

All data as at 31.12.11

Pension Information Sheets



Fund Manager
Richard Stevens
Since: 09 2010

Fund aim

The fund aims to provide investors with protection against interest rate risk prior to retirement. It does this by investing 40% of its assets primarily in long-dated UK government bonds and 60% of its assets primarily in index-linked government bonds. The fund does not seek to protect the capital value of money invested in it. The value of units can go down as well as up.¹

Fund facts

Benchmark	Bespoke benchmark*
Fund Size	£0.4m
Fund Launch Date	June 2003
Management Charge	Please refer to your company pension scheme booklet

All information is expressed in UK Sterling

¹The portfolio will be rebalanced regularly but will not take any asset allocation decisions relative to the fixed-weight benchmark.

* Consists of 60% FT British Govt IL All Stock Index, 40% FT British Govt over 15 year Index



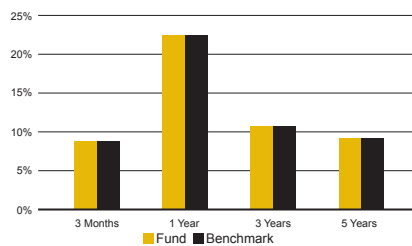
Pre-Retirement Fund

Commentary and outlook

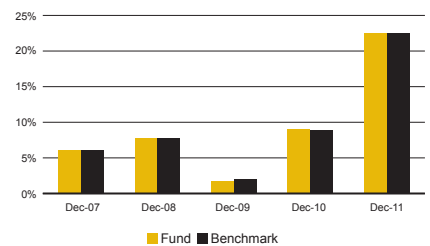
The fund is invested with 40% in the Threadneedle Long Dated Gilt Fund and 60% in the Threadneedle Index-Linked Bond Fund, both of which are managed to track their respective benchmarks. Both of these categories of gilts recorded robust gains in Q4, capping off a very strong year. The gilt market was a major beneficiary of the turmoil in the eurozone in Q4 - a floating currency, a clear fiscal strategy and an extremely accommodative central bank led to significant inflows of foreign capital. The economic backdrop in the UK and elsewhere remained favourable for fixed income investments. Indeed, such is the concern over the outlook for the UK economy that the Bank of England re-activated its policy of quantitative easing in early October. This latest programme entails greater purchases at longer maturities and this helped the ultra-long end of the curve to outperform all other sectors in the quarter. Although index-linked gilts were not included in the Bank of England's programme of quantitative easing, they also performed extremely well in the fourth quarter. Indeed, by the end of the year all index-linked securities were trading with a negative real yield.

5 year performance

Performance - Discrete Periods



Performance 12 months ending



Fund performance

	3M%	1Y%	3Y%	5Y%
Fund	8.8	22.5	10.8	9.2
Benchmark	8.9	22.5	10.8	9.2

Performance 12 months ending

31 Dec 07	31 Dec 08	31 Dec 09	31 Dec 10	31 Dec 11
6.1%	7.8%	1.8%	9.1%	22.5%

Fund holdings

	%
Index Linked Fund	59.4
Long Dated Gilt Fund	39.4

Source: Factset

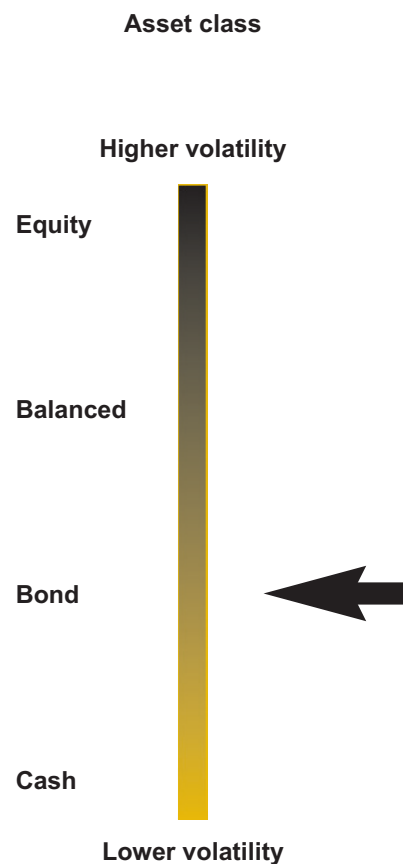
Past performance is not a guide to the future. The value of investments and any income from them can fall as well as rise. The performance returns shown on this factsheet are with income reinvested and gross of annual management charges. The effect of charges will reduce the performance figures accordingly. Please see your scheme booklet for full details on all charges that may apply.

Performance source: Threadneedle. Three and five year returns are annualised.

Top 10 holdings

	%	
UK Treasury I/L 2.5% 2016	4.9	Total % in top 10: 38.9
UK Treasury I/L 1.875% 2022	4.3	
UK Treasury I/L 2.5% 2020	4.1	
UK Treasury I/L 1.25% 2027	4.0	
UK Treasury I/L 2.5% 2024	3.9	
UK Treasury I/L 2.0% 2035	3.9	
UK Treasury I/L 1.25% 2055	3.6	
UK Treasury I/L 1.125% 2037	3.4	
UK Treasury I/L 2.5% 2013	3.4	
UK Treasury 4.25% 2032	3.4	

Source: Factset



Risk warnings

Market Risk: Past performance is not a guide to future performance. The value of investments and the income from them may go down as well as up, and an investor may not get back the amount invested.

Fixed Income Fund Risk: The interest rate on most government and corporate bonds will not increase in line with inflation. Thus, over time, the real value of investor's income could fall.

Cash risk: Where a fund holds at any one time a substantial proportion of their assets in cash, near cash or money market instruments, it might not, under such circumstances, participate fully in a rise in market values of the asset classes the fund would otherwise invest in.

Contact details

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Helpline calls may be recorded