

# The Standard Life Investments Global SICAV European Smaller Companies Fund

Exceptional investments, extraordinary world

For the month to 31 May 2009

## Investment Objective

The investment objective of the Sub-fund is to achieve long-term growth in the share price through capital appreciation of the underlying portfolio. It will achieve this objective primarily through investment in small cap European equities and equity related securities of corporations domiciled or listed in European countries (which include the UK and the emerging markets of Europe) or companies that derive a significant proportion of their revenues or profits from European operations or have a significant proportion of their assets there.

## General Risk Factors

- Shareholders should understand that all investments involve risk and there can be no guarantee against loss resulting from an investment in any Subfund, nor can there be any assurance that the Sub-funds' investment objective will be attained. Neither the Investment Managers, nor any of their worldwide affiliated entities, guarantee the performance or any future return of the Company or any of its Sub-funds.
- Past performance is not a guide to future returns. Charges also affect what Shareholders will get back and the amount returned may be less than the original investment.
- The value of Shareholders' investment and any income received from it may go down as well as up.
- Tax laws may change in future.
- The charges on Sub-funds may be increased in the future.
- Sub-funds that invest in a small number of stocks or in certain overseas markets may be subject to increased risk and volatility.
- Inflation reduces the buying power of Shareholder's investment and income.

## Market Report

European equity markets continued to make solid gains over May, bolstered by historically low valuations. Investors also took heart from signs of a slowdown in the rate of economic decline.

Small companies have outperformed their larger counterparts over the year to date.

We initiated a position in home improvement chain Praktiker, on an attractive valuation. We expect the company to continue to see an upturn in sales, as the consumer environment shows tentative signs of recovery.

We sold our holding in German fragrances and flavours specialist Symrise, disappointed by the firm's lacklustre results and absence of any specific catalysts for improvement.

Our preference for Dutch temporary staffing agent Randstad boosted Fund returns. The company's share price rose after it issued reassuring guidance on its cashflow position and debt covenants.

Holding Italian steel equipment maker Danieli was also helpful for performance, as the stock rallied from previously oversold levels.

On the downside, UK-listed online gaming software provider Playtech dented returns, retreating on further evidence of slowing earnings momentum.

We will continue to focus on soundly financed companies with sturdy business models.

We have also begun to identify stocks where we believe the worst case is now reflected in low valuations, as we anticipate that these companies will deliver the strongest returns on a near to mid-term view.

## Fund Information

Fund Manager	Ken Nicholson	
Fund Launch Date	26 September 2007	
Domicile	Luxembourg	
Bloomberg Code (Class A)	STESCAE LX	
Bloomberg Code (Class D)	STESCDE LX	
ISIN (Class A)	LU0306632414	
ISIN (Class D)	LU0306632687	
WKN (Class A)	A0M091	
WKN (Class D)	A0M092	
Report Dates	Interim	Annual
	30 June	31 December
Distribution Dates	Interim	Annual
	31 August	30 April
Fund Size	Euro 30.82m	
NAV (Class A)	Euro 6.61	
NAV (Class D)	Euro 6.69	

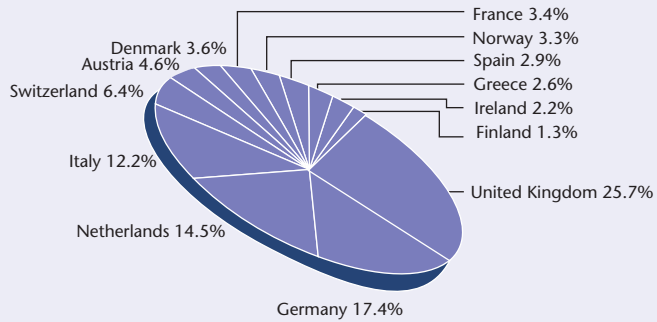
## Top Ten Holdings

	% of Fund
United Internet	4.4
Ranstad Holdings	3.1
Danieli & Co SpA	3.0
Praktiker Bau-und Heimwerk	3.0
Strabag	2.9
ASOS	2.9
Derwent Valley Holdings	2.8
Aalberts Industries	2.8
Alfa-Beta Vassilopoulos	2.7
Temenos Group	2.6
Total of the Top Ten Holdings	30.2

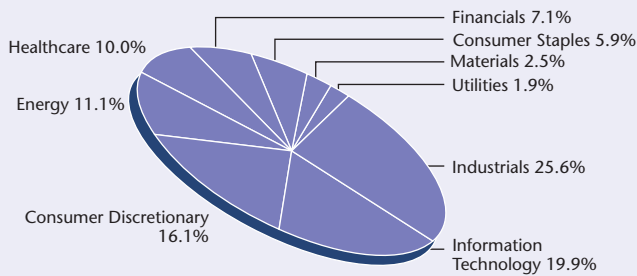
## European Smaller Companies Fund (continued)

### Asset Allocation as at 31 May 2009

#### Geographic Breakdown



#### Industry Breakdown



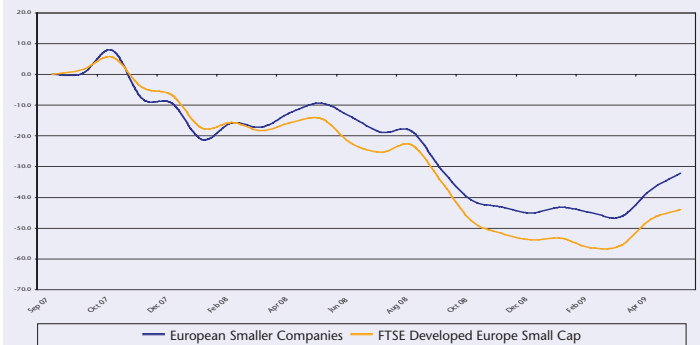
Note: The percentage breakdown above may not sum to 100% due to rounding.

### Fund Performance v Benchmark FTSE Developed Europe Small Cap

	YTD	1 month	3 months	6 months
Fund (%)	23.7	8.7	23.3	19.4
Benchmark (%)	21.5	6.0	28.6	16.1
	<b>1 year</b>	<b>Since launch</b>		
Fund (%)	-25.1	-32.1		
Benchmark (%)	-34.5	-43.9		

### Cumulative Performance (EUR)

#### European Smaller Companies SICAV v FTSE Developed Europe Small Cap



Source: Standard Life Investments and Morningstar

Performance figures are calculated gross of fees and are on the share price performance basis over the stated periods to 31 May 2009. (Note: This Fund is single priced, there is no bid-offer spread.)

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. Returns are not guaranteed.

The Prospectus should be read for further details.