

BlackRock Pensions Limited

DC 50/50 Global Growth Fund

Defined Contributions

As at 30 September 2008

BLACKROCK

Overview and Manager's Report

Global equity markets were extremely volatile in September. The American equity market (S&P500) fell almost 14% over the third quarter. The main culprit was the lock-up of short-term funding markets, driven by the collapse of a large number of US financial institutions, including Lehman Brothers. The sell-off reflected the fact that global markets seem to have moved from a financial to an economic crisis.

The DC 50/50 Global Growth Fund underperformed its benchmark over the quarter. In UK equities, the largest negative contributor was Enterprise Inns as trading failed to pick up. Other detractors included Man Group, the hedge fund manager, which was negatively impacted by the underperformance of its largest fund, and the Banks sector which was mainly driven by our underweight position in the largest bank, HSBC, which outperformed. Our holding in HBOS, which we believed was undervalued, was hit by further concerns over funding.

In the U.S. the Fund's relatively weak performance was driven in large part by its long-time commitment to the oil & gas sector, which this quarter had a negative impact with Weatherford and Murphy Oil leading the list of negative contributors to performance. In Japan, the decline in the Fund's commodity related holdings, such as Isuzu Motors, Marubeni and Mitsubishi Corp. (wholesale), and Mitsui O.S.K. Lines (shipping), detracted from relative performance. Returns elsewhere in Continental Europe, Asia Pacific and emerging markets were, whilst negative, broadly neutral in relative performance terms.

The global economic outlook has deteriorated significantly and we now face global recession. Economic weakness is evident globally and earnings momentum is falling.

Objectives and Policies

Invests mainly in UK equities (around 50%) and overseas equities (around 50%). The overseas equities are split between geographical regions with a fixed weight benchmark. The Fund aims to produce a return in excess of its benchmark.

Fund Facts

Fund Value (£m): £68.4

Launch Date: 31 March 2000

Benchmark: 50% FTSE All Share Index/ 50% Fixed Overseas Weights (17% Continental Europe, 17% North America, 8% Japan, 7% Pacific Basin, 1% Emerging Markets)

Risk Rating Profile: Medium-High



These ratings give an indication of the risk level of a fund only in relation to BPL's overall fund range.

Performance & Fund Characteristics

Performance for 12 months to:

	30 Sep 04	30 Sep 05	30 Sep 06	30 Sep 07	30 Sep 08
Fund	+12.8%	+27.7%	+14.5%	+15.3%	-18.9%
Benchmark	+12.5%	+25.8%	+13.0%	+13.4%	-19.5%

Performance for:

	3 months	Year to date	12 months	3 years p.a.	5 Years or since launch	5 Years or since launch p.a.
Fund	-12.6%	-20.0%	-18.9%	+2.3%	+54.2%	+9.1%
Benchmark	-9.6%	-19.6%	-19.5%	+1.0%	+46.0%	+7.9%

Source: BlackRock. Performance shown is gross of fees. Please call our helpline to check the charges that will apply to your investment.

Past performance is not a guide to future performance. The value of investments and the income from them can fluctuate and are not guaranteed. Investors may not get back the amount invested. Rates of exchange may cause the value of investments to go up or down. Fluctuation may be particularly marked in the case of a higher volatility fund and the value of an investment may fall suddenly and substantially. Any objective or target will be treated as a target only and should not be considered as an assurance or guarantee of performance of the Fund or any part of it. The Fund objectives and policies include a guide to the main investments to which the Fund is likely to be exposed. The Fund is not necessarily restricted to holding these investments only. Subject to the Fund's objectives, the Fund may hold any investments and utilise any investment techniques, including the use of derivatives, permitted under the FSA's New Conduct of Business Sourcebook which contain the rules by which investment of the Fund is governed. The BlackRock Pensions Limited notional fund units have a single unit price. The unit prices are normally calculated on each business day. For performance reporting, notional units are valued at special closing prices on the last working day of each quarter to enable comparison with the relevant benchmark index. Issued by BlackRock Pensions Limited, which is authorised and regulated by the Financial Services Authority. BlackRock Pensions Limited, 33 King William Street, London EC4R 9AS. Phone: 020 7743 3000 Fax: 020 7743 1000. Registered in England number 2348841. BlackRock is a trading name of BlackRock Pensions Limited.

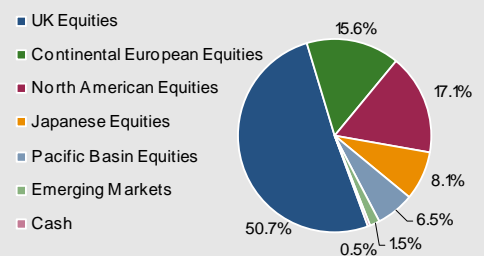
Contact Us:

Phone: 020 7743 4343

Email: uk.dc@blackrock.com

Web: www.blackrock.co.uk/pensions

Asset Allocation



Source: BlackRock

Largest Equity Holdings

Holding	Fund (%)	Fund (%)	
UK			
Vodafone	2.8	JP Morgan Chase	0.5
BG Group	2.3	Japan	
Europe		Mitsubishi UFJ Financia	0.5
Nestle	1.0	Toyota	0.3
Telefonica	0.7	Pacific	
US		Samsung Electronics	0.3
Kimberly-Clark	0.5	BHP Billiton	0.3
Total			9.2

Source: BlackRock