



PENSION CAPITAL STRATEGIES

PENSION CAPITAL STRATEGIES RELEASES REPORT ON FTSE 100 PENSION DISCLOSURES

London, 17 January 2007 – Pension Capital Strategies Ltd (“PCS”), the leading corporate pensions risk management and recovery advisers, have today released their second quarterly report investigating the pension disclosures of the FTSE100 companies.

The PCS quarterly report, *The FTSE100 and Their Pension Disclosures*, explores the pension disclosures of the FTSE100 companies, as well as the steps being taken to address pension scheme deficits, and is based on figures disclosed in their most recently published annual report and accounts. Being the second report in the FTSE 100 Pensions Disclosure series, the report released today updates the inaugural report released by PCS in October 2006.

The latest report’s findings reveal that the total pension fund deficit in FTSE100 pension schemes as at 31 December is estimated to have dropped to £35bn, an improvement of £25bn over the past twelve months and down from the £46bn revealed in the PCS October report. However, in line with the October report, this latest update continues to suggest that FTSE100 companies are significantly underestimating the impact of future improvements in longevity, which has led PCS to conclude that the total deficit in FTSE100 pension schemes could be more than £100bn.

Commenting on the findings of the report, Charles Cowling, Managing Director of PCS said:

"Given the findings in this latest report, there is absolutely no reason to change our view that companies are underestimating the impact of improving longevity and are therefore taking an inefficient approach to the funding of pension scheme deficits. We continue to estimate a potential total deficit of £100bn."

To access the latest *The FTSE100 and Their Pension Disclosures* report, please refer to the PCS website at: 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 expert advice on managing scheme assets and liabilities, on communication with trustees and on finding the right funding solutions. PCS is authorised and regulated by the Financial Services Authority.

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.