



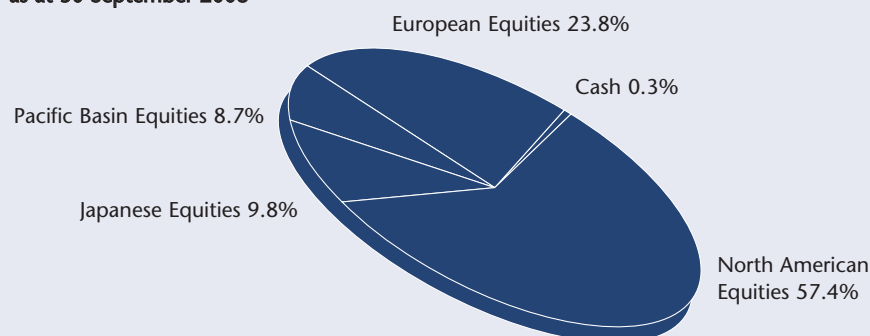
Overseas Manager of Managers Pension Fund

Quarterly Report 1 July to 30 September 2008

Fund Profile

The fund is designed for investors who are looking to obtain a broadly based exposure to global equity markets outside the UK. Wilshire Associates undertakes extensive research and selects a number of global fund managers within each equity asset class, blending managers with differing investment styles and market capitalisation biases. Wilshire monitors the selected managers to ensure a continued performance contribution over the market cycle in line with the manager's investment philosophy and process. Managers can be replaced if evolving organisational, personnel or other qualitative factors are likely to impact on the ability to achieve the benchmark objectives. Asset allocation reflects the geographical weighted asset mix within the FT World (Ex UK) index.

Composition of the Portfolio as at 30 September 2008



UK Equity

Largest Five Holdings	%
HSBC Hldgs	7.1
BP	6.5
Royal Dutch Shell	6.0
Vodafone Group	5.7
GlaxoSmithKline	5.2

European Equity

Largest Five Holdings	%
France Telecom	3.5
Novartis	3.3
Bnp Paribas	3.1
Total	2.9
E.On	2.6

North American Equity

Largest Five Holdings	%
Exxon Mobil Corp	3.9
Qualcomm Inc	2.9
Apple Computer Inc	2.8
Chevron Corp	2.3
Google Inc	2.1

Japanese Equity

Largest Five Holdings	%
Mizuho Financial Group	5.8
Seven & I Holdings Co	4.3
Mitsubishi Heavy Industries	3.6
Sumitomo Electric Industries	3.3
Sony Corp	2.9

The above figures represent the largest 5 and percentages with the underlying funds.

Launch Date 15 March 2004

Benchmark Index FTSE World (Ex UK)

Lead Portfolio Manager Wilshire Associates

Sub-portfolio Managers

European Equity Acadian
Clay Finlay
UBS

North American Equity Acadian
Delaware
Systematic
Victory

Japanese Equity New Star
Daiwa

Pacific Basin Equity Clay Finlay
Principal Global Investors

Total MoM Funds Under Management £382.0m

Investment Review & Outlook

Environment

Global equity markets fell further during the quarter, with severe volatility towards the end of the period. Investors had to contend with ongoing concerns over the financial sector, slowing global economic growth and rising inflation, although a fall in commodity prices did provide some relief. In September, events in the global financial sector, including several banking failures, forced immediate intervention by authorities.

Inflation, led by increasing food and energy prices, was a prime concern for investors at the start of the period, raising the prospect of higher interest rates. Indeed, the European Central Bank moved to combat inflation by hiking rates by 0.25% in July and reiterated its commitment to price stability. A retreat in commodity prices from elevated levels provided a further boost for investors and many markets made modest gains during August.

September, however, saw markets turn sharply lower following the bail-out of AIG, the collapse of US investment bank Lehman Brothers and the forced takeover of Merrill Lynch by Bank of America. Concerns over the collapse of the financial system, along with the

increasingly deteriorating economic situation, brought into sharp focus the need for intervention. The US government proposed a \$700 billion financial rescue package, which caused markets to rally somewhat, although they subsequently turned sharply lower after the measures were initially rejected by the House of Representatives. Shortly after the end of the period, a revised package was passed by Congress. However, concerns remain that funding problems in the financial sector may spread to the wider economy, leading to non-financial bankruptcies.

Activity

The Fund's European managers purchased Spanish utilities firm Iberdrola, on evidence of impressive company fundamentals. A position was also initiated in steel company ArcelorMittal on the back of strong earnings and growth prospects. Among the major sales were Swatch, which was reduced following concerns over growth prospects, and SGL Carbon, to exposure to the industrials sector.

In the US, attractive valuations prompted the addition of Verisign. The Fund's managers also purchased MasterCard, on a positive view of the company's international growth potential and lack of capital risk. Sales included

Blackberry-maker Research in Motion, due to competition concerns with Apple's iPhone. Meanwhile, the Fund's position in Safeway was reduced to raise capital for better opportunities.

The Fund's Japanese managers added to mobile operator NTT Docomo on the view that profitability and cashflows will increase, while integrated oil company Inpex was increased, given its good growth potential. Sales included Canon, Nippon Sheet Glass and Yamaha Motors due to weakening US consumer demand.

Outlook

Markets remain subject to bouts of volatility and risk aversion given ongoing problems in financial markets and economic uncertainty. Volatility has provided some valuation opportunities but markets need a resolution to credit concerns and an improvement in the global economy in order for a sustained rally.

Performance Commentary

The Fund's European stocks underperformed, due to weakness in the materials and industrial sectors. Energy stocks also detracted from performance, as oil and commodity prices fell. However, the Fund benefited from its overweight exposure to the healthcare sector, and its limited holding of utilities stocks.

Holdings in the US also underperformed, dragged down by stock selection in the technology, materials and industrials sectors. However, stock picks in the healthcare sector, along with underweight exposure to energy stocks, was positive for performance.

In Japan, the more resilient sectors were those with defensive earnings characteristics. The

Fund's overweight exposure to the energy sector detracted from performance as oil and commodity prices began to moderate. Limited investment in the utilities sector was also negative.

Fund Performance

1 Oct 07 - 30 Sept 08	1 Oct 06 - 30 Sept 07	1 Oct 05 - 30 Sept 06	1 Oct 04 - 30 Sept 05	1 Oct 03 - 30 Sept 04
-24.8%	7.7%	4.4%	25.2%	-

Cumulative	Overseas Fund	Benchmark	Ranking
3 months	-11.8%	-9.52%	475/647
6 months	-13.4%	-11.0%	492/646
1 Year	-24.7%	-18.8%	554/593
3 Years	-15.4%	0.4%	430/431
Since Launch	7.6%	26.2%	346/362

Source: Morningstar

The performance has been calculated over the stated periods to 30 September 2008. Benchmark Index is ABI Unclassified Sector.

Past performance is not a guide to future performance. The price of shares and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Investment Market Line

If you would like more details on our current market views please call:

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