ABOUT SCOTTISH WIDOWS INVESTMENT PARTNERSHIP (SWIP)

QUARTER 2 2010

SWIP: The Bigger Picture

Created in 2000, SWIP has quickly become one of the largest and most dynamic asset management companies in the UK. In total, SWIP manages £148bn worth of funds, as at 31 March 2010.

SWIP forms part of the Wealth & International division within its parent company, Lloyds Banking Group. As well as running its own range of funds and institutional business, SWIP is the centre of excellence for Lloyds Banking Group's asset management activity.

SWIP Executive:

Dean Buckley
Chief Executive Officer
Director of Equities (interim)

Mark Connolly
Director of Fixed Income

Malcolm Naish
Director of Property

Andrew November
Director of Investment Solutions

Simon Wombwell
Director of Sales & Marketing

Tony Owens
Director of Operations, Strategy & Integration
Director of Finance (interim)

Lynne Dalgarno
Director of HR & Corporate Services

John Brett
Director of Legal & Risk

SWIP's Clients

SWIP has a broad client base, managing assets for Pension Funds, Charities, Local Authorities, Life Funds, Unit Trusts, OEICs, Off-Shore Funds and Specialist Funds across a wide range of asset classes.

- SWIP has a global presence with a geographically diverse customer base with alliances, joint ventures and clients in the UK and overseas.
- SWIP manages life assurance, pension and investment funds for Lloyds Banking Group.
- SWIP also offers its own branded range of funds via the IFA market place.
- SWIP has dedicated UK institutional and international business teams and has built up an international offering for institutional investors and fund platforms.

How to Invest

SWIP's retail funds are available as ISA investments. SWIP does not offer its own ISA wrapper, and investors should contact their Independent Financial Adviser if they are interested in SWIP's range of retail funds. Investors who do not have an IFA can go to www.unbiased.co.uk

Platforms and fund supermarkets are an important part of the SWIP retail sales strategy. SWIP's funds are available on all the main IFA fund platforms and are available to the public directly via platforms such as Interactive Investor and Square Gain. SWIP does not have a direct-to-retail investor offering. Prices of all SWIP funds are listed daily on www.swip.com

What Makes SWIP Different?

SWIP aims to provide every investor with consistently superior returns on their investment by adhering to a robust research-driven investment philosophy. SWIP invests from the bottom up, using its best ideas. SWIP's bottom-up investment process is driven by focused, quality research. SWIP believes in identifying undervalued stocks through vigorous fundamental research and by adopting a five year forecast.

- All fund managers within the investment teams have combined fund manager and analyst roles. The decision-making chain is short and fund managers are accountable for the whole investing process.
- Teamwork is vital within SWIP – the fund management teams get together to challenge the investment case for each holding, leading to the creation of conviction portfolios which have a significant bias away from the benchmark. SWIP does not see any value for investors in running active portfolios that mirror the benchmark – each stock that is held is expected to make a difference to the portfolio.
- SWIP offers a diverse range of investment services meeting even the most specialist investment needs for private and corporate investors.

Main Office:
Edinburgh One
Morrison Street
Edinburgh
Scotland
EH3 8BE

Web:
www.swip.com

Press Office:
0131 655 8282

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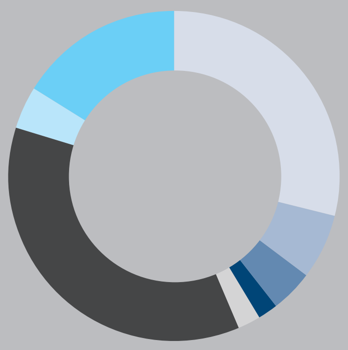
SCOTTISH WIDOWS INVESTMENT PARTNERSHIP

Funds Under Management (by sector)



Total funds under management

UK Equities	£42.82bn
European Equities	£9.39bn
North American Equities	£6.28bn
Pacific Developed and Japanese Equities	£2.75bn
Emerging Markets Equities	£3.46bn
UK and International Bonds	£53.59bn
Property	£5.91bn
Cash equivalents and other	£23.70bn
Total Assets	**£147.90bn**

SWIP total funds under management:

£147.90bn (pounds sterling), €165.81bn (euro), $224.36bn (US dollar)

SWIP investment professionals: 131

Source: SWIP, 31 March 2010

Global Coverage

The global nature of SWIP's business is reflected in the markets it invests in, its client base and also in the geographical spread of its business operations. This international dimension serves to heighten its interest and awareness of global investment issues and enhances SWIP's ability to manage client relationships on a global basis.

Product Range

SWIP has a broad product range to meet the needs of its institutional and retail client base. Its innovative product development capability means it can tailor a solution that meets individual client requirements.

The SWIP product range is broken down into four main business units; Equities, Fixed Income, Property and Investment Solutions.

Equities:

UK Equities

Managing UK equities is a key part of what SWIP does. The team, headed by Peter Cockburn, invests more than £42 billion in UK equities on behalf of its clients. Its status as a leading investor also provides extensive access to company management, which helps the team make better informed decisions.

European Equities

SWIP has long been a leading investment manager in European equities, managing over £9bn in European equities across a range of portfolios. The team is headed up by Steven Maxwell who has over 24 years' experience managing equities.

International Equities

Headed up by Mike McNaught-Davis, the International Equities team invests across global, Japanese, US and emerging market equity funds. The team manages over £6bn.

Property:

SWIP manages commercial property assets worth almost £6bn across the UK, Europe and North America, making SWIP one of Europe's largest property managers. SWIP offers a range of direct and indirect property funds that invest in the UK and overseas, offering an attractive range of options to anyone looking to invest in commercial property. SWIP's highly regarded property team of more than 24 investment professionals is led by Malcolm Naish.

Fixed Income:

Fixed Income and Global Bonds are key areas of expertise for SWIP. SWIP manages over £70bn in fixed income assets and offers a range of strategies with different risk/ return profiles to suit its clients' needs. SWIP offers a comprehensive range of bond funds, including high-performance corporate bonds, gilt, global bonds and high-yield funds.

Investment Solutions:

Investment Solutions was created as a standalone business unit in September 2009, following the organisation's strategy refresh. Put simply, the Investment Solutions business designs, builds and implements investment packages for clients with complex investment needs both within SWIP and externally.

Multi-Manager

SWIP's highly regarded multi-manager team, led by Mark Harries, forms part of the Investment Solutions team within SWIP. The team works together to run SWIP's multi-manager portfolios and has a proven record of selecting high quality managers across different asset classes and delivering consistent returns for investors.

Scottish Widows Investment Partnership Limited (SWIP) is registered in England and Wales, Company No. 794936. Registered Office is at 33 Old Broad Street, London EC2N 1HZ . Tel: 0131 655 8500.
SWIP is authorised and regulated by the Financial Services Authority and is entered on their register under number 193707 (www.fsa.gov.uk).

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