

## Full Year 2005 New Business Announcement

**Monday 6th February – Immediate Release**

### Repositioning on track

- UK Life and Pensions APE increased 3% to £908m (2004: £882m)
- Worldwide insurance APE down 6% to £1,238m (2004: £1,321m), excluding Germany +5%
- SIPP and Investment Bond sales of £2,242m
- Worldwide gross investment sales up 200% to £5,917m (2004: £1,973m)
- Third party funds under management up more than 50% to £28.1bn (2004: £18.3bn)

### Full Year

UK Life and Pensions APE (Annual Premium Equivalent) sales for the year were 3% up on 2004 with strong performance from SIPP and Investment Bonds. Canada performed well with insurance APE increasing by 17% year-on-year. Worldwide insurance APE fell by 6%, largely reflecting the impact of Germany, where the fourth quarter of 2004 had been exceptionally strong as a result of tax changes. Standard Life Investments performed strongly and worldwide investment sales increased by 200% in 2005.

### Fourth Quarter 2005

UK Life and Pensions APE sales for the fourth quarter were down 12% to £221m (2004: £251m). In both individual and group pensions, our decision to reduce commission levels resulted in sales falling compared with the final quarter of 2004. Sales of SIPP and Investment Bonds increased 186% and 23% respectively. Canada had a strong fourth quarter and increased insurance APE by 66% (56% in local currency) to £65m (2004: £40m). This was driven by securing a number of large group annuity contracts in December. As previously stated, the final quarter in Germany was substantially below last year.

Standard Life's Group Chief Executive Sandy Crombie said:

“Our full year results show a clear shift of emphasis in our core UK Life and Pensions business towards investment-driven single premium business. We have made good progress in 2005 in developing products that will further alter the balance of our business. Overall, worldwide group new insurance business showed a 17% increase in new single premiums against a 20% fall in regular premiums. Our Canadian business finished the year on a strong note and Standard Life Investments capitalised on its excellent performance track record, with a large step forward both in new mandates and funds under management.”



### **UK Life and Pensions**

Standard Life continued its repositioning throughout 2005. APE sales increased by 3% to £908m, with single premium business increasing by 13% over the year whilst new regular premium business fell by 6%.

SIPP and Investment Bonds both performed strongly in 2005, each taking in over £1bn of single premium business. SIPP single premiums increased to £1,109m from £359m year-on-year, with Q4 sales rising to £329m from £117m. We believe that SIPP will continue to sell strongly, notwithstanding the recent government decision to exclude residential property from SIPP investments. Investment Bonds single premiums increased by 39% to £1,117m (2004: £801m) and for the quarter increased by 23% to £386m (2004: £315m).

Group pensions APE increased by 4% over the year as a consequence of strong performances in the first and second quarters, which were up 14%\* and 36%\* respectively. Sales then fell by 11%\* and 19% respectively in the third and fourth quarters, as changes introduced to the company's commission structure began to impact. Individual pensions APE fell by 48% on last year following the reduction in commission rates introduced at the end of 2004.

Protection sales fell in the year to £6m (-57%) with the market remaining difficult as a result of a slowing housing market and strong price competition.

During the year Standard Life successfully diversified its distribution by signing a number of single and multi-tie deals, including those with Barclays Financial Planning, Fidelity and Sesame. The company is now well positioned in both the IFA and non-IFA market for the longer term.

A number of new developments are planned for 2006 which will help reposition the business further. Standard Life International Limited was launched in January 2006 and is selling its first offshore bond. The company also expects to begin to roll out its Wrap proposition by the end of March. This offers open architecture to allow investment choice and a full range of tax wrappers. The Group is well placed for A-day on April 6<sup>th</sup> with a range of products designed to meet customer needs.

\*refer to Notes to Editors, note 3.



### **Standard Life Investments**

Standard Life Investments performed strongly throughout 2005 in both institutional and retail markets.

Gross investment sales for the year increased by 200% to £5,917m. Total UK institutional gross sales reached £2,350m for 2005, an increase of 213% and the pipeline of new business remains strong for 2006. UK mutual funds gross sales increased 87% on 2004 to £605m.

Funds under management continued to grow, reflecting new business gains and strong markets, with total funds under management for Standard Life Investments rising over 20% to £118.8bn from £96bn over the year.

Third party funds under management increased by 54% over the year to £28.1bn, representing compound annual growth of 27% over the last five years.

At year-end, £10.4bn of property funds were managed by Standard Life Investments, which now ranks as the 11<sup>th</sup> largest property manager in the world.

The AAA Money Market Fund enjoyed another strong year with net average sales up 328% to £1,925m.

### **Standard Life Bank**

In a difficult housing and competitive mortgage market, gross mortgage lending fell by 26% over the year to £3.1bn. However, the bank's focus on customer retention resulted in mortgages under management growing 4% to £10.6bn at the year-end.

### **Standard Life Healthcare**

Standard Life Healthcare experienced a fall in new regular premiums of 32% to £20m. This is a result of a repositioning of the business to concentrate on profitable segments of the private healthcare market.

We expect the legal completion of the acquisition of the private medical insurance (PMI) business of FirstAssist Insurance Services Limited to take place by the end of March 2006. This is expected to increase Standard Life Healthcare's share of the PMI market from 6% to 9%, adding over 200,000 customers.



### **Canada**

Total new insurance APE sales increased by 17% (11% in local currency) to £184m in 2005. The year finished strongly with APE sales in the fourth quarter increasing to £65m, up 66%, partly as a result of strong group annuity sales, where several large contracts were secured in December.

Customer concerns over the adequacy of retirement income led to an improving market for mutual funds, where Standard Life increased gross sales by 77% to £324m in 2005 (2004: £183m).

### **Germany**

APE sales in the fourth quarter of 2005 were down 88% to £16m, with full year sales falling 68% to £66m. This was as a result of tax changes introduced from 1 January 2005, which were preceded by a one-off surge in new business in the last quarter of 2004.

### **Ireland**

APE sales increased by 26% in 2005 to £34m with strong sales in Q4. This was due to a strong market coupled with Standard Life's move towards selling a wider range of investment products. There was a significant improvement in the second half of the year following the launch of the Synergy suite of products and funds in Q2.

### **India**

Standard Life's joint venture, HDFC Standard Life Insurance Company Limited, performed well throughout 2005, reflecting strong market growth and an increasing market share.

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## Notes to Editors

1. All financial information is unaudited. The group will be preparing its year-end financial statements in accordance with International Financial Reporting Standards. The subsidiary companies will continue to prepare their financial statements under UK GAAP. Accordingly, the financial information shown in the press release for subsidiary companies has been prepared under UK GAAP.
2. The insurance operations new business shown within these schedules includes certain products which do not fall within the scope of "insurance contracts" as defined by IFRS4 "Insurance Contracts" as they do not contain sufficient insurance risk. However, the classification of products into investment or insurance operations is consistent with previous new business reports and is in accordance with FSA recognition rules for insurance business.
3. During the year, the Company improved the methodology used to report new business for Group Pensions relating to Group Money Purchase contracts and flexible pension products. New business on Group Money Purchase contracts changed from reporting on a scheme basis to reporting on an individual policy basis. For flexible pension products, improvements have been made to the approach for calculating variable premiums. The effect of these changes is to increase Worldwide Insurance APE for 2005 by £36m (2004: £21m). The comparative information presented has been restated on a consistent basis. A table showing the impact of this change for the quarters previously reported in 2005 is attached.
4. Following the change in 2004 of the Company's year-end from 15 November to 31 December and the change to calendar quarter reporting, appropriate comparatives for new business APE, investment sales and gross mortgage lending have been provided for the 12 month period to 31 December 2004. All 2004 financials are pro forma.
5. Annual Premium Equivalent (APE) sales comprise new regular premium sales plus 10% of single premiums.
6. Standard Life participates in two Indian joint-ventures with HDFC: a life assurance company, HDFC Standard Life Insurance Company Limited, in which it holds 22.4% and HDFC Asset Management Company, in which it holds 49.9%.
7. Insurance new business and Investment gross sales for overseas operations are calculated using average exchange rates. The principal average exchange rates used are £1:C\$2.20 (2004 £1:C\$2.36) and £1:Euro 1.46 (2004 £1:Euro 1.46). Funds under management are calculated using the closing exchange rate at the period end. The principal closing exchange rates used are £1:C\$2.01 (2004 £1:C\$2.30) and £1:Euro 1.46 (2004 £1:Euro 1.41).
8. TIP is a Trustee Investment Plan designed to meet the needs of Trustees of exempt approved occupational pension schemes (defined benefit, defined contribution and SSAS schemes).
9. PPIP is a Personal Pension Investment Plan. It is a version of TIP available to Managers of Self Invested Personal Pensions (SIPP) that are administered externally to Standard Life.
10. Standard Life Healthcare market share figures are sourced from Laing & Busson 'UK & Healthcare Cover 2005.' Figures are for market share at 31 December 2004.

The Standard Life Assurance Company New Business  
12 month period ended 31 December 2005

Insurance Products

	Single Premiums		New Regular Premiums		APE		
	12 Months to 31 December 2005	Pro forma 12 Months to 31 December 2004 <sup>(b)</sup>	12 Months to 31 December 2005	Pro forma 12 Months to 31 December 2004 <sup>(b)</sup>	12 Months to 31 December 2005	Pro forma 12 Months to 31 December 2004 <sup>(b)</sup>	% Change in local currency
	£m	£m	£m	£m	£m	£m	% Change
UK Life and Pensions	4,621	4,075	446	474	908	882	3%
SL Healthcare	0	0	20	29	20	29	-32%
Canada	974	721	87	84	184	157	17%
International	218	191	103	232	126	253	-50%
<b>Total Worldwide Insurance</b>	<b>5,813</b>	<b>4,987</b>	<b>656</b>	<b>819</b>	<b>1,238</b>	<b>1,321</b>	<b>-6%</b>

Investment Products

	Gross Sales	
	12 Months to 31 December 2005	Pro forma 12 Months to 31 December 2004 <sup>(b)</sup>
	£m	£m
UK <sup>(b)</sup>	5,551	1,796
Canada	399	231
International <sup>(b)</sup>	-33	-54
<b>Total Worldwide Investment</b>	<b>5,917</b>	<b>1,973</b>

Banking

	12 Months to 31 December 2005	Pro forma 12 Months to 31 December 2004 <sup>(b)</sup>	% Change
	£m	£m	
<b>Gross Mortgage Lending</b>	<b>3,092</b>	<b>4,179</b>	<b>-26%</b>

a) Following the change in the company's year end from 15 November to 31 December, and the change to calendar quarter reporting, appropriate comparatives have been provided for the period to 31 December 2004.

b) Due to the nature of the Indian Investment sales market, Indian new business is shown as net of sales less redemptions. The Triple A fund within UK Investment sales is calculated using average net client balances.

Annual Premium Equivalent (APE) is the industry standard for measuring new business income and represents all new regular premiums and 10% of single premiums.

**Insurance Operations New Business  
12 month period ended 31 December 2005**

Analysed by geographical region	Single Premiums			New Regular Premiums			Annual Premium Equivalents (APE)		
	12 Months to 31 December 2005 £m	Pro forma 12 Months to 31 December 2004 <sup>a)</sup> £m	% Change	12 Months to 31 December 2005 £m	Pro forma 12 Months to 31 December 2004 <sup>a)</sup> £m	% Change	12 Months to 31 December 2005 £m	Pro forma 12 Months to 31 December 2004 <sup>a)</sup> £m	% Change in local currency
<b>UK</b>									
Individual Pensions	734	1,420	-48%	62	120	-48%	135	262	-48%
SIPP & Drawdown	1,109	359	209%	16	0	0%	127	36	253%
Group Pensions	428	582	-26%	360	329	9%	403	387	4%
Investment (TIP and PPP)	934	537	74%	0	0	0%	93	54	74%
Investments Bonds	1,117	801	39%	0	0	0%	112	80	39%
Annuities	295	371	-20%	0	0	0%	30	37	-20%
Protection	0	0	0%	6	14	-57%	6	14	-57%
Other	4	5	-20%	2	11	-82%	2	12	-83%
<b>Life and Pensions</b>	<b>4,621</b>	<b>4,075</b>	<b>13%</b>	<b>446</b>	<b>474</b>	<b>-6%</b>	<b>908</b>	<b>882</b>	<b>3%</b>
SL Healthcare	0	0	0%	20	29	-32%	20	29	-32%
<b>UK Insurance</b>	<b>4,621</b>	<b>4,075</b>	<b>13%</b>	<b>466</b>	<b>503</b>	<b>-7%</b>	<b>928</b>	<b>911</b>	<b>2%</b>
<b>Canada</b>									
Individual Annuities	472	387	22%	0	0	0%	47	39	22%
Group Annuities	498	331	50%	39	41	-4%	89	74	20%
Insurance	4	3	22%	26	22	16%	26	23	16%
<b>Life and Pensions</b>	<b>974</b>	<b>721</b>	<b>35%</b>	<b>65</b>	<b>63</b>	<b>3%</b>	<b>162</b>	<b>136</b>	<b>19%</b>
Health and Disability	0	0	0%	22	21	6%	22	21	6%
<b>Canadian Insurance</b>	<b>974</b>	<b>721</b>	<b>35%</b>	<b>87</b>	<b>84</b>	<b>4%</b>	<b>184</b>	<b>157</b>	<b>17%</b>
<b>International (Excluding Canada)</b>									
Republic of Ireland	164	139	18%	17	13	31%	34	27	26%
Germany	36	31	16%	63	201	-69%	66	205	-68%
Spain	5	7	-29%	0	1	-100%	1	2	-50%
Hong Kong	0	0	0%	0	3	-100%	0	3	-100%
India <sup>b)</sup>	6	4	50%	22	10	120%	23	11	109%
China <sup>b)</sup>	7	10	-30%	0	0	0%	1	1	0%
<b>Life and Pensions</b>	<b>218</b>	<b>191</b>	<b>14%</b>	<b>102</b>	<b>228</b>	<b>-55%</b>	<b>125</b>	<b>249</b>	<b>-50%</b>
Spain General	0	0	0%	1	4	-75%	1	4	-75%
<b>International (Excluding Canada) Insurance</b>	<b>218</b>	<b>191</b>	<b>14%</b>	<b>103</b>	<b>232</b>	<b>-56%</b>	<b>126</b>	<b>253</b>	<b>-50%</b>
<b>Total Worldwide Insurance</b>	<b>5,813</b>	<b>4,987</b>	<b>17%</b>	<b>656</b>	<b>819</b>	<b>-20%</b>	<b>1,238</b>	<b>1,321</b>	<b>-6%</b>

a) Following the change in the company's year end from 15 November to 31 December, and the change to calendar quarter reporting, appropriate comparatives have been provided for the period to 31 December 2004

b) Amounts shown reflect Standard Life's share of the Joint Venture Company's New Business.

**Investment Operations  
12 month period ended 31 December 2005**

	Opening FUM 01/01/2005 £m	Gross Sales £m	Redemptions £m	Net Inflows £m	Market & other movements £m	Net Movement in FUM £m	Closing FUM 31/12/2005 £m
<b>UK</b>							
Mutual Funds	2,279	605 <sup>0</sup>	(312)	293	290	583	2,862
Private Equity	936	671	(58)	613	31	644	1,580
Segregated Funds	2,663	2,173 <sup>e</sup>	(237)	1,936	1,316 <sup>b</sup>	3,252	5,915
Pooled Property Funds	192	177 <sup>e</sup>	0	177	69	246	438
Triple A	2,291	1,925 <sup>e</sup>	0	1,925	205	2,130	4,421
<b>Total UK</b>	<b>8,361</b>	<b>5,551</b>	<b>(607)</b>	<b>4,944</b>	<b>1,911</b>	<b>6,855</b>	<b>15,216</b>
<b>Canada</b>							
Mutual Funds	541	324 <sup>g</sup>	(78)	246	232	478	1,019
Investment Counselling	998	75	(362)	(287)	265	(22)	976
<b>Total Canada</b>	<b>1,539</b>	<b>399</b>	<b>(440)</b>	<b>(41)</b>	<b>497</b>	<b>456</b>	<b>1,995</b>
<b>International</b>							
Europe	0	29	(2)	27	2	29	29
Hong Kong	144	0	0	0	31	31	175
India	901	(62) <sup>d</sup>	0	(62)	298	236	1,137
<b>Total International</b>	<b>1,045</b>	<b>(33)</b>	<b>(2)</b>	<b>(35)</b>	<b>331</b>	<b>296</b>	<b>1,341</b>
<b>Total Worldwide Investment Products</b>	<b>10,945</b>	<b>5,917</b>	<b>(1,049)</b>	<b>4,868</b>	<b>2,739</b>	<b>7,607</b>	<b>18,552</b>

Total third party funds under management comprise the investment business noted above together with third party insurance contracts. New business relating to third party insurance contracts is disclosed as insurance business for reporting purposes. An analysis of total third party funds under management is shown below.

	Standard Life Investments				Closing FUM 31/12/2005 £m
	Opening FUM 01/01/2005 £m	Gross inflows £m	Redemptions £m	Net Inflows £m	
Investment Products	10,945	5,917	(1,049)	4,868	18,552
Third party insurance contracts (new business classified as insurance products)	7,345	1,409	(758)	651	9,577
<b>Third party funds under management</b>	<b>18,290</b>	<b>7,326</b>	<b>(1,807)</b>	<b>5,519</b>	<b>28,129</b>
<b>Standard Life Investments – total funds under management</b>	<b>95,710</b>			<b>4,320</b>	<b>118,842</b>

a) Other movements include exchange rate movements, return of capital and adjustments for new money received internally from Group which is reported within non-third party FUM.

b) Other movements in respect of Segregated Funds includes an adjustment of £400m for an understatement in earlier periods.

c) Due to the nature of the Triple A fund the inflows shown are calculated using average net client balances. Other movements are derived as the difference between these average net inflows and the movement in the opening and closing FUM. Triple A sales have increased by 328% from £450m in 2004.

d) As a result of the sales market volatility in India, investment sales are shown as net of sales less redemptions.

e) Institutional sales comprise Segregated and Pooled Property Fund sales. Total institutional sales were £750m in 2004.

f) 2004 UK pro forma Mutual Fund sales were £324m.

g) 2004 pro forma Canadian Mutual Fund sales were £183m.

The Standard Life Assurance Company, New Business  
3 month period ended 31 December 2005

**Insurance Products**

	Single Premiums		New Regular Premiums		APE		
	3 Months to 31 December 2005	Pro forma 3 Months to 31 December 2004 <sup>(a)</sup>	3 Months to 31 December 2005	Pro forma 3 Months to 31 December 2004 <sup>(a)</sup>	3 Months to 31 December 2005	Pro forma 3 Months to 31 December 2004 <sup>(a)</sup>	% Change in local currency
	£m	£m	£m	£m	£m	£m	% Change
UK Life and Pensions	1,253	1,353	96	115	221	251	-12%
SL Healthcare	0	0	5	6	5	6	-9%
Canada	355	176	29	22	65	40	66%
International	87	61	29	139	38	148	-75%
<b>Total Worldwide Insurance</b>	<b>1,695</b>	<b>1,590</b>	<b>159</b>	<b>282</b>	<b>329</b>	<b>445</b>	<b>-26%</b>

**Investment Products**

	Gross Sales		% Change
	3 Months to 31 December 2005	Pro forma 3 Months to 31 December 2004 <sup>(a)</sup>	
	£m	£m	% Change
UK <sup>(b)</sup>	1,719	847	103%
Canada	104	59	76%
International <sup>(b)</sup>	-111	-57	-95%
<b>Total Worldwide Investment</b>	<b>1,712</b>	<b>849</b>	<b>102%</b>

**Banking**

	3 Months to 31 December 2005	Pro forma 3 Months to 31 December 2004 <sup>(a)</sup>	% Change
	£m	£m	% Change
<b>Gross Mortgage Lending</b>	<b>802</b>	<b>850</b>	<b>-6%</b>

a) Following the change in the company's year end from 15 November to 31 December, and the change to calendar quarter reporting, appropriate comparatives have been provided for the 3 month period to 31 December 2004.

b) Due to the nature of the Indian Investment sales market, Indian New Business is shown as the net of sales less redemptions. The Triple A fund within UK Investment sales is calculated using net client balances.

Annual Premium Equivalent (APE) is the industry standard for measuring new business income and represents all new regular premiums and 10% of single premiums.

**Insurance Operations New Business  
3 month period ended 31 December 2005**

Analysed by geographical regions	Single Premiums		New Regular Premiums		Annual Premium Equivalent (APE)		
	3 Months to 31 December 2005 £m	Pro-Forma 3 Months to 31 December 2004 <sup>a)</sup> £m	% Change	3 Months to 31 December 2005 £m	Pro-forma 3 Months to 31 December 2004 <sup>b)</sup> £m	% Change	% Change in local currency
<b>UK</b>							
Individual Pensions	187	406	-54%	14	31	-55%	-54%
SIPP & Drawdown	329	117	181%	6	0	0%	235%
Group Pensions	145	287	-49%	74	79	0%	-19%
Investments (TIP and PPIP)	153	152	1%	0	0	0%	1%
Investments Bonds	386	315	23%	0	0	0%	23%
Annuities	50	76	-34%	0	0	0%	-34%
Protection	0	0	0%	1	3	-69%	-69%
Other	3	0	0%	1	2	-36%	-28%
<b>Life and Pensions</b>	<b>1,253</b>	<b>1,353</b>	<b>-7%</b>	<b>96</b>	<b>115</b>	<b>-16%</b>	<b>-12%</b>
SL Healthcare	0	0	0%	5	6	-9%	-9%
<b>UK Insurance</b>	<b>1,253</b>	<b>1,353</b>	<b>-7%</b>	<b>101</b>	<b>121</b>	<b>-16%</b>	<b>-12%</b>
<b>Canada</b>							
Individual Annuities	140	106	32%	0	0	0%	19%
Group Annuities	214	68	215%	17	9	95%	160%
Insurance	1	2	-62%	6	7	-19%	-30%
<b>Life and Pensions</b>	<b>355</b>	<b>176</b>	<b>101%</b>	<b>23</b>	<b>16</b>	<b>43%</b>	<b>63%</b>
Health and Disability	0	0	0%	6	6	4%	20%
<b>Canadian Insurance</b>	<b>355</b>	<b>176</b>	<b>101%</b>	<b>29</b>	<b>22</b>	<b>34%</b>	<b>66%</b>
<b>International (excluding Canada)</b>							
Republic of Ireland	73	46	56%	9	4	116%	74%
Germany	9	11	-22%	15	132	-89%	-88%
Spain	0	2	-100%	0	0	0%	-100%
Hong Kong	0	0	0%	0	0	0%	0%
India <sup>b)</sup>	1	1	45%	5	3	44%	11%
China <sup>b)</sup>	4	1	300%	0	0	0%	100%
<b>Life and Pensions</b>	<b>87</b>	<b>61</b>	<b>44%</b>	<b>29</b>	<b>139</b>	<b>-79%</b>	<b>-75%</b>
Spain General	0	0	0%	0	0	0%	0%
<b>International (excluding Canada) Insurance</b>	<b>87</b>	<b>61</b>	<b>44%</b>	<b>29</b>	<b>139</b>	<b>-79%</b>	<b>-75%</b>
<b>Total Worldwide Insurance</b>	<b>1,695</b>	<b>1,590</b>	<b>7%</b>	<b>159</b>	<b>282</b>	<b>-44%</b>	<b>-26%</b>

a) Following the change in the company's year end from 15 November to 31 December, and the change to calendar quarter reporting, appropriate comparatives have been provided for the period to 31 December 2004.

b) Amounts shown reflect Standard Life's share of the Joint Venture Company's New Business.

**Investment Operations  
3 month period ended 31 December 2005**

	Opening FUM 01/10/2005 £m	Gross Sales £m	Redemptions £m	Net Inflows £m	Market & other movements £m	Net Movement in FUM £m	Closing FUM 31/12/2005 £m
<b>UK</b>							
Mutual Funds	2,668	227	(82)	145	49	194	2,862
Private Equity	1,477	108	(16)	92	11	103	1,580
Segregated Funds	4,952	860 <sup>d)</sup>	(192)	668	295	963	5,915
Pooled Property Funds	381	27 <sup>d)</sup>	0	27	30	57	438
Triple A	3,498	497 <sup>b)</sup>	0	497	426	923	4,421
<b>Total UK</b>	<b>12,976</b>	<b>1,719</b>	<b>(290)</b>	<b>1,429</b>	<b>811</b>	<b>2,240</b>	<b>15,216</b>
<b>Canada</b>							
Mutual Funds	904	96	(22)	74	41	115	1,019
Investment Counselling	965	8	(51)	(43)	54	11	976
<b>Total Canada</b>	<b>1,869</b>	<b>104</b>	<b>(73)</b>	<b>31</b>	<b>95</b>	<b>126</b>	<b>1,995</b>
<b>International</b>							
Europe	0	29	(2)	27	2	29	29
Hong Kong	173	0	0	0	2	2	175
India	1,210	(140) <sup>e)</sup>	0	(140)	67	(73)	1,137
<b>Total International</b>	<b>1,383</b>	<b>(111)</b>	<b>(2)</b>	<b>(113)</b>	<b>71</b>	<b>(42)</b>	<b>1,341</b>
<b>Total Worldwide Investment Products</b>	<b>16,228</b>	<b>1,712</b>	<b>(365)</b>	<b>1,347</b>	<b>977</b>	<b>2,324</b>	<b>18,552</b>

Total third party funds under management comprise the investment business noted above together with third party insurance contracts. New business relating to third party insurance contracts is disclosed as insurance business for reporting purposes. An analysis of total third party funds under management is shown below.

	Standard Life Investments					Closing FUM 31/12/2005 £m
	Opening FUM 01/10/2005 £m	Gross Inflows £m	Redemptions £m	Net Inflows £m	Market & other Movements £m	
Investment Products	16,228	1,712	(365)	1,347	977	18,552
Third party insurance contracts (new business classified as insurance products)	9,028	356	(182)	174	375	9,577
<b>Third party funds under management</b>	<b>25,256</b>	<b>2,068</b>	<b>(547)</b>	<b>1,521</b>	<b>1,352</b>	<b>28,129</b>
<b>Standard Life Investments – total funds under management</b>	<b>112,494</b>					<b>118,842</b>

- a) Other movements include exchange rate movements, return of capital and adjustments for new money received internally from Group which is reported within non-third party FUM.  
b) Due to the nature of the Triple A fund the inflows shown are calculated using average net client balances. Other movements are derived as the difference between these average net inflows and the movement in the opening and closing FUM.  
c) As a result of the sales market volatility in India, Investment sales are shown as net of sales less redemptions.  
d) Institutional sales comprise Segregated and Pooled Property Fund sales.

**Insurance Operations**  
 Restatement of previous quarters (see Notes to Editors, note 3)

	Single Premiums			New Regular Premiums			Annual Premium Equivalent (APE)			
	Restated £m	% change on restated prior year	As previously reported £m	Restated £m	% change on restated prior year	As previously reported £m	Restated £m	% change on restated prior year	As previously reported £m	% change on previously reported prior year
<b>3 months to 31 March 2005</b>										
Individual Pensions	253	-25%	253	20	-31%	20	45	-29%	45	-29%
SIPP & Drawdown	191	142%	191	2	0%	2	21	163%	21	163%
Group Pensions	109	31%	109	110	12%	107	121	14%	118	18%
Investments (TIIP and PPIP)	160	-27%	181	0	0%	0	18	-27%	18	-27%
Investments Bonds	93	-9%	160	0	0%	0	16	-9%	16	-9%
Annuities	0	3%	93	0	0%	0	9	0%	9	0%
Protection	0	0%	0	1	-75%	1	1	-75%	1	-75%
Other	1	-75%	1	0	0%	0	1	-91%	1	-91%
<b>UK Life &amp; Pensions</b>	<b>988</b>	<b>-3%</b>	<b>988</b>	<b>133</b>	<b>2%</b>	<b>130</b>	<b>232</b>	<b>0%</b>	<b>229</b>	<b>1%</b>
<b>Total Insurance</b>	<b>1,247</b>	<b>0%</b>	<b>1,247</b>	<b>196</b>	<b>-6%</b>	<b>193</b>	<b>320</b>	<b>-4%</b>	<b>317</b>	<b>-4%</b>
<b>3 months to 30 June 2005</b>										
Individual Pensions	147	-45%	147	17	-50%	15	32	-48%	30	-51%
SIPP & Drawdown	323	336%	323	7	0%	7	39	427%	39	427%
Group Pensions	82	-1%	82	104	41%	92	112	36%	100	29%
Investments (TIIP and PPIP)	278	562%	278	0	0%	0	28	562%	28	562%
Investments Bonds	228	8%	228	0	0%	0	23	8%	23	8%
Annuities	82	-37%	82	0	0%	0	8	-37%	8	-37%
Protection	0	0%	0	1	-58%	1	1	-58%	1	-58%
Other	0	0%	0	0	-85%	0	0	-85%	0	-85%
<b>UK Life &amp; Pensions</b>	<b>1,140</b>	<b>41%</b>	<b>1,140</b>	<b>129</b>	<b>12%</b>	<b>115</b>	<b>243</b>	<b>24%</b>	<b>229</b>	<b>21%</b>
<b>Total Insurance</b>	<b>1,379</b>	<b>34%</b>	<b>1,379</b>	<b>175</b>	<b>5%</b>	<b>161</b>	<b>314</b>	<b>17%</b>	<b>300</b>	<b>15%</b>
<b>3 months to 30 September 2005</b>										
Individual Pensions	147	-64%	147	11	-57%	11	26	-61%	26	-61%
SIPP & Drawdown	266	197%	266	1	0%	1	27	208%	27	208%
Group Pensions	92	-29%	92	72	-8%	50	81	-11%	60	-31%
Investments (TIIP and PPIP)	322	235%	322	0	0%	0	32	235%	32	235%
Investments Bonds	343	246%	343	0	0%	0	34	246%	34	246%
Annuities	70	-7%	70	0	0%	0	7	-6%	7	-6%
Protection	0	83%	0	2	-31%	2	2	-31%	2	-31%
Other	0	-100%	0	0	-94%	0	0	-94%	0	-94%
<b>UK Life &amp; Pensions</b>	<b>1,240</b>	<b>38%</b>	<b>1,240</b>	<b>86</b>	<b>-24%</b>	<b>64</b>	<b>209</b>	<b>4%</b>	<b>188</b>	<b>-6%</b>
<b>Total Insurance</b>	<b>1,492</b>	<b>33%</b>	<b>1,492</b>	<b>123</b>	<b>-24%</b>	<b>101</b>	<b>271</b>	<b>0%</b>	<b>250</b>	<b>-7%</b>

Restated figures are shown in italics