

Aberdeen European Smaller Companies Fund

Performance Data and Analytics to 31 July 2010



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 (%)

	1 month	3 months	6 months	1 year	Annualised		Launch
					3 years	5 years	
Fund	5.46	-4.19	6.82	31.56	-6.31	5.75	10.69
Benchmark	6.93	-6.38	1.78	25.06	-3.32	7.73	9.64
Difference	-1.47	2.19	5.04	6.50	-2.99	-1.98	1.05
Sector Average	5.88	-6.39	2.52	24.09	-5.01	6.66	10.91
Sector Ranking	11/13	3/13	3/13	1/13	8/11	5/10	4/6
Quartile	4	1	1	1	3	2	-

Discrete annual returns (%) - year to 31/07

	2010	2009	2008	2007	2006
Fund	31.56	-19.81	-22.03	26.82	26.80

Calendar year performance (%)

	YTD	2009	2008	2007	2006
Fund	3.30	32.95	-37.93	5.73	35.86
Benchmark	1.34	41.82	-33.30	5.81	31.19
Difference	1.96	-8.87	-4.63	-0.08	4.67
Sector Average	0.89	37.46	-34.53	6.23	30.84
Sector Ranking	3/13	10/14	11/15	10/13	4/13
Quartile	1	3	3	3	1

Performance Data: Share Class A Acc.

Quartile ranking not shown where fewer than 9 funds in the universe.

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

*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 managers' report

European small-cap shares tracked the general rise in the broader market last month, buoyed by supportive economic data and better-than-expected corporate earnings.

The composite Eurozone purchasing managers' index accelerated in July, as solid growth in Germany offset weakness in Greece and other more indebted peripheral European economies.

A sharp rise in mortgage lending across the 16-nation bloc in June heralded a rebound in consumer confidence and banks' increased willingness to lend to the private sector. Recent improvements in Germany's labour market also helped keep the region's overall unemployment rate unchanged.

Fund managers' report continues overleaf

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	%
Kongsberg Gruppen	Industrials	3.9
MTU Aero Engines	Industrials	3.8
TNT	Industrials	3.7
Vienna Insurance Group	Financial	3.6
Mapfre	Financial	3.5
Wincor Nixdorf	Technology	3.5
Weir Group	Industrials	3.3
GEA Group	Industrials	3.1
EVN	Utilities	3.1
Hera	Utilities	3.0
Total		34.5
Total number of holdings		44

Country breakdown

	%
United Kingdom	23.0
Germany	16.0
Austria	14.2
Switzerland	11.3
Netherlands	7.6
Spain	6.0
Italy	5.8
Norway	3.9
France	3.8
Hungary	2.1
Greece	1.6
Sweden	1.3
Ireland	1.2
Cash	2.2
Total	100.0

Key information

Benchmark	HSBC Smaller Companies Europe inc UK
Fund size	£105.7m
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
Receive the factsheet of your choice by email as soon as they are available by registering at www.aberdeen-asset.com	

All sources (unless indicated): Aberdeen Asset Management 31 July 2010.

Aberdeen European Smaller Companies Fund

Fund managers' report – continued

German exports jumped by nearly 29% in May, as a weak euro fuelled Asian demand.

We initiated a position in global IT software developer, Aveva, given its solid balance sheet and recurring revenues, as well as its attractive exposure to oil and gas. We also added to McBride on weakness as the company's leading position in the private label market offers structural growth. Against this, we trimmed Greek toy retailer Jumbo on concerns over the domestic economy.

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.
- The annual management charge for the Fund will be charged to the Fund's income account. If insufficient income is generated by the Fund to cover the annual management 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.

Other important information:

The Fund is a sub-fund of Aberdeen Investment Funds ICVC, an authorised open-ended investment company (OEIC). 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. 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. Issued and approved by Aberdeen Asset Managers Limited which is authorised and regulated by the Financial Services Authority in the United Kingdom.

Sector breakdown

	%
Industrials	32.3
Financial	16.2
Consumer Goods	13.4
Basic Materials	9.3
Technology	7.7
Utilities	6.1
Business Providers	5.9
Natural Resources	3.7
Retail Providers	1.6
Consumer Services	1.6
Cash	2.2
Total	100.0

Fund risk statistics - 30/06/10

	3 years	5 years
Annualised Standard Deviation of Fund	27.80	23.71
Annualised Standard Deviation of Index	29.28	24.66
Beta	0.93	0.94
Sharpe Ratio	(0.38)	0.17
Annualised Tracking Error	6.68	5.64
Annualised Information Ratio	(0.23)	(0.02)
R-Squared	0.95	0.95

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

Please note the risk analytics figures are calculated on gross returns whereas the performance figures are based on net asset value (NAV) returns. In addition, the risk analytics figures lag the performance figures by one month.

Codes

SEDOL	BOXWN47
ISIN	GB00BOXWN473
Bloomberg	ABESCAA LN
Reuters	LP65028151

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	1.67%
3 year monthly volatility	8.18%
Price as at 31/07/10	701.68p
Deal closing time	12.00 noon (UK)
Daily valuation point	12.00 noon (UK)

Source: Total expense ratio Lipper Fitzrovia as at 31 January 2010.