

Save & Prosper Global Equity Pension Fund

save&prosper

All performance data relates to the Save & Prosper Global Equity Pension Fund

Investment objective

To provide capital growth through an actively managed portfolio invested selectively in open-ended investment companies and other investment media as appropriate.

Fund statistics

Fund manager(s)	Valerio Salvati and David Chan
Fund launch date	02/83
Fund size (as at 30/09/11)	GBP 38.7m

Portfolio breakdown

(as at 30/09/11)

	%
US Equity	52.7
Europe Equity	15.9
Japan Equity	9.2
Pacific Equity	8.9
UK Equity	6.8
Emerging Markets Equity	6.3
Cash	0.2

Fund review

(as at 30/09/11)

Government bonds outperformed equities in the third quarter as the eurozone debt crisis gathered pace and the outlook for global growth deteriorated. Equities suffered their largest quarterly declines since the global financial crisis and tested bear market limits. The fund produced a negative return over the quarter but performed well ahead of benchmark. By region, we retained an underweight to continental Europe, which was beneficial given the continued concerns and poor performance within this market. In contrast, an overweight to emerging markets detracted as emerging market equities continued to lag most developed market equities. We made some changes in underlying fund selection in Asia and the emerging markets. In addition, we reshaped our allocation to the US as we increased exposure to growth strategies, and added a value strategy. Performance was mixed across underlying fund holdings, with most UK and European strategies struggling against their benchmarks. In contrast, our Japanese exposure, excluding our investment trust holding, performed well in absolute terms in comparison to other regional equity markets and ahead of the Topix.

Fund outlook

(as at 30/09/11)

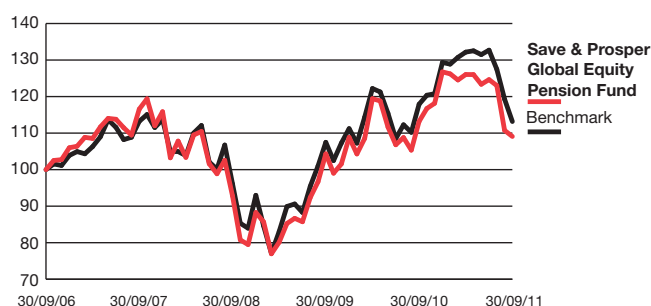
Monetary easing is likely to be an important theme over the next three to six months. Several central banks have announced easing measures in the past month with several more poised to ease shortly. The US economy is holding up well, although our global growth indicator series is finely poised between signalling a mid-cycle slowdown and a full-blown recession. Valuations have become extreme in certain asset classes, especially equity risk premia versus bonds and credit.

Benchmark

FTSE World Index GBP (gross income reinvested)

Cumulative performance

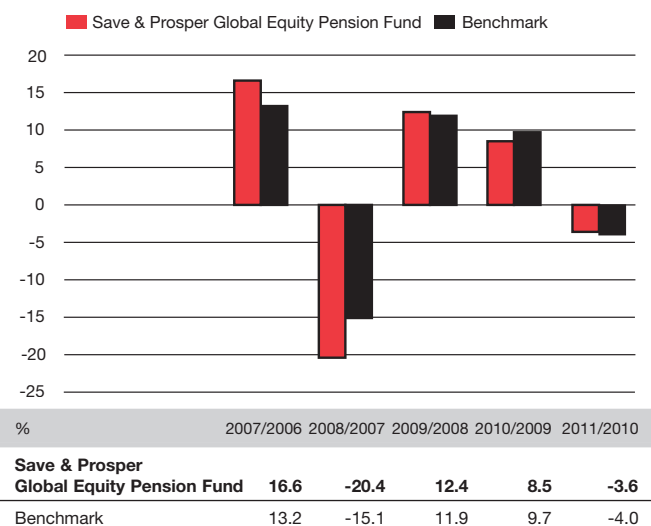
(as at 30/09/11)



%	3M	1 Y	3 Y	5 Y	10 Y
Save & Prosper Global Equity Pension Fund	-12.5	-3.6	17.5	9.1	70.8
Benchmark	-14.7	-4.0	17.8	13.2	52.6

Rolling 12 month performance

(as at 30/09)



Returns calculated on an offer to offer, pension fund tax basis.

Source: J.P. Morgan.

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For up to date information and performance data please contact our Customer Services Team on 0845 3000144. Telephone lines are recorded to ensure compliance with our legal and regulatory obligations and internal policies. The price of the fund is also published in the Financial Times each day.

You should remember that past performance is not a guide to the future. The price of investments and the income from them may go down as well as up and you may not get back the full amount invested. Investment in emerging markets may involve a higher element of risk due to political and economic instability and underdeveloped markets and systems. Investments in smaller companies may involve a higher degree of risk as markets are usually more sensitive to price movements. Exchange rate changes may cause the value of underlying overseas investments to go down or up. The value of property assets is a matter of valuer's opinion, not fact. These assets may be more difficult to realise and may not be realisable at all. The level of tax benefits and liabilities will depend on individual circumstances and may change in the future.

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