

PRESS RELEASE

PRINCIPAL EXPANDS SENIOR INVESTMENT TEAM

Principal Investment Management has recently made two senior investment appointments, adding to the breadth of expertise offered by Principal to its clients.

William Gilmore has joined from FIM Limited, to develop for Principal a service researching and managing hedged investment products. William is a Chartered Financial Analyst and has nearly 20 years' experience in the derivatives and alternative investment industries. Specifically, this included research into alternative investment strategies and selecting appropriate managers for fund of funds portfolios.

He has wide-ranging expertise in futures and options strategies and risk management - areas of expertise that are being used to enable clients to access a broader range of asset classes, including hedge funds, in a cost-effective way.

Prior to joining Principal William was the Risk Manager of a UK-based fund of hedge funds manager, with \$1.8bn of assets under management.

Chris Brocklehurst joins Principal from UBS, where he spent more than 10 years. His experience spans interest rate and fixed interest derivatives, risk management modelling and equity research. He was rated No.1 global telecoms analyst by Institutional Investor in 2002 and 2003.

Chris has joined Principal's highly successful "Managed Funds" team – well known for its twice yearly White List of UK Equity Income funds. Chris is researching specific areas of the collectives market to enable Principal to extend the asset classes offered to its clients. These areas include hedge funds, private equity and specialist investment trusts. Chris will also contribute to the asset allocation process across all areas of the business.

Chris has a D.Phil in Numerical Modelling from Oxford University.

Anne Gilbert, Managing Director of Principal, comments: "These are very exciting appointments for us. Principal has a well-earned reputation for professionalism and our key aim is always to offer our clients the best possible investment mix in their portfolios. Broadening the range of assets that we can offer will further enhance our ability to achieve this aim. William and Chris are good examples of the talented people we employ at Principal."

Principal Investment Management provides discretionary portfolio management services, through professional intermediaries, to private investors, trusts and charities. The firm offers both direct equity and managed fund portfolios.

2007 is the firm's 20th anniversary year. Founded in 1987, it now manages £950 million from its offices in Sevenoaks, London and Bath.

Ends

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