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Scottish Friendly announces growth in funds

Scottish Friendly, the Glasgow-based financial services group and Scotland's largest mutual life office, today announced growth of 22% in assets under management and administration to £2.3 billion from £1.8 billion in 2009.

Scottish Friendly's core life and pensions sales for 2009 were £7.6m, an increase of 18% over 2008's £6.5m, based on the industry standard of regular premiums plus one tenth of single premiums.

A return of 15.8% in Scottish Friendly's with-profits fund for 2009 was also announced which has gone some way to reverse the losses of 2009, caused primarily by the global financial crisis. This return has allowed Scottish Friendly to increase its current final bonus to members with maturing policies.

The financial services organisation reaped the benefits of its partnership programme with specialist providers such as Soccer Savings and Forces Financial as well as with industry names Pearl and Royal London.

Chairman Michael Walker said: "Scottish Friendly has continued to increase market awareness of the group, in particular as it develops its partnership distribution channel.

"While we expect the market for savings to be difficult in 2010, we have plans to develop new savings products and anticipate announcing further partnerships in the course of 2010."

Fiona McBain, Chief Executive, said: "The past two years have seen an unprecedented situation in financial services which has impacted on returns, however our growth strategy of recent years meant we were well placed to continue to expand the group, through product diversification and partnerships.

"The recession has caused people to be more concerned over their future financial security and the growth in our life and pensions business demonstrates that Scottish

Friendly is well placed to service these needs and emerge from the downturn in a far stronger position than we entered it. ”

Ends.

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About Scottish Friendly

www.scottishfriendly.co.uk is a progressive and modern financial services group. The group provides investors and their families with a wide range of products, from simple savings solutions, such as friendly society tax free savings plans and Child Trust Funds, to administration of sophisticated whole of market open architecture ‘wrap’ investments.