

Pension Scheme Deficits



JLT PENSION CAPITAL STRATEGIES

Press Release

Latest Monthly Update

London, 2 October 2011

JLT Pension Capital Strategies (PCS) 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 2011, JLT PCS estimates the total DB pension scheme funding position as follows:

At 30 September 2011	Assets	Liabilities	Surplus / (Deficit)	Funding Level
FTSE 100 Companies	£397bn	£444bn	(£47bn)	89%
FTSE 350 Companies	£462bn	£518bn	(£56bn)	89%
All UK Private Sector Pension Schemes	£955bn	£1,073bn	(£118bn)	89%

For comparison, the corresponding figures as at 30 September 2010 are as follows:

At 30 September 2010	Assets	Liabilities	Surplus / (Deficit)	Funding Level
<i>FTSE 100 Companies</i>	<i>£399bn</i>	<i>£465bn</i>	<i>(£66bn)</i>	<i>86%</i>
<i>FTSE 350 Companies</i>	<i>£458bn</i>	<i>£535bn</i>	<i>(£77bn)</i>	<i>86%</i>
<i>All UK Private Sector Pension Schemes</i>	<i>£943bn</i>	<i>£1,125bn</i>	<i>(£182bn)</i>	<i>84%</i>

Charles Cowling, Managing Director of PCS, comments: "Over the last 12 months deficits have fallen significantly only to come back again.

"The last 12 months have seen a healthy injection of funding into the pension schemes of UK private sector pensions. There remains frustration that the deficits would have been considerably smaller if the equity markets had not fallen so far over the past two months. However, despite the recent volatility and widening deficits, FTSE 100 Companies have reduced their combined deficits by £19bn since this time last year.

"With markets as volatile as they are, it is important that companies and trustees continue to monitor their pension schemes position closely so that timely decisions can be made to take advantage of market opportunities and manage down liabilities when opportunities present themselves."

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Notes to Editors:

About JLT Pension Capital Strategies

JLT Pension Capital Strategies (PCS) was established in 2006 to help companies to manage their Defined Benefit pension obligations, offering advice on managing scheme assets and liabilities, on communication with trustees and on finding the right funding solutions.

A subsidiary of the Jardine Lloyd Thompson Group, PCS can draw upon skills and experience in the areas of corporate finance, tax, capital markets, asset management, actuarial and general pension regulation and practice to provide strategic advice and practical answers.

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