SP)						
<b>Investment</b>	73.5	55.5	32%	237.6	154.4	54%
<b>Pensions</b>	57.7	43.8	32%	176.8	139.0	27%
<b>Protection</b>	5.3	5.3	-	14.7	14.2	4%
	<hr/> <b>136.5</b>	<hr/> <b>104.6</b>	<hr/> <b>30%</b>	<hr/> <b>429.1</b>	<hr/> <b>307.6</b>	<hr/> <b>40%</b>
<b>Total</b>	<hr/> <b>136.5</b>	<hr/> <b>104.6</b>	<hr/> <b>30%</b>	<hr/> <b>429.1</b>	<hr/> <b>307.6</b>	<hr/> <b>40%</b>

**ST. JAMES'S PLACE WEALTH MANAGEMENT  
NEW BUSINESS FIGURES TO 30 SEPTEMBER 2010  
MANUFACTURED LONG TERM SAVINGS**

	Unaudited 3 Months to 30 September 2010			Unaudited 9 Months to 30 September 2010		
	2010 £'m	2009 £'m	Change %	2010 £'m	2009 £'m	Change %
<b>NEW PREMIUMS</b>						
<b>New Regular Premiums</b>						
- Pensions	15.5	14.4	8%	50.3	46.7	8%
- Protection	1.3	1.3	-	3.7	3.5	6%
	<b>16.8</b>	<b>15.7</b>	<b>7%</b>	<b>54.0</b>	<b>50.2</b>	<b>8%</b>
<b>New Single Premiums</b>						
- Investment	458.4	345.6	33%	1,387.5	920.2	51%
- Pensions	335.1	252.5	33%	1,012.0	741.8	36%
	<b>793.5</b>	<b>598.1</b>	<b>33%</b>	<b>2,399.5</b>	<b>1,662.0</b>	<b>44%</b>
<b>Unit Trust Sales</b> (including PEPs and ISAs)	<b>259.6</b>	<b>201.2</b>	<b>29%</b>	<b>952.3</b>	<b>609.5</b>	<b>56%</b>

	Unaudited 3 Months to 30 September 2010			Unaudited 9 Months to 30 September 2010		
	2010 £'m	2009 £'m	Change %	2010 £'m	2009 £'m	Change %
<b>NEW BUSINESS (RP + 1/10<sup>TH</sup> SP)</b>						
<b>Investment</b>	71.8	54.7	31%	234.0	153.0	53%
<b>Pensions</b>	49.0	39.7	23%	151.5	120.9	25%
<b>Protection</b>	1.3	1.3	-	3.7	3.5	6%
	<b>122.1</b>	<b>95.7</b>	<b>28%</b>	<b>389.2</b>	<b>277.4</b>	<b>40%</b>

% of total new business

89%	91%
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91%	90%
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**ST. JAMES'S PLACE WEALTH MANAGEMENT  
NEW BUSINESS FIGURES TO 30 SEPTEMBER 2010  
NON MANUFACTURED LONG TERM SAVINGS**

For the three months:

- Investment premiums of £16.3 million (2009: £8.0 million), amounting to £1.6 million (2009: £0.8 million) on an APE basis.
- Pension single premiums of £35.1 million (2009: £27.6 million) and regular premiums of £5.2 million (2009: £1.4 million), amounting to £8.7 million (2009: £4.1 million) on an APE basis.
- Protection business of £4.0 million regular premiums (2009: £4.0 million).
- Total new business, on an APE basis, of £14.3 million (2009: £8.9 million).

For the nine months:

- Investment premiums of £35.9 million (2009: £14.0 million), amounting to £3.6 million (2009: £1.4 million) on an APE basis.
- Pension single premiums of £108.0 million (2009: £88.1 million) and regular premiums of £14.5 million (2009: £9.3 million), amounting to £25.3 million (2009: £18.1 million) on an APE basis.
- Protection business of £11.0 million regular premiums (2009: £10.7 million).
- Total new business, on an APE basis, of £39.9 million (2009: £30.2 million).



## Commentary

During the third quarter of 2010, despite continuing economic headwinds, there was a welcome recovery in world stock markets.

In the three months we have continued to experience strong new business growth which combined with the continuing excellent retention of existing business resulted in a strong net inflow of funds under management for the quarter.

### Review of new business

Total new business for the three months, on the APE measure, was up 30% at £136.5 million whilst the manufactured business, which represented 89% of the business, was up 28% to £122.1 million.

Total single investments increased by 32% during the third quarter to £1,104.5 million, with strong growth in all categories of business.

Total regular premium business increased during the quarter by 23%, as a result of a 31% increase in pensions business regular premiums.

### Funds under management

The growth in stock markets combined with net inflows of £700 million during the quarter has led to funds under management at 30 September of £24.8 billion – an increase of £2.4 billion and up 11% during the quarter.

We are continuing to develop our range of funds and have recently launched a new income fund managed by Artemis Investment Management and appointed Artisan Partners as the replacement manager for one of our managed funds.

The table below provides an analysis of the movement in funds under management for the nine months to the end of September.

	<b>Unaudited 9 Months to 30 September 2010 £'bn</b>	<b>Unaudited 9 Months to 30 September 2009 £'bn</b>
Opening funds under management	21.4	16.3
New money invested	3.5	2.4
Net investment return	1.2	2.4
	26.1	21.1
Regular income withdrawals & maturities	(0.4)	(0.3)
Surrenders & part surrenders	(0.9)	(0.5)
<b>Closing funds under management</b>	<b>24.8</b>	<b>20.3</b>
Annualised surrender rate as a % of average funds under management	5.2%	3.9%

The rise in stock markets during the third quarter has resulted in a positive investment variance in the three months. The net asset value per share at 30 September 2010 on a European Embedded Value basis was around 320 pence.

**Capital**

There have been no material changes to solvency capital during the third quarter.

**Outlook**

Although the outlook was uncertain earlier in the year, 2010 is proving to be a very successful year for St. James's Place. While we are up against tougher comparatives in the short term we remain confident in our ability to deliver average new business growth within our 15-20% per annum range over the medium term.