

Halifax Unit Linked Property Fund (Pension)

Monthly Investor Factsheet
December 2009

LOOK AT THINGS DIFFERENTLY
BANK OF SCOTLAND

INVISTA
REAL ESTATE
INVESTMENT MANAGEMENT

Fund Objective

To provide long term growth by investing in retail, office and industrial properties. The Fund may also finance developments and acquire land for development. The Fund is not invested in quoted property company shares and does not carry gearing.

Investment Approach

- Invests directly in property investments and does not invest in property shares, real estate investment trusts or property derivatives.
- Holds a portfolio of property investments that is diversified across the main commercial property sectors and across UK regions, weighted in accordance with strategies designed to achieve optimum performance.
- Holds a mixture of property investments let on secure long leases and those offering opportunities for active management.
- Actively managed property portfolio designed to achieve optimum performance consistent with normal property investment risk.
- Achieves exposure to larger property investments through joint investment with other Group-managed funds.

Fund Performance

Percentage Annual Performance (%)

	12 Months to End December 2009				
	2004 2005	2005 2006	2006 2007	2007 2008	2008 2009
Pension	16.19	9.84	-17.22	-22.24	1.9

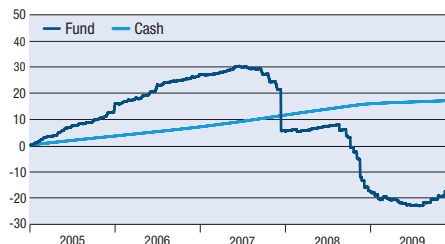
Basis: % growth, total return (gross), bid to bid. Net income has been re-invested and returns are shown after the deduction of annual management charges.

Source: Lipper, a REUTERS company.

Performance Notes

The performance data above refers to past performance and should not be seen as an indication of future returns. Past performance of property funds is not always represented by the performance of the property market as a whole. The value of property is a matter of a valuer's opinion rather than one of fact and investments in property are relatively illiquid and more difficult to realise than equities or bonds. The value of investments and any income from them can go down as well as up and you may get back less than you invested. Cash on deposit is more secure, generally more accessible and provides greater certainty of growth.

Cumulative Investment Performance – Five Years



Basis: % growth, Total return (gross), bid to bid after the deduction of annual management charges only. Net income re-invested. From 31 December 2004 to 31 December 2009.

Source: Lipper, a REUTERS company. Cash is represented by Moneyfacts Average 90 days 10k.

Investment Manager's Comments

The Portfolio's Total Return for the month ending November 2009 was 2.6% compared to 2.9% in the IPD Monthly Index. The return comprised Income Return of 0.6% (IPD +0.6%) and Capital Growth of 2.0% (IPD 2.3%). This brings the Portfolios Total Return over 3 months to 7.1% (1.9% income return and 5.1% capital growth) compared to IPD benchmark total return of 7.3% (2.0% income return and 5.3% capital growth). During November 2009, the Fund's main sectors have obtained Total Returns of: Retail 2.4% (IPD 3.3%); Offices 2.8% (IPD 2.4%); and Industrial 2.5% (IPD 2.7%).

Active management remains the core objective. Implementation of individual asset business plans focusing on tenant retention, void reduction and the maintenance of income have enhanced Fund performance, with particular success in the industrial and office sector, to which the Fund has higher exposure.

The IPD monthly index returns are showing capital growth accelerating month on month. This growth has been driven by lack of stock in the market and competition from investors, both private and institutional, to secure quality product. The occupier market, however, has remained weak illustrated by Borders falling into administration without finding a purchaser for the ongoing business, and questions regarding the future of La Senza. The Fund rental values fell further in November 2009 contracting by 1.0%, however the Fund rental values are beginning to stabilise with a fall of -0.4% to end of December 2009. With the onset of the New Year, an increased tenant demand is expected for the right space as retailers become increasingly concerned with the lack of development pipeline in the foreseeable future.

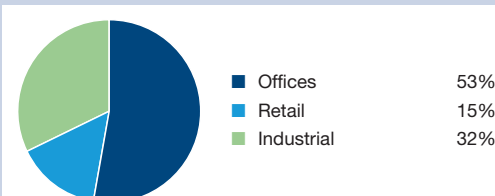
Fund Facts

At 31 December 2009

Fund Size (part of larger portfolio)	£91.79m
Fund Manager	Halifax Life Limited
Investment Manager	Invista Real Estate Investment Management Limited
Launch Date	5 November 2001
Annual Management Charges	0.5% to 1.45%
ABI Sector	UK Direct Property
Availability	Pension

Fund Structure: Sector Split by Valuation

At 31 December 2009



10 Largest Holdings by Value at 31.12.09

Address	Town	%
*Portman Square House, 43/45 Portman Square	London W1	8.3%
*Rolls House, 110 Fetter Lane	London EC4	7.9%
Regis House, 41/46 King William St	London EC4	6.8%
*48/49 Chancery Lane	London WC2	6.3%
Plot 11b, Pride Park	Derby	5.9%
Ashford & Link Houses, Walsgrave Triangle	Coventry	5.0%
*Energis House, Reading Central	Reading	4.1%
Rose Court, 2 Southwark Bridge	London SE1	4.1%
*Juniper 2, Fenton Way, Southfields Industrial Estate	Basildon	3.7%
Atherleigh Way	Leigh	3.7%
Total		55.8%

*Indicates a shared-ownership property.

Further Information

For details on all of our Bank of Scotland fund ranges or to obtain any literature please contact your local Bank of Scotland branch or visit our website:

www.bankofscotland.co.uk/investments

Disclaimer: Invista Real Estate Investment Management Limited is the investment manager of the Fund having been appointed by the product provider. Unless otherwise stated all information is current at the time of issue but may be subject to change in the future. Unless otherwise stated, the source of information is Invista Real Estate Investment Management. Unless otherwise stated any forecasts, other forward looking statements or opinions expressed within this factsheet are Invista's own at the date of publication and may change. They should not be regarded as a guarantee of future performance. Produced by Invista Real Estate Investment Management Limited, authorised and regulated by the Financial Services Authority. Registered in England and Wales. Registered Number 04459443. Registered office: Exchequer Court, 33 St. Mary Axe, London EC3A 8AA United Kingdom. Bank of Scotland plc is authorised and regulated by the Financial Services Authority. Registered in Scotland. Registered Number SC327000. Registered office: The Mound, Edinburgh EH1 1YZ, United Kingdom. Published January 2010. Ref: 15875.1 / inv-490.