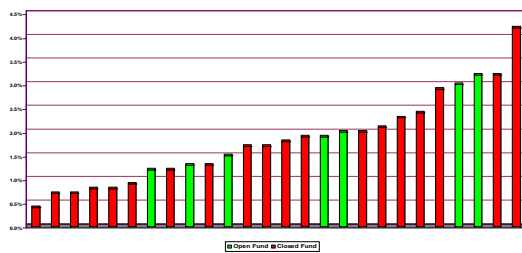


MANAGING CLOSED FUNDS ASHOK GUPTA

ROYAL COLLEGE OF PHYSICIANS, LONDON
30 MAY 2008

New Premiums (as % of Size of Funds – end 2006)

Chart 1

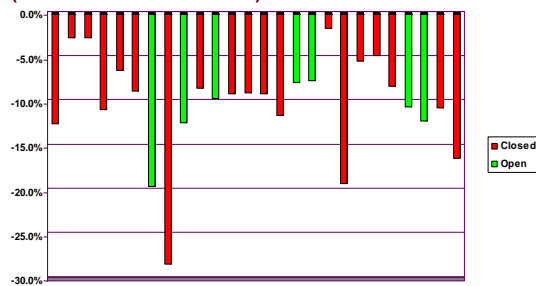


Source Deutsche
Bank, FSA Returns

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Net Cashflows (% of Size of Funds - end 2006)

Chart 2



Source Deutsche
Bank, FSA Returns

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Closed Funds

(Funds Managed – end 2006)

Chart 3

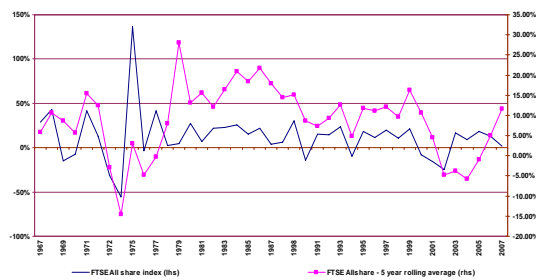
| | £bn's | |
|---------------------------------------|------------|-------------|
| ▪ Closed Fund Consolidators | 112 | 49% |
| ▪ Closed Life Companies | 51 | 22% |
| ▪ Closed Funds in Open Life Companies | 67 | 29% |
| Total | 230 | 100% |

Source Deutsche Bank, Pearl Group Research

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Stock Market Returns

Chart 4



Stock Market Returns

Chart 4

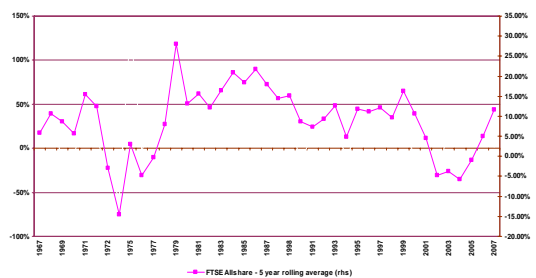
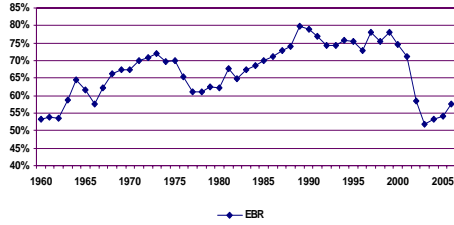


Chart 5

Life Company With Profit EBR'S

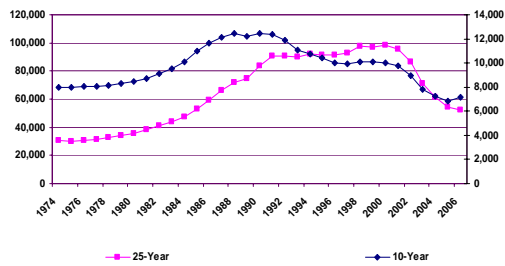


Source Towers
Perrin

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Chart 6

Median Payouts of With Profit Policies

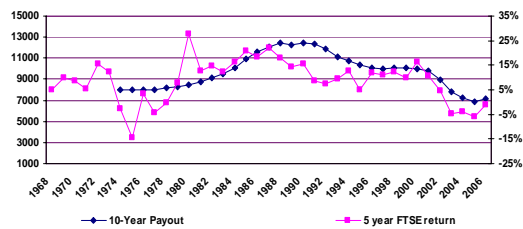


Source Watson Wyatt,
Money Management,
Nottingham University

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Chart 7

Comparison of 10 Year Median Payout with Equivalent FTSE Return

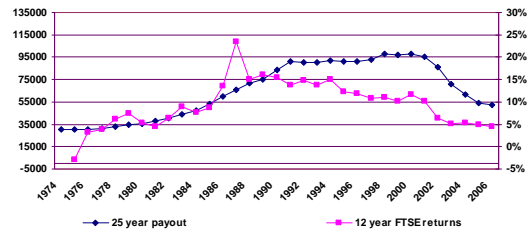


Source Money
Management,
Towers Perrin

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Comparison of 25 Year Median Payout with Equivalent FTSE Return

Chart 8



Source Money
Management,
Towards Pensions

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MANAGING CLOSED FUNDS ASHOK GUPTA

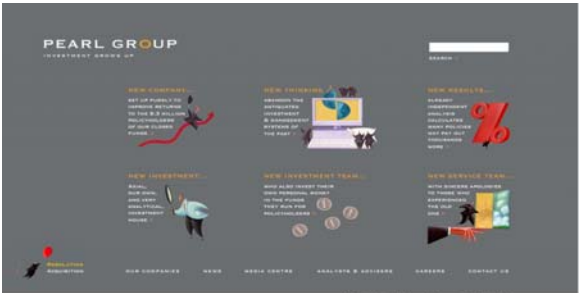
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TCF – Our interpretation

- Security of benefits
- Returns
- Service
- Communication

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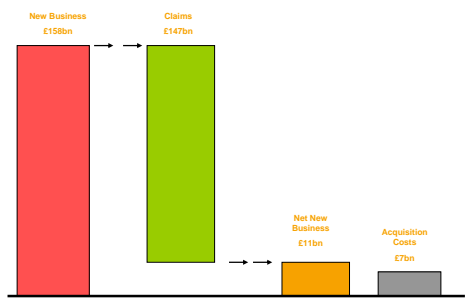
Pearl Group Limited Website



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Industry Economics (2006)

Chart 11



Source: Catalyst

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MANAGING CLOSED FUNDS
Q & A

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