

Aberdeen Pooled Pensions Sterling Credit 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 Global II Sterling Credit Fund.

Summary investment objective

Aims to achieve an attractive level of total return with the majority of the Fund invested in pounds sterling denominated non government investment grade debt securities

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 Sterling Credit Fund will merge with Aberdeen Life Sterling Credit Fund.

Performance (%)

	3 months	6 months	1 year	Annualised	
				3 years	5 years
Fund	1.97	6.85	17.13	3.69	2.80
Benchmark	1.96	6.00	16.18	5.77	3.84
Difference	0.01	0.85	0.95	-2.08	-1.04
Sector Ranking	52/367	90/348	236/320	162/236	97/129
Quartile	1	2	3	3	3

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

	2010	2009	2008	2007	2006
Fund	17.13	-1.65	-3.20	1.02	1.95

Calendar year performance (%)

	YTD	2009	2008	2007	2006
Fund	6.85	10.55	-7.72	-0.09	1.56
Benchmark	6.00	11.09	-3.62	1.81	0.80
Difference	0.85	-0.54	-4.09	-1.90	0.76
Sector Ranking	90/348	279/303	99/261	165/213	45/144
Quartile	2	4	2	4	2

Performance Data: Share Class I

Source: BNP Paribas, 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 Sterling Credit Fund (PPF) has been a feeder fund into the Aberdeen Global II Sterling Credit Fund (AGII). However, performance of the PPF will not mirror that of AGII, over the period, due to timing differences relating to the realisation of directly held assets within PPF and their re-investment in AGII.

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 dissenting in favour of a 0.25% increase, based on a combination of inflation resilience in the UK and signs of global recovery. 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 causing a drag on performance.

Fund review

The fund performed in line with its benchmark over the quarter. Security selection within credit added value. We remain overweight credit risk, specifically in sub-ordinated financials. We exited our position in US mortgages and trimmed down our financial holdings over the period. Within interest rates, a short duration position and a yield curve flattening position both detracted value.

Annualised tracking error

	3 years	5 years
Annualised Tracking Error	2.74	2.18

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

Top ten holdings

	%
UK Treasury 2.75% 22/01/15	4.1
UK Treasury 4.25% 07/09/39	2.2
Network Rail Infra Fin 4.375% 09/12/30	2.1
UK Treasury 3.75% 07/09/19	1.6
Refer Rede Ferroviaria Nacional 4% 16/03/15	1.5
European Investment Bank 6% 07/12/28	1.5
Abu Dhabi Commercial Bank 5.625% 16/11/11	1.4
KFW International Finance 5.75% 07/06/32	1.4
Finance For Resident Social Housing 11.126% 05/10/58	1.3
Standard Life 6.375% 12/07/22	1.3
Total	18.4

Geographical allocation (%)^A

	Fund	Benchmark	Difference
UK	100.3	100.0	0.3
Europe (ex UK)	(0.1)	-	(0.1)
Dollar Bloc	(0.3)	-	(0.3)
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	9.3	-	9.3
Finance	37.8	30.7	7.1
Industrial	13.8	19.5	(5.7)
Utility	6.6	9.6	(3.0)
Sovereign/Supra	19.6	30.2	(10.6)
Asset Backed	8.6	8.1	0.5
Other	1.5	2.0	(0.5)
Cash	2.9	-	2.9
Total	100.0	100.0	

Figures may not always sum to 100 due to rounding.

Key information

Benchmark	Merrill Lynch Sterling Non Gilt Index
Fund size	£17.8m
Date of launch	December 2002
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 Sterling Credit Fund

Interest rate exposure (years)

	Fund	Benchmark	Difference
UK	7.03	7.20	(0.17)
Europe (ex UK)	(0.01)	–	(0.01)
Dollar Bloc	(0.02)	–	(0.02)
Modified duration	7.01	7.20	

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

Maturity profile IRE (years)

	Fund	Benchmark	Difference
0 - 5	0.74	0.70	0.04
5 - 15	2.27	2.84	(0.57)
15+	3.99	3.67	0.31

Currency exposure (%)

	Fund	Benchmark	Difference
Sterling	99.3	100.0	(0.7)
Europe (ex UK)	0.6	–	0.6
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	5.8	4.8	1.0

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.
- The Fund invests in sub-investment grade securities which involves greater price volatility and risk of loss than investment in securities of investment grade quality.
- The Fund employs derivatives for investment purposes which may increase its volatility and risk profile.
- Exposure to a single country market increases potential volatility.

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	27.9	28.9	(1.0)
AA	7.9	11.3	(3.4)
A	37.8	33.9	3.9
BBB	20.6	24.6	(4.0)
BB or below	2.8	1.2	1.6
Cash	2.9	–	2.9
Total	100.0	100.0	

Figures may not always sum to 100 due to rounding.

Cash includes cash on call, cash used as margin, fixed deposits, unrealised profit/losses on derivative positions and forward currency contracts.

Where bonds held in the portfolio are split-rated between Moody's, S&P and Fitch the lower of the ratings is used. 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)