

SMA Schroder UK Mid 250 Pn Fund

About the Fund - 31 December, 2008

Fund Objective

The Fund's objective is to achieve long-term capital growth by investing in the medium-sized companies listed on the FTSE Mid 250 Index. The main advantage of investing in Mid 250 companies is that often these businesses have greater potential for continued growth than their larger counterparts. The Fund Manager invests in growing companies with a unique product or service for which demand is strong. This also requires him to be disciplined in his approach by selling stocks if there are signs that increasing competition means that the company's product has lost its unique advantage.

Important Note

Past performance is not necessarily a guide to future performance. The price of units and the income from them can go down as well as up and investors may not get back the amount originally invested. Scottish Mutual makes no guarantee as to the performance of the Fund.

Fund Type	Pension
Fund Management Company	Schroder
Fund Universe	ABI Pensions
Launch Date	01/09/2002
Fund Size	£ 4.57 m
ABI Sector	†UK All Companies
Fund Code (SEDOL)	3194892
Fund Code (ISIN)	GB0031948929
Fund Code (Mex)	SMSUKM

Past performance figures may use information which is not up to date. Current unit prices can be found at www.scottishprovident.com

Scottish Mutual Assurance Limited is registered in Scotland No. SC133846. Registered Office: 301 St Vincent Street, Glasgow G2 5HN.
 Scottish Mutual Investment Managers Limited is registered in Scotland No. SC88674. Registered Office: 50 Bothwell Street, Glasgow G2 6HR.
 Scottish Mutual PEP and ISA Managers Limited is registered in England No. 971504. Registered Office: 1 Wythall Green Way, Wythall, Birmingham B47 6WG. All companies are authorised and regulated by the Financial Services Authority.

Performance Annual Returns	31/12/07 to 31/12/08	31/12/06 to 31/12/07	31/12/05 to 31/12/06	31/12/04 to 31/12/05	31/12/03 to 31/12/04
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Fund (%)	-43.2 %	-8.7 %	30.0 %	28.5 %	23.2 %
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Source: Financial Express. Past performance is not a guide to the future and the value of investments may fall as well as rise. Percentage growth, bid to bid, income re-invested.

Performance Accumulative

	3 m	6 m	1 yr	3 yr	5 yr
Fund (%)	-17.3 %	-31.3 %	-43.2 %	-32.5 %	6.8 %
Sector Average (%)†	-11.7 %	-22.9 %	-31.7 %	-18.4 %	12.3 %

Calculated to 31 December, 2008

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Percentage growth, bid to bid, income re-invested.

Performance Analysis

	AGR *	Volatility	Sharp
Fund	-12.3	22.6	0.0
Sector Average†	-6.7	16.6	0.0

Calculated to 31 December, 2008

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* AGR - Average annualised growth rate over the past three years where available, bid to bid, income re-invested. Volatility and Sharp calculations are based on data from the past three years where available.

Top Ten Holdings

	%	Sector Allocation	%
CARILLION PLC	6.0	Industrials	40.8
BABCOCK INTERNATIONAL GROUP	5.3	Consumer Services	23.3
ATKINS(WS)	4.4	Financial	10.3
IMPERIAL ENERGY CORP	3.5	Oil & Gas	10.1
VICTREX	3.2	Consumer Goods	5.7
ULTRA ELECTRONICS HLDGS	3.2	Basic Materials	4.0
WETHERSPOON(J.D.)	3.1	Money Market	3.4
BSS GROUP	2.9	Technology	2.5
BALFOUR BEATTY	2.9		
VENTURE PRODUCTION	2.4		

As at 31 Dec, 2008

Note: Holdings and sector data is the latest available and serves only to be indicative.

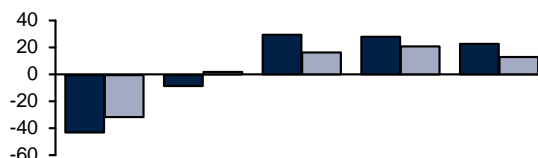
Performance Annual Returns	31/12/07 to 31/12/08	31/12/06 to 31/12/07	31/12/05 to 31/12/06	31/12/04 to 31/12/05	31/12/03 to 31/12/04
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■ Fund (%)	-43.2 %	-8.7 %	30.0 %	28.5 %	23.2 %
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■ ABI Sector Average (%)†	-31.7 %	2.4 %	16.8 %	21.3 %	13.5 %
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Quartile Rank Within Sector

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Scottish Mutual makes no guarantee as to the performance of the fund. Due to the launch date of the fund, only limited performance figures may be available.

Sharpe Ratio: A measure of the annual excess return (how much the fund is better or worse than the risk-free rate of return ie the yield on Government Gilts) divided by the annualised standard deviation of returns from the benchmark (a measure of how much the fund return varies from the benchmark over time). Sharpe ratio should be positive and the higher the better. It should be noted that negative Sharpe ratios are misleading and should not be used to compare the risk return characteristics of a fund.

Volatility: Volatility is represented by the Lognormal Annual Standard Deviation of the fund, (a measure of how much the fund return varies from the benchmark over time).