Standard Life group

Press release

STANDARD LIFE

Standard Life plc

Interim Management Statement – three months to 31 March 2009
30 April 2009

Net flows reflect our decision not to renew lower margin bulk investment bond deals

- Worldwide life and pensions net inflows of £331m[1] (2008: £491m), excluding lower margin bulk investment bond deals
- Overall worldwide life and pensions net outflows of £28m[1] (2008: net inflows of £931m)
- Worldwide third party net investment inflows of £0.6bn (2008: £2.3bn)

New business sales reflect impact of weaker financial markets

- Worldwide life and pensions sales 20% lower at £3.6bn (2008: £4.5bn)[2]
- UK life and pensions sales 27% lower at £2.5bn (2008: £3.4bn)[2]
- UK life and pensions sales excluding lower margin bulk investment bond deals 17% lower at £2.5bn (2008: £3.0bn)

Capital strength maintained

- Estimated FGD surplus at 31 March 2009 of £3.2bn after the payment of the final dividend (31 December 2008: £3.3bn) has remained largely insensitive to volatile markets

Group Chief Executive Sir Sandy Crombie said:

"Standard Life has delivered a solid underlying performance in the first quarter despite the impact of financial markets, which are significantly lower than a year ago. Our sales have been affected by a number of one-off factors including our decision not to renew bulk investment bond deals and the revaluation of the Pension Sterling Fund. Our prompt actions, including contributing capital to the fund, coupled with the strength of our distribution relationships, have seen our new business flows recover quickly.

"Although we see the challenging market conditions continuing, our strengths remain unchanged. We continue to focus on our capital strength, innovative and capital-lite propositions and the opportunities that come from our strong distribution relationships and excellence in customer service."

Unless otherwise stated, all sales figures are on a PVNBP basis and all comparisons are in sterling and with the three months ending 31 March 2008.

www.standardlife.com

Standard Life plc, registered in Scotland (SC286832), Standard Life House, 30 Lothian Road, Edinburgh EH1 2DH. 0131 225 2552.
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Introduction

Lower financial markets have had an inevitable impact on our asset managing business in the first quarter of 2009.

As well as the external environment, there were a number of one-off factors that affected the performance of our UK business during the first three months. These include lower margin bulk investment bond deals written in 2008 that we have not renewed and a temporary reduction in sales levels following the revaluation of the Pension Sterling Fund in January 2009. In addition there was an increase in outflows from maturing pre-Demutualisation life policies, which generate minimal margin.

Despite these, Standard Life has delivered a strong underlying performance in the first quarter of the year. In addition, we continue to see a strong pipeline within our key business lines.

Our robust capital position, which has been largely insensitive to volatile markets, gives us confidence in our ability to outperform in the profitable segments in which we operate.

Worldwide life and pensions operations

Net outflows across our worldwide life and pensions operations[1] amounted to £28m (2008: net inflow of £931m). This is principally due to our decision not to renew UK bulk investment bond deals written in 2008 at lower margins, which generated net inflows of £440m in Q1 2008 and led to net outflows of £359m during the first quarter of 2009. Excluding these bond deals, worldwide net inflows amounted to £331m (2008: £491m).

Worldwide life and pension sales were 20% lower at £3.6bn (2008: £4.5bn).

UK Financial Services

Within our UK life and pensions business we experienced net outflows of £258m (2008: net inflow £634m) and a 27% reduction in new business sales to £2.5bn (2008: £3.4bn). These reductions reflect lower incoming transfer values into our pension product lines and our decision not to renew bulk investment bond deals written in the first quarter of 2008. In addition, our UK business was impacted within a number of sales channels following the revaluation of the Pension Sterling Fund in January 2009. This led to significantly reduced sales levels until mid February 2009 when we injected £102m into the fund. This charge, which benefited all customers invested in the fund, was reflected in our 2008 Preliminary Results. Our decision to react promptly and appropriately to this issue has had a marked impact on sales levels across our UK life & pensions business, with run rates recovering quickly, achieving a strong momentum in core product lines throughout March and April 2009.

In Individual SIPP, net inflows which were lower at £441m (2008: £743m), and a 21% reduction in new business sales to £841m (2008: £1,059m) reflect the impact of market movements on average incoming transfer values, which continue to represent the majority of new business. Against this, activity has remained strong, with customer numbers increasing by 7% to 70,600 (31 December 2008: 65,900). Funds under administration have increased by 2% to £8.8bn[3] (31 December 2008: £8.7bn), the impact of net inflows being partially offset by a market-driven reduction in underlying asset values. Across our SIPP portfolio the average case size was £125,000 (31 December 2008: £131,000).

In Group pensions, lower net inflows of £293m (2008: £498m) and a 31% reduction in new business sales to £616m (2008: £896m) similarly reflect lower asset values as well as reduced increment levels. Group SIPP volumes increased by 33% and accounted for 47% of total Group pensions sales (2008: 24%). UK Group pensions funds under management were £13.7bn (31 December 2008: £13.8bn), the impact of net inflows being more than offset by negative market movements. While market conditions remain challenging, the quality and flexibility of our Group pensions proposition, combined with the financial strength of the Group, continue to act as key differentiators and enable us to win new business in our chosen markets. The number of new schemes implemented during the quarter was 112 (2008: 112), our pipeline is good and current levels of tender activity remain strong.

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In Investment Bonds there was a net outflow of £516m (2008: net inflow of £253m) and an 87% reduction in new business sales to £84m (2008: £652m). This reflects bulk Investment Bond deals with large institutional distributors at lower margins which were written in Q1 2008 and were highlighted in our Interim Management Statement at that time. Excluding the bulk deals, Investment Bond sales amounted to £215m in the first quarter of 2008. These strategic deals, which were written to develop long-term distribution relationships and had intended terms of 13 months, generated net inflows of £440m in Q1 2008. As we continue to focus on business that generates higher returns we have chosen not to renew these specific deals, leading to a net outflow of £359m in the first quarter of 2009. The distribution relationships established remain strong.

Mutual funds sold on our Wrap, Sigma and Fundzone platforms increased by 70% to £276m (2008: £162m) with net inflows increasing to £164m (2008: £78m).

Funds under administration on our Wrap platform increased by 12% to £1.9bn (31 December 2008: £1.7bn)[4]. At the end of the quarter there were 446 IFA firms using the platform (31 December 2008: 409 firms) and 19,800 customers (31 December 2008: 16,900 customers) with an average fund size of £96,000 (31 December 2008: £101,000)[4]. We continue to see strong momentum in our Wrap offering, with a strong pipeline of IFA firms in the process of adopting the platform.

A number of endowment policies that were written during the early 1980s reached maturity during the quarter. This has led to a net outflow of £469m (2008: net outflow of £334m) in respect of pre-Demutualisation life products. The vast majority of these products are conventional with profits contracts, which generate minimal shareholder margin.

Claims levels across our UK life and pensions operations remain broadly in line with assumptions, with reduced claims in respect of Individual Pensions leading to a reduced net outflow from this product line.

Savings balances in our banking operations have increased to £5.4bn (31 December 2008: £5.0bn). This total includes combined SIPP and Wrap balances of £1.7bn (31 December 2008: £1.5bn). Consistent with our strategy to manage our mortgage exposure during the ongoing period of difficult credit market conditions, gross mortgage lending decreased by 81% to £78m (2008: £407m). Mortgages under management stood at £9.2bn (31 December 2008: £9.7bn), with an arrears rate of 0.55%, which is around a quarter of the Council of Mortgage Lenders industry average of 2.09% reported at 31 December 2008.

Healthcare sales were 25% lower at £6m (2008: £8m) on an APE basis.

The UK Budget on 22 April 2009 announced restrictions to the rate of tax relief on pension contributions from 6 April 2011 for individuals with income of more than £150,000 per annum, with transitional rules limiting increased pension contributions for the majority of this group from 22 April 2009. We do not expect these changes to have a material impact on our future business as a major part of our strategy involves consolidating and managing existing pension asset pools, particularly in the SIPP market, where pension tax relief has already been secured. These changes will have no impact upon approximately 99% of UK taxpayers, whereas other changes to the tax rules, particularly those applying to people with income of around £100,000, present significant opportunities for tax planning using pensions and investment products. Over the next two years, we expect customers with income above £150,000 to take advantage of the higher rates of tax relief available within the transitional rules.

In addition to these changes in pensions legislation, the UK Budget presents us with an opportunity to broaden our ISA and offshore bond propositions.

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Europe

In Europe, net inflows were 39% lower at £173m (2008: £284m)[5] and sales were 35%[6] lower at £263m (2008: £333m).

In Ireland, total sales of £164m (2008: £212m) were 36%[6] lower, driven by the weak domestic economy. Offshore bond sales, now reported within the Irish total for the first time, having previously been included in the UK results, were 30% lower at £83m (2008: £118m).

Sales in Germany of £99m (2008: £121m) were 33%[6] lower than the prior year caused by weak market sentiment.

Canada

Canadian net inflows of £57m (2008: £13m) reflect higher inflows across Group savings and retirement products.

Canadian sales were 3%[6] higher at £635m (2008: £556m). Sales of Group savings and retirement products of £357m were 3%[6] higher than the prior year and considerably stronger than new business volumes achieved in the third and fourth quarters of 2008. These sales benefited from increased market activity and a number of mid-size mandate wins throughout the quarter. While the Canadian retail market remains challenging and has been reflected in lower sales of Mutual funds and Individual insurance, savings and retirement product lines, new business within our Group insurance product lines has increased by 62%[6] to £115m (2008: £64m). This increase is due to changes to renewal assumptions, which were made as part of the year-end process and were reflected in our 2008 Preliminary Results.

Asia Pacific

Combined sales across our Indian and Chinese joint ventures and our Hong Kong operation were 9%[6] higher at £192m (2008: £153m).

In India, sales increased by 1%[6] as the Indian insurance sector has become more challenging with the economic slowdown and decline in equity markets impacting customer activity. Standard Life's share of these sales was £145m (2008: £129m).

In China, sales volumes increased by 20%[6], reflecting strong growth in group products and in bank distribution and continued business expansion in major cities within existing provinces. Standard Life's share of these sales was £33m (2008: £19m).

Hong Kong has continued to enjoy strong growth, due to its new savings product, with new business sales increasing by 121%[6] to £14m (2008: £5m).

Standard Life Investments

Standard Life Investments achieved worldwide investment net inflows of £0.6bn compared with the record level of £2.3bn achieved during the first quarter of 2008. Despite sales being affected by the ongoing industry slowdown and continuing market volatility, UK retail, Europe, Canada and India all achieved positive net sales as did our money market funds. UK Mutual Fund sales, whilst modest, showed a significant increase over the same period last year rising to £184m (2008: £21m).

Third party assets under management have held up well in the face of weak markets, decreasing by 3% to £44.2bn (31 December 2008: £45.5bn) during the three month period in which the FTSE All Share Index fell by over 10%. Total assets under management decreased by 5% to £117.7bn (31 December 2008: £123.8bn).

The strength of our investment process across a range of OEICS and unit trusts is demonstrated by the high proportion of eligible funds, (21 out of 27), rated 'A' or above by Standard & Poor's. Money weighted average investment performance over 3, 5 and 10 year periods continues to be above median.

Institutional pipeline business is strong with continued appetite for GARS and Fixed Interest products. In addition the product range continued to expand in response to consumer demand with the introduction of two new retail funds, the Strategic Bond Fund and the UK Equity Recovery Fund.

Capital strength maintained

In our 2008 Preliminary Results on 12 March 2009, we reported that Standard Life had a robust capital position that had been largely insensitive to market movements. We also disclosed that we had a conservative balance sheet with no direct exposures to the US mortgage market, minimal exposure to leveraged structures, no direct exposure to Monolines and very modest exposure to credit within a Monoline wrapper.

At the end of March 2009 there has been no material change in this position:

- Estimated FGD surplus after payment of final dividend of £3.2bn (31 December 2008: £3.3bn, 12 March 2009: £3.2bn)
- Estimated HWPF residual estate of £0.3bn (31 December 2008: £0.5bn, 12 March 2009: £0.3bn)
- No defaults in the corporate debt portfolio backing UK and European annuities or in the Canadian corporate debt portfolio during 2008 and 2009
- Total shareholder exposure to assets within a Monoline wrapper or leveraged structure of £48m (31 December 2008: £83m).

Standard Life group outlook

We expect conditions in 2009 to remain challenging across all our markets. Our strategy remains unchanged and we continue to develop innovative and capital-lite propositions, to maintain strong distribution relationships and to deliver excellence in customer service.

We are well positioned to build on, and respond to, opportunities in a number of key markets. In the UK we have a strong pipeline within Group Pensions and at Standard Life Investments; we continue to attract new customers into our SIPP proposition and see considerable demand from IFAs to join our Wrap platform.

Our Canadian and Asian businesses continue to perform well in spite of the tough economic environment.

Our confidence in being able to capitalise on these opportunities is underpinned by our robust capital position, which has been largely insensitive to market movements.

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Notes to Editors

1 Worldwide life and pensions net flows do not include net flows in respect of our Asia Pacific joint ventures and our Hong Kong subsidiary.

2 Present value of New Business Premiums (PVNBP) is calculated as 100% of single premiums plus the expected present value of new regular premiums.

3 Analysis of Individual SIPP funds under administration.

	31 Mar 2009 £m	31 Dec 2008 £m	Change £m	Change %
Insured Standard Life funds	**2,375**	2,559	(184)	(7)
Insured external funds	**1,229**	1,268	(39)	(3)
Collectives – Standard Life Investments	**947**	864	83	10
Collectives – Funds Network	**658**	656	2	-
Cash	**1,056**	869	187	22
Non collectives	**2,540**	2,443	97	4
Total	**8,805**	8,659	146	2
Insured	**3,604**	3,827	(223)	(6)
Non-insured	**5,201**	4,832	369	8
Total	**8,805**	8,659	146	2

Of the £8.8bn funds under administration at 31 March 2009, £0.9bn relate to funds on the Wrap platform.

4 Wrap assets under administration have been restated to exclude amounts that have been secured but are pending investment onto the Wrap platform. The impact of this restatement has been immaterial, reducing the assets under administration figures as at 31 December 2008 and 31 March 2009 by £0.1bn.

5 Offshore bond inflows of £23m (2008: £137m) are now included within the European results rather than the UK.

6 Comparisons for our International businesses are given on a constant currency basis.

7 There will be a conference call today for newswires and online publications at 7:30am hosted by David Nish, Group Finance Director, and Paul Matthews, Managing Director of Distribution for UK Financial Services. Dial in telephone number +44 (0)20 7162 0125. Callers should quote Standard Life Interim Management Statement.

8 There will be a conference call today for analysts and investors at 9.30am hosted by David Nish, Group Finance Director, Keith Skeoch, Chief Executive of Standard Life Investments, and Paul Matthews, Managing Director of Distribution for UK Financial Services. Dial in telephone number +44 (0)20 7162 0025. Callers should quote Standard Life Analysts & Investors Call. The conference ID number is 832827. A recording of this call will be available for replay for one week by dialing +44 (0)20 7031 4064 (access code 832827).

9 This Interim Management Statement is available on the Financial Results page of the Standard Life website at www.standardlife.com

10 We will be reporting our Interim results for the 6 months ending 30 June 2009 on 5 August 2009. Please note that this is one day earlier than previously advised.

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Insurance Operations net flows
3 months ended 31 March 2009

	Gross inflows 3 months to 31 Mar 2009 £m	**Redemptions 3 months to 31 Mar 2009 £m**	**Net inflows 3 months to 31 Mar 2009 £m**	Gross inflows 3 months to 31 Mar 2008 £m	Redemptions 3 months to 31 Mar 2008 £m	Net inflows 3 months to 31 Mar 2008 £m
UK						
Individual SIPP [(a)]	**692**	**(251)**	**441**	942	(199)	743
Individual Pensions	**220**	**(590)**	**(370)**	286	(806)	(520)
Group Pensions	**569**	**(276)**	**293**	773	(275)	498
Institutional Pensions	**451**	**(170)**	**281**	390	(365)	25
Pensions	**1,932**	**(1,287)**	**645**	2,391	(1,645)	746
Investment Bonds	**105**	**(621)**	**(516)**	702	(449)	253
Mutual Funds [(b) (c)]	**210**	**(46)**	**164**	151	(73)	78
Savings and investments	**315**	**(667)**	**(352)**	853	(522)	331
Annuities	**199**	**(288)**	**(89)**	156	(274)	(118)
Protection	**25**	**(18)**	**7**	28	(19)	9
Legacy Life	**105**	**(574)**	**(469)**	123	(457)	(334)
UK life and pensions [(d) (e)]	**2,576**	**(2,834)**	**(258)**	3,551	(2,917)	634
Europe						
Ireland [(d)]	**174**	**(165)**	**9**	241	(116)	125
Germany	**208**	**(44)**	**164**	174	(15)	159
Europe life and pensions	**382**	**(209)**	**173**	415	(131)	284
Canada						
Group Savings and Retirement	**356**	**(276)**	**80**	309	(315)	(6)
Individual Insurance, Savings and Retirement	**130**	**(173)**	**(43)**	127	(161)	(34)
Group Insurance	**86**	**(70)**	**16**	75	(44)	31
Mutual Funds [(b)]	**53**	**(49)**	**4**	75	(53)	22
Canada life and pensions	**625**	**(568)**	**57**	586	(573)	13
Total worldwide life and pensions excluding Asia Pacific	**3,583**	**(3,611)**	**(28)**	4,552	(3,621)	931

(a) The non-insured element of Individual SIPP is also included within UK mutual fund net flows in the third party Investment Operations figures.
(b) The mutual funds net flows are also included within mutual fund net flows in the third party Investment Operations figures.
(c) UK figures include Sigma mutual funds. 2008 figures have been re-stated to reflect inclusion of these mutual funds. The total net outflow for the period was £4m (2008: £55m outflow).
(d) The offshore business is shown within the total Ireland result. This was previously included within UK life and pensions. The total net inflow for the period was £23m (2008: £137m inflow).
(e) UK life and pensions include a total net outflow of £656m in relation to Conventional with profits business (2008: £538m outflow).

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Insurance operations new business
3 months ended 31 March 2009

	Single Premiums		New Regular Premiums		PVNBP			
	3 months to 31 Mar 2009	3 months to 31 Mar 2008	3 months to 31 Mar 2009	3 months to 31 Mar 2008	3 months to 31 Mar 2009	3 months to 31 Mar 2008	Change [f]	Change in constant currency [f] [g]
	£m	£m	£m	£m	£m	£m	%	%
UK								
Individual SIPP [a]	**694**	955	**31**	22	**841**	1,059	(21%)	(21%)
Individual Pensions [b]	**75**	127	**6**	9	**91**	159	(43%)	(43%)
Group Pensions [b]	**169**	384	**112**	142	**616**	896	(31%)	(31%)
Institutional Pensions	**404**	360	**6**	-	**419**	360	16%	16%
Pensions	**1,342**	1,826	**155**	173	**1,967**	2,474	(20%)	(20%)
Investment Bonds	**84**	652	**-**	-	**84**	652	(87%)	(87%)
Mutual Funds [c]	**200**	151	**10**	2	**276**	162	70%	70%
Savings and Investments	**284**	803	**10**	2	**360**	814	(56%)	(56%)
Annuities	**148**	120	**-**	-	**148**	120	23%	23%
Protection	**-**	-	**-**	1	**1**	4	(75%)	(75%)
UK life and pensions [d]	**1,774**	2,749	**165**	176	**2,476**	3,412	(27%)	(27%)
Europe								
Ireland [d]	**151**	192	**3**	4	**164**	212	(23%)	(36%)
Germany	**7**	12	**7**	11	**99**	121	(18%)	(33%)
Europe life and pensions	**158**	204	**10**	15	**263**	333	(21%)	(35%)
Canada								
Group Savings and Retirement	**103**	77	**17**	18	**357**	312	14%	3%
Individual Insurance, Savings and Retirement	**104**	100	**1**	-	**110**	105	5%	(5%)
Group Insurance	**-**	-	**6**	9	**115**	64	80%	62%
Mutual Funds	**53**	75	**-**	-	**53**	75	(29%)	(36%)
Canada life and pensions	**260**	252	**24**	27	**635**	556	14%	3%
Asia Pacific								
India [e]	**5**	8	**29**	33	**145**	129	12%	1%
China [e]	**21**	16 [h]	**2**	- [h]	**33**	19	74%	20%
Hong Kong	**-**	4	**2**	-	**14**	5	180%	121%
Asia Pacific life and pensions	**26**	28	**33**	33	**192**	153	25%	9%
Total worldwide life and pensions	**2,218**	3,233	**232**	251	**3,566**	4,454	(20%)	(23%)

(a) The non-insured element of Individual SIPP is also included within UK mutual fund cash inflows in the Investment Operations figures.
(b) Single premiums include Department of Work and Pensions rebate premiums of £4m (2008: £9m), comprising Individual Pension rebates of £2m (2008: £5m) and Group Pensions rebates of £2m (2008: £4m).
(c) UK figures include Sigma mutual funds. 2008 figures have been re-stated to reflect inclusion of these mutual funds. The 2009 impact in PVNBP is £37m (2008: £14m).
(d) The offshore business is shown within the total Ireland result, comprising single premiums of £83m (2008: £118m), new regular premiums of £nil (2008: £nil) and PVBNP of £83m (2008: £118m). This was previously included within UK life and pensions.
(e) Standard Life's share of the Joint Venture Company's New Business.
(f) % change is calculated on the figures rounded to millions.
(g) Calculated using constant rates of exchange.
(h) Regular premiums in China of £1m for Group protection business have been reclassified to single premiums for the 3 months to 31 March 2008.
(i) New business gross sales for overseas operations are calculated using average exchange rates. The principal average rates for the three months to 31 March 2009 were £1: C$1.79 (2008: £1: C$1.99) and £1: €1.09 (2008: £1:€1.32).

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Investment operations
3 months ended 31 March 2009

		Opening FUM 1 Jan 2009 £m	Gross Inflows £m		Redemptions £m	Net Inflows £m	Market & other movements £m	Net movement in FUM £m	Closing FUM 31 Mar 2009 £m
UK	Mutual Funds [a]	4,237	385	[b]	(201)	184	(263)	(79)	4,158
	Private Equity	3,859	22		(2)	20	(184)	(164)	3,695
	Segregated Funds	11,312	142		(371)	(229)	(876)	(1,105)	10,207
	Pooled Property Funds	917	-		-	-	(51)	(51)	866
Total UK		**20,325**	**549**		**(574)**	**(25)**	**(1,374)**	**(1,399)**	**18,926**
Canada	Mutual Funds [a]	1,295	54	[c]	(50)	4	(112)	(108)	1,187
	Separate Mandates [d]	1,375	39		(26)	13	3	16	1,391
Total Canada		**2,670**	**93**		**(76)**	**17**	**(109)**	**(92)**	**2,578**
International	Europe	840	276		-	276	(28)	248	1,088
	Asia (excluding India)	79	1		(3)	(2)	7	5	84
	India	2,717	17	[e]	-	17	(118)	(101)	2,616
Total International		**3,636**	**294**		**(3)**	**291**	**(139)**	**152**	**3,788**
Total worldwide investment products excluding money market funds		**26,631**	**936**		**(653)**	**283**	**(1,622)**	**(1,339)**	**25,292**
	Money market funds [f]	4,977	296		-	296	168	464	5,441
Total worldwide investment products		**31,608**	**1,232**		**(653)**	**579**	**(1,454)**	**(875)**	**30,733**

Total third party assets under management comprise the investment business noted above together with third party insurance contracts. New Business relating to third party insurance contracts is disclosed as insurance business for reporting purposes. An analysis of total third party assets under management is shown below.

	Opening FUM 1 Jan 2009 £m	Gross Inflows £m	Redemptions £m	Net Inflows £m	Market & other movements £m	Net movement in FUM £m	Closing FUM 31 Mar 2009 £m
Third Party Investment Products	31,608	1,232	(653)	579	(1,454)	(875)	30,733
Third Party Insurance Contracts (new business classified as insurance products)	13,861	665	(336)	329	(734)	(405)	13,456
Total third party assets under management	**45,469**	**1,897**	**(989)**	**908**	**(2,188)**	**(1,280)**	**44,189**
Standard Life Investments - total assets under management	**123,835**						**117,734**

(a) Included within mutual funds are cash inflows which have also been reflected in UK and Canada mutual fund new business sales.
(b) In the three months to 31 March 2008 UK mutual funds gross inflows were £293m and net inflows were £21m.
(c) In the three months to 31 March 2008 Canadian mutual funds gross inflows were £75m and net inflows were £22m.
(d) Separate Mandates refers to investment funds products sold in Canada exclusively to institutional customers. These products contain no insurance risk and consist primarily of defined benefit pension plan assets for which SLI exclusively provides portfolio advisory services.
(e) International gross inflows include India where, due to the nature of the Indian investment sales market, the new business is shown as the net of sales less redemptions.
(f) Due to the nature of the Money market funds the flows shown are calculated using average net client balances. Other movements are derived as the difference between these average net inflows and the movement in the opening and closing FUM.
(g) Funds denominated in foreign currencies have been translated to Sterling using the closing exchange rates at 31 March 2009. Investment fund flows are translated at average exchange rates. Gains and losses arising from the translation of funds denominated in foreign currencies are included in the market and other movements column. The principal closing exchange rates used as at 31 March 2009 were £1: C$1.80 (31 December 2008: £1: C$1.77) and £1: €1.08 (31 December 2008: £1: €1.03). The principal average exchange rates for the three months to 31 March 2009 were £1: C$1.79 (2008: £1: C$1.99) and £1: €1.09 (2008: £1: €1.32).

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Standard Life group includes Standard Life plc and its subsidiaries.

Insurance operations new business
15 months ended 31 March 2009

	Present Value of New Business Premiums (PVNBP)				
	3 months to 31 Mar 2009 £m	3 months to 31 Dec 2008 [d] £m	3 months to 30 Sep 2008 £m	3 months to 30 June 2008 £m	3 months to 31 Mar 2008 £m
UK					
Individual SIPP	841	830	815	1,015	1,059
Individual Pensions	91	44	136	276	159
Group Pensions	616	308	489	907	896
Institutional Pensions	419	272	590	604	360
Pensions	**1,967**	**1,454**	**2,030**	**2,802**	**2,474**
Investment Bonds	84	112	161	373	652
Mutual Funds [a]	276	172	195	202	162
Savings and Investments	**360**	**284**	**356**	**575**	**814**
Annuities	**148**	**110**	**109**	**132**	**120**
Protection	**1**	**1**	**2**	**-**	**4**
UK life and pensions [b]	**2,476**	**1,849**	**2,497**	**3,509**	**3,412**
Europe					
Ireland [b]	164	414	234	215	212
Germany	99	200	140	141	121
Europe life and pensions	**263**	**614**	**374**	**356**	**333**
Canada					
Group Savings and Retirement	357	195	176	455	312
Individual Insurance, Savings and Retirement	110	108	72	75	105
Group Insurance	115	326	64	59	64
Mutual Funds	53	49	49	56	75
Canada life and pensions	**635**	**678**	**361**	**645**	**556**
Asia Pacific					
India [c]	145	70	95	51	129
China [c]	33	43	24	23	19
Hong Kong	14	9	14	13	5
Asia Pacific life and pensions	**192**	**122**	**133**	**87**	**153**
Total worldwide life and pensions	**3,566**	**3,263**	**3,365**	**4,597**	**4,454**

(a) UK figures include Sigma mutual funds. 2008 figures have been re-stated to reflect inclusion of these mutual funds.
(b) 2008 comparatives have been restated to reflect the inclusion of offshore business within the total Ireland result. The impact on the 3 months to 31 December 2008: £228m; 30 September: £163m; 30 June 2008: £152m; 31 March 2008: £118m. This was previously included within UK life and pensions.
(c) Amounts shown reflect Standard Life's share of the Joint Venture Company's New Business.
(d) The three month period to 31 December 2008 includes the full impact of 2008 year end changes to non-economic assumptions. PVNBP figures published in the New business press release issued on 28 January 2009 for the 12 months to 31 December 2008 were shown prior to year end changes to non-economic assumptions. The effect of changes to year end non-economic assumptions was an increase in total PVNBP of £33m in the final PVNBP results published in the 2008 Preliminary results.