

NEWS RELEASE:**HOUSE PRICE SLUMP LEAVES BRITS UNMOVED AS THE COST OF KEEPING WARM
AND DISTRUST OF BIG BANKS CAUSES SLEEPLESS NIGHTS**

10th October 2008; Continued falls in house prices and rising unemployment surprisingly rank far behind the rising costs of gas and electricity as the main concern for Brits fearful of falling into financial difficulty, according to new research commissioned by Foresters Friendly Society.

Meanwhile, the recent crisis of confidence in the UK banking sector is biting hard with growing public distrust of large UK banks as the safest places to stash their savings.

The findings reveal that nearly three quarters of adults (72 per cent) are more worried about the prospect of falling upon financial hard times than they were twelve months ago. Among this group, 52 per cent highlight the fear of an unexpectedly large gas or electricity bill dropping on the doormat as their main concern.

In comparison, just 13 per cent stated that the prospect of being forced to join the dole queue was playing most on their minds, while only 10 per cent pointed to falling house prices as their major fear.

The continued drama surrounding the UK banking sector has also eroded faith in the safety of the UK's big banks as the best place to deposit money saved for a rainy day. Of those polled, nearly half (46 per cent) said they believed that keeping their savings in a big bank is riskier now than it was a year ago.

This reduced trust was more widespread amongst women with half (50 per cent) feeling big banks are now a riskier prospect for savings, compared with 41 per cent of men.

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Meanwhile, just two fifths (43 per cent) of respondents stated they would put most faith in a UK bank to look after their savings. Residents of the East Midlands emerged as the least trusting in this respect, with just over a third (38 per cent) expressing a preference for a UK bank.

Commenting on the findings, Neil Armitage of Foresters Friendly Society, said: "The crisis in the banking sector has acted as a wake up call for many people who are now questioning the safety of big banks.

"There are, however, alternatives they can consider including mutual organisations such as ours which encourage a strong sense of community amongst their members and with no shareholders to appease are totally focused on members' interests. We exist solely for the benefit of our members and focus on building investment returns by taking a steady long term view."

"Meanwhile, peaks and troughs in the cost of property has become something of a national obsession in recent years but as these survey results show it's the cost of keeping warm which is most likely to bring us out in a cold sweat.

"Now is also most definitely the time for people to think hard about what they would do in the event of a personal financial crisis and to consider who would turn to for support.

"Our experience shows that while many of us would instinctively turn to our families, local communities also have a vital role to play in this respect and your neighbours might just be more willing to lend a hand than you think."

The research findings also reveal that:

- Despite the current financial crisis, nearly a quarter (23 per cent) of adults claim to have made no conscious effort to reduce their monthly expenditure on eating out, drinking in pubs, clothing, car usage and the amount set aside for savings. People in the West Midlands (28 per cent) are most likely to express this view.

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- The fear of falling into financial difficulty decreases with age. More than four in five (81 per cent) of those surveyed aged between 18 and 24 said they worried more about falling upon hard times than they did twelve months ago, compared with 69 per cent of those aged over 55.
- Contrary to traditional stereotypes, women have been quicker than men to cutback their spending on clothing during the last twelve months. More than half (54 per cent) of female respondents said they had cut their cloth to measure in this respect, compared with a third (33 per cent) of their male counterparts.

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Notes to Editors

- The poll canvassed the views of over 2,000 adults across the UK. Fieldwork was carried out by YouGov on behalf of Foresters Friendly Society between 23 and 25 September 2008.
- Neil Armitage is available upon request for media interviews.
- Further regional breakdowns of the research are available upon request.

About Foresters Friendly Society:

Foresters Friendly Society was founded in 1834 and offers a range of financial saving, investment, insurance and protection products, as well as educational grants and healthcare support for its members. The Society has £183 million in Group Assets Under Management at 31 December 2007 (Source: Foresters Friendly Society Annual Report 2007). All financial products come with the accompanying benefits of membership of the Society at no additional cost. There is no obligation to purchase a financial product in order to become a member. The Society currently includes over 70,000 members across 250 UK branches.

For further information:

Stephen Finch / Bilal Mahmood
Weber Shandwick Financial
T: 020 7067 0705 / 020 7067 0715
E: sfinch@webershandwick.com / bmahmood@webershandwick.com

Neil Armitage
Foresters Friendly Society
T: 023 80216 867
E: NArmitage@forestersfriendlysociety.co.uk