



Active Global Equity (inc. UK) Fund

September 2011

Fund information for quarter end 30 September 2011 (as at 30/09/2011)

| | |
|-----------------------------|--|
| Underlying fund launch date | 06/02/1988 |
| Unit price | 441.80p |
| Underlying fund size (£m) | 13190.89 |
| Investment Approach | Active |
| Portfolio Manager | Neil Woodford (Invesco) Justin Abercrombie (Schroder) |

†This is the fund manager of the underlying fund(s).

Fund Holdings:

| Funds | Target fund holdings |
|---|----------------------|
| Zurich* Schroder QEP Global Active Value ZP | 70.00% |
| Zurich* Invesco Perpetual High Income ZP | 30.00% |

*Zurich is not a fund manager - the Zurich funds invest in the underlying fund.

Top 10 fund holdings:

| | |
|-----------------------------|-------|
| AstraZeneca plc | 2.51% |
| GlaxoSmithKline | 2.45% |
| Reynolds American Inc | 2.14% |
| British American Tobacco | 1.80% |
| Vodafone Group | 1.46% |
| Roche Hldg AG | 1.45% |
| BG Group | 1.40% |
| BT Group | 1.31% |
| Imperial Tobacco Group | 1.20% |
| Reckitt Benckiser Group plc | 1.16% |

Fund objective

The fund aims to provide long-term growth by investing in the shares of UK and overseas companies. The benchmark of the underlying funds is currently 70% MSCI World Index and 30% FTSE All-Share Index.

Who manages the funds?

Zurich delegates the investment management of the funds for the Kingfisher Pension Scheme Money Purchase Section (KPS-MP) to underlying fund managers. This fund has been created for the members of the Kingfisher Pension Scheme only. These funds are currently managed by Schroder Investment Management and Invesco Perpetual. Please note that the Trustee has the flexibility to change the underlying fund manager(s) at any time.

Fund features

This fund invests approximately 30-40% in the shares of UK companies and the remainder in the shares of overseas companies.

Underlying fund breakdown:

| | | |
|-------------------------|--------|--|
| UK | 30.28% | |
| Americas | 25.48% | |
| Europe ex UK | 15.54% | |
| Global Emerging Markets | 9.87% | |
| Japan | 8.61% | |
| Pacific ex Japan | 4.06% | |
| USA | 3.01% | |
| Switzerland | 2.87% | |
| Ireland | 0.28% | |

This data is based on available data for the underlying Zurich pension fund(s) and target fund holdings as shown.

Commentary

Invesco Perpetual

In three months to end of 30 September 2011, the fund's value fell by 3.9%, compared to FTSE All-Share which fell by 13.5%. This return was ahead of its peer group, IMA UK Equity Income sector, which fell by an average of 10.8%, placing the fund in first quartile of its peer group. Over the medium/longer term, the fund is in first quartile over 1, 3 & 5 years. The fund's performance benefited from its positioning in what are seen as defensive sectors due to their dependable qualities and strong cash generation.

Investment in the tobacco sector delivered the most positive contribution to relative performance over the quarter. Reynolds American saw its returns boosted by a rise in the US \$, which has recently shown signs of life after a period of consistent weakness. Imperial Tobacco also provided a positive contribution to the fund's performance - the company announced that the price war in Spain now appears to be over. The exposure to pharmaceuticals also provided a positive impact on performance, with GlaxoSmithKline and Roche performing strongly for the second consecutive quarter.

Schroder

Schroders QEP Global Value struggled in the third quarter with regional allocation proving to be a significant drag on relative returns. Being underweight in US and overweight Europe & emerging markets accounted for nearly half of the underperformance. A combination of overweight in resource stocks and a bias towards mining and energy exploration negatively impacted short term relative returns. Technology was the other area of relative weakness. The defensive exposure in telecoms was beneficial as were financials and Japanese stock selection.

In defensive sectors the largest overweight remains Telecoms while Consumer Staples remains the biggest underweight. In cyclical stocks, we still believe Industrials to be expensive despite recent underperformance and so retain our underweight position. We remain overweight Resources stocks but it is likely that, short-term, these stocks will remain volatile on concerns about slowing economic growth. Within Financials we retain a preference for Insurers over Banks although are beginning to selectively increase our exposure to Banks.

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Things you need to know

We've based this information on our current understanding of law and practice. We make every effort to ensure that this information is helpful, accurate and correct, but it may change or may not apply to your personal circumstances.

All funds carry some risk and you should consider these risks before making an investment decision. Investment returns are not guaranteed and the value can fluctuate. The main factors which may increase the risk of this fund include:

- * The amount invested in company shares
- * The split between government and corporate bonds
- * The extent to which the fund invests in high yield assets
- * The amount held in overseas assets
- * Any concentration in specific areas or sectors

What is the dealing cycle?

The fund is forward priced, which means that the member gets the next available price after they invest. The fund has a dealing cycle of T + 0. This means that the money received on day T buys units at the valuation date price applicable at close of business on the same day.

Who is this factsheet for and what does it do?

This factsheet is for the members of the Kingfisher Pension Scheme Money Purchase Section (KPS-MP). Its purpose is to indicate how investment markets and funds have performed over the period and is provided for information only. If you are not familiar with any of the investment terminology included on this factsheet, then please contact an Independent Financial Adviser. If you do not have an Independent Financial Adviser you can find a local adviser at www.unbiased.co.uk. The commentary in this factsheet reflects the general views of the individual fund manager(s) and should not be taken as a recommendation or advice as to how a specific market or fund is likely to perform.

There is not yet sufficient history for performance data to be shown for this fund.

For more
information please
contact the Trustee of
the KPS - MP

www.kingfisherpensions.com

08456 80 70 60