

intouch - keeping track of your savings

Summary

- Ways to Keep Track
- Brief Update on Markets
- Buying more for your savings
- Flexible options
 - Change your savings amount
 - Need to take a break?
 - Access some of your savings
 - Want a safer option?
- Need advice or information?

Keep up to date on your savings as often as you want at: www.irishlife.ie.

You can get 24 hour access to a range of services including:

- Your current value
- The performance of your savings funds
- Regular updates on what's happening in the markets
- Switch funds on-line.

Outlined below is a summary of what's happened in investment markets in recent times to help you understand how your savings have performed. Your savings are assigned to funds as part of an investment plan. The performance of your plan is linked to the performance of the funds you have chosen.

If you have any further questions in relation to your savings you should speak with your Financial Adviser. We recommend that you regularly review your savings with your Financial Adviser to ensure that they continue to meet your needs.

In brief

Overall The global economy has slowed considerably over the past 18 months with most economies now in recession. This has resulted in falls in fund values.

Equities Rapid declines in values across most industries, not seen since the 1930s.

Property Lack of availability of loans and oversupply has resulted in significant price falls.

Bonds Increase in returns as investors looked to more secure types of investment.

Commodities Strong start to 2008 but fell sharply in the second half of the year. Remain at low levels so far in 2009.

Returns for the 12 months to end of June 2009

Equities

World	-35%
US	-26%
Europe	-28%
Ireland	-54%
UK	-31%
Asia	-26%
Japan	-22%

Bonds

8.8%

Commodities

-52%

Irish Property

-48%

The returns above reflect the performance over a full 12 month period. As a regular saver your plan will smooth out some of this performance – see "Buying more for your money" on the back page.

Introduction:

As you are probably aware, the global economy has suffered in the past 12 months. We are in unprecedented times – most types of investments, right across the world, whether in equity markets, property or commodities have had significant falls. The performance of your savings plan will depend on the types of investments that make up each fund. Some funds that you are invested in such as "managed" funds have a mix of Equities, Property and Bonds.

A review of Investment markets over the past 12 months

What started as a problem in the US housing market has developed into a financial crisis and world recession that is being compared to the Great Depression of the 1930s. This has resulted in a loss of investor confidence. As a result, equity markets experienced the largest declines since the 1930s. Commercial property funds have also had very significant falls while less risky assets, most notably government bonds and cash have gained some ground.



Irish Life

Buying more for your money

- By saving on a regular basis, you are buying units in your chosen funds at different prices every time you make a payment. Just like anything else you buy, the lower the price the more you can buy.
- Over the long-term regular savers can benefit because they will have bought more units in the times when the market falls. Similarly fewer units are bought in the months when fund prices are higher. The table below shows that in the months when the Fund Price (shown by the Red Line) falls, the number of units bought (shown by the Blue Bars) is higher.

Buying more when prices are lower: Example of how many units €100 buys over time



You can see in month 3, when the fund price is at its highest (1.05), a €100 only buys 95 units - its lowest number of units.

You can see in month 9, when the fund price is at its lowest (0.92), a €100 buys 110 units - its highest number of units.

This table aims to help you understand how the amount of units you buy varies as the fund price changes. It does not reflect actual fund performance.

Saving regularly on a long term basis into investment markets is the best way to arrive at higher potential returns but with a gentler journey than a once off investment would have.

Flexibility to meet changing needs

If your financial circumstances have changed recently we have a range of options that could help you now, while you get back on your feet.

At any stage you can:

- Change your savings amount to a level that suits you.
- Stop your payments for a while and re-start at a later stage when things settle down.
- Take out some of the value of your savings without any penalties and continue saving at the level that suits you.
- Switch funds free of charge if you are unsure that your existing savings funds are still right for your needs. For example our savings plan include Cash Funds if you were looking for a safer short-term home for your savings while markets settle down.

The minimum amount you can save may vary by savings plan. Some of the options outlined above could affect bonuses on some plans. For more information on your options, please call our Customer Service Team or your Financial Adviser. The best way to get information and advice on the options that suit your personal needs is to speak with your Financial Adviser.

Keeping you updated - 24 hours a day, 7 days a week



Customer Self Service

Log on to www.irishlife.ie click on the 'Login' button

Just some of the benefits:

- Get up to date values
- Fund prices and growth rates
- Switch funds online
- View Annual Benefit Statements
- Change your Personal Identification Number (PIN).



Customer Information Line 01 704 1111

- Get up to date values
- Hear weekly market commentary
- Lost your PIN? You can phone to order a new one.

Note: Your PIN can be used for both Customer Self Service and our Customer Information Line.



Customer Service Team 01 704 1010

Opening Hours:

8am -8pm	Monday to Thursday
10am – 6pm	Friday
9am – 1pm	Saturday



Your Financial Adviser

Your Financial Adviser is available to speak with you should you have any questions or concerns. We recommend you speak regularly with your Financial Adviser to review your savings.

This is intended as a general review of investment market conditions and some of the options available on our savings plans in general. It is not investment advice as it does not take account of your specific needs, circumstances or financial objectives. We recommend that you seek personal investment advice as to the suitability of any savings decision or strategy to your own needs and circumstances.

Warning: Past performance is not a reliable guide to future performance. The value of your investment may go down as well as up.

Irish Life Assurance plc is regulated by the Financial Regulator.