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For immediate release

RESOLUTION plc

Resolution plc (“Resolution”) notes recent press speculation in relation to potential offers for the company. Resolution confirms that shortly after the announcement of its proposed merger with Friends Provident plc (“Friends Provident”) on 25th July 2007 it received Rule 20.2 requests from Standard Life plc (“Standard Life”) and, subsequently, Pearl Assurance Limited (“Pearl”). Resolution confirms that it has, and continues to, comply with its obligations under the City Code on Takeovers and Mergers and has made available to both Standard Life and Pearl all due diligence material provided to Friends Provident. Resolution has also provided due diligence meetings and access to Resolution’s management to both Standard Life and Pearl over several weeks.

Resolution confirms that it is not in receipt of an offer or proposal from either Standard Life or Pearl and has not held discussions to develop the terms of such an offer or proposal which either party may wish to put to Resolution.

Resolution also notes statements in the Daily Telegraph on 20 September to the effect that the Board of Resolution has set a price target in relation to the estimated value of the proposed merger with Friends Provident, and that it is willing to talk to any new suitor at around this level. For the avoidance of doubt, the Board of Resolution has made no determination of the value level around which it would be prepared to talk to any potential offeror.

Resolution remains relentlessly focused on creating value for shareholders. It continues to believe that the proposed merger with Friends Provident, which will combine Resolution’s cashflow, customers, distribution and management capabilities with a UK life business with a strong customer and new business franchise, is the best way of maximising shareholder value. Resolution is progressing with implementing the merger.

Ends.

Dealing disclosure requirements

Under the provisions of Rule 8.3 of the City Code, if any person is, or becomes, “interested” (directly or indirectly) in 1 per cent. or more of any class of “relevant securities” of Friends Provident or Resolution all “dealings” in any “relevant securities” of that company (including by means of an option in respect of, or a derivative referenced to, any such “relevant securities”) must be publicly disclosed by no later than 3.30 pm (London time) on the London business day following the date of the relevant transaction. This requirement will continue until the date on which any offer becomes, or is declared, unconditional as to acceptances (or, if implemented by a scheme of arrangement, such scheme becomes effective), lapses or is otherwise withdrawn or on which the “offer period” otherwise ends. If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire an “interest” in “relevant securities” of Friends Provident or Resolution, they will be deemed to be a single person for the purpose of Rule 8.3. Under the provisions of Rule 8.1 of the City Code, all “dealings” in “relevant securities” of Resolution by Friends Provident or of Friends Provident by Resolution, or by any of their respective “associates”, must be disclosed by no later than 12.00 noon (London time) on the London business day following the date of the relevant transaction. A disclosure table, giving details of the companies in whose “relevant securities” “dealings” should be disclosed, and the number of such securities in issue, can be found on the Takeover Panel’s website at www.thetakeoverpanel.org.uk. “Interests in securities” arise, in summary, when a person has long economic exposure, whether conditional or absolute, to changes in the price of securities. In particular, a person will be treated as having an “interest” by virtue of the ownership or control of securities, or by virtue of any option in

respect of, or derivative referenced to, securities. Terms in quotation marks are defined in the City Code, which can also be found on the Takeover Panel's website. If you are in any doubt as to whether or not you are required to disclose a "dealing" under Rule 8, you should consult the Takeover Panel.

Forward looking statements

This announcement may contain forward looking statements that are based on current expectations or beliefs, as well as assumptions about future events. These statements are based on the current expectations of management and are naturally subject to risks, uncertainties and changes in circumstances. Undue reliance should not be placed on any such statements because, by their very nature, they are subject to known and unknown risks and uncertainties and can be affected by other factors that could cause actual results, and management's plans and objectives, to differ materially from those expressed or implied in the forward looking statements. There are several factors which could cause actual results to differ materially from those expressed or implied in forward looking statements. Among the factors that could cause actual results to differ materially from those described in the forward looking statements are the ability to combine successfully the businesses of Friends Provident and Resolution and to realise expected synergies from that combination, changes in the global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates and future business combinations or dispositions. Resolution does not undertake any obligation (except as required by the Listing Rules and the Disclosure and Transparency Rules and the rules of the London Stock Exchange) to revise or update any forward looking statement contained in this announcement, regardless of whether that statement is affected as a result of new information, future events or otherwise.

Overseas jurisdictions

The release, publication or distribution of this announcement in jurisdictions other than the United Kingdom may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about, and observe, any applicable requirements. This announcement has been prepared for the purposes of complying with English law, the City Code and the Listing Rules and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws and regulations of any jurisdiction outside of England.

This announcement is not intended to, and does not constitute, or form part of, an offer to sell, purchase or exchange or the solicitation of an offer to sell, purchase or exchange any securities or the solicitation of any vote or approval in any jurisdiction. This announcement does not constitute a prospectus or a prospectus equivalent document.

In particular, this announcement is not an offer of securities for sale in the United States and the securities which will be issued in connection with the Merger, have not been, and will not be, registered under the US Securities Act of 1933 as amended (the "US Securities Act") or under the securities law of any state, district or other jurisdiction of the United States, Australia, Canada or Japan and no regulatory clearance in respect of such securities has been, or will be, applied for in any jurisdiction other than the UK. No securities may not be offered, sold, or, delivered, directly or indirectly, in, into or from the United States absent registration under the US Securities Act or an exemption from registration and securities may not be offered, sold, resold, delivered or distributed, directly or indirectly, in, into or from Canada, Australia or Japan or to, or for the account or benefit of, any resident of Australia, Canada or Japan absent an exemption from registration or an exemption under relevant securities law. It is expected that securities will be issued pursuant to the merger in reliance upon the exemption from the registration requirements of the US Securities Act provided by Section 3(a)(10) thereof.