

NS&I 2007-08 QUARTER 1 FINANCIAL REPORT

- **New five-year strategy launched**
- **NS&I annual report and accounts for 2006-07 to be published in August**

NS&I now reports quarterly on gross inflows and outflows, net financing (see Notes to Editors) and total stock. Each quarter, NS&I will issue these unaudited figures and will also continue to publish its annual report and audited accounts for each financial year. The figures below are for the first quarter of the financial year 2007-08.

Highlights

- Gross inflows (unaudited) for the quarter were just over £4.5 billion
- Net financing for the quarter was almost £2.3 billion

Quarterly figures

Qtr/year	Gross inflows	C&AI*	Gross outflows	Net financing**	Total stock
Q1 2007-08	4,516	521	2,733	2,304	81,203
2006-07	14,165	1,337	9,942	5,560	78,901
2005-06	11,976	1,198	8,317	4,857	73,341

All figures are in £ million (rounded up to the nearest whole number), 2007-08 figures only are unaudited and subject to change due to late transaction processing (evidence of identity), cancellation and any accounting adjustments

* Capitalised and accrued interest

** Net financing is NS&I's contribution to government funding

New five-year strategy: 'NS&I adding value'

NS&I is now operating under its new five-year business strategy, titled 'NS&I adding value'. The new strategy, to run from 2007-08 to 2011-12, will deliver sustainable long-term value to stakeholders by simplifying, modernising and diversifying the business.

NS&I adding value aims to deliver more than £1.6 billion of value added and £13 billion net financing by 2011-12.

NS&I adding value replaces the previous five-year strategy Direction 2007 which was actually closed a year early because, by the end of year four, it had achieved its aim

to raise £15 billion in net financing. The strategy delivered £1.1 billion value added over four years, against a target of £1.3 billion over the five years of the strategy.

NS&I annual report and accounts

The annual report and accounts containing the fully audited figures for the financial year 2006-07 will be published in mid-August 2007.

ENDS

Notes to editors

1. National Savings and Investments is one of the UK's largest savings and investments providers, with 27 million customers, offering retail savings and investments that are 100% secure, backed by HM Treasury. Its total balance of funds represents 16.3% of the national debt.

2. NS&I was formed in 1861 and is a government department and an executive agency of the Chancellor of the Exchequer, reporting to Kitty Ussher MP, Economic Secretary to the Treasury.

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