

5 November 2015

**JUST RETIREMENT GROUP PLC
NEW BUSINESS UPDATE FOR THE QUARTER ENDING 30 SEPTEMBER 2015
MOMENTUM CONTINUES TO IMPROVE**

Just Retirement Group plc (“the Group”) announces its new business update for the three months ended 30th September 2015, the first quarter of its 2015/16 financial year.

Highlights:

- Total new business sales of £359.9m were achieved for the quarter, 41% higher than Q1 14/15
- Total Defined Benefit De-risking (DB) sales were £103.6m, more than four times Q1 14/15
- The Group today announces three further notable DB sales totalling £269m completed in October, two of which represent the largest transactions we have achieved in this segment so far. As a result the Group expects to write approximately £500m of DB sales in H1 2015/16
- Guaranteed Income for Life (GfL) sales were 7% higher than the comparative period in 2014, and as indicated in our 17 September results announcement, were up 26% compared to Q4 2014/15 (the immediately preceding quarter), reflecting the ongoing customer need for these key retirement planning products
- Lifetime mortgage advances of £114.4m represented an increase of 42% on Q1 14/15
- We are pleased to have completed our equity capital raising on 16th October and to have received CMA Phase 1 approval. The proposed merger with Partnership Assurance Group remains on track for completion in December, subject to PRA and shareholder approval

Rodney Cook, Group Chief Executive, said:

“I am delighted to be able to report continued progress in both individual and group business. We have delivered further strong growth in DB De-risking, and the GfL segment is showing continuing signs of recovery. A 41% increase in total sales confirms that our business is in good shape.

The DB De-risking team has again delivered real success, with more than a 300% increase in sales. The transactions announced today, including the £269m in October, take our DB De-risking business to over £1bn of sales since inception just over 2 years ago, which is a huge achievement.

The 7% increase in our GfL sales shows that the market is returning to this product, which continues to offer value for the majority of middle Britain consumers. For the first time our Q1 total Retirement Sales also benefit from our new propositions in both the UK and South Africa. Although it is early days for both initiatives, we believe there is real potential to satisfy customer needs in each area.

Overall, I remain positive about the outlook. In addition to our increased expectations for our DB business, we also believe that the improvement in GfL sales is sustainable.

These results mean we enter the proposed merger with Partnership Assurance Group with momentum, and I very much look forward to what we can achieve over the remainder of 2015/16 and beyond. I am more convinced than ever that we will be stronger together with Partnership, and that the best is yet to come.”

New business premiums	3 Months to 30/9/2015	3 Months to 30/9/2014	Change
	£m	£m	%
Defined Benefit De-risking Solutions	103.6	24.8	318
Guaranteed Income for Life Solutions ¹	138.3	129.3	7
Retirement Income Sales	241.9	154.1	57
Capped and Flexible Drawdown	3.6	20.2	(82)
Total Retirement sales	245.5	174.3	41
Lifetime mortgage advances	114.4	80.8	42
Total new business sales	359.9	255.1	41

1 Includes sales of Care Plans and Just Retirement South Africa

Commentary on sales in the quarter ending 30 September 2015

- The Group has continued to make good progress in the DB De-risking segment, with premiums of £103.6m in the quarter (Q1 14/15 - £24.8m). The pipeline for new business remains strong, and medical underwriting is becoming increasingly well-established as a strong value proposition for employee benefit consultants and their clients.
- GifL sales for Q1 15/16 of £138.3m were up 7% compared to Q1 14/15 and up 26% compared to Q4 14/15. This performance suggests that the guaranteed income for life segment has established a core level of demand following the pension reforms announced at Budget 2014. An ageing population and the trend to defined contribution savings should drive growth from this new base level. Although it is still early to determine how customers will use their new freedom, our diversified product offering and the quality of our service ensure that we are well-placed to respond to different customer retirement needs.
- Lifetime mortgage (LTM) advances amounted to £114.4m in the quarter, an increase of 42% on the prior year equivalent quarter. In anticipation of writing material volumes of DB in Q2 2015/16, we have chosen to take advantage of buoyant LTM market conditions, resulting in Q1 sales being ahead of our long term target ratio of 25% of GifL and DB. This will allow us to be selective as the year progresses and to manage the ratio down towards target levels in due course.

Enquiries

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A copy of this announcement will be available on Just Retirement's website www.justretirementgroup.com

JUST RETIREMENT GROUP PLC

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FINANCIAL CALENDAR:

Record date for final dividend
JR AGM and EGM
Payment of final dividend
Interim Results for the six months ended 31 December 2015

Date

13 November 2015
23 November
7 December 2015
23 February 2016

Forward looking statements disclaimer:

This announcement in relation to Just Retirement Group plc and its subsidiaries (the 'Group') contains, and we may make other statements (verbal or otherwise) containing, forward-looking statements about the Group's current plans, goals and expectations relating to future financial conditions, performance, results, strategy and/or objectives.

Statements containing the words: 'believes', 'intends', 'expects', 'plans', 'seeks', 'targets', 'continues' and 'anticipates' or other words of similar meaning are forward-looking (although their absence does not mean that a statement is not forward-looking). Forward-looking statements involve risk and uncertainty because they relate to future events and circumstances that are beyond the Group's control. For example, certain insurance risk disclosures are dependent on the Group's choices about assumptions and models, which by their nature are estimates. As such, although the Group believes its expectations are based on reasonable assumptions, actual future gains and losses could differ materially from those that we have estimated.

Other factors which could cause actual results to differ materially from those estimated by forward-looking statements include but are not limited to: domestic and global economic and business conditions; asset prices; market related risks such as fluctuations in interest rates and exchange rates, and the performance of financial markets generally; the policies and actions of governmental and/or regulatory authorities, including, for example, new government initiatives related to the provision of retirement benefits or the costs of social care and the effect of the European Union's "Solvency II" requirements on the Group's capital maintenance requirements; the impact of inflation and deflation; market competition; changes in assumptions in pricing and reserving for insurance business (particularly with regard to mortality and morbidity trends, gender pricing and lapse rates); risks associated with arrangements with third parties, including joint ventures and distribution partners; inability of reinsurers to meet obligations or unavailability of reinsurance coverage; the impact of changes in capital, solvency or accounting standards, and tax and other legislation and regulations in the jurisdictions in which the Group operates.

As a result, the Group's actual future financial condition, performance and results may differ materially from the plans, goals and expectations set out in the forward-looking statements within this announcement. The forward-looking statements only speak as at the date of this document and the Group undertakes no obligation to update or change any of the forward-looking statements contained within this announcement or any other forward-looking statements it may make. Nothing in this announcement should be construed as a profit forecast.