



Press Release

Latest Monthly Update

London, 30 September 2013

1 October 2013: JLT Employee Benefits (JLT EB) has updated its monthly index showing the funding position of all UK private sector defined benefit (DB) pension schemes under the standard accounting measure (IAS19 / FRS17) used in company reports and accounts.

As at 30 September 2013, JLT EB estimates the total DB pension scheme funding position as follows:

At 30 September 2013	Assets	Liabilities	Surplus / (Deficit)	Funding Level
FTSE 100 Companies	£494bn	£545bn	(£51bn)	91%
FTSE 350 Companies	£555bn	£612bn	(£57bn)	91%
All UK Private Sector Pension Schemes	£1,153bn	£1,299bn	(£146bn)	89%

For comparison, the corresponding figures as at 30 September 2012 are as follows:

<i>At 30 September 2012</i>	<i>Assets</i>	<i>Liabilities</i>	<i>Surplus / (Deficit)</i>	<i>Funding Level</i>
<i>FTSE 100 Companies</i>	<i>£449bn</i>	<i>£490bn</i>	<i>(£41bn)</i>	<i>92%</i>
<i>FTSE 350 Companies</i>	<i>£517bn</i>	<i>£564bn</i>	<i>(£47bn)</i>	<i>92%</i>
<i>All UK Private Sector Pension Schemes</i>	<i>£1,049bn</i>	<i>£1,190bn</i>	<i>(£141bn)</i>	<i>88%</i>

Charles Cowling, Director of JLT Employee Benefits comments:

“Excellent returns on growth assets and the impact of increases in corporate bond yields have provided good news for pension scheme funding levels over the last year. The improvements have been largely offset by increases in expectations of inflation with the net impact being very scheme specific.

Providing some additional good news for all schemes - life expectancy at retirement has fallen - a reversal of the seemingly one-way trend seen over recent years. The latest projections were released in September and incorporated worse than expected mortality data from 2012. Adopting the new projections could reduce liabilities by 1% leading to a fall in UK pension scheme deficits at 30 September from £146bn to £133bn. In a 95% funded pension scheme a 1% reduction in liabilities would reduce the deficit by 20%. Companies should review the mortality assumptions being used

for their pension scheme accounting disclosures and ensure that any element of prudence is stripped out. Focus in recent years has rightly been on the more volatile financial assumptions like the discount rate and inflation, but the impact of the choice of mortality assumptions should not be ignored.”

- ENDS -

Notes to Editors

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About JLT Employee Benefits

JLT Employee Benefits is one of the UK's leading employee benefit providers offering a wide range of benefit and pension services, including administration, actuarial and pension consultancy, investment, Self Invested Personal Pensions (SIPPs) and Small Self Administered Schemes (SSASs) administration, flexible benefits, healthcare, benefit communication and financial education.

JLT Employee Benefits, which through the recent acquisition of Alexander Forbes Consultants & Actuaries, now employs over 2,000 professionals. In 2012 JLT Employee Benefits had revenues of some £146m in the UK.

Pensions and employee benefits companies within the JLT Employee Benefits group of companies include: JLT Benefit Solutions Ltd, Profund Solutions Limited, JLT Wealth Management Limited, JLT Investment Management Limited and Independent Trustee Services Limited. JLT Employee Benefits is part of Jardine Lloyd Thompson Group plc.

www.jltgroup.com/eb

About Jardine Lloyd Thompson Group plc.

Jardine Lloyd Thompson Group plc (JLT) is an international group of risk specialists and employee benefits consultants and one of the largest companies of its type in the world. JLT offers a distinctive choice to clients and partners through our combination of independence, scale and specialism.

JLT is quoted on the London Stock Exchange and employs over 8300 people worldwide and through the JLT International Network provides services in more than 135 countries.

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