

Aberdeen Pooled Pensions

UK Broad Fixed Interest Fund

Performance Data and Analytics to 30 June 2010



Please note: Performance figures supplied relate to the Aberdeen Pooled Pension Fund. Analytics and commentary reflective of underlying holding in Aberdeen Life Bond Fund.

Summary investment objective

The Fund will normally invest in a diversified portfolio of sterling denominated fixed income securities. The Fund will invest in securities issued by the UK Government and in non Government securities which will primarily be of investment grade. All cash received into the Fund is to be invested in a timely manner.

Subject to court approval on 9th September 2010, Aberdeen Asset Management Pooled Pensions Limited will merge with Aberdeen Asset Management Life and Pensions Limited on 20 September 2010. If court approval is granted then Aberdeen Pooled Pensions UK Broad Fixed Interest Fund will be rebranded Aberdeen Life Broad Fixed Interest Fund from 20 September 2010.

Performance (%)

	3 months	6 months	1 year	Annualised	
				3 years	5 years
Fund	2.71	6.05	5.43	0.89	1.31
Benchmark	3.64	6.07	10.89	6.84	4.28
Difference	-0.93	-0.02	-5.46	-5.95	-2.97
Sector Ranking	83/177	43/171	150/163	132/143	107/125
Quartile	2	1	4	4	4

Discrete annual returns (%) - year to 30/06

	2010	2009	2008	2007	2006
Fund	5.43	-1.45	-1.16	0.81	3.11

Calendar year performance (%)

	YTD	2009	2008	2007	2006
Fund	6.05	-5.95	-0.55	0.91	2.44
Benchmark	6.07	3.74	4.27	3.27	0.70
Difference	-0.02	-9.69	-4.82	-2.36	1.74
Sector Ranking	43/171	159/160	98/150	119/146	5/134
Quartile	1	4	3	4	1

Performance Data: Share Class I

Source: BNP Paribas, BofA Merrill Lynch, Russell Mellon, Lipper. Basis: Total return, Gross of Fees (GBP).

Rankings and quartiles are sourced from Lipper, are measured against ABI Pension Fund sectors and are based on dealing prices net of annual management charges.

The performance will be reduced by the impact of the management fees paid. The sector average incorporates the performance of all funds in the sector at any stage during the period while sector rankings reflect the relative performance of those funds which have been in the sector throughout the period. This may give rise to apparently incongruous results.

Since August 2009, the Pooled Pensions UK Broad Interest Fund (PPF) has been a feeder fund into the Aberdeen Life Bond Fund (AAMLF). However, performance of the PPF will not mirror that of AAMLF, over the period, due to timing differences relating to the realisation of directly held assets within PPF and their re-investment in AAMLF.

Prior to August 2009 the Fund was managed by a different management company. However, the Fund's investment objective is fundamentally unchanged throughout and its historic performance has been treated as continuous since inception.

Past performance is not a guide to future performance. The value of shares may go down as well as up and an investor may not get back the amount invested.

Fund managers' report

Market review

News flow in the UK was dominated by the General Election and ongoing concerns about Euro area debt problems. The Bank of England left the base rate unchanged at 0.5% during the quarter and maintained the asset purchase target at £200bn. However, the minutes from the meeting in June highlighted the first split in voting since February 2009, with Andrew Sentance in favour of a 0.25% increase, based on inflation resilience in the UK and signs of global recovery. UK gilts benefited from the general weakness and volatility in peripheral Eurozone sovereign bond markets. As a result, five and ten year maturities fell by 0.65% and 0.58% respectively, while thirty year maturities fell by 0.36%. Sterling credit underperformed government bonds, with spreads widening by 0.38% to end the quarter at 1.95% over gilts, despite companies generally reporting improved performance. Sovereign debt concerns overshadowed credit fundamentals.

Fund review

The fund underperformed over the quarter. Within interest rates, a short duration position and our yield curve flattening positions detracted value.

Security selection within credit also detracted value. We remain overweight credit risk relative to government bonds, which hurt performance as credit underperformed. We exited our position in US mortgages and trimmed down our financial holdings over the period.

Annualised tracking error

	3 years	5 years
Annualised Tracking Error	3.67	3.03

Source: Aberdeen Asset Management, Lipper, Total Return, Gross of Fees, Russell/Mellon Analytical Services, GBP.

Top ten holdings

	%
UK Treasury 3.75% 07/09/19	9.4
UK Treasury 2.75% 22/01/15	4.6
UK Treasury 4.25% 07/09/39	4.5
UK Treasury 4% 07/03/22	4.3
UK Treasury 4.25% 07/12/27	3.8
UK Treasury 4.25% 07/12/46	3.7
UK Treasury 4.25% 07/12/49	3.1
UK Treasury 4.5% 07/09/34	2.8
UK Treasury 4.5% 07/12/42	2.2
UK Treasury 2.25% 07/03/14	2.1
Total	40.5

Geographical allocation (%)^A

	Fund	Benchmark	Difference
UK	99.9	100.0	(0.1)
Europe (ex UK)	-	-	-
Dollar Bloc	0.1	-	0.1
Total	100.0	100.0	

^A Calculated as a percentage of interest rate exposure. Figures may not always sum to 100 due to rounding.

Sector breakdown (%)

	Fund	Benchmark	Difference
Domestic Government	47.4	62.4	(15.0)
Finance	18.1	11.5	6.6
Industrial	6.4	7.3	(0.9)
Utility	2.9	3.6	(0.7)
Sovereign/Supra	12.9	11.4	1.5
Asset Backed	6.0	3.0	3.0
Other	0.5	0.7	(0.2)
Cash	5.7	-	5.7
Total	100.0	100.0	

Figures may not always sum to 100 due to rounding.

Key information

Benchmark	Merrill Lynch Sterling Broad Market Index
Fund size	£50.6m
Date of launch	October 1973
Investment team	Fixed Income
Fund advisory company	Aberdeen Asset Managers Limited

Contact details

Website www.aberdeen-asset.co.uk/pensions

All sources (unless indicated): Aberdeen Asset Management 30 June 2010.

Aberdeen Pooled Pensions UK Broad Fixed Interest Fund

Interest rate exposure (years)

	Fund	Benchmark	Difference
UK	8.01	8.18	(0.17)
Europe ex UK	0.01	–	0.01
Modified duration	8.02	8.18	

Interest rate exposure is calculated by multiplying market weight by duration.

Maturity profile IRE (years)

	Fund	Benchmark	Difference
0 - 5	0.74	0.75	(0.01)
5 - 15	1.90	2.75	(0.85)
>15	5.38	4.69	0.69

Currency exposure (%)

	Fund	Benchmark	Difference
Sterling	98.9	100.0	(1.1)
Europe ex UK	1.0	–	1.0
Dollar Bloc	0.1	–	0.1
Total	100.0	100.0	

Figures may not always sum to 100 due to rounding.

Yields (%)

	Fund	Benchmark	Difference
Yield to maturity	4.3	3.6	0.7

Important information

Risk factors you should consider before investing:

- Past performance is not a guide to future performance.
- The value of shares and the income from them can go down as well as up and you may get back less than the amount invested.
- Movements in exchange rates can impact on both the level of income received and the capital value of your investment. If the currency of your country of residence strengthens against the currency in which the underlying investments of the Fund are made, the value of your investment will reduce and vice versa.
- The Fund invests in emerging markets which tend to be more volatile than mature markets and the value of your investment could move sharply up or down. In some circumstances, the underlying investments may become illiquid which may constrain the ability to realise some of the portfolio. The registration and settlement arrangements in emerging markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise, putting the value of your investment at risk.
- The value of a bond will fall in the event of the default or reduced credit rating of the issuer (or if credit spreads widen, relative to gilts). Similarly, an increase in credit rating (or narrowing of credit spreads) can lead to capital appreciation. Generally, the higher the quality of the issuer, the lower the interest rate at which they can borrow money. Issuers of a lower quality will tend to have to pay more to borrow money to compensate the lender (the purchaser of a bond) for the extra risk taken. Unlike income from a single bond, the level of income from the Fund is not fixed and may fluctuate. Yields are estimated figures and may fluctuate.
- Derivatives may be used for both investment and hedging using efficient portfolio management style techniques which means that, due to its portfolio composition, the net asset value of the Fund may be more volatile. Using derivatives for investment purposes will increase the risk profile of the Fund.
- Underlying funds may participate in securities lending activities whereby they lend securities to third parties in return for fees. Although such lending is fully collateralised, some risk remains in relation to counterparty default and collateral shortfall in the event of market disruption.

Other important information:

The Fund is a unit-linked life fund issued by Aberdeen Asset Management Pooled Pensions Limited. The fund invests in other Aberdeen managed funds. The top ten holdings listed reflect those of the underlying funds.

The value of any holding in other collective investment schemes managed by any subsidiary of Aberdeen Asset Management PLC is excluded for the calculation of management charges.

Nothing herein constitutes investment, legal, tax or other advice and is not to be relied upon in making an investment or other decision. No recommendation is made, positive or otherwise, regarding individual securities mentioned.

Issued and approved on behalf of Aberdeen Asset Management Pooled Pensions Limited by Aberdeen Asset Managers Limited which is authorised and regulated by the Financial Services Authority in the United Kingdom.

Credit rating (%)

	Fund	Benchmark	Difference
AAA	60.0	73.0	(13.0)
AA	2.9	4.2	(1.3)
A	16.3	12.8	3.5
BBB	10.4	9.3	1.1
BB or below	1.9	0.5	1.4
Cash	5.9	–	5.9
Unrated	2.7	0.3	2.4
Total	100.0	100.0	

Figures may not always sum to 100 due to rounding.

Additional information

Fund type	Life Fund
Domicile	UK
Currency	GBP
Registered for sale	UK
Sector	UK Fixed Income
Deal closing time	9.30 am (UK)
Daily valuation point	10.00 am (UK)