Press Release

Latest Monthly Update
London, 30 November 2013

1 December 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 November 2013, JLT EB estimates the total DB pension scheme funding position as follows:

At 30 November 2013	Assets	Liabilities	Surplus / (Deficit)	Funding Level
FTSE 100 Companies	£500bn	£563bn	(£63bn)	89%
FTSE 350 Companies	£565bn	£636bn	(£71bn)	89%
All UK Private Sector Pension Schemes	£1,180bn	£1,350bn	(£170bn)	87%

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

At 30 November 2012	Assets	Liabilities	Surplus / (Deficit)	Funding Level
FTSE 100 Companies	£459bn	£506bn	(£47bn)	91%
FTSE 350 Companies	£521bn	£574bn	(£53bn)	91%
All UK Private Sector Pension Schemes	£1,069bn	£1,239bn	(£170bn)	86%

Charles Cowling, Director of JLT Employee Benefits comments: "Growth assets have performed very well over the last 12 months. Despite these strong returns and record levels of deficit recovery contributions, pension scheme deficits have increased over the year. This is largely because inflation expectations have risen sharply - although the picture for individual schemes will vary significantly depending on their exposure to inflation risk.

This is the first year end where FTSE 350 companies have had no choice but to adopt the recently revised version of IAS 19 *Employee Benefits*. The revisions will hit reported profit in the FTSE350 by around £4bn. This should not have an impact on the perceived value of a company as it has no actual impact on cash flows or on a company's balance sheet. However, some companies allow for the impact of pension finance items above reported Earnings Before Interest and Taxes (EBIT) and so the change will impact on this key accounting measure. There is the potential, where analysts have not taken account of this, for an impact on

the company share price. We encourage companies to ensure that they have in place clear disclosures describing the impact so there are no surprises next year."

- ENDS -

Notes to Editors

<u>**Enquiries**</u>:

JLT Employee Benefits:

Jennifer Warner
jennifer_warner@jltgroup.com
+44 (0)1344 464 582

Smithfield Consultants:

Andrew Wilde   Ged Brumby
awilde@smithfieldgroup.com   gbrumby@smithfieldgroup.com
+44 (0)20 7903 0661   +44 (0)20 7903 0674

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.

www.jltgroup.com