



F&C Management Limited
Exchange House
Primrose Street
London EC2A 2NY

Telephone +44 (0)20 7628 8000
Facsimile +44 (0)20 7628 8188
www.fandc.com

Press Release

For immediate release
30th March 2010

Lifestyle reaches 3 year milestone

F&C's innovative range of four risk-rated 'Lifestyle' multi-manager funds celebrates its 3-year anniversary today.

The unfettered fund of funds – Lifestyle Defensive, Lifestyle Cautious, Lifestyle Balanced and Lifestyle Growth – determine their asset allocation based on Distribution Technology's third-party risk profiling tool, Dynamic Planner. Each portfolio is linked to client risk profiles 4 through 7 with the appropriate balance of underlying investments being selected by F&C's Multi-Manager Team.

Dean Cheeseman was appointed Head of the Multi Manager Team in April 2008 at which point he rebuilt the team, bringing in the expertise of respected fund managers Paul Carne and Oliver Sonnbichler. During the Team's tenure, the performance on all four portfolios has been positive and ahead of the composite benchmark.

"The last 3 years has seen the market shift considerably amidst one of the most debilitating and protracted economic crises of modern times. Whilst market conditions remain challenging over the short term, we believe our combined analytical and quantitative skills have steered Lifestyle through the turbulence to deliver a robust and steadfast investment solution for both clients and advisers in the future," Cheeseman commented.

In terms of investment structure, Lifestyle combines top-down strategic asset allocation with the Team's own tactical tilt overlay, encompassing asset allocation and market cap biases. The Team populate the portfolios

F&C Management Limited is authorised and regulated by the Financial Services Authority (FSA) FRN: 119230. Limited by shares. Registered in England and Wales, No 517895. Registered address and Head Office: Exchange House, Primrose Street, London EC2A 2NY.

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.

using 'best of breed' criteria and blending complementary styles, at all times adhering to the volatility boundaries for each risk profile. Additionally, both the asset allocation mix and the fund selection are monitored daily by the Multi Manager Team, who rebalance the Funds each quarter to ensure the overall portfolio remains appropriate to the client's risk profile.

Whilst lifestyle funds are big business in the US mutual funds market, this type of product is still in its infancy within the UK. F&C seized the opportunity to develop a product specifically designed for the retail market to meet customer requirements and offer advisers a solution to issues raised by the regulators. At the start of 2008, there was £235m invested within the lifestyle peer group, which grew to £880m by the end of that year. We estimate a further £2bn could be invested in lifestyle products by the end of 2010 – with approximately 22% of the market share currently, F&C are leading the way in an area likely to grow rapidly in the coming years.

Philip Martin, Head of Proposition at F&C, added: "We anticipate that lifestyle products are poised to become a huge part of the market, based on the belief that a great deal of money is currently languishing in expensive and inappropriately managed life company vehicles. Advisers should soon recognise the benefit and importance of a well-structured process in their investment delivery, as this will simplify their business as well as help them meet regulatory challenges."

The Lifestyle Funds address both Treating Customers Fairly (TCF) and Retail Distribution Review (RDR) requirements by providing an end-to-end process which explicitly addresses the needs of the customer from the outset and embeds this at the core of the portfolio. The Lifestyle Funds are in a structure that is tax-efficient compared with a portfolio of individual funds. By outsourcing their investment selection to Lifestyle, advisers can benefit from a consistency in process which frees up valuable time to spend on clients.

As a result, the F&C Lifestyle range has already been embraced by a number of strategic partners, varying from large national firms such as Lighthouse to large regional firms like Kellands, and is available on all the major fund platforms.

"Interest in this product is gathering pace and similar businesses are engaging regularly with F&C to understand how Lifestyle can fit into their client proposition. For us, Lifestyle is all about providing appropriate client solutions that can help transform the investment proposition for advisers' business," Martin concluded.

- Ends -

F&C Management Limited is authorised and regulated by the Financial Services Authority (FSA) FRN: 119230. Limited by shares. Registered in England and Wales, No 517895. Registered address and Head Office: Exchange House, Primrose Street, London EC2A 2NY.

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.

Press enquiries – 0207 011 4600

Jennifer Donohoe	Communications Manager	+44 (0) 20 7011 5017
Sarah Godfrey	Communications Manager	+44 (0) 20 7011 4215
Paula Garrido	Communications Manager	+44 (0) 20 7011 4190

Notes to Editors

F&C Investments

- F&C Asset Management (F&C) is an independent London Stock Exchange listed asset management group with around 100,000 shareholders.
- F&C traces its origins 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 manages £97.8 billion (€110.2billion) 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. F&C invests globally and has been a longstanding investor in emerging markets.
- F&C has three pillars to its strategy: *Advisory & Solutions* – the servicing of strategic partners and the provision of investment solutions and overlays such as shareholder engagement programmes, Liability Driven Investments, Asset & Liability Management, Multi-Manager and Fiduciary Management; *Alpha Investing* – active fund management across a diverse range of asset classes and markets but with a focus on UK and European equities and fixed income and Emerging Markets; *Environmental, Social & Governance Investing* – building on its market leading presence in ethical investment with new products.
- F&C REIT Asset Management is the group's global property asset management business. It was formed in 2008 from the merger of F&C's property division and REIT Asset Management. F&C REIT operates from offices in London, Dublin, Munich, Mumbai and Stockholm.
- F&C manages assets principally from three investment centres: London, Amsterdam and Edinburgh. The group has a global office network spanning a dozen countries: China (Hong Kong), France

F&C Management Limited is authorised and regulated by the Financial Services Authority (FSA) FRN: 119230. Limited by shares. Registered in England and Wales, No 517895. Registered address and Head Office: Exchange House, Primrose Street, London EC2A 2NY.

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.

(Paris), Germany (Frankfurt & Munich), India (Mumbai), Ireland (Dublin), The Netherlands (Amsterdam), Portugal (Lisbon), Sweden (Stockholm), Switzerland (Geneva), UK (London, Edinburgh, Dorking) and the United States (Boston).

- In March 2009 F&C signed a Memorandum of Agreement with Hua Xia Bank, one of China's twelve nationwide joint stock commercial banks, to establish a joint venture fund management company in China in which F&C will have a 19.5% interest.

* As at 31 December 2009.