



PENSION CAPITAL STRATEGIES

PENSION CAPITAL STRATEGIES ASK 'DO BUYOUTS DAMAGE YOUR SHARE PRICE?'

London, 13th November 2008 – Pension Capital Strategies (PCS) has researched recent pension buyout deals and sought evidence on whether such deals are having a positive or negative effect on company share prices.

Charles Cowling, Managing Director, PCS, says, "Evidence of upward shifts in share prices is too shallow to proclaim that buyout deals are advantageous for shareholders. However, there is a distinct lack of material falls in share prices, which supports the notion that buyout deals no longer require a hazardous wealth warning to shareholders. Even if there is a significant cost to offloading the liabilities, buyouts are an increasingly attractive option for companies looking to remove or reduce an unwanted liability.

"Current prices in the buyout market present a real opportunity. Competition is white hot and the Insurers are passing on the high returns available on corporate bonds to reduce prices for the buyout customers".

Charles Cowling concludes, "Although the evidence is not yet conclusive, PCS believes that buyouts are good for a company's share price and that this will become increasingly apparent. Millions of shareholders will be benefiting from a glutton of buyout deals that PCS expect to be announced over the next 12 months. And further millions of shareholders will be expecting companies with pension scheme liabilities to consider buyout opportunities if they have not already done so. Shareholder expectations alone will be another strong impetus to accelerate the rolling stone of buyout business".

For more details on this research in the PCS Alert - 'Do buyouts damage your share price?' go to www.pensionstrategies.co.uk

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Notes to Editors:
About Pension Capital Strategies

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.