



Pension Insurance Corporation to insure three Denso pension schemes

London, 17 September 2009 - Pension Corporation, a leading provider of risk management solutions to defined benefit pension funds, today announces that the Trustee of three Denso Manufacturing Midlands Ltd pension schemes has agreed a pension insurance buyout with Pension Insurance Corporation (“PIC”). The Trustee purchased a bulk annuity contract from PIC, which covers pensioners and deferred members with total liabilities valued in excess of £100m.

The pension insurance buyout of the schemes concludes the company’s initiative in bringing increased levels of safety and security to member benefits.

Denso is a leading global supplier of advanced automotive technologies, systems and components.

PIC was chosen by Denso and Capita Pension Trustees Limited, as Trustee, after a comprehensive and competitive process. Denso was advised by KPMG and Baker & McKenzie, with Capita being advised by Mercer and Hammonds.

John Coomber, Chief Executive Officer, Pension Insurance Corporation, said:

“We are delighted to have concluded this transaction with Denso, a company which has a well founded reputation for looking after its employees. The increased levels of security brought to member benefits through this pension insurance buyout reflect this stance. This was an ‘all risks’ transfer allowing the company an immediate and complete discharge from the schemes, in contrast with the usual insurance process

which can often take more than a year to conclude. To accelerate this risk transfer, Pension Corporation became the sponsor to the schemes at the same time as the PIC insurance policy was purchased. This presented a number of challenges which we have successfully addressed. We believe that this will be the first of several transactions with large multinational organisations.”

Rosemary Kennell, Director of Capita Pension Trustees Limited, as Trustee to the schemes, said:

“This transaction with Pension Insurance Corporation is another ground breaking all risks transaction that Capita have been involved in as a professional trustee and means that members now have increased levels of security for their benefits. It adds to our experience of other complex and international pensions cases, which we have managed pro-actively and efficiently.”

Wayne Segers, Director at KPMG, as advisor to Denso, said:

“KPMG is delighted to have led on this transaction and to have worked with Pension Insurance Corporation to design and implement the best solution for our client, whilst also securing member benefits for the long term. The Pension Insurance Corporation team was responsive and flexible to the requirements of sponsor and Trustee. This transaction builds on our significant experience in advising Japanese companies on UK pension matters.”

Stuart Faloon, Principal at Mercer, as adviser to the Trustee, said:

"This is the latest in a series of transactions where Mercer has advised trustees on bulk annuity solutions in conjunction with its sister companies, Oliver Wyman and Marsh. Due to the schemes' complex benefit structures and the requirement to facilitate a quick transaction, this deal with Pension Insurance Corporation required experienced personnel with the ability to negotiate robustly whilst maintaining a strong focus on completing the right deal for all parties."

Notes to Editors:

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About Pension Corporation

Pension Corporation removes pension risks from the trustees and sponsors of defined benefit pension funds. As a market leader it provides risk solutions ranging from full pension insurance buyout to longevity risk insurance, sponsor stewardship and asset-liability management. The Group provides increased levels of security and stability for members benefits through Pension Insurance Corporation Ltd (“PIC”), an FSA authorised and regulated insurance company; and Pension Corporation Investments LP Inc. (“PCI”). For further information please visit www.pensioncorporation.com

Pension Corporation LLP is a limited liability partnership registered in England under registration number OC316968. Our insurance solutions are provided through Pension Insurance Corporation Ltd, registered in England under registration number 05706720, which is authorised and regulated by the Financial Services Authority (FSA FRN 454345). Both Registered offices are at 14 Cornhill, London EC3V 3ND.