

# Davy Irish Equity Market Conference



Irish Life



## Irish Life Retail

**Kevin Murphy**  
Chief Executive - Ireland Retail

**London 18th May 2006**

# Retail



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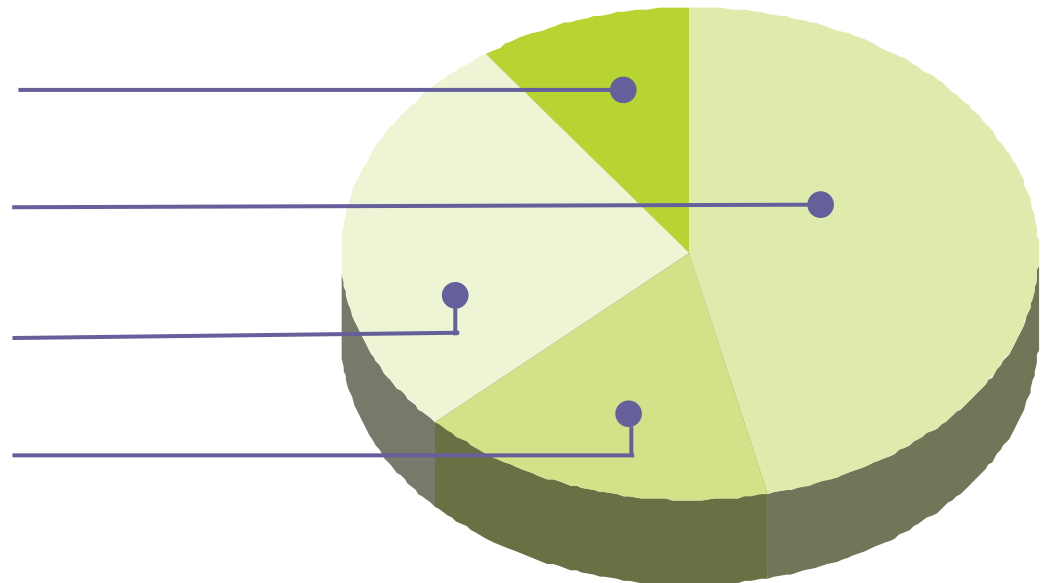
Products	Distribution	Market
<ul style="list-style-type: none"><li>● Packaged Investment Products</li></ul> <ul style="list-style-type: none"><li>• Savings</li><li>• Pensions</li><li>• Bonds</li></ul>	<ul style="list-style-type: none"><li>• Brokers</li><li>• Sales Force</li></ul>	<ul style="list-style-type: none"><li>• Individuals</li><li>• Co.Directors</li></ul>
<ul style="list-style-type: none"><li>● Protection Products</li></ul> <ul style="list-style-type: none"><li>• Mortgage</li><li>• Family</li></ul>	<ul style="list-style-type: none"><li>• Bancassurance</li></ul>	<ul style="list-style-type: none"><li>• Self-employed</li><li>• Employees</li></ul>



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# Size of Market - Products

Sales*	€m
Savings	105 (10%)
Pensions	495 (46%)
Investment bonds	288 (27%)
Protection	176 (17%)
<hr/>	
	<b>1,064m</b>



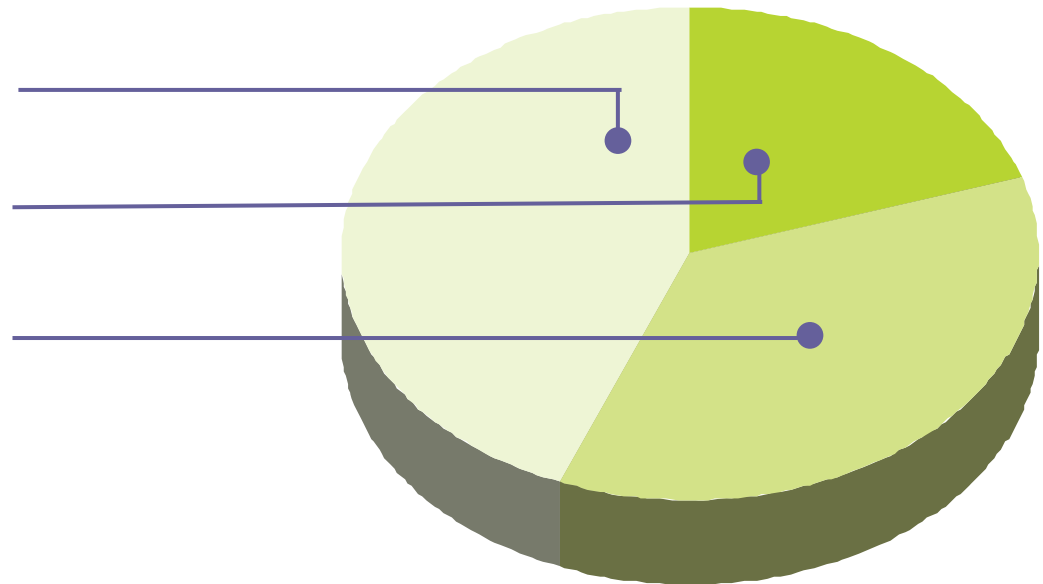
\*APE basis



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# Size of Market - Distribution

Sales*	€m
Brokers	468 (44%)
Sales Force	213 (20%)
Bancassurance	383 (36%)
<hr/>	
	<b>1,064m</b>

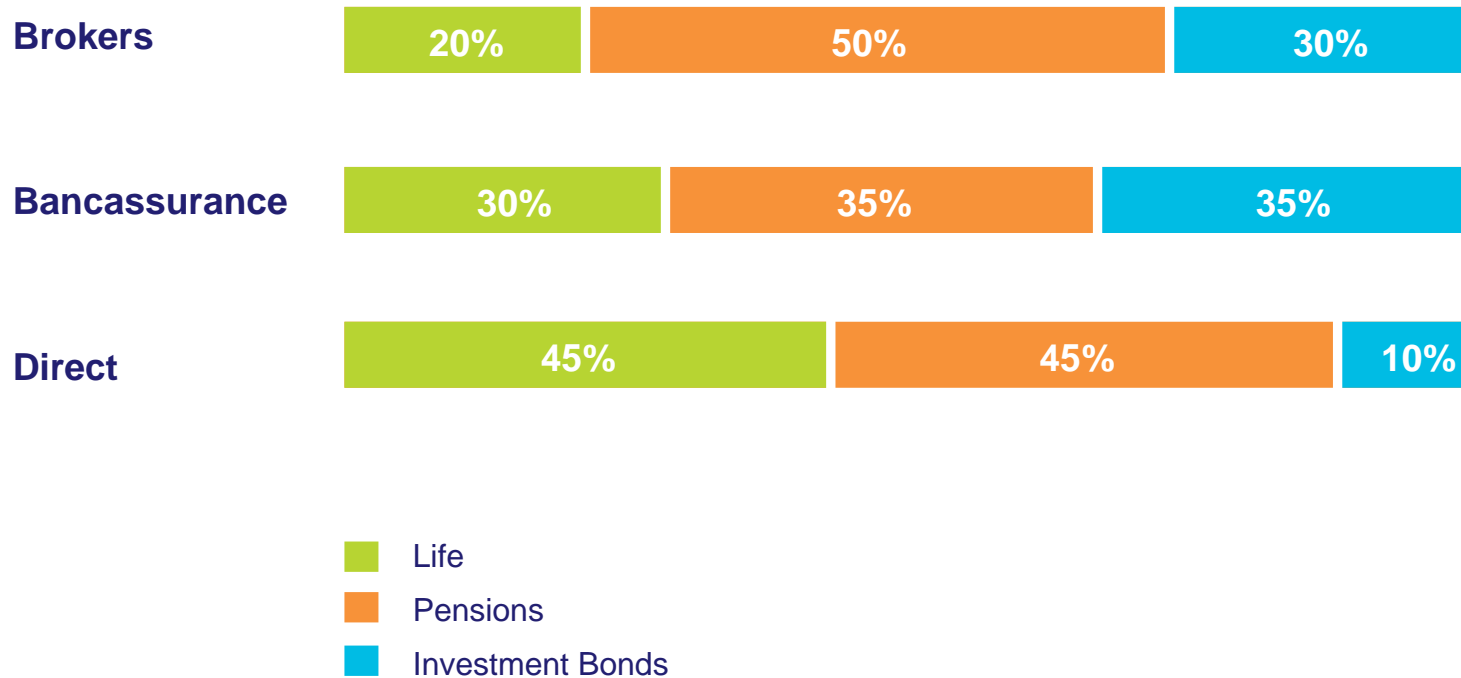


\*APE basis



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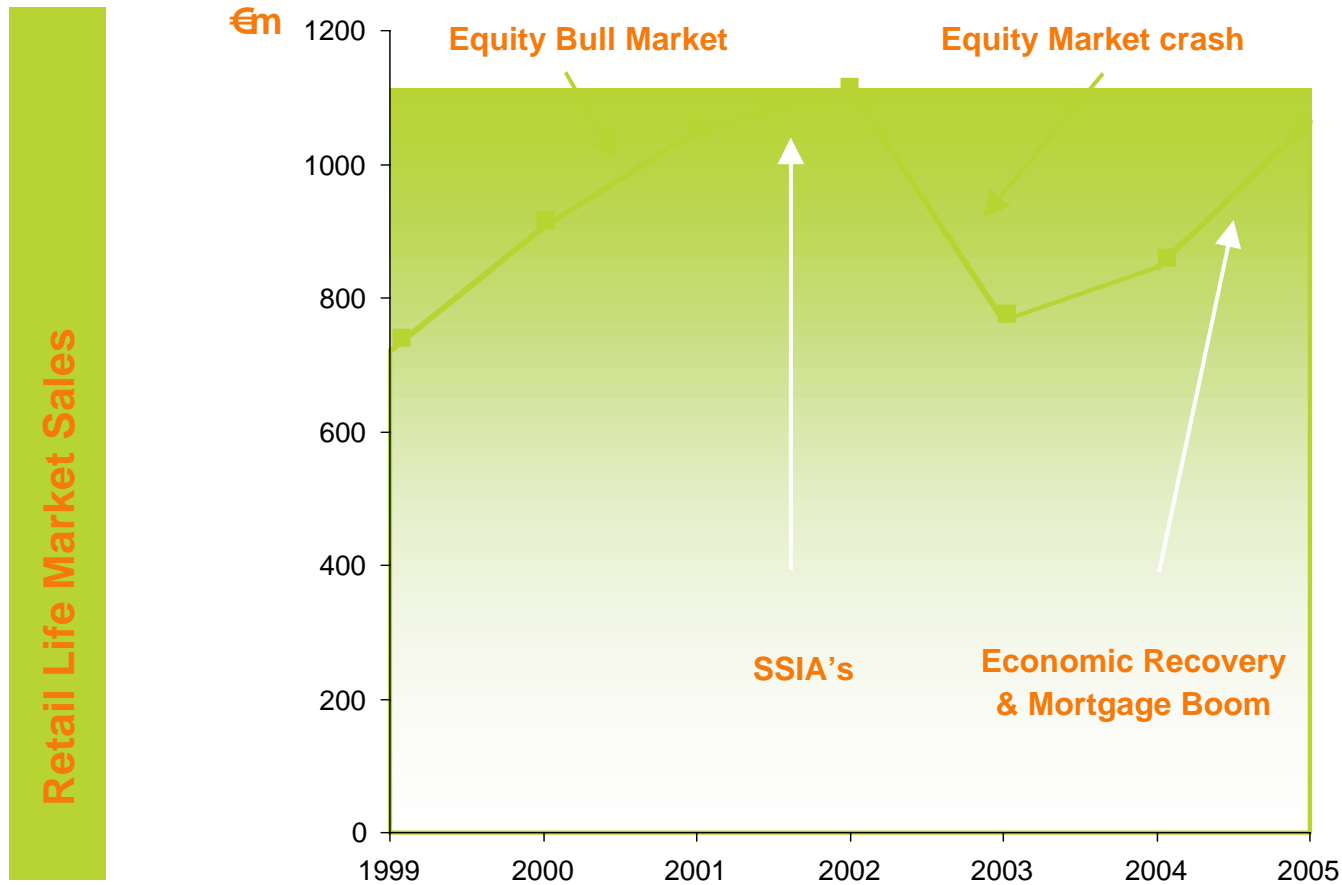
# Distribution/Product Mix





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# Recent Market History



# Market outlook positive

- Strong demand for mortgages
- First timers - rising incomes, asset values and inherited wealth
- Pensions from small company owners
- SSIA maturities in 2006/2007



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# Irish Life Market Share

- Retail Market Share 22.6% in 2005

## Share winners/losers over last 5 years

▲	Irish Life	+6.5%	▲
	Bank of Ireland	+4.4%	
▼	Ark Life	-7.4%	▼
	Hibernian	-4.4%	

# Why?



## Distribution

Reach  
Depth

## Technology

Point of Sale  
After sales service

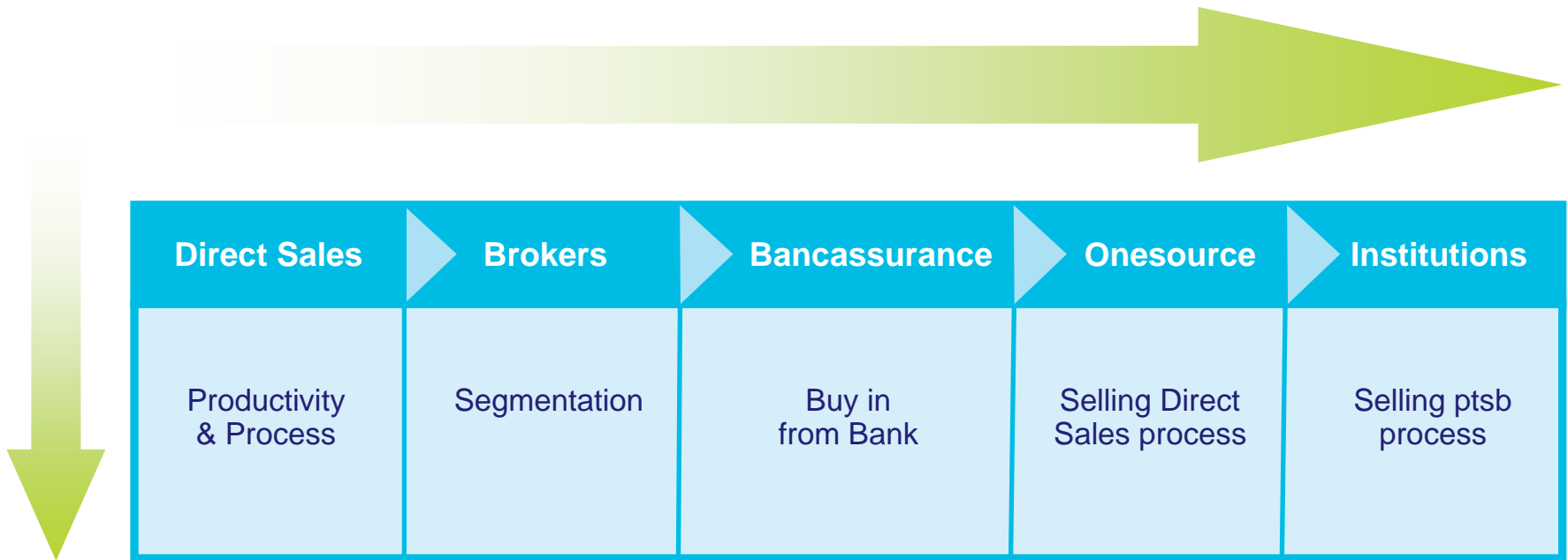
## Brand

Customer Proposition  
Investment story



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# Distribution Reach & Depth





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# Technology Investment

CRM



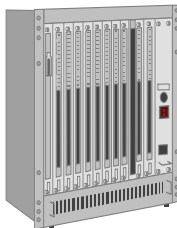
- Electronic Sales Process
- Professional consultation replaces traditional sales process
- Engaging customer experience
- Every activity measured
- Fully integrated with Call Centre

ePOS



- Online application and underwriting
- High quality service experience
- Trebling new business processing productivity

Back Office



- Integrated customer centric Back Office system
- Enable launch of self service facilities
- Doubling existing business productivity

# Brand -Treating Customers Fairly



## Product Transparency

- Only financial company in Ireland or UK to have “Plain Englished” full product range.



## Needs-based advice

- Award winning Siebal point of sale advice process
- 94% of customers say they would recommend

intouch...

## Customer Satisfaction

- Focus on doing best what matters most to customers
- Customer Satisfaction Index increased +2.6% to 79.1% in 2005
- Staff profit share payout linked to improvements in customer satisfaction

# Brand - Investment Competence



- ILIM - Moneymate Awards



- Fidelity

BLOXHAM

- Bloxham



- Property

# Brand - Promoting Consensus



Some stars have to make their own glamour.

Just because Irish Life's Consensus Fund has had an average return of 10.6% a year over the past 10 years doesn't mean we get treated like celebrities. So you could forgive us for indulging ourselves once in a while. For the most



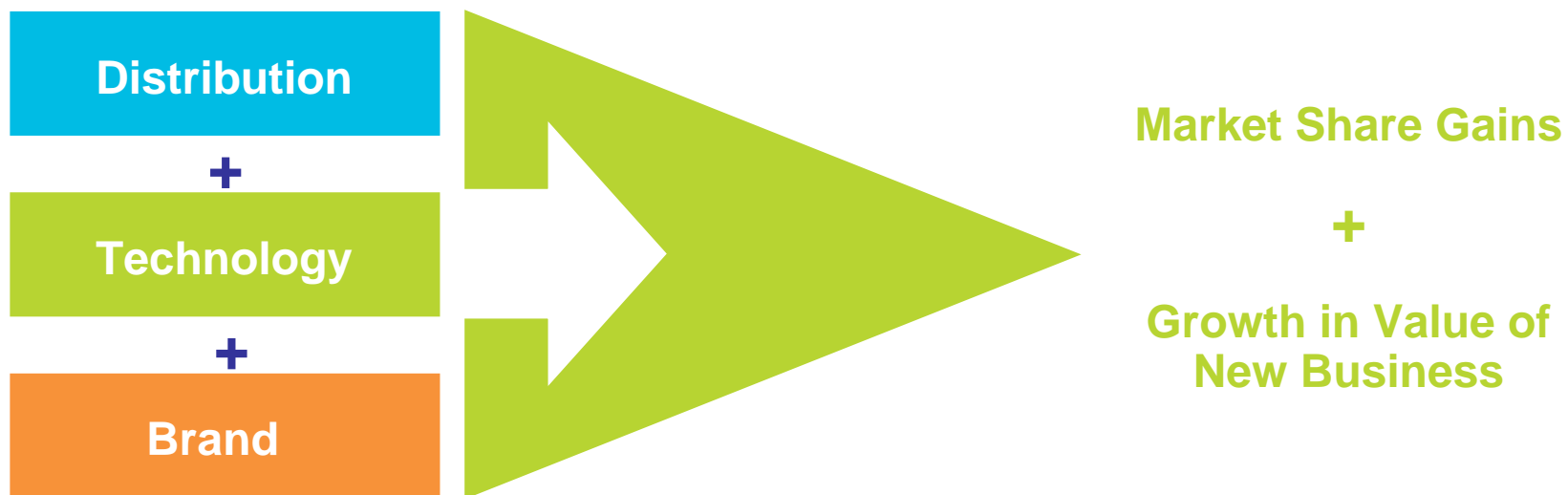
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part, though, we're happy knowing that our Consensus Fund is one of the most consistently high-performing funds in Ireland. So next time you're talking to your pension or investment adviser, ask about Irish Life's Consensus Fund.

**MORE OPTIONS FOR YOUR FUTURE**

Not for sale in the necessary applicable jurisdictions. Investment may fall as well as rise. Irish Life Assurance plc is regulated by the Central Bank of Ireland. Irish Life Investment Manager is a member of the Irish Life & Investment Group which is authorised by the Central Bank of Ireland under section 11 of the Investment Services Act, 2005.

# Retail Strategy





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# Retail 2005 Delivery

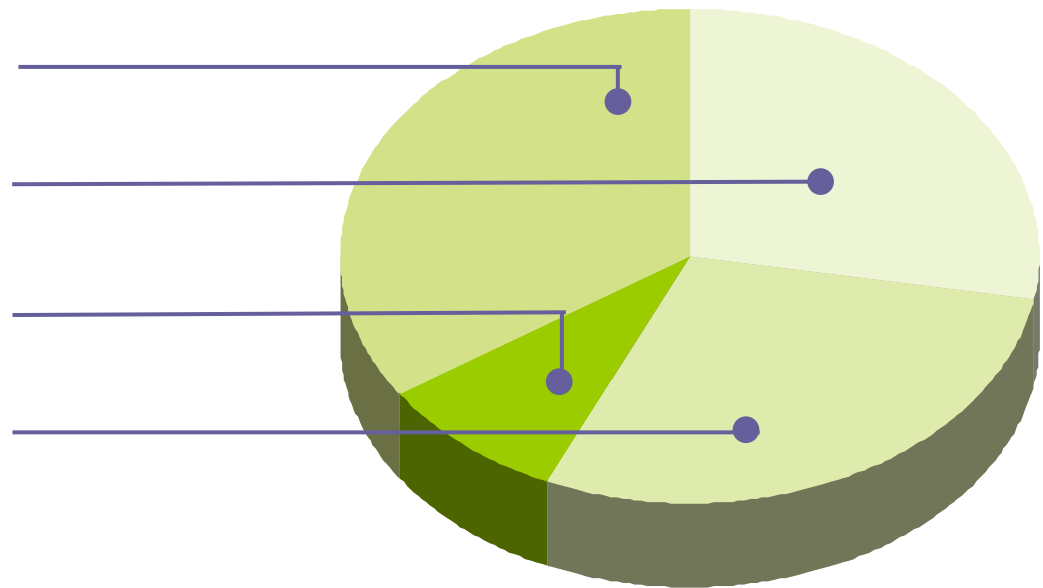
2005	
Sales	+33%
Market Share	+1.4%
Life VNB	+72%



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# Sales 2005 - Distribution Mix

	€m	▲ %
Brokerage	82	+41%
Ptsb	66	+20%
Institutions	21	+67%
Direct Business	69	+30%
<b>Total</b>	<b>238</b>	<b>+33%</b>





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# Sales 2005 - Driving Forces

External		Retail		Results
Construction Boom	+	Protection Service	=	Protection up 26%
First Timers	+	Bancassurance Activity	=	Investment Bonds up 29%
New Wealthy	+	Pensions Speculation	=	Pension up 36%
Investment Performance	+	New pension Plan	=	Brokerage up 41%

# Outlook 2006



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- Mortgages

- New distribution

- New wealth

- SSIAAs

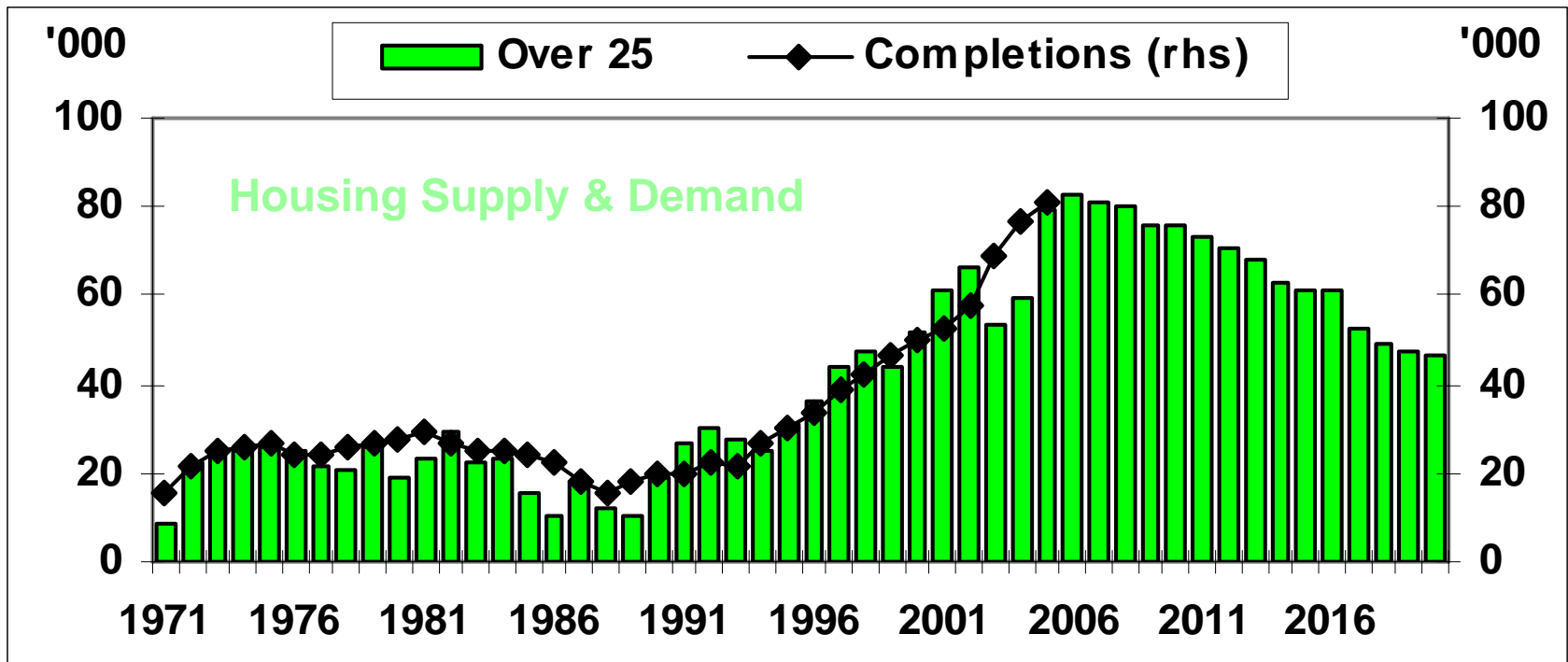


**Very Positive**

# Demographics drive mortgages



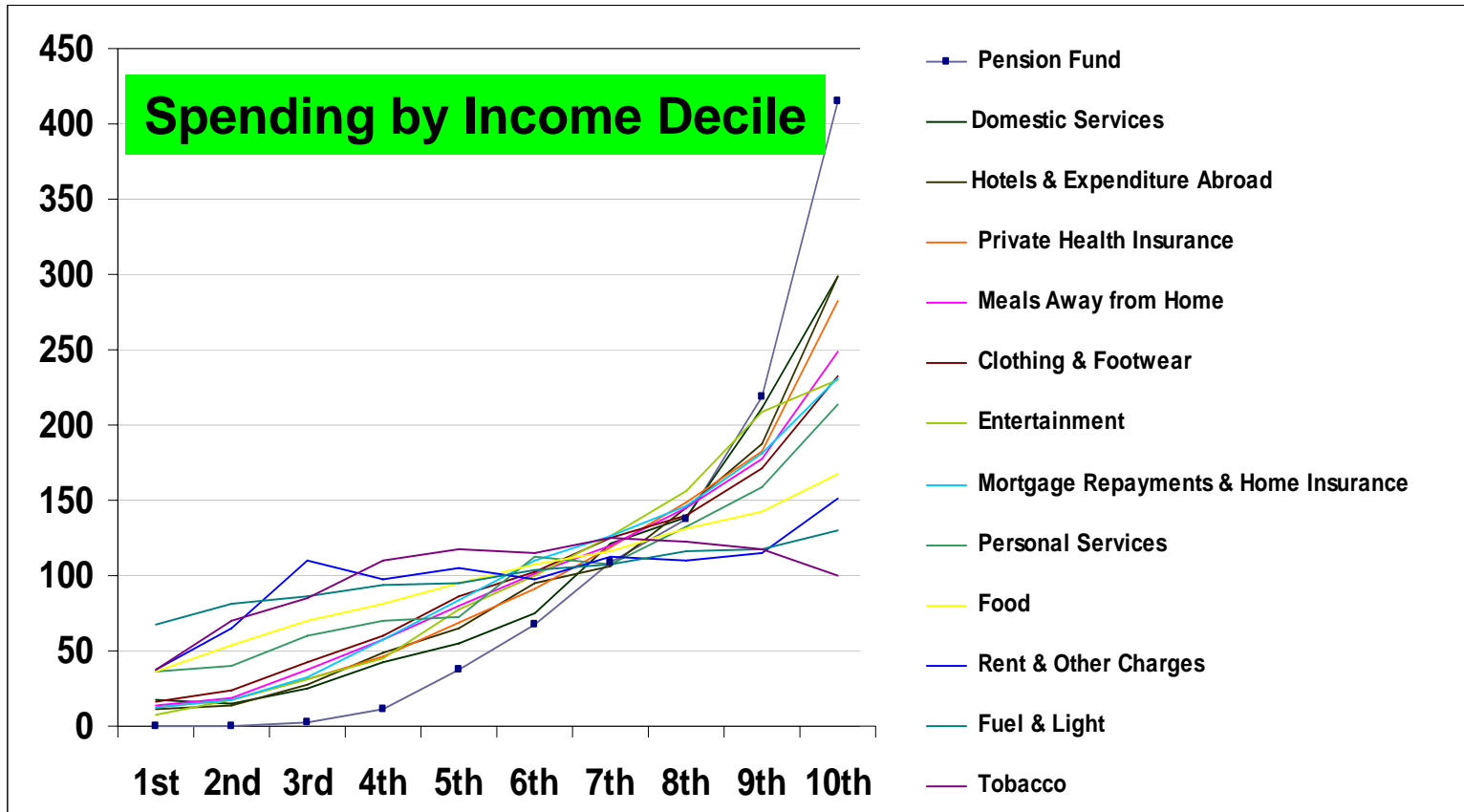
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# Adding Retail Distribution



# New Wealth boosts pensions



# SSIA opportunity



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what's your plan for the **big**

# pay day?

**start thinking now and  
make the most of your SSIA**

It seems there's loads of time before your Government Special Savings Incentive Account (SSIA) matures and the big pay day hits. But start thinking now and you'll really make the most of it. **Irish Life** and **permanent tsb** have combined our resources to help you make the most of yours. Whether you plan to save, spend or invest we can help your SSIA work harder for you.

For more information call **1890 551 551** or visit [www.ssiaplans.ie](http://www.ssiaplans.ie)

To help improve customer service we will record or monitor calls. Terms and conditions apply. Past performance is not necessarily a guide to future returns. Unit prices can fall as well as rise. Loans are subject to lending criteria and assessment. Pensions, Investments and Savings are underwritten by Irish Life Assurance plc. Irish Life & Permanent plc trading as permanent tsb and Irish Life Assurance plc are regulated by the Financial Regulator. Irish Life & Permanent plc is a tied insurance agent for Irish Life Assurance plc.  
SLA 4685 (REV 04/04)



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