

Skandia Global Property Securities (LaSalle) Fund

half-yearly short report for the period
1 January 2009 to 26 June 2009

Due to a number of fund changes over the period, for certain other funds available from Skandia Investment Management Limited, we have changed the end date of the reporting period from 30 June to 26 June for this interim report.

Some of the terms in this document are of a technical nature. We have highlighted these in bold type and you can find definitions in the glossary near the end of this document. If anything is unclear, we recommend you speak to your financial adviser who will be able to explain further.

fund objective

To achieve long-term capital growth and income through investment in a globally diversified portfolio of property-related **securities**.

investment policy

The emphasis of the Fund is investment in property-related securities of entities which generate rental income. Investment will be in **transferable securities** which are primarily Real Estate Investment Trusts (REITs) or real estate operating companies.

For efficient portfolio management purposes, investment may also be made into **derivatives** or **forward transactions**. Specifically, the Fund will use derivatives or forward transactions with the aim of reducing currency risk for investors in currency **hedged** share classes.

The **Authorised Corporate Director** (ACD) has appointed a specialist investment adviser to manage the Fund, and continuously monitors its suitability.

risk profile

This Fund invests in a global portfolio of shares in Real Estate Investment Trusts, real estate operating companies and other property related investments. The Fund does not invest directly in land and buildings and will tend to be more volatile than one that does. Global property securities represent a small part of the total market and, as a result, the Fund is likely to be more volatile than a more diversified fund and the underlying investments may not be as readily realisable. For this reason you should consider your degree of exposure to this Fund in the context of all your investments. In the case of the Sterling Retail and Institutional share classes, the predominant proportion of the non-sterling exposure is hedged back to sterling. However, where

the currency exposure is not fully hedged to sterling, the price of the share class may rise or fall purely as a result of exchange rate movements between sterling and other currencies. In the case of the US\$ Retail share class (formerly the Skandia Global Real Estate Securities (LaSalle) Fund), currency hedging does not apply and, where the Fund invests in securities designated in a currency other than US\$, the price of the share class may rise and fall purely as a result of exchange rate fluctuations. The level of income is not guaranteed and will fluctuate over time. In addition, the Annual Management Charge and other annual expenses are taken out of the Fund's capital rather than income and this may restrict or reduce the capital value of your investment.

fund manager's report

Global property shares experienced a difficult start to 2009, falling sharply during the first two months of the year as equities in general suffered on concerns over the global economy and health of the financial sector. Volatility in the market remained high amid ongoing uncertainty about the availability of credit. Many property companies sought to improve their financial position by raising capital through new share issues and announced plans to cut their dividend payments or pay out a portion of their dividend in shares. Property securities rebounded from March onwards, but still ended the period lower and underperformed the broader equity market.

The Global Property Securities (LaSalle) Fund recorded a negative return. Performance compared to the market was weak during the first two months of the year, hampered by poor stock selection in the US, Australia and Japan, but improved significantly during the second half of the period.

The mention of any particular stock should not be taken as a recommendation to buy or sell investments.

fund facts

The Fund offers retail and institutional income shares in sterling, and accumulation shares in USD.

Fund accounting dates (ex-dividend dates)	Fund payment/ accumulation dates
31 December	28 February
26 June	31 August

The table below shows the net income or accumulations in pence or cents per share for the calendar years indicated. The Skandia Global Property Securities (LaSalle) Fund was launched on 3 October 2005 and initially consisted of a single-share class. Later, institutional income shares and US\$ accumulation shares (formerly the Skandia Global Real Estate Securities (LaSalle) Fund) were added and they were first offered on 22 May 2007 and 29 June 2007 respectively.

Calendar year	Pence/cents per share
2005 Income*	–
2006 Income	1.2639 pence
2007 Income	1.6129 pence
2007 Institutional income**	0.3043 pence
2007 Accumulation US\$***	–
2008 Income	1.7729 pence
2008 Institutional income	1.6674 pence
2008 Accumulation US\$	1.8831 cents
2009 Income****	1.3088 pence
2009 Institutional income****	1.1107 pence
2009 Accumulation US\$****	1.1626 cents

* from 3 October

** from 22 May

*** from 29 June

**** to 31 August

total expense ratio (TER)

The Total Expense Ratio represents all operating charges and expenses as a percentage of a fund's value. It includes the Annual Management Charge as well as all the regular administrative costs incurred by a fund.

	TER as at 26 June 2009	TER as at 31 December 2008
Retail	2.28%	2.23%
Institutional	1.53%	1.48%

share price performance

The table below shows the highest and lowest share prices in pence/cents per share for the calendar years indicated.

Calendar year	Highest price	Lowest price
2005 Income*	52.33 pence	47.06 pence
2006 Income	69.80 pence	51.74 pence
2007 Income	76.44 pence	53.83 pence
2007 Institutional Income**	71.37 pence	50.00 pence
2007 Accumulation US\$***	70.07 cents	50.00 cents
2008 Income	56.31 pence	20.51 pence
2008 Institutional Income	57.23 pence	20.91 pence
2008 Accumulation US\$	61.94 cents	20.87 cents
2009 Income****	27.24 pence	15.95 pence
2009 Institutional Income****	28.03 pence	16.43 pence
2009 Accumulation US\$****	29.70 cents	16.80 cents

* from 3 October

** from 22 May

*** from 29 June

**** to 26 June

fund performance

Share class	Net asset value per share as at 26 June 2009	Net asset value per share as at 31 December 2008	% change
Income	22.97 pence	26.29 pence	-12.63%
Institutional Income	23.73 pence	26.96 pence	-11.98%
Accumulation US\$	16.11 pence	19.29 pence	-16.49%

Date	Net asset value of Fund	Shares in issue (Income)	Shares in issue (Institutional)	Shares in issue (Accum US\$)	Net asset value per share (Income)	Net asset value per share (Institutional)	Net asset value per share (Accum US\$)
31 Dec 2006	£306,845,909	444,699,146	–	–	69.00 pence	–	–
31 Dec 2007	£364,319,887	587,388,052	48,739,847	59,528,390	54.45 pence	55.17 pence	29.04 pence
31 Dec 2008	£164,608,838	473,818,941	107,299,645	57,606,075	26.29 pence	29.96 pence	19.29 pence
26 June 2009	£135,819,966	435,156,340	108,918,994	62,137,976	22.97 pence	23.73 pence	16.11 pence

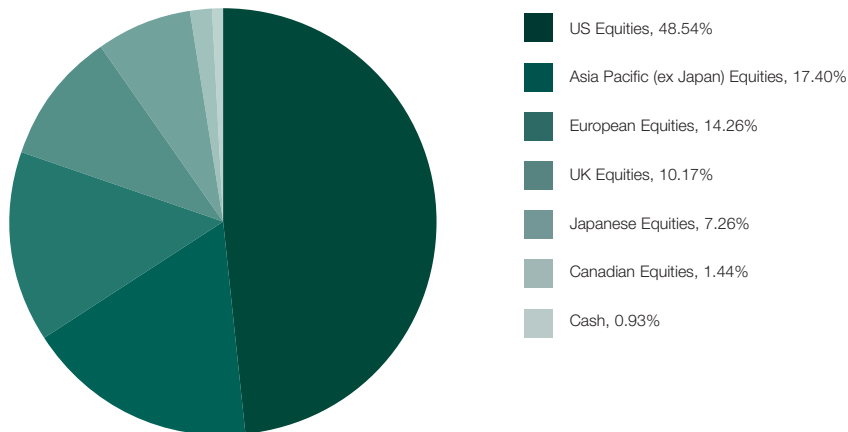
	Percentage change to 26 June 2009				
	6 months	1 year	2 years	3 years	Since launch*
Fund performance	-9.70%	-48.01%	-60.92%	-55.63%	-47.55%

*from 3 October 2005

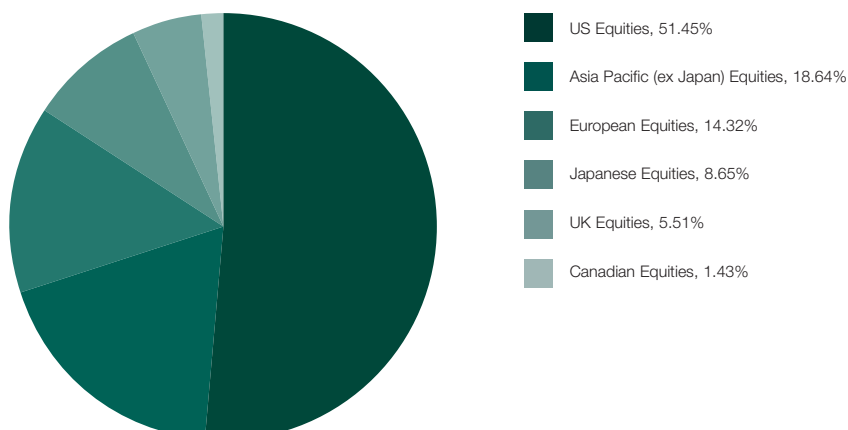
Source: Financial Express. Figures are calculated on a total return and single price basis, with net income reinvested in sterling terms. Six months' performance is from 31 December 2008 to 26 June 2009. Yearly comparatives are from previous half-yearly period end dates to 26 June.

You should not view past performance as an indication of future performance. The value of investments and any income from them may fall as well as rise and you may not get back the amount you invested. Where a fund invests in securities designated in a different currency to the Fund, the value of the Fund may rise and fall purely as a result of exchange rate fluctuations.

portfolio information as at 26 June 2009



portfolio information as at 31 December 2008



major holdings

The table below shows the top ten holdings of the Fund. All holdings will be shown if there are less than ten holdings.

As at 26 June 2009	%	As at 31 December 2008	%
Westfield	6.69	Westfield	8.24
Unibail-Rodamco	5.75	Unibail-Rodamco	5.76
Simon Property	5.71	Simon Property	4.65
Avalonbay Communication	3.90	Avalonbay Communication	4.60
Public Storage	3.73	Vornado Realty Trust	4.51
Ventas	3.65	Ventas	4.24
Vornado Realty Trust	3.45	Nippon Building	3.65
Stockland	3.21	Public Storage	2.72
Land Securities	2.37	GPT	2.62
Boston Properties	2.30	Link Real Estate Investment Trust	2.46

glossary

Authorised Corporate Director (ACD) – the Authorised Corporate Director provides a professional investment management service in respect of the open-ended investment companies (OEICs) and controls the assets and operation of each fund. The ACD of the Skandia Investment Management OEICs is Skandia Investment Management Limited.

Derivatives – derivatives are contracts between two or more parties whose value is derived from a related asset. The most common related assets include shares, fixed interest securities, commodities, currencies, interest rates and market indices. Derivatives can be used for speculative purposes but in investment funds they are generally used to reduce risk.

Forward transactions – forward transactions are also known as futures. Futures are agreements to buy or sell assets for delivery at a certain time in the future for a certain price.

Hedge – making an investment to reduce the risk of adverse price movements in an asset. Although hedging can reduce potential losses, it can also tend to reduce potential profits.

Securities – any investments that can be assigned a value and traded such as bonds or shares, where there is a right to receive interest or dividends from the investment.

Transferable securities – a security whose ownership can be transferred between parties.

report and accounts

Copies of the annual and half-yearly Long Form Report and Accounts are available on request, free of charge, from our Edinburgh office. To contact us please call 0844 892 0996* or write to

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depository

The independent Depository is the Royal Bank of Scotland, whose address is:

Royal Bank of Scotland plc,
Waterhouse Square
138-142 Holborn
London
EC1N 2TH

The Depository is authorised and regulated by the Financial Services Authority, whose address is:

25 The North Colonnade
Canary Wharf
London
E14 5HS

auditors

The Fund's independent auditors are KPMG Audit plc, whose registered address is:

KPMG Audit plc
One Canada Square
London
E14 5AG.

authorised corporate director (ACD)

The Skandia Global Property Securities (LaSalle) Fund is managed by Skandia Investment Management Limited, which is the Authorised Corporate Director (ACD) of the Fund. Its registered address is:

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Skandia House
Portland Terrace
Southampton
SO14 7EJ

Skandia Investment Management Limited is a company limited by shares, incorporated in England and Wales and authorised and regulated by the Financial Services Authority.

how to contact us

If you have any questions please contact us or call your financial adviser. Our offices are open on business days between the hours of 8.30am and 5.30pm.

To contact us please call 0844 892 0996* or write to:

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If you would like general information on the funds or on Skandia Investment Management Limited you can visit our website:

www.skandiainvestmentmanagement.com

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