

All performance data relates to the Save & Prosper With Profits Fund

## Investment objective

To provide investors with a guaranteed sum at maturity with the possibility of an additional terminal bonus.

### Fund statistics

Fund manager(s)	Valerio Salvati and David Chan
Fund launch date	04/74
Fund size (as at 30/06/11)	GBP 64.4m

### Portfolio breakdown

(as at 30/09/11)

UK Bonds	42.9
Net Equities	20.8
Bonds & Other	15.2
Property	11.4
High Yield Bonds	3.6
Hybrids	3.2
Cash	2.9

### Fund review

(as at 30/09/11)

Government bonds outperformed equities over 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. Heightened market volatility was prevalent during the quarter, as investors appeared to react to every piece of news and markets swung from week to week.

The absolute fund performance was broadly flat over the third quarter, with mixed performance across underlying strategies. We made no changes to underlying fund holdings during the period. Within equities, most strategies struggled against their own benchmarks with the exception of our Japanese and European equity funds. Our income focused strategies lagged their benchmarks with the exception of the JPM Global Equity Income Fund, while the JPM Strategic Bond fund posted poor relative returns. In contrast, the JPM Global High Yield Bond and the JPM Europe Strategic Dividend funds posted positive relative returns over the period.

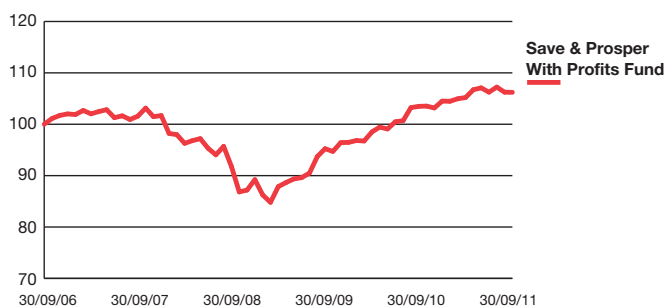
### Fund outlook

(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.

### Cumulative performance

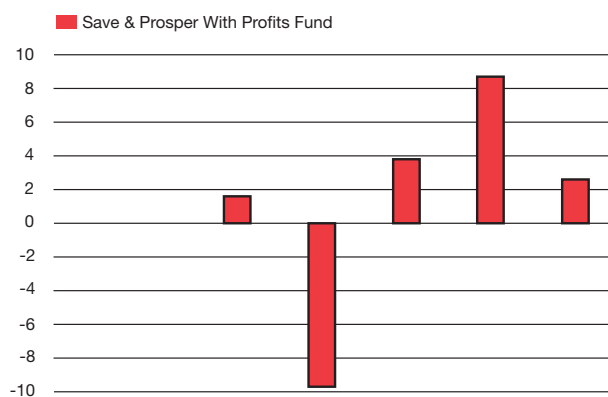
(as at 30/09/11)



%	3M	1 Y	3 Y	5 Y	10 Y
Save & Prosper With Profits Fund	-0.0	2.6	15.8	6.2	47.8

### Rolling 12 month performance

(as at 30/09)



%	2007/2006	2008/2007	2009/2008	2010/2009	2011/2010
Save & Prosper With Profits Fund	1.6	-9.7	3.8	8.7	2.6

Returns calculated on an offer to offer, net income reinvested basis.

Source: J.P. Morgan.

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.

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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