

Just Group PLC

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Just Group shares advance as its new business sales rise 15% in 2018

Just Group PLC (LON:JUST) was on the front foot after the retirement services firm said new business sales jumped 15% in 2018.

Total sales in the year to the end of December 2018 amounted to £2.8bn, up from £2.5bn a year earlier, according to a business update on Wednesday.

READ: Just Group shares surge after PRA equity release mortgages policy statement proves benign

Sales to companies looking to pass on the risk from their defined benefit, or final salary, pension schemes increased 32% to £1.3bn in what Just Group described as a "strong year for the market".

Chief executive, Richard Cook, said it was an "excellent" year for Just Group despite the "significant regulatory uncertainty" surrounding equity release mortgage rules.

In December, the Bank of England's Prudential Regulation Authority (PRA) released a policy statement on equity release mortgages being held to back annuity liabilities. The capital requirements from the PRA's consultation paper was not as bad as some had feared.

Cook said the company is "continuing to consider the optimal capital mix and level" for the business in order to provide a "prudent base to support our new business franchise, and to establish an appropriate dividend policy for shareholders".

"We remain focused on our disciplined pricing strategy and on achieving attractive returns on capital from new business and we have been increasingly selective in all our three main markets during the second half of the year in order to maximise returns," he said.

Guaranteed income for life sales dropped 4% to £786mIn last year as volumes slowed following price increases implemented after the PRA's paper was released.

Lifetime mortgage advances gained 18% to £602mIn as customer appetite and supply from insurers increased.

In afternoon trading, shares rose 1.8% to 101.8p.

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Price: 71.8

Market Cap: £743.19 m

1 Year Share Price Graph



January 2019 July 2019 January 2020

Share Information

Code: JUST

Listing: LSE

52 week High Low
110.3 35.29

Sector: Financial Services

Website: www.justgroupplc.co.uk

Company Synopsis:

JustGroup - formed in 2016 by the merger of Just Retirement and Partnership Group - is a specialist UK financial services group focusing on attractive segments of the UK retirement income market. The group is a leading and established provider of retirement income products and services to individual and corporate clients.

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