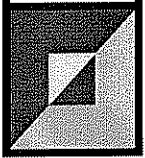


Classification: Unrestricted
Item: DI refers

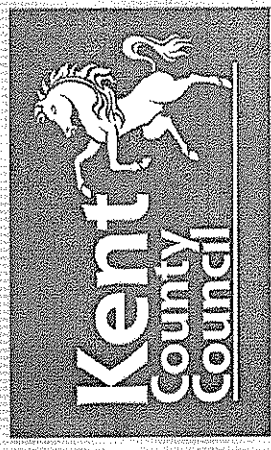


FUND POSITION STATEMENT

Summary of Fund Asset Allocation and Performance Superannuation Fund Committee

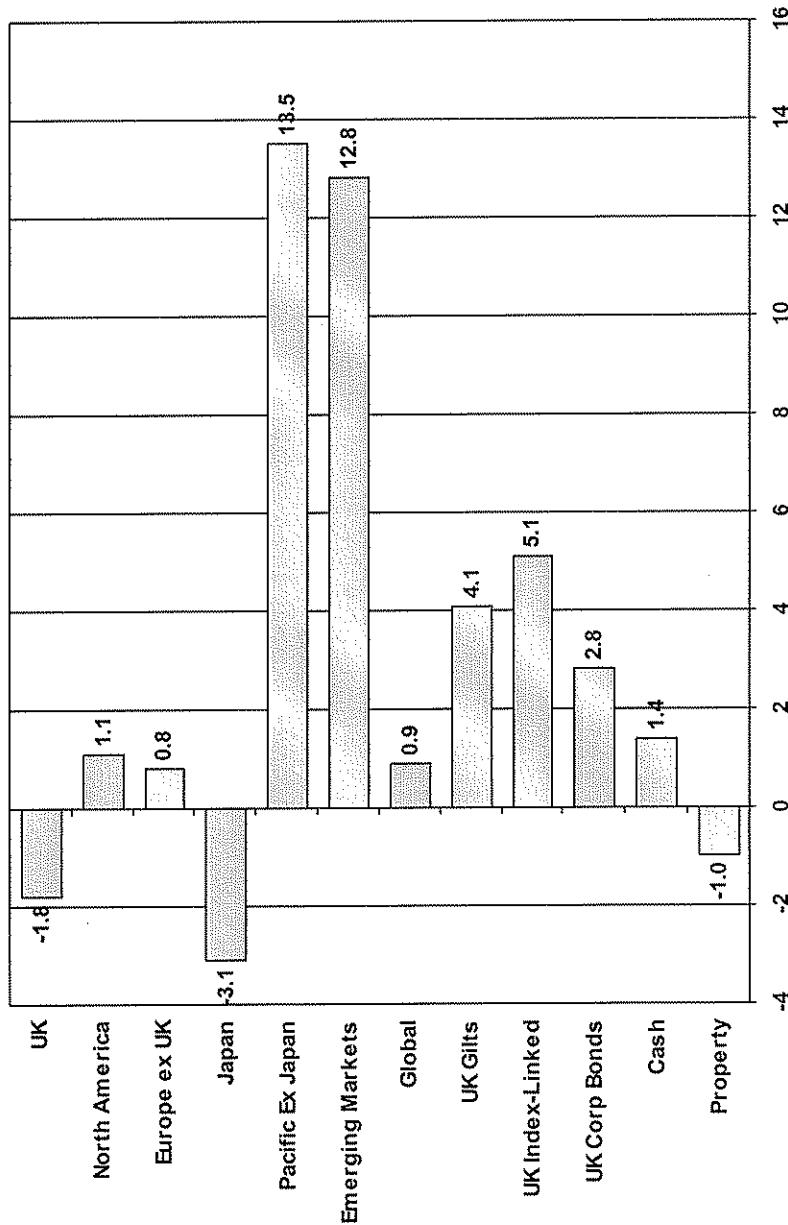
23 November 2007

By: Director of Finance



Kent County Council
Superannuation Fund 2007
Nick Vickers—Head of Financial Services

Market Returns-3 months to 30 September 2007



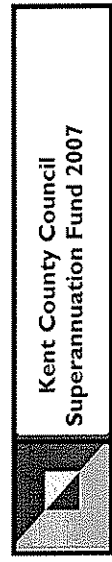
- Equity markets generally had a difficult quarter with most markets showing losses or small gains due to the disruption in the credit and money markets.

- The exception to this is emerging markets which posted double digit returns for a second successive quarter, and the Pacific region excluding Japan which was the top performer this quarter.

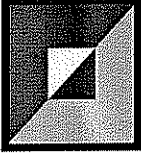
- The UK equity market posted negative returns during the quarter where investors have shunned equities favouring less risky assets such as bonds resulting from problems in the US sub prime lending market.

- This has contributed to fixed interest investments showing good returns in the quarter

- Property returns were negative this quarter where the predicted market slowing is starting to take effect

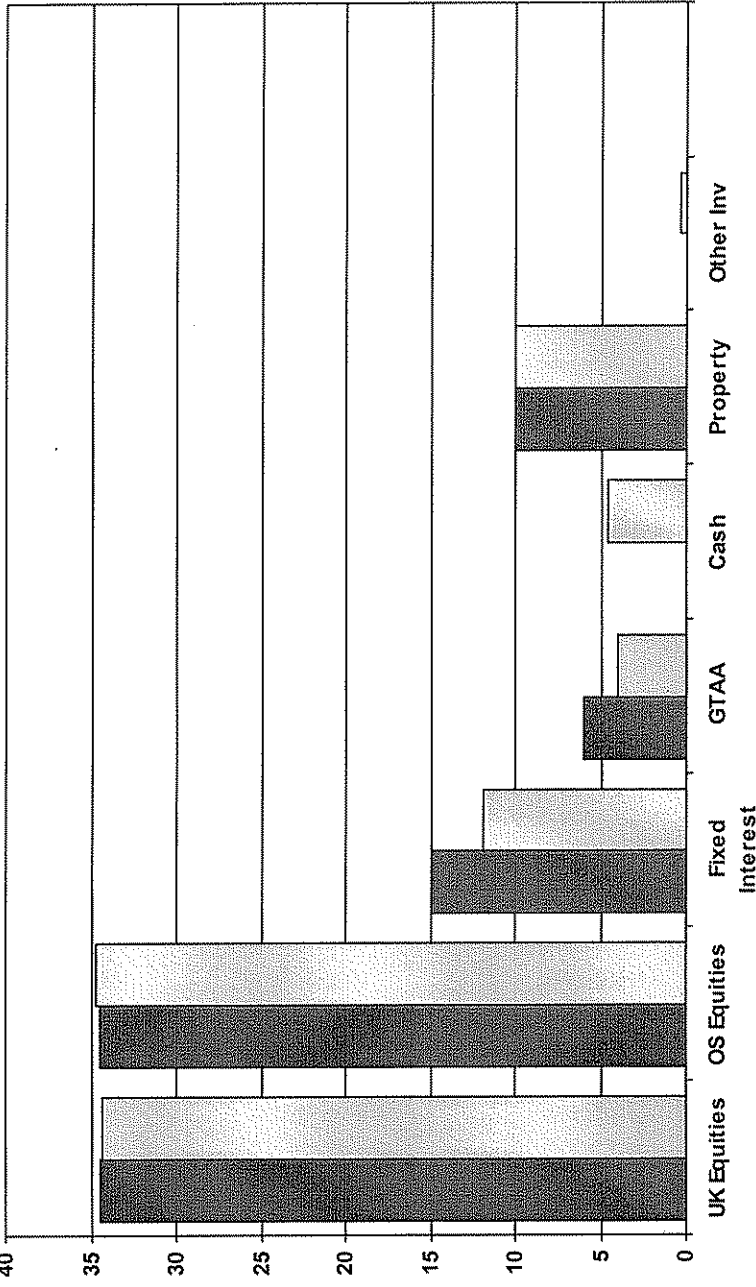


Classification: Unrestricted
Item: DI refers



Kent Fund Asset Allocation vs Fund Benchmark

Asset Class	Kent Fund		Benchmark	
	£m	%	%	%
UK Equities	916	34.8	34.8	34.5
Overseas Equities	960	36.5	36.5	34.5
Fixed Interest	355	13.5	13.5	15
UK Property	250	9.5	9.5	10
European Property	13	0.5	0.5	1
GTAA	62	2.4	2.4	5
Cash	61	2.3	2.3	-
Other Inv	15	0.5	0.5	-
Total Value	2,632	100.0	100.0	100



■ Kent Fund □ Benchmark

Asset Distribution Fund Manager

Classification: Unrestricted
Item: D1 refers



Values (GBP) '000	Mandate	Value at 30/06/07	Transactions	Capital Gain / loss	Income	Value at 30/09/07	% Fund	Benchmark
Schroders	UK Equity	445,517	3,788	-13,714	3,799	435,591	17	Customised
Invesco	UK Equity	269,876	687	-5,138		265,424	10	Customised
Societe Generale	UK Equity	206,080	1,381	-8,650	1,523	198,811	8	Customised
Alliance Bernstein	Global Equity	297,109	1,232	1,675	1,181	300,016	11	MSCI World
Ballie Gifford	Global Equity	405,635	1,758	10,292	1,888	417,685	16	Customised
GMO	Global Quantative	176,360		687		177,046	7	MSCI World
Schroders	Global Quantative	128,603		-2,898		125,706	5	MSCI World
Goldman Sachs	Fixed Interest	187,080	1,739	2,729	2,652	191,547	7	ML £ Broad Market
Schroders	Fixed Interest	145,039		3,161		148,200	6	ML £ Broad Market
DIZ	Property UK	260,007	7,508	514	2,761	251,985	10	IPD All Properties Index
DTZ	Property Europe	11,838	1,219			13,057	0	IPD All Properties Index
Goldman Sachs	Global TAA	104,208		42,463		61,745	2	LIBID 7 Day Rate
Internally Managed	Cash	22,282	21,396	713	431	44,390	1	LIBID 7 Day Rate
Black Rock (ML)	Transition	1,375		-85		1,290	-	-
Societe Generale	Transition	19	-15	-4		-	-	-
Total Fund		2,661,028	25,675	-54,209	14,234	2,632,494	100	Kent Combined Fund

Performance Returns to 30 September 2007

Classification:
Unrestricted
Item: DI refers

	Quarter		1 year		3 years	
	Fund %	Benchmark %	Fund %	Benchmark %	Fund %	Benchmark %
Total Fund	-1.5	0.4	8.6	10.0	14.4	14.4
UK Equity						
Schroders UK	-2.2	-1.8	13.6	12.2	15.3	15.3
Societe Generale	-3.5	-1.8	10.3	12.2	15.2	16.9
Invesco	-1.9	-1.8	-	-	-	-
Overseas Equity						
Alliance Bernstein	1.0	0.9	13.2	11.6	-	-
Baillie Gifford	3.0	2.4	16.8	17.0	19.6	18.6
GMO	0.4	0.9	13.2	11.6	-	-
Schroders GAV	-2.3	0.9	15.4	11.6	-	-
Fixed Interest						
Goldmans Fixed Interest	2.9	2.8	0.3	-0.2	4.2	4.1
Schroders Fixed Interest	2.2	2.8	-0.4	-0.2	-	-
CTAA	40.7	1.4	46.5	5.5	7.4	4.9
Property						
UK Property	0.9	-1.0	13.9	7.2	18.5	15.0
European Property	-	-1.0	-	-	-	-

• The fund decreased in value by £29m in the quarter

• The fund underperformed the benchmark for the quarter posting a return of -1.5% compared to a benchmark return of 0.4%, placing us 100th against the WMILA average

• Most of the investment mandates underperformed against their benchmarks in the quarter except for Alliance Bernstein, Baillie Gifford, Goldman Fixed Interest and DIZ

• GI&A fell sharply this quarter losing £43m in value from last quarter

• The 1 year performance is 8.6% against the benchmark of 10% - placing us 88th against the WMILA average

• Our 3 year performance is 14.4% against a benchmark return of 14.4%. This places us 57th against the WMILA average

Fund Structure

UK Equities

Schroders
+1.5%
£436m

Soc Gen
+2.0%
£199m

Invesco
Unconstrained
£265m

Global Equities

Baillie Gifford
+1.5%
£418m

**Alliance
Bernstein**
+3.0%
£300m

GMO
+3.0%
£177m

Schroders
+3.0 - +4.0%
£126m

Fixed Interest

Goldman Sachs
+0.75%
£192m

Schroders
+1.0%
£148m

Alternative

DTZ
UK Property
£252m

DTZ
Europe Property
Eur 35m (£25m)
£13m invested
as at 30.09.07

Goldman Sachs
GTAA
£62m

Kent Cash
£44m

Henderson
Secondary PFI
£10m
£9.5m invested

YFM Private
Equity £4m
£1m invested
as at 30.09.07

Market Value approx £2,632bn
as at 30 September 2007.