

Kingfisher Pension Scheme

Summary
Funding Statement
at 31 March 2009



KINGFISHER

Introduction

Your Summary Funding Statement is an update from the Trustee of the Kingfisher Pension Scheme on the funding position of your Scheme. The Trustee must send this update to all members of the Final Salary Section each year.

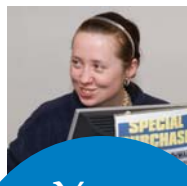
If you have any questions about this Statement please contact the Group Pensions Department – details are on the back page. You can also visit our website at www.kingfisherpensions.com.

Please help us to keep in touch with you by telling us if you change address.

Yours faithfully



Dermot Courtier
Secretary
Kingfisher Pension Trustee Ltd



Your
Pension
Your
Future

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The Annual Funding Position for the Scheme

Since the last full actuarial valuation at 31 March 2007

The last full actuarial valuation for the Scheme was at 31 March 2007. The annual funding position since then has been:

Results (£m)	31.03.07	31.03.08	31.03.09
Assets	1,391	1,455	1,254
Technical Provisions	1,369	1,440	1,502
Surplus / (deficit)	22	15	(248)
Funding level	102%	101%	83%

(NB Excludes AVCs and KPS-MP)

The main reason for the significant deterioration in the funding position over the last year is the unprecedented global fall in stock markets, which has resulted in negative investment returns.

As reported last year, the Trustee and the Scheme's Actuary have been monitoring the funding level on a more regular basis. This informal monitoring indicates a change in the funding level to around 87% at 30 September 2009.



What is the Scheme invested in?

The Trustee has adopted a policy of de-risking (i.e. by increasing bond holdings and reducing exposure to equity markets) and funds have been invested in a broad range of assets which are designed to ensure that investment objectives are achieved.

Asset Allocation	31.03.07	31.03.08	31.03.09
Government securities	23%	24%	29%
Company shares	44%	45%	33%
Corporate bonds and liquid assets	26%	24%	33%
Commercial property	7%	7%	5%



Have any payments been made to Kingfisher plc?

No payments have been made to Kingfisher plc or any of the participating employers 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 employers 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 ongoing support

The Trustee's 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 Trustee have to review the funding plan with Kingfisher plc at regular intervals (usually every three years);
- ➔ 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.

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 Trustee 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% at 31 March 2008 but had fallen to around 58% at 31 March 2009 as a result of investment market movements.

The Trustee considers 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. Kingfisher plc currently has strong finances and the possibility of it becoming insolvent seems very unlikely.

Further information and guidance is available on the Pension Protection Fund's website at www.pensionprotectionfund.org.uk, or you can write to the Pension Protection Fund at Knollys House, 17 Addiscombe Road, Croydon, Surrey, CR0 6SR.



Contact Kingfisher Group Pensions Department

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You can also visit the Pensions Website at
www.kingfisherpensions.com



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