

Latest Monthly Update

London, 1 September 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 31 August 2011, PCS estimates the total DB pension scheme funding position as follows:

At 31 August 2011	Assets	Liabilities	Surplus / (Deficit)	Funding Level
FTSE 100 Companies	£402bn	£443bn	(£41bn)	91%
FTSE 350 Companies	£465bn	£514bn	(£49bn)	90%
All UK Private Sector Pension Schemes	£971bn	£1,069bn	(£98bn)	91%

For comparison, the corresponding figures as at 31 August 2010 are as follows:

At 31 August 2010	Assets	Liabilities	Surplus / (Deficit)	Funding Level
<i>FTSE 100 Companies</i>	<i>£386bn</i>	<i>£459bn</i>	<i>(£73bn)</i>	<i>84%</i>
<i>FTSE 350 Companies</i>	<i>£445bn</i>	<i>£532bn</i>	<i>(£87bn)</i>	<i>84%</i>
<i>All UK Private Sector Pension Schemes</i>	<i>£913bn</i>	<i>£1,123bn</i>	<i>(£210bn)</i>	<i>81%</i>

Charles Cowling, Managing Director of PCS, comments: "The last 12 months have seen deficits fall significantly and then come back again.

"Funding levels are better than they were 12 months ago, but the frustration is that the deficits would have been considerably smaller if the equity market had not plummeted at the beginning of August. This large fall is expected to make the decision makers reconsider stabilising measures for their schemes.

"The volatility of markets over the last twelve months shows the importance of companies and trustees continually monitoring the pension scheme's position so that timely decisions can be made to take advantage of market opportunities and manage down liabilities when opportunities present themselves."

Pension scheme deficits

Latest monthly update

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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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