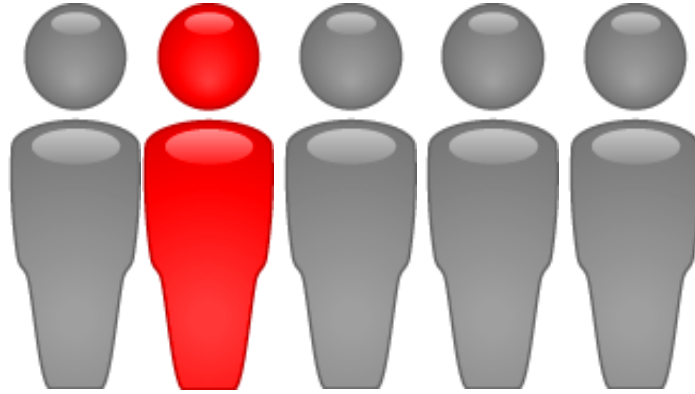


Recent research found...



planning to **stop paying** into their pension over the next 12 months

Source: Amárach Research, August 2011



Irish Life

PENSIONTENSION

Their Attitude towards Pensions



“I’ve other more important short-term financial priorities”



“A lot of negatives and not many of the benefits”



“Too complex to even consider”



“Uncertainty about the Government support”



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Three repeated reasons why consumers intend stopping paying into their pension



Can't afford it



Lack of awareness



Uncertainty



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Question 1

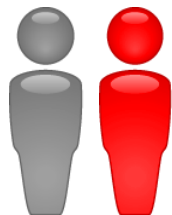
- How much income do you think most people believe they will need to live on in retirement?

- 1) over €40,000**
- 2) €30,000**
- 3) €20,000**
- 4) less than €20,000**

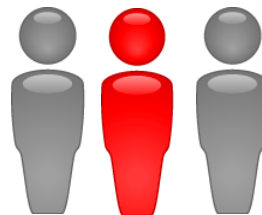


Lack of Awareness

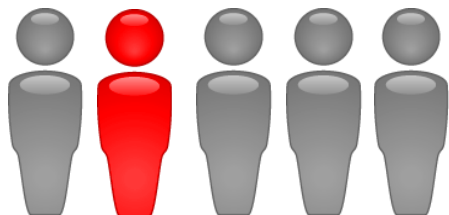
Expectations do not translate into actions to achieve this income level...



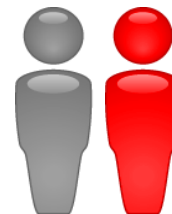
State Pension –
*don't know
how much?*



Pension -
never reviewed



Currently paying -
*don't know how
much?*



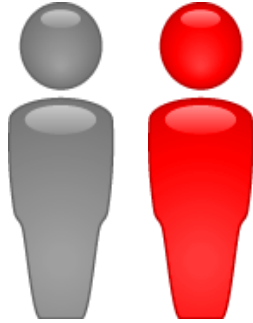
Expected
Pension –
*don't know
how much?*



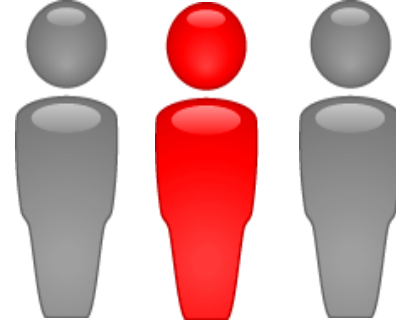
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Uncertainty



- Unsure about their financial security



- Negative press
- Cynical about Government's support for pensions



Supporting your conversations

- Today's conference
- Launching today, our new Pensions Guide for Pension Investors...



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PENSIONS: TAKE CONTROL OF YOUR FUTURE

Why pensions make sense

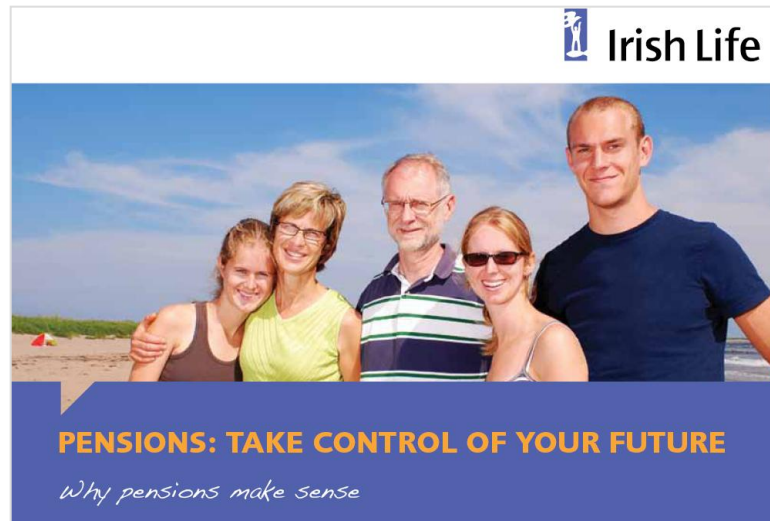


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New Pensions Guide for Investors

- Importance of continuing to plan
- Dispels misconceptions
- Answers questions clients are asking you
- Urges people to seek advice from brokers
- Jargon-free



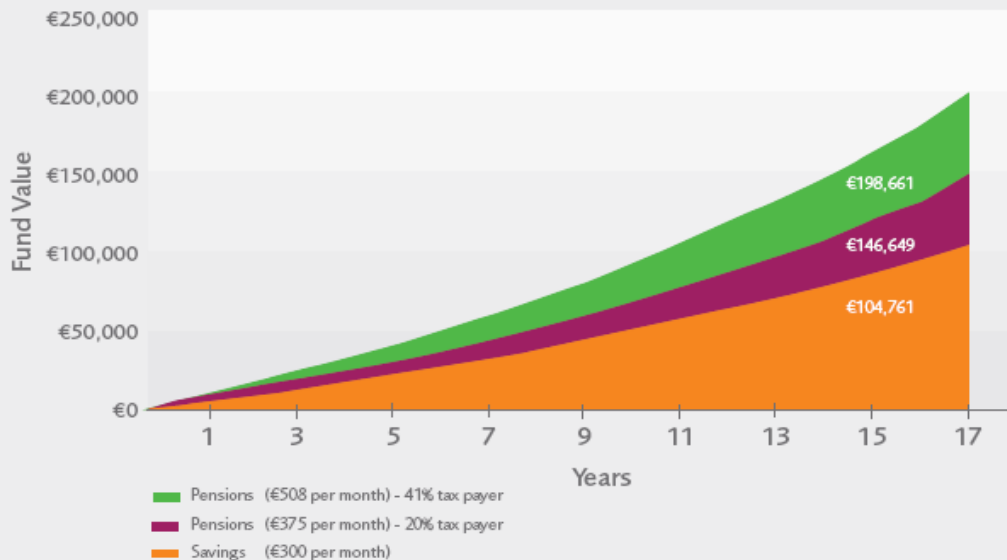
Addressing the misconceptions...

- **“There’s no incentive to keep paying into my pension”**
- **“I’ll worry about it later”**
- **“I’m going to stop paying anything more in”**
- **“I could put money into a savings plan instead”**



“I could put money into a savings plan instead”

Comparison of pension and savings products - same net contribution by you of €300 a month



So, in this example, if you were getting income tax relief at 41%, your pension fund would be almost double your savings fund when saving the same amount.

For both the savings and pension plan we assume:

- 100% of the contribution is invested.
- The fund will grow by 6%.
- There is a 1% fund charge.
- Contributions will increase by 3% a year.
- There are no plan fees.

For the savings plan we have assumed a 30% exit tax is paid. For the pension plan we have deducted the Pension Levy. This quote was performed on 1st August and next levy payment is 30 June 2012. Pension income in retirement is subject to income tax.

Warning: These figures are estimates only. They are not a reliable guide to the future performance of this investment.



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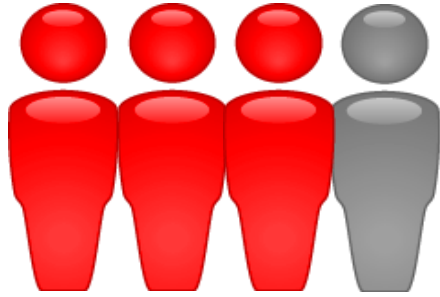
Question

- What % of people plan on maintaining or increasing current pension contributions

1)	45%
2)	55%
3)	65%
4)	75%



Lack of Awareness = Huge Need for Advice



65%
Maintaining
10%
Increasing

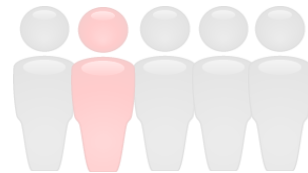


- Opportunity for pension brokers to review plans; assess circumstances and give independent advice



The Power of Planning

- Never been more important
- Those who have a pension plan feel **most secure**
- HSBC 2011 global research reported hard financial benefits from...
 - Planning Premium
 - Advice Advantage



357%



Source: HSBC 2011 Global Report "The Future of Retirement"



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Convincing your clients

- Engagement and reducing the uncertainty is critical
- We need to keep clients paying into their pension plan – reduce that 20% number
- Hope that today's conference and the new pensions guide support you in convincing clients that pensions **absolutely still make sense**



After all...

“Plan for the future because
that’s where you are going to spend
the rest of your life”

Mark Twain



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