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Press Release

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F&C's Question of the Month: encouraging signs on ISA take-up

More than three-quarters of respondents to F&C Investments' latest Question of the Month survey are planning to make at least partial use of their Individual Savings Account allowance for 2009/10. Even more encouragingly, one-third say they will have used their full allowance by the end of the current tax year. This splits roughly equally between over-50s taking advantage of the increased annual limit of £10,200 (17.6% of respondents) and those aged under 50 who are currently allowed to invest a maximum of £7,200 (15.4% of respondents).

The survey, which questions private investors who visit F&C's investment trust website, www.fandc.co.uk, found that respondents were less keen on investing their ISA allowance in cash, perhaps because of the low returns on offer. Just 4.4% of those under 50 and 7.7% of the over-50s said they planned to make full use of their cash ISA allowance (£3,600 and £5,200 respectively in the current tax year) but not their stocks and shares allowance. A further 31.9% said they would be making some use of their allowances this year.

A small number of those taking part in the survey left comments explaining their answers. Among these, several explained that they were not UK resident and thus unable to take advantage of the ISA allowance, which adds some context to the figure of 23.1% who said they would not be using the ISA allowance this year. One respondent confidently commented: "Investing now in stocks and shares should offer good long term growth," while another said: "£10,200 for us geriatrics is fine if you can afford it!"

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

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Commenting on the results, Mike Woodward, head of investment trusts at F&C Investments, said: "It's very pleasing to see so many people planning to make use of this valuable tax break. As ISAs are not suitable for everyone we wouldn't expect to see all our respondents saying they planned to invest, but it is especially encouraging to see almost as many people in the under-50 age bracket as those aged over 50 planning to invest their full ISA allowance. As this survey is hosted on our investment trust website it perhaps gives the lie to the popular – but mistaken – view that investment trusts are somehow old-fashioned and the sole preserve of 'fuddy-duddies' living in the Home Counties."

F&C's investment trust ISA offers access to a range of 14 investment trusts ranging from the venerable Foreign & Colonial Investment Trust (founded 1868) to the relative upstart Managed Portfolio Trust, a fund of investment trusts launched in 2008. The ISA accepts lump sums from £500 and monthly investments from £50, and carries a flat fee of £60, so no matter how many ISAs investors hold with F&C, they will not pay any more than this.

The full survey results are below. March's question of the month is: With your dividends are you reinvesting or taking the income?

- Ends -

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February Question of the Month

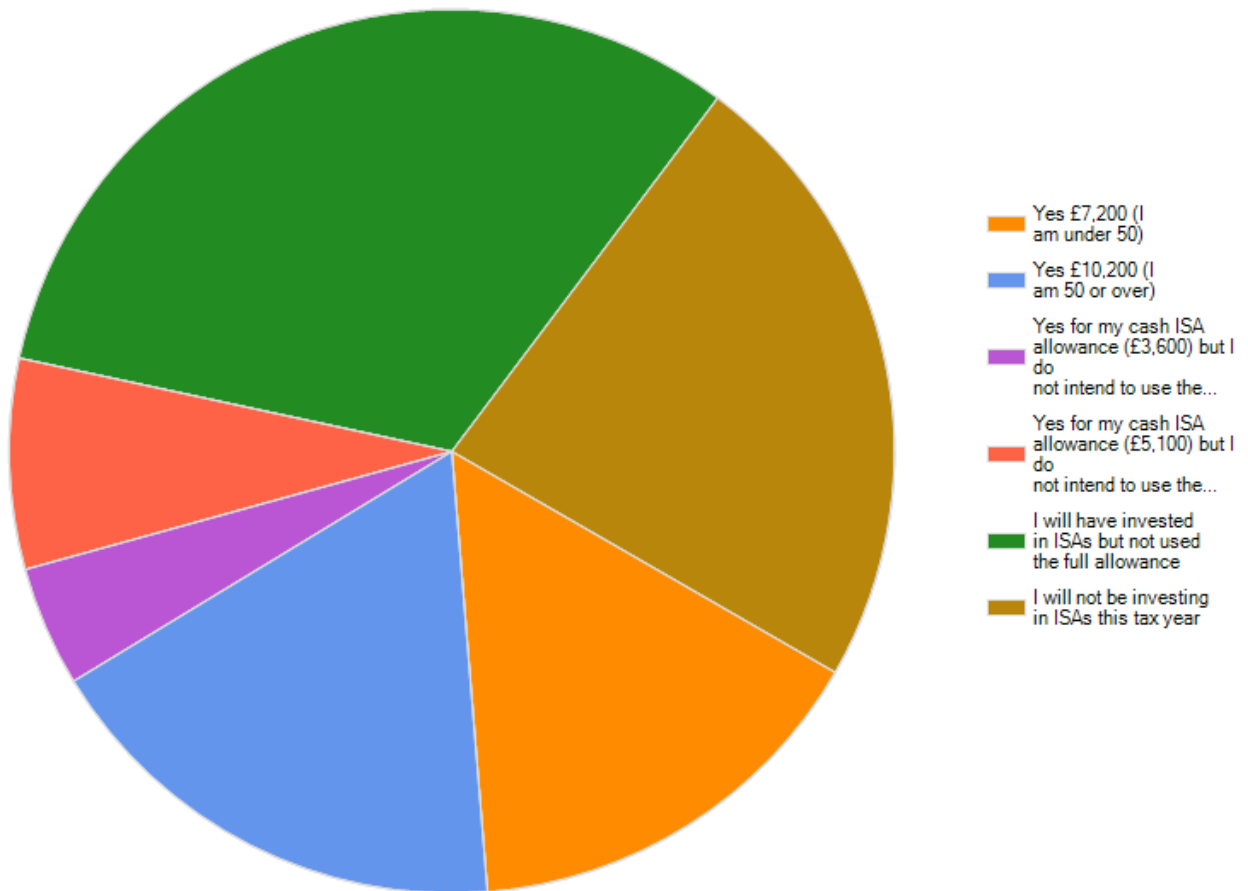
Will you have used your full ISA allowance by the 5 April 2010?	
Answer Options	Response Percent
Yes £7,200 (I am under 50)	15.4%
Yes £10,200 (I am 50 or over)	17.6%
Yes for my cash ISA allowance (£3,600) but I do not intend to use the full stocks and shares allowance (I am under 50)	4.4%
Yes for my cash ISA allowance (£5,100) but I do not intend to use the full stocks and shares allowance (I am 50 or over)	7.7%
I will have invested in ISAs but not used the full allowance	31.9%
I will not be investing in ISAs this tax year	23.1%

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Will you have used your full ISA allowance by the 5 April 2010?



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 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 (€110.2 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. F&C invests globally and has been a longstanding investor in emerging markets.

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- 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 (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.