



PENSION CORPORATION AGREES TERMS OF INVESTMENT BY REINET

London, 4 July, 2012 - Pension Corporation is pleased to announce that it has agreed to enter into definitive agreements with Reinet Fund S.C.A., F.I.S., ("Reinet"), a specialised investment fund incorporated in Luxembourg, in relation to an investment of up to £400m of new ordinary capital in the pension insurance business of Pension Corporation. The transaction is subject to regulatory and other approvals.

The definitive agreement follows Pension Corporation's announcement last year that it was in exclusive negotiations with Reinet in relation to an investment in Pension Corporation.

Sir Mark Weinberg, Chairman of Pension Insurance Corporation Holdings, said: "We are pleased to have agreed terms with Reinet and look forward to welcoming them as a long-term investor in Pension Corporation. This investment will further our growth in the rapidly growing market for pension insurance and risk transfer in the UK."

Reinet announced to its shareholders today:

On 27 May 2011, Reinet Investments S.C.A. announced that its wholly-owned subsidiary, Reinet Fund S.C.A., F.I.S. ("Reinet"), was in exclusive negotiations with Pension Corporation and its key stakeholders for a transaction involving an investment by Reinet of approximately £400 million through which it would become a principal shareholder in the pension insurance business of Pension Corporation.

Pension Corporation is one of the UK's leading providers of risk management solutions to defined benefit pension funds.

Reinet is pleased to announce that it has agreed to enter into definitive agreements to invest in the pension insurance business of Pension Corporation, subject to the fulfilment of certain conditions precedent, including regulatory and other approvals.

Under the terms of the agreement, Reinet has committed to invest up to £400 million on the basis of a valuation of Pension Corporation's insurance business of £525 million before the capital increase but after closing adjustments. Of the £400 million investment, £100 million will be contributed at closing; the remainder is expected to be drawn down as required over a period of up to 5 years. Reinet will have voting and governance rights from closing commensurate with its proposed investment.

Pension Corporation's UK insurance subsidiary, Pension Insurance Corporation, is authorised and regulated as an insurance company by the Financial Services Authority in the United Kingdom. It has c.£5.5 billion in assets and has insured almost 60,000 pension fund members. Clients include FTSE 100 companies, multinationals and the public sector. Pension Corporation concluded the first UK public sector backed pension insurance buyout and the first buyout over £1 billion.

A further announcement will be made upon fulfilment of all conditions precedent and completion of the transaction.

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About Reinet

At 31 March 2012, the net asset value of Reinet Investments S.C.A. was €3649 million. Reinet Investments S.C.A. is structured as a securitization vehicle through which its shareholders participate indirectly in the portfolio of assets held by its wholly-owned subsidiary Reinet Fund S.C.A. F.I.S., a specialised investment fund incorporated in Luxembourg. Reinet Investments S.C.A. shares are listed on the Luxembourg Stock Exchange, its primary listing, and Reinet Investments South African Depository Receipts are listed in Johannesburg, its secondary listing.

About Pension Corporation

Pension Corporation is a leading provider of risk management solutions to the trustees and sponsors of defined benefit pension funds. Its FSA authorised and regulated insurance company, Pension Insurance Corporation ("PIC"), brings safety and security to scheme members' benefits through innovative, tailored solutions factored around pension insurance buyouts and pension insurance buy-ins. PIC has c.£5.5bn in assets and has insured almost 60,000 pension fund members. Clients include FTSE 100 companies, multinationals and the public sector. PIC concluded the first UK public sector backed pension insurance buyout and the first buyout over £1billion. PIC is proud to work with pension fund trustees to maximise member benefits. For further information please visit www.pensioncorporation.com