

Pre-Retirement Fund

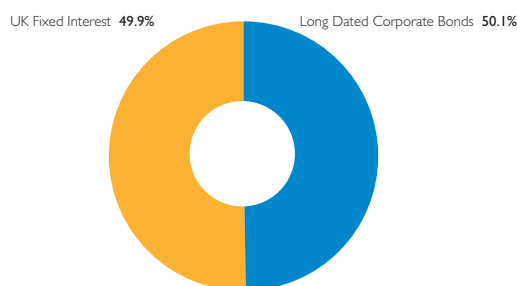


Fund description

This fund invests in UK government bonds (Gilts) and UK corporate bonds with an average maturity period of 15 years or longer.

This fund currently invests in the Prudential Pre-Retirement Fund.

Underlying fund breakdown



The asset mix is likely to vary in future.

Top 10 holdings of underlying fund

		%
1	UK (Govt of) 4.25% 07/06/32	5.0
2	UK (Govt of) 4.75% 07/12/38	4.9
3	UK (Govt of) 4.75% 07/12/30	4.6
4	UK (Govt of) 6% 07/12/28	4.5
5	UK (Govt of) 4.25% 07/12/27	4.4
6	UK (Govt of) 4.25% 07/12/55	4.0
7	UK (Govt of) 4.25% 07/3/36	4.0
8	UK (Govt of) 4.5% 07/12/42	4.0
9	UK (Govt of) 4.25% 07/12/49	3.7
10	UK (Govt of) 4.25% 07/12/46	3.6

Source: M&G
All figures are as at 31 March 2010 less otherwise stated.

Performance

Past performance of the fund over each of the last 5 years to the end of March.

Percentage change	31/03/09 – 31/03/10	31/03/08 – 31/03/09	31/03/07 – 31/03/08	31/03/06 – 31/03/07	31/03/05 – 31/03/06
Pre-Retirement Fund	11.6	3.2	1.2	-0.1	10.4
Benchmark	10.2	2.1	0.1	-0.8	10.5

The Pre-Retirement Fund was created specifically for members of the Kingfisher Pension Scheme Money Purchase Section (KPS-MP) in December 2009. The performance shown is based on the Prudential Pre-Retirement Fund Series 3.

Source: Prudential.

Based on percentage change in unit price and gross of charges. It is important to remember that past performance is not a reliable indicator of future performance. The value of your investment may go down as well as up and the fund value at retirement may be less than the payments you have made.

Key facts

Underlying fund size	£51m
Underlying fund launch date	31/01/2001
Portfolio Manager	Prudential's Portfolio Management Group
Benchmark	Mirrors the benchmark of the underlying fund (currently 50% FTSE A British Government Over 15 Years Gilt Index and 50% iBoxx Sterling Non-Gilts Over 15 Years Index)
Investment Approach	Combination of active and passive
Performance Objective	To track the performance of the benchmark

Commentary

Relative to risk assets, the performance of UK gilts was distinctly lacklustre during the quarter. Price swings in the market stemmed mainly from the uncertainty surrounding Greece's sovereign debt problem. Furthermore, even though the Bank of England's decision to halt its asset purchase programme in February was widely anticipated, implications of a pause still caused some nervousness in the market. The central bank, however, has left the door open for further quantitative easing if the outlook deteriorates. In contrast, sterling corporate bonds delivered good returns over the period, thanks to investors' sustained risk appetite. Company profits have been robust and default rates not as high as feared. The yields on offer therefore remained compelling relative to those available on cash.

News on the economic front continued to improve; the UK returned to growth in the final quarter of the year, with the economy expanding by 0.4% from the previous quarter. At the same time, the unemployment situation appeared to have stabilised with the latest statistics indicating a decline in the number of people out of work. The official interest rate was held at the record low level of 0.5% while inflation remained benign.

Past performance of the fund to 31 March 2010.

*annualised

Percentage change	Quarter	1 Year*	3 Years*	5 Years*
Pre-Retirement Fund	1.7	11.6	5.2	5.1
Benchmark	1.8	10.2	4.0	4.3

Pre-Retirement Fund

Prudential risk rating

Lower

What type of funds are in this risk category?

These funds may invest in fixed interest securities including gilts, index-linked and an element of corporate bonds. These types of investment are generally recognised as lower risk.

What is the risk rating?

- Risk ratings have been developed by Prudential to help provide an indication of the potential level of risk and reward that is attributable to a fund based on the type of assets which may be held within the fund. Other companies may use different descriptions and as such these risk ratings should not be considered as generic across the fund management industry.
- Prudential will keep the risk ratings under regular review and as such they may be subject to change in the future. We therefore recommend that before making any fund choice in the future you understand the appropriate risk rating before making a decision.
- You should also consider discussing your decision and the appropriateness of this risk rating with an adviser

Important information

Who manages the funds?

Prudential delegates the investment management of the funds for the Kingfisher Pension Scheme Money Purchase Section (KPS-MP) to a range of underlying fund managers.

The fund is currently managed by M&G Investments.

Please note that the Trustee has the flexibility to change the underlying fund manager(s) at any time.

How are the fund prices calculated?

The fund has a single price based on the valuation of the underlying assets and the cashflows into and out of the fund. This valuation price will be the published price.

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 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, please contact an Independent Financial Adviser.

Can I get advice?

This factsheet should not be considered as a financial promotion and any changes to investment arrangements should be discussed with an Independent Financial Adviser. If you do not have an Independent Financial Adviser you can find a local adviser at www.unbiased.co.uk. It is not our intention to give an indication of how any particular funds will perform in the future.

The commentary in this factsheet reflects the general views of the individual fund manager and should not be taken as a recommendation or advice as to how a specific market or fund is likely to perform.

How are the performance figures calculated?

Performance is measured on the fluctuation of the daily unit price. The performance shown overleaf is based on the daily published price on the dates shown.

For the purposes of comparison with the benchmark we have used unit prices with the closest valuation point to that of the benchmark, taking into consideration the relevant dealing cycle.

To obtain unit price and performance information for all available funds, simply log on to www.kingfisherpensions.com

Other important information

Exchange Rate Risk – exchange rate fluctuations may cause the Sterling values of overseas investments to rise or fall.

**Issued by the Trustees of the Kingfisher Pension Scheme Money Purchase Section (KPS-MP).
The information contained within this factsheet and the risk ratings are provided by Prudential.**