

LV= MANAGED PORTFOLIO 7

Interim Short Report for the period ended 30 September 2011

Fund Manager's Report



Paul Kim

were broadly neutral in the UK and had very good performance from several managers, including AXA Framlington, Cazenove, Lindsell Train and particularly Invesco Perpetual and PSigma, both of which we had been building up their weightings through the period.

We consider that markets will continue to be unsettled for sometime to come and remain driven by sentiment more than fundamentals. Macro concerns persist, including European/Euro crisis, western banking problems, recession, slowing growth in Asia and inflation. With all of these and other problems around we feel that more short term tactical positions in portfolios will probably be required. These will then need to be closed out, back to neutral, in order to make progress.

Performance Review

LV= Managed Portfolio 7 out-performed against its benchmark over the six month period.

Good performance was seen from our overweight in Japan, from Jupiter Japan Income and with our move in to Morant Wright Japan. We

There are some changes to the asset allocation which take effect from the end of the third quarter, in order to position the portfolio to maintain the risk profile and with the transfer of management at the end of October from LVAM to Threadneedle, we are gradually continuing to move the portfolios to a more neutral position. This also suits our view given below.

FUND FACTS

Fund Accounting and Distribution Dates

Accounting Dates	Payment Dates
31 March	17 May
30 September	17 November

Total Expense Ratio (TER)

	30 Sep 2011*	31 Mar 2011
Retail Income Share	2.07%	1.86%
Second Retail Accumulation Share	2.56%	2.35%

*The TER as at 30 September 2011 has been annualised to reflect a full 12 month period.

It has been agreed that on 1 November 2011 the ACD of LV= Managed Portfolio 7 will transfer from Liverpool Victoria Portfolio Managers Limited to Threadneedle Investment Services Limited, and the Investment Manager will transfer from Liverpool Victoria Asset Management Limited to Threadneedle Asset Management Limited. The name of the Fund will also change from LV= Managed Portfolio 7 to Threadneedle Managed Portfolio 7.

SUMMARY OF FUND PERFORMANCE

Performance History (%)

	6m to 30.09.11	12m to 31.03.11	12m to 31.03.10	Since Launch
Retail Income Share ¹	(10.85)	8.72	42.59	10.27
Second Retail Accumulation Share ²	(11.11)	8.15	42.30	36.80
Managed Portfolio 7 Composite Benchmark	(12.87)	9.16	48.37	NA

The composite benchmark comprises 8% IMA £ Corporate Bonds, 50% IMA UK All Companies, 8% IMA Europe ex-UK, 10% IMA North America, 5% IMA Japan, 7% IMA Asia Pacific ex-Japan, 10% IMA Global Emerging Markets and 2% Customised Real Property Fund Index.

N/A: Data not available for this period.

Data Source: Copyright - © 2011, Lipper. All rights reserved. Bid to Bid basis with net income reinvested.

Net Asset Value (NAV)

As at:	Share Class	NAV (£)	NAV pence per share	Number of shares in issue
30 September 2011	Retail Income Shares	14,265,665	106.93	13,341,690
31 March 2011	Retail Income Shares	12,747,844	120.38	10,590,052
31 March 2010	Retail Income Shares	7,590,252	111.51	6,806,937
31 March 2009	Retail Income Shares	1,351,493	78.74	1,716,297
30 September 2011	Second Retail Accumulation Shares	1,130,449	136.58	827,708
31 March 2011	Second Retail Accumulation Shares	901,837	153.64	586,975
31 March 2010	Second Retail Accumulation Shares	393,089	142.01	276,795
31 March 2009	Second Retail Accumulation Shares	4,991	99.82	5,000

Share Price Range

Year to:	Share Class	Highest (pence)	Lowest (pence)
30 September 2011 ³	Retail Income Shares	124.00	105.30
31 December 2010	Retail Income Shares	121.00	100.90
31 December 2009	Retail Income Shares	105.85	74.26
31 December 2008 ¹	Retail Income Shares	103.86	74.99
30 September 2011 ³	Second Retail Accumulation Shares	158.00	134.10
31 December 2010	Second Retail Accumulation Shares	154.70	128.30
31 December 2009 ²	Second Retail Accumulation Shares	134.77	100.00

Distribution History

Year to:	Share Class	Pence per Share
30 September 2011 ³	Retail Income Shares	0.3616
31 December 2010	Retail Income Shares	0.9809
31 December 2009	Retail Income Shares	1.2172
31 December 2008 ¹	Retail Income Shares	0.2998
30 September 2011 ³	Second Retail Accumulation Shares	0.0730
31 December 2010	Second Retail Accumulation Shares	0.6537
31 December 2009 ²	Second Retail Accumulation Shares	0.6376

Notes to Performance Tables

¹ The Fund and its Retail Income Share Class launched 29 July 2008

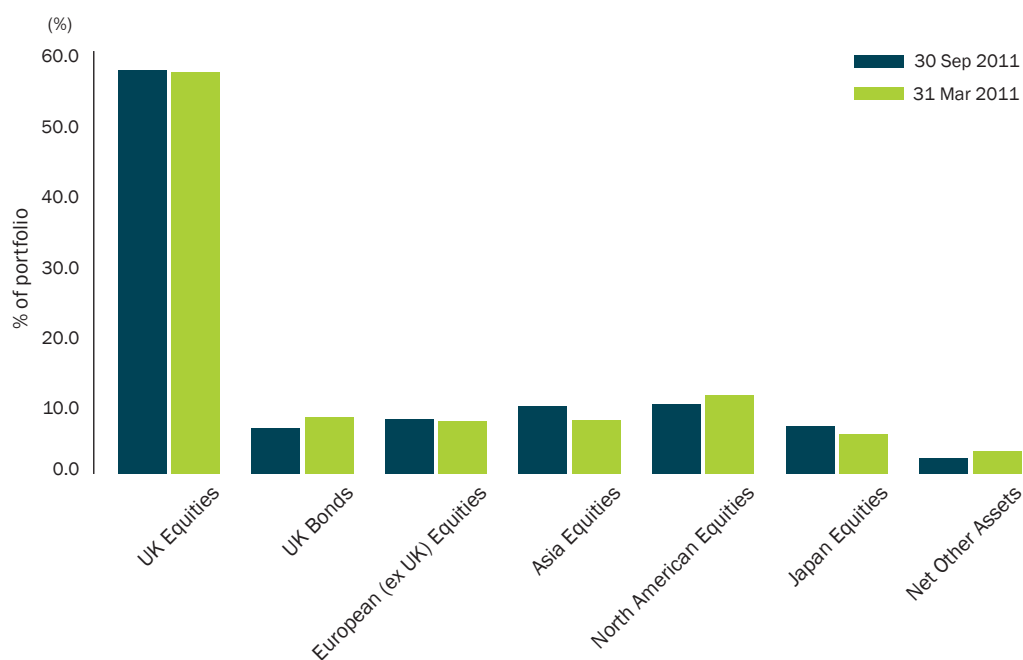
² The Second Retail Accumulation Share Class launched 31 March 2009

³ 9 Months from 1 January 2011 to 30 September 2011

Past performance is not a guide to future performance.

Classification of Investments

30 September 2011 vs 31 March 2011



Portfolio Information

Top Ten Holdings as at 30 September 2011	Percentage of Fund	Top Ten Holdings as at 31 March 2011	Percentage of Fund
Invesco Perpetual High Income Fund	9.87	Aegon UK Equity Fund	10.11
Aberdeen Emerging Markets Fund	8.35	BlackRock UK Equity Fund	7.75
AXA Framlington UK Select Opportunities Fund	7.69	First State Investment - Asia Pacific Leaders Fund	7.63
PSigma Income Fund	6.88	Artemis Income Fund	7.27
Artemis Income Fund	6.60	Royal London All Share Tracker Fund	6.92
First State Investment - Asia Pacific Leaders Fund	6.27	Schroder US Mid Cap Fund	6.65
Cazenove UK Oppurtunities Fund	5.74	Baring UK Umbrella Fund	6.01
Findlay Park American Fund	5.27	Jupiter Japan Income Fund	5.64
UBS Investment US Growth Fund	4.66	LV= European ex-UK Growth Fund	5.53
Schroder UK Alpha Plus Fund	4.44	M&G Recovery Fund	5.43

Investment Objective and Policy

The objective of the Fund is to achieve significant long term capital growth.

The policy of the Fund is to invest principally in global stock markets using collective investments mainly operated by other fund managers. Investment may occur in regulated and unregulated collective investment schemes and also in transferable securities, money market instruments, deposits, cash and near cash when deemed appropriate.

The Fund may from time to time use derivatives and forward transactions for the purposes of efficient portfolio management and hedging only. Derivatives may also be used for investment purposes on not less than 60 days' notice to investors.

Risk Profile

- The value of Shares, and any income from them, can go down as well as up, particularly in the short term, meaning that an investment may not be returned in full.
- The Fund may invest in overseas assets which are priced in foreign currencies. So, regardless of stock market movements, changes in the exchange rate between UK sterling and the foreign currency may cause the investment's value to rise or fall.
- There are also risks that the issuer of credit instruments such as bonds may default and so fail to meet their liabilities.

A more detailed explanation of the risks involved with an investment in the Fund can be found in the Prospectus or the Simplified Prospectus, available on request from the ACD or via www.lvam.co.uk.

GENERAL INFORMATION

The information in this report is designed to enable shareholders to make an informed judgment on the activities of the Fund during the period it covers and the result of those activities at the end of the period.

The Long Form Report and Accounts is available free of charge on request from the ACD.

For more information about the activities and performance of the Fund during the period and previous periods, please contact the ACD at the administration address noted below, or visit our website at www.lvam.co.uk.

Contacts:

Authorised Corporate Director (ACD)

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Depositary

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Auditor

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