

fund suspension

	Fund Category	Royal Skandia £	Royal Skandia US\$	Royal Skandia HK\$	Royal Skandia €	Skandia Ireland £	Skandia Ireland US\$	Skandia Ireland €
RS GBP Close Property Portfolio	Self Select	21 Jan	21 Jan	21 Jan	21 Jan	-	-	-
RS GBP New Star UK Alpha*	Self Select	28 Feb	28 Feb	28 Feb	28 Feb	-	-	-

*This is due to the upcoming merger of New Star UK Special Situations into New Star UK Alpha on 3 March 2008. Subject to shareholder approval on 27 February 2008.

other events

	Fund Category	Royal Skandia £	Royal Skandia US\$	Royal Skandia HK\$	Royal Skandia €	Skandia Ireland £	Skandia Ireland US\$	Skandia Ireland €
RS GBP Fidelity Financial Services – Name Change to RS GBP Fidelity Global Financial Services	Self Select	10 Dec	10 Dec	10 Dec	10 Dec	-	-	-
RS GBP Fidelity Health Care – Name Change to RS GBP Fidelity Global Health Care	Self Select	10 Dec	10 Dec	10 Dec	10 Dec	-	-	-
RS GBP Fidelity Industrials – Name Change to RS GBP Fidelity Global Industrials	Self Select	10 Dec	10 Dec	10 Dec	10 Dec	-	-	-
RS GBP AXA Framlington Managed Growth – Name Change to RS GBP AXA Framlington Global Opportunities	Self Select	18 Feb	18 Feb	18 Feb	18 Feb	-	-	-
RS USD Investec GS Continental European Equity – AMC increase from 1.25% to 1.50%	Self Select	1 Mar	1 Mar	1 Mar	1 Mar	-	-	-

For further details visit www.royalskandia.com/funds/fundnews.asp or www.skandia.ie/funds/fund_news.asp

ABI sector changes

Sector classifications for Royal Skandia funds within **international informer** are defined by Financial Express and based on the Association of British Insurers (ABI) sector classifications.

In this month's **international informer** you will notice some new Life and Pensions sectors and new sector names. This is as a result of the ABI's changes to their sector classifications which came into effect on 25 January 2008.

The ABI's review was undertaken to ensure that ABI sectors group funds in a transparent and up-to-date way, reflecting changes to the life and pension industry, including the growth of open architecture and the increased popularity of multi-manager investments.

New ABI Sectors

Global High Yield	Global Property	Specialist	Sterling Corporate Bond
Sterling High Yield	UK Direct Property	UK Property Securities	Sterling Preference Shares & Convertibles

Please note:

- Currency and Property sectors have been removed.
- There have been a number of sector name changes, most notably the Stock Market Managed sector has been renamed Flexible (up to 100% Equity) Managed.

For detailed communication from the ABI regarding these changes visit www.abi.org.uk/Display/File/Child/460/ABISectorsJan2008.pdf

fund statistics in informer

Financial Express Crown Ratings

The Financial Express Crown Ratings are designed to highlight funds that have had superior consistent performance in relation to risk, relative to their peer groups. Peer groups are deemed to be the sectors as defined by the IMA and ABI.

- 3 🏆 Awarded to the top 20% of funds (in terms of overall score) within each sector.
- 2 🏆 Awarded to the next 30%.
- 1 🏆 Awarded to the bottom 50%, all rated funds get a crown rating.

It is not possible to provide Crown Ratings for the Commodity & Energy sector because it does not have sufficient members to allow calculations of Crown Ratings.

*It is not possible to provide Crown Ratings for funds in the Specialist sector because it contains varied types of funds, which does not allow for a meaningful comparison. It is not possible to display Crown Ratings for funds in the following sectors because they do not have sufficient members to allow calculation of Crown Ratings: Global High Yield, UK Direct Property and Global Property.

OBSR Ratings

Ratings awarded are AAA, AA or A.

There are several key factors which lead to the final OBSR Rating determination. These are:

- Strength of investment process and length of time it has been in place.
- Continuity of investment personnel.
- Investment style that has proven durable over time.
- Clearly defined investment objectives.
- Strong and consistent past performance record.
- Favourable risk adjusted returns.

The OBSR Ratings are more focused towards qualitative appraisals.

Sector averages

Sector averages denote the average performance of all funds within that particular sector. Sector classifications are defined by Financial Express.

A new sector will only display sector averages after three months of performance data has been collated.

OBSR Ratings – multi-manager funds

Ratings are awarded to MultiManager funds ('Funds of Funds' and 'Manager of Manager' funds only). The ratings are reviewed quarterly and are based on quantitative and qualitative analysis. Ratings awarded are AAA, AA or A. Skandia currently only has permission to show Skandia Investment Management OBSR ratings. These can be found in the OBSR column, marked with a '*' symbol.

Citywire Ratings

Citywire considers all managers who run actively managed retail funds, assigning ratings to managers who achieve or exceed demanding performance thresholds based on their 36-month risk records. Of the hundreds of active fund managers only 20% receive a rating.

- AAA fund managers in the top 5%
- AA fund managers in the top 6%-13%
- A fund managers in the top 14%-20%

Risk Evaluator

The Risk Evaluator is a tool provided by Skandia which compares the volatility of fund sectors. The sectors have been arranged in ascending order according to their volatility numbers, which have been calculated over five years, and the entire range has been divided into ten segments, each representing 10% of the range. The sectors have been placed into the relevant segment, depending on where their volatility numbers fall. Each segment has been colour-coded to represent the risk associated with each sector.

Sectors will only have a risk evaluator rating after 60 months of performance data has been collated. Sectors that do not have performance data to this length will not display a risk evaluator rating.

Fund Risk Number

You are familiar with the Risk Evaluator – telling you the volatility of sectors. The Fund Risk Number takes this idea and applies it to individual funds.

As the universe for each is so different you should not seek to compare one to the other. By virtue of being grouped averages, the spread of sector volatilities will be compacted, whereas an individual fund may be some way from the average, as highlighted on the scale below.

The Skandia Fund Risk Number has been calculated by taking the volatility values of an entire fund universe and arranging them in ascending order.

The ordered volatility range has subsequently been divided into ten segments, each representing 10% of the range. The funds have been placed into the relevant segment, depending on where their volatility numbers fall.

The fund risk number will not be shown for funds with less than five years of performance history.

