

Gilt Fund

fund objective

To achieve capital growth through investment in a well diversified portfolio consisting predominantly of UK Gilts. The Fund is permitted to invest in overseas bonds, and any non-Sterling currency exposure will be hedged back into Sterling to remove the risk of exchange rate fluctuations.

performance

While Financial Express, FactSet and Skandia Investment Group have used all reasonable endeavours to ensure the accuracy of the information contained in this factsheet, neither accept any liability in respect of the investment decisions of investors nor any loss arising from such decisions.

percentage growth year by year to month end shown in table

1 year to 31/07/2010	1 year to 31/07/2009	1 year to 31/07/2008	1 year to 31/07/2007	1 year to 31/07/2006
6.36%	7.33%	3.69%	-1.58%	1.05%

percentage growth since launch

	3 months	6 months	1 year	3 years	5 years	Since launch
Gilt Fund	3.83%	4.25%	6.36%	18.37%	17.72%	25.16%
IMA sector average	3.67%	4.27%	7.29%	21.81%	23.58%	33.22%
Quartile rank*	2	2	4	3	4	4
Benchmark	3.77%	4.92%	7.66%	25.35%	29.68%	45.02%

Please note that the annual management charge reduced from 1% to 0.6% on 26 May 2009 and this will be reflected in the performance figures.

Source for all figures except for benchmark: Financial Express. Percentage growth is calculated on a single price basis with net income reinvested into the Fund. Sector average refers to the IMA UK Gilt Sector. Figures are to 31 July 2010. Past performance does not indicate future performance.

*Please see the Important Information section for the definition of quartile. The fund performance shown is that of the accumulation share class. As the income share class is less than a year old, no fund performance figures can be shown.

top ten holdings

as at 30 June 2010

Holding	Percentage
Treasury 4 1/2% 2013	4.47%
Treasury 5% 2018	4.14%
Treasury 5% 2012	4.13%
Treasury 5% 2014	4.06%
Treasury 8% 2021	4.05%
Treasury 5 1/4% 2012	3.94%
Treasury 4 2016	3.94%
Treasury 4 3/4% 2020	3.88%
Treasury 3 3/4% 2019	3.84%
Treasury 4 3/4% 2015	3.74%

fund facts

	Accumulation share class	Income share class
Launch date	5 February 2003*	18 June 2010
Fund manager	BlackRock Investment Management (UK) Limited	
IMA sector	UK Gilt	
Benchmark	Merrill Lynch UK Gilt Index	
Initial charge	5%	
Annual management charge	0.6%	
Total expense ratio	0.69	0.70
Minimum investment	£1,000 lump sum / £50 per month regular savings	
ISA eligibility	Yes	
Valuation point	12 noon UK time	
Income frequency	N/A	half-yearly
XD dates	N/A	31 December and 30 June
Payment dates	N/A	28 February and 31 August
Distribution yield	N/A	4.2%
Underlying yield	N/A	2.9%
SEDOL	3254398	B3TGJM4
ISIN	GB0032543984	GB00B3TGJM41
MEXID	SNMGF	SNGLIN
Fund size as at 31 July 2010	£183.9m	

* Available to retail investors as from 26 May 2009

The current daily share price can be found on our website at www.skandiainvestmentgroup.com/funds/fundinformation.asp

important information

The past performance of an investment is not a guide to future investment performance.

What you get back will depend on investment performance and is therefore not guaranteed. The value of investments and any income from them can fall as well as rise.

You should appreciate that there are inherent risks in all types of investment. There can be no guarantee that the objectives of the Fund will be achieved.

The interest rate on corporate bonds and most Government bonds will not increase in line with the rate of inflation. Therefore, over time, the real value of your income is likely to fall.

The value of funds that invest in fixed interest securities may increase or decrease if interest rates change. For example, if interest rates rise, the Fund value may fall.

Bond funds carry a risk of default of either income payments or capital repayments or both. The Fund may invest partly in high-yielding corporate bonds, which are generally regarded as higher risk investments. The solvency of the companies that issue these bonds cannot be guaranteed, and any difficulty (such as default on payment) may adversely affect the Fund's performance.

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The Authorised Corporate Director for the Skandia Gilt Fund is Skandia Investment Management Limited.

www.skandiainvestmentgroup.com

The Distribution Yield reflects the amounts that may be expected to be distributed over the next twelve months as a percentage of the mid-market unit price of the fund as at the date shown. It is based on a snapshot of the portfolio on that day. It does not include any preliminary charge and investors may be subject to tax on distributions.

The Underlying Yield reflects the annualised income net of expenses of the fund (calculated in accordance with relevant accounting standards) as a percentage of the mid-market unit price of the fund as at the date shown. It is based on a snapshot of the portfolio on that day. It does not include any preliminary charge and investors may be subject to tax on distributions.

* Quartile - A statistical term which, in this context, describes the performance of an investment fund relative to other investment funds in a group or sector. Each quartile contains 25% of the funds based upon the performance of each fund in comparison to other funds in the group or sector. The funds are ordered by performance with the top performing 25% of funds making up the 1st quartile and the worst performing 25% of funds making up the 4th quartile.

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