



*your* pension scheme  
Summary Funding Statement at 31 March 2008



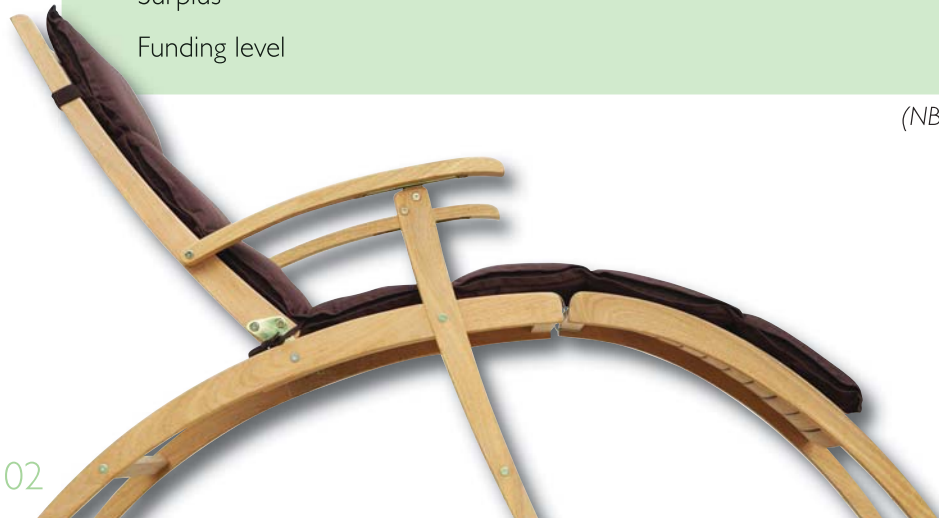
## Summary Funding Statement

Your Summary Funding Statement is an update from the Trustees of the Kingfisher Pension Scheme on the funding position of your Scheme.

The most recent full actuarial valuation for the Scheme showed that at 31 March 2007 the funding position was:

Assets	£1,391m
Liabilities	£1,369m
Surplus	£22m
Funding level	102%

(NB. Excluding AVCs & KPS-MP)



The Scheme's Actuary has provided the Trustees with an update to these results in an 'annual actuarial report'. This showed that at 31 March 2008 the funding position was:

Assets	£1,455m
Liabilities	£1,440m
Surplus	£15m
Funding level	101%

*(NB. Excluding AVCs & KPS-MP)*

The broad reason for the slight deterioration in the funding position since the last valuation is a lower than expected investment return.

The current economic uncertainty has brought unprecedented falls in global investment markets over recent months. In response, the Trustees have asked the Scheme's Actuary to monitor the funding level on a more regular basis.

This informal monitoring has indicated a further fall in the funding level to around 94%. The funding level could have fallen significantly lower had the Trustees not commenced the strategy of de-risking the Scheme's investment portfolio, which has been carried out by increasing bond holdings and reducing exposure to equity markets.






## Summary Funding Statement

### What is the Scheme invested in?

The Trustees' policy is to invest in a broad range of assets which are designed to ensure that investment objectives are achieved. As at 31 March 2008 the asset allocation can be summarised as:

Government securities	24%
Company shares	45%
Corporate bonds	24%
Commercial property	7%



Following the de-risking activity, the asset allocation as at 31 December 2008 can be summarised as:

Government securities	26%
Company shares	36%
Corporate bonds	32%
Commercial property	6%

## Have any payments been made to Kingfisher plc?

No payments have been made to Kingfisher plc or any of the participating companies out of the Scheme's funds in the previous twelve months.

## How does the Scheme operate and how is my pension paid for?

All participating companies pay contributions to the Scheme so that the Scheme can pay pensions to members when they retire. Active members also pay contributions to the Scheme, and these are deducted tax efficiently from their basic pay. The money to pay for members' pensions in the Final Salary Section is held in a common fund; not in a separate account for each individual.

## The importance of Kingfisher plc's support

The Trustees' objective is to have enough money in the Scheme to pay pensions now and in the future. The success of this plan relies on continuing support from Kingfisher plc and the participating companies because:

- the funding level can fluctuate over time and the Trustees have to review the funding plan with Kingfisher plc at regular intervals (usually every three years); and
- should the target funding level turn out to be insufficient, Kingfisher plc and the participating companies would need to contribute more money to the Scheme.



## Summary Funding Statement

### What would happen if the Scheme started to wind up?

If the Scheme winds up, you may not get the full amount of pension you have built up, even if the Scheme's funding level was over 100% on an ongoing basis.

As part of the valuation, the Scheme's Actuary estimated what the funding position would have been, had the Trustees wound up the Scheme and secured members' benefits with individual policies with an insurance company. Had the Scheme wound up at 31 March 2007 the fund would have represented approximately 66% of the cost of the benefits. This increased to 68% by 31 March 2008 but indications are that this has fallen to around 62% since then as a result of investment market movements.

The Trustees consider the possibility of the Scheme being wound up as remote, but it is a legal requirement to disclose this information as part of the Summary Funding Statement. It in no way indicates the Company's intentions.

If the Scheme were to wind up, the participating companies are required to pay enough into the Scheme to enable the members' benefits to be completely secured with an insurance company. It may be, however, that the participating companies would not be able to pay this full amount. If the participating companies became insolvent, the Pension Protection Fund might be able to take over the Scheme and pay compensation to members.

Further information is available on the Pension Protection Fund's website at [www.pensionprotectionfund.org.uk](http://www.pensionprotectionfund.org.uk), or you can write to the Pension Protection Fund at Knollys House, 17 Addiscombe Road, Croydon, Surrey, CR0 6SR.



19

20

21

Retirement  
Day!

26

27

# Contact Kingfisher Group Pensions Department

**By writing to:** Kingfisher Pension Trustee Limited, 3 Sheldon Square, Paddington, London W2 6PX

**By faxing:** 08456 80 85 28

**By emailing:** [pensions@kingfisher.com](mailto:pensions@kingfisher.com)

**By phoning:** 08456 80 70 60

**You can also visit the Pensions Website at:** [www.kingfisherpensions.com](http://www.kingfisherpensions.com)



KING/SHER



SCREWFIX



Printed on  
Recycled Material

