



PENSION CAPITAL STRATEGIES

PENSION SCHEME DEFICITS - LATEST MONTHLY UPDATE

London, 1 April – Pension Capital Strategies Limited (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 March 2010, PCS estimates the total DB pension scheme funding position as follows:

At 31 March 2010	Assets	Liabilities	Surplus / (Deficit)	Funding Level
FTSE100 Companies	£404bn	£496bn	(£92bn)	82%
FTSE350 Companies	£467bn	£572bn	(£105bn)	82%
All UK Private Sector Pension Schemes	£1,034bn	£1,223bn	(£189bn)	85%

For comparison, the corresponding figures as at 31 March 2009 are as follows:

At 31 March 2009	Assets	Liabilities	Surplus / (Deficit)	Funding Level
<i>FTSE100 Companies</i>	<i>£317bn</i>	<i>£383bn</i>	<i>(£66bn)</i>	<i>83%</i>
<i>FTSE350 Companies</i>	<i>£364bn</i>	<i>£441bn</i>	<i>(£76bn)</i>	<i>83%</i>
<i>All UK Private Sector Pension Schemes</i>	<i>£788bn</i>	<i>£948bn</i>	<i>(£160bn)</i>	<i>83%</i>

Charles Cowling, Managing Director, PCS, comments: "We have seen a massive recovery in equity markets in the last year, with UK equities producing an investment return of nearly 50% in just 12 months. Despite this spectacular investment performance leading to some big asset gains, DB pension liabilities have grown even faster. As a result pension deficits have widened in the last 12 months, with the total pension deficit in FTSE100 companies now at £92 billion. For all UK private sector pension schemes we estimate the total deficit figure now stands at £189 billion. We are continuing to see companies take big steps to reduce pension risks and liabilities, but 2010 looks like it will not be an easy year for UK pension schemes. "

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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.

www.pensionstrategies.co.uk