

# Fund Information Sheet Diversified Assets Fund

## Royal Mail Defined Contribution Plan

### As at 31 December 2011

The Diversified Assets Fund aims to achieve long term growth, but with smoother returns than equities (shares). This Fund invests in a broad range of growth assets including shares, commodities and high-yield bonds.

The Diversified Assets Fund currently invests as follows:

- 100% in the BlackRock Aquila Historic Priced Market Advantage Fund. The underlying assets of this fund are passively-managed (see the Glossary on page 23 of the Investment Guide for a definition of passive management).

### Information on the Diversified Assets Fund

Launch date	November 2011
Fund size (£m)	17.4 (as at 31/12/2011)
Benchmark	3 month £ LIBOR

Asset split (as at 31/12/2011)	
Cash	59.2%
Inflation Linked Debt	11.4%
Investment Grade Debt	9.1%
High Yield Debt	4.6%
Emerging Market Sovereign Debt	4.4%
Property	3.2%
Developed Equities	2.6%
Developed Small Cap Equities	2.4%
Emerging Market Equities	2.0%
Developed Sovereign Debt	1.1%

Source: BlackRock (as at 31/12/2011)

The percentage split shown is of the underlying fund, which is the BlackRock Aquila Historic Priced Market Advantage Fund.

Market commentary	
<b>Positive returns from most markets in Q4</b>	
Global shares rallied in the final quarter of 2011. UK and European markets saw significant gains. Emerging market shares achieved good performance although the Japanese market posted a negative return.	
Interest rates in the US, UK and Japan remained at historic lows. European rates were cut by a quarter-point on two occasions. Interest rates were cut in several emerging markets to help offset the impact of slower growth in the developed world.	

The Diversified Assets Fund was launched in November 2011 which means there is no performance history to show you.

Annual fund performance					
	31/12/2006- 31/12/2007	31/12/2007- 31/12/2008	31/12/2008- 31/12/2009	31/12/2009- 31/12/2010	31/12/2010- 31/12/2011
	%	%	%	%	%
Diversified Assets Fund	-	-	-	-	-
Benchmark	-	-	-	-	-
BlackRock fund	-	-	-	-	-

Annualised fund performance			
	3 years % pa	5 years % pa	
Diversified Assets Fund	-	-	
Benchmark	-	-	
BlackRock fund	-	-	

### Things you need to know

Please read this Information Sheet in conjunction with the Royal Mail Defined Contribution Plan Investment Guide.

The fund is designed to provide a return in line with the benchmark. This is expected to be the case over the long term. However, there may be times when the fund performance does not match the benchmark. This may be due to a number of reasons. For example, cash flows in or out of the fund resulting in unit price movements and slight timing differences for the period over which performance is measured.

All funds carry some risk and you should consider the different types of risk before making any investment decision.

Fund performance data is presented before the deduction of fees.

You shouldn't use past performance as a suggestion of future performance and it shouldn't be used as a reason for making an investment decision.

The value of investments and any income from them can fall as well as rise and will be reduced in real terms by the effects of inflation. You may not get back the amount you invested.

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**This Fund Information Sheet is for information only and has been provided to help you understand how the Diversified Assets Fund was invested and has performed. The Trustees, Royal Mail Group and its employees are not authorised to give you financial advice. Zurich is also unable to provide financial advice to you. If you are not sure whether this fund is suitable for you then you should speak to an independent financial adviser (IFA). You can find the name of an IFA through IFA Promotions Ltd at [www.unbiased.co.uk](http://www.unbiased.co.uk)**