

SCOTTISH WIDOWS LIFTS PROPERTY LIFE FUND RESTRICTION

From 1 June 2007, Scottish Widows is lifting the restrictions on investing in its Property Life fund. This will allow investors to place 100% of their investment into the fund.

In June 2006, new flows of business into the Property Life fund were restricted to a maximum of 15% of funds invested. This was to ensure that cash holdings in the fund were maintained at a reasonable level preventing the performance of the fund being compromised by a high cash weighting.

George Andrew, head of market relations at Scottish Widows, said :

“Property continues to form a key part of a properly diversified investment portfolio for the majority of investors and we’ve experienced strong investor demand for us to fully re-open the property life fund.

“Taking account of the volume of quality property SWIP’s fund managers are able to source we’re pleased to be able to meet that investor demand. Offering full investment into this direct property fund alongside our leading range of indirect property funds - the UK, European and Global Real Estate Funds - means advisers can take advantage of the added diversification benefits of using direct funds alongside indirect property funds.”

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Notes to Editors:

*Scottish Widows Property Life fund is managed by Scottish Widows Investment Partnership (SWIP)

* Scottish Widows Property Life has an excellent track record with annualised growth of 11.7% p.a. over the past 10 years. Source is Financial Express, on a bid to bid basis with net income reinvested, to 1 May 2007 and past performance is not a guide to future performance.

For further information, please contact –

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Scottish Widows news releases appear on our website at
www.scottishwidows.co.uk/mediacentre

Scottish Widows was founded in 1815 as Scotland's first mutual life office. Becoming part of the Lloyds TSB Group in 2000, Scottish Widows has become one of the most recognised brands in the life, pensions and investment industry in the UK. The product range includes ordinary long term insurance, such as life assurance, pensions, annuities and permanent health insurance, and savings and investment products. Using a multi-sales network of Financial Advisers, Direct Sales, Direct Marketing, the Internet and via the branch network of Lloyds TSB, Scottish Widows currently employs about 4,000 people.