

the skandia spectrum funds

– current asset allocations

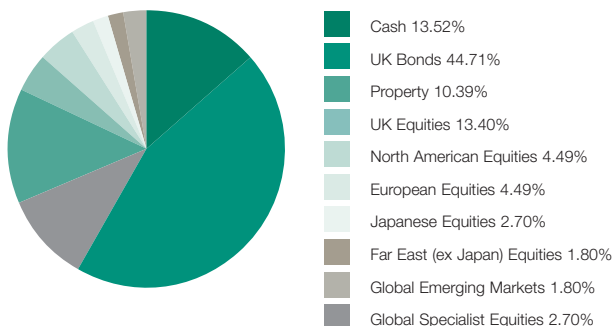
The six Spectrum funds combine different asset classes with the aim of maximising the expected returns for a given level of risk. This is achieved by adopting the principles of Modern Portfolio Theory (MPT) which states that the risk of a portfolio should be considered as a whole rather than in terms of its individual assets. The asset allocations for the Spectrum funds are reviewed quarterly which ensures that they continue to reflect the economic outlook, keeping them current and appropriate for each risk level. The asset allocations as at 15 December 2008 are shown below. This document is a supplement to the Spectrum investor and financial adviser brochures.

Skandia Spectrum 3

Objective

The Fund aims to achieve long-term capital growth by investing in a diversified range of asset classes. The risk profile of the Fund is defensive, with a significant majority of investments in defensive asset classes and between 15% and 40% in equities.

Asset allocation

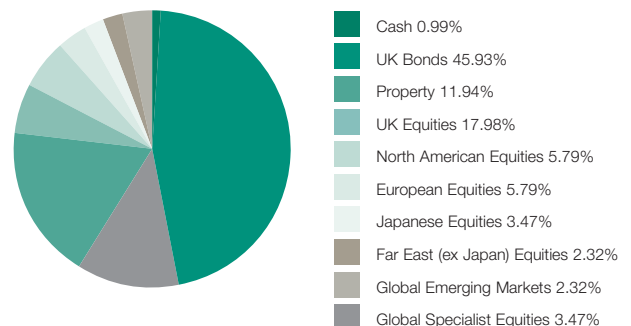


Skandia Spectrum 4

Objective

The Fund aims to achieve long-term capital growth by investing in a diversified range of asset classes. The risk profile of the Fund is moderately defensive, with a majority of investments in defensive asset classes and between 25% and 50% in equities.

Asset allocation

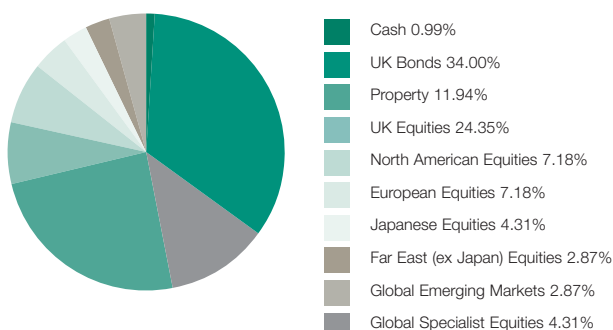


Skandia Spectrum 5

Objective

The Fund aims to achieve long-term capital growth by investing in a diversified range of asset classes. The risk profile of the Fund is broadly balanced, with between 40% and 60% in equities and the remainder in more defensive asset classes.

Asset allocation

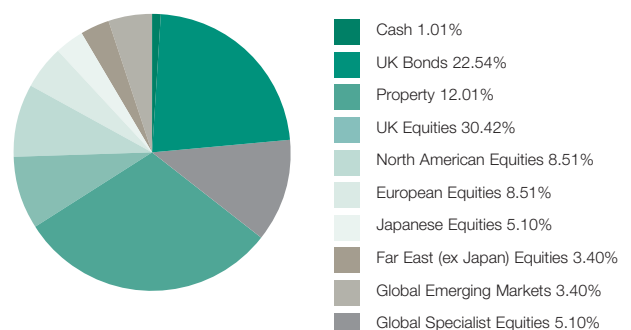


Skandia Spectrum 6

Objective

The Fund aims to achieve long-term capital growth by investing in a diversified range of asset classes. The risk profile of the Fund is broadly balanced, with a majority (50% to 75%) invested in equities and the remainder in more defensive asset classes.

Asset allocation

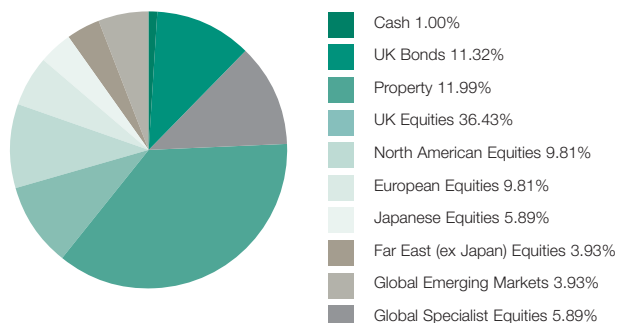


Skandia Spectrum 7

Objective

The Fund aims to achieve long-term capital growth by investing in a diversified range of asset classes. The risk profile of the Fund is moderately aggressive, with a significant majority, 60% to 80%, invested in equities but with some exposure to more defensive asset classes.

Asset allocation

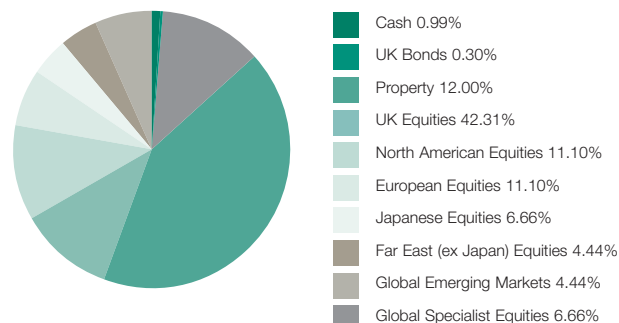


Skandia Spectrum 8

Objective

The Fund aims to achieve long-term capital growth by investing in a diversified range of asset classes. The risk profile of the Fund is aggressive, with a significant exposure, 70% to 90%, to equities.

Asset allocation



current volatility targets

Each Spectrum fund's asset allocation is determined by way of a mathematical formula known as Mean Variance Optimisation (MVO), an integral part of MPT. The MVO process produces an asset allocation for each fund which aims to achieve the highest expected level of return for the level of risk each fund represents. Risk is expressed in terms of volatility, a statistical measurement of how widely a range of returns produced by a fund varies from its average over a particular period. This means each Spectrum fund targets a particular volatility level.

The current volatility targets for the Spectrum funds are shown below:

Spectrum fund volatility target	Spectrum 3	Spectrum 4	Spectrum 5	Spectrum 6	Spectrum 7	Spectrum 8
	5.75%-7.90%	7.91%-9.71%	9.72%-11.53%	11.54%-13.34%	13.35%-15.16%	15.17%-16.97%

Annualised figures as at 15 December 2008.

Source: Watson Wyatt*

* As an input to Skandia's asset allocation model, Watson Wyatt Limited ("Watson Wyatt") conducts a quarterly review of the asset class assumptions used. This review is carried out solely for Skandia under agreed terms of engagement and not for any third party. Watson Wyatt assumes no responsibility, duty of care or liability to any third party in respect of the Skandia asset allocation model of the Skandia Spectrum funds.

www.skandia.co.uk

Calls may be monitored and recorded for training purposes and to avoid misunderstandings.

Selestia Investment Solutions investment platform gives you access to an ISA and Collective Investment Account provided by Skandia MultiFUNDS Limited, Collective Retirement Account and Collective Investment Bond provided by Selestia Life & Pensions Limited and an Offshore Collective Investment Bond distributed by Skandia MultiFUNDS Limited for Old Mutual International (Guernsey) Limited.

Skandia fund platform gives you access to MultiISA and MultiFUND provided by Skandia MultiFUNDS Limited and to products provided by Skandia Life Assurance Company Limited.

Skandia Life Assurance Company Limited, Skandia MultiFUNDS Limited, Skandia Investment Management Limited and Selestia Life & Pensions Limited are registered in England & Wales under numbers 1363932, 1680071, 4227837 and 4163431 respectively. Registered Office at Skandia House, Portland Terrace, Southampton SO14 7EJ, United Kingdom.

All companies are authorised and regulated by the Financial Services Authority with FSA register numbers 110462, 165359, 208543 and 207977.

VAT number for all above companies is 386 1301 59.

Old Mutual International (Guernsey) Limited is regulated by the Guernsey Financial Services Commission and is licensed to write long-term business under the Insurance Business (Bailiwick of Guernsey) Law 2002. Registered number 2424. Registered Office at Fairbairn House, PO Box 121, Rohais, St Peter Port, Guernsey GY1 3HE, Channel Islands.

When printed by Skandia this item is produced on a mixed grade material, which uses a combination of recycled wood or paper fibre from controlled sources and virgin fibre sourced from well managed, sustainable forests

SK6103/28-2263/December 2008