



Growth opportunities

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Agenda



- The resilience of our current business model
- A business positioned for growth
- Growth opportunities

The resilience of our current business model

Capital position - resilient to market stresses



FGD Surplus

30 June 2008	31 December 2007
£3.5bn	£3.6bn

Sensitivity to equity market falls¹

Fall in equities	Fall in FGD Surplus
10%	<£0.1bn
20%	<£0.1bn
30%	£0.9bn
40%	£1.6bn

Residual estate of HWPF expected to remain above £1bn across all these scenarios

Sensitivity to yields

150bps rise in yields	£1.0bn
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FGD Surplus insensitive to equity markets

(1) Compared to 30 June 2008

How we deliver value – a reminder



An asset managing business building valuable customer relationships with leading service and compelling propositions

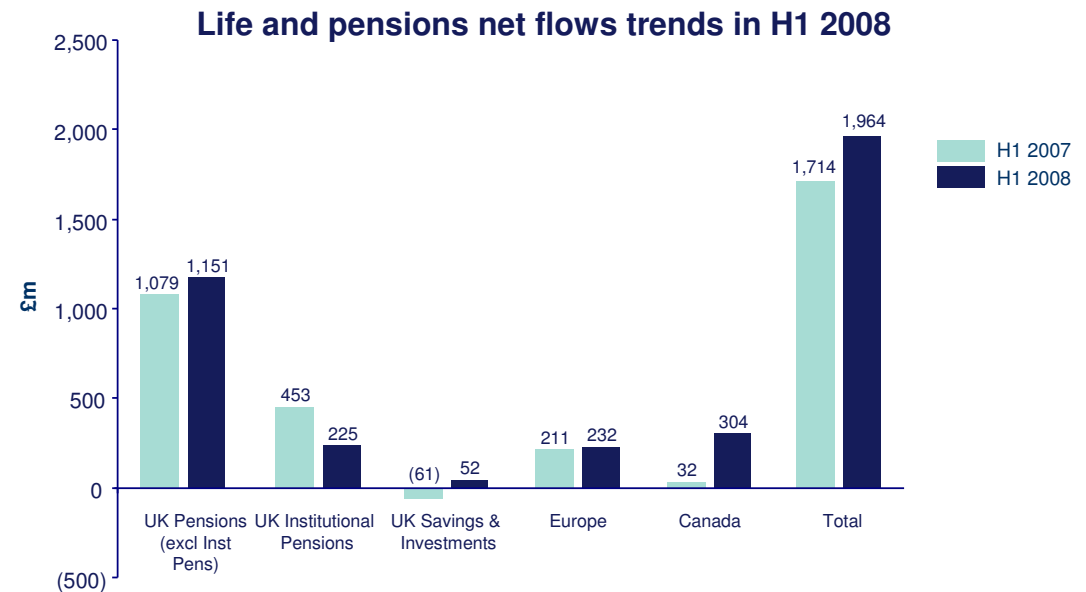
- Creating capital efficient innovative products
- Opening new routes to markets
- Leveraging investment management expertise and performance
- Driving further operational excellence

Delivering shareholder value

Our focus as an asset managing business



- As an asset managing business, we generate revenues from bps on assets
- Focus is on:
 - net flows and growth in AUA
 - low capital intensity, high IRRs and fast payback
 - release of capital and cash
- New money flows resilient through the cycle
- Growth driven by consolidating assets more than discretionary retail flows
- We primarily compete on the basis of service, brand and proposition

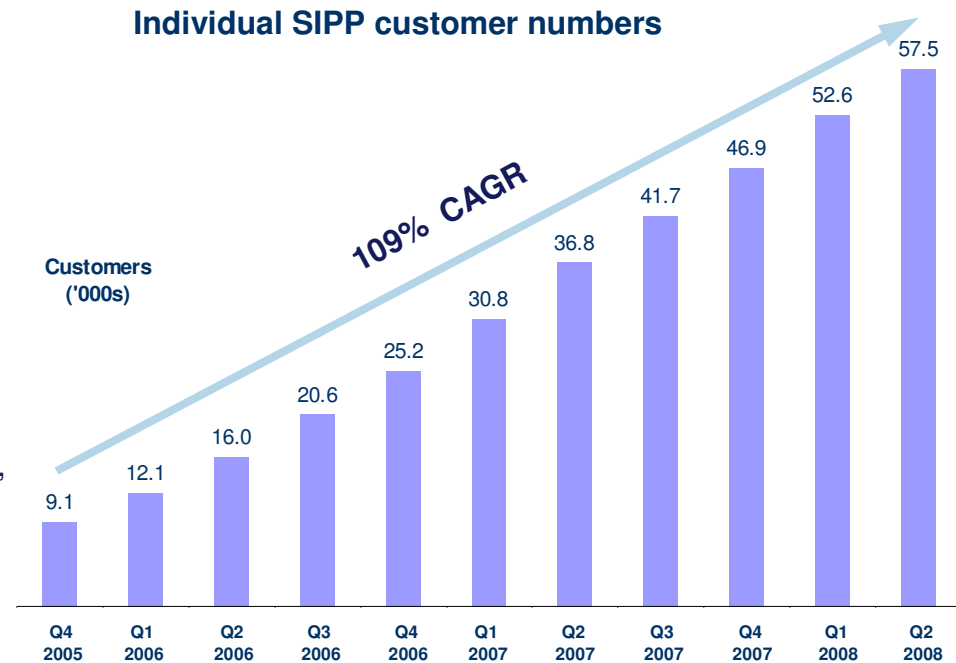


New money flows resilient through the cycle

UK SIPP resilient through the cycle



- Strong growth in customer numbers throughout the current 'crisis'
- SIPP FUM of £8.6bn at 30 June 2008 – a CAGR of 113% from 31 December 2005
- Growth driven by consolidating assets more than discretionary retail flows
- Strong progression in FUA despite negative impact of market movements on incoming transfer values
- Average account sizes impacted by market movements, £150k at 30 June 2008 (31 December 2007: £164k)
- Leveraging the strength of the Group's propositions to create investment options suited to current period of economic uncertainty

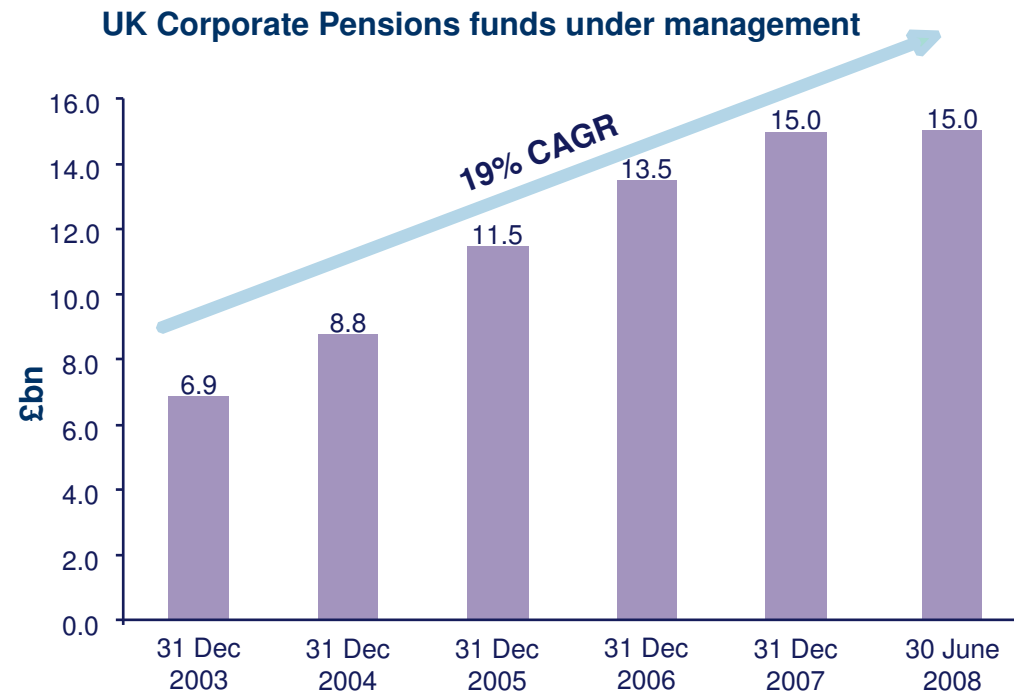


Resilience through consolidation focus and investment flexibility

UK Corporate Pensions – leveraging leadership and scale



- Market-leading proposition
- Continued success in winning large mandates
- Corporate market less cyclical than individual retail market
- Efficiency through scalability
 - £15.0bn FUM at June 2008
 - 246% improvement in productivity from December 2003¹



We believe we have the best DC proposition in the UK

(1) Calculated on basis of funds under management per customer facing staff member

Financial highlights for H1 2008



Life and pensions PVNBP	↑	5% to £9.1bn
Life and pensions net flows	↑	15% to £2.0bn
New business contribution ¹	↑	4% to £157m
EEV operating profit ¹	↑	51% to £534m
RoEV ²	↑	1.9% pts to 11.0%
IFRS underlying profit ¹	↑	58% to £345m
EEV core capital and cash generation ²	↑	25% to £143m
Embedded value per share	↓	3% to 277p
FGD Surplus	↓	3% to £3.5bn

A robust financial performance

(1) Before tax (2) Post tax

A business positioned for
growth

De-risking the balance sheet



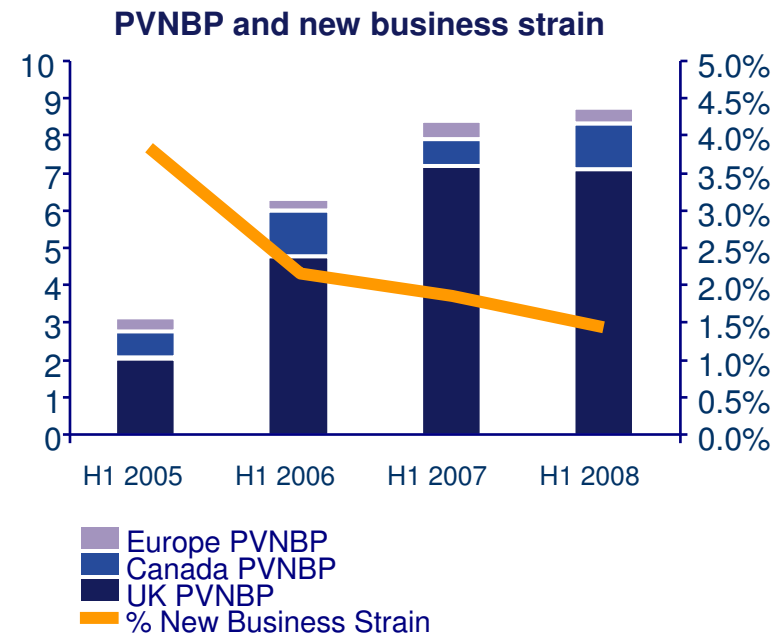
- Longevity risk significantly reduced
 - £6.7bn of UK immediate annuity liabilities reinsured
- Lapse assumptions strengthened in line with run rates
- Other shareholder risks reduced or hedged
- FGD surplus and HWPF insensitive to equity market movements
- Maintained liquidity and profitability throughout the credit crunch

Reduced risk creates capacity to pursue profitable opportunities

Improving cost and capital efficiency



- All efficiency targets for 2007 were exceeded
- On track to deliver further £71m of efficiency savings by end 2009
- A capital-lite approach to writing business
 - New business strain reduced
 - IRRs strengthened
 - Payback periods reduced



Driving operational excellence and a capital-lite strategy

Growth opportunities

Investing for future growth



- Wrap enhancements
- Further development to SIPP
- Variable Annuities
- Global Equities
- Global Absolute Return Strategies (GARS)
- Canada
- Healthcare in India
- Standard Life Wealth

Investing to drive tomorrow's growth

SIPP - enhancing the proposition



A programme of enhancements to build further on our market leading proposition:

- Protected rights
- Variable annuity offering - “guaranteed income plus”
- Mutual fund platform
- E-commerce
- Safer Haven offering - cash accounts, capital plus, insured and mutual funds

A market with huge growth potential:

- UK SIPP market expected to double to £100bn by 2011
- Protected rights potential of £75bn - £100bn in defined contribution pension schemes alone

Attractive opportunities in a fast growing market

UK Corporate Pensions – opportunities and solutions



Opportunities

Leveraging existing relationships

48 of FTSE 100¹

27% of FTSE 250¹

Changing markets

DB to DC:
£800bn DB market²

Unbundled to Bundled:
est. **£100bn**³

Social and economic change

Evolving employee needs



Our solutions

New trust - based plan in 2009

Delivered on new globally oriented platform

“Plan for Life”

Innovative Communication & Education for plan members

Employee Wealth Plan

Group Healthcare Flexible benefits and online rewards Group ISA

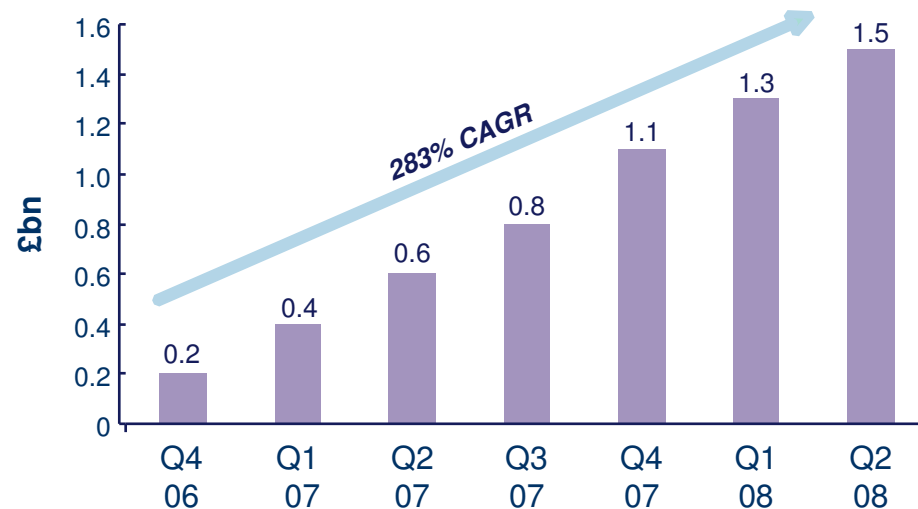
Well-positioned to capture opportunities in an evolving market

The UK Wrap opportunity



- Wrap technologies accelerating the consolidation of asset managing businesses
- Providers and distributors aligned
- Wrappable assets in the UK expected to reach £3 trillion by 2010
- An award winning proposition¹
- Continued adoption by asset managing advisers and major distribution groups
- Additional asset gathering programmes to aid consolidation onto platform

Wrap funds under administration



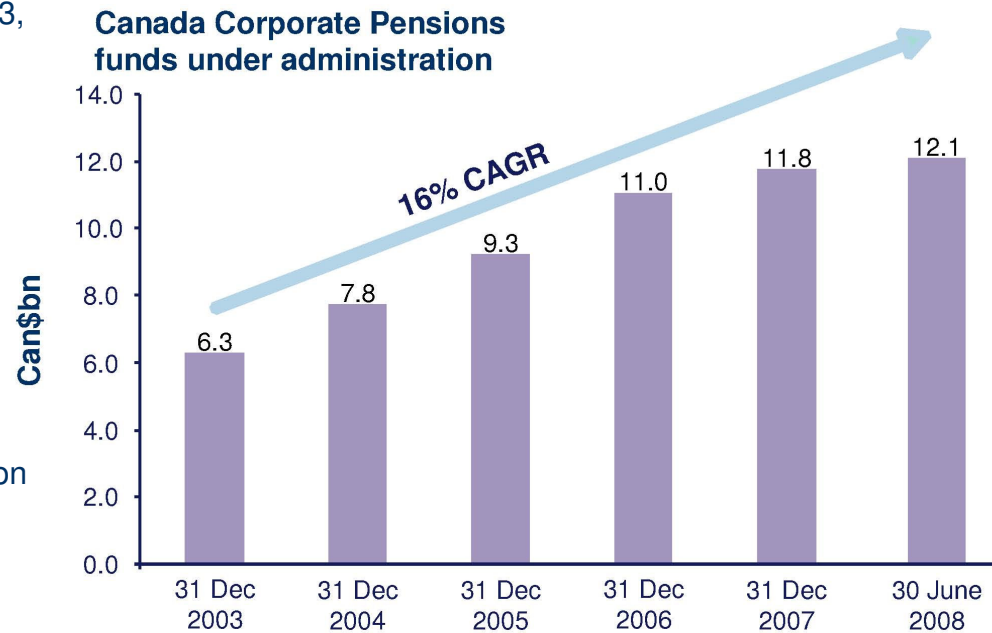
Well positioned to capture share in a growing market

(1) Standard Life wrap - the only platform rated 'eee' by FTRC/Money Marketing (3 years in a row)

Canadian Corporate Pensions opportunity



- Ranked no.3 in the World's 4th largest pension market
- DC market AUA forecast to reach Can\$140bn in 2013, representing a CAGR of 7%
- Standard Life outperformed the market from 2002 to 2007:
 - SL – 17% CAGR
 - Industry – 10% CAGR
- Leveraging scalable Quality and Choice platform
- Leveraging global e-servicing solutions
- Leveraging award winning Plan for Life communication program
- Leveraging global investment expertise



Strong leadership in corporate pensions

Asia-Pacific - potential from growing markets



India - HDFC Standard Life

- Potential change in FDI limit
- Potential IPO of the business
- Launched Healthcare product in September 2008

China - Heng An Standard Life

- Expansion continues at pace
- Continuing to develop innovative products

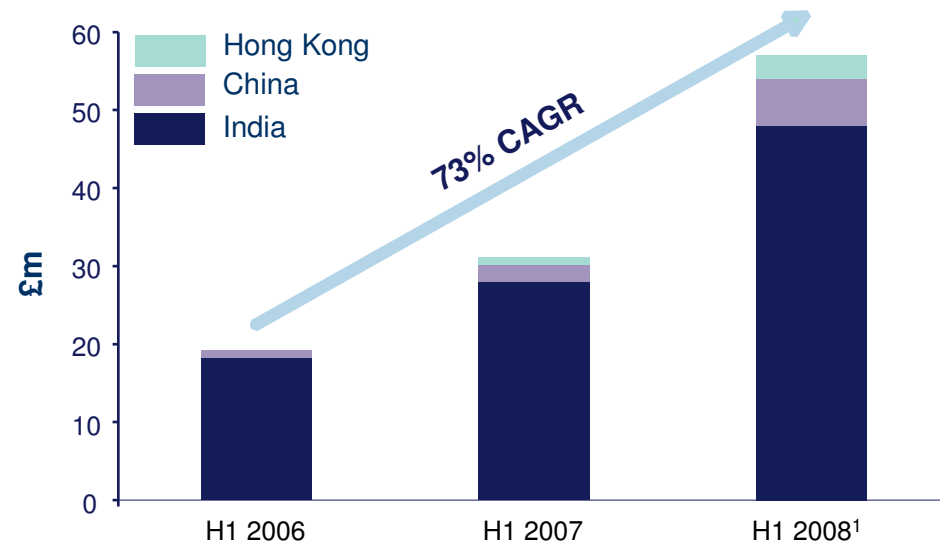
Hong Kong - Standard Life Asia

- Growing further by diversifying distribution channels following the successful re-launch in 2007

New Markets

- Continual assessment of opportunities for organic and acquisition growth

Asia-Pacific – APE¹



Well-positioned to capitalise in these fast growing markets

(1) India new business based on current shareholding of 26%

Standard Life Investments – maintaining growth in a challenging market



- A culture of strong cost control
- Institutional weighting provides resilience while retail market is flat
- A decade of embedded investment provides powerful momentum into 2009
- 2009 will be a challenging year but one offering opportunities for growth – domestically and worldwide

Split of total Third Party FUM



Organic

- **UK**:- investment performance and operational efficiency
- **USA**:- opportunities for wider distribution of our global products
- **Europe**: – institutional mandates and wholesale distribution agreements
- **Asia**: - India – strength to strength
- China – strategic target for Standard Life

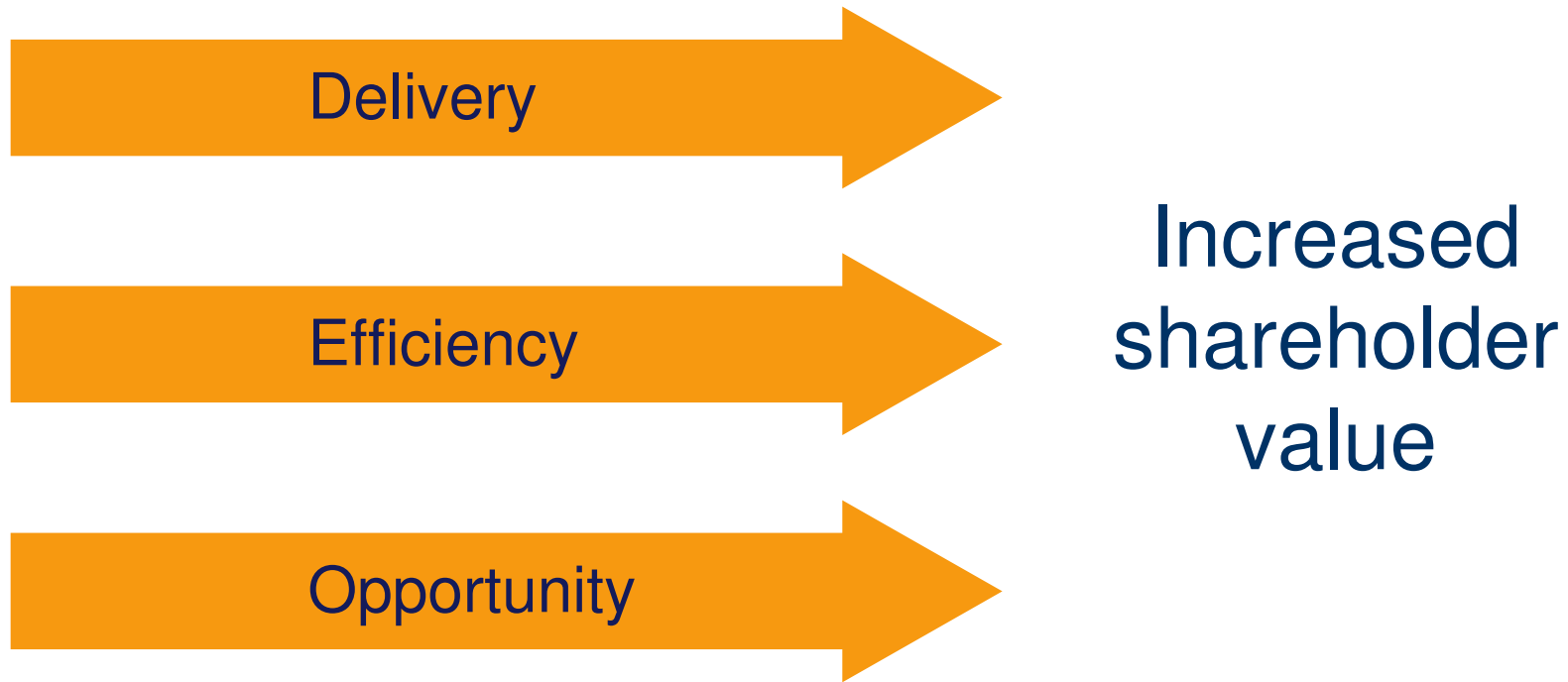


Inorganic

- Turmoil creates opportunity
 - Recruitment of talented individuals
 - Teams
- Alpha generation and distribution

Emerging as a stronger business post crisis

Increasing shareholder value is our objective



Working to increase our Core RoEV

Questions