INCOME AND GROWTH FUNDS ICVC

INTERIM SHORT REPORT FOR THE
SIX MONTH PERIOD ENDED 29 FEBRUARY 2016

SCOTTISH WIDOWS

SCOTTISH WIDOWS INCOME AND GROWTH FUNDS ICVC

The Company and Head Office

Scottish Widows Income and Growth Funds ICVC
15 Dalkeith Road
Edinburgh EH16 5WL

Incorporated in Scotland under registered number IC000806. Authorised and regulated by the Financial Conduct Authority.

Authorised Corporate Director (ACD), Alternative Investment Fund Manager (AIFM) & Registrar

Scottish Widows Unit Trust Managers Limited

Registered Office:

Charlton Place
Andover SP10 1RE

Head Office:

15 Dalkeith Road
Edinburgh EH16 5WL

Authorised and regulated by the Financial Conduct Authority and a member of The Investment Association (previously Investment Management Association (IMA)).

Investment Adviser

Aberdeen Asset Investments Limited

Registered Office:

Bow Bells House
1 Bread Street
London EC4M 9HH

Correspondence Address:

40 Princes Street
Edinburgh EH2 2BY

Authorised and regulated by the Financial Conduct Authority and a member of The Investment Association (previously Investment Management Association (IMA)).

Depositary

State Street Trustees Limited

Registered Office:

20 Churchill Place
Canary Wharf
London E14 5HJ

Correspondence Address:

525 Ferry Road
Edinburgh EH5 2AW

Authorised and regulated by the Financial Conduct Authority.

Independent Auditors

PricewaterhouseCoopers LLP
Level 4
Atria One
144 Morrison Street
Edinburgh
EH3 8EX

SCOTTISH WIDOWS INCOME AND GROWTH FUNDS ICVC

INTRODUCTION

Twice a year we are required to send you a Short Report of the Investment Company with Variable Capital (ICVC) in which you're invested. The report covers how the Funds in the ICVC have performed and how they are invested. It also includes a review from the Funds' managers. Short Reports are important as not only do they keep you up-to-date with fund activity and fund managers' opinion, but they also contain important information about any changes to how the Funds operate. However please note that Short Reports don't contain any details about the value of your personal investment. Information that is personal to you is sent to you annually in your OEIC or ISA statement. The statement gives you the value of your investment. You can also get an up-to-date value of your investment by registering at www.scottishwidows.co.uk/statements

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Long reports are available on request. If you would like a copy, please telephone Client Services on 0345 300 2244 or download the Financial Statements from the website www.scottishwidows.co.uk which is a website maintained by Scottish Widows plc on behalf of Scottish Widows Unit Trust Managers Limited.

Daily fund prices can also be found at the above website.

Scottish Widows is committed to being a responsible investor on behalf of our customers, with particular focus on Stewardship, Ethical investment and Environmental, Social and Governance (ESG) issues. Our commitment to responsible investment is explained in more detail through this link: www.scottishwidows.co.uk/about_us/responsibleinvestment

PROSPECTUS CHANGES

During the six month period and up to the date of this report, the following changes were made to the Company and therefore the following changes were reflected in the Prospectus of Scottish Widows Income and Growth Funds ICVC:

- With effect from 30 October 2015, the Prospectus of the Company was updated to clarify that the ACD can accept requests to redeem shares by telephone as detailed in the Prospectus and that there is no longer a requirement for a Shareholder to confirm such telephone instructions in writing to the ACD.
- With effect from 30 October 2015, the Tax section of the Prospectus of the Company was updated to include certain regulatory changes and amendments to tax rules.
- With effect from 30 October 2015, the Company's Prospectus was updated to include revised maximum leverage figures for the Corporate Bond 1 Fund with the maximum expected level of leverage in accordance with the gross method increasing from 200% to 500% and for the commitment method increasing from 150% to 300%.

A copy of the Prospectus is available on request

ADVENTUROUS GROWTH FUND

for the six month period ended 29 February 2016

FUND PROFILE

Fund objectives and investment policy

This Fund aims to provide long-term capital growth mainly through investment in collective investment schemes.

The Fund aims to provide exposure primarily to equities (which may include UK, overseas and emerging markets). The Fund may also provide exposure to bonds (this may include UK Government bonds, index-linked securities, other UK fixed interest securities, overseas bonds and high yield bonds), property (which can be both in the UK and overseas) commodities and other alternative assets such as derivatives. This Fund invests principally in a range of funds managed by, or operated within, the Lloyds Banking Group.

High yield bonds are also known as Non-investment grade bonds. Non-investment grade bonds have not been awarded the minimum rating required to meet the investment grade rating. Therefore they are considered higher risk than bonds with a higher credit rating. Credit ratings indicate the likelihood that an issuer will be able to make their payments.

Investors should aim to hold their investment in this Fund for the medium to long-term (at least five to ten years).

Any income received by the Fund is retained in the Fund and has the effect of increasing the share price.

The Fund is allowed to use derivatives (contracts which have a value linked to the price of another asset) for the following reasons, normally referred to as Efficient Portfolio Management (EPM):

- To help reduce risk;
- To help reduce cost;
- To help generate extra capital or income for the Fund with a risk level consistent with the risk profile of the Fund; and
- To help manage the effect of fluctuations in exchange rates with Sterling.

We calculate the value of this Fund at 8am daily on working days in the UK. Our dealing times are from 9am to 5pm each working day. Instructions received before 5pm will receive the next day's price.

Synthetic risk and reward profile

There are several different ways of measuring risk. The following table uses an industry standard measure of fund risk based on measuring a fund's volatility using its returns over the past five years. Volatility is generated by both rising and falling prices. Volatility doesn't tell you how much a fund has lost or gained; it indicates how volatile its returns were historically. The Fund's ranking may change over time and may not be a reliable indication of its future risk profile.

This is a separate measure to Scottish Widows' Investment Approaches (where we use our own methodology to take an overall look at funds' risks and aims and categorise our funds as Secure, Cautious, Balanced, Progressive, Adventurous or Specialist). You can read more about them at **www.scottishwidows.co.uk/investmentapproaches**

Typically lower rewards, lower risk ← → Typically higher rewards, higher risk

1	2	3	4	5	6	7

The Fund is ranked at 5* because it has experienced medium to high levels of volatility over the past 5 years.

*As disclosed in the key investor information document dated 8 February 2016.

INVESTMENT ADVISER'S REVIEW

The Adventurous Growth Fund invests mainly in equities, across a variety of UK, global, small-cap and emerging-markets. Over the last six months, the value of the Fund fell by 0.64%.

Approximately half of the Fund's equity exposure is towards the UK stock market. Most markets struggled over the review period, with UK shares finishing close to where they were at the beginning of September. After a positive end to 2015, shares suffered some heavy losses during January and February. Nervousness about the Chinese economy and concerns that the collapse in the oil price could presage a global slowdown lay behind the falls.

US equities also finished the period flat. Although economic data has provided evidence of continuing recovery in the world's largest economy, there were concerns that the US Federal Reserve's first interest rate increase since the global financial crisis could act as a barrier to further growth. When the rise eventually came in December, it was calmly received. However, investors soon turned their attentions to the timing and pace of future rate rises.

Meanwhile, central banks in other regions, including Europe and Japan, moved rates in the other direction in their effort to kick-start growth in their slowing economies. European and Japanese stock markets suffered heavy losses in February. In Japan, the central bank has even gone as far as to cut interest rates below zero. This means that banks are effectively being charged to hold funds with the Bank of Japan. The move was not well received by investors and Japan suffered some of the heaviest losses over the period.

In terms of positioning, the comparatively small amount invested in UK smaller companies proved advantageous, as smaller companies suffered heavier losses than their larger counterparts. On the downside, the position in European equities was negative, as Europe was one of the worst performers over the review period.

In terms of stock selection, there were strong performances from the emerging markets and UK equity portions of the Fund, which helped enhance returns.

Looking ahead, we believe the Fund is well positioned to participate in any future stock market gains and that the balance between regions is appropriate given current valuations and growth prospects.

Aberdeen Asset Investments Limited
March 2016

ADVENTUROUS GROWTH FUND (CONTINUED)

for the six month period ended 29 February 2016

Ongoing charges figure

	29/02/16 %	31/08/15 %
D Accumulation	1.75	1.74
E Accumulation	1.50	1.50
F Accumulation	1.25	1.25
X Accumulation	0.16	0.15

The ongoing charges figure (OCF) is the total expenses paid by each share class in the period, annualised, against its average net asset value. It excludes the cost of buying or selling assets for the Fund (unless these assets are shares of another fund). The OCF can fluctuate as underlying costs change.

Details of investments

Investments	29/02/16 %	31/08/15 %
Financials	99.29	102.56
Derivatives	(0.21)	0.07
Net other assets/(liabilities)	0.92	(2.63)
Total net assets	100.00	100.00

Net asset value

	NAV per share 29/02/16 (p)	NAV per share 31/08/15 (p)	NAV percentage change %
D Accumulation	139.85	141.37	(1.08)
E Accumulation	141.81	143.17	(0.95)
F Accumulation	144.19	145.39	(0.83)
X Accumulation	153.47	153.89	(0.27)

Performance record

	01/09/15 to 29/02/16 %	01/09/14 to 31/08/15 %	01/09/13 to 31/08/14 %	01/09/12 to 31/08/13 %	01/09/11 to 31/08/12 %	01/09/10 to 31/08/11 %
Adventurous Growth Fund D Accumulation	(0.64)	(2.70)	8.15	17.99	9.25	3.28

Source: Lipper. Basis: Net revenue reinvested and net of expenses.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

Major holdings

	29/02/16	%	31/08/15	%
1.	HBOS UK Growth Fund I Inc	18.30	HBOS UK Growth Fund I Inc	18.26
2.	Scottish Widows UK All Share Tracker Fund X Acc	15.24	Scottish Widows UK All Share Tracker Fund X Acc	15.97
3.	Scottish Widows UK Smaller Companies Fund X Acc	11.20	Scottish Widows UK Smaller Companies Fund X Acc	14.95
4.	Scottish Widows Emerging Markets Fund X Acc	8.48	Scottish Widows Emerging Markets Fund X Acc	7.99
5.	HBOS North American Fund I Inc	5.57	HBOS North American Fund I Inc	5.57
6.	Scottish Widows US Equity Tracker Fund X Acc	5.51	Scottish Widows US Equity Tracker Fund X Acc	5.43
	Number of holdings: 32		Number of holdings: 30	

Please note: negative figures are shown in brackets.

BALANCED GROWTH FUND

for the six month period ended 29 February 2016

FUND PROFILE

Fund objectives and investment policy

This Fund aims to provide long-term capital growth mainly through investment in collective investment schemes.

The Fund aims to provide exposure to a combination of equities (which may include UK, overseas and emerging markets), bonds (this may include UK Government bonds, index-linked securities, other UK fixed interest securities, overseas bonds and high yield bonds) and property (which can be both in the UK and overseas).

The Fund may also provide exposure to commodities and other alternative assets such as derivatives. This Fund invests principally in a range of funds managed by, or operated within, the Lloyds Banking Group.

High yield bonds are also known as Non-investment grade bonds. Non-investment grade bonds have not been awarded the minimum rating required to meet the investment grade rating. Therefore they are considered higher risk than bonds with a higher credit rating. Credit ratings indicate the likelihood that an issuer will be able to make their payments.

Investors should aim to hold their investment in this Fund for the medium to long-term (at least five to ten years).

Any income received by the Fund is retained in the Fund and has the effect of increasing the share price.

The Fund is allowed to use derivatives (contracts which have a value linked to the price of another asset) for the following reasons, normally referred to as Efficient Portfolio Management (EPM):

- To help reduce risk;
- To help reduce cost;
- To help generate extra capital or income for the Fund with a risk level consistent with the risk profile of the Fund; and
- To help manage the effect of fluctuations in exchange rates with Sterling.

We calculate the value of this Fund at 8am daily on working days in the UK. Our dealing times are from 9am to 5pm each working day. Instructions received before 5pm will receive the next day's price.

Synthetic risk and reward profile

There are several different ways of measuring risk. The following table uses an industry standard measure of fund risk based on measuring a fund's volatility using its returns over the past five years. Volatility is generated by both rising and falling prices. Volatility doesn't tell you how much a fund has lost or gained; it indicates how volatile its returns were historically. The Fund's ranking may change over time and may not be a reliable indication of its future risk profile.

This is a separate measure to Scottish Widows' Investment Approaches (where we use our own methodology to take an overall look at funds' risks and aims and categorise our funds as Secure, Cautious, Balanced, Progressive, Adventurous or Specialist). You can read more about them at **www.scottishwidows.co.uk/investmentapproaches**

Typically lower rewards, lower risk ← → Typically higher rewards, higher risk

1	2	3	4	5	6	7

The Fund is ranked at 4* because it has experienced medium levels of volatility over the past 5 years.

*As disclosed in the key investor information document dated 8 February 2016.

INVESTMENT ADVISER'S REVIEW

The Balanced Growth Fund invests in a range of assets, including UK and global equities, corporate bonds, commercial property and absolute return funds. Over the last six months, the Fund fell in value by 0.45%.

Just under half of the Fund is invested in equities. Most markets struggled over the review period, with UK shares finishing close to where they were at the beginning of September. After a positive end to 2015, shares suffered some heavy losses during January and February 2016. Nervousness about the Chinese economy and concerns that the collapse in the oil price could presage a global slowdown lay behind the falls.

US equities also finished the period flat. Although economic data has provided evidence of continuing recovery in the world's largest economy, there were concerns that the US Federal Reserve's first interest rate increase since the global financial crisis could act as a barrier to further growth. When the rise eventually came in December, it was calmly received. However, investors soon turned their attentions to the timing and pace of future rate rises.

Meanwhile, central banks in other regions, including Europe and Japan, moved rates in the other direction in their effort to kick-start growth in their slowing economies. Both European and Japanese stock markets suffered heavy losses in February. In Japan, the central bank has even gone as far as to cut interest rates below zero. This means that banks are effectively being charged to hold funds with the Bank of Japan.

The Fund's relatively small position in government bonds was detrimental to performance. Government bonds tend to perform well during times of uncertainty due to their perceived safety and many bond markets rose over the year.

The Fund once again benefited from its position in commercial property, as the asset class was responsible for delivering some of the best returns over the review period. We retain a preference for commercial property. This has been a long-term overweight position within the Fund and had a positive effect on performance over the period. Stock selection within the property portfolio was also positive, thereby further enhancing returns to investors.

Overall, the Fund remains well diversified, which should ensure it is positioned to minimise risks during times of market turbulence, while participating in any market gains.

Aberdeen Asset Investments Limited
March 2016

BALANCED GROWTH FUND (CONTINUED)

for the six month period ended 29 February 2016

Ongoing charges figure

	29/02/16 %	31/08/15 %
D Accumulation	1.74	1.79
E Accumulation	1.49	1.54
F Accumulation	1.24	1.29
X Accumulation	0.14	0.20

The ongoing charges figure (OCF) is the total expenses paid by each share class in the period, annualised, against its average net asset value. It excludes the cost of buying or selling assets for the Fund (unless these assets are shares of another fund). The OCF can fluctuate as underlying costs change.

Details of investments

Investments	29/02/16 %	31/08/15 %
Financials	97.09	97.63
Sterling Denominated Bonds	0.00	0.00
Derivatives	0.30	(0.73)
Net other assets	2.61	3.10
Total net assets	100.00	100.00

Net asset value

	NAV per share 29/02/16 (p)	NAV per share 31/08/15 (p)	NAV percentage change %
D Accumulation	133.16	134.65	(1.11)
E Accumulation	134.69	136.05	(1.00)
F Accumulation	136.29	137.52	(0.89)
X Accumulation	143.16	143.81	(0.45)

Performance record

	01/09/15 to 29/02/16 %	01/09/14 to 31/08/15 %	01/09/13 to 31/08/14 %	01/09/12 to 31/08/13 %	01/09/11 to 31/08/12 %	01/09/10 to 31/08/11 %
Balanced Growth Fund D Accumulation	(0.45)	0.38	9.26	9.03	6.98	2.65

Source: Lipper. Basis: Net revenue reinvested and net of expenses.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

Major holdings

		29/02/16 %		31/08/15 %
1.	HBOS UK Property Fund I Inc	19.17	HBOS UK Property Fund I Inc	20.32
2.	HBOS UK FTSE All-Share Index Tracking Fund I Inc	12.14	HBOS UK FTSE All-Share Index Tracking Fund I Inc	13.94
3.	Scottish Widows Corporate Bond Fund W Gross Acc	11.28	Scottish Widows Corporate Bond Fund W Gross Acc	11.03
4.	Scottish Widows Global Tactical Asset Allocation 1 Fund X Acc	9.53	Scottish Widows Global Tactical Asset Allocation 1 Fund X Acc	9.87
5.	Scottish Widows UK All Share Tracker Fund X Acc	7.55	Scottish Widows UK All Share Tracker Fund X Acc	7.34
6.	Aberdeen Global High Yield Bond Fund Z Acc	6.46	Aberdeen Global High Yield Bond Fund Z Acc	6.82
	Number of holdings: 31		Number of holdings: 31	

Please note: negative figures are shown in brackets.

CAUTIOUS GROWTH FUND

for the six month period ended 29 February 2016

FUND PROFILE

Fund objectives and investment policy

This Fund aims to provide long-term capital growth mainly through investment in collective investment schemes.

The Fund aims to provide exposure primarily to bonds (this may include UK Government bonds, index-linked securities, other UK fixed interest securities, overseas bonds and high yield bonds) and property (which can be both in the UK and overseas).

The Fund may also provide exposure to equities (which may include UK, overseas and emerging markets), commodities and other alternative assets such as derivatives. This Fund invests principally in a range of funds managed by, or operated within, the Lloyds Banking Group.

High yield bonds are also known as Non-investment grade bonds. Non-investment grade bonds have not been awarded the minimum rating required to meet the investment grade rating. Therefore they are considered higher risk than bonds with a higher credit rating. Credit ratings indicate the likelihood that an issuer will be able to make their payments.

Investors should aim to hold their investment in this Fund for the medium to long-term (at least five to ten years).

Any income received by the Fund is retained in the Fund and has the effect of increasing the share price.

The Fund is allowed to use derivatives (contracts which have a value linked to the price of another asset) for the following reasons, normally referred to as Efficient Portfolio Management (EPM):

- To help reduce risk;
- To help reduce cost;
- To help generate extra capital or income for the Fund with a risk level consistent with the risk profile of the Fund; and
- To help manage the effect of fluctuations in exchange rates with Sterling.

We calculate the value of this Fund at 8am daily on working days in the UK. Our dealing times are from 9am to 5pm each working day. Instructions received before 5pm will receive the next day's price.

Synthetic risk and reward profile

There are several different ways of measuring risk. The following table uses an industry standard measure of fund risk based on measuring a fund's volatility using its returns over the past five years. Volatility is generated by both rising and falling prices. Volatility doesn't tell you how much a fund has lost or gained; it indicates how volatile its returns were historically. The Fund's ranking may change over time and may not be a reliable indication of its future risk profile.

This is a separate measure to Scottish Widows' Investment Approaches (where we use our own methodology to take an overall look at funds' risks and aims and categorise our funds as Secure, Cautious, Balanced, Progressive, Adventurous or Specialist). You can read more about them at **www.scottishwidows.co.uk/investmentapproaches**

Typically lower rewards, lower risk ← → Typically higher rewards, higher risk

1	2	3	4	5	6	7

The Fund is ranked at 3* because it has experienced low to medium levels of volatility over the past 5 years.

*As disclosed in the key investor information document dated 8 February 2016.

INVESTMENT ADVISER'S REVIEW

The bulk of the Cautious Growth Fund's investments are in corporate bonds issued by UK companies and in bonds issued by the UK government. In the interests of diversification, it also invests across a number of different asset classes including commercial property, global high-yield bonds, UK and global equities. Overall, the Fund fell in value by 1.43% over the review period.

The Fund's largest position is in corporate bonds, which struggled to make progress over the last six months. Despite finishing roughly where it started, the corporate bond market experienced some periods of volatility. This was largely due to concerns over China and the impact of its slowing economic growth on the global economy. The prospect of rising US interest rates also kept market participants wary. Latterly, there was a rising incidence of company-specific news-flow, most of it negative. This affected bonds issued by companies such as Glencore and Volkswagen. Stock selection within the corporate bond portfolio was negative, which detracted from returns.

The Fund held a comparatively low weighting in government bonds, which proved negative. Worries about the state of the global economy and turbulence in stock markets resulted in investors moving to assets they perceive to be safer, such as government bonds. As a result, their prices rose and yields fell over the six months.

The equity holdings within the Fund are skewed towards the UK market, which finished close to the position that it started the period. After a positive end to 2015, shares suffered some heavy losses during January and February 2016. The main reason for the falls included nervousness about the Chinese economy and concerns about the collapse in the oil price. There are a comparatively large number of oil and energy companies listed on the UK market.

The Fund once again benefited from its position in commercial property, as the asset class was responsible for delivering some of the best returns over the review period. We retain a preference for commercial property. This has been a long-term overweight position within the Fund and had a positive effect on performance over the period. Stock selection within the property portfolio was also positive, thereby further enhancing returns to investors.

Overall, the Fund remains well diversified, which should ensure it is positioned to minimise risks during times of market turbulence. However, the Fund retains exposure to assets.

Aberdeen Asset Investments Limited
March 2016

CAUTIOUS GROWTH FUND (CONTINUED)

for the six month period ended 29 February 2016

Ongoing charges figure

	29/02/16 %	31/08/15 %
D Accumulation	1.75	1.79
E Accumulation	1.50	1.54
F Accumulation	1.25	1.29
X Accumulation	0.13	0.18

The ongoing charges figure (OCF) is the total expenses paid by each share class in the period, annualised, against its average net asset value. It excludes the cost of buying or selling assets for the Fund (unless these assets are shares of another fund). The OCF can fluctuate as underlying costs change.

Details of investments

Investments	29/02/16 %	31/08/15 %
Financials	97.68	97.41
Sterling Denominated Bonds	0.00	0.00
Derivatives	0.23	(0.83)
Net other assets	2.09	3.42
Total net assets	100.00	100.00

Net asset value

	NAV per share 29/02/16 (p)	NAV per share 31/08/15 (p)	NAV percentage change %
D Accumulation	124.28	126.60	(1.83)
E Accumulation	125.70	127.92	(1.74)
F Accumulation	127.11	129.22	(1.63)
X Accumulation	133.71	135.33	(1.20)

Performance record

	01/09/15 to 29/02/16 %	01/09/14 to 31/08/15 %	01/09/13 to 31/08/14 %	01/09/12 to 31/08/13 %	01/09/11 to 31/08/12 %	01/09/10 to 31/08/11 %
Cautious Growth Fund D Accumulation	(1.43)	0.80	7.94	3.57	7.80	2.17

Source: Lipper. Basis: Net revenue reinvested and net of expenses.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

Major holdings

	29/02/16	29/02/16 %	31/08/15	31/08/15 %
1.	Scottish Widows Corporate Bond Fund W Gross Acc	34.00	Scottish Widows Corporate Bond Fund W Gross Acc	33.52
2.	HBOS UK Property Fund I Inc	14.26	HBOS UK Property Fund I Inc	14.82
3.	Aberdeen Global High Yield Bond Fund Z Acc	11.52	Aberdeen Global High Yield Bond Fund Z Acc	12.55
4.	Aberdeen Sterling Investment Cash Fund X Gross Acc	11.16	Aberdeen Sterling Investment Cash Fund X Gross Acc	10.78
5.	Scottish Widows Global Tactical Asset Allocation 1 Fund X Acc	9.94	Scottish Widows Global Tactical Asset Allocation 1 Fund X Acc	10.02
	Number of holdings: 25		Number of holdings: 26	

Please note: negative figures are shown in brackets.

CORPORATE BOND 1 FUND

for the six month period ended 29 February 2016

FUND PROFILE

Fund objectives and investment policy

To provide long term capital growth.

The Fund will invest predominantly in a diversified portfolio of investment grade securities comprised of corporate issues from any one or more of North America, Europe, UK and Japan.

The Fund may also invest in investment grade corporate securities from other regions as well as in other transferable securities, money market instruments, deposits, cash, near cash, other collective investment schemes and warrants.

Derivatives may be used for investment purposes, but it is not intended that doing so will change the Fund's risk profile.

Use may also be made of stock lending and hedging. It is the ACD's intention that non-sterling investments will be hedged back to sterling.

Investors should aim to hold their investment in the Fund for the medium to long term (at least five to ten years).

Any income received by the Fund is retained in the Fund and has the effect of increasing the share price.

The Fund is allowed to use derivatives (contracts which have a value linked to the price of another asset) for the following reasons, normally referred to as Efficient Portfolio Management (EPM), in addition to their use for investment purposes:

- To help reduce risk;
- To help reduce cost;
- To help generate extra capital or income for the Fund with a risk level consistent with the risk profile of the Fund; and
- To help manage the effect of fluctuations in exchange rates with Sterling.

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Synthetic risk and reward profile

There are several different ways of measuring risk. The table below uses an industry standard measure of fund risk based on measuring a funds' volatility using its returns over the past five years. Volatility is generated by both rising and falling prices. Volatility doesn't tell you how much a fund has lost or gained; it indicates how volatile its returns were historically. The Fund's ranking may change over time and may not be a reliable indication of its future risk profile.

This is a separate measure to Scottish Widows' Investment Approaches (where we use our own methodology to take an overall look at funds' risks and aims and categorise our funds as Secure, Cautious, Balanced, Progressive, Adventurous or Specialist). You can read more about them at **www.scottishwidows.co.uk/investmentapproaches**

Typically lower rewards, lower risk ← → Typically higher rewards, higher risk

1	2	3	4	5	6	7

As the Fund has been available for less than 5 years, we have used simulated historical data for the part of the 5 year period before the Fund began. The Fund is ranked at 3* because, based on simulated data, it would have experienced low to medium levels of volatility over the past 5 years.

*As disclosed in the key investor information document dated 8 February 2016.

INVESTMENT ADVISER'S REVIEW

Corporate bonds were volatile, largely due to concerns over China and the impact of its slowing economic growth on global growth and on commodity prices. The prospect of rising US interest rates also kept market participants wary. Latterly, there was a rising incidence of company-specific negative news-flow such as Glencore and Volkswagen. In September, corporate bonds underperformed government bonds as yield spreads widened.

Towards the end of 2015, rising government bond yields and moderately tighter corporate bond spreads resulted in a small positive return from the asset class. Bond yields rose as we moved closer to the first interest rate hike by the US Federal Reserve in seven years. Corporate bonds performed reasonably well, with investors drawing comfort from forward guidance provided by US and other policymakers. However, although corporate bond spreads tightened, the returns generated by various sectors varied significantly. Basic materials and energy performed very poorly due to a sharp fall in commodity prices, while utilities and financial institutions were relatively strong. Banks were especially resilient, supported by de-leveraging and positive news flow from the sector.

The new calendar year began with some significant re-pricing of risk assets. Credit spreads across all sectors were marked materially wider as slower global growth levels and greater risks were priced in. Conversely, "safe haven" assets such as US Treasuries and UK Gilts performed strongly, with yields falling back towards their lows. Bonds issued by financial institutions and other higher risk areas of the credit market were the worst-performing areas of the investment universe, as earnings disappointments led to some fears over growth prospects for the banking sector.

The Fund fell in the value by 0.69% over the review period. Early on, our holdings in mining group Glencore and car manufacturer Volkswagen detracted from performance. Credit spreads in Glencore moved materially wider on mounting concerns about group debt in the light of sharp falls in the commodity price. Volkswagen was damaged by the revelations surrounding the emissions scandal.

Sales in September included Glencore, on mounting concerns about the group's financial position, and APT Pipelines which had struggled owing to cyclical exposure to the Australian and Chinese economy. We also reduced off-benchmark positions to control overall risk. These included the sale of a euro-denominated holding in Hutchison Whampoa.

A rally in corporate bond spreads in the final three months of 2015 – particularly in October – helped generate positive returns for the Fund. A small short duration position and limited exposure to the weakest areas affected by the commodity price decline were the main drivers. Australian mining company BHP – an overweight position relative to benchmark – had a negative impact on returns. Exposure to subordinated financial issuance was helpful, with overweight positions in Royal Bank of Scotland and Lloyds Banking Group as two of the most significant.

Moving into 2016, the Fund underperformed relative to benchmark during January and February. Higher beta positions in particular impaired performance. Banks and other financial bonds – which had performed relatively well during 2015 – sold off aggressively, largely driven by negative news flow. Banks, especially in the UK, and insurers where we prefer global players, remain high conviction sector overweights. Basic materials and energy suffered in January as commodities slipped, but stabilised as commodities staged a measure of recovery in February.

This sharp sell-off in credit markets as well as in other risk assets has pushed credit spreads (risk premiums) back to levels last seen in 2011, when investors were concerned about the future of the Eurozone. The economic environment is still reasonably constructive for credit. The preoccupation of all participants with the generation of some inflationary pressure in developed markets, while understandable, is leading to some unusual re-pricing. Low default rates and stable credit fundamentals continue to offer support, and returns can improve materially on a turn in sentiment.

Aberdeen Asset Investments Limited
March 2016

CORPORATE BOND 1 FUND (CONTINUED)

for the six month period ended 29 February 2016

Distribution

XD dates	Payment dates
30/11/15	31/01/16
29/02/16	30/04/16

Ongoing charges figure

	29/02/16 %	31/08/15 %
W Gross Accumulation	0.02	0.02

The ongoing charges figure (OCF) is the total expenses paid by each share class in the period, annualised, against its average net asset value. It excludes the cost of buying or selling assets for the Fund (unless these assets are shares of another fund). The OCF can fluctuate as underlying costs change.

Details of investments

Investments	29/02/16 %	31/08/15 %
US Dollar Denominated Bonds	60.14	57.52
Euro Denominated Bonds	26.00	28.72
Sterling Denominated Bonds	9.49	9.01
Canadian Dollar Denominated Bonds	2.29	2.25
Australian Dollar Denominated Bonds	2.00	1.53
Swiss Denominated Bonds	-	0.22
Derivatives	(3.95)	(1.91)
Net other assets	4.03	2.66
Total net assets	100.00	100.00

Net asset value

	NAV per share 29/02/16 (p)	NAV per share 31/08/15 (p)	NAV percentage change %
W Gross Accumulation	100.45	101.14	(0.68)

Performance record

	01/09/15 to 29/02/16 %
Corporate Bond 1 Fund W Gross Accumulation	(0.69)

Source: Scottish Widows Unit Trust Managers Limited. Basis: Gross revenue reinvested and net of expenses.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

Distribution

	First quarter 30/11/15 (p)	Interim 29/02/16 (p)
W Gross Accumulation	0.9780	1.0437

Major holdings

29/02/16	%	31/08/15	%
1. Pentair Finance 2.45% 17/09/2019	1.39	Williams Partners 3.6% 15/03/2022	1.07
2. Wells Fargo 3% 19/02/2025	1.38	Ford Motor Credit 5.75% 01/02/2021	1.04
3. United Technologies 1.778% 04/05/2018	1.02	Wells Fargo 3% 19/02/2025	1.02
4. Goldman Sachs 3.75% 22/05/2025	1.01	Eutelsat 2.625% 13/01/2020	0.95
5. Comcast 7.05% 15/03/2033	1.01	General Electric Capital 6.5% 15/09/2067	0.94
Number of holdings: 256		Number of holdings: 283	

Summary of portfolio by credit ratings

Rating block	29/02/16 %	31/08/15 %
Investment grade (AAA to BBB-)	90.12	88.41
Non-Investment grade (BB+ to C)	9.17	9.73
Unrated	0.63	1.11
Total bonds	99.92	99.25
Other	0.08	0.75
Total net assets	100.00	100.00

The credit ratings used in the above table have been supplied by Standard & Poor's, Moody's or Fitch Ratings.

Please note: negative figures are shown in brackets.

CORPORATE BOND PPF FUND

for the six month period ended 29 February 2016

FUND PROFILE

Fund objectives and investment policy

The Fund aims to provide a return consistent with the variations in market annuity rates with the aim of reducing annuity conversion risk.

The Fund will invest predominantly in long dated UK corporate fixed interest securities.

In aiming to reduce the risk of annuity conversions, the fund manager will refer to target duration and credit ratings as part of the fund management strategy. The targets will be identified at the fund manager's discretion and may change in line with market annuity rates and fixed interest yields.

The Fund may also invest in government index linked securities as well as in other transferable securities, cash or near cash instruments, deposits, money market instruments, other collective investment schemes and warrants.

The Fund does not provide any guarantee of the level of pension in retirement or the cost of buying that pension. It may not be effective for those who intend to buy an inflation-linked pension and does not provide protection against changes in the cost of buying a pension that arise from changes in life expectancy.

Use may also be made of stock lending and hedging.

Investors should aim to hold their investment in the Fund for the medium to long term (at least five to ten years).

Any income received by the Fund is retained in the Fund and has the effect of increasing the share price.

The Fund is allowed to use derivatives (contracts which have a value linked to the price of another asset) for the following reasons, normally referred to as Efficient Portfolio Management (EPM):

- To help reduce risk;
- To help reduce cost;
- To help generate extra capital or income for the Fund with a risk level consistent with the risk profile of the Fund; and
- To help manage the effect of fluctuations in exchange rates with Sterling.

We calculate the value of the Fund at 8am daily on working days in the UK. Our dealing times are from 9am to 5pm each working day. Instructions received before 5pm will receive the next day's price.

Synthetic risk and reward profile

There are several different ways of measuring risk. The table below uses an industry standard measure of fund risk based on measuring a funds' volatility using its returns over the past five years. Volatility is generated by both rising and falling prices. Volatility doesn't tell you how much a fund has lost or gained; it indicates how volatile its returns were historically. The Fund's ranking may change over time and may not be a reliable indication of its future risk profile.

This is a separate measure to Scottish Widows' Investment Approaches (where we use our own methodology to take an overall look at funds' risks and aims and categorise our funds as Secure, Cautious, Balanced, Progressive, Adventurous or Specialist). You can read more about them at www.scottishwidows.co.uk/investmentapproaches

Typically lower rewards, lower risk ← → Typically higher rewards, higher risk

1	2	3	4	5	6	7

As the Fund has been available for less than 5 years, we have used simulated historical data for the part of the 5 year period before the Fund began. The Fund is ranked at 4* because, based on simulated data, it would have experienced medium levels of volatility over the past 5 years.

*As disclosed in the key investor information document dated 8 February 2016.

INVESTMENT ADVISER'S REVIEW

Corporate bonds were volatile, largely due to concerns over China and the impact of its slowing economic growth on global growth and on commodity prices. The prospect of rising US interest rates also kept market participants wary. Latterly, there was a rising incidence of company-specific negative news-flow such as Glencore and Volkswagen. In September, corporate bonds underperformed government bonds as yield spreads widened.

Towards the end of 2015, rising government bond yields and moderately tighter corporate bond spreads resulted in a small positive return from the asset class. Bond yields rose as we moved closer to the first interest rate hike by the US Federal Reserve in seven years. Corporate bonds performed reasonably well, with investors drawing comfort from forward guidance provided by US and other policymakers. However, although corporate bond spreads tightened, the returns generated by various sectors varied significantly. Basic materials and energy performed very poorly due to a sharp fall in commodity prices, while utilities and financial institutions were relatively strong. Banks were especially resilient, supported by de-leveraging and positive news flow from the sector.

The new calendar year began with some significant re-pricing of risk assets. Credit spreads across all sectors were marked materially wider as slower global growth levels and greater risks were priced in. Conversely, "safe haven" assets such as US Treasuries and UK Gilts performed strongly, with yields falling back towards their lows. Bonds issued by financial institutions and other higher risk areas of the credit market were the worst-performing areas of the investment universe, as earnings disappointments led to some fears over growth prospects for the banking sector. The Fund's exposure the insurance sector was the most significant negative driver of returns in the period with the sector performing very poorly in January and February.

The Fund moderately underperformed its benchmark as spreads widened over the period and in January in particular. By and large however, the fund was fairly defensively positioned and risk has only recently been added given the relative attractiveness of corporate credit.

Although credit exposure in the Fund has gradually been increased with a number of purchases across various sectors, reductions in exposures to certain names also took place. German utility RWE and a number of UK housing association bonds were the most notable. Purchases of US pharmaceutical name Pfizer and Australian miner BHP were among the most significant.

This sharp sell-off in credit markets as well as in other risk assets has pushed credit spreads (risk premiums) back to levels last seen in 2011, when investors were concerned about the future of the Eurozone. The economic environment is still reasonably constructive for credit. The preoccupation of all participants with the generation of some inflationary pressure in developed markets, while understandable, is leading to some unusual re-pricing. Low default rates and stable credit fundamentals continue to offer support, and returns can improve materially on a turn in sentiment.

Aberdeen Asset Investments Limited
March 2016

CORPORATE BOND PPF FUND (CONTINUED)

for the six month period ended 29 February 2016

Distribution

XD dates	Payment dates
30/11/15	31/01/16
29/02/16	30/04/16

Ongoing charges figure

	29/02/16 %	31/08/15 %
W Gross Accumulation	0.02	0.02

The ongoing charges figure (OCF) is the total expenses paid by each share class in the period, annualised, against its average net asset value. It excludes the cost of buying or selling assets for the Fund (unless these assets are shares of another fund). The OCF can fluctuate as underlying costs change.

Details of investments

Investments	29/02/16 %	31/08/15 %
Sterling Denominated Bonds	96.32	97.91
Net other assets	3.68	2.09
Total net assets	100.00	100.00

Net asset value

	NAV per share 29/02/16 (p)	NAV per share 31/08/15 (p)	NAV percentage change %
W Gross Accumulation	112.46	111.77	0.62

Performance record

	01/09/15 to 29/02/16 %	01/09/14 to 31/08/15 %
Corporate Bond PPF Fund W Gross Accumulation	1.88	2.38

Source: Scottish Widows Unit Trust Managers Limited. Basis: Gross revenue reinvested and net of expenses.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

Distribution

	First quarter 30/11/15 (p)	Interim 29/02/16 (p)
W Gross Accumulation	1.1503	1.1288

Major holdings

	29/02/16 %		31/08/15 %
1. European Investment Bank 4.5% 07/03/2044	2.92	European Investment Bank 4.5% 07/03/2044	3.37
2. GE Capital UK Funding 6.25% 05/05/2038	1.90	European Investment Bank 5% 15/04/2039	2.02
3. European Investment Bank 5% 15/04/2039	1.73	Wal-Mart Stores 5.25% 28/09/2035	1.75
4. EUROFIMA 5.5% 07/06/2032	1.58	GE Capital UK Funding 5.875% 18/01/2033	1.52
5. Pfizer 6.5% 03/06/2038	1.44	AT&T 4.25% 01/06/2043	1.47
Number of holdings: 171		Number of holdings: 163	

Summary of portfolio by credit ratings

Rating block	29/02/16 %	31/08/15 %
Investment grade (AAA to BBB-)	96.32	97.91
Total bonds	96.32	97.91
Other	3.68	2.09
Total net assets	100.00	100.00

The credit ratings used in the above table have been supplied by Standard & Poor's, Moody's or Fitch Ratings.

CORPORATE BOND TRACKER FUND

for the six month period ended 29 February 2016

FUND PROFILE

Fund objectives and investment policy

The Fund aims to track the performance of the iBoxx Sterling Non-Gilts Index.

The Fund will invest predominantly in the securities that make up the constituents of the iBoxx Sterling Non-Gilts Index.

The Fund may also invest in other transferable securities, (including asset backed securities such as securitised loans (Sterling)), cash and near cash, deposits, money market instruments, other collective investment schemes and warrants.

Use may also be made of stock lending and hedging.

Investors should aim to hold their investment in the Fund for the medium to long term (at least five to ten years).

Any income received by the Fund is retained in the Fund and has the effect of increasing the share price.

The Fund is allowed to use derivatives (contracts which have a value linked to the price of another asset) for the following reasons, normally referred to as Efficient Portfolio Management (EPM):

- To help reduce risk;
- To help reduce cost;
- To help generate extra capital or income for the Fund with a risk level consistent with the risk profile of the Fund; and
- To help manage the effect of fluctuations in exchange rates with Sterling.

We calculate the value of this Fund at 8am daily on working days in the UK. Our dealing times are from 9am to 5pm each working day. Instructions received before 5pm will receive the next day's price.

Synthetic risk and reward profile

There are several different ways of measuring risk. The table below uses an industry standard measure of fund risk based on measuring a funds' volatility using its returns over the past five years. Volatility is generated by both rising and falling prices. Volatility doesn't tell you how much a fund has lost or gained; it indicates how volatile its returns were historically. The Fund's ranking may change over time and may not be a reliable indication of its future risk profile.

This is a separate measure to Scottish Widows' Investment Approaches (where we use our own methodology to take an overall look at funds' risks and aims and categorise our funds as Secure, Cautious, Balanced, Progressive, Adventurous or Specialist). You can read more about them at www.scottishwidows.co.uk/investmentapproaches

Typically lower rewards, lower risk ← → Typically higher rewards, higher risk

1	2	3	4	5	6	7

As the Fund has been available for less than 5 years, we have used simulated historical data for the part of the 5 year period before the Fund began. The Fund is ranked at 3* because, based on simulated data, it would have experienced low to medium levels of volatility over the past 5 years.

*As disclosed in the key investor information document dated 8 February 2016.

INVESTMENT ADVISER'S REVIEW

Over the period, the Fund has tracked the performance of the iBoxx Sterling Non-Gilts Index.

Corporate bonds were volatile, largely due to concerns over China and the impact of its slowing economic growth on global growth and on commodity prices. The prospect of rising US interest rates also kept market participants wary. Latterly, there was a rising incidence of company-specific negative news-flow such as Glencore and Volkswagen. In September, corporate bonds underperformed government bonds as yield spreads widened.

Towards the end of 2015, rising government bond yields and moderately tighter corporate bond spreads resulted in a small positive return from the asset class. Bond yields rose as we moved closer to the first interest rate hike by the US Federal Reserve in seven years. Corporate bonds performed reasonably well, with investors drawing comfort from forward guidance provided by US and other policymakers. However, although corporate bond spreads tightened, the returns generated by various sectors varied significantly. Basic materials and energy performed very poorly due to a sharp fall in commodity prices, while utilities and financial institutions were relatively strong. Banks were especially resilient, supported by de-leveraging and positive news flow from the sector.

The new calendar year began with some significant re-pricing of risk assets. Credit spreads across all sectors were marked materially wider as slower global growth levels and greater risks were priced in. Conversely, "safe haven" assets such as US Treasuries and UK Gilts performed strongly, with yields falling back towards their lows. Bonds issued by financial institutions and other higher risk areas of the credit market were the worst-performing areas of the investment universe, as earnings disappointments led to some fears over growth prospects for the banking sector.

This sharp sell-off in credit markets as well as in other risk assets has pushed credit spreads (risk premiums) back to levels last seen in 2011, when investors were concerned about the future of the Eurozone. The economic environment is still reasonably constructive for credit. The preoccupation of all participants with the generation of some inflationary pressure in developed markets, while understandable, is leading to some unusual re-pricing. Low default rates and stable credit fundamentals continue to offer support, and returns can improve materially on a turn in sentiment.

Aberdeen Asset Investments Limited
March 2016

Distribution

XD dates	Payment dates
30/11/15	31/01/16
29/02/16	30/04/16

Ongoing charges figure

	29/02/16 %	31/08/15 %
W Gross Accumulation	0.02	0.02

The ongoing charges figure (OCF) is the total expenses paid by each share class in the period, annualised, against its average net asset value. It excludes the cost of buying or selling assets for the Fund (unless these assets are shares of another fund). The OCF can fluctuate as underlying costs change.

Details of investments

Investments	29/02/16 %	31/08/15 %
Sterling Denominated Bonds	96.04	96.77
Collective Investment Schemes	1.78	1.33
Net other assets	2.18	1.90
Total net assets	100.00	100.00

Net asset value

	NAV per share 29/02/16 (p)	NAV per share 31/08/15 (p)	NAV percentage change %
W Gross Accumulation	109.18	107.75	1.33

Performance record

	01/09/15 to 29/02/16 %	01/09/14 to 31/08/15 %
Corporate Bond Tracker Fund W Gross Accumulation	0.92	4.32

Source: Scottish Widows Unit Trust Managers Limited. Basis: Gross revenue reinvested and net of expenses.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

Distribution

	First quarter 30/11/15 (p)	Interim 29/02/16 (p)
W Gross Accumulation	0.9099	0.9073

Major holdings

	29/02/16 %		31/08/15 %
1. UK Treasury 1% 07/09/2017	1.78	UK Treasury 1% 07/09/2017	3.07
2. iShares Core GBP Corporate Bond UCITS ETF	1.12	iShares Core GBP Corporate Bond UCITS ETF	1.17
3. UK Treasury 1.25% 22/07/2018	1.01	UK Treasury 2% 22/07/2020	1.14
4. European Investment Bank 1.5% 01/02/2019	0.99	KFW 6% 07/12/2028	0.80
5. KFW 6% 07/12/2028	0.95	KFW 3.75% 07/09/2016	0.75
Number of holdings: 704		Number of holdings: 670	

Summary of portfolio by credit ratings

Rating block	29/02/16 %	31/08/15 %
Investment grade (AAA to BBB-)	94.87	96.33
Non-Investment grade (BB+ to C)	0.39	0.44
Unrated	0.78	-
Total bonds	96.04	96.77
Other	3.96	3.23
Total net assets	100.00	100.00

The credit ratings used in the above table have been supplied by Standard & Poor's, Moody's or Fitch Ratings.

GLOBAL TACTICAL ASSET ALLOCATION 1 FUND

for the six month period ended 29 February 2016

FUND PROFILE

Fund objectives and investment policy

The Fund aims to provide a positive return over 3 year rolling periods independent of market conditions. Capital in the Fund is at risk and there is no guarantee that the Fund will deliver a positive return over that specific, or any, time period. The Fund will invest primarily in derivative instruments. These will give exposure to a range of asset classes and markets. The fund manager may use long and synthetic short positions. The fund manager will operate a tactical asset allocation policy, this means exposures to asset classes and markets will vary over time at the fund manager's discretion.

All, or a substantial proportion, of the non-derivative assets of the Fund may at any time consist of cash, near cash, deposits and/or money market instruments when the active risk exposure is achieved through derivatives.

Exposure to equities and equity-linked securities will be taken at regional levels as well as in specific countries. Bond exposure will be achieved primarily through index-based derivative instruments and government bond future contracts, as well as select direct holdings.

Commodity exposure will be achieved through index-based commodity derivative instruments and exchange-traded funds. Currency exposure will be linked to positions in the underlying markets. Over-the-counter (OTC) instruments such as index-based total return swaps may be used for property and commodities exposures. Credit default swaps may be used to achieve broad credit exposures.

The Fund may also invest in transferable securities, other collective investment schemes, and warrants. Derivatives may also be used for efficient portfolio management purposes.

Short exposure to an asset means the Fund could benefit if that asset falls in value. Long exposure to an asset means the Fund could benefit if that asset rises in value.

Investors should aim to hold their investment in the Fund for the medium to long term (at least five to ten years).

Any income received by the Fund is retained in the Fund and has the effect of increasing the share price.

We calculate the value of the Fund at 8am daily on working days in the UK. Our dealing times are from 9am to 5pm each working day. Instructions received before 5pm will receive the next day's price.

Synthetic risk and reward profile

There are several different ways of measuring risk. The table below uses an industry standard measure of fund risk based on measuring a funds' volatility using its returns over the past five years. Volatility is generated by both rising and falling prices. Volatility doesn't tell you how much a fund has lost or gained; it indicates how volatile its returns were historically. The Fund's ranking may change over time and may not be a reliable indication of its future risk profile.

This is a separate measure to Scottish Widows' Investment Approaches (where we use our own methodology to take an overall look at funds' risks and aims and categorise our funds as Secure, Cautious, Balanced, Progressive, Adventurous or Specialist). You can read more about them at **www.scottishwidows.co.uk/investmentapproaches**

Typically lower rewards, lower risk ← → Typically higher rewards, higher risk

1	2	3	4	5	6	7

As the Fund has been available for less than 5 years, we have used simulated historical data for the part of the 5 year period before the Fund began. The Fund is ranked at 3* because, based on simulated data, it would have experienced low to medium levels of volatility over the past 5 years.

*As disclosed in the key investor information document dated 8 February 2016.

INVESTMENT ADVISER'S REVIEW

The Global Tactical Asset Allocation 1 Fund takes exposure to equity and bond markets mainly via futures and derivatives.

Looking first at equities, most markets struggled over the review period, with UK shares finishing close to where they were at the beginning of September. After a positive end to 2015, shares suffered some heavy losses during January and February 2016. Nervousness about the Chinese economy and concerns that the collapse in the oil price could presage a global economic slowdown lay behind the falls.

US equities also finished the period flat. Although economic data has provided evidence of continuing recovery in the world's largest economy, there were concerns that the US Federal Reserve's first interest rate increase since the global financial crisis could act as a barrier to further growth. When the rise eventually came in December, it was calmly received. However, investors soon turned their attentions to the timing and pace of future rate rises.

Meanwhile, central banks in other regions, including Europe and Japan, moved rates in the other direction in their effort to kick-start growth in their slowing economies. Both European and Japanese stock markets suffered heavy losses in February. The Fund held relatively large positions in both European and Japanese equities, which had a negative effect on the Fund's performance.

Corporate bonds also failed to make much progress during the review period and experienced some severe periods of volatility. This was largely due to concerns over China and the impact of its slowing economic growth on the global economy. The prospect of rising US interest rates also kept market participants wary. There was a rising incidence of company-specific news-flow, most of it negative. This affected bonds issued by companies such as Glencore and Volkswagen.

for the six month period ended 29 February 2016

INVESTMENT ADVISER'S REVIEW (CONTINUED)

Government bonds outperformed those issued by companies. The asset class tends to perform well during times of uncertainty due to the perceived safety of government debt. The Fund's relatively small position in government bonds was detrimental to performance.

We have recently become a bit more cautious about the prospects for equity markets, as global economic activity appears to be slowing, despite the efforts of central banks around the world. This could have a detrimental effect on corporate profits. Under these circumstances, it is possible that government bonds will continue to prove popular and that government bond yields could remain close to their current record lows, at least in the short term.

Aberdeen Asset Investments Limited
March 2016

Ongoing charges figure

	29/02/16 %	31/08/15 %
X Accumulation	0.02	0.01

The ongoing charges figure (OCF) is the total expenses paid by each share class in the period, annualised, against its average net asset value. It excludes the cost of buying or selling assets for the Fund (unless these assets are shares of another fund). The OCF can fluctuate as underlying costs change.

Details of investments

Investments	29/02/16 %	31/08/15 %
Short Term Deposits	84.65	84.56
Collective Investment Schemes	12.23	12.00
Derivatives	(4.50)	1.14
Net other assets	7.62	2.30
Total net assets	100.00	100.00

Net asset value

	NAV per share 29/02/16 (p)	NAV per share 31/08/15 (p)	NAV percentage change %
X Accumulation	97.08	102.39	(5.19)

Performance record

	01/09/15 to 29/02/16 %	01/09/14 to 31/08/15 %
Global Tactical Asset Allocation 1 Fund X Accumulation	(5.06)	4.62

Source: Scottish Widows Unit Trust Managers Limited. Basis: Net revenue reinvested and net of expenses.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

Major holdings

	29/02/16	%	31/08/15	%
1.	Short Term Deposits	84.65	Short Term Deposits	84.56
2.	iShares $ TIPS UCITS ETF	4.05	Aberdeen Global Liquidity Sterling Fund Advisory	12.00
3.	iShares Euro Inflation Linked Government Bond UCITS ETF	3.98	MSCI Pacific Index Futures September 2015	1.07
4.	iShares GBP Index-Linked Gilts UCITS ETF	3.78	ITRAXX Credit Default SWAP Rec 1% 20/06.2020	0.76
5.	MSCI Pacific Index Futures March 2016	0.42	IG Series 23 Default Swap Rec 5% 20/06/2020	0.12

Number of holdings: 52 Number of holdings: 40

Please note: negative figures are shown in brackets.

GLOBAL TACTICAL ASSET ALLOCATION 2 FUND

for the six month period ended 29 February 2016

FUND PROFILE

Fund objectives and investment policy

To provide a positive return over 3 year rolling periods independent of market conditions. Capital in the Fund is at risk and there is no guarantee that the Fund will deliver a positive return over that specific, or any, time period. The Fund will invest primarily in derivative instruments. These will give exposure to a range of asset classes and markets. The fund manager may use long and synthetic short positions. The fund manager will operate a tactical asset allocation policy, this means exposures to asset classes and markets will vary over time at the fund manager's discretion.

All, or a substantial proportion, of the non-derivative assets of the Fund may at any time consist of cash, near cash, deposits and/or money market instruments when the active risk exposure is achieved through derivatives.

Exposure to equities and equity-linked securities will be taken at regional levels as well as in specific countries. Bond exposure will be achieved primarily through index-based derivative instruments and government bond future contracts, as well as select direct holdings.

Commodity exposure will be achieved through index-based commodity derivative instruments and exchange-traded funds. Currency exposure will be linked to positions in the underlying markets. Over-the-counter (OTC) instruments such as index-based total return swaps may be used for property and commodities exposures. Credit default swaps may be used to achieve broad credit exposures.

The Fund may also invest in transferable securities, other collective investment schemes, and warrants. Derivatives may also be used for efficient portfolio management purposes.

Short exposure to an asset means the Fund could benefit if that asset falls in value. Long exposure to an asset means the Fund could benefit if that asset rises in value.

Investors should aim to hold their investment in the Fund for the medium to long term (at least five to ten years).

Any income received by the Fund is retained in the Fund and has the effect of increasing the share price.

We calculate the value of the Fund at 8am daily on working days in the UK. Our dealing times are from 9am to 5pm each working day. Instructions received before 5pm will receive the next day's price.

Synthetic risk and reward profile

There are several different ways of measuring risk. The table below uses an industry standard measure of fund risk based on measuring a funds' volatility using its returns over the past five years. Volatility is generated by both rising and falling prices. Volatility doesn't tell you how much a fund has lost or gained; it indicates how volatile its returns were historically. The Fund's ranking may change over time and may not be a reliable indication of its future risk profile.

This is a separate measure to Scottish Widows' Investment Approaches (where we use our own methodology to take an overall look at funds' risks and aims and categorise our funds as Secure, Cautious, Balanced, Progressive, Adventurous or Specialist). You can read more about them at **www.scottishwidows.co.uk/investmentapproaches**

Typically lower rewards, lower risk ← → Typically higher rewards, higher risk

1	2	3	4	5	6	7

As the Fund has been available for less than 5 years, we have used simulated historical data for the part of the 5 year period before the Fund began. The Fund is ranked at 1* because, based on simulated data, it would have experienced very low levels of volatility over the past 5 years.

*As disclosed in the key investor information document dated 8 February 2016.

INVESTMENT ADVISER'S REVIEW

An Investment Adviser's review is not provided for the Global Tactical Asset Allocation 2 Fund as the Fund has not commenced trading.

Ongoing charges figure

	29/02/16 %	31/08/15 %
W Gross Accumulation	-	-

There have been no expenses charged to the Fund, therefore no OCF has been stated.

Details of investments

Investments	29/02/16 %	31/08/15 %
Net other assets	100.00	100.00
Total net assets	100.00	100.00

Net asset value

	NAV per share 29/02/16 (p)	NAV per share 31/08/15 (p)	NAV percentage change %
W Gross Accumulation	100.00	100.00	-

PROGRESSIVE GROWTH FUND

for the six month period ended 29 February 2016

FUND PROFILE

Fund objectives and investment policy

This Fund aims to provide long-term capital growth mainly through investment in collective investment schemes.

The Fund aims to provide exposure mainly to equities (which may include UK, overseas and emerging markets). The Fund may also provide exposure to property (which can be both in the UK and overseas) and bonds (this may include UK Government bonds, index-linked securities, other UK fixed interest securities, overseas bonds and high yield bonds). In addition the Fund may also provide exposure to commodities and other alternative assets such as derivatives. This Fund invests principally in a range of funds managed by, or operated within, the Lloyds Banking Group.

High yield bonds are also known as Non-investment grade bonds. Non-investment grade bonds have not been awarded the minimum rating required to meet the investment grade rating. Therefore they are considered higher risk than bonds with a higher credit rating. Credit ratings indicate the likelihood that an issuer will be able to make their payments.

Investors should aim to hold their investment in this Fund for the medium to long-term (at least five to ten years).

Any income received by the Fund is retained in the Fund and has the effect of increasing the share price.

The Fund is allowed to use derivatives (contracts which have a value linked to the price of another asset) for the following reasons, normally referred to as Efficient Portfolio Management (EPM):

- To help reduce risk;
- To help reduce cost;
- To help generate extra capital or income for the Fund with a risk level consistent with the risk profile of the Fund; and
- To help manage the effect of fluctuations in exchange rates with Sterling.

We calculate the value of this Fund at 8am daily on working days in the UK. Our dealing times are from 9am to 5pm each working day. Instructions received before 5pm will receive the next day's price.

Synthetic risk and reward profile

There are several different ways of measuring risk. The following table uses an industry standard measure of fund risk based on measuring a fund's volatility using its returns over the past five years. Volatility is generated by both rising and falling prices. Volatility doesn't tell you how much a fund has lost or gained; it indicates how volatile its returns were historically. The Fund's ranking may change over time and may not be a reliable indication of its future risk profile.

This is a separate measure to Scottish Widows' Investment Approaches (where we use our own methodology to take an overall look at funds' risks and aims and categorise our funds as Secure, Cautious, Balanced, Progressive, Adventurous or Specialist). You can read more about them at **www.scottishwidows.co.uk/investmentapproaches**

Typically lower rewards, lower risk ← → Typically higher rewards, higher risk

1	2	3	4	5	6	7

The Fund is ranked at 5* because it has experienced medium to high levels of volatility over the past 5 years.

*As disclosed in the key investor information document dated 8 February 2016.

INVESTMENT ADVISER'S REVIEW

The Progressive Growth Fund invests in a blend of UK and global equities, high yield corporate bonds and commercial property. Over the last six months, the Fund fell in value by 0.15%.

The Fund's largest position is in equities, mostly within the UK market. Share prices in the UK finished close to where they were at the beginning of September. After a positive end to 2015, the market suffered some heavy losses during January and February. Nervousness about the Chinese economy and concerns that the collapse in the oil price could presage a global slowdown lay behind the falls.

US equities also finished the period flat. Although economic data has provided evidence of continuing recovery in the world's largest economy, there were concerns that the US Federal Reserve's first interest rate increase since the global financial crisis could act as a barrier to further growth. When the rise eventually came in December, it was calmly received. However, investors soon turned their attentions to the timing and pace of future rate rises.

Meanwhile, central banks in other regions, including Europe and Japan, moved rates in the other direction in their effort to kick-start growth in their slowing economies. Both European and Japanese stock markets suffered heavy losses in February. In Japan, the central bank has even gone as far as to cut interest rates below zero. This means that banks are effectively being charged to hold funds with the Bank of Japan. The move was not well received by investors and Japan suffered some of the heaviest losses over the period.

The Fund once again benefited from its position in commercial property, as the asset class was responsible for delivering some of the best returns over the review period. We retain a preference for commercial property. This has been a long-term overweight position within the Fund and had a positive effect on performance over the period. Stock selection within the property portfolio was also positive, thereby further enhancing returns to investors.

Overall, the Fund remains well diversified, which should ensure it is positioned to minimise risks during times of market turbulence, while participating in any market gains.

Aberdeen Asset Investments Limited
March 2016

Ongoing charges figure

	29/02/16 %	31/08/15 %
D Accumulation	1.72	1.76
E Accumulation	1.47	1.51
F Accumulation	1.22	1.26
X Accumulation	0.12	0.16

The ongoing charges figure (OCF) is the total expenses paid by each share class in the period, annualised, against its average net asset value. It excludes the cost of buying or selling assets for the Fund (unless these assets are shares of another fund). The OCF can fluctuate as underlying costs change.

Details of investments

Investments	29/02/16 %	31/08/15 %
Financials	96.43	96.58
Sterling Denominated Bonds	0.00	0.00
Derivatives	0.31	(0.62)
Net other assets	3.26	4.04
Total net assets	100.00	100.00

Net asset value

	NAV per share 29/02/16 (p)	NAV per share 31/08/15 (p)	NAV percentage change %
D Accumulation	136.79	137.90	(0.80)
E Accumulation	138.41	139.37	(0.69)
F Accumulation	140.11	140.92	(0.57)
X Accumulation	147.48	147.66	(0.12)

Performance record

	01/09/15 to 29/02/16 %	01/09/14 to 31/08/15 %	01/09/13 to 31/08/14 %	01/09/12 to 31/08/13 %	01/09/11 to 31/08/12 %	01/09/10 to 31/08/11 %
Progressive Growth Fund D Accumulation	(0.15)	(1.23)	9.73	12.46	7.35	3.36

Source: Lipper. Basis: Net revenue reinvested and net of expenses.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

Major holdings

	29/02/16	%	31/08/15	%
1.	HBOS UK FTSE All-Share Index Tracking Fund I Inc	17.74	HBOS UK FTSE All-Share Index Tracking Fund I Inc	20.52
2.	Scottish Widows UK All Share Tracker Fund X Acc	16.88	HBOS UK Property Fund I Inc	17.76
3.	HBOS UK Property Fund I Inc	16.39	Scottish Widows UK All Share Tracker Fund X Acc	16.76
4.	Scottish Widows Global Tactical Asset Allocation 1 Fund X Acc	9.43	Scottish Widows Global Tactical Asset Allocation 1 Fund X Acc	9.92
5.	Scottish Widows European Equity Tracker Fund X Acc	7.06	Scottish Widows European Equity Tracker Fund X Acc	6.61
	Number of holdings: 29		Number of holdings: 31	

Please note: negative figures are shown in brackets.

UK INDEX LINKED GILT FUND

for the six month period ended 29 February 2016

FUND PROFILE

Fund objectives and investment policy

The Fund aims to maximise returns based on a combination of income and capital.

The Fund will invest predominantly in index-linked interest bearing securities issued by the UK government.

The Fund may also invest in other types of index-linked securities, including those issued by other governments as well as in other transferable securities, money market instruments, deposits, cash, near cash, other collective investment schemes and warrants.

Use may also be made of stock lending and hedging. It is the ACD's intention that non-sterling investments will be hedged back to sterling.

Investors should aim to hold their investment in the Fund for the medium to long term (at least five to ten years).

Any income received by the Fund is retained in the Fund and has the effect of increasing the share price.

The Fund is allowed to use derivatives (contracts which have a value linked to the price of another asset) for the following reasons, normally referred to as Efficient Portfolio Management (EPM):

- To help reduce risk;
- To help reduce cost;
- To help generate extra capital or income for the Fund with a risk level consistent with the risk profile of the Fund; and
- To help manage the effect of fluctuations in exchange rates with Sterling.

We calculate the value of the Fund at 8am daily on working days in the UK. Our dealing times are from 9am to 5pm each working day. Instructions received before 5pm will receive the next day's price.

Synthetic risk and reward profile

There are several different ways of measuring risk. The table below uses an industry standard measure of fund risk based on measuring a funds' volatility using its returns over the past five years. Volatility is generated by both rising and falling prices. Volatility doesn't tell you how much a fund has lost or gained; it indicates how volatile its returns were historically. The Fund's ranking may change over time and may not be a reliable indication of its future risk profile.

This is a separate measure to Scottish Widows' Investment Approaches (where we use our own methodology to take an overall look at funds' risks and aims and categorise our funds as Secure, Cautious, Balanced, Progressive, Adventurous or Specialist). You can read more about them at **www.scottishwidows.co.uk/investmentapproaches**

Typically lower rewards, lower risk ← → Typically higher rewards, higher risk

1	2	3	4	5	6	7

As the Fund has been available for less than 5 years, we have used simulated historical data for the part of the 5 year period before the Fund began. The Fund is ranked at 4* because, based on simulated data, it would have experienced medium levels of volatility over the past 5 years.

*As disclosed in the key investor information document dated 8 February 2016.

INVESTMENT ADVISER'S REVIEW

UK government bonds were volatile in the six months to 29 February 2016. On the one hand, they have benefited from accommodative monetary policy and a continued atmosphere of political uncertainty. This latter factor has resulted in heightened risk aversion, encouraging a flight to the perceived safety and quality of the Gilt market. For much of the review period, this was countered by a rise in inflation expectations and an accompanying expectation that UK interest rates were likely to rise. That expectation diminished as the review period wore on. While the Bank of England's monetary policy committee (MPC) was consistently split 8-1 against an interest rate hike in the later stages of the review period, market pricing for the first interest rate hike has fluctuated wildly. After a revision of the Bank of England's 2016 inflation forecasts, caused primarily by a precipitous fall in commodity prices, markets are not now fully pricing in the first rate rise until November 2017.

Gilt yields, while volatile, were range-bound during the early part of the review period. While yields were pushed higher towards the end of 2015, due to increased optimism on the global outlook following the US Federal Reserve's hike in rates, the risk aversion move reasserted itself with a vengeance in the new year. The 10-year Gilt yield fell 0.63 percentage points between 1 January and 29 February to finish the period at 1.33%.

In the first few months of the review period the UK Index-Linked Gilt Fund slightly underperformed the benchmark as a result of relative-value type trades.

However, in November we added a reverse breakeven position of 30-year maturity. This involved buying a conventional bond and selling the equivalent maturity index-linked bond, hoping the spread between the two would narrow) i.e. conventional bonds would outperform index-linked bonds).

Thirty-year breakevens were looking expensive, both from a valuation perspective and from various fundamental and technical factors. At the time, there was a relatively weak outlook for UK inflation. We also expected decent liability-driven investment demand at the long end of the curve, asset purchase facility purchases and coupon re-investment flow to also support the trade. We took profits on this trade in December, judging that breakevens had moved more into line with fair value. Since the turn of the year, outperformance has been driven by relative-value type trades.

We are maintaining a neutral duration position in line with the benchmark. Despite market volatility, we feel real yields are fairly valued. We hold a similar neutral view on the slope of the yield curve, with demand from liability driven investors at the long end. We view the flatness of the real yield curve as being largely consistent with demand for long-dated index-linked bonds.

Aberdeen Asset Investments Limited
March 2016

UK INDEX LINKED GILT FUND (CONTINUED)

for the six month period ended 29 February 2016

Distribution

XD dates	Payment dates
30/11/15	31/01/16
29/02/16	30/04/16

Ongoing charges figure

	29/02/16 %	31/08/15 %
W Gross Accumulation	0.01	0.01

The ongoing charges figure (OCF) is the total expenses paid by each share class in the period, annualised, against its average net asset value. It excludes the cost of buying or selling assets for the Fund (unless these assets are shares of another fund). The OCF can fluctuate as underlying costs change.

Details of investments

Investments	29/02/16 %	31/08/15 %
Sterling Denominated Bonds	99.58	99.55
Net other assets	0.42	0.45
Total net assets	100.00	100.00

Net asset value

	NAV per share 29/02/16 (p)	NAV per share 31/08/15 (p)	NAV percentage change %
W Gross Accumulation	118.37	116.91	1.25

Distribution

	First quarter 30/11/15 (p)	Interim 29/02/16 (p)
W Gross Accumulation	0.2866	0.2695

Performance record

	01/09/15 to 29/02/16 %	01/09/14 to 31/08/15 %
UK Index Linked Gilt Fund W Gross Accumulation	0.94	10.24

Source: Scottish Widows Unit Trust Managers Limited. Basis: Gross revenue reinvested and net of expenses.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

Major holdings

		29/02/16 %		31/08/15 %
1.	UK Treasury 1.875% Index-Linked 22/11/2022	14.42	UK Treasury 1.875% Index-Linked 22/11/2022	14.17
2.	UK Treasury 1.25% Index-Linked 22/11/2027	8.62	UK Treasury 1.25% Index-Linked 22/11/2027	10.90
3.	UK Treasury 0.625% Index-Linked 22/03/2040	7.49	UK Treasury 0.625% Index-Linked 22/03/2040	7.87
4.	UK Treasury 1.25% Index-Linked 22/11/2055	5.98	UK Treasury 1.25% Index-Linked 22/11/2055	6.59
5.	UK Treasury 0.375% Index-Linked 22/03/2062	5.68	UK Treasury 0.375% Index-Linked 22/03/2062	6.08
6.	UK Treasury 0.25% Index-Linked 22/03/2052	5.30	UK Treasury 0.625% Index-Linked 22/11/2042	5.47
7.	UK Treasury 2.5% Index-Linked 17/07/2024	5.04	UK Treasury 0.25% Index-Linked 22/03/2052	5.40
8.			UK Treasury 2.5% Index-Linked 17/07/2024	5.06
	Number of holdings: 24		Number of holdings: 22	

Summary of portfolio by credit ratings

Rating block	29/02/16 %	31/08/15 %
Investment grade (AAA to BBB-)	99.58	99.55
Total bonds	99.58	99.55
Other	0.42	0.45
Total net assets	100.00	100.00

The credit ratings used in the above table have been supplied by Standard & Poor's, Moody's or Fitch Ratings.

UK MID & SMALL CAP TRACKER FUND

for the six month period ended 29 February 2016

FUND PROFILE

Fund objectives and investment policy

To provide a combination of capital growth and income based on the performance of the FTSE All Share Index but excluding exposure to the FTSE 100 Total Return Index. The Fund will invest primarily in UK Mid and Small cap equities included in the FTSE All Share Index but excluding those also included in the FTSE 100 Total Return Index.

The Fund may use a number of methods to track its selected index. Discretion may be used in deciding which investments will be included in the Fund.

The Fund may also invest in equity-linked securities being preference shares, rights issues and equity linked notes, cash, near cash, deposits, other collective investment schemes and warrants.

The Fund may also use stock lending, borrowing and hedging.

The Fund is allowed to use derivatives (contracts which have a value linked to the price of another asset) for the following reasons, normally referred to as Efficient Portfolio Management (EPM), in addition to their use for investment purposes:

- to help reduce risk;
- to help reduce cost; and
- to help generate extra capital or income for the Fund with a risk level consistent with the risk profile of the Fund.

Investors should aim to hold their investment in the Fund for the medium to long term (at least five to ten years).

Any income received by the Fund is retained in the Fund and has the effect of increasing the share price.

We calculate the value of the Fund at 8am daily on working days in the UK. Our dealing times are from 9am to 5pm each working day. Instructions received before 5pm will receive the next day's price.

Synthetic risk and reward profile

There are several different ways of measuring risk. The table below uses an industry standard measure of fund risk based on measuring a funds' volatility using its returns over the past five years. Volatility is generated by both rising and falling prices. Volatility doesn't tell you how much a fund has lost or gained; it indicates how volatile its returns were historically. The Fund's ranking may change over time and may not be a reliable indication of its future risk profile.

This is a separate measure to Scottish Widows' Investment Approaches (where we use our own methodology to take an overall look at funds' risks and aims and categorise our funds as Secure, Cautious, Balanced, Progressive, Adventurous or Specialist). You can read more about them at **www.scottishwidows.co.uk/investmentapproaches**

Typically lower rewards, lower risk ← → Typically higher rewards, higher risk

1	2	3	4	5	6	7

As the Fund has been available for less than 5 years, we have used simulated historical data for the part of the 5 year period before the Fund began. The Fund is ranked at 5* because, based on simulated data, it would have experienced medium to high levels of volatility over the past 5 years.

*As disclosed in the key investor information document dated 8 February 2016.

INVESTMENT ADVISER'S REVIEW

An Investment Adviser's review is not provided for the UK Mid & Small Cap Tracker Fund as the Fund has not commenced trading.

for the six month period ended 29 February 2016

Ongoing charges figure

	29/02/16 %	31/08/15 %
X Accumulation	-	-

There have been no expenses charged to the Fund, therefore no OCF has been stated.

Details of investments

Investments	29/02/16 %	31/08/15 %
Net other assets	100.00	100.00
Total net assets	100.00	100.00

Net asset value

	NAV per share 29/02/16 (p)	NAV per share 31/08/15 (p)	NAV percentage change %
X Accumulation	100.00	100.00	-

CAPITAL PROTECTED FUND 18

for the six month period ended 29 February 2016

FUND PROFILE

Fund objectives and investment policy

- On the Protection Date to provide:
  - a protected minimum amount, and
  - capital growth linked to the performance of a stock market index.

Definitions

Capital Protected Price is the minimum Share Price the Fund aims to achieve on the Protection Date.

Protection Date is the date on which the Share Price reflects the maturity value of the derivatives.

Derivative Date is the date on and from which the Scheme Property is invested in derivatives.

Cash Investment Period is the period during which Shares may be issued.

Growth Potential Period is the period during which the Scheme Property is invested in derivatives.

Increase means the amount (if any) (expressed as a percentage and subject to the Upper Limit) by which the Index has grown over the Growth Potential Period and subject to any Averaging.

Index is the FTSE 100.

Upper limit is 48%. This is a cap on the Increase such that if the Increase is greater than 48% Shareholders will only get an increase of 48% (i.e. the Participation Rate x 48% = 48%).

Risks

General risks that apply to your investment:

- If you sell your shares before the Protection Date, you are likely to get back less than you've invested, in some circumstances substantially less.
- Tax rules can change. New or changing tax practices and legislation could affect what you get back at the end of the term or when you sell your shares.
- The favourable tax treatment of ISAs may not be maintained.
- Terms for the Fund are set several weeks in advance of the start of the Cash Investment Period, based on the price of the Derivatives at that time, hence the terms may or may not compare favourably with those currently available in the market at the date the shareholder invests.
- If insufficient money is received into the Fund, or the provider of the Derivatives fails to meet the contract terms on the Derivative Date, the Authorised Corporate Director (ACD) may wind up the Fund and return your investment.
- If you cancel during the 14 days following receipt of your Cancellation Notice you are likely to get back less than you invested if the investments in the Fund have fallen in value. You will, however, receive a full refund of any initial charge that has been deducted.
- Inflation will reduce the real value of your money in the future.

Risks that apply specifically during the Cash Investment Period:

- During this period the Fund invests in cash on deposit and other similar investments, in part by investing in the Global Liquidity Fund which is managed by our Investment Adviser, Aberdeen Asset Investments Limited. Should any one or more of these fail then you are likely to get back less than you invested, in some circumstances substantially less.
- When the Fund is invested in cash and other similar investments during the period up to the Derivative Date your investment may not receive any interest and may fall in value.

Risks that apply specifically during the Growth Potential Period:

- If you sell your shares while the Fund is invested in Derivatives, the value of your investment will depend on the value of the Derivatives. The value of these will depend to some extent on the level of the Index, but will also be affected by other factors, such as the volatility of the market, the level of interest rates and the time to maturity of the Derivatives. Therefore what you get back will not equal actual Index growth.
- During the Growth Potential Period the Fund will hold investments known as Derivatives. These Derivatives are arranged with a single counterparty. Should that counterparty fail to meet its obligations, then you might get back less than you invested. To help protect you from this risk, collateral (cash or other investments we feel are suitable), is received from the counterparty and deposited with an independent custodian (the independent custodian for the Fund is State Street Bank & Trust Company). Should the counterparty fail, we will use this collateral.
- If the Derivative provider (the counterparty) fails to meet its obligations and this coincides with the Fund having collateral which fails or which is deposited with an institution that fails, then you are likely to get back significantly less than you invested.

FUND PROFILE (CONTINUED)

Risks that apply specifically at the end of the term:

- At the end of the term, you might get back less than if you invested directly in the shares that make up the Index. This is mainly because:
  - a cap is set on any amount payable in addition to your Capital Protected Value, this could mean you receive less growth.
  - if you held shares directly you would be paid an income (dividends); and
  - the Averaging that's applied to determine the value of the Index will mean that if the Index rises, your returns may be lower than investing in the shares of the Index directly where Averaging would not apply.
- In the event that the Index cannot be used, this might affect the value of your investment.

Synthetic risk and reward profile

A synthetic risk and reward indicator (SRRI) is not provided for any of our Capital Protected Funds (CPF's) as they are now closed to new business.

INVESTMENT ADVISER'S REVIEW

The Fund is designed to provide investors with a Capital Protected Value on the Protection Date together with capital growth linked to the performance of the FTSE 100 Index. The Fund is invested primarily in derivatives that are designed to provide, on the Protection Date, both growth linked to the FTSE 100 Index and protection so that, if the index goes down, the amount you invested should remain safe, provided you hold your investment to the Protection Date.

The Cash Investment Period ran from 7 February 2011 to 6 May 2011, during which time the Fund invested in cash or similar instruments. The Fund began investing in derivatives on 20 May 2011, at which point the FTSE 100 Index stood at 5,948.49. At the end of the reporting period the FTSE 100 Index stood at 6,097.09.

Large cap UK equity markets were slightly down over the six-month period. This was partly due to weakness in energy and commodity prices. This has had a negative influence throughout 2015 because of the large number of global oil and mining companies that are listed in the UK.

More recently, the possibility that the UK might leave the European Union (or 'Brexit' as it has become known in the media) was the most-talked-about topic. The date of the referendum was announced as 23 June, prompting several politicians to announce whether they would be campaigning for the UK to remain in or leave the 28-nation bloc. While the prospect of a protracted in/out battle over the coming four months caused the pound to plummet to its lowest level against the US dollar since 2009, equity investors seemed relatively unfazed by all the 'Brexit' speculation. The stock market performed very well following the referendum announcement, recovering all of the losses it had incurred earlier in February.

Aberdeen Asset Investments Limited
March 2016

Ongoing charges figure

	29/02/16 %	31/08/15 %
M Accumulation	-	-

There are no expenses charged to the Fund, therefore no OCF has been stated.

Details of investments

Investments	29/02/16 %	31/08/15 %
Derivatives	100.02	99.98
Net other (liabilities)/assets	(0.02)	0.02
Total net assets	100.00	100.00

Net asset value

	NAV per share 29/02/16 (p)	NAV per share 31/08/15 (p)	NAV percentage change %
M Accumulation	110.16	110.03	0.12

The Protection Date for the M share class is 5 May 2017.
The Capital Protected Price is 108.30p.
The FTSE 100 Index starting value is 5,948.49.

Performance record

	01/09/15 to 29/02/16 %	01/09/14 to 31/08/15 %	01/09/13 to 31/08/14 %	01/09/12 to 31/08/13 %	01/09/11 to 31/08/12 %	20/05/11 to 31/08/11 %
Capital Protected Fund 18 M Accumulation	(0.55)	(4.22)	5.18	5.36	14.05	(10.04)

Source: Scottish Widows Unit Trust Managers Limited. Basis: Net revenue reinvested and net of expenses.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

Holdings

		29/02/16 %		31/08/15 %
1.	Lloyds Bank plc 120% Put Option May 2017	92.74	Lloyds Bank plc 120% Put Option May 2017	108.20
2.	Lloyds Bank plc 100% Call Option May 2017	25.59	Lloyds Bank plc 100% Call Option May 2017	43.68
3.	Lloyds Bank plc 148% Call Option May 2017	-	Lloyds Bank plc 148% Call Option May 2017	(1.76)
4.	Lloyds Bank plc 120% Call Option May 2017	(3.26)	Lloyds Bank plc 120% Call Option May 2017	(15.11)
5.	Lloyds Bank plc 100% Put Option May 2017	(15.05)	Lloyds Bank plc 100% Put Option May 2017	(35.03)
	Number of holdings: 5		Number of holdings: 5	

Please note: negative figures are shown in brackets.

FUND PROFILE

Fund objectives and investment policy

- On the Protection Date to provide:
  - a protected minimum amount, and
  - capital growth linked to the performance of a stock market index.

Definitions

Capital Protected Price is the minimum Share Price the Fund aims to achieve on the Protection Date.

Protection Date is the date on which the Share Price reflects the maturity value of the derivatives.

Derivative Date is the date on and from which the Scheme Property is invested in derivatives.

Cash Investment Period is the period during which Shares may be issued.

Growth Potential Period is the period during which the Scheme Property is invested in derivatives.

Increase means the amount (if any) (expressed as a percentage and subject to the Upper Limit) by which the Index has grown over the Growth Potential Period and subject to any Averaging.

Index is the FTSE 100.

Upper limit is 82%. This is a cap on the Increase such that if the Increase is greater than 82% Shareholders will only get an increase of 82% (i.e. the Participation Rate x 82% = 82%).

Risks

General risks that apply to your investment:

- If you sell your shares before the Protection Date, you are likely to get back less than you've invested, in some circumstances substantially less.
- Tax rules can change. New or changing tax practices and legislation could affect what you get back at the end of the term or when you sell your shares.
- The favourable tax treatment of ISAs may not be maintained.
- Terms for the Fund are set several weeks in advance of the start of the Cash Investment Period, based on the price of the Derivatives at that time, hence the terms may or may not compare favourably with those currently available in the market at the date the shareholder invests.
- If insufficient money is received into the Fund, or the provider of the Derivatives fails to meet the contract terms on the Derivative Date, the Authorised Corporate Director (ACD) may wind up the Fund and return your investment.
- If you cancel during the 14 days following receipt of your Cancellation Notice you are likely to get back less than you invested if the investments in the Fund have fallen in value. You will, however, receive a full refund of any initial charge that has been deducted.
- Inflation will reduce the real value of your money in the future.

Risks that apply specifically during the Cash Investment Period:

- During this period the Fund invests in cash on deposit and other similar investments, in part by investing in the Global Liquidity Fund which is managed by our Investment Adviser, Aberdeen Asset Investments Limited. Should any one or more of these fail then you are likely to get back less than you invested, in some circumstances substantially less.
- When the Fund is invested in cash and other similar investments during the period up to the Derivative Date your investment may not receive any interest and may fall in value.

Risks that apply specifically during the Growth Potential Period:

- If you sell your shares while the Fund is invested in Derivatives, the value of your investment will depend on the value of the Derivatives. The value of these will depend to some extent on the level of the Index, but will also be affected by other factors, such as the volatility of the market, the level of interest rates and the time to maturity of the Derivatives. Therefore what you get back will not equal actual Index growth.
- During the Growth Potential Period the Fund will hold investments known as Derivatives. These Derivatives are arranged with a single counterparty. Should that counterparty fail to meet its obligations, then you might get back less than you invested. To help protect you from this risk, collateral (cash or other investments we feel are suitable), is received from the counterparty and deposited with an independent custodian (the independent custodian for the Fund is State Street Bank & Trust Company). Should the counterparty fail, we will use this collateral.
- If the Derivative provider (the counterparty) fails to meet its obligations and this coincides with the Fund having collateral which fails or which is deposited with an institution that fails, then you are likely to get back significantly less than you invested.

FUND PROFILE (CONTINUED)

Risks that apply specifically at the end of the term:

- At the end of the term, you might get back less than if you invested directly in the shares that make up the Index. This is mainly because:
  - a cap is set on any amount payable in addition to your Capital Protected Value, this could mean you receive less growth.
  - if you held shares directly you would be paid an income (dividends); and
  - the Averaging that's applied to determine the value of the Index will mean that if the Index rises, your returns may be lower than investing in the shares of the Index directly where Averaging would not apply.
- In the event that the Index cannot be used, this might affect the value of your investment.

Synthetic risk and reward profile

A synthetic risk and reward indicator (SRRI) is not provided for any of our Capital Protected Funds (CPF's) as they are now closed to new business.

INVESTMENT ADVISER'S REVIEW

The Fund is designed to provide investors with a Capital Protected Value on the Protection Date together with capital growth linked to the performance of the FTSE 100 Index. The Fund is invested primarily in derivatives that are designed to provide, on the Protection Date, both growth linked to the FTSE 100 Index and protection so that, if the index goes down, the amount you invested should remain safe, provided you hold your investment to the Protection Date.

The Cash Investment Period ran from 9 May 2011 to 2 September 2011, during which time the Fund invested in cash or similar instruments. The Fund began investing in derivatives on 16 September 2011, at which point the FTSE 100 Index stood at 5,368.41. At the end of the reporting period the FTSE 100 Index stood at 6,097.09.

Large cap UK equity markets were slightly down over the six-month period. This was partly due to weakness in energy and commodity prices. This has had a negative influence throughout 2015 because of the large number of global oil and mining companies that are listed in the UK.

More recently, the possibility that the UK might leave the European Union (or 'Brexit' as it has become known in the media) was the most-talked-about topic. The date of the referendum was announced as 23 June, prompting several politicians to announce whether they would be campaigning for the UK to remain in or leave the 28-nation bloc. While the prospect of a protracted in/out battle over the coming four months caused the pound to plummet to its lowest level against the US dollar since 2009, equity investors seemed relatively unfazed by all the 'Brexit' speculation. The stock market performed very well following the referendum announcement, recovering all of the losses it had incurred earlier in February.

Aberdeen Asset Investments Limited
March 2016

Ongoing charges figure

	29/02/16 %	31/08/15 %
M Accumulation	-	-

There are no expenses charged to the Fund, therefore no OCF has been stated.

Details of investments

Investments	29/02/16 %	31/08/15 %
Derivatives	100.00	99.99
Net other assets	0.00	0.01
Total net assets	100.00	100.00

Net asset value

	NAV per share 29/02/16 (p)	NAV per share 31/08/15 (p)	NAV percentage change %
M Accumulation	119.12	118.10	0.86

The Protection Date for the M share class is 4 September 2017.
The Capital Protected Price is 108.80p.
The FTSE 100 Index starting value is 5,368.41.

Performance record

	01/09/15 to 29/02/16 %	01/09/14 to 31/08/15 %	01/09/13 to 31/08/14 %	01/09/12 to 31/08/13 %	16/09/11 to 31/08/12 %	01/09/11 to 16/09/11 %
Capital Protected Fund 19 M Accumulation	0.68	(4.40)	5.59	6.21	9.39	0.00

Source: Scottish Widows Unit Trust Managers Limited. Basis: Net revenue reinvested and net of expenses.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

Holdings

	29/02/16 %		31/08/15 %
1. Lloyds Bank plc 100% Call Option September 2017#	71.98	Lloyds Bank plc 100% Call Option September 2017	87.83
2. Lloyds Bank plc 120% Put Option September 2017#	56.98	Lloyds Bank plc 120% Put Option September 2017	64.72
3. Lloyds Bank plc 182% Call Option September 2017#	-	Lloyds Bank plc 182% Call Option September 2017	(1.80)
4. Lloyds Bank plc 100% Put Option September 2017#	(11.09)	Lloyds Bank plc 100% Put Option September 2017	(23.76)
5. Lloyds Bank plc 120% Call Option September 2017#	(17.87)	Lloyds Bank plc 120% Call Option September 2017	(27.00)
Number of holdings: 5		Number of holdings: 5	

Please note: negative figures are shown in brackets.

CAPITAL PROTECTED FUND 20

for the six month period ended 29 February 2016

FUND PROFILE

Fund objectives and investment policy

- On the Protection Date to provide:
  - a protected minimum amount, and
  - capital growth linked to the performance of a stock market index.

Definitions

Capital Protected Price is the minimum Share Price the Fund aims to achieve on the Protection Date.

Protection Date is the date on which the Share Price reflects the maturity value of the derivatives.

Derivative Date is the date on and from which the Scheme Property is invested in derivatives.

Cash Investment Period is the period during which Shares may be issued.

Growth Potential Period is the period during which the Scheme Property is invested in derivatives.

Increase means the amount (if any) (expressed as a percentage and subject to the Upper Limit) by which the Index has grown over the Growth Potential Period and subject to any Averaging.

Index is the FTSE 100.

Upper limit is 52%. This is a cap on the Increase such that if the Increase is greater than 52% Shareholders will only get an increase of 52% (i.e. the Participation Rate x 52% = 52%).

Risks

General risks that apply to your investment:

- If you sell your shares before the Protection Date, you are likely to get back less than you've invested, in some circumstances substantially less.
- Tax rules can change. New or changing tax practices and legislation could affect what you get back at the end of the term or when you sell your shares.
- The favourable tax treatment of ISAs may not be maintained.
- Terms for the Fund are set several weeks in advance of the start of the Cash Investment Period, based on the price of the Derivatives at that time, hence the terms may or may not compare favourably with those currently available in the market at the date the shareholder invests.
- If insufficient money is received into the Fund, or the provider of the Derivatives fails to meet the contract terms on the Derivative Date, the Authorised Corporate Director (ACD) may wind up the Fund and return your investment.
- If you cancel during the 14 days following receipt of your Cancellation Notice you are likely to get back less than you invested if the investments in the Fund have fallen in value. You will, however, receive a full refund of any initial charge that has been deducted.
- Inflation will reduce the real value of your money in the future.

Risks that apply specifically during the Cash Investment Period:

- During this period the Fund invests in cash on deposit and other similar investments, in part by investing in the Global Liquidity Fund which is managed by our Investment Adviser, Aberdeen Asset Investments Limited. Should any one or more of these fail then you are likely to get back less than you invested, in some circumstances substantially less.
- When the Fund is invested in cash and other similar investments during the period up to the Derivative Date your investment may not receive any interest and may fall in value.

Risks that apply specifically during the Growth Potential Period:

- If you sell your shares while the Fund is invested in Derivatives, the value of your investment will depend on the value of the Derivatives. The value of these will depend to some extent on the level of the Index, but will also be affected by other factors, such as the volatility of the market, the level of interest rates and the time to maturity of the Derivatives. Therefore what you get back will not equal actual Index growth.
- During the Growth Potential Period the Fund will hold investments known as Derivatives. These Derivatives are arranged with a single counterparty. Should that counterparty fail to meet its obligations (for example, if it were to become insolvent or unable to meet the claims against it) then you might get back less than you invested. To help protect you from this risk, collateral (cash or other investments we feel are suitable), is received from the counterparty and deposited with an independent custodian (the independent custodian for the Fund is State Street Bank & Trust Company). Should the counterparty fail, we will use this collateral.

FUND PROFILE (CONTINUED)

- If the Derivative provider (the counterparty) fails to meet its obligations and this coincides with the Fund having collateral which fails or which is deposited with an institution that fails, then you are likely to get back significantly less than you invested.

Risks that apply specifically at the end of the term:

- At the end of the term, you might get back less than if you invested directly in the shares that make up the Index. This is mainly because:
  - a cap is set on any amount payable in addition to your Capital Protected Value, this could mean you receive less growth.
  - if you held shares directly you would be paid an income (dividends); and
  - the Averaging that's applied to determine the value of the Index will mean that if the Index rises, your returns may be lower than investing in the shares of the Index directly where Averaging would not apply.
- In the event that the Index cannot be used, this might affect the value of your investment.

Synthetic risk and reward profile

A synthetic risk and reward indicator (SRRI) is not provided for any of our Capital Protected Funds (CPF's) as they are now closed to new business.

INVESTMENT ADVISER'S REVIEW

The Fund is designed to provide investors with a Capital Protected Value on the Protection Date together with capital growth linked to the performance of the FTSE 100 Index. The Fund is invested primarily in derivatives that are designed to provide, on the Protection Date, both growth linked to the FTSE 100 Index and protection so that, if the index goes down, the amount you invested should remain safe, provided you hold your investment to the Protection Date.

The Cash Investment Period ran from 24 August 2011 to 27 January 2012, during which time the Fund invested in cash or similar instruments. The Fund began investing in derivatives on 10 February 2012, at which point the FTSE 100 Index stood at 5,852.39. At the end of the reporting period the FTSE 100 Index stood at 6,097.09.

Large cap UK equity markets were slightly down over the six-month period. This was partly due to weakness in energy and commodity prices. This has had a negative influence throughout 2015 because of the large number of global oil and mining companies that are listed in the UK.

More recently, the possibility that the UK might leave the European Union (or 'Brexit' as it has become known in the media) was the most-talked-about topic. The date of the referendum was announced as 23 June, prompting several politicians to announce whether they would be campaigning for the UK to remain in or leave the 28-nation bloc. While the prospect of a protracted in/out battle over the coming four months caused the pound to plummet to its lowest level against the US dollar since 2009, equity investors seemed relatively unfazed by all the 'Brexit' speculation. The stock market performed very well following the referendum announcement, recovering all of the losses it had incurred earlier in February.

Aberdeen Asset Investments Limited
March 2016

Ongoing charges figure

	29/02/16 %	31/08/15 %
M Accumulation	-	-

There are no expenses charged to the Fund, therefore no OCF has been stated.

Details of investments

Investments	29/02/16 %	31/08/15 %
Derivatives	100.01	99.99
Net other (liabilities)/assets	(0.01)	0.01
Total net assets	100.00	100.00

Net asset value

	NAV per share 29/02/16 (p)	NAV per share 31/08/15 (p)	NAV percentage change %
M Accumulation	111.77	109.36	2.20

The Protection Date for the M share class is 29 January 2018.
The Capital Protected Price is 108.70p.
The FTSE 100 Index starting value is 5,852.39.

Performance record

	01/09/15 to 29/02/16 %	01/09/14 to 31/08/15 %	01/09/13 to 31/08/14 %	01/09/12 to 31/08/13 %	10/02/12 to 31/08/12 %	01/09/11 to 10/02/12 %
Capital Protected Fund 20 M Accumulation	2.19	(3.27)	4.92	6.00	1.50	0.20

Source: Scottish Widows Unit Trust Managers Limited. Basis: Net revenue reinvested and net of expenses.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

Holdings

	29/02/16 %		31/08/15 %
1. Lloyds Bank plc 120% Put Option January 2018	97.35	Lloyds Bank plc 120% Put Option January 2018	105.77
2. Lloyds Bank plc 100% Call Option January 2018	42.95	Lloyds Bank plc 100% Call Option January 2018	60.82
3. Lloyds Bank plc 152% Call Option January 2018	-	Lloyds Bank plc 152% Call Option January 2018	(3.02)
4. Lloyds Bank plc 120% Call Option January 2018	(9.55)	Lloyds Bank plc 120% Call Option January 2018	(17.76)
5. Lloyds Bank plc 100% Put Option January 2018	(30.74)	Lloyds Bank plc 100% Put Option January 2018	(45.82)
Number of holdings: 5		Number of holdings: 5	

Please note: negative figures are shown in brackets.

FUND PROFILE

Fund objectives and investment policy

- On the Protection Date to provide:
  - a protected minimum amount, and
  - capital growth linked to the performance of a stock market index.

Definitions

Capital Protected Price is the minimum Share Price the Fund aims to achieve on the Protection Date.

Protection Date is the date on which the Share Price reflects the maturity value of the derivatives.

Derivative Date is the date on and from which the Scheme Property is invested in derivatives.

Cash Investment Period is the period during which Shares may be issued.

Growth Potential Period is the period during which the Scheme Property is invested in derivatives.

Increase means the amount (if any) (expressed as a percentage and subject to the Upper Limit) by which the Index has grown over the Growth Potential Period and subject to any Averaging.

Index is the FTSE 100.

Upper limit is 47%. This is a cap on the Increase such that if the Increase is greater than 47% Shareholders will only get an increase of 47% (i.e. the Participation Rate x 47% = 47%).

Risks

General risks that apply to your investment:

- If you sell your shares before the Protection Date, you are likely to get back less than you've invested, in some circumstances substantially less.
- Tax rules can change. New or changing tax practices and legislation could affect what you get back at the end of the term or when you sell your shares.
- The favourable tax treatment of ISAs may not be maintained.
- Terms for the Fund are set several weeks in advance of the start of the Cash Investment Period, based on the price of the Derivatives at that time, hence the terms may or may not compare favourably with those currently available in the market at the date the shareholder invests.
- If insufficient money is received into the Fund, or the provider of the Derivatives fails to meet the contract terms on the Derivative Date, the Authorised Corporate Director (ACD) may wind up the Fund and return your investment.
- If you cancel during the 14 days following receipt of your Cancellation Notice you are likely to get back less than you invested if the investments in the Fund have fallen in value You will, however, receive a full refund of any initial charge that has been deducted.
- Inflation will reduce the real value of your money in the future.

Risks that apply specifically during the Cash Investment Period:

- During this period the Fund invests in cash on deposit and other similar investments, in part by investing in the Global Liquidity Fund which is managed by our Investment Adviser, Aberdeen Asset Investments Limited. Should any one or more of these fail then you are likely to get back less than you invested, in some circumstances substantially less.
- When the Fund is invested in cash and other similar investments during the period up to the Derivative Date your investment may not receive any interest and may fall in value.

Risks that apply specifically during the Growth Potential Period:

- If you sell your shares while the Fund is invested in Derivatives, the value of your investment will depend on the value of the Derivatives. The value of these will depend to some extent on the level of the Index, but will also be affected by other factors, such as the volatility of the market, the level of interest rates and the time to maturity of the Derivatives. Therefore what you get back will not equal actual Index growth.
- During the Growth Potential Period the Fund will hold investments known as Derivatives. These Derivatives are arranged with a single counterparty. Should that counterparty fail to meet its obligations, then you might get back less than you invested. To help protect you from this risk, collateral (cash or other investments we feel are suitable), is received from the counterparty and deposited with an independent custodian (the independent custodian for the Fund is State Street Bank & Trust Company). Should the counterparty fail, we will use this collateral.

FUND PROFILE (CONTINUED)

- If the Derivative provider (the counterparty) fails to meet its obligations and this coincides with the Fund having collateral which fails or which is deposited with an institution that fails, then you are likely to get back significantly less than you invested.

Risks that apply specifically at the end of the term:

- At the end of the term, you might get back less than if you invested directly in the shares that make up the Index. This is mainly because:
  - a cap is set on any amount payable in addition to your Capital Protected Value, this could mean you receive less growth.
  - if you held shares directly you would be paid an income (dividends); and
  - the Averaging that's applied to determine the value of the Index will mean that if the Index rises, your returns may be lower than investing in the shares of the Index directly where Averaging would not apply.
- In the event that the Index cannot be used, this might affect the value of your investment.

Synthetic risk and reward profile

A synthetic risk and reward indicator (SRRI) is not provided for any of our Capital Protected Funds (CPF's) as they are now closed to new business.

INVESTMENT ADVISER'S REVIEW

The Fund is designed to provide investors with a Capital Protected Value on the Protection Date together with capital growth linked to the performance of the FTSE 100 Index. The Fund is invested primarily in derivatives that are designed to provide, on the Protection Date, both growth linked to the FTSE 100 Index and protection so that, if the index goes down, the amount you invested should remain safe, provided you hold your investment to the Protection Date.

The Cash Investment Period ran from 26 January 2012 until 24 May 2012, during which time the Fund invested in cash or similar instruments. The Fund began investing in derivatives on 12 June 2012, at which point the FTSE 100 Index stood at 5,473.74. At the end of the reporting period the FTSE 100 Index stood at 6,097.09.

Large cap UK equity markets were slightly down over the six-month period. This was partly due to weakness in energy and commodity prices. This has had a negative influence throughout 2015 because of the large number of global oil and mining companies that are listed in the UK.

More recently, the possibility that the UK might leave the European Union (or 'Brexit' as it has become known in the media) was the most-talked-about topic. The date of the referendum was announced as 23 June, prompting several politicians to announce whether they would be campaigning for the UK to remain in or leave the 28-nation bloc. While the prospect of a protracted in/out battle over the coming four months caused the pound to plummet to its lowest level against the US dollar since 2009, equity investors seemed relatively unfazed by all the 'Brexit' speculation. The stock market performed very well following the referendum announcement, recovering all of the losses it had incurred earlier in February.

Aberdeen Asset Investments Limited
March 2016

CAPITAL PROTECTED FUND 21 (CONTINUED)

for the six month period ended 29 February 2016

Ongoing charges figure

	29/02/16 %	31/08/15 %
M Accumulation	-	-

There are no expenses charged to the Fund, therefore no OCF has been stated.

Details of investments

Investments	29/02/16 %	31/08/15 %
Derivatives	100.00	100.00
Net other assets	0.00	0.00
Total net assets	100.00	100.00

Net asset value

	NAV per share 29/02/16 (p)	NAV per share 31/08/15 (p)	NAV percentage change %
M Accumulation	113.67	110.47	2.90

The Protection Date for the M share class is 25 May 2018.
The Capital Protected Price is 108.70p.
The FTSE 100 Index starting value is 5,473.74.

Performance record

	01/09/15 to 29/02/16 %	01/09/14 to 31/08/15 %	01/09/13 to 31/08/14 %	01/09/12 to 31/08/13 %	12/06/12 to 31/08/12 %	26/01/12 to 12/06/12 %
Capital Protected Fund 21 M Accumulation	2.29	(2.68)	7.07	4.08	0.40	0.10

Source: Scottish Widows Unit Trust Managers Limited. Basis: Net revenue reinvested and net of expenses.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

Holdings

	29/02/16 %		31/08/15 %
1. Lloyds Bank plc 120% Put Option May 2018	80.91	Lloyds Bank plc 120% Put Option May 2018	87.64
2. Lloyds Bank plc 100% Call Option May 2018	67.89	Lloyds Bank plc 100% Call Option May 2018	85.29
3. Lloyds Bank plc 147% Call Option May 2018	(0.26)	Lloyds Bank plc 147% Call Option May 2018	(3.17)
4. Lloyds Bank plc 120% Call Option May 2018	(21.92)	Lloyds Bank plc 120% Call Option May 2018	(30.71)
5. Lloyds Bank plc 100% Put Option May 2018	(26.62)	Lloyds Bank plc 100% Put Option May 2018	(39.05)
Number of holdings: 5		Number of holdings: 5	

Please note: negative figures are shown in brackets.

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