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SHIP FIRST QUARTER YEAR RESULTS TO 31 MARCH 2007

Record first quarter for SHIP members

Number of new plans on the increase and growing numbers of people choosing drawdown options

The twenty one members* of UK equity release industry body, SHIP (Safe Home Income Plans), that represents over 90% of the Equity Release sector, today report record first quarter figures to 31 March 2007 which demonstrate a marked growth in the market.

Overall Business Figures

The total number of new equity release plans sold in Q1 2007 increased almost 7%, year on year, from Q1 2006 (6,363 - 2006 to 6,785 - 2007) and highlights the fourth year of consistent growth. The total value of new business written reached £293.9 million, the highest Q1 figure to date, and contributed to an annual rolling year total figure of £1,169.2 million at the end of Q1 2007.

Home Reversions

Home reversions continued to grow strongly with the number of plans sold increasing almost 14% from Q1 2006 to Q1 2007 (363 – 2006 to 413 – 2007) and accounted for £22.5 million worth of new business.

Drawdown Mortgages

Whilst lifetime mortgages accounted for 94% of new business for SHIP members in Q1 2007, it was drawdown mortgage options that persisted in popularity. These plans accounted for 40% of all new equity release business in Q1 2007 compared to almost 20% in Q1 2006 and 7% in Q4 2005, when drawdown schemes were first introduced.

During Q1 2007 £92.9 million was taken from £198.5 million committed new business compared to £45.1 million taken from £87.0 million of committed new business in Q1 2006.

Jon King, Chief Executive of SHIP commented:

“The number of new equity release plans sold in Q1 2007 continues to increase, especially when figures are compared year on year with Q1 2006.

“Home reversion products are growing in popularity amongst consumers and with their formal regulation set in place earlier this month it is predicted that the number of these schemes taken will continue to rise markedly throughout this year and next.

“However, as the figures clearly show, it is drawdown mortgages that are proving the most successful of all equity release products available. The products’ flexibility allow individuals to draw only the amount they require at any given time without paying interest on what they don’t use. It seems customers are now becoming more aware of the potential of equity release and enjoying the degree of control that such products allow.”

-ENDS-

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Notes to Editors:

SHIP new business figures:

Period	Total SHIP £m	Period	Total SHIP £m
		2007 Q1	293.9
2006 FY	1154.3		
		2006 Q4	317.4
		2006 Q3	295.1
		2006 Q2	262.8
		2006 Q1	279.0
2005 FY	1103.5		
		2005 Q4	297.6
		2005 Q3	293.6
		2005 Q2	260.9
		2005 Q1	251.4
2004 FY	1192.3		
		2004 Q4	350.2
		2004 Q3	338.4
		2004 Q2	260.4
		2004 Q1	243.3
2003 FY	1161.40		
2002 FY	852		
2001 FY	572		

About SHIP:

Safe Home Income Plans (SHIP) is the UK's leading professional body for equity release product providers, representing the interests of its 21 members who provide home income and equity release plans. It was launched in 1991 to promote safe schemes. At present, 90% of the equity release market (in volume terms) is represented by SHIP members.

SHIP's current 21 members* are: Bradford and Bingley Ltd, Bridgewater Equity Release, Bristol and West Mortgages, Ecclesiastical Life, Hodge Equity Release, Home & Capital Trust, In Retirement Services, Just Retirement, Key Retirement Solutions, National Counties Building Society, New Life Mortgages, Northern Rock, Norwich Union, Partnership Home Loans, Portman Building Society, Prudential, Retirement Plus, Standard Life, Stonehaven Equity Release, Stroud and Swindon Building Society, Tomorrow.