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Press Release

For immediate release
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Innovative F&C multi-asset fund wins Product of the Year Award

Leading asset management group, F&C Investments, has won the Product of the Year Award in the 2008 European Pensions Awards held in London last night. F&C beat a short-list which included products from AXA Enterprise, BlackRock, Lincoln Financial Group and Scottish Widows with its innovative multi-asset Diversified Growth Fund to claim the accolade as the leading product “designed to truly meet the needs of European pension funds in the current climate”.

The F&C Diversified Growth Fund, a UCITs 3 Luxemburg SICAV fund, was launched last year to provide an efficient and unique alternative to traditional ‘balanced’ pooled funds available in the pensions market which are invariably concentrated on domestic equities and bonds.

In contrast to traditional balanced funds, the F&C Diversified Growth Fund invests across a diverse range of a dozen return generating asset classes including around 50% exposure to ‘alternatives’ such as commodities, funds of hedge funds, property and private equity.

Toby Vaughan, Fund Manager, said: “The Fund is designed to offer improved diversification and an enhanced risk/return trade off compared to a traditional balanced portfolio. Not only does it provide exposure to a wider range of underlying assets, it deviates away from market capitalisation weightings within equities. The equity exposure is not biased to domestic markets while the returns are hedged back to the base currency.”

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F&C Asset Management plc is the listed holding company of the F&C Group.

F&C Management Limited is a member of the F&C Group and a subsidiary of F&C Asset Management plc.

A key feature of the Fund is that underlying exposure to each asset class is predominantly through passive instruments with a Global Tactical Asset Allocation overlay to enhance returns against the Fund's strategic benchmark. The use of passive instruments helps reduce cost drag and improves efficiency of execution when implementing tactical asset allocation decisions.

Julian Lyne, Head of Global Consultants at F&C, said: "The recent turbulence in markets highlights the importance of spreading risk across a range of asset classes. For example, as equities have tumbled, commodities have risen to record levels. This Fund, which is available across a number of jurisdictions, has Sterling, Euro and Dollar share classes. It quite simply offers investors a more sophisticated approach to multi-asset investing. The competitive costs, combined with the pooled structure of the Fund, provide a particularly attractive way for smaller, as well as larger, pension schemes to access a number of asset classes including alternatives."

- Ends -

Press enquiries

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Notes to Editors

F&C Investments

- F&C Asset Management (F&C) is a London Stock Exchange listed asset management group which traces its origins back to 1868 with the launch of the Foreign & Colonial Investment Trust, the first ever publicly listed investment fund. Foreign & Colonial Investment Trust remains a client of F&C.
- F&C is an active fund manager with a multi-specialist investment model where individual teams have strong accountability for their products and processes. The group is also an active shareholder with a leading franchise in governance and sustainable investment.
- F&C now manages £101.8 billion (€127.6 billion) of assets* for a diverse range of institutional, insurance and retail clients across all major asset classes – equities, bonds, cash and property – as well as alternative and specialist product classes such as Socially Responsible Investment funds,

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hedge funds, funds of hedge funds, private equity funds, Global Tactical Asset Allocation products, enhanced alpha funds and Liability Driven Investments. F&C invests globally and has been a longstanding investor in emerging markets.

- F&C manages assets principally from three investment centres: London, Amsterdam and Edinburgh. The group has an office network spanning ten countries: China (Hong Kong), France (Paris), Germany (Frankfurt), Ireland (Dublin), The Netherlands (Amsterdam), Portugal (Lisbon), Sweden (Stockholm), Switzerland (Geneva), UK (London, Edinburgh, Dorking) and the United States (Boston).

* As at 31 March 2008.