

Who manages the Royal Skandia Portfolios and Markets Funds?

PORTFOLIOS

		Target Asset Allocation	
Royal Skandia £ Cautious Portfolio	UK Equity	Gartmore/Merrill Lynch	15.0%
	US Equity	Gartmore	5.0%
	Europe Equity (ex UK)	Gartmore	5.0%
	Japanese Equity	Gartmore	5.0%
	UK Fixed Interest	Merrill Lynch	50.0%
	Intl Bond*	Wellington	20.0%
Royal Skandia \$ Cautious Portfolio	UK Equity	Gartmore/Merrill Lynch	2.5%
	US Equity*	Merrill Lynch	15.0%
	Europe Equity (ex UK)	BlackRock/ING	5.0%
	Pacific Equity (inc Japan)*	Fidelity/JPMorgan Fleming	7.5%
	Intl Bond*	Wellington	70.0%
Royal Skandia £ Balanced Portfolio	UK Equity	Gartmore/Merrill Lynch	40.0%
	US Equity*	Merrill Lynch	10.0%
	Europe Equity	BlackRock/ING	10.0%
	Japanese Equity*	Fidelity/JPMorgan Fleming	7.5%
	Pacific Equity (inc Japan)*	Fidelity	2.5%
	UK Fixed Interest	Investec/Merrill Lynch	20.0%
	Intl Bond*	Wellington	10.0%
Royal Skandia \$ Balanced Portfolio	UK Equity	Gartmore/Merrill Lynch	5.0%
	US Equity*	Merrill Lynch	40.0%
	Europe Equity (inc UK)*	INVESCO Perpetual	10.0%
	Pacific Equity (inc Japan)*	Fidelity/JPMorgan Fleming	15.0%
	Intl Bond*	Wellington	20.0%
	Intl Bond (ex US)*	Wellington	10.0%

MARKETS

Royal Skandia UK Equity	Gartmore/Merrill Lynch
Royal Skandia UK Index Tracker	Gartmore
Royal Skandia US Equity*	Merrill Lynch
Royal Skandia US Index Tracker	Gartmore
Royal Skandia European Equity inc UK*	INVESCO Perpetual
Royal Skandia European Equity ex UK	BlackRock/ING
Royal Skandia Swedish Equity*	Skandia
Royal Skandia Japanese Equity*	JPMorgan Fleming
Royal Skandia International Bond*	Wellington
Royal Skandia Building Society Deposit	Royal Skandia
Royal Skandia Deposit	Royal Skandia

* Currently invested by the fund manager via the Multi-Link Global Funds plc.

BUT WHO ARE THEY?

BlackRock International Limited

Funds under management: over US\$204 bn

The company believes that experienced investment professionals using a disciplined investment process and sophisticated analytical tools will consistently add value to client portfolios. Accordingly, BlackRock has assembled a team of professionals with expertise in all areas of the domestic and international fixed income and equity markets and, over the years, has continued to make significant investments in technology and analytics.

Fidelity Investments

Funds under management: US\$679 bn

Fidelity believes that semi-efficient equity markets leads to the mispricing of securities. They aim to exploit these inefficiencies through fundamental, company-level research. Fidelity believes the prospects for, and valuation of, individual companies can be predicted with a greater degree of accuracy than macroeconomic factors and themes. Stock selection therefore provides the best opportunity to capture added value.

Gartmore Asset Management

Funds under management: £53.9 bn

Gartmore focuses primarily on unexpected earnings growth. The company believes that growth investing produces superior returns over the long term, but consensus growth produces average returns since consensus forecasts are in the share price. Gartmore therefore looks to sell companies where there is a significant risk that earnings growth will disappoint against expectations.

ING Investment Management

Funds under management: over EUR 500 bn

ING is a global financial institution of Dutch origin, active in the field of banking, insurance, and asset management in more than 60 countries. ING's strategy is to achieve stable growth and maintain healthy profitability. They have a highly disciplined, structured approach to running assets in Europe. A strong filtering system helps with stock selection. These processes mean ING only tends to invest in larger cap stocks as smaller caps have problems with regard to liquidity.

INVESCO Perpetual

Funds under management: £257.6 bn

INVESCO Perpetual's portfolios are growth-oriented. The company has a rigorous top-down asset allocation process, which is combined with local research-based bottom-up stock selection. INVESCO Perpetual has a long-standing investment philosophy, that analysis of key long-run valuation relationships, combined with detailed analysis of important shorter-term or dynamic influences on each asset class and market, provides an effective platform to identify worldwide opportunities.

Investec

Funds under management: over £16.2 bn

They base investment on the belief that market prices are driven by fundamental factors over the long term. These can be used to identify a 'fair value', which market prices will tend towards over time. In the short term however market prices often vary considerably from this fair value, providing additional opportunity for the active manager to add value. Investec's global asset allocation process is top down and forecast driven. Stocks are evaluated and graded on four criteria, which drive stock price performance over different time periods. The Fixed Income investment process is driven by top down macroeconomic analysis in both government and non-government debt, while fundamental analysis underpins the investment process with fair value modelling used to provide a supporting discipline. Risk management is an integral part of both portfolio construction and review

JPMorgan Fleming Asset Management

Funds under management: over US\$608 bn

Primarily a research-oriented growth investor. The company's aim is to achieve consistent returns across its product range through a rigorous approach to risk and the disciplined use of 'model' portfolios. JPMF is committed to independent research, investing in high quality companies with under-recognised growth potential.

Merrill Lynch Investment Managers

Funds under management: US\$557 bn

On 30 September 2000, Mercury Asset Management changed its name to Merrill Lynch Investment Managers. The company's fund managers work in teams in a highly disciplined and controlled manner. Asset allocation and sector analysis are themed throughout the company, however, the skill of the individual fund managers also plays an important role, and therefore stock selection is fairly flexible on a team basis.

Wellington Management LLP

Funds under management: US\$274 bn

Their approach to managing global bond portfolios combines top-down macroeconomic and sovereign research with bottom-up credit research and quantitative valuation analysis. Portfolios are well-diversified by investment strategy, incorporating the best ideas from country, currency, yield curve and credit strategies. Risk is monitored throughout the process and managed at the country and total portfolio level.

Details on all the fund managers and funds under management as at 31/03/2001.

Royal Skandia Life Assurance Limited Registered Number: 24916 Isle of Man
(an incorporated company limited by shares)
Registered & Head Office: Skandia House, Finch Road, Douglas, Isle of Man, IM99 1NU,
British Isles
Member of the Association of International Life Offices and regulated by the Personal
Investment Authority The rules and regulations made by the Personal Investment Authority
under the Financial Services Act 1986 for the protection of investors may not apply to
persons outside the UK.

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