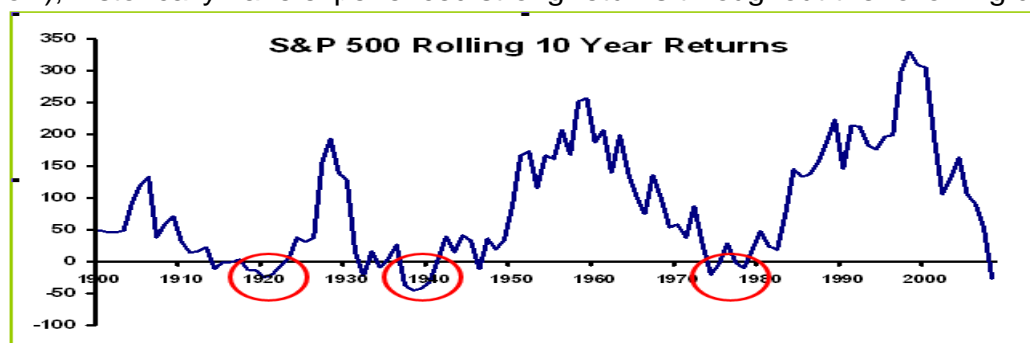


**Mybiz – everything you need to manage your business****For Internal Use Only****Your Investment Market Update – July 9th, 2009**

- The last two weeks saw low trading volumes on world stock markets as investors paused to assess a raft of new economic news. This caused stock markets to fall as investors looked to take profits off the table from the recent rally however taking the second quarter as a whole, major stock markets registered very strong returns.
- The June US non-farm payrolls report released last week however, showed a worse-than-expected loss of 467,000 jobs, dashing hopes for a swift economic rebound.
- Last week also saw a report from the International Monetary Fund (IMF) on the Irish economy which stated that it was perhaps the most overheated of all advanced economies. The IMF says Ireland's seemingly unstoppable economic growth of recent years masked serious problems, including the fragile nature of the public finances.

Market insight :

The chart below shows the rolling 10 year returns for the US S&P500 going back to 1900. The 1920s were generally very positive for 10 year returns, as were the 1950s and the 1980s. The trend would suggest that the market is moving in 30 year cycles. Investors that started to buy equities when the 10 year returns are negative (as they are now), historically have experienced strong returns throughout the following decade.



Graham Fox – Investment Development Manager

How Global Markets are Performing – 1 year returns to July 09.

Global Equities	- 20%	Asian Equities	- 16%
US Equities	- 17%	Japanese Equities	- 14%
European Equities	- 27%	Bonds	13%
Irish Equities	- 47%	Commodities	- 55%
UK Equities	- 26%	Irish Property	- 47%

Key Irish Life Fund returns to 7th July 2009

	3 month	1 yr	3 yr p.a.	5yr p.a.	10 yr p.a.	Annual growth since launch
Consensus	6.71%	-18.46%	-9.46%	-0.18%	0.12%	5.81%
Active Managed	8.69%	-19.33%	-9.86%	-0.26%	0.48%	11.45%
Diversified Assets	4.04%	-24.18%	N/A	N/A	N/A	-9.46%
Global Opportunities	13.62%	-24.79%	-13.50%	-2.16%	-2.06%	3.21%
Irish Property	-4.20%	-53.92%	-19.78%	-6.86%	N/A	-5.61%
Property Portfolio	-7.59%	-47.08%	-16.37%	N/A	N/A	-13.96%

For the full range of Irish Life fund returns click [here](#)

Warning: Past performance is not a reliable guide to future performance. Funds may be affected by changes in currency exchange rates. The value of your investment may go down as well as up.

Irish Life Assurance Plc is regulated by the Financial Regulator

Contents:
Page 1 –
Investment
news

Page 2

- Focus on
Retention- Getting
closer to
the
customer

Customers
are looking
for options
and
seeking
solutions
for their
finances

Talking to
our
customers
is critical in
these
times -
letting
them know
we are
here to
help

Our funds
are down
but some
individual
stock
markets
are faring
worse



Retention

For Internal Use Only

All the tools our Financial Advisers need to help with our retention efforts

When advisers log into My Biz(sellers self service) – Check out:

My Book- Safeguard our business by pro-actively retaining customers

My Alerts – Notification of key policies to focus on

My Losses - Saving our customers

Advisers also now view their:

Customer Contact & transaction history – help keep up-to-date

Business Retention Guide – a wide range of information on:

- Options for customers
- Benefits of keeping plans
- Scripts to assist you when talking to customers

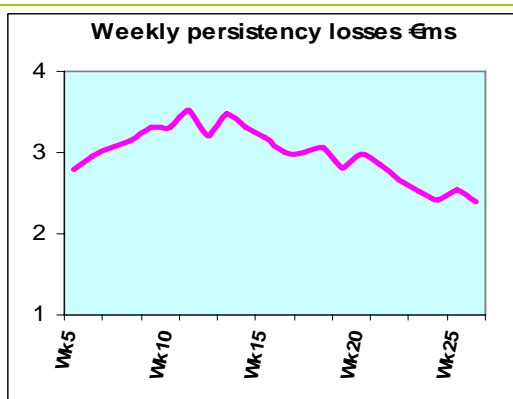
click [here](#) to view the **BR Guide**

What's new in Retention:

- Min bonussave payment reduced to €50 per month for existing customers
- Alerts to Advisers on Risk Claims
- Revamped Savings Withdrawal Forms

Our role is to know our customers and know the options available to them

Recoveries: Success in our Retention efforts



- The weekly persistency loss trend in H1 2009 shows steady improvement from week 13.
- This coincides with our increase in Business Retention activity which is making a difference. Our challenge will be to sustain this into H2 and through to the end of 2009.
- Mybiz (self service) and BOB (contact alerts) are putting our advisers and consultants in the loop at a much earlier stage. This gives us every opportunity to have timely conversations with customers, inform them of their options and keep them with us in the long term

Our customers need us to be pro-active

What's working:

- We are seeing an increase in customers choosing options to stay with us over withdrawing their business completely. 23% of all encashments were Partial in the second quarter – up from 17% in the first. Premium Holidays and Reductions are practical options for customers.
- We are also getting better at recovering business – bringing customers back into the fold. In recent weeks, we have had a steady stream of recoveries valued at €400k to €500k per week.
- And even if our interventions don't succeed this time around, customers have told us they value our efforts, giving us a better chance they or their families will do business with us again!

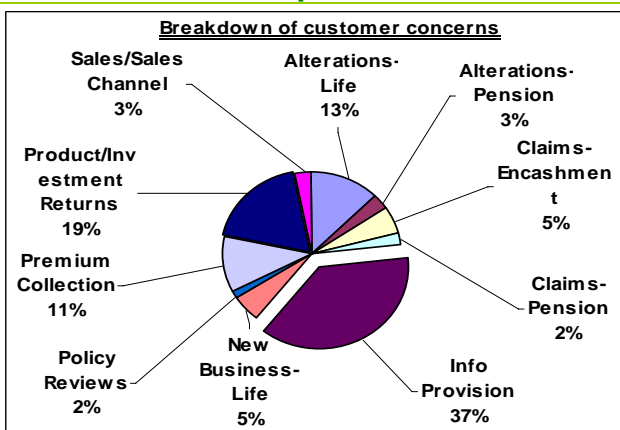
Increased Customer loyalty will be our long-term reward

Closer to the Customer

Our Voice to the Customer – What we are currently communicating

- Income Protection – PR coverage in all the major national papers on the need for protection, the current demand from customers and the great value Irish Life offer
- New Inserts in ABS – promoting positive messages to customers about their plans including the extra value in cheap units and the range of options available for savings and pensions.

Top Customer concerns and more about using Mybiz



How to maximise the potential of Mybiz:

Outstanding requirements at Plan Proposal stage

- Enter the plan number into the Seller Self Service system and you will be brought into the Plan Summary Screen.
- Click on the “**Proposal Requirements**” button in the left-hand margin. You will then see in detail, exactly what is outstanding on this new business proposal.
- It's as simple as that and a lot quicker than calling the contact centre for the same info!

From here on we'll be keeping you informed on a fortnightly basis