

Aberdeen Life

UK Small Company Fund

Performance Data and Analytics to 30 June 2010



Summary investment objective

Aims to provide exposure to an actively managed portfolio of UK smaller company equities - an asset class that is expected to provide long-term returns that are ahead of inflation.

Performance (%)

	3 months	6 months	1 year	Annualised		Launch
				3 years	5 years	
Fund	-0.11	8.12	36.09	-6.92	5.44	3.15
Benchmark	-5.29	-3.56	20.34	-14.19	-1.24	-0.43
Difference	5.18	11.67	15.75	7.27	6.69	3.57
Sector ranking	28/226	11/222	10/217	51/186	21/119	-
Quartile	1	1	1	2	1	-

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

	2010	2009	2008	2007	2006
Fund	36.09	-16.49	-29.05	23.56	30.83

Calendar year performance (%)

	YTD	2009	2008	2007	2006
Fund	8.12	48.54	-37.24	-17.38	30.80
Benchmark	-3.56	57.67	-48.32	-17.92	23.47
Difference	11.67	-9.13	11.07	0.54	7.32
Sector ranking	11/222	55/217	78/199	164/174	18/139
Quartile	1	1	2	4	1

Performance Data: Share Class 1G

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.

Performance measured from 01/07/2000.

Prior to September 2005 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.

The performance will be reduced by the impact of the management fees paid, the amount of which varies depending on the share class held, and the terms of any fee arrangement reflected in your policy schedule. 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.

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

UK small-cap shares tracked the broader market lower in the second quarter, weighed down by lingering fears that Greece's debt woes may spark a full-blown regional crisis and concerns that the government's austerity measures could dent the fragile domestic recovery. Uncertainty over the general election, which ended with a coalition government, coupled with potential credit ratings downgrades in light of the country's deteriorating fiscal wellbeing, exacerbated market jitters.

Economic indicators were muted: business and consumer confidence dipped in the wake of the planned government spending cuts. The manufacturing sector's recent recovery was short-lived as factory output dropped, while export growth slowed, depressed by the Continent's debt woes and the falling euro.

Fund managers' report continues overleaf

Top ten holdings

	Sector	%
BSS	Industrials	3.5
Fuller Smith & Turner 'A'	Consumer Services	3.5
Melrose	Industrials	3.1
RM	Information Technology	3.0
Morgan Sindall	Financials	3.0
Helical Bar	Financials	2.9
Mothercare	Consumer Services	2.8
Dignity	Consumer Services	2.8
Chemring	Industrials	2.7
RPC Group	Industrials	2.7
Total		30.0
Total number of holdings		45

Sector breakdown

	%
Industrials	40.1
Consumer Services	31.5
Financials	14.4
Consumer Goods	6.0
Information Technology	4.5
Health Care	2.4
Cash	1.1
Total	100.0

Key information

Benchmark	FTSE Small Cap ex Investment Trust
Fund size	£24.0m
Date of launch	14 June 2000
Investment team	Pan-European Equity
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 Life UK Small Company Fund

Fund managers' report - continued

Fund review

We introduced engineering IT software developer Aveva, given its solid balance sheet and recurring revenues, and Bellway, an attractively-valued housebuilder with good management and a robust balance sheet. We also added to Savills and Dechra Pharmaceuticals on share price weakness.

Against this, we sold both Chloride Group and Care UK as their shares rallied on the back of takeover bids, and Rensburg Sheppards after Investec completed its acquisition of the wealth management firm. We also disposed of Low & Bonar and M&C Saatchi in view of better long-term opportunities elsewhere.

Fund risk data

	3 years	5 years
Annualised standard deviation of fund	21.33	18.22
Annualised standard deviation of index	30.36	24.88
Alpha	0.10	0.38
Beta	0.67	0.69
Sharpe ratio	(0.49)	0.08
Annualised tracking error	12.50	10.12
Annualised information ratio	0.47	0.52
R-squared	0.89	0.88

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

Additional information

Fund type	Unit Linked Life Fund
Domicile	UK
Currency	GBP
Registered for sale	UK
Sector	UK Equity
Deal closing time	10.00 am (UK)
Daily valuation point	10.00 am (UK)

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.
- Exposure to a single country market increases potential volatility.
- The Fund invests in smaller companies which tend to be less liquid than larger companies.

Other important information:

The Fund is a unit-linked life fund issued by Aberdeen Asset Management Life and Pensions Limited.

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.

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