

TPEN United Kingdom

Contact Details

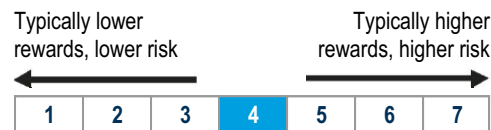
Helpline: 0207 4645668
 Helpline calls may be recorded

Fund Manager: Nathan Hargreaves
 Since: Jan-11
 Management Co: Threadneedle Pensions Ltd
 Fund Inception Date: 31/03/95
 Index: -
 Fund Currency: GBP
 Fund Domicile: United Kingdom
 Portfolio Size: £1,991.9m
 No. of Securities: 276

All information expressed in GBP

Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time, and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table shows the Fund's ranking on the Risk and Reward Indicator. The lowest category does not mean a risk-free investment.



Fund Charges

Please refer to your company pension scheme booklet

Fund Changes

Please refer to your company pension scheme booklet

Commentary and Outlook

The UK property market, as represented by the IPD UK Monthly index, generated a direct property total return of 1.7% in Q3 2018. Income, at 1.3%, was the dominant component of return, supported by capital value growth of 0.4%.

In Q3 2018, the fund generated a positive total return but underperformed the AREF/IPD (All Balanced Property Fund) weighted average total return.

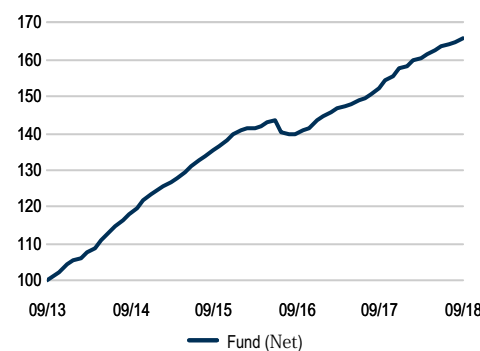
Looking forward, as the Brexit deadline date of 29 March 2019 approaches, it is reasonable to assume that a period of uncertainty will prevail across all financial markets, including UK commercial property. The fund continues to be well positioned against this uncertain backdrop, as evidenced by several factors.

- TPEN is a major open-ended product with c. £2bn under management and benefits from a well-diversified underlying client base.
- Time-proven liquidity protocols ensuring disciplined control of investor inflows and outflows to protect the interests of existing investors.
- The rental income generated from the TPEN portfolio (c. £117m pa) is reinvested in the product, further enhancing fund liquidity.
- Significant income yield advantage (c.100 basis points) versus the IPD benchmark (5.9%* vs 4.9%).
- Maximum diversification at both portfolio and client levels.
- Despite a challenging business environment, c. 97% of TPEN's medium-term rent roll is collected within 21 days of the quarterly due date
- Highly liquid average lot size of c. £6.6m.

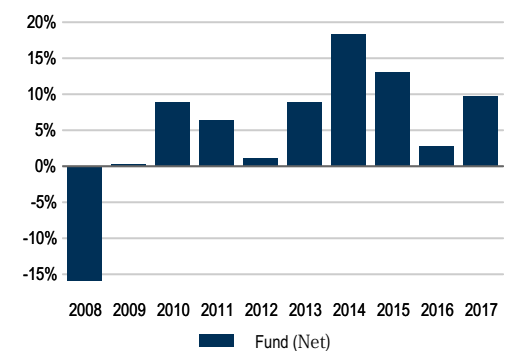
Fund Objective & Policy

To invest primarily in direct UK commercial property. It aims to generate total returns (from income and capital appreciation) that are above its benchmark, over rolling 3 year periods.

5 Years NAV (GBP)*



Calendar Years (GBP)*



Annualised Performance (GBP)*

	3M	1YR	3YR	5YR	10YR
Fund (Net) NAV - NAV	1.4	8.8	7.0	10.6	6.2
AREF IPD Weighted Average	1.6	8.8	7.1	10.4	5.7

12M Rolling Period (GBP)*

	10/13 - 09/14	10/14 - 09/15	10/15 - 09/16	10/16 - 09/17	10/17 - 09/18
Fund (Net)	18.2	14.5	3.4	9.0	8.8
AREF IPD Weighted Average	16.8	14.4	3.4	9.3	8.8

Calendar Year Performance (GBP)*

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Fund (Net) NAV - NAV	9.7	2.9	13.0	18.4	8.8	1.1	6.5	8.9	0.4	-15.9
AREF IPD Weighted Average	10.2	2.8	12.5	17.2	9.1	0.2	6.6	11.9	-2.0	-24.1

*Past performance is not a guide to the future. The value of investments and any income from them can fall as well as rise. The performance returns shown on this factsheet are Net of annual management charges on a NAV-to-NAV basis. Please see your scheme booklet for full details on all charges that may apply.

Performance source: Columbia Threadneedle Investments. Three, five and ten year returns are annualised.

Risk Warnings

Property Valuation Risk: The value of a property is a matter of a valuer's opinion and the true value may not be recognised until the property is sold.

Property Market Risk: The performance of the fund would be adversely affected by a downturn in the Property market in terms of capital value or a weakening of rental yields.

Property Liquidity Risk: It may be difficult or impossible to realise an investment in the fund because the underlying property concerned may not be readily saleable.

No Capital Guarantee: Positive returns are not guaranteed and no form of capital protection applies.

Uninvested Cash: Due to the illiquid nature of property and the time it can take to buy or sell assets, under normal circumstances up to 20% of the fund's assets may be held in cash deposits. In exceptional circumstances, the level of cash held by the fund may be significantly higher. Holding high levels of cash will have an impact on the performance of the fund and its distributable income until the excess cash is invested in property assets.

Past performance is not a guide to future performance.

Source: FactSet

Weightings (%)

Region	Fund	Sector	Fund
South East	24.7	Industrial / Warehouse	31.9
London - Inner	16.7	Town Centre Offices	19.5
Yorkshire & Humberside	11.1	Retail Warehouse	14.5
North West	10.2	Unit Shop	13.2
London - Outer	9.0	Out of Town Offices	10.0
South West	4.5	Miscellaneous	5.8
East Midlands	4.4	Shopping Centre	3.3
Scotland	4.2	Supermarket	2.0
Eastern	3.8		
Wales	3.8		
West Midlands	3.7		
North East	2.1		
Other	1.8		

Top 10 Holdings (%)

Security Name	Weight
London W1 The Heals Building	6.0
Deeside, Deeside Industrial Park	2.6
Chelmsford, Boreham Airfield	2.5
London EC1, Banner Street	1.8
High Wycombe, Mercury Park	1.8
London EC1,29-35 Farringdon Rd	1.7
Chester, Deva Retail Park	1.4
Sittingbourne, Spade Lane D/Cen	1.2
Twickenham, Premier House	1.2
Borehamwood, Centennial Park	1.2
Total	21.3

Portfolio Characteristics

	Fund	Index
Net initial yield on property %	5.9	4.8
Vacancy Rate %	10.0	7.6
Number of Tenancies	1,341	n/a
Average term of lease to renewal - years	5.4	7.2
Cash %	8.4	n/a

Important Information

Past performance is not a guide to future performance. The value of investments and any income is not guaranteed and can go down as well as up and may be affected by exchange rate fluctuations. This means that an investor may not get back the amount invested. Performance is on an offer-to-offer basis, gross of annual management charges, using global close prices. Portfolio positions are based on gross asset valuations at global close. Weighting and currency exposure data, where applicable, are on a look-through basis to underlying assets where Columbia Threadneedle CIS instruments are held.

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The Columbia Threadneedle Pooled Pension Funds Key Features Document (KFD) is available on the institutional site of www.columbiathreadneedle.co.uk. The KFD gives a summary of information about Columbia Threadneedle's pooled pensions in order to help you decide if you want to invest in funds, as well as a full list of risk factors applying to the funds. Please refer to the Risk section of the Key Features document for all risks applicable to investing in any fund and specifically this Fund.

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