

FUND POSITION STATEMENT

Classification: Unrestricted
Item: D2 refers

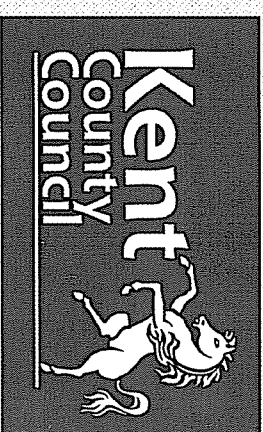
Summary of Fund Asset Allocation and Performance

Superannuation Fund Committee

20th August 2010

By: Chairman Superannuation Fund Committee

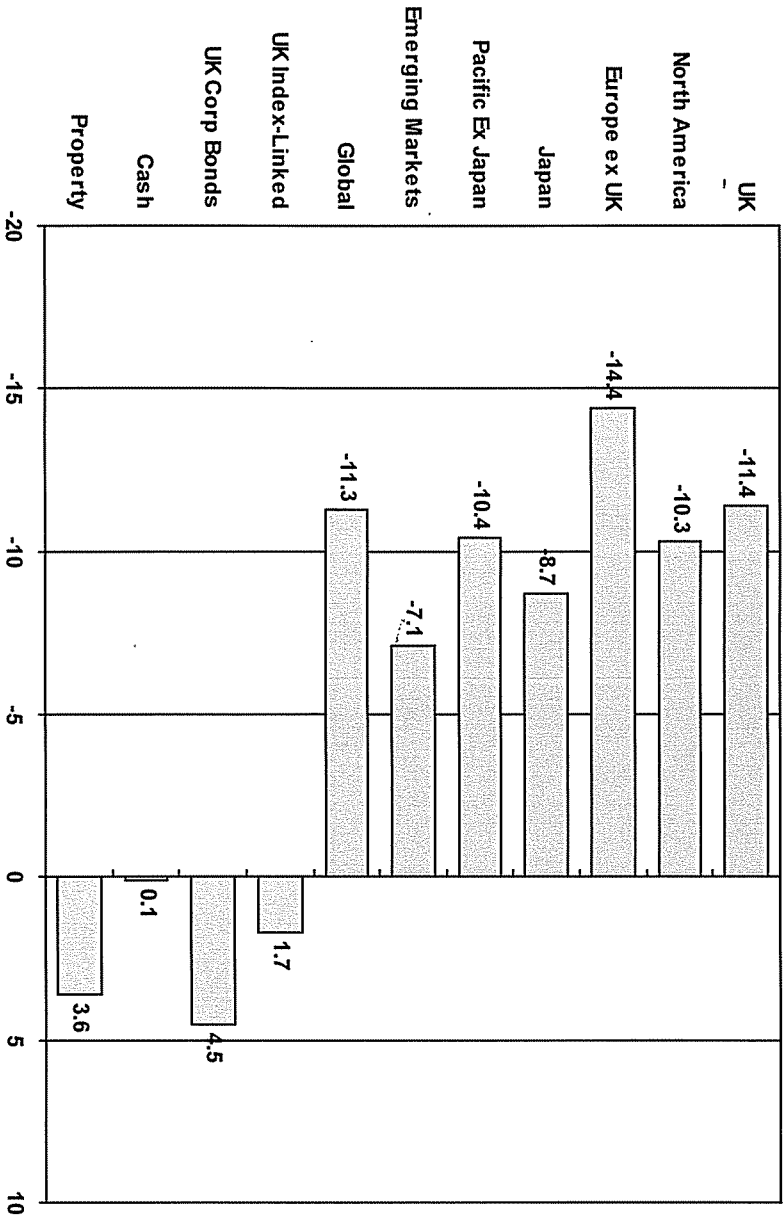
Director of Finance



Kent County Council
Superannuation Fund 2010

Nick Vickers—Head of Financial Services

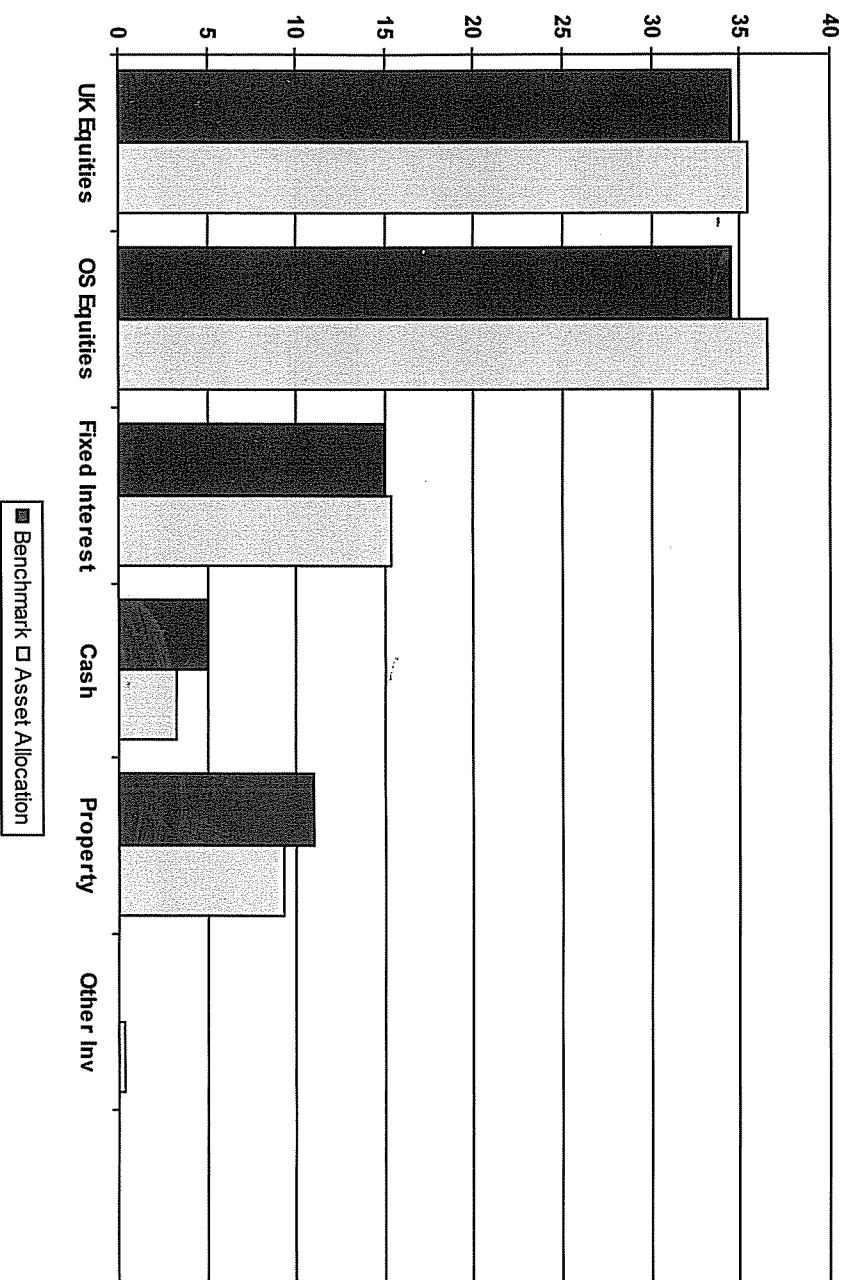
Market Returns-3 months to 30 June 2010



- Despite some encouraging company results over the quarter, Equity Markets across the globe fell over the period amidst continuing fears over debt burdens in western economies.
- Europe ex UK saw the biggest falls, where the focus of concerns over sovereign debt lie.
- The UK Bond market showed to best returns over the quarter of 4.5%
- Property values continued to rise this quarter by 3.6%

Kent Fund Asset Allocation vs Fund Benchmark

Classification: Unrestricted
Item: D2 refers



85	Kent Fund	Benchmark
Asset Class	£m	%
UK Equities	949	35.4
Overseas Equities	979	36.5
Fixed Interest	411	15.3
UK Property	233	8.7
European Property	17	0.6
Cash	86	3.2
Other Inv	8	0.3
Total Value	2683	100

Asset Distribution Fund Manager

Classification: Unrestricted
Item: D2 refers

Values (GBP)'000	Mandate	31/03/2010	Transactions	Gain / loss	Income	30/06/2010	Fund	Benchmark
		Value at		Capital		Value at	%	
Schroders	UK Equity	479,250	4,216	-47,280	4262	436,185	16	Customised
Invesco	UK Equity	326,931		-15,857		311,074	12	Customised
State Street	UK Equity	194,175		-22,896		171,680	6	FTSE 100 All Share
State Street	Global Equity	57,215		-6,364		50,851	2	FTSE All World ex UK
Alliance Bernstein	Global Equity	254,187	1,990	-36,402	1,921	219,775	8	MSCI World
Baillie Gifford	Global Equity	511,315	4,557	-48,873	4,353	466,998	17	Customised
GMO	Global Quantitative	179,826		-20,227		159,599	6	MSCI World
Schroders	Global Quantitative	136,121		-12,957		123,163	5	MSCI World
Goldman Sachs	Fixed Interest	227,360	111	3,164	117	230,635	9	ML £ Broad Market
Schroders	Fixed Interest	181,312	669	1,254	669	183,236	7	ML £ Broad Market
Impax	Environmental	0	25,000	-2,325		22,674	1	MSCI World
DTZ	Property UK	215,402	17,186	3,326	2,823	235,914	9	IPD All Properties Index
DTZ	Property Europe	17,689	20	-1,035	145	16,674	1	IPD All Properties Index
Internally Managed	Cash	89,665	-37,035	2,291	81	54,921	2	LIBID 7 Day Rate
Total Fund		2,870,849	16,714	-204,181	14,371	2,683,381	100	Kent Combined Fund

Performance Returns to 30 June 2010

Classification:
Unrestricted
Item: D2 refers

	Quarter		1 year		3 years	
	Fund %	Benchmark %	Fund %	Benchmark %	Fund %	Benchmark %

Total Fund	-6.6	-7.0	20.5	19.7	-2.3	-1.8
-------------------	------	------	------	------	------	------

UK Equity -

Schroders UK	-9.0	-11.6	25.1	20.8	-2.6	-5.5
State Street	-11.8	-11.8	20.9	21.1		
Invesco	-4.9	-11.8	17.7	21.1	-3.7	-5.7

Overseas Equity

Alliance Bernstein	-13.5	-11.5	18.4	21.7	-9.7	-1.9
Baillie Gifford	-8.7	-11.1	29.9	21.2	2.8	-1.0
GMO	-11.2	-11.5	19.6	21.7	-3.3	-1.9
Schroders GAV	-9.5	-11.5	27.1	21.7	-1.4	-1.9
State Street	-11.8	-11.8	20.9	21.1		
Impax Environmental Fund	-9.3	-11.5				

Fixed Interest

Goldman Sachs Fixed Interest	1.4	3.6	14.9	10.9	6.8	6.8
Schroders Fixed Interest	1.1	1.9	12.1	9.1	8.1	6.3

Property

UK Property	2.8	3.6	35.2	23.9	-3.1	-7.7
Overseas Property	-5.0	3.6	-15.0	23.9	-10.0	-7.7

Data Source: The WMM Company

- returns subject to rounding differences

- The Fund outperformed the benchmark for the quarter posting a negative return of 6.6% against a benchmark negative return of 7.0%.

- The fund decreased in value by just under £200m during the quarter, which cancelled out most of the gains seen last quarter.

- The 1 year performance of the fund produced a return of 20.5%.

- Our 3 year performance is a -2.3% against a benchmark return of -1.8%

- Most equity fund managers outperformed their benchmarks for the quarter with Invesco being the top performer.

- Alliance Bernstein underperformed again this quarter, bringing their 3 year performance figures to a negative return of 9.7% against a benchmark negative return of just 1.9%

Note: WMM Local Authority rankings not available at time of publication

Fund Structure

UK Equities

Schroders
+1.5%
£436m

State Street
+0.0%
£172m

Invesco
Unconstrained
£311m

Global Equities

Baillie Gifford
+1.5%
£467m

Alliance Bernstein
+3.0%
£220m

GMO
+3.0%
£160m

Schroders
+3.0 - +4.0%
£123m

State Street
+0.0%
£51m

Impax
£23m

Fixed Interest

Goldman Sachs
+0.75%
£231m

Schroders
+1.0%
£183m

Alternative

DTZ
UK Property
£236m

DTZ
Europe Property
€19m (£16.6m)

Kent Cash
£48m

Henderson
Secondary PFI
£6m

YFM Private
Equity £2m

Market Value £2.7bn
as at 30 June 2010.