

Aberdeen European Smaller Companies Fund

Performance Data and Analytics to 30 September 2007



Investment objective

Aims to achieve capital growth primarily by investing in Equity and Equity-Related securities of European smaller companies. Income is not a consideration.

Performance (%)

	YTD	6 months	1 year	3 years	5 years	Average annual return		
						Launch	5 years	Launch
Aberdeen European Smaller Companies	8.57	1.12	20.35	114.84	244.70	799.15	28.10	13.83
HSBC Europe ex UK Smaller Companies	9.84	0.58	23.72	123.82	306.33	569.86	32.39	11.87
Sector Average	9.25	-0.29	22.48	116.30	248.31	778.81	28.37	13.68
Sector Ranking	9/15	4/15	10/15	7/14	9/13	5/7	9/13	5/7
Quartile	3	1	3	2	3	3	3	3

Discrete annual returns (%) - year to 30/09

	2007	2006	2005	2004	2003
Aberdeen European Smaller Companies	20.35	23.43	44.64	19.28	34.50

Calendar year performance (%) - year to 30/09

	YTD	2006	2005	2004	2003
Aberdeen European Smaller Companies	8.57	35.86	29.11	20.83	42.20
HSBC Europe ex UK Smaller Companies	9.84	31.19	35.52	25.63	51.15
Sector Average	9.25	30.84	32.89	24.72	40.43
Sector Ranking	9/15	4/15	10/15	11/16	6/15
Quartile	3	1	3	3	2

Source: Lipper, Total Return, NAV to NAV, UK Net Income Reinvested.

[^]On 7 April 2006 Aberdeen European Smaller Companies Fund, a sub-fund of Aberdeen Investments I ICVC, merged into Aberdeen European Smaller Companies Fund, a new sub-fund of Aberdeen Investments Funds ICVC. The ongoing fund has a similar investment objective to the historic fund. The historic performance figures are those of Aberdeen European Smaller Companies Fund, launched October 1990.

These figures do not include the initial charge; if this is paid it will reduce performance from that shown.

Past performance is not a guide to future performance. The value of shares may go down as well as up and an investor may not get back the amount invested.

Fund manager's report

- European equities ended firmer in September, as the US Federal Reserve's 0.5% interest rate cut calmed global financial markets and boosted investor sentiment.
- The European Central Bank (ECB) kept interest rates unchanged last month, while Sweden raised its benchmark rate to 3.75% to contain inflation caused by stronger-than-expected economic expansion.
- The eurozone's purchasing manager's index fell to a two-year low in September, reinforcing expectations of slower growth over the coming year. The European Commission cast uncertainty over the continent's outlook, trimming its growth forecast for the region to 2.5%.
- In portfolio activity, we introduced attractively-valued Norwegian Property, while top-slicing Norgani following the takeover bid by Oslo Properties. We also exited Valeo and DSV on valuation grounds.
- Tensions in Eurozone money markets are still high with banks remaining wary of lending to one another. While the ECB continued to inject emergency funds to overcome the lack of liquidity, increasing demand for its emergency lending facility, which attracts a penalty rate of 5%, suggests that credit conditions remain tight.

The risks outlined overleaf relating to emerging markets, smaller companies and exchange rates are particularly relevant to this fund but should be read with all warnings and comments given in either the prospectus or simplified prospectus for the Fund.

Top ten holdings

	Sector	%
Baron de Ley	Consumer Goods	2.5
Societe de la Tour Eiffel	Financials	2.5
Flughafen Wien	Industrials	2.4
Praktiker	Consumer Services	2.3
Zehnder Group	Industrials	2.2
EVN	Utilities	2.2
Kesa Electricals	Consumer Services	2.1
Folli Folie	Consumer Goods	2.1
Wincor Nixdorf	Technology	2.1
Jumbo	Consumer Goods	2.1
Total		22.5
Total number of holdings		62

Country breakdown

	%
Germany	12.9
Austria	12.8
Norway	9.3
France	8.6
Greece	7.6
Switzerland	7.0
Finland	6.5
Netherlands	6.4
Sweden	6.4
United Kingdom	4.0
Ireland	4.0
Italy	4.0
Denmark	3.4
Spain	2.5
Hungary	1.7
Czech Republic	1.3
Belgium	1.2
Cash	0.4
Total	100.0

Key information

Benchmark	HSBC Smaller Companies Europe ex UK
Fund size	£115.4m
Date of launch	7 April 2006^A
Investment team	Pan European Equities
Fund advisory company	Aberdeen Asset Managers Limited

Further information

Broker desk	0800 592 487
Customer services	0845 300 2890
Dealing	0800 833 580
Website	www.aberdeen-asset.com

Receive the factsheet of your choice by email as soon as they are available by registering at www.aberdeen-asset.com/email

All sources (unless indicated): Aberdeen Asset Management 30 September 2007.

Aberdeen European Smaller Companies Fund

Important information

Risk factors you should consider before investing:

- The value of shares and the income from them can go down as well as up and you may get back less than the amount invested.
- Past performance is not a guide to the future.
- Derivatives may be used to hedge against various risks as permitted by the regulations but may not be used for speculative purposes. The use of derivatives for hedging in a rising market may restrict potential gains.
- Movements in exchange rates can impact on both the level of income received and the capital value of your investment. If the currency of your country of residence strengthens against the currency in which the underlying investments of the Fund are made, the value of your investment will reduce and vice versa.
- Smaller companies are riskier and less liquid than larger companies which means their share price may be more volatile.
- If insufficient income is generated by the Fund to cover the manager's periodic charge, the balance will be deducted from the Fund's capital and to that extent will constrain capital growth.
- The Fund invests in technology related stocks which can be more volatile than investments in other more established companies. Above average price increases or decreases can be expected.
- The Fund invests in emerging markets which tend to be more volatile than mature markets and the value of your investment could move sharply up or down. In some circumstances, the underlying investments may become illiquid which may constrain the Investment Manager's ability to realise some or all of the portfolio. The registration and settlement arrangements in emerging markets may be less developed than in more mature markets so the operational risks of investing are higher. Political risks and adverse economic circumstances are more likely to arise, putting the value of your investment at risk.
- When cancellation rights apply, and you exercise them, you may not get back the full amount you invested if the share price falls before we receive written confirmation that you wish to cancel the contract.

Other important information:

The value of any holdings in other collective investment schemes managed by any subsidiary of Aberdeen Asset Management PLC is excluded for the calculation of management charges. The Fund is a sub-fund of Aberdeen Investment Funds ICVC, an authorised open-ended investment company (OEIC) under the Financial Services (open-ended investment companies) Regulations 1997. The Authorised Corporate Director is Aberdeen Unit Trust Managers Limited. Nothing herein constitutes investment, legal, tax or other advice and is not to be relied upon in making an investment or other decision. No recommendation is made, positive or otherwise, regarding individual securities mentioned. Asset allocations are subject to change and yields may fluctuate. This is not an invitation to subscribe for shares in the Fund and is by way of information only. Subscriptions will only be received and shares issued on the basis of the current Prospectus or Simplified Prospectus for the Fund. These can be obtained from Aberdeen Unit Trust Managers Limited, 10 Queen's Terrace, Aberdeen, AB10 1YG. This document is only available for distribution in any jurisdictions where the Fund has been authorised for sale. Issued and approved by Aberdeen Asset Managers Limited which is authorised and regulated by the Financial Services Authority.

Sector breakdown

	%
Industrials	33.8
Consumer Goods	17.9
Financials	14.5
Consumer Services	13.0
Technology	5.5
Health Care	4.7
Utilities	4.2
Oil & Gas	3.5
Basic Materials	1.6
Chemicals	0.9
Cash	0.4
Total	100.0

Fund risk statistics - 31/08/07

	3 years	5 years
Annualised standard deviation of fund	13.34	15.69
Annualised standard deviation of index	13.28	15.74
Beta	0.97	0.97
Sharpe ratio	1.99	1.30
Annualised tracking error	3.64	3.72
Annualised information ratio	-0.15	-0.55
R-squared	0.93	0.95

Source: Aberdeen Asset Management, Total Return, Gross of Fees, Russell/Mellon Analytical Services.

Codes

SEDOL	BOXWN47
ISIN	GB00B0XWN473
Bloomberg	ABESCAA LN
Reuters	65028151UKp.LP

Other code listings: www.aberdeen-asset.com/codes.

Additional information

Fund type	OEIC
Domicile	UK
Currency	GBP
Registered for sale	UK
Income payable	30 April, 31 October
Sector	European Smaller Companies
Minimum investment	£500 lump sum, £50 per month
Charges	initial 4.25% annual 1.50%
Total expense ratio	1.66%
3 year monthly volatility	3.87
Price as at 30/09/07	845.20p
Deal closing time	12.00 noon (UK)
Daily valuation point	12.00 noon (UK)

Source: Total expense ratio Lipper Fitzrovia.