Aberdeen Standard Investments

Interim Report

Standard Life Investment Company III

Interim Report & Financial Statements for the Six Months ended 31 December 2018 (unaudited)

Standard Life Investment Company III
Interim Report & Financial Statements

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Company Information

Standard Life Investment Company III			
Head Office	**Director**	**Authorised Corporate Director (ACD)***	**Board of Directors of the ACD**
1 George Street Edinburgh EH2 2LL 0345 113 6966	The Authorised Corporate Director (ACD) is Aberdeen Standard Fund Managers Limited which is the sole director and is authorised and regulated by the Financial Conduct Authority for investment business	Aberdeen Standard Fund Managers Limited Registered Office Bow Bells House 1 Bread Street London EC4M 9HH	Mr Jamie Matheson Mr Gary Marshall Ms Allison Donaldson Mr Aron Mitchell Ms Carolan Dobson
Depositary	**Independent Auditor**	**Registrar**	**Investment Adviser**
Citibank Europe plc Citigroup Centre Canada Square Canary Wharf London E14 5LB	KPMG LLP 15 Canada Square Canary Wharf London E14 5GL	Aberdeen Standard Fund Managers Limited Bow Bells House 1 Bread Street London EC4M 9HH	Standard Life Investments Limited 1 George Street Edinburgh EH2 2LL

* The ACD changed on 10 December 2018, from Standard Life Investments (Mutual Funds) Limited to Aberdeen Standard Fund Managers Limited. Unitholders were given notice of this change in October 2018.

Standard Life Investment Company III
Interim Report & Financial Statements

Statement of the Authorised Corporate Director's responsibilities

The Collective Investment Schemes sourcebook published by the FCA, ("the COLL Rules") require the Authorised Corporate Director ("ACD") to prepare financial statements for each interim and annual accounting period which give a true and fair view of the financial position of the Company and of the net income and net gains or losses on the property of the Company for the period.

In preparing the financial statements the ACD is responsible for:

- selecting suitable accounting policies and then applying them consistently;
- making judgements and estimates that are reasonable and prudent;
- following UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*;
- complying with the disclosure requirements of the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014;
- keeping proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- assessing the Company and its sub-funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- using the going concern basis of accounting unless they either intend to liquidate the Company or its sub-funds or to cease operations, or have no realistic alternative but to do so;
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- taking reasonable steps for the prevention and detection of fraud and irregularities.

The ACD is responsible for the management of the Company in accordance with its Instrument of Incorporation, the Prospectus and the COLL Rules.

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Authorised Corporate Director's Report

The ACD is Aberdeen Standard Fund Managers Limited which is the sole director, authorised and regulated by the Financial Conduct Authority, for investment business.

Standard Life Investment Company III ("the Company") is an Open-Ended Investment Company with variable capital under Regulation 12 (Authorisation) of the Open-Ended Investment Companies Regulations 2001 ("the Regulations"). The shareholders are not liable for the debts of the Company.

Standard Life Investment Company III is structured as an umbrella company. Each sub-fund has the investment powers equivalent to those of a securities company.

Standard Life Investment Company III is a protected cell company. As such the assets and liabilities of individual Sub-funds are ringfenced, with assets of a particular Sub-fund not to be used to discharge the liabilities of, or claims against, the Umbrella company or any other Sub-fund(s).

The following items within each sub-fund report form part of the Authorised Corporate Director's report: Investment Report, Comparative Tables, Ongoing Charges Figure, Portfolio Statement and Treatment by Corporate Shareholders.

Distributions are made from positive net revenue where gross revenue exceeds expenses and tax. The total return consists of investment and currency gains and losses in addition to net revenue. In situations where Sub-funds have a negative total return but a positive net revenue position, there will be a distribution.

Material differences may arise between a Sub-funds net revenue after tax and its distribution if the ACD's periodic charge and transaction costs are borne by the capital property of the Sub-fund for distribution purposes. The expenses in the Statement of Total Return includes these expenses even if they are met from the capital property of the Sub-fund. In such cases, the amount a Sub-fund has to distribute will exceed its net revenue and this is detailed in the notes to the financial statements where it occurs.

Names and addresses of the ACD, Independent Auditor, Registrar and Investment Adviser are contained on page 1 of the Annual Report and Financial Statements. The investment objectives of each Sub-fund, how they were achieved and investment activities during the period are disclosed within the individual Sub-funds' reports.

The Prospectus for the Company is available online at aberdeenstandard.com.

In the future, the Company may launch other Sub-funds.

I hereby certify the Interim Report and Financial Statements on behalf of the Directors of Aberdeen Standard Fund Managers Limited.

Director
Aberdeen Standard Fund Managers Limited
26 February 2019

Standard Life Investment Company III Interim Report & Financial Statements

The Registrar of the Company

The Authorised Corporate Director (ACD) is the Registrar of the Standard Life Investment Company III. The ACD has delegated certain aspects of the registrar's operational duties to DST Financial Services International Limited ("DST Limited").

The Registrar is responsible to the Depositary for the maintenance of a register of shareholders in the Company. The register can be inspected free of charge at the offices of DST Limited at DST House, St Nicholas Lane, Basildon, Essex, SS15 5FS.

Standard Life Investment Company III Interim Report & Financial Statements

Investment Report

MyFolio OEIC Global Overview

Market themes

Equities

- Global equity markets delivered negative returns over the last six months
- US equities initially held up well amid positive corporate results
- Markets dipped into year-end amid increasing political and economic concerns

Global equity markets fell back over the last six months. A challenging end to the year sent indices lower. At the start of the period, divergence between markets was clear. The US outperformed all other markets aided by a strong US dollar and excellent company results. In Japan, the central bank kept monetary policy on hold and Prime Minister Shinzo Abe was re-elected as leader of his party. Alongside a weaker yen, this provided a stable platform for equities and allowed markets to make progress. In Europe, signs of weakening economic activity, political concerns and Italy's struggling banking all weighed on sentiment.

Towards the end of the year, investors were unable to shake off worries about trade relations and an economic slowdown. There were also doubts about the US Federal Reserve's policy decisions. Indeed, US indices were notably downbeat. Elsewhere, trade concerns and disappointing Eurozone third-quarter GDP growth subdued European markets. Insipid Chinese news flow dampened the overall mood in Asia. Weaker growth also had a negative impact growth on Japanese share prices.

Fixed income

- Geopolitical events drove bond markets over the last six months
- US Treasuries found favour when investors sought safe-haven assets
- Brexit uncertainty continued to influence UK government bonds

International newsflow was a key driver of bond markets. Political disruption in Italy and the escalation of trade wars between the US and its trading partners prompted renewed appetite among investors for perceived lower-risk investments, such as German government bonds.

US Treasury yields edged higher over much of the review period (bond prices fell), moving above 3% as the US economy gathered pace and investors anticipated further interest rate increases. However, after peaking in November, yields started to fall as investors grew nervous about prospects for global growth and sought out the relative safety of US government bonds. At the end of December, the 10-year yield was 2.68%, close to the end-January 2018 level of 2.72%.

Seemingly intractable Brexit negotiations were the main factor influencing UK government bond prices. The rejection by the European Union of UK Prime Minister Theresa May's so-called 'Chequers' plan was followed by a negotiated withdrawal agreement. As news filtered through that a deal was impending, gilts sold off (yields rose). However, the deal was met with widespread disapproval from all parties, causing gilts to rally once more.

UK direct real estate

- Total returns slowed over the course of 2018
- Brexit concerns had a negative effect on sentiment
- Industrials remained the best-performing sector, while retail struggled

While monthly total returns for UK commercial property remained positive over the period, the rate of growth slowed. As a result, expectations are for the 2018 total return to be lower than that achieved in 2017. Market sentiment towards UK commercial property continued to show a degree of caution. This forced the market to slow. Assets appear overpriced in comparison to fundamentals (like rents). Investors were also concerned about the impact a disorderly Brexit could have on property prices.

At a sector level, industrial properties continued to outperform all other asset classes. According to CoStar, industrial assets saw the strongest level of investor demand. Yields fell to below 5.5% for the first time in the history of the MSCI monthly index. The sector benefits from supportive supply/demand dynamics and the changing face of logistics. Meanwhile, the retail sector was weak. It struggled to cope with changing shopping habits, higher costs and softer consumer spending.

Standard Life Investment Company III Interim Report & Financial Statements

Investment Report

MyFolio OEIC Global Overview
(Continued)

Market outlook

Equities

Given that economic data and earnings estimates remain solid, it is possible that global equity markets will bounce back from the recent sell-off. However, numerous headwinds remain, from the US-China trade dispute to worries around Italy's budget. The resolution of any of these would provide a boost to sentiment. Brexit, meanwhile, has entered the final, critical stages. Investors will watch the outcome closely. Against this backdrop, we believe earnings rather than valuations will be the primary driver of share prices.

Fixed income

Investment grade corporate bonds now look to be fairly valued. However, volatility may persist, given the combination of trade tensions and continuing political uncertainty around Brexit. Meanwhile, the path and speed of interest rate changes will continue to determine the short-term outlook for government bond markets.

UK direct real estate

For UK commercial real estate, uncertainty around Brexit and the expectation that the government faces defeat in parliament's 'meaningful vote' on the EU Withdrawal Agreement is biting into sentiment. There is also growing evidence that it is impairing liquidity. We expect values to fall further during the first quarter of 2019, after turning negative in November. Even with the base case scenario of an eventual agreement passing and a smooth transition period for the UK, our forecast returns are weak for the next three years.

Standard Life Investment Company III Interim Report & Financial Statements

Investment Report

MyFolio Activity Statement

The SLIC III OEIC umbrella contains 26 sub-funds including 25 under the MyFolio brand. We split the 25 MyFolio sub-funds into three distinct groups and each has a different investment style.

MyFolio Market Funds – invest predominantly in index-tracking funds. We include property and high yield bond exposure by investing in active property and high yield bond funds.

MyFolio Managed Funds – invest predominantly in funds managed by Standard Life Investments. We also have the option to invest in funds run by external fund managers where a suitable fund is not available within the Standard Life Investments range. Within the MyFolio Managed range, we also offer five income options, which aim to provide an income-focused total return.

MyFolio Multi-Manager Funds – portfolios of carefully selected funds from some of the leading managers in the market. Within the MyFolio Multi-Manager range, we also offer five income options, which aim to provide an income-focused total return.

Strategic Asset Allocation

We review the strategic asset allocation (SAA) for all the funds every three months. In doing so, we consult with Moody's Analytics, world-leading experts in financial risk modelling, to establish the optimum strategic asset allocation for each fund. Investors should note that Moody's Analytics has not modelled the absolute return exposure within the Managed and Multi-Manager Funds. This is a matter of judgement. We have therefore elected to replace a portion of the growth and defensive assets with absolute return components.

At the most recent review, we made modest changes that we believe will improve the prospects for long-term, risk-adjusted returns. Within defensive assets, we reduced exposure to global index linked bonds. Instead, we increased our allocation to short-dated sterling corporate bonds that we believe offer better long-term returns. In the growth assets, we increased our allocation to emerging market debt. These offer better yields than developed market bonds. We also increased our allocation to UK equities, while making a smaller increase to Japanese equities. Meanwhile, we reduced exposure to both US and European equities.

Market Funds	I	II	III	IV	V
Money Market including Cash	7.20%	1.00%	1.00%	1.00%	1.00%
UK Government Bonds	0.00%	0.00%	0.00%	0.00%	0.00%
Short Dated UK Government Bonds	0.00%	0.00%	0.00%	0.00%	0.00%
Global Index Linked Bonds	1.90%	5.20%	0.00%	0.00%	0.00%
Short Dated Global Index Linked Bonds	7.00%	7.10%	3.90%	0.00%	0.00%
Sterling Corporate Bonds	17.60%	11.30%	5.10%	1.70%	0.00%
Short Dated Sterling Corporate Bonds	20.70%	12.70%	5.10%	3.80%	2.00%
Global Corporate Bonds	11.30%	9.50%	7.40%	2.60%	0.00%
Short Dated Global Corporate Bonds	3.80%	3.20%	2.50%	0.90%	0.00%
Absolute Return Bonds	0.00%	0.00%	0.00%	0.00%	0.00%
Defensive Assets	**69.50%**	**50.00%**	**25.00%**	**10.00%**	**3.00%**
UK Equities	10.90%	16.70%	21.90%	28.40%	36.30%
US Equities	3.10%	5.30%	10.40%	15.70%	23.00%
European Equities	1.00%	3.00%	7.20%	7.50%	10.20%
Japanese Equities	2.00%	4.80%	5.40%	8.20%	10.60%
Asia Pacific Equities	1.60%	2.80%	4.10%	5.40%	7.20%
Emerging Market Equities	1.60%	2.80%	4.10%	5.40%	7.20%
Global High Yield Bonds	2.50%	2.50%	3.70%	4.50%	0.00%
Emerging Market Local Currency Bonds	3.00%	4.60%	7.50%	4.80%	2.50%
UK Real Estate	3.60%	5.60%	8.00%	7.60%	0.00%
Global REITs	1.20%	1.90%	2.70%	2.50%	0.00%
Multi Asset Absolute Returns	0.00%	0.00%	0.00%	0.00%	0.00%
Growth Assets	**30.50%**	**50.00%**	**75.00%**	**90.00%**	**97.00%**

Standard Life Investment Company III Interim Report & Financial Statements

Investment Report

MyFolio Activity Statement
(Continued)

Managed Funds and Multi-Manager Funds	I	II	III	IV	V
Money Market including Cash	5.80%	1.00%	1.00%	1.00%	1.00%
UK Government Bonds	0.00%	0.00%	0.00%	0.00%	0.00%
Short Dated UK Government Bonds	0.00%	0.00%	0.00%	0.00%	0.00%
Global Index Linked Bonds	1.50%	4.10%	0.00%	0.00%	0.00%
Short Dated Global Index Linked Bonds	5.60%	5.70%	3.10%	0.00%	0.00%
Sterling Corporate Bonds	14.10%	9.00%	4.00%	1.30%	0.00%
Short Dated Sterling Corporate Bonds	16.60%	10.10%	4.00%	3.00%	2.00%
Global Corporate Bonds	9.00%	7.60%	5.90%	2.00%	0.00%
Short Dated Global Corporate Bonds	3.00%	2.50%	2.00%	0.70%	0.00%
Absolute Return Bonds	13.90%	10.00%	5.00%	2.00%	0.00%
Defensive Assets	**69.50%**	**50.00%**	**25.00%**	**10.00%**	**3.00%**
UK Equities	8.70%	13.40%	17.50%	22.80%	29.00%
US Equities	2.40%	4.30%	8.20%	12.50%	18.30%
European Equities	0.80%	2.40%	5.80%	6.00%	8.20%
Japanese Equities	1.60%	3.80%	4.30%	6.50%	8.50%
Asia Pacific Equities	1.30%	2.20%	3.30%	4.30%	5.80%
Emerging Market Equities	1.30%	2.20%	3.30%	4.30%	5.80%
Global High Yield Bonds	2.00%	2.00%	3.00%	3.60%	0.00%
Emerging Market Local Currency Bonds	2.40%	3.70%	6.00%	3.90%	2.00%
UK Real Estate	2.90%	4.50%	6.40%	6.10%	0.00%
Global REITs	1.00%	1.50%	2.20%	2.00%	0.00%
Multi Asset Absolute Returns	6.10%	10.00%	15.00%	18.00%	19.40%
Growth Assets	**30.50%**	**50.00%**	**75.00%**	**90.00%**	**97.00%**

Managed Income Funds and Multi-Manager Income Funds	I	II	III	IV	V
Money Market including Cash	6.30%	1.00%	1.00%	1.00%	1.00%
UK Government Bonds	0.00%	0.00%	0.00%	0.00%	0.00%
Short Dated UK Government Bonds	0.00%	0.00%	0.00%	0.00%	0.00%
Global Index Linked Bonds	6.30%	6.20%	2.70%	0.90%	0.00%
Short Dated Global Index Linked Bonds	6.30%	6.20%	2.70%	0.90%	0.00%
Sterling Corporate Bonds	15.50%	7.90%	3.70%	1.50%	0.00%
Short Dated Sterling Corporate Bonds	15.50%	7.90%	3.70%	1.50%	0.00%
Global Corporate Bonds	10.00%	11.80%	5.40%	2.30%	2.00%
Short Dated Global Corporate Bonds	3.30%	4.00%	1.80%	0.80%	0.00%
Absolute Return Bonds	7.00%	5.00%	2.30%	1.00%	0.00%
Defensive Assets	**70.20%**	**50.00%**	**23.30%**	**9.90%**	**3.00%**
UK Equities	5.20%	9.90%	13.20%	19.30%	25.40%
US Equities	4.60%	8.90%	11.80%	17.40%	23.00%
European Equities	2.00%	3.90%	5.20%	7.60%	10.20%
Japanese Equities	1.40%	2.90%	3.80%	5.50%	7.40%
Asia Pacific Equities	1.10%	2.20%	3.00%	4.30%	5.80%
Emerging Market Equities	1.10%	2.20%	3.00%	4.30%	5.80%
Global High Yield Bonds	2.40%	4.00%	6.20%	3.60%	0.00%
Emerging Market Local Currency Bonds	1.20%	2.00%	3.00%	1.80%	0.00%
UK Real Estate	3.60%	3.00%	9.20%	6.20%	0.00%
Global REITs	1.20%	1.00%	3.00%	2.10%	0.00%
Multi Asset Absolute Returns	6.00%	10.00%	15.30%	18.00%	19.40%
Growth Assets	**29.80%**	**50.00%**	**76.70%**	**90.10%**	**97.00%**

Standard Life Investment Company III Interim Report & Financial Statements

Investment Report

MyFolio Activity Statement
(Continued)

Tactical Asset Allocation

Within Tactical Asset Allocation (TAA), we continued to favour growth assets, while reducing our holdings in overseas equity markets. We also increased our exposure to sterling-hedged assets as we approach Brexit's March deadline.

Examples of overseas markets in which we cut our positions included US, Japanese and emerging market equities. Sentiment towards these markets remained poor following a sell-off driven by ongoing 'trade war' developments. However, we are still overweight versus the benchmark, particularly in Japanese and emerging market equities. Valuations here remain relatively more attractive.

Meanwhile, we increased our holding in UK equities. Movements in sterling had driven market returns, particularly for those companies that make the majority of their earnings overseas. Sterling is likely to become even more volatile over coming months. We therefore sought to minimise exposure to currency movements by bringing our UK equities position back to neutral as we near the Brexit deadline.

Elsewhere, we used market weakness as an opportunity to add to global real estate investment trusts (REITs), which offer a good yield. Finally, we moved to an overweight position in global high yield bonds. These also offered an attractive yield and protection against sterling volatility.

Not all of the MyFolio funds invest in every asset class. Therefore, the tactical asset allocation positions listed above may not apply to some funds.

Cautionary note

You should remember that past performance is not a guide to future performance. The value of investments may go down as well as up. Therefore, you may not get back the amount originally invested.

Standard Life Investment Company III Interim Report & Financial Statements

Enhanced Diversification Growth Fund

Investment Report

Fund Information	
Fund Manager	Multi Asset Investing Team
Launch Date	20 November 2013

Investment objective

The Sub-fund aims to provide a long term total return through capital appreciation and income by investing in a diversified portfolio of assets.

Investment policy

The investment policy of the Sub-fund is to invest in collective investment schemes, permitted derivative contracts (including futures, options, swaps, swaptions, forward currency contracts and other derivatives), equities, equity type investments, fixed interest securities, deposits, money market instruments, cash and near cash in such proportions as the Investment Adviser may from time to time determine. This may mean that at any time the Sub-fund may have a large exposure to collective investment schemes.

"Equity type investments" will include convertible stocks, stock exchange listed warrants, depositary receipts and any other such investments which entitle the holder to subscribe for or convert into the equity of the company and / or where the share price performance is, in the opinion of the ACD, influenced significantly by the stock market performance of the company's ordinary shares.

The Sub-fund may, subject to and in accordance with the FCA Rules, take long and short positions in markets, securities and groups of securities through derivative contracts.

Risk

The Sub-fund is intended for investors who wish to participate in the potential growth opportunities over the medium to longer term afforded by investing in a portfolio consisting of collective investment schemes, derivatives, transferable securities, immoveable property, deposits, cash and near cash. The diversified nature of the portfolio makes it suitable for investors wishing to achieve a broad spread of exposure. The investor must be able to accept temporary capital losses due to the potentially volatile nature of the assets held and should therefore have an investment time horizon of at least 5 years.

Performance

Over the 6-month period, EDGF returned -6.4% (gross of fees). The Fund has no formal performance benchmark but a global equity portfolio that had been hedged against currency risk (MSCI AC World, hedged to £) would have returned -8.5% over the same period, as an indicator of global investment conditions. It should be noted that EDMA has experienced around two-thirds of the volatility of equity markets, in line with the aims of the fund.

Market risk strategies

The weakness in global equity markets during the latter part of the review period resulted in negative returns from our allocations to global, Japanese and US equities. Our global ex-US small-cap equity position also suffered in this environment, as did our EM equity technology exposure.

As expected, Brazil's central bank left interest rates unchanged. It also hinted that rates would likely remain low for a longer period than previously expected. This proved positive for our Brazilian government bonds position. The asset class was also supported by optimism that President Jair Bolsonaro's new government will pursue business-friendly reforms.

Enhanced Diversifiers

Signs of strong US economic growth lifted expectations for further US interest rate hikes. As a result, our US real yields versus Japanese government bonds strategy dragged on performance. Our short UK inflation position, which aims to profit from lower-than-expected inflation, also hampered returns. UK inflation exceeded expectations for much of the year. This was largely attributable to Brexit-related weakness in the British pound, which increased prices of imported goods.

Outlook

Our central view is that global growth has peaked and headwinds are building. However, we believe modest broad-based global growth will continue, albeit with regional variations. Government tax policy and spending plans, and the changing monetary policies of central banks, will be important drivers of asset returns – especially as the pace of change remains unclear. The US is continuing to raise interest rates, albeit gradually. The European Central Bank ended its monetary support programme in December. However, we believe it will remain cautious about raising rates in the near term given the uncertainty around Brexit and signs of weakness in the Eurozone economy. Japan, meanwhile, is likely to maintain a supportive monetary path.

Geopolitical tensions are elevated and many asset prices still look expensive, despite the recent sell-off. Valuations appear vulnerable in sectors where corporate earnings growth seems to have peaked, while in other areas such as EM we see less demanding valuations. We seek to benefit from the opportunities these conditions present by implementing a diversified range of strategies across multiple asset classes.

Synthetic Risk & Reward Indicator

Lower risk **Higher risk**
Typically lower rewards **Typically Higher rewards**

1	2	3	**4**	5	6	7

This indicator reflects the volatility of the Sub-fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Sub-fund invests. Historical data may not be a reliable indication for the future. As the share class does not have a history of five years, an alternative share class, a comparable fund or a representative benchmark has been used to show how the share class price may have behaved over the period.

The current rating, which is the same for all share classes, is not guaranteed and may change if the volatility of the assets in which the Sub-fund invests changes. The lowest rating does not mean risk free.

All investment involves risk. This Sub-fund offers no guarantee against loss or that the Sub-fund's objective will be attained.

For further information on the risks that may not be fully captured by the risk and reward indicator, please refer to the current Key Investor Information Document (KIID).

Cautionary note

It should be remembered that past performance is not a guide to future performance. The value of investments may go down as well as up and, therefore, investors may not get back the amount originally invested.

Standard Life Investment Company III
Interim Report & Financial Statements

Enhanced Diversification Growth Fund

Comparative Tables

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Retail accumulation				
Change in net assets per share				
Opening net asset value per share	62.55	58.70	55.69	57.65
Return before operating charges*	(3.56)	4.50	3.61	(1.35)
Operating charges**	(0.33)	(0.65)	(0.60)	(0.61)
Return after operating charges*	(3.89)	3.85	3.01	(1.96)
Distributions	0.00	0.00	0.00	(0.38)
Retained distributions on accumulation share	0.00	0.00	0.00	0.38
Closing net asset value per share	58.66	62.55	58.70	55.69
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-6.22%	6.56%	5.40%	-3.40%
Other information				
Closing net asset value (£'000)	165	181	93	402
Closing number of shares	280,631	289,051	157,974	722,710
Operating charges****	1.05%	1.03%	1.03%	1.06%
Direct transaction costs***	0.01%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	63.73	65.89	60.20	60.00
Lowest share price	57.94	58.81	55.69	53.91

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

*** The direct transaction costs are made up of; fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period.

+ The performance figures are calculated by taking the value of the shareclass per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report. The Investment Report performance figure is calculated using the last available published price for a given shareclass in the period compared to the equivalent for the prior period. The published price may contain an adjustment for dilution in accordance with the Sub-fund pricing policy, while the price per the financial statements values the Sub-fund on a bid-price basis. The financial statements shareclass valuation is based on close of business market prices on the last day of the period, again this may differ from the intra-day pricing point of the Sub-fund which is used in the published shareclass price.

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Enhanced Diversification Growth Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Standard Life accumulation				
Change in net assets per share				
Opening net asset value per share	63.66	59.31	55.85	57.38
Return before operating charges*	(3.69)	4.42	3.52	(1.45)
Operating charges**	(0.04)	(0.07)	(0.06)	(0.08)
Return after operating charges*	(3.73)	4.35	3.46	(1.53)
Distributions	0.00	(0.61)	(0.22)	(0.81)
Retained distributions on accumulation share	0.00	0.61	0.22	0.81
Closing net asset value per share	59.93	63.66	59.31	55.85
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-5.86%	7.33%	6.20%	-2.67%
Other information				
Closing net asset value (£'000)	2,086	2,539	2,673	1,483
Closing number of shares	3,480,534	3,988,250	4,507,757	2,654,293
Operating charges****	0.13%	0.11%	0.11%	0.14%
Direct transaction costs***	0.01%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	64.90	66.86	60.80	59.73
Lowest share price	59.20	59.42	55.85	53.91

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

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Enhanced Diversification Growth Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Standard Life B accumulation				
Change in net assets per share				
Opening net asset value per share	65.23	60.71	57.14	58.61
Return before operating charges*	(3.80)	4.52	3.57	(1.47)
Operating charges**	0.00	0.00	0.00	0.00
Return after operating charges*	(3.80)	4.52	3.57	(1.47)
Distributions	0.00	(0.68)	(0.28)	(0.89)
Retained distributions on accumulation share	0.00	0.68	0.28	0.89
Closing net asset value per share	61.43	65.23	60.71	57.14
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-5.83%	7.45%	6.25%	-2.51%
Other information				
Closing net asset value (£'000)	184,274	158,279	101,033	69,233
Closing number of shares	299,955,597	242,662,807	166,406,269	121,172,826
Operating charges****	0.01%	0.00%	0.00%	0.00%
Direct transaction costs***	0.01%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	66.49	68.48	62.24	61.02
Lowest share price	60.67	60.83	57.14	55.13

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Enhanced Diversification Growth Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Platform 1 accumulation				
Change in net assets per share				
Opening net asset value per share	63.12	59.14	56.05	57.89
Return before operating charges*	(3.60)	4.49	3.56	(1.36)
Operating charges**	(0.26)	(0.51)	(0.47)	(0.48)
Return after operating charges*	(3.86)	3.98	3.09	(1.84)
Distributions	0.00	(0.27)	0.00	(0.49)
Retained distributions on accumulation share	0.00	0.27	0.00	0.49
Closing net asset value per share	59.26	63.12	59.14	56.05
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-6.12%	6.73%	5.51%	-3.18%
Other information				
Closing net asset value (£'000)	588	716	544	1,161
Closing number of shares	993,216	1,134,223	919,700	2,072,041
Operating charges****	0.83%	0.81%	0.81%	0.84%
Direct transaction costs***	0.01%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	64.32	66.45	60.65	60.24
Lowest share price	58.53	59.25	56.05	54.22

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Enhanced Diversification Growth Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Platform fixed accumulation				
Change in net assets per share				
Opening net asset value per share	63.65	59.56	56.38	58.15
Return before operating charges*	(3.64)	4.50	3.56	(1.39)
Operating charges**	(0.21)	(0.41)	(0.38)	(0.38)
Return after operating charges*	(3.85)	4.09	3.18	(1.77)
Distributions	0.00	0.00	0.00	(0.55)
Retained distributions on accumulation share	0.00	0.00	0.00	0.55
Closing net asset value per share	59.80	63.65	59.56	56.38
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-6.05%	6.87%	5.64%	-3.04%
Other information				
Closing net asset value (£'000)	722	914	1,190	1,506
Closing number of shares	1,207,747	1,435,834	1,997,290	2,670,486
Operating charges****	0.65%	0.65%	0.65%	0.65%
Direct transaction costs***	0.01%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	64.90	66.97	61.07	60.49
Lowest share price	59.06	59.67	56.38	54.51

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Enhanced Diversification Growth Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional fixed accumulation				
Change in net assets per share				
Opening net asset value per share	64.09	59.90	56.57	58.28
Return before operating charges*	(3.68)	4.51	3.63	(1.42)
Operating charges**	(0.16)	(0.32)	(0.30)	(0.29)
Return after operating charges*	(3.84)	4.19	3.33	(1.71)
Distributions	0.00	(0.41)	(0.04)	(0.65)
Retained distributions on accumulation share	0.00	0.41	0.04	0.65
Closing net asset value per share	60.25	64.09	59.90	56.57
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-5.99%	6.99%	5.89%	-2.93%
Other information				
Closing net asset value (£'000)	133,810	132,676	120,886	37,103
Closing number of shares	222,097,700	207,007,862	201,818,843	65,590,339
Operating charges****	0.50%	0.50%	0.50%	0.50%
Direct transaction costs***	0.01%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	65.32	67.40	61.42	60.67
Lowest share price	59.51	60.01	56.57	54.67

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Holding	Investment	Market value £'000	Percentage of total net assets
Bonds (20.63%)		**143,493**	**44.62**
Brazilian Real Denominated Bonds (11.92%)		**28,087**	**8.73**
Government Bonds (11.92%)		**28,087**	**8.73**
less than 5 years to maturity			
61,812,000	Letra Tesouro 0% 2020	11,327	3.52
42,330,000	Letra Tesouro 0% 2021	7,112	2.21
43,523,000	Nota Do Tesouro 10% 2021	9,648	3.00
Euro Denominated Bonds (0.00%)		**26,863**	**8.35**
Corporate Bonds (0.00%)		**3,452**	**1.07**
less than 5 years to maturity			
300,000	ADLER Real Estate 1.5% 2021	261	0.08
300,000	America Movil 0% 2020	265	0.08
200,000	Crown European 4% 2022	193	0.06
300,000	EC Finance 2.375% 2022	262	0.08
300,000	IHO Verwaltungs 2.75% 2021	266	0.08
300,000	K+S 3% 2022	274	0.09
300,000	Merlin Entertainments 2.75% 2022	272	0.08
200,000	MPT Operating Partnership 4% 2022	191	0.06
300,000	Nokia 1% 2021	271	0.08
300,000	Smurfit Kappa 3.25% 2021	279	0.09
200,000	TDC 3.75% 2022	198	0.06
300,000	Telecom Italia 1.125% 2022	251	0.08
300,000	Volvo 3.25% 2021	280	0.09
200,000	Worldpay 3.75% 2022	189	0.06
Government Bonds (0.00%)		**23,411**	**7.28**
less than 5 years to maturity			
9,133,000	Hellenic (Republic of) 3.5% 2023	8,269	2.57
9,997,000	Hellenic (Republic of) 4.375% 2022	9,335	2.90
between 5 and 10 years to maturity			
6,691,000	Hellenic (Republic of) 3.375% 2025	5,807	1.81

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Enhanced Diversification Growth Fund

Portfolio Statement as at 31 December 2018
(Continued)

Holding	Investment	Market value £'000	Percentage of total net assets
Mexican Peso Denominated Bonds (0.00%)		**12,513**	**3.89**
Government Bonds (0.00%)		**12,513**	**3.89**
less than 5 years to maturity			
105,494,300	Mexican Bonos 8% 2023	4,105	1.28
105,494,300	Mexico (United Mexican States) 6.5% 2022	3,943	1.22
between 5 and 10 years to maturity			
105,494,300	Mexico (United Mexican States) 10% 2024	4,465	1.39
Sterling Denominated Bonds (0.00%)		**2,537**	**0.79**
Corporate Bonds (0.00%)		**2,537**	**0.79**
less than 5 years to maturity			
200,000	Abbey National 1.875% 2020	200	0.06
200,000	B&M European Value Retail 4.125% 2022	194	0.06
300,000	British Land White 2015 0% 2020	287	0.09
200,000	Co-Operative 6.875% 2020	207	0.07
100,000	GKN 6.75% 2019	103	0.03
200,000	Heathrow Funding 5.375% 2019	203	0.06
200,000	TalkTalk 5.375% 2022	195	0.06
250,000	Telecom Italia 6.375% 2019	254	0.08
200,000	Tesco 6.125% 2022	221	0.07
200,000	Travis Perkins 4.375% 2021	201	0.06
500,000	Unique Pub Finance 6.452% 2021	182	0.06
300,000	Vodafone FRN 2020	290	0.09
US Dollar Denominated Bonds (8.71%)		**73,493**	**22.86**
Corporate Bonds (0.00%)		**17,554**	**5.47**
less than 5 years to maturity			
335,000	Activision Blizzard 2.6% 2022	256	0.08
315,000	Ally Financial 4.625% 2022	244	0.07
305,000	American International 4.875% 2022	247	0.08
300,000	American Tower 3.45% 2021	235	0.07
300,000	Arconic 5.87% 2022	239	0.07
320,000	Bank of America FRN 2022	251	0.08
400,000	Barclays 2.75% 2019	311	0.10
325,000	BAT International Finance 3.5% 2022	248	0.08
315,000	Berry Global 5.5% 2022	247	0.08
325,000	Boston Properties 5.625% 2020	264	0.08

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Enhanced Diversification Growth Fund

Portfolio Statement as at 31 December 2018
(Continued)

Holding	Investment	Market value £'000	Percentage of total net assets
Corporate Bonds (continued)			
250,000	BPCE 3% 2022	190	0.06
308,000	Calpine 6% 2022	240	0.07
315,000	CCO 5.25% 2022	246	0.08
315,000	Centene 4.75% 2022	245	0.08
310,000	Century Communities 6.875% 2022	236	0.07
320,000	CenturyLink 5.8% 2022	241	0.07
315,000	Charter Communications 4.464% 2022	250	0.08
330,000	Citigroup 2.75% 2022	251	0.08
310,000	CommScope 5% 2021	240	0.07
320,000	Continental Resources 5% 2022	249	0.08
250,000	Credit Agricole 3.375% 2022	193	0.06
250,000	Credit Suisse 3.8% 2022	195	0.06
325,000	CVS Health 3.5% 2022	254	0.08
320,000	DaVita 5.75% 2022	250	0.08
315,000	Dell International 4.42% 2021	247	0.08
330,000	DISH DBS 5.875% 2022	238	0.07
310,000	Dow Chemical 4.125% 2021	247	0.08
305,000	Energy Transfer Partners 4.65% 2021	243	0.07
325,000	EPR Properties 5.75% 2022	268	0.08
310,000	Equinix 5.375% 2022	246	0.08
325,000	Essex Portfolio 3.625% 2022	254	0.08
330,000	Exelon 3.497% 2022	253	0.08
320,000	Express Scripts 4.75% 2021	258	0.08
325,000	General Motors Financial 3.45% 2022	247	0.08
315,000	GLP Capital 4.375% 2021	246	0.08
325,000	Goldman Sachs 3% 2022	248	0.08
295,000	Goodyear Tire & Rubber 8.75% 2020	246	0.08
305,000	HCA 5.875% 2022	246	0.08
335,000	Huntington Bancshares 2.3% 2022	254	0.08
320,000	Iron Mountain 4.375% 2021	249	0.08
320,000	JPMorgan Chase FRN 2022	252	0.08
310,000	Kraft Heinz 3.5% 2022	241	0.07
325,000	Kroger 2.95% 2021	251	0.08
325,000	Lennar 4.125% 2022	246	0.08
295,000	Meritage Homes 7% 2022	238	0.07
295,000	MGM Resorts International 7.75% 2022	245	0.08
300,000	Morgan Stanley 5.75% 2021	246	0.08
400,000	Mylan 3.15% 2021	307	0.09
310,000	Navient 6.5% 2022	227	0.07
305,000	Netflix 5.5% 2022	242	0.07
320,000	Oasis Petroleum 6.875% 2022	240	0.07
335,000	Pacific Gas & Electric 3.5% 2020	251	0.08

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Portfolio Statement as at 31 December 2018
(Continued)

Holding	Investment	Market value £'000	Percentage of total net assets
Corporate Bonds (continued)			
345,000	Pitney Bowes 4.375% 2022	246	0.08
315,000	Plains All American Pipeline 3.65% 2022	241	0.08
310,000	Prudential 4.5% 2020	249	0.08
400,000	Samvardhana Motherson Automotive Systems 4.875% 2021	307	0.09
330,000	Sirius XM Radio 3.875% 2022	248	0.08
330,000	Southern 2.35% 2021	251	0.08
275,000	Sprint Nextel 7% 2020	221	0.07
315,000	Steel Dynamics 5.125% 2021	248	0.08
320,000	Teck Resources 4.5% 2021	251	0.08
305,000	Tenet Healthcare 7.5% 2022	245	0.08
315,000	T-Mobile USA 4% 2022	242	0.07
400,000	UBS 2.65% 2022	303	0.09
330,000	Verizon Communications 2.946% 2022	256	0.08
300,000	Williams 3.6% 2022	231	0.07
315,000	Williams 4% 2021	247	0.08
310,000	WPX Energy 6% 2022	238	0.07
335,000	Wyndham Destinations 4.25% 2022	253	0.08
314,000	Xerox 4.5% 2021	238	0.07
310,000	XPO Logistics 6.5% 2022	241	0.07
Government Bonds (8.71%)		**55,939**	**17.39**
between 5 and 10 years to maturity			
55,584,000	US Treasury 1.75% Index-Linked 2028	55,939	17.39
Equities (4.68%)		**6,566**	**2.05**
United States Equities (4.68%)		**nil**	**nil**
Pacific Basin Equities (0.00%)		**6,566**	**2.05**
China (0.00%)		**6,566**	**2.05**
23,000	Alibaba ADR	2,475	0.77
5,300	Baidu ADR	661	0.21
109,000	Tencent	3,430	1.07

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Enhanced Diversification Growth Fund

Portfolio Statement as at 31 December 2018
(Continued)

Holding	Investment	Market value £'000	Percentage of total net assets
Collective Investment Schemes (29.39%)		**84,352**	**26.23**
Bond Funds (9.59%)		**23,112**	**7.19**
1,938,581	SLI Emerging Market Local Currency Debt SICAV	23,112	7.19
Equity Funds (4.02%)		**10,512**	**3.27**
870,095	SLI Continental European Equity Income SICAV	10,512	3.27
Money Market Funds (15.78%)		**50,728**	**15.77**
2,398	Aberdeen Liquidity Fund - Euro*	2,153	0.67
48,575	Aberdeen Liquidity Fund - Sterling*	48,575	15.10
Money Markets (16.90%)		**35,000**	**10.85**
5,000,000	China Construction CD 1.03% 08/04/2019	5,000	1.55
5,000,000	Credit Agricole CD 0.92% 22/03/2019	5,000	1.55
5,000,000	First Abu Dhabi Bank CD 0.8% 11/01/2019	5,000	1.55
5,000,000	Lloyds Bank CD 0.79% 14/01/2019	5,000	1.55
5,000,000	MUFG Bank CD 0.82% 03/01/2019	5,000	1.55
5,000,000	Natixis CD 1.01% 01/04/2019	5,000	1.55
5,000,000	Nordea Bank CD 0.83% 17/01/2019	5,000	1.55
Derivatives (-0.01%)		**(4,356)**	**(1.34)**
Credit Default Swaps (0.42%)		**2,839**	**0.88**
USD 13,600,000	Sell CDX High Yield North American High Yield Series 31 20/12/2023 5%	237	0.07
USD 20,000,000	Sell CDX High Yield North American High Yield Series 31 20/12/2023 5%	349	0.11
USD 21,400,000	Sell CDX Investment Grade Series 31 20/12/2023 1%	104	0.03
EUR 5,710,000	Sell iTraxx Europe Series 30 20/12/2023 1%	30	0.01
EUR 36,700,000	Sell iTraxx Europe Series 30 20/12/2023 1%	196	0.06
EUR 46,200,000	Sell iTraxx Europe Series 30 20/12/2023 1%	246	0.08
EUR 14,400,000	Sell iTraxx Europe Series 30 20/12/2023 5%	819	0.25
EUR 15,100,000	Sell iTraxx Europe Series 30 20/12/2023 5%	858	0.27
Currency Options (0.21%)		**2,286**	**0.72**
	Buy Option: GBP (Call) 29,403,900/(Call) USD 22,200,000 05/08/2019	568	0.18
	Buy Option: USD (Call) 28,000,000/(Put) EUR 32,480,000 28/05/2019	501	0.16
	Buy Option: USD (Call) 22,200,000/(Put) GBP 29,403,900 05/08/2019	1,217	0.38

Enhanced Diversification Growth Fund

Portfolio Statement as at 31 December 2018
(Continued)

Holding	Investment	Market value £'000	Percentage of total net assets
Equity Options (-0.22%)		**65**	**0.02**
64,816	Buy Put Taiwan 50 Index 16/01/2019	273	0.08
64,816	Sell Call Taiwan 50 Index 16/01/2019	(208)	(0.06)
Exchange Traded Options (1.19%)		**(3,998)**	**(1.25)**
274	Buy Call FTSE 100 Index 15/03/2019	326	0.10
135	Buy Call S&P 500 Index 17/01/2019	1	–
87	Buy Call S&P 500 Index 14/02/2019	72	0.02
320	Buy Call S&P 500 Index 29/03/2019	296	0.09
(160)	Sell Call RUSSELL 2000 Index 17/01/2019	(2)	–
(106)	Sell Call RUSSELL 2000 Index 14/02/2019	(54)	(0.02)
(99)	Sell Put NIKKEI 225 Index 07/03/2019	(1,693)	(0.53)
(83)	Sell Put S&P 500 Index 31/12/2018	(1,272)	(0.39)
(320)	Sell Put S&P 500 Index 29/03/2019	(1,672)	(0.52)
Forward Currency Contracts (-0.13%)		**(2,653)**	**(0.82)**
	Buy AUD 2,700,000 Sell GBP 1,525,314 07/02/2019	(35)	(0.01)
	Buy BRL 3,200,000 Sell GBP 664,424 07/02/2019	(19)	(0.01)
	Buy BRL 37,600,000 Sell GBP 7,604,562 22/05/2019	(124)	(0.04)
	Buy BRL 91,000,000 Sell GBP 18,440,986 22/05/2019	(335)	(0.10)
	Buy CAD 1,600,000 Sell GBP 945,530 07/02/2019	(27)	(0.01)
	Buy CHF 1,500,000 Sell GBP 1,188,858 07/02/2019	8	–
	Buy DKK 4,600,000 Sell GBP 551,655 07/02/2019	3	–
	Buy EUR 320,880 Sell GBP 288,780 31/01/2019	–	–
	Buy EUR 1,000,000 Sell GBP 905,592 07/02/2019	(7)	–
	Buy EUR 1,280,000 Sell GBP 1,143,616 07/02/2019	7	–
	Buy EUR 4,600,000 Sell GBP 4,116,245 07/02/2019	18	0.01
	Buy GBP 3,655,434 Sell AUD 6,600,000 07/02/2019	11	–
	Buy GBP 7,678,817 Sell BRL 42,000,000 21/03/2019	(752)	(0.23)
	Buy GBP 1,027,732 Sell BRL 5,200,000 22/05/2019	(7)	–
	Buy GBP 3,959,026 Sell BRL 20,600,000 22/05/2019	(142)	(0.04)
	Buy GBP 6,133,907 Sell BRL 31,900,000 22/05/2019	(217)	(0.07)
	Buy GBP 7,245,855 Sell BRL 40,300,000 22/05/2019	(787)	(0.24)
	Buy GBP 11,309,615 Sell BRL 59,000,000 22/05/2019	(437)	(0.14)
	Buy GBP 12,612,438 Sell BRL 65,200,000 22/05/2019	(367)	(0.11)
	Buy GBP 832,949 Sell CAD 1,400,000 07/02/2019	29	0.01
	Buy GBP 1,221,994 Sell CAD 2,050,000 07/02/2019	45	0.01
	Buy GBP 4,736,953 Sell CHF 6,030,000 07/02/2019	(74)	(0.02)
	Buy GBP 3,278,865 Sell CNY 29,400,000 13/02/2019	(73)	(0.02)
	Buy GBP 1,474,756 Sell DKK 12,300,000 07/02/2019	(7)	–

Standard Life Investment Company III
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Enhanced Diversification Growth Fund

Portfolio Statement as at 31 December 2018
(Continued)

Holding	Investment	Market value £'000	Percentage of total net assets
Forward Currency Contracts (continued)			
	Buy GBP 3,831,309 Sell EUR 4,256,457 31/01/2019	7	–
	Buy GBP 446,402 Sell EUR 500,000 07/02/2019	(3)	–
	Buy GBP 846,830 Sell EUR 940,000 07/02/2019	2	–
	Buy GBP 1,171,255 Sell EUR 1,300,000 07/02/2019	3	–
	Buy GBP 44,059,059 Sell EUR 49,280,000 07/02/2019	(233)	(0.07)
	Buy GBP 9,454,328 Sell EUR 10,631,747 22/02/2019	(106)	(0.03)
	Buy GBP 2,911,071 Sell HKD 29,000,000 08/02/2019	5	–
	Buy GBP 4,376,598 Sell HKD 43,900,000 08/02/2019	(22)	(0.01)
	Buy GBP 507,068 Sell ILS 2,400,000 07/02/2019	2	–
	Buy GBP 680,074 Sell INR 65,000,000 06/02/2019	(50)	(0.02)
	Buy GBP 955,312 Sell JPY 140,000,000 07/02/2019	(48)	(0.01)
	Buy GBP 13,433,660 Sell JPY 1,930,000,000 07/02/2019	(393)	(0.12)
	Buy GBP 4,060,815 Sell KRW 5,900,000,000 13/02/2019	(92)	(0.03)
	Buy GBP 22,114,225 Sell MXN 578,000,000 07/02/2019	(752)	(0.23)
	Buy GBP 1,026,439 Sell NOK 11,000,000 07/02/2019	29	0.01
	Buy GBP 519,280 Sell NZD 1,016,000 07/02/2019	(15)	–
	Buy GBP 3,966,618 Sell SEK 46,100,000 07/02/2019	(121)	(0.04)
	Buy GBP 881,139 Sell SGD 1,560,000 07/02/2019	(17)	(0.01)
	Buy GBP 769,655 Sell TWD 30,000,000 13/02/2019	(3)	–
	Buy GBP 4,374,475 Sell TWD 172,000,000 13/02/2019	(55)	(0.02)
	Buy GBP 240,488 Sell USD 305,993 31/01/2019	1	–
	Buy GBP 12,656,467 Sell USD 16,200,000 31/01/2019	(43)	(0.01)
	Buy GBP 18,122,885 Sell USD 23,021,320 31/01/2019	77	0.02
	Buy GBP 389,948 Sell USD 500,000 07/02/2019	(2)	–
	Buy GBP 468,788 Sell USD 600,000 07/02/2019	(1)	–
	Buy GBP 696,688 Sell USD 900,000 07/02/2019	(9)	–
	Buy GBP 1,090,175 Sell USD 1,400,000 07/02/2019	(7)	–
	Buy GBP 1,108,846 Sell USD 1,400,000 07/02/2019	12	–
	Buy GBP 1,174,450 Sell USD 1,500,000 07/02/2019	(1)	–
	Buy GBP 1,254,684 Sell USD 1,600,000 07/02/2019	1	–
	Buy GBP 2,007,928 Sell USD 2,600,000 07/02/2019	(30)	(0.01)
	Buy GBP 2,766,208 Sell USD 3,500,000 07/02/2019	24	0.01
	Buy GBP 3,759,251 Sell USD 4,800,000 07/02/2019	(2)	–
	Buy GBP 4,452,811 Sell USD 5,700,000 07/02/2019	(14)	–
	Buy GBP 8,593,870 Sell USD 11,000,000 07/02/2019	(26)	(0.01)
	Buy GBP 8,593,921 Sell USD 11,000,000 07/02/2019	(26)	(0.01)
	Buy GBP 14,436,956 Sell USD 18,500,000 07/02/2019	(61)	(0.02)
	Buy GBP 6,035,898 Sell USD 7,770,000 22/02/2019	(49)	(0.02)
	Buy HKD 5,400,000 Sell GBP 540,491 08/02/2019	1	–
	Buy HKD 22,000,000 Sell GBP 2,201,261 08/02/2019	3	–
	Buy INR 887,000,000 Sell USD 12,158,174 14/02/2019	420	0.13

Enhanced Diversification Growth Fund

Portfolio Statement as at 31 December 2018
(Continued)

Holding	Investment	Market value £'000	Percentage of total net assets
Forward Currency Contracts (continued)			
	Buy JPY 168,064,236 Sell CAD 1,990,000 05/03/2019	63	0.02
	Buy JPY 820,140,000 Sell CAD 9,830,000 05/03/2019	239	0.07
	Buy JPY 1,845,689,775 Sell CAD 21,750,000 05/03/2019	751	0.23
	Buy JPY 120,000,000 Sell GBP 847,546 07/02/2019	12	–
	Buy JPY 830,000,000 Sell GBP 5,781,180 07/02/2019	165	0.05
	Buy KRW 1,300,000,000 Sell GBP 906,804 13/02/2019	8	–
	Buy MXN 578,000,000 Sell GBP 22,097,250 07/02/2019	763	0.24
	Buy SEK 5,500,000 Sell GBP 479,059 07/02/2019	9	–
	Buy SGD 720,000 Sell GBP 411,195 07/02/2019	3	–
	Buy TWD 40,000,000 Sell GBP 1,019,889 13/02/2019	10	–
	Buy USD 12,396,181 Sell CHF 12,400,000 14/02/2019	(184)	(0.06)
	Buy USD 234,763 Sell GBP 185,382 31/01/2019	(1)	–
	Buy USD 314,544 Sell GBP 249,010 31/01/2019	(2)	–
	Buy USD 943,000 Sell GBP 745,548 31/01/2019	(6)	–
	Buy USD 900,000 Sell GBP 699,222 07/02/2019	6	–
	Buy USD 1,100,000 Sell GBP 842,308 07/02/2019	20	0.01
	Buy USD 1,200,000 Sell GBP 921,283 07/02/2019	19	0.01
	Buy USD 1,300,000 Sell GBP 1,021,702 07/02/2019	(3)	–
	Buy USD 1,300,000 Sell GBP 1,033,862 07/02/2019	(15)	–
	Buy USD 1,600,000 Sell GBP 1,222,736 07/02/2019	31	0.01
	Buy USD 2,000,000 Sell GBP 1,566,506 07/02/2019	1	–
	Buy USD 2,100,000 Sell GBP 1,657,317 07/02/2019	(12)	–
	Buy USD 3,200,000 Sell GBP 2,521,793 07/02/2019	(14)	–
	Buy USD 5,600,000 Sell GBP 4,318,655 07/02/2019	70	0.02
	Buy USD 28,000,000 Sell GBP 21,637,895 07/02/2019	304	0.09
	Buy USD 1,767,541 Sell KRW 1,980,000,000 11/03/2019	(10)	–
	Buy USD 6,670,834 Sell KRW 7,470,000,000 11/03/2019	(37)	(0.01)
	Buy USD 17,047,656 Sell KRW 18,900,000,000 11/03/2019	40	0.01
Futures (-0.59%)		**(860)**	**(0.27)**
307	Long E-mini MSCI Emerging Market Index Future 15/03/2019	(92)	(0.03)
527	Long MSCI World Index Future 15/03/2019	(641)	(0.20)
(167)	Short Euro-Bobl Future 07/03/2019	(55)	(0.02)
(380)	Short Euro Stoxx 50 Index Future 15/03/2019	304	0.10
(30)	Short Japan 10 Year Bond (TSE) Future 13/03/2019	(129)	(0.04)
(253)	Short Long Gilt Future 27/03/2019	(247)	(0.08)

Standard Life Investment Company III
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Enhanced Diversification Growth Fund

Portfolio Statement as at 31 December 2018
(Continued)

Holding	Investment	Market value £'000	Percentage of total net assets
Inflation Swaps (0.16%)		**(1,446)**	**(0.45)**
GBP 10,200,000	Pay fixed 3.29% receive floating UKRPI 15/08/2021	41	0.01
GBP 61,700,000	Pay fixed 3.29% receive floating UKRPI 15/08/2021	249	0.08
GBP 43,100,000	Pay fixed 3.3% receive floating UKRPI 15/01/2021	(13)	–
GBP 3,750,000	Pay fixed 3.5425% receive floating UKRPI 15/02/2020	(24)	(0.01)
GBP 31,350,000	Pay fixed 3.5425% receive floating UKRPI 15/02/2020	(204)	(0.06)
GBP 31,600,000	Pay fixed 3.59% receive floating UKRPI 15/04/2020	(354)	(0.11)
GBP 10,200,000	Pay floating UKRPI receive fixed 3.345% 15/08/2024	(131)	(0.04)
GBP 61,700,000	Pay floating UKRPI receive fixed 3.345% 15/08/2024	(791)	(0.25)
GBP 43,100,000	Pay floating UKRPI receive fixed 3.36% 15/01/2024	(349)	(0.11)
GBP 3,750,000	Pay floating UKRPI receive fixed 3.485% 15/02/2023	(3)	–
GBP 31,350,000	Pay floating UKRPI receive fixed 3.485% 15/02/2023	(26)	(0.01)
GBP 31,600,000	Pay floating UKRPI receive fixed 3.53% 15/04/2023	159	0.05
Interest Rate Swaps (0.30%)		**2,708**	**0.85**
SEK 2,040,000,000	Pay fixed -0.055% receive floating SEK-STIBOR 17/09/2020	211	0.06
SEK 1,530,000,000	Pay fixed -0.097% receive floating SEK-STIBOR 09/08/2020	127	0.04
SEK 76,600,000	Pay fixed 1.082% receive floating SEK-STIBOR 11/12/2027	(43)	(0.01)
CAD 23,700,000	Pay fixed 2.2225% receive floating CAD-BA-CDOR 07/12/2027	252	0.08
CAD 92,000,000	Pay fixed 2.47% receive floating CAD-BA-CDOR 07/08/2020	(271)	(0.08)
CAD 8,950,000	Pay fixed 2.609% receive floating CAD-BA-CDOR 26/07/2021	(36)	(0.01)
CAD 7,250,000	Pay fixed 2.615% receive floating CAD-BA-CDOR 31/07/2021	(60)	(0.02)
CAD 38,700,000	Pay fixed 2.663% receive floating CAD-BA-CDOR 01/02/2028	(425)	(0.13)
CAD 5,470,000	Pay fixed 2.7285% receive floating CAD-BA-CDOR 23/04/2028	(72)	(0.02)
CAD 39,100,000	Pay fixed 2.76% receive floating CAD-BA-CDOR 07/08/2028	(609)	(0.19)
USD 36,600,000	Pay fixed 2.8652% receive floating USD-LIBOR 20/12/2028	(313)	(0.10)
CAD 11,300,000	Pay floating CAD-BA-CDOR receive fixed 2.2225% 07/12/2027	(120)	(0.04)
CAD 203,000,000	Pay floating CAD-BA-CDOR receive fixed 2.47% 07/08/2020	598	0.19
CAD 347,000,000	Pay floating CAD-BA-CDOR receive fixed 2.475% 13/09/2020	1,032	0.32
CAD 29,000,000	Pay floating CAD-BA-CDOR receive fixed 2.609% 26/07/2021	118	0.04
CAD 14,500,000	Pay floating CAD-BA-CDOR receive fixed 2.615% 31/07/2021	60	0.02
CAD 21,750,000	Pay floating CAD-BA-CDOR receive fixed 2.62% 29/07/2021	91	0.03
CAD 21,750,000	Pay floating CAD-BA-CDOR receive fixed 2.6393% 30/07/2021	96	0.03
CAD 14,500,000	Pay floating CAD-BA-CDOR receive fixed 2.65325% 02/08/2021	66	0.02
CAD 21,750,000	Pay floating CAD-BA-CDOR receive fixed 2.66167% 01/08/2021	101	0.03
CAD 21,750,000	Pay floating CAD-BA-CDOR receive fixed 2.6657% 06/08/2021	102	0.03
SEK 465,000,000	Pay floating SEK-STIBOR receive fixed -0.097% 09/08/2020	(39)	(0.01)
SEK 151,000,000	Pay floating SEK-STIBOR receive fixed 1.082% 11/12/2027	84	0.03
SEK 263,000,000	Pay floating SEK-STIBOR receive fixed 1.195% 09/08/2028	368	0.11

Enhanced Diversification Growth Fund

Portfolio Statement as at 31 December 2018
(Continued)

Holding	Investment	Market value £'000	Percentage of total net assets
Interest Rate Swaps (continued)			
SEK 44,600,000	Pay floating SEK-STIBOR receive fixed 1.308% 25/04/2028	128	0.04
SEK 215,000,000	Pay floating SEK-STIBOR receive fixed 1.425% 05/02/2028	914	0.28
USD 185,000,000	Pay floating USD-LIBOR receive fixed 2.805% 20/12/2020	348	0.11
Total Return Swaps (-1.35%)		**(3,297)**	**(1.02)**
USD 14,371,148	Buy MSCI EAFE Small Cap Net Total return USD Index Receive USD 3M LIBOR 0% 27/06/2019	(1,991)	(0.62)
USD 4,089,083	Buy MSCI EAFE Small Cap Net Total return USD Index Receive USD 3M LIBOR 0% 28/06/2019	(553)	(0.17)
USD 5,862,151	Buy MSCI EAFE Small Cap Net Total return USD Index Receive USD 3M LIBOR 0% 25/07/2019	(298)	(0.09)
USD 9,214,197	Buy MSCI EAFE Small Cap Net Total return USD Index Receive USD 3M LIBOR 0% 15/08/2019	(521)	(0.16)
USD 6,654,184	Buy MSCI EM Information Technology Net Total Return USD Index Receive USD 1M LIBOR 0% 22/10/2019	74	0.02
USD 3,802,759	Buy MSCI EM Information Technology Net Total Return USD Index Receive USD 1M LIBOR 0% 15/11/2019	(4)	–
USD 835,014	Buy MSCI EM Information Technology Net Total Return USD Index Receive USD 3M LIBOR 0% 14/05/2019	(4)	–
Total investment assets and liabilities		**265,055**	**82.41**
Net other assets		56,590	17.59
Total Net Assets		**321,645**	**100.00**

All investments are listed on recognised stock exchanges and are approved securities, or approved derivatives within the meaning of the FCA rules unless otherwise stated.

The percentage figures in brackets show the comparative holding as at 30 June 2018.

	Market value £'000
Reconciliation of assets and liabilities to the balance sheet	
Investment assets as per the Balance Sheet	233,521
*Collective Investment Schemes classified as Cash Equivalents	50,728
Investment liabilities	(19,194)
Net investment assets	265,055
Net other assets	56,590
Total Net Assets	**321,645**

Statement of Total Return

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Income:				
Net capital (losses)/gains		(22,158)		19,145
Revenue	3,978		317	
Expenses	(341)		(306)	
Interest payable and similar charges	(25)		(7)	
Net revenue before taxation	3,612		4	
Taxation	(722)		0	
Net revenue after taxation		2,890		4
Total return before distributions		(19,268)		19,149
Distributions		291		5
Change in net assets attributable to shareholders from investment activities		**(18,977)**		**19,154**

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		295,305		226,419
Amounts receivable on the issue of shares	62,325		40,284	
Amounts payable on the cancellation of shares	(17,143)		(30,651)	
		45,182		9,633
Dilution adjustment		135		184
Change in net assets attributable to shareholders from investment activities (see above)		(18,977)		19,154
Closing net assets attributable to shareholders		**321,645**		**255,390**

Comparative information is provided for the statement of change in net assets attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

Balance Sheet

as at 31 December 2018

	31 December 2018		30 June 2018	
	£'000	£'000	£'000	£'000
Assets:				
Fixed assets:				
Investment assets		233,521		179,062
Current assets:				
Debtors	1,849		1,197	
Cash and bank balances	58,138		28,508	
Cash equivalents	50,728		103,326	
		110,715		133,031
Total assets		344,236		312,093
Liabilities:				
Investment liabilities		(19,194)		(14,251)
Creditors	(1,350)		(319)	
Bank overdrafts	(2,047)		(2,218)	
		(3,397)		(2,537)
Total liabilities		(22,591)		(16,788)
Net assets attributable to shareholders		**321,645**		**295,305**

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed I Fund

Investment Report

Fund Information	
Fund Manager	Bambos Hambi
Launch Date	22 September 2010

Investment objective

The Sub-fund aims to provide a total return from a combination of income and capital appreciation over the longer term.

Investment policy

The policy of the Sub-fund is to invest mainly in a range of collective investment schemes managed or operated within the Standard Life Aberdeen group of companies to achieve a broad exposure to diversified investments, including equities, fixed and variable rate interest bearing securities and immoveable property. The Sub-fund may also invest in transferable securities, money-market instruments, deposits, cash and near cash. Typically, the Sub-fund will have a high exposure to lower risk assets, such as fixed interest.

Important Note to the Investment Policy
The Standard Life group of companies enlarged following the effective date of the merger of Standard Life plc with Aberdeen Asset Management plc (the "Effective Date") to create Standard Life Aberdeen plc (the "Combined Group"). For the present time, the Sub-Fund will continue to invest mainly in the range of collective investment schemes managed by companies that, immediately prior to the Effective Date, were in the Standard Life group.

Risk

The Sub-fund is intended for investors who wish to participate in the opportunity to achieve a competitive level of total return from a combination of capital appreciation and income over the longer term by investing in an actively managed portfolio of collective investment schemes which themselves invest in equities, fixed and variable rate interest bearing securities and immoveable property. The diversified nature of the underlying portfolio makes it suitable for investors wishing to achieve a broad spread of exposure. The investor must be able to accept significant temporary losses to capital due to the volatile nature of equity, bond, property and currency markets and should therefore have an investment time horizon of at least 5 years.

Investment activity

The Investment Activity for each Sub-fund is documented as a whole on pages 5 to 9.

Synthetic Risk & Reward Indicator

Lower risk
Typically lower rewards

Higher risk
Typically Higher rewards

1	2	**3**	4	5	6	7

This indicator reflects the volatility of the Sub-fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Sub-fund invests. Historical data may not be a reliable indication for the future Where the share class does not have a history of five years, an alternative share class or a representative benchmark has been used to show how the Sub-fund price may have behaved over the period.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

All investment involves risk. This Sub-fund offers no guarantee against loss or that the Sub-fund's objective will be attained.

For further information on the risks that may not be fully captured by the risk and reward indicator, please refer to the current Key Investor Information Document (KIID).

Cautionary note

It should be remembered that past performance is not a guide to future performance. The value of investments may go down as well as up and, therefore, investors may not get back the amount originally invested.

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed I Fund

Comparative Tables

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Retail accumulation				
Change in net assets per share				
Opening net asset value per share	65.83	65.20	62.11	60.83
Return before operating charges*	(1.56)	1.45	3.94	2.14
Operating charges**	(0.38)	(0.82)	(0.85)	(0.86)
Return after operating charges*	(1.94)	0.63	3.09	1.28
Distributions	0.00	(0.69)	(0.65)	(0.36)
Retained distributions on accumulation share	0.00	0.69	0.65	0.36
Closing net asset value per share	63.89	65.83	65.20	62.11
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-2.95%	0.96%	4.98%	2.10%
Other information				
Closing net asset value (£'000)	324,479	314,252	250,298	190,469
Closing number of shares	507,908,829	477,335,264	383,877,744	306,648,625
Operating charges****	1.16%	1.24%	1.32%	1.41%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	66.64	67.01	66.37	62.41
Lowest share price	63.85	65.10	62.60	59.78

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

*** The direct transaction costs are made up of; fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period. The operating charge for the current year is lower than the previous comparative year, because the Authorised Corporate Director's periodic charge was reduced on 1 November 2017.

+ The performance figures are calculated by taking the value of the shareclass per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report. The Investment Report performance figure is calculated using the last available published price for a given shareclass in the period compared to the equivalent for the prior period. The published price may contain an adjustment for dilution in accordance with the Sub-fund pricing policy, while the price per the financial statements values the Sub-fund on a bid-price basis. The financial statements shareclass valuation is based on close of business market prices on the last day of the period, again this may differ from the intra-day pricing point of the Sub-fund which is used in the published shareclass price.

++ These represent the highest and lowest share prices available to investors in the period. This may differ to the opening and closing net asset value per share in the table above due to accounting adjustments.

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed I Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional accumulation				
Change in net assets per share				
Opening net asset value per share	69.18	68.17	64.52	62.76
Return before operating charges*	(1.64)	1.52	4.10	2.24
Operating charges**	(0.25)	(0.51)	(0.45)	(0.48)
Return after operating charges*	(1.89)	1.01	3.65	1.76
Distributions	0.00	(1.08)	(1.11)	(0.80)
Retained distributions on accumulation share	0.00	1.08	1.11	0.80
Closing net asset value per share	67.29	69.18	68.17	64.52
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-2.73%	1.48%	5.66%	2.80%
Other information				
Closing net asset value (£'000)	116,029	124,058	60,192	45,010
Closing number of shares	172,440,153	179,315,573	88,296,348	69,758,690
Operating charges****	0.72%	0.73%	0.67%	0.76%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	70.06	70.27	69.37	61.84
Lowest share price	67.24	68.21	65.03	61.96

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

*** The direct transaction costs are made up of; fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period.

+ The performance figures are calculated by taking the value of the shareclass per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report. The Investment Report performance figure is calculated using the last available published price for a given shareclass in the period compared to the equivalent for the prior period. The published price may contain an adjustment for dilution in accordance with the Sub-fund pricing policy, while the price per the financial statements values the Sub-fund on a bid-price basis. The financial statements shareclass valuation is based on close of business market prices on the last day of the period, again this may differ from the intra-day pricing point of the Sub-fund which is used in the published shareclass price.

++ These represent the highest and lowest share prices available to investors in the period. This may differ to the opening and closing net asset value per share in the table above due to accounting adjustments.

MyFolio Managed I Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Standard Life accumulation				
Change in net assets per share				
Opening net asset value per share	61.62	60.58	57.21	55.54
Return before operating charges*	(1.47)	1.35	3.64	1.97
Operating charges**	(0.15)	(0.31)	(0.27)	(0.30)
Return after operating charges*	(1.62)	1.04	3.37	1.67
Distributions	0.00	(1.10)	(1.11)	(0.81)
Retained distributions on accumulation share	0.00	1.10	1.11	0.81
Closing net asset value per share	60.00	61.62	60.58	57.21
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-2.63%	1.71%	5.89%	3.01%
Other information				
Closing net asset value (£'000)	794	901	1,008	348
Closing number of shares	1,323,516	1,462,300	1,663,754	608,220
Operating charges****	0.49%	0.50%	0.45%	0.54%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	62.42	62.52	61.65	57.46
Lowest share price	59.96	60.62	57.66	54.91

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Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed I Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Platform 1 accumulation				
Change in net assets per share				
Opening net asset value per share	63.90	63.03	59.79	58.26
Return before operating charges*	(1.52)	1.40	3.80	2.11
Operating charges**	(0.25)	(0.53)	(0.56)	(0.58)
Return after operating charges*	(1.77)	0.87	3.24	1.53
Distributions	0.00	(0.93)	(0.88)	(0.64)
Retained distributions on accumulation share	0.00	0.93	0.88	0.64
Closing net asset value per share	62.13	63.90	63.03	59.79
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-2.77%	1.38%	5.42%	2.63%
Other information				
Closing net asset value (£'000)	53,175	51,994	47,348	33,124
Closing number of shares	85,591,169	81,372,452	75,123,511	55,400,942
Operating charges****	0.77%	0.84%	0.90%	0.99%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	64.70	64.91	64.14	60.06
Lowest share price	62.09	63.06	60.25	57.45

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**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period. The operating charge for the current year is lower than the previous comparative year, because the Authorised Corporate Director's periodic charge was reduced on 1 November 2017.

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Standard Life Investment Company III
Interim Report & Financial Statements

MyFolio Managed I Fund

Portfolio Statement as at 31 December 2018

Holding	Investment	Market value £'000	Percentage of total net assets
Collective Investment Schemes (99.72%)		**495,248**	**100.16**
Absolute Return Funds (19.98%)		**96,326**	**19.48**
6,616,016	SLI Absolute Return Global Bond Strategies SICAV	71,751	14.51
31,301,559	SLI Global Absolute Return Strategies	24,575	4.97
Bond Funds (51.42%)		**257,304**	**52.04**
546,876	Neuberger Berman Emerging Markets Debt Local Currency	5,387	1.09
21,190,365	SLI Corporate Bond	11,937	2.41
471,167	SLI Emerging Market Local Currency Debt SICAV	5,367	1.09
40,286,087	SLI Ethical Corporate Bond	34,203	6.92
4,750,900	SLI Global Corporate Bond SICAV	46,534	9.41
1,176,528	SLI Global High Yield Bond SICAV	15,916	3.22
4,490,833	SLI Global Index Linked Bond	8,313	1.68
1,404,498	SLI Global Short Duration Corporate Bond SICAV	13,923	2.82
7,433,935	SLI Investment Grade Corporate Bond	11,991	2.42
32,353,366	SLI Short Dated Corporate Bond	16,329	3.30
26,192,859	SLI Short Duration Credit	24,063	4.87
45,148,108	SLI Short Duration Global Index Linked Bond	23,418	4.74
368,359	Vanguard UK Short-Term Investment Grade Bond	39,923	8.07
Equity Funds (21.24%)		**103,393**	**20.91**
27,150	Aberdeen Alternative Risk Premia	2,691	0.55
5,986,858	Aberdeen UK Equity Enhanced Index	7,267	1.47
1,148,890	SLI American Equity Income	738	0.15
4,022,962	SLI European Equity Income	4,944	1.00
12,638,110	SLI Global Emerging Markets Equity Income	9,610	1.94
813,605	SLI UK Equity Growth	2,965	0.60
1,480,448	SLI UK Equity High Alpha	2,936	0.59
3,498,334	SLI UK Equity High Income	8,756	1.77
15,059,796	SLI UK Equity Income Unconstrained	12,619	2.55
1,895,093	SLI UK Equity Recovery	4,220	0.85
614,682	SLI UK Smaller Companies	4,610	0.93
5,300,905	SLMT American Equity Unconstrained	2,421	0.49
30,423,134	SLMT Global REIT	14,144	2.86
21,571,597	SLMT Standard Life Japan	10,512	2.13
1,673,040	SLTM North American Trust	4,224	0.86
4,104,205	SLTM Pacific Basin Trust	5,877	1.19
28,446	Vanguard US Equity Index	4,859	0.98

Standard Life Investment Company III
Interim Report & Financial Statements

MyFolio Managed I Fund

Portfolio Statement as at 31 December 2018
(Continued)

Holding	Investment	Market value £'000	Percentage of total net assets
Money Market Funds (4.45%)		**25,056**	**5.07**
25,056	Aberdeen Liquidity Fund - Sterling*	25,056	5.07
Property Funds (2.63%)		**13,169**	**2.66**
9,598,252	SLI UK Real Estate Accumulation Feeder	13,169	2.66
Total investment assets		**495,248**	**100.16**
Net other liabilities		(771)	(0.16)
Total Net Assets		**494,477**	**100.00**

All Investments are regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

The percentage figures in brackets show the comparative holding as at 30 June 2018.

	Market value £'000
Reconciliation of assets and liabilities to the balance sheet	
Investment assets as per the Balance Sheet	470,192
*Collective Investment Schemes classified as Cash Equivalents	25,056
Net other liabilities	(771)
Total Net Assets	**494,477**

Statement of Total Return

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Income:				
Net capital (losses)/gains		(16,453)		6,258
Revenue	3,452		2,816	
Expenses	(1,539)		(1,530)	
Net revenue before taxation	1,913		1,286	
Taxation	(2)		0	
Net revenue after taxation		1,911		1,286
Total return before distributions		(14,542)		7,544
Distributions		38		89
Change in net assets attributable to shareholders from investment activities		**(14,504)**		**7,633**

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		491,205		358,845
Amounts receivable on the issue of shares	41,612		117,746	
Amounts payable on the cancellation of shares	(23,902)		(20,375)	
		17,710		97,371
Dilution adjustment		66		134
Change in net assets attributable to shareholders from investment activities (see above)		(14,504)		7,633
Closing net assets attributable to shareholders		**494,477**		**463,983**

Comparative information is provided for the statement of change in net assets attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

Balance Sheet

as at 31 December 2018

	31 December 2018		30 June 2018	
	£'000	£'000	£'000	£'000
Assets:				
Fixed assets:				
Investment assets		470,192		467,979
Current assets:				
Debtors	477		1,835	
Cash and bank balances	234		0	
Cash equivalents	25,056		21,871	
		25,767		23,706
Total assets		495,959		491,685
Liabilities:				
Creditors	(1,482)		(479)	
Bank overdrafts	0		(1)	
		(1,482)		(480)
Total liabilities		(1,482)		(480)
Net assets attributable to shareholders		**494,477**		**491,205**

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed II Fund

Investment Report

Fund Information	
Fund Manager	Bambos Hambi
Launch Date	22 September 2010

Investment objective

The Sub-fund aims to provide a total return from a combination of income and capital appreciation over the longer term

Investment policy

The current policy of the Sub-fund is to invest mainly in a range of collective investment schemes managed or operated within the Standard Life Aberdeen group of companies to achieve a broad exposure to diversified investments, including equities, fixed and variable rate interest bearing securities and immoveable property. The Sub-fund may also invest in transferable securities, money-market instruments, deposits, cash and near cash. Typically, the Sub-fund will have a preference towards lower risk assets, such as fixed interest.

Important Note to the Investment Policy
The Standard Life group of companies enlarged following the effective date of the merger of Standard Life plc with Aberdeen Asset Management plc (the "Effective Date") to create Standard Life Aberdeen plc (the "Combined Group"). For the present time, the Sub-Fund will continue to invest mainly in the range of collective investment schemes managed by companies that, immediately prior to the Effective Date, were in the Standard Life group.

Risk

The Sub-fund is intended for investors who wish to participate in the opportunity to achieve a competitive level of total return from a combination of capital appreciation and income over the longer term by investing in an actively managed portfolio of collective investment schemes which themselves invest in equities, fixed and variable rate interest bearing securities and immoveable property. The diversified nature of the underlying portfolio makes it suitable for investors wishing to achieve a broad spread of exposure. The investor must be able to accept significant temporary losses to capital due to the volatile nature of equity, bond, property and currency markets and should therefore have an investment time horizon of at least 5 years.

Investment activity

The Investment Activity for each Sub-fund is documented as a whole on pages 5 to 9.

Synthetic Risk & Reward Indicator

Lower risk
Typically lower rewards

Higher risk
Typically Higher rewards

1	2	**3**	4	5	6	7

This indicator reflects the volatility of the Sub-fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Sub-fund invests. Historical data may not be a reliable indication for the future. Where the share class does not have a history of five years, an alternative share class or a representative benchmark has been used to show how the Sub-fund price may have behaved over the period.

The current rating, which is the same for all share classes, is not guaranteed and may change if the volatility of the assets in which the Sub-fund invests changes. The lowest rating does not mean risk free.

All investment involves risk. This Sub-fund offers no guarantee against loss or that the Sub-fund's objective will be attained.

For further information on the risks that may not be fully captured by the risk and reward indicator, please refer to the current Key Investor Information Document (KIID).

Cautionary note

It should be remembered that past performance is not a guide to future performance. The value of investments may go down as well as up and, therefore, investors may not get back the amount originally invested.

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed II Fund

Comparative Tables

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Retail accumulation				
Change in net assets per share				
Opening net asset value per share	73.51	71.73	66.38	65.17
Return before operating charges*	(2.75)	2.73	6.32	2.16
Operating charges**	(0.45)	(0.95)	(0.97)	(0.95)
Return after operating charges*	(3.20)	1.78	5.35	1.21
Distributions	0.00	(0.74)	(0.70)	(0.55)
Retained distributions on accumulation share	0.00	0.74	0.70	0.55
Closing net asset value per share	70.31	73.51	71.73	66.38
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-4.35%	2.48%	8.06%	1.86%
Other information				
Closing net asset value (£'000)	1,184,995	1,196,193	974,295	693,970
Closing number of shares	1,685,436,375	1,627,339,410	1,358,197,436	1,045,493,063
Operating charges****	1.22%	1.29%	1.37%	1.44%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	74.90	75.11	73.40	67.10
Lowest share price	70.20	71.92	67.12	62.95

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**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period. The operating charge for the current year is lower than the previous comparative year, because the Authorised Corporate Director's periodic charge was reduced on 1 November 2017.

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MyFolio Managed II Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional accumulation				
Change in net assets per share				
Opening net asset value per share	76.99	74.83	68.89	67.17
Return before operating charges*	(2.92)	2.76	6.47	2.26
Operating charges**	(0.30)	(0.60)	(0.53)	(0.54)
Return after operating charges*	(3.22)	2.16	5.94	1.72
Distributions	0.00	(1.08)	(1.10)	(1.03)
Retained distributions on accumulation share	0.00	1.08	1.10	1.03
Closing net asset value per share	73.77	76.99	74.83	68.89
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-4.18%	2.89%	8.62%	2.56%
Other information				
Closing net asset value (£'000)	395,975	426,995	252,992	196,240
Closing number of shares	536,739,125	554,585,116	338,086,664	284,871,452
Operating charges****	0.77%	0.78%	0.73%	0.80%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	78.50	78.54	76.55	69.62
Lowest share price	73.70	75.03	69.66	65.18

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

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Standard Life Investment Company III
Interim Report & Financial Statements

MyFolio Managed II Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Standard Life accumulation				
Change in net assets per share				
Opening net asset value per share	67.12	65.11	59.80	58.21
Return before operating charges*	(2.58)	2.38	5.63	1.93
Operating charges**	(0.18)	(0.37)	(0.32)	(0.34)
Return after operating charges*	(2.76)	2.01	5.31	1.59
Distributions	0.00	(1.07)	(1.07)	(1.00)
Retained distributions on accumulation share	0.00	1.07	1.07	1.00
Closing net asset value per share	64.36	67.12	65.11	59.80
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-4.11%	3.09%	8.88%	2.73%
Other information				
Closing net asset value (£'000)	3,984	5,720	5,563	980
Closing number of shares	6,190,458	8,522,811	8,542,891	1,639,478
Operating charges****	0.55%	0.56%	0.50%	0.57%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	68.40	68.41	66.61	60.43
Lowest share price	64.30	65.29	60.47	56.55

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

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**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period.

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MyFolio Managed II Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Platform 1 accumulation				
Change in net assets per share				
Opening net asset value per share	70.35	68.44	63.11	61.65
Return before operating charges*	(2.66)	2.53	5.97	2.10
Operating charges**	(0.29)	(0.62)	(0.64)	(0.64)
Return after operating charges*	(2.95)	1.91	5.33	1.46
Distributions	0.00	(0.93)	(0.89)	(0.83)
Retained distributions on accumulation share	0.00	0.93	0.89	0.83
Closing net asset value per share	67.40	70.35	68.44	63.11
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-4.19%	2.79%	8.45%	2.37%
Other information				
Closing net asset value (£'000)	207,002	210,419	180,005	136,594
Closing number of shares	307,132,046	299,092,494	263,027,959	216,429,359
Operating charges****	0.82%	0.89%	0.95%	1.02%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	71.71	71.78	70.01	63.79
Lowest share price	67.29	68.61	63.82	59.75

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

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MyFolio Managed II Fund

Comparative Tables
(Continued)

	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional A accumulation^			
Change in net assets per share			
Opening net asset value per share	55.73	51.68	50.00
Return before operating charges*	2.50	4.96	2.56
Operating charges**	0.95	(0.91)	(0.88)
Return after operating charges*	1.55	4.05	1.68
Distributions	0.00	(0.43)	(0.33)
Retained distributions on accumulation share	0.00	0.43	0.33
Redemption value as at 21 June 2018	(57.28)	0.00	0.00
Closing net asset value per share	0.00	55.73	51.68
* after direct transaction costs of:***	0.00	0.00	0.00
Performance +			
Return after charges	2.78%	7.84%	3.36%
Other information			
Closing net asset value (£'000)	0	1	1
Closing number of shares	0	2,200	2,200
Operating charges****	0.46%	1.65%	1.72%
Direct transaction costs***	0.00%	0.00%	0.00%
Prices ++			
Highest share price	58.27	57.02	52.21
Lowest share price	55.82	52.22	49.00

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

*** The direct transaction costs are made up of; fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period.

+ The performance figures are calculated by taking the value of the shareclass per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report. The Investment Report performance figure is calculated using the last available published price for a given shareclass in the period compared to the equivalent for the prior period. The published price may contain an adjustment for dilution in accordance with the Sub-fund pricing policy, while the price per the financial statements values the Sub-fund on a bid-price basis. The financial statements shareclass valuation is based on close of business market prices on the last day of the period, again this may differ from the intra-day pricing point of the Sub-fund which is used in the published shareclass price.

++ These represent the highest and lowest share prices available to investors in the period. This may differ to the opening and closing net asset value per share in the table above due to accounting adjustments.

^ Share class closed on 21 June 2018.

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed II Fund

Portfolio Statement as at 31 December 2018

Holding	Investment	Market value £'000	Percentage of total net assets
Collective Investment Schemes (100.04%)		**1,791,219**	**99.96**
Absolute Return Funds (19.22%)		**338,270**	**18.88**
17,365,018	SLI Absolute Return Global Bond Strategies SICAV	188,325	10.51
190,988,072	SLI Global Absolute Return Strategies	149,945	8.37
Bond Funds (38.43%)		**743,035**	**41.47**
3,126,236	Neuberger Berman Emerging Markets Debt Local Currency	30,793	1.72
87,121,399	SLI Corporate Bond	49,076	2.74
2,680,742	SLI Emerging Market Local Currency Debt SICAV	30,539	1.70
66,321,207	SLI Ethical Corporate Bond	56,307	3.14
14,388,669	SLI Global Corporate Bond SICAV S Acc	140,933	7.87
4,333,875	SLI Global High Yield Bond SICAV	58,630	3.27
42,979,103	SLI Global Index Linked Bond	79,554	4.44
4,310,000	SLI Global Short Duration Corporate Bond SICAV	42,725	2.39
17,626,800	SLI Investment Grade Corporate Bond	28,432	1.59
107,341,606	SLI Short Dated Corporate Bond	54,175	3.02
77,059,594	SLI Short Duration Credit	70,795	3.95
166,242,490	SLI Short Duration Global Index Linked Bond	86,230	4.81
136,982	Vanguard UK Short-Term Investment Grade Bond	14,846	0.83
Equity Funds (35.96%)		**593,908**	**33.14**
168,932	Aberdeen Alternative Risk Premia	16,744	0.93
29,094,181	Aberdeen UK Equity Enhanced Index	35,314	1.97
7,741,231	SLI American Equity Income	4,970	0.28
30,517,214	SLI European Equity Income	37,506	2.09
252,590	SLI European Smaller Companies SICAV	7,775	0.43
18,777,001	SLI Global Emerging Markets Equity	15,249	0.85
48,289,080	SLI Global Emerging Markets Equity Income	36,719	2.05
912,791	SLI Japanese Equities SICAV	11,164	0.62
19,585,339	SLI Japanese Equity Growth	21,407	1.19
4,468,494	SLI UK Equity Growth	16,283	0.91
8,106,024	SLI UK Equity High Alpha	16,074	0.90
18,448,784	SLI UK Equity High Income	46,177	2.58
82,954,445	SLI UK Equity Income Unconstrained	69,507	3.88
9,978,916	SLI UK Equity Recovery	22,223	1.24
3,362,472	SLI UK Smaller Companies	25,219	1.41
32,514,007	SLMT American Equity Unconstrained	14,849	0.83
129,928,988	SLMT Global REIT	60,404	3.37

Standard Life Investment Company III
Interim Report & Financial Statements

MyFolio Managed II Fund

Portfolio Statement as at 31 December 2018
(Continued)

Holding	Investment	Market value £'000	Percentage of total net assets
Equity Funds (continued)			
90,290,452	SLMT Standard Life Japan	43,998	2.46
10,431,143	SLTM North American Trust	26,339	1.47
24,941,388	SLTM Pacific Basin Trust	35,716	1.99
177,199	Vanguard US Equity Index	30,271	1.69
Money Market Funds (1.71%)		**27,633**	**1.54**
27,633	Aberdeen Liquidity Fund - Sterling*	27,633	1.54
Property Funds (4.72%)		**88,373**	**4.93**
64,411,552	SLI UK Real Estate Accumulation Feeder	88,373	4.93
Total investment assets		**1,791,219**	**99.96**
Net other assets		737	0.04
Total Net Assets		**1,791,956**	**100.00**

All Investments are regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.otherwise stated.

The percentage figures in brackets show the comparative holding as at 30 June 2018.

	Market value £'000
Reconciliation of assets and liabilities to the balance sheet	
Investment assets as per the Balance Sheet	1,763,586
*Collective Investment Schemes classified as Cash Equivalents	27,633
Net other assets	737
Total Net Assets	**1,791,956**

Statement of Total Return

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Income:				
Net capital (losses)/gains		(87,578)		45,137
Revenue	13,178		10,967	
Expenses	(5,719)		(5,814)	
Net revenue before taxation	7,459		5,153	
Taxation	(465)		(324)	
Net revenue after taxation		6,994		4,829
Total return before distributions		(80,584)		49,966
Distributions		26		184
Change in net assets attributable to shareholders from investment activities		**(80,558)**		**50,150**

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		1,839,327		1,412,856
Amounts receivable on the issue of shares	81,207		314,093	
Amounts payable on the cancellation of shares	(48,191)		(27,089)	
		33,016		287,004
Dilution adjustment		171		692
Change in net assets attributable to shareholders from investment activities (see above)		(80,558)		50,150
Closing net assets attributable to shareholders		**1,791,956**		**1,750,702**

Comparative information is provided for the statement of change in net assets attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

Balance Sheet

as at 31 December 2018

	31 December 2018		30 June 2018	
	£'000	£'000	£'000	£'000
Assets:				
Fixed assets:				
Investment assets		1,763,586		1,808,629
Current assets:				
Debtors	1,938		2,388	
Cash and bank balances	867		0	
Cash equivalents	27,633		31,400	
		30,438		33,788
Total assets		1,794,024		1,842,417
Liabilities:				
Creditors	(2,068)		(3,083)	
Bank overdrafts	0		(7)	
		(2,069)		(3,090)
Total liabilities		(2,068)		(3,090)
Net assets attributable to shareholders		**1,791,956**		**1,839,327**

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed III Fund

Investment Report

Fund Information	
Fund Manager	Bambos Hambi
Launch Date	22 September 2010

Investment objective

The Sub-fund aims to provide a total return from a combination of income and capital appreciation over the longer term.

Investment policy

The current policy of the Sub-fund is to invest mainly in a range of collective investment schemes managed or operated within the Standard Life Aberdeen group of companies to achieve a broad exposure to diversified investments, including equities, fixed and variable rate interest bearing securities and immoveable property. The Sub-fund may also invest in transferable securities, moneymarket instruments, deposits, cash and near cash.

Important Note to the Investment Policy

The Standard Life group of companies enlarged following the effective date of the merger of Standard Life plc with Aberdeen Asset Management plc (the "Effective Date") to create Standard Life Aberdeen plc (the "Combined Group"). For the present time, the Sub-Fund will continue to invest mainly in the range of collective investment schemes managed by companies that, immediately prior to the Effective Date, were in the Standard Life group.

Risk

The Sub-fund is intended for investors who wish to participate in the opportunity to achieve a competitive level of total return from a combination of capital appreciation and income over the longer term by investing in an actively managed portfolio of collective investment schemes which themselves invest in equities, fixed and variable rate interest bearing securities and immoveable property. The diversified nature of the underlying portfolio makes it suitable for investors wishing to achieve a broad spread of exposure. The investor must be able to accept significant temporary losses to capital due to the volatile nature of equity, bond, property and currency markets and should therefore have an investment time horizon of at least 5 years.

Investment activity

The Investment Activity for each Sub-fund is documented as a whole on pages 5 to 9.

Synthetic Risk & Reward Indicator

Lower risk
Typically lower rewards

Higher risk
Typically Higher rewards

1	2	3	**4**	5	6	7

This indicator reflects the volatility of the Sub-fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Sub-fund invests. Historical data may not be a reliable indication of the future. Where the share class does not have a history of five years, an alternative share class or a representative benchmark has been used to show how the Sub-fund price may have behaved over the period.

The current rating, which is the same for all share classes, is not guaranteed and may change if the volatility of the assets in which the Sub-fund invests changes. The lowest rating does not mean risk free.

All investment involves risk. This Sub-fund offers no guarantee against loss or that the Sub-fund's objective will be attained.

For further information on the risks that may not be fully captured by the risk and reward indicator, please refer to the current Key Investor Information Document (KIID).

Cautionary note

It should be remembered that past performance is not a guide to future performance. The value of investments may go down as well as up and, therefore, investors may not get back the amount originally invested.

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed III Fund

Comparative Tables

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Retail accumulation				
Change in net assets per share				
Opening net asset value per share	81.86	78.48	70.67	69.97
Return before operating charges*	(4.45)	4.46	8.92	1.75
Operating charges**	(0.52)	(1.08)	(1.11)	(1.05)
Return after operating charges*	(4.97)	3.38	7.81	0.70
Distributions	0.00	(0.87)	(0.75)	(0.56)
Retained distributions on accumulation share	0.00	0.87	0.75	0.56
Closing net asset value per share	76.89	81.86	78.48	70.67
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-6.07%	4.31%	11.05%	1.00%
Other information				
Closing net asset value (£'000)	2,650,115	2,744,033	2,318,499	1,703,243
Closing number of shares	3,446,448,163	3,352,297,014	2,954,179,665	2,410,004,890
Operating charges****	1.28%	1.33%	1.44%	1.49%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	83.82	83.74	80.63	71.96
Lowest share price	76.62	78.79	71.58	66.40

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

*** The direct transaction costs are made up of; fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period. The operating charge for the current year is lower than the previous comparative year, because the Authorised Corporate Director's periodic charge was reduced on 1 November 2017.

+ The performance figures are calculated by taking the value of the shareclass per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report. The Investment Report performance figure is calculated using the last available published price for a given shareclass in the period compared to the equivalent for the prior period. The published price may contain an adjustment for dilution in accordance with the Sub-fund pricing policy, while the price per the financial statements values the Sub-fund on a bid-price basis. The financial statements shareclass valuation is based on close of business market prices on the last day of the period, again this may differ from the intra-day pricing point of the Sub-fund which is used in the published shareclass price.

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Standard Life Investment Company III
Interim Report & Financial Statements

MyFolio Managed III Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional accumulation				
Change in net assets per share				
Opening net asset value per share	85.61	81.75	73.24	72.02
Return before operating charges*	(4.68)	4.56	9.15	1.83
Operating charges**	(0.36)	(0.70)	(0.64)	(0.61)
Return after operating charges*	(5.04)	3.86	8.51	1.22
Distributions	0.00	(1.26)	(1.19)	(1.07)
Retained distributions on accumulation share	0.00	1.26	1.19	1.07
Closing net asset value per share	80.57	85.61	81.75	73.24
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-5.89%	4.72%	11.62%	1.69%
Other information				
Closing net asset value (£'000)	532,510	569,088	436,554	341,274
Closing number of shares	660,918,576	664,727,650	534,021,613	465,979,586
Operating charges****	0.83%	0.82%	0.80%	0.84%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	87.70	87.44	83.97	74.55
Lowest share price	80.28	82.08	74.18	68.68

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**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period.

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Standard Life Investment Company III
Interim Report & Financial Statements

MyFolio Managed III Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Standard Life accumulation				
Change in net assets per share				
Opening net asset value per share	73.33	69.89	62.49	61.34
Return before operating charges*	(4.04)	3.87	7.79	1.53
Operating charges**	(0.22)	(0.43)	(0.39)	(0.38)
Return after operating charges*	(4.26)	3.44	7.40	1.15
Distributions	0.00	(1.20)	(1.14)	(1.02)
Retained distributions on accumulation share	0.00	1.20	1.14	1.02
Closing net asset value per share	69.07	73.33	69.89	62.49
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-5.81%	4.92%	11.84%	1.87%
Other information				
Closing net asset value (£'000)	10,934	12,457	11,121	3,665
Closing number of shares	15,830,188	16,988,375	15,911,916	5,864,660
Operating charges****	0.61%	0.59%	0.57%	0.62%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	75.14	74.83	71.79	63.60
Lowest share price	68.82	70.18	63.29	58.56

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**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period.

+ The performance figures are calculated by taking the value of the shareclass per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report. The Investment Report performance figure is calculated using the last available published price for a given shareclass in the period compared to the equivalent for the prior period. The published price may contain an adjustment for dilution in accordance with the Sub-fund pricing policy, while the price per the financial statements values the Sub-fund on a bid-price basis. The financial statements shareclass valuation is based on close of business market prices on the last day of the period, again this may differ from the intra-day pricing point of the Sub-fund which is used in the published shareclass price.

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Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed III Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Platform 1 accumulation				
Change in net assets per share				
Opening net asset value per share	77.75	74.30	66.69	65.69
Return before operating charges*	(4.25)	4.16	8.35	1.71
Operating charges**	(0.34)	(0.71)	(0.74)	(0.71)
Return after operating charges*	(4.59)	3.45	7.61	1.00
Distributions	0.00	(1.07)	(0.95)	(0.86)
Retained distributions on accumulation share	0.00	1.07	0.95	0.86
Closing net asset value per share	73.16	77.75	74.30	66.69
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-5.90%	4.64%	11.41%	1.52%
Other information				
Closing net asset value (£'000)	347,496	353,577	291,846	221,637
Closing number of shares	474,999,476	454,767,673	392,767,704	332,350,042
Operating charges****	0.88%	0.92%	1.02%	1.07%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	79.65	79.42	76.33	67.89
Lowest share price	72.89	74.60	67.55	62.58

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

*** The direct transaction costs are made up of; fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period.. The operating charge for the current year is lower than the previous comparative year, because the Authorised Corporate Director's periodic charge was reduced on 1 November 2017.

+ The performance figures are calculated by taking the value of the shareclass per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report. The Investment Report performance figure is calculated using the last available published price for a given shareclass in the period compared to the equivalent for the prior period. The published price may contain an adjustment for dilution in accordance with the Sub-fund pricing policy, while the price per the financial statements values the Sub-fund on a bid-price basis. The financial statements shareclass valuation is based on close of business market prices on the last day of the period, again this may differ from the intra-day pricing point of the Sub-fund which is used in the published shareclass price.

++ These represent the highest and lowest share prices available to investors in the period. This may differ to the opening and closing net asset value per share in the table above due to accounting adjustments.

MyFolio Managed III Fund

Comparative Tables
(Continued)

	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional A accumulation^			
Change in net assets per share			
Opening net asset value per share	57.29	51.69	50.00†
Return before operating charges*	3.76	6.56	2.60
Operating charges**	(1.01)	(0.96)	(0.91)
Return after operating charges*	2.75	5.60	1.69
Distributions	0.00	(0.43)	(0.32)
Retained distributions on accumulation share	0.00	0.43	0.32
Redemption value as at 21 June 2018	(60.04)	0.00	0.00
Closing net asset value per share	0.00	57.29	51.69
* after direct transaction costs of:***	0.00	0.00	0.00
Performance +			
Return after charges	4.80%	10.83%	3.38%
Other information			
Closing net asset value (£'000)	0	1	1
Closing number of shares	0	2,200	2,200
Operating charges****	0.00%	1.72%	1.77%
Direct transaction costs***	0.00%	0.00%	0.00%
Prices ++			
Highest share price	61.05	58.86	52.62
Lowest share price	57.51	52.33	48.59

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

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**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period.

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† Launched 27 January 2016.

^ Share class closed on 21 June 2018.

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed III Fund

Portfolio Statement as at 31 December 2018

Holding	Investment	Market value £'000	Percentage of total net assets
Collective Investment Schemes (99.96%)		**3,539,644**	**99.96**
Absolute Return Funds (19.23%)		**662,425**	**18.71**
17,633,519	SLI Absolute Return Global Bond Strategies SICAV	191,237	5.40
600,162,718	SLI Global Absolute Return Strategies	471,188	13.31
Bond Funds (23.31%)		**893,848**	**25.24**
10,653,511	Neuberger Berman Emerging Markets Debt Local Currency	104,937	2.96
73,477,968	SLI Corporate Bond	41,390	1.17
9,139,890	SLI Emerging Market Local Currency Debt SICAV	104,121	2.94
22,986,093	SLI Global Corporate Bond SICAV	225,142	6.36
11,148,830	SLI Global High Yield Bond SICAV	150,824	4.26
7,309,272	SLI Global Short Duration Corporate Bond SICAV	72,458	2.05
24,687,954	SLI Investment Grade Corporate Bond	39,822	1.12
58,176,949	SLI Short Dated Corporate Bond	29,362	0.83
46,266,980	SLI Short Duration Credit	42,505	1.20
160,569,712	SLI Short Duration Global Index Linked Bond	83,287	2.35
Equity Funds (49.95%)		**1,704,981**	**48.15**
529,302	Aberdeen Alternative Risk Premia	52,463	1.48
27,409,650	Aberdeen European Equity Enhanced Index	34,418	0.97
60,047,201	Aberdeen UK Equity Enhanced Index	72,885	2.06
10,870,293	SLI American Equity Unconstrained	16,827	0.47
8,146,765	SLI European Equity Growth	16,742	0.47
66,817,056	SLI European Equity Income	82,118	2.32
966,358	SLI European Smaller Companies SICAV	29,747	0.84
37,269,530	SLI Global Emerging Markets Equity	30,267	0.85
158,487,932	SLI Global Emerging Markets Equity Income	120,514	3.40
1,767,390	SLI Japanese Equities SICAV	21,616	0.61
41,336,777	SLI Japanese Equity Growth	45,181	1.28
11,547,287	SLI UK Equity Growth	42,078	1.19
21,194,083	SLI UK Equity High Alpha	42,028	1.19
33,351,323	SLI UK Equity High Income	83,478	2.36
199,897,551	SLI UK Equity Income Unconstrained	167,494	4.73
25,752,431	SLI UK Equity Recovery	57,351	1.62
27,640,871	SLI UK Equity Unconstrained	63,270	1.79
8,684,678	SLI UK Smaller Companies	65,135	1.84
171,881,787	SLMT American Equity Unconstrained	78,498	2.22
297,761,708	SLMT Global REIT	138,430	3.91

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed III Fund

Portfolio Statement as at 31 December 2018
(Continued)

Holding	Investment	Market value £'000	Percentage of total net assets
Equity Funds (continued)			
205,042,043	SLMT Standard Life Japan	99,917	2.82
18,212,593	SLTM European Trust	41,416	1.17
29,821,460	SLTM North American Trust	75,299	2.13
82,877,878	SLTM Pacific Basin Trust	118,681	3.35
638,813	Vanguard US Equity Index	109,128	3.08
Money Market Funds (1.47%)		**53,328**	**1.51**
53,328	Aberdeen Liquidity Fund - Sterling*	53,328	1.51
Property Funds (6.00%)		**225,062**	**6.35**
164,039,657	SLI UK Real Estate Accumulation Feeder	225,062	6.35
Total investment assets		**3,539,644**	**99.96**
Net other assets		1,411	0.04
Total Net Assets		**3,541,055**	**100.00**

All investments are regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

The percentage figures in brackets show the comparative holding as at 30 June 2018.

	Market value £'000
Reconciliation of assets and liabilities to the balance sheet	
Investment assets as per the Balance Sheet	3,486,316
*Collective Investment Schemes classified as Cash Equivalents	53,328
Net other assets	1,411
Total Net Assets	**3,541,055**

Statement of Total Return

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Income:				
Net capital (losses)/gains		(241,652)		141,434
Revenue	26,037		21,542	
Expenses	(12,182)		(12,709)	
Interest payable and similar charges	0		(1)	
Net revenue before taxation	13,855		8,832	
Taxation	(30)		(237)	
Net revenue after taxation		13,825		8,595
Total return before distributions		(227,827)		150,029
Equalisation		42		183
Change in net assets attributable to shareholders from investment activities		**(227,785)**		**150,212**

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		3,679,155		3,058,021
Amounts receivable on the issue of shares	136,069		325,572	
Amounts payable on the cancellation of shares	(46,935)		(34,563)	
		89,134		291,009
Dilution adjustment		551		1,385
Change in net assets attributable to shareholders from investment activities (see above)		(227,785)		150,212
Closing net assets attributable to shareholders		**3,541,055**		**3,500,627**

Comparative information is provided for the statement of change in net assets attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

Balance Sheet

as at 31 December 2018

	31 December 2018		30 June 2018	
	£'000	£'000	£'000	£'000
Assets:				
Fixed assets:				
Investment assets		3,486,316		3,623,826
Current assets:				
Debtors	3,956		4,970	
Cash and bank balances	1,870		0	
Cash equivalents	53,328		54,138	
		59,154		59,108
Total assets		3,545,470		3,682,934
Liabilities:				
Creditors	(4,415)		(3,765)	
Bank overdrafts	0		(14)	
		(4,415)		(3,779)
Total liabilities		(4,415)		(3,779)
Net assets attributable to shareholders		**3,541,055**		**3,679,155**

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed IV Fund

Investment Report

Fund Information	
Fund Manager	Bambos Hambi
Launch Date	22 September 2010

Investment objective

The Sub-fund aims to provide a total return from a combination of income and capital appreciation over the longer term.

Investment policy

The current policy of the Sub-fund is to invest mainly in a range of collective investment schemes managed or operated within the Standard Life Aberdeen group of companies to achieve exposure to diversified investments, of primarily equities, but which may include fixed and variable rate interest bearing securities and immoveable property. The Sub-fund may also invest in transferable securities, money-market instruments, deposits, cash and near cash. Typically, the Sub-fund will have high exposure to assets providing potential for growth, such as equities.

Important Note to the Investment Policy
The Standard Life group of companies enlarged following the effective date of the merger of Standard Life plc with Aberdeen Asset Management plc (the "Effective Date") to create Standard Life Aberdeen plc (the "Combined Group"). For the present time, the Sub-Fund will continue to invest mainly in the range of collective investment schemes managed by companies that, immediately prior to the Effective Date, were in the Standard Life group.

Risk

The Sub-fund is intended for investors who wish to participate in the opportunity to achieve a competitive level of total return from a combination of capital appreciation and income over the longer term by investing in an actively managed portfolio of collective investment schemes which themselves invest in equities, fixed and variable rate interest bearing securities and immoveable property. The diversified nature of the underlying portfolio makes it suitable for investors wishing to achieve a broad spread of exposure. The investor must be able to accept significant temporary losses to capital due to the volatile nature of equity, bond, property and currency markets and should therefore have an investment time horizon of at least 5 years.

Investment activity

The Investment Activity for each Sub-fund is documented as a whole on pages 5 to 9.

Synthetic Risk & Reward Indicator

Lower risk
Typically lower rewards

Higher risk
Typically Higher rewards

1	2	3	**4**	5	6	7

This indicator reflects the volatility of the Sub-fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Sub-fund invests. Historical data may not be a reliable indication of the future. Where the share class does not have a history of five years, an alternative share class or a representative benchmark has been used to show how the Sub-fund price may have behaved over the period.

The current rating, which is the same for all share classes, is not guaranteed and may change if the volatility of the assets in which the Sub-fund invests changes. The lowest rating does not mean risk free.

All investment involves risk. This Sub-fund offers no guarantee against loss or that the Sub-fund's objective will be attained.

For further information on the risks that may not be fully captured by the risk and reward indicator, please refer to the current Key Investor Information Document (KIID).

Cautionary note

It should be remembered that past performance is not a guide to future performance. The value of investments may go down as well as up and, therefore, investors may not get back the amount originally invested.

Standard Life Investment Company III
Interim Report & Financial Statements

MyFolio Managed IV Fund

Comparative Tables

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Retail accumulation				
Change in net assets per share				
Opening net asset value per share	87.31	82.60	72.44	71.81
Return before operating charges*	(6.12)	5.89	11.35	1.72
Operating charges**	(0.56)	(1.18)	(1.19)	(1.09)
Return after operating charges*	(6.68)	4.71	10.16	0.63
Distributions	0.00	(1.01)	(0.81)	(0.50)
Retained distributions on accumulation share	0.00	1.01	0.81	0.50
Closing net asset value per share	80.63	87.31	82.60	72.44
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-7.65%	5.70%	14.03%	0.88%
Other information				
Closing net asset value (£'000)	918,110	977,757	822,254	656,534
Closing number of shares	1,138,737,238	1,119,812,249	995,518,558	906,324,406
Operating charges****	1.30%	1.37%	1.49%	1.52%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	89.81	89.56	85.05	74.04
Lowest share price	80.18	82.90	73.40	66.87

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

*** The direct transaction costs are made up of; fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period. The operating charge for the current year is lower than the previous comparative year, because the Authorised Corporate Director's periodic charge was reduced on 1 November 2017.

+ The performance figures are calculated by taking the value of the shareclass per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report. The Investment Report performance figure is calculated using the last available published price for a given shareclass in the period compared to the equivalent for the prior period. The published price may contain an adjustment for dilution in accordance with the Sub-fund pricing policy, while the price per the financial statements values the Sub-fund on a bid-price basis. The financial statements shareclass valuation is based on close of business market prices on the last day of the period, again this may differ from the intra-day pricing point of the Sub-fund which is used in the published shareclass price.

++ These represent the highest and lowest share prices available to investors in the period. This may differ to the opening and closing net asset value per share in the table above due to accounting adjustments.

MyFolio Managed IV Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional accumulation				
Change in net assets per share				
Opening net asset value per share	91.33	86.00	75.03	73.87
Return before operating charges*	(6.42)	6.10	11.67	1.81
Operating charges**	(0.39)	(0.77)	(0.70)	(0.65)
Return after operating charges*	(6.81)	5.33	10.97	1.16
Distributions	0.00	(1.43)	(1.27)	(1.03)
Retained distributions on accumulation share	0.00	1.43	1.27	1.03
Closing net asset value per share	84.52	91.33	86.00	75.03
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-7.46%	6.20%	14.62%	1.57%
Other information				
Closing net asset value (£'000)	166,927	176,838	133,134	105,562
Closing number of shares	197,508,697	193,625,367	154,810,681	140,695,386
Operating charges****	0.85%	0.86%	0.85%	0.87%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	94.00	93.53	88.59	76.43
Lowest share price	84.00	86.36	76.05	69.11

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**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period.

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MyFolio Managed IV Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Standard Life accumulation				
Change in net assets per share				
Opening net asset value per share	79.57	74.79	65.12	63.99
Return before operating charges*	(5.62)	5.28	10.12	1.55
Operating charges**	(0.25)	(0.50)	(0.45)	(0.42)
Return after operating charges*	(5.87)	4.78	9.67	1.13
Distributions	0.00	(1.38)	(1.23)	(1.00)
Retained distributions on accumulation share	0.00	1.38	1.23	1.00
Closing net asset value per share	73.70	79.57	74.79	65.12
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-7.38%	6.39%	14.85%	1.77%
Other information				
Closing net asset value (£'000)	5,987	6,511	6,623	2,542
Closing number of shares	8,122,791	8,182,707	8,855,536	3,903,933
Operating charges****	0.63%	0.63%	0.62%	0.65%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	81.90	81.42	77.04	66.32
Lowest share price	73.30	75.11	66.00	59.94

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

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**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period.

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MyFolio Managed IV Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Platform 1 accumulation				
Change in net assets per share				
Opening net asset value per share	84.51	79.65	69.61	68.66
Return before operating charges*	(5.94)	5.66	10.86	1.71
Operating charges**	(0.38)	(0.80)	(0.82)	(0.76)
Return after operating charges*	(6.32)	4.86	10.04	0.95
Distributions	0.00	(1.24)	(1.04)	(0.83)
Retained distributions on accumulation share	0.00	1.24	1.04	0.83
Closing net asset value per share	78.19	84.51	79.65	69.61
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-7.48%	6.10%	14.42%	1.38%
Other information				
Closing net asset value (£'000)	163,090	168,116	128,126	89,924
Closing number of shares	208,575,728	198,923,810	160,864,329	129,184,919
Operating charges****	0.90%	0.96%	1.07%	1.10%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	86.96	86.56	82.05	70.92
Lowest share price	77.75	79.99	70.55	64.16

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

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**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period. The operating charge for the current year is lower than the previous comparative year, because the Authorised Corporate Director's periodic charge was reduced on 1 November 2017.

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Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed IV Fund

Portfolio Statement as at 31 December 2018

Holding	Investment	Market value £'000	Percentage of total net assets
Collective Investment Schemes (99.94%)		**1,253,827**	**99.98**
Absolute Return Funds (19.55%)		**234,470**	**18.70**
2,303,631	SLI Absolute Return Global Bond Strategies SICAV	24,983	2.00
266,828,448	SLI Global Absolute Return Strategies	209,487	16.70
Bond Funds (8.65%)		**136,963**	**10.92**
2,380,609	Neuberger Berman Emerging Markets Debt Local Currency	23,449	1.87
2,193,855	SLI Emerging Market Local Currency Debt SICAV	24,992	1.99
1,774,257	SLI Global Corporate Bond SICAV	17,378	1.38
4,566,507	SLI Global High Yield Bond SICAV	61,777	4.93
944,907	SLI Global Short Duration Corporate Bond SICAV	9,367	0.75
Equity Funds (64.17%)		**785,028**	**62.60**
235,298	Aberdeen Alternative Risk Premia	23,322	1.86
11,785,868	Aberdeen European Equity Enhanced Index	14,800	1.18
29,623,846	Aberdeen UK Equity Enhanced Index	35,957	2.87
5,771,147	SLI American Equity Unconstrained	8,934	0.71
3,315,857	SLI Asian Pacific Growth	11,944	0.95
9,607,621	SLI Europe ex UK Smaller Companies	6,566	0.52
3,192,439	SLI European Equity Growth	6,560	0.52
24,852,494	SLI European Equity Income	30,544	2.44
232,832	SLI European Smaller Companies SICAV	7,167	0.57
17,700,965	SLI Global Emerging Markets Equity	14,375	1.15
66,165,183	SLI Global Emerging Markets Equity Income	50,312	4.01
1,088,744	SLI Japanese Equities SICAV	13,316	1.06
24,496,345	SLI Japanese Equity Growth	26,774	2.14
5,377,394	SLI UK Equity Growth	19,595	1.56
10,051,270	SLI UK Equity High Alpha	19,932	1.59
16,255,974	SLI UK Equity High Income	40,689	3.24
94,514,688	SLI UK Equity Income Unconstrained	79,194	6.31
11,738,979	SLI UK Equity Recovery	26,143	2.08
13,399,977	SLI UK Equity Unconstrained	30,672	2.45
4,311,506	SLI UK Smaller Companies	32,336	2.58
91,252,384	SLMT American Equity Unconstrained	41,675	3.32
102,642,846	SLMT Global REIT	47,719	3.81
91,789,198	SLMT Standard Life Japan	44,729	3.57
5,663,752	SLTM European Trust	12,879	1.03
15,831,915	SLTM North American Trust	39,976	3.19
28,619,540	SLTM Pacific Basin Trust	40,983	3.27
339,141	Vanguard US Equity Index	57,935	4.62

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed IV Fund

Portfolio Statement as at 31 December 2018
(Continued)

Holding	Investment	Market value £'000	Percentage of total net assets
Money Market Funds (1.52%)		**17,433**	**1.39**
17,433	Aberdeen Liquidity Fund - Sterling*	17,433	1.39
Property Funds (6.05%)		**79,933**	**6.37**
67,739,767	SLI UK Real Estate	79,933	6.37
Total investment assets		**1,253,827**	**99.98**
Net other assets		299	0.02
Total Net Assets		**1,254,126**	**100.00**

All investments are regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

The percentage figures in brackets show the comparative holding as at 30 June 2018.

	Market value £'000
Reconciliation of assets and liabilities to the balance sheet	
Investment assets as per the Balance Sheet	1,236,394
*Collective Investment Schemes classified as Cash Equivalents	17,433
Net other assets	299
Total Net Assets	**1,254,126**

Statement of Total Return

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Income:				
Net capital (losses)/gains		(109,211)		63,844
Revenue	9,642		7,765	
Expenses	(4,375)		(4,542)	
Net revenue before taxation	5,267		3,223	
Taxation	0		0	
Net revenue after taxation		5,267		3,223
Total return before distributions		(103,944)		67,067
Distributions		2		91
Change in net assets attributable to shareholders from investment activities		**(103,942)**		**67,158**

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		1,329,222		1,090,137
Amounts receivable on the issue of shares	57,825		109,772	
Amounts payable on the cancellation of shares	(29,173)		(20,582)	
		28,652		89,190
Dilution adjustment		194		494
Change in net assets attributable to shareholders from investment activities (see above)		(103,942)		67,158
Closing net assets attributable to shareholders		**1,254,126**		**1,246,979**

Comparative information is provided for the statement of change in net assets attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

Balance Sheet

as at 31 December 2018

	31 December 2018		30 June 2018	
	£'000	£'000	£'000	£'000
Assets:				
Fixed assets:				
Investment assets		1,236,394		1,308,249
Current assets:				
Debtors	1,130		1,728	
Cash and bank balances	665		0	
Cash equivalents	17,433		20,189	
		19,228		21,917
Total assets		1,255,622		1,330,166
Liabilities:				
Creditors	(1,496)		(940)	
Bank overdrafts	0		(4)	
		(1,496)		(944)
Total liabilities		(1,496)		(944)
Net assets attributable to shareholders		**1,254,126**		**1,329,222**

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed V Fund

Investment Report

Fund Information	
Fund Manager	Bambos Hambi
Launch Date	22 September 2010

Investment objective

The Sub-fund aims to provide a total return from a combination of income and capital appreciation over the longer term.

Investment policy

The current policy of the Sub-fund is to invest mainly in a range of collective investment schemes managed or operated within the Standard Life Aberdeen group of companies to achieve exposure to diversified investments, of primarily equities, but which may include fixed and variable rate interest bearing securities and immoveable property. The Sub-fund may also invest in transferable securities, money-market instruments, deposits, cash and near cash. Typically, the Sub-fund will have high exposure to assets providing potential for growth, such as equities.

Important Note to the Investment Policy
The Standard Life group of companies enlarged following the effective date of the merger of Standard Life plc with Aberdeen Asset Management plc (the "Effective Date") to create Standard Life Aberdeen plc (the "Combined Group"). For the present time, the Sub-Fund will continue to invest mainly in the range of collective investment schemes managed by companies that, immediately prior to the Effective Date, were in the Standard Life group.

Risk

The Sub-fund is intended for investors who wish to participate in the opportunity to achieve a competitive level of total return from a combination of capital appreciation and income over the longer term by investing in an actively managed portfolio of collective investment schemes which themselves invest in equities, fixed and variable rate interest bearing securities and immoveable property. The diversified nature of the underlying portfolio makes it suitable for investors wishing to achieve a broad spread of exposure. The investor must be able to accept significant temporary losses to capital due to the volatile nature of equity, bond, property and currency markets and should therefore have an investment time horizon of at least 5 years.

Investment activity

The Investment Activity for each Sub-fund is documented as a whole on pages 5 to 9.

Synthetic Risk & Reward Indicator

Lower risk **Higher risk**
Typically lower rewards **Typically Higher rewards**

1	2	3	**4**	5	6	7

This indicator reflects the volatility of the Sub-fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Sub-fund invests. Historical data may not be a reliable indication of the future. Where the share class does not have a history of five years, an alternative share class or a representative benchmark has been used to show how the Sub-fund price may have behaved over the period.

The current rating, which is the same for all share classes, is not guaranteed and may change if the volatility of the assets in which the Sub-fund invests changes. The lowest rating does not mean risk free.

All investment involves risk. This Sub-fund offers no guarantee against loss or that the Sub-fund's objective will be attained.

For further information on the risks that may not be fully captured by the risk and reward indicator, please refer to the current Key Investor Information Document (KIID).

Cautionary note

It should be remembered that past performance is not a guide to future performance. The value of investments may go down as well as up and, therefore, investors may not get back the amount originally invested.

Standard Life Investment Company III
Interim Report & Financial Statements

MyFolio Managed V Fund

Comparative Tables

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Retail accumulation				
Change in net assets per share				
Opening net asset value per share	94.07	88.31	76.03	75.03
Return before operating charges*	(8.39)	7.03	13.56	2.15
Operating charges**	(0.61)	(1.27)	(1.28)	(1.15)
Return after operating charges*	(9.00)	5.76	12.28	1.00
Distributions	0.00	(0.86)	(0.65)	(0.49)
Retained distributions on accumulation share	0.00	0.86	0.65	0.49
Closing net asset value per share	85.07	94.07	88.31	76.03
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-9.57%	6.52%	16.15%	1.33%
Other information				
Closing net asset value (£'000)	305,839	340,643	280,063	206,613
Closing number of shares	359,511,891	362,128,708	317,118,335	271,750,364
Operating charges****	1.30%	1.37%	1.51%	1.53%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	97.15	96.70	90.98	77.48
Lowest share price	84.29	88.58	76.81	68.85

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

*** The direct transaction costs are made up of; fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period. The operating charge for the current period is lower than in previous compartative periods, because the Authorised Corporate Director's periodic charge was reduced on 1 November 2017.

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Standard Life Investment Company III
Interim Report & Financial Statements

MyFolio Managed V Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional accumulation				
Change in net assets per share				
Opening net asset value per share	98.34	91.85	78.63	77.06
Return before operating charges*	(8.78)	7.32	13.98	2.26
Operating charges**	(0.42)	(0.83)	(0.76)	(0.69)
Return after operating charges*	(9.20)	6.49	13.22	1.57
Distributions	0.00	(1.34)	(1.16)	(1.03)
Retained distributions on accumulation share	0.00	1.34	1.16	1.03
Closing net asset value per share	89.14	98.34	91.85	78.63
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-9.36%	7.07%	16.81%	2.04%
Other information				
Closing net asset value (£'000)	70,135	77,599	61,671	45,384
Closing number of shares	78,683,735	78,909,453	67,141,642	57,719,921
Operating charges****	0.85%	0.86%	0.87%	0.89%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	101.58	100.90	94.67	79.63
Lowest share price	88.31	92.19	79.48	71.05

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MyFolio Managed V Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Standard Life accumulation				
Change in net assets per share				
Opening net asset value per share	84.94	79.19	67.67	66.20
Return before operating charges*	(7.60)	6.28	12.00	1.91
Operating charges**	(0.27)	(0.53)	(0.48)	(0.44)
Return after operating charges*	(7.87)	5.75	11.52	1.47
Distributions	0.00	(1.30)	(1.13)	(1.00)
Retained distributions on accumulation share	0.00	1.30	1.13	1.00
Closing net asset value per share	77.07	84.94	79.19	67.67
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-9.27%	7.26%	17.02%	2.22%
Other information				
Closing net asset value (£'000)	1,736	2,470	2,105	1,485
Closing number of shares	2,251,953	2,907,818	2,657,642	2,194,324
Operating charges****	0.63%	0.63%	0.64%	0.66%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	87.76	87.08	81.62	68.53
Lowest share price	76.35	79.49	68.40	61.11

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Standard Life Investment Company III
Interim Report & Financial Statements

MyFolio Managed V Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Platform 1 accumulation				
Change in net assets per share				
Opening net asset value per share	90.48	84.60	72.56	71.23
Return before operating charges*	(8.08)	6.74	12.92	2.12
Operating charges**	(0.41)	(0.86)	(0.88)	(0.79)
Return after operating charges*	(8.49)	5.88	12.04	1.33
Distributions	0.00	(1.15)	(0.92)	(0.83)
Retained distributions on accumulation share	0.00	1.15	0.92	0.83
Closing net asset value per share	81.99	90.48	84.60	72.56
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-9.38%	6.95%	16.59%	1.87%
Other information				
Closing net asset value (£'000)	75,818	79,510	59,211	42,598
Closing number of shares	92,474,463	87,879,135	69,985,629	58,710,889
Operating charges****	0.90%	0.96%	1.09%	1.11%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	93.45	92.85	87.18	73.58
Lowest share price	81.23	84.89	73.33	65.61

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Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed V Fund

Portfolio Statement as at 31 December 2018

Holding	Investment	Market value £'000	Percentage of total net assets
Collective Investment Schemes (100.12%)		**452,731**	**99.82**
Absolute Return Funds (18.82%)		**82,061**	**18.09**
104,523,633	SLI Global Absolute Return Strategies	82,061	18.09
Bond Funds (0.47%)		**11,508**	**2.54**
402,196	Neuberger Berman Emerging Markets Debt Local Currency	3,962	0.87
344,926	SLI Emerging Market Local Currency Debt SICAV	3,929	0.87
267,340	SLI Global High Yield Bond SICAV	3,617	0.80
Equity Funds (79.59%)		**353,937**	**78.04**
94,521	Aberdeen Alternative Risk Premia	9,369	2.07
5,651,720	Aberdeen European Equity Enhanced Index	7,097	1.57
10,214,114	Aberdeen UK Equity Enhanced Index	12,398	2.73
2,784,023	SLI American Equity Unconstrained	4,310	0.95
1,258,454	SLI Asian Pacific Growth	4,533	1.00
4,357,476	SLI Europe ex UK Smaller Companies	2,978	0.66
1,531,952	SLI European Equity Growth	3,148	0.69
11,811,840	SLI European Equity Income	14,517	3.20
119,304	SLI European Smaller Companies SICAV	3,672	0.81
10,640,010	SLI Global Emerging Markets Equity	8,641	1.91
28,894,289	SLI Global Emerging Markets Equity Income	21,971	4.85
494,442	SLI Japanese Equities SICAV	6,047	1.33
10,936,214	SLI Japanese Equity Growth	11,953	2.64
3,121,601	SLI UK Equity Growth	11,375	2.51
4,581,823	SLI UK Equity High Alpha	9,086	2.00
7,606,286	SLI UK Equity High Income	19,039	4.20
44,554,706	SLI UK Equity Income Unconstrained	37,332	8.23
4,772,411	SLI UK Equity Recovery	10,628	2.34
6,325,474	SLI UK Equity Unconstrained	14,479	3.19
2,109,732	SLI UK Smaller Companies	15,823	3.49
49,369,755	SLMT American Equity Unconstrained	22,547	4.97
44,131,072	SLMT Standard Life Japan	21,505	4.74
2,715,642	SLTM European Trust	6,175	1.36
8,568,233	SLTM North American Trust	21,635	4.77
15,590,602	SLTM Pacific Basin Trust	22,326	4.92
183,535	Vanguard US Equity Index	31,353	6.91

Standard Life Investment Company III
Interim Report & Financial Statements

MyFolio Managed V Fund

Portfolio Statement as at 31 December 2018
(Continued)

Holding	Investment	Market value £'000	Percentage of total net assets
Money Market Funds (1.24%)		**2,871**	**0.63**
2,871	Aberdeen Liquidity Fund - Sterling *	2,871	0.63
Property Funds (0.00%)		**2,354**	**0.52**
5,063,792	SLMT Global REIT	2,354	0.52
Total investment assets		**452,731**	**99.82**
Net other assets		797	0.18
Total Net Assets		**453,528**	**100.00**

All Investments are regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

The percentage figures in brackets show the comparative holding as at 30 June 2018.

	Market value £'000
Reconciliation of assets and liabilities to the balance sheet	
Investment assets as per the Balance Sheet	449,860
*Collective Investment Schemes classified as Cash Equivalents	2,871
Net other assets	797
Total Net Assets	**453,528**

Statement of Total Return

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Income:				
Net capital (losses)/gains		(50,210)		26,431
Revenue	3,829		2,727	
Expenses	(1,578)		(1,638)	
Net revenue before taxation	2,251		1,089	
Taxation	0		0	
Net revenue after taxation		2,251		1,089
Total return before distributions		(47,959)		27,520
Distributions		(19)		22
Change in net assets attributable to shareholders from investment activities		**(47,978)**		**27,542**

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		500,222		403,049
Amounts receivable on the issue of shares	28,845		47,191	
Amounts payable on the cancellation of shares	(27,569)		(17,092)	
		1,276		30,099
Dilution adjustment		8		142
Change in net assets attributable to shareholders from investment activities (see above)		(47,978)		27,542
Closing net assets attributable to shareholders		**453,528**		**460,832**

Comparative information is provided for the statement of change in net assets attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

Balance Sheet

as at 31 December 2018

	31 December 2018		30 June 2018	
	£'000	£'000	£'000	£'000
Assets:				
Fixed assets:				
Investment assets		449,860		494,599
Current assets:				
Debtors	1,064		931	
Cash and bank balances	234		0	
Cash equivalents	2,871		6,218	
		4,169		7,149
Total assets		454,029		501,748
Liabilities:				
Creditors	(501)		(1,525)	
Bank overdrafts	0		(1)	
		(501)		(1,526)
Total liabilities		(501)		(1,526)
Net assets attributable to shareholders		**453,528**		**500,222**

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Market I Fund

Investment Report

Fund Information	
Fund Manager	Bambos Hambi
Launch Date	9 September 2010

Investment objective

The Sub-fund aims to provide a total return from a combination of income and capital appreciation over the longer term.

Investment policy

The current policy of the Sub-fund is to invest mainly in a range of collective investment schemes to achieve a broad exposure to diversified investments, including equities, fixed and variable rate interest bearing securities and immoveable property. Exposure to equities and fixed and variable rate interest bearing securities is achieved by investing mainly in passively managed collective investment schemes. Exposure to immoveable property is achieved by investing mainly in actively managed collective investment schemes. The Sub-fund may also invest in transferable securities, money-market instruments, deposits, cash and near cash. Typically, the Sub-fund will have a high exposure to lower risk assets, such as fixed interest.

Risk

The Sub-fund is intended for investors who wish to participate in the opportunity to achieve a competitive level of total return from a combination of capital appreciation and income over the longer term by investing in a portfolio of collective investment schemes which themselves invest in equities, fixed and variable rate interest bearing securities and immoveable property. The diversified nature of the underlying portfolio makes it suitable for investors wishing to achieve a broad spread of exposure. The investor must be able to accept significant temporary losses to capital due to the volatile nature of equity, bond, property and currency markets and should therefore have an investment time horizon of at least 5 years.

Investment activity

The Investment Activity for each Sub-fund is documented as a whole on pages 5 to 9.

Synthetic Risk & Reward Indicator

Lower risk **Higher risk**
Typically lower rewards **Typically Higher rewards**

1	2	3	4	5	6	7

This indicator reflects the volatility of the Sub-fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Sub-fund invests. Historical data may not be a reliable indication of the future. Where the share class does not have a history of five years, an alternative share class or a representative benchmark has been used to show how the Sub-fund price may have behaved over the period.

The current rating is not guaranteed and may change if the volatility of the assets in which the Sub-fund invests changes. The lowest rating does not mean risk free.

All investment involves risk. This Sub-fund offers no guarantee against loss or that the Sub-fund's objective will be attained.

For further information on the risks that may not be fully captured by the risk and reward indicator, please refer to the current Key Investor Information Document (KIID).

Cautionary note

It should be remembered that past performance is not a guide to future performance. The value of investments may go down as well as up and, therefore, investors may not get back the amount originally invested.

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Market I Fund

Comparative Tables

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Retail accumulation				
Change in net assets per share				
Opening net asset value per share	68.56	67.37	63.76	61.30
Return before operating charges*	(1.29)	1.76	4.33	3.28
Operating charges**	(0.25)	(0.57)	(0.72)	(0.70)
Return after operating charges*	(1.54)	1.19	3.61	2.58
Distributions	0.00	(1.22)	(0.78)	(0.62)
Retained distributions on accumulation share	0.00	1.22	0.78	0.50
Closing net asset value per share	67.02	68.56	67.37	63.76
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-2.25%	1.76%	5.66%	4.21%
Other information				
Closing net asset value (£'000)	150,881	145,771	126,995	94,082
Closing number of shares	225,140,460	212,601,572	188,503,871	147,561,464
Operating charges****	0.73%	0.84%	1.08%	1.13%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	69.59	69.35	68.50	63.90
Lowest share price	66.93	67.11	64.20	60.40

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MyFolio Market I Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional accumulation				
Change in net assets per share				
Opening net asset value per share	71.92	70.31	66.11	63.13
Return before operating charges*	(1.37)	1.85	4.50	3.53
Operating charges**	(0.10)	(0.24)	(0.30)	(0.31)
Return after operating charges*	(1.47)	1.61	4.20	3.22
Distributions	0.00	(1.65)	(1.25)	(1.19)
Retained distributions on accumulation share	0.00	1.65	1.25	0.95
Closing net asset value per share	70.45	71.92	70.31	66.11
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-2.04%	2.29%	6.35%	5.10%
Other information				
Closing net asset value (£'000)	87,251	83,200	78,699	60,179
Closing number of shares	123,841,604	115,684,780	111,938,059	91,031,004
Operating charges****	0.29%	0.33%	0.44%	0.48%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	73.05	72.59	71.47	66.28
Lowest share price	70.36	70.21	66.51	62.41

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Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Market I Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Standard Life accumulation				
Change in net assets per share				
Opening net asset value per share	63.83	62.32	58.47	55.74
Return before operating charges*	(1.21)	1.64	3.98	3.12
Operating charges**	(0.07)	(0.13)	(0.13)	(0.15)
Return after operating charges*	(1.28)	1.51	3.85	2.97
Distributions	0.00	(1.54)	(1.24)	(1.18)
Retained distributions on accumulation share	0.00	1.54	1.24	0.94
Closing net asset value per share	62.55	63.83	62.32	58.47
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-2.01%	2.42%	6.58%	5.33%
Other information				
Closing net asset value (£'000)	531	371	333	77
Closing number of shares	848,425	581,713	534,874	131,320
Operating charges****	0.21%	0.21%	0.21%	0.26%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	64.84	64.40	63.35	58.63
Lowest share price	62.47	62.24	58.83	55.13

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MyFolio Market I Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Platform 1 accumulation				
Change in net assets per share				
Opening net asset value per share	66.12	64.71	60.98	58.33
Return before operating charges*	(1.26)	1.70	4.15	3.26
Operating charges**	(0.11)	(0.29)	(0.42)	(0.42)
Return after operating charges*	(1.37)	1.41	3.73	2.84
Distributions	0.00	(1.44)	(1.01)	(0.96)
Retained distributions on accumulation share	0.00	1.44	1.01	0.77
Closing net asset value per share	64.75	66.12	64.71	60.98
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-2.07%	2.17%	6.12%	4.87%
Other information				
Closing net asset value (£'000)	78,315	64,118	54,964	31,200
Closing number of shares	120,943,337	96,974,471	84,944,896	51,167,103
Operating charges****	0.34%	0.44%	0.66%	0.71%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	67.15	66.75	65.80	61.10
Lowest share price	64.67	64.61	61.30	57.60

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

*** The direct transaction costs are made up of; fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period. The operating charge for the current year is lower than the previous comparative year, because the Authorised Corporate Director's periodic charge was reduced on 1 November 2017.

+ The performance figures are calculated by taking the value of the shareclass per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report. The Investment Report performance figure is calculated using the last available published price for a given shareclass in the period compared to the equivalent for the prior period. The published price may contain an adjustment for dilution in accordance with the Sub-fund pricing policy, while the price per the financial statements values the Sub-fund on a bid-price basis. The financial statements shareclass valuation is based on close of business market prices on the last day of the period, again this may differ from the intra-day pricing point of the Sub-fund which is used in the published shareclass price.

++ These represent the highest and lowest share prices available to investors in the period. This may differ to the opening and closing net asset value per share in the table above due to accounting adjustments.

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Market I Fund

Portfolio Statement as at 31 December 2018

Holding	Investment	Market value £'000	Percentage of total net assets
Collective Investment Schemes (99.75%)		**316,496**	**99.85**
Bond Funds (65.31%)		**205,941**	**64.97**
7,330,986	BlackRock Corporate Bond Tracker	11,209	3.54
8,558,241	Fidelity Global Inflation-Linked Bond	10,356	3.27
12,688,457	L&G Emerging Markets Government Bond Index	8,190	2.58
7,917,495	L&G Global Inflation Linked Bond Index	4,253	1.34
56,427,401	L&G Short Dated Corporate Bond Index	31,204	9.84
1,355,287	PIMCO Global High Yield Bond	7,508	2.37
294,215	Putnam Global High Yield Bond	3,351	1.06
8,208,124	Royal London Short Duration Global Index Linked Bond	8,372	2.64
380,778	Vanguard Global Corporate Bond Index	37,379	11.79
110,399	Vanguard Global Short-Term Corporate Bond Index	11,003	3.47
14,034	Vanguard UK Inflation-Linked Gilt Index	1,905	0.60
314,262	Vanguard UK Investment Grade Bond Index	37,402	11.80
311,946	Vanguard UK Short-Term Investment Grade Bond	33,809	10.67
Equity Funds (25.52%)		**76,788**	**24.23**
10,049	Amundi Index FTSE EPRA Nareit Global	9,600	3.03
2,021,480	BlackRock Continental European Equity Tracker	4,514	1.43
3,895,871	BlackRock Japan Equity Tracker	7,936	2.50
1,601,105	BlackRock Pacific Ex Japan Equity Tracker	4,859	1.53
1,750,823	BlackRock UK Equity Tracker	3,608	1.14
5,440,262	L&G UK Index	15,309	4.83
769,834	L&G US Index	3,774	1.19
59,803	Vanguard Emerging Markets Stock Index	7,563	2.39
119,379	Vanguard FTSE UK All Share Index	14,007	4.42
32,889	Vanguard US Equity Index	5,618	1.77
Money Market Funds (5.60%)		**21,205**	**6.69**
21,205	Aberdeen Liquidity Fund - Sterling*	21,205	6.69
Property Funds (3.32%)		**12,562**	**3.96**
407,788	M&G Feeder of Property Portfolio	5,819	1.83
4,915,102	SLI UK Real Estate Accumulation Feeder	6,743	2.13
Total investment assets		**316,496**	**99.85**
Net other assets		482	0.15
Total Net Assets		**316,978**	**100.00**

All investments are regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

The percentage figures in brackets show the comparative holding as at 30 June 2018.

MyFolio Market I Fund

Portfolio Statement as at 31 December 2018
(Continued)

	Market value £'000
Reconciliation of assets and liabilities to the balance sheet	
Investment assets as per the Balance Sheet	295,291
*Collective Investment Schemes classified as Cash Equivalents	21,205
Net other assets	482
Total Net Assets	**316,978**

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Market I Fund

Financial Statements

Statement of Total Return

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Income:				
Net capital (losses)/gains		(9,923)		3,667
Revenue	3,631		3,014	
Expenses	(618)		(829)	
Net revenue before taxation	3,013		2,185	
Taxation	0		0	
Net revenue after taxation		3,013		2,185
Total return before distributions		(6,910)		5,852
Equalisation		220		90
Change in net assets attributable to shareholders from investment activities		**(6,690)**		**5,942**

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		293,460		260,991
Amounts receivable on the issue of shares	44,490		35,724	
Amounts payable on the cancellation of shares	(14,341)		(15,217)	
		30,149		20,507
Dilution adjustment		59		42
Change in net assets attributable to shareholders from investment activities (see above)		(6,690)		5,942
Closing net assets attributable to shareholders		**316,978**		**287,482**

Comparative information is provided for the statement of change in net assets attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

MyFolio Market I Fund

Financial Statements
(Continued)

Balance Sheet

as at 31 December 2018

	31 December 2018		30 June 2018	
	£'000	£'000	£'000	£'000
Assets:				
Fixed assets:				
Investment assets		295,291		276,265
Current assets:				
Debtors	1,071		890	
Cash and bank balances	86		0	
Cash equivalents	21,205		16,447	
		22,362		17,337
Total assets		317,653		293,602
Liabilities:				
Creditors	(675)		(109)	
Bank overdrafts	0		(33)	
		(675)		(142)
Total liabilities		(675)		(142)
Net assets attributable to shareholders		**316,978**		**293,460**

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Market II Fund

Investment Report

Fund Information	
Fund Manager	Bambos Hambi
Launch Date	9 September 2010

Investment objective

The Sub-fund aims to provide a total return from a combination of income and capital appreciation over the longer term.

Investment policy

The current policy of the Sub-fund is to invest mainly in a range of collective investment schemes to achieve a broad exposure to diversified investments, including equities, fixed and variable rate interest bearing securities and immoveable property. Exposure to equities and fixed and variable rate interest bearing securities is achieved by investing mainly in passively managed collective investment schemes. Exposure to immoveable property is achieved by investing mainly in actively managed collective investment schemes. The Sub-fund may also invest in transferable securities, money-market instruments, deposits, cash and near cash. Typically, the Sub-fund will have a preference towards lower risk assets, such as fixed interest.

Risk

The Sub-fund is intended for investors who wish to participate in the opportunity to achieve a competitive level of total return from a combination of capital appreciation and income over the longer term by investing in a portfolio of collective investment schemes which themselves invest in equities, fixed and variable rate interest bearing securities and immoveable property. The diversified nature of the underlying portfolio makes it suitable for investors wishing to achieve a broad spread of exposure. The investor must be able to accept significant temporary losses to capital due to the volatile nature of equity, bond, property and currency markets and should therefore have an investment time horizon of at least 5 years.

Investment activity

The Investment Activity for each Sub-fund is documented as a whole on pages 5 to 9.

Synthetic Risk & Reward Indicator

Lower risk **Higher risk**
Typically lower rewards **Typically Higher rewards**

1	2	**3**	4	5	6	7

This indicator reflects the volatility of the Sub-fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Sub-fund invests. Historical data may not be a reliable indication of the future. Where the share class does not have a history of five years, an alternative share class or a representative benchmark has been used to show how the Sub-fund price may have behaved over the period.

The current rating, which is the same for all share classes, is not guaranteed and may change if the volatility of the assets in which the Sub-fund invests changes. The lowest rating does not mean risk free.

All investment involves risk. This Sub-fund offers no guarantee against loss or that the Sub-fund's objective will be attained.

For further information on the risks that may not be fully captured by the risk and reward indicator, please refer to the current Key Investor Information Document (KIID).

Cautionary note

It should be remembered that past performance is not a guide to future performance. The value of investments may go down as well as up and, therefore, investors may not get back the amount originally invested.

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Market II Fund

Comparative Tables

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Retail accumulation				
Change in net assets per share				
Opening net asset value per share	77.64	75.14	68.50	65.61
Return before operating charges*	(2.45)	3.15	7.44	3.64
Operating charges**	(0.29)	(0.65)	(0.80)	(0.75)
Return after operating charges*	(2.74)	2.50	6.64	2.89
Distributions	0.00	(1.23)	(0.87)	(0.78)
Retained distributions on accumulation share	0.00	1.23	0.87	0.78
Closing net asset value per share	74.90	77.64	75.14	68.50
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-3.53%	3.33%	9.69%	4.40%
Other information				
Closing net asset value (£'000)	548,348	550,590	459,188	365,505
Closing number of shares	732,107,401	709,133,778	611,080,879	533,572,120
Operating charges****	0.76%	0.85%	1.09%	1.13%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	79.45	78.61	76.80	68.60
Lowest share price	74.74	75.06	69.10	63.20

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

*** The direct transaction costs are made up of; fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period. The operating charge for the current period is lower than in previous compartative periods, because the Authorised Corporate Director's periodic charge was reduced on 1 November 2017.

+ The performance figures are calculated by taking the value of the shareclass per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report. The Investment Report performance figure is calculated using the last available published price for a given shareclass in the period compared to the equivalent for the prior period. The published price may contain an adjustment for dilution in accordance with the Sub-fund pricing policy, while the price per the financial statements values the Sub-fund on a bid-price basis. The financial statements shareclass valuation is based on close of business market prices on the last day of the period, again this may differ from the intra-day pricing point of the Sub-fund which is used in the published shareclass price.

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MyFolio Market II Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional accumulation				
Change in net assets per share				
Opening net asset value per share	81.20	78.26	70.98	67.52
Return before operating charges*	(2.60)	3.22	7.62	3.79
Operating charges**	(0.13)	(0.28)	(0.34)	(0.33)
Return after operating charges*	(2.73)	2.94	7.28	3.46
Distributions	0.00	(1.62)	(1.29)	(1.27)
Retained distributions on accumulation share	0.00	1.62	1.29	1.27
Closing net asset value per share	78.47	81.20	78.26	70.98
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-3.36%	3.76%	10.26%	5.12%
Other information				
Closing net asset value (£'000)	270,097	260,319	223,475	201,559
Closing number of shares	344,194,532	320,595,127	285,540,704	283,962,438
Operating charges****	0.31%	0.34%	0.44%	0.48%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	83.12	82.08	79.90	71.10
Lowest share price	78.30	78.19	71.50	65.40

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**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period. The operating charge for the current period is lower than in previous compartative periods, because the Authorised Corporate Director's periodic charge was reduced on 1 November 2017.

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++ These represent the highest and lowest share prices available to investors in the period. This may differ to the opening and closing net asset value per share in the table above due to accounting adjustments.

MyFolio Market II Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Standard Life accumulation				
Change in net assets per share				
Opening net asset value per share	70.01	67.41	61.01	57.92
Return before operating charges*	(2.24)	2.75	6.54	3.24
Operating charges**	(0.08)	(0.15)	(0.14)	(0.15)
Return after operating charges*	(2.32)	2.60	6.40	3.09
Distributions	0.00	(1.46)	(1.23)	(1.20)
Retained distributions on accumulation share	0.00	1.46	1.23	1.20
Closing net asset value per share	67.69	70.01	67.41	61.01
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-3.31%	3.86%	10.49%	5.33%
Other information				
Closing net asset value (£'000)	310	248	204	79
Closing number of shares	458,076	354,694	302,908	129,634
Operating charges****	0.23%	0.22%	0.22%	0.26%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	71.67	70.75	68.90	61.10
Lowest share price	67.54	67.35	61.50	56.20

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

*** The direct transaction costs are made up of; fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period.

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Standard Life Investment Company III
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MyFolio Market II Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Platform 1 accumulation				
Change in net assets per share				
Opening net asset value per share	73.66	71.06	64.55	61.51
Return before operating charges*	(2.35)	2.92	6.97	3.48
Operating charges**	(0.13)	(0.32)	(0.46)	(0.44)
Return after operating charges*	(2.48)	2.60	6.51	3.04
Distributions	0.00	(1.40)	(1.05)	(1.05)
Retained distributions on accumulation share	0.00	1.40	1.05	1.05
Closing net asset value per share	71.18	73.66	71.06	64.55
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-3.37%	3.66%	10.09%	4.94%
Other information				
Closing net asset value (£'000)	475,419	448,007	322,024	108,326
Closing number of shares	667,935,402	608,175,011	453,152,057	167,817,410
Operating charges****	0.36%	0.44%	0.67%	0.71%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	75.40	74.47	72.59	64.65
Lowest share price	71.02	71.00	65.06	59.49

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

*** The direct transaction costs are made up of; fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period. The operating charge for the current period is lower than in previous compartative periods, because the Authorised Corporate Director's periodic charge was reduced on 1 November 2017.

+ The performance figures are calculated by taking the value of the shareclass per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report. The Investment Report performance figure is calculated using the last available published price for a given shareclass in the period compared to the equivalent for the prior period. The published price may contain an adjustment for dilution in accordance with the Sub-fund pricing policy, while the price per the financial statements values the Sub-fund on a bid-price basis. The financial statements shareclass valuation is based on close of business market prices on the last day of the period, again this may differ from the intra-day pricing point of the Sub-fund which is used in the published shareclass price.

++ These represent the highest and lowest share prices available to investors in the period. This may differ to the opening and closing net asset value per share in the table above due to accounting adjustments.

Comparative Tables
(Continued)

	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional A accumulation^			
Change in net assets per share			
Opening net asset value per share	58.35	53.33	50.00
Return before operating charges*	2.92	5.80	3.64
Operating charges**	(0.78)	(0.78)	(0.31)
Return after operating charges*	2.14	5.02	3.33
Distributions	0.00	(0.53)	(0.22)
Retained distributions on accumulation share	0.00	0.53	0.22
Redemption value as at 14 June 2018	(60.49)	0.00	0.00
Closing net asset value per share	0.00	58.35	53.33
* after direct transaction costs of:***	0.00	0.00	0.00
Performance +			
Return after charges	3.67%	9.41%	6.66%
Other information			
Closing net asset value (£'000)	0	1	1
Closing number of shares	0	2,200	2,200
Operating charges****	0.00%	1.37%	1.41%
Direct transaction costs***	0.00%	0.00%	0.00%
Prices ++			
Highest share price	60.94	59.61	53.40
Lowest share price	58.11	53.73	49.25

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

*** The direct transaction costs are made up of; fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period.

+ The performance figures are calculated by taking the value of the shareclass per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report. The Investment Report performance figure is calculated using the last available published price for a given shareclass in the period compared to the equivalent for the prior period. The published price may contain an adjustment for dilution in accordance with the Sub-fund pricing policy, while the price per the financial statements values the Sub-fund on a bid-price basis. The financial statements shareclass valuation is based on close of business market prices on the last day of the period, again this may differ from the intra-day pricing point of the Sub-fund which is used in the published shareclass price.

++ These represent the highest and lowest share prices available to investors in the period. This may differ to the opening and closing net asset value per share in the table above due to accounting adjustments.

^ Share class closed on 14 June 2018.

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Market II Fund

Portfolio Statement as at 31 December 2018

Holding	Investment	Market value £'000	Percentage of total net assets
Collective Investment Schemes (99.82%)		**1,293,733**	**99.97**
Bond Funds (49.53%)		**690,589**	**53.36**
31,819,445	Fidelity Global Inflation-Linked Bond	38,502	2.98
83,977,935	L&G Emerging Markets Government Bond Index	54,208	4.19
90,465,743	L&G Global Inflation Linked Bond Index	48,589	3.75
128,323,757	L&G Short Dated Corporate Bond Index	70,963	5.48
5,869,344	PIMCO Global High Yield Bond	32,516	2.51
1,423,704	Putnam Global High Yield Bond	16,216	1.25
40,785,343	Royal London Short Duration Global Index Linked Bond	41,601	3.21
1,313,320	Vanguard Global Corporate Bond Index	128,921	9.96
413,796	Vanguard Global Short-Term Corporate Bond Index	41,240	3.19
156,957	Vanguard UK Inflation-Linked Gilt Index	21,305	1.65
1,056,571	Vanguard UK Investment Grade Bond Index	125,746	9.72
653,075	Vanguard UK Short-Term Investment Grade Bond	70,782	5.47
Equity Funds (43.77%)		**509,277**	**39.36**
46,688	Amundi Index FTSE EPRA Nareit Global	44,602	3.45
17,627,010	BlackRock Continental European Equity Tracker	39,361	3.04
32,009,818	BlackRock Japan Equity Tracker	65,204	5.04
12,522,326	BlackRock Pacific Ex Japan Equity Tracker	38,005	2.94
16,120,042	BlackRock UK Equity Tracker	33,224	2.57
31,694,353	L&G UK Index	89,188	6.89
5,322,222	L&G US Index	26,090	2.02
361,278	Vanguard Emerging Markets Stock Index	45,689	3.53
759,985	Vanguard FTSE UK All Share Index	89,169	6.89
226,808	Vanguard US Equity Index	38,745	2.99
Money Market Funds (1.65%)		**19,675**	**1.52**
19,675	Aberdeen Liquidity Fund - Sterling *	19,675	1.52

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Market II Fund

Portfolio Statement as at 31 December 2018
(Continued)

Holding	Investment	Market value £'000	Percentage of total net assets
Property Funds (4.87%)		**74,192**	**5.73**
2,338,006	M&G Feeder of Property Portfolio	33,361	2.58
29,760,230	SLI UK Real Estate Accumulation Feeder	40,831	3.15
Total investment assets		**1,293,733**	**99.97**
Net other assets		441	0.03
Total Net Assets		**1,294,174**	**100.00**

All investments are listed on recognised stock exchanges and are approved securities, or approved derivatives within the meaning of the FCA rules unless otherwise stated.

The percentage figures in brackets show the comparative holding as at 30 June 2018.

	Market value £'000
Reconciliation of assets and liabilities to the balance sheet	
Investment assets as per the Balance Sheet	1,274,058
*Collective Investment Schemes classified as Cash Equivalents	19,675
Net other assets	441
Total Net Assets	**1,294,174**

Statement of Total Return

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Income:				
Net capital (losses)/gains		(60,290)		25,595
Revenue	17,810		13,658	
Expenses	(2,465)		(3,189)	
Interest payable and similar charges	0		(1)	
Net revenue before taxation	15,345		10,468	
Taxation	(1,267)		(637)	
Net revenue after taxation		14,078		9,831
Total return before distributions		(46,212)		35,426
Distributions		481		656
Change in net assets attributable to shareholders from investment activities		**(45,731)**		**36,082**

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		1,259,164		1,004,892
Amounts receivable on the issue of shares	103,859		145,473	
Amounts payable on the cancellation of shares	(23,339)		(13,739)	
		80,520		131,734
Dilution adjustment		221		381
Change in net assets attributable to shareholders from investment activities (see above)		(45,731)		36,082
Closing net assets attributable to shareholders		**1,294,174**		**1,173,089**

Comparative information is provided for the statement of change in net assets attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

MyFolio Market II Fund

Financial Statements
(Continued)

Balance Sheet

as at 31 December 2018

	31 December 2018		30 June 2018	
	£'000	£'000	£'000	£'000
Assets:				
Fixed assets:				
Investment assets		1,274,058		1,236,166
Current assets:				
Debtors	1,981		4,369	
Cash and bank balances	328		0	
Cash equivalents	19,675		20,791	
		21,984		25,160
Total assets		1,296,042		1,261,326
Liabilities:				
Creditors	(1,868)		(1,936)	
Bank overdrafts	0		(226)	
		(1,868)		(2,162)
Total liabilities		(1,868)		(2,162)
Net assets attributable to shareholders		**1,294,174**		**1,259,164**

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Market III Fund

Investment Report

Fund Information	
Fund Manager	Bambos Hambi
Launch Date	9 September 2010

Investment objective

The Sub-fund aims to provide a total return from a combination of income and capital appreciation over the longer term.

Investment policy

The current policy of the Sub-fund is to invest mainly in a range of collective investment schemes to achieve a broad exposure to diversified investments, including equities, fixed and variable rate interest bearing securities and immoveable property. Exposure to equities and fixed and variable rate interest bearing securities is achieved by investing mainly in passively managed collective investment schemes. Exposure to immoveable property is achieved by investing mainly in actively managed collective investment schemes. The Sub-fund may also invest in transferable securities, money-market instruments, deposits, cash and near cash.

Risk

The Sub-fund is intended for investors who wish to participate in the opportunity to achieve a competitive level of total return from a combination of capital appreciation and income over the longer term by investing in a portfolio of collective investment schemes which themselves invest in equities, fixed and variable rate interest bearing securities and immoveable property. The diversified nature of the underlying portfolio makes it suitable for investors wishing to achieve a broad spread of exposure. The investor must be able to accept significant temporary losses to capital due to the volatile nature of equity, bond, property and currency markets and should therefore have an investment time horizon of at least 5 years.

Investment activity

The Investment Activity for each Sub-fund is documented as a whole on pages 5 to 9.

Synthetic Risk & Reward Indicator

Lower risk Typically lower rewards						Higher risk Typically Higher rewards
1	2	3	**4**	5	6	7

This indicator reflects the volatility of the Sub-fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Sub-fund invests. Historical data may not be a reliable indication of the future. Where the share class does not have a history of five years, an alternative share class or a representative benchmark has been used to show how the Sub-fund price may have behaved over the period.

The current rating, which is the same for all share classes, is not guaranteed and may change if the volatility of the assets in which the Sub-fund invests changes. The lowest rating does not mean risk free.

All investment involves risk. This Sub-fund offers no guarantee against loss or that the Sub-fund's objective will be attained.

For further information on the risks that may not be fully captured by the risk and reward indicator, please refer to the current Key Investor Information Document (KIID).

Cautionary note

It should be remembered that past performance is not a guide to future performance. The value of investments may go down as well as up and, therefore, investors may not get back the amount originally invested.

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Market III Fund

Comparative Tables

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Retail accumulation				
Change in net assets per share				
Opening net asset value per share	84.50	80.45	70.92	67.80
Return before operating charges*	(3.67)	4.77	10.38	3.89
Operating charges**	(0.33)	(0.72)	(0.85)	(0.77)
Return after operating charges*	(4.00)	4.05	9.53	3.12
Distributions	0.00	(1.43)	(1.12)	(1.05)
Retained distributions on accumulation share	0.00	1.43	1.12	1.05
Closing net asset value per share	80.50	84.50	80.45	70.92
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-4.73%	5.03%	13.44%	4.60%
Other information				
Closing net asset value (£'000)	911,532	917,396	788,031	641,623
Closing number of shares	1,132,308,947	1,085,735,655	979,527,720	904,688,103
Operating charges****	0.79%	0.87%	1.10%	1.13%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	87.06	85.48	82.54	70.99
Lowest share price	80.22	80.41	71.63	63.99

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

*** The direct transaction costs are made up of; fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period. The operating charge for the current period is lower than in previous compartative periods, because the Authorised Corporate Director's periodic charge was reduced on 1 November 2017.

+ The performance figures are calculated by taking the value of the shareclass per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report. The Investment Report performance figure is calculated using the last available published price for a given shareclass in the period compared to the equivalent for the prior period. The published price may contain an adjustment for dilution in accordance with the Sub-fund pricing policy, while the price per the financial statements values the Sub-fund on a bid-price basis. The financial statements shareclass valuation is based on close of business market prices on the last day of the period, again this may differ from the intra-day pricing point of the Sub-fund which is used in the published shareclass price.

++ These represent the highest and lowest share prices available to investors in the period. This may differ to the opening and closing net asset value per share in the table above due to accounting adjustments.

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional accumulation				
Change in net assets per share				
Opening net asset value per share	88.43	83.85	73.54	69.83
Return before operating charges*	(3.88)	4.89	10.68	4.05
Operating charges**	(0.15)	(0.31)	(0.37)	(0.34)
Return after operating charges*	(4.03)	4.58	10.31	3.71
Distributions	0.00	(1.85)	(1.58)	(1.56)
Retained distributions on accumulation share	0.00	1.85	1.58	1.56
Closing net asset value per share	84.40	88.43	83.85	73.54
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-4.56%	5.46%	14.02%	5.31%
Other information				
Closing net asset value (£'000)	336,436	334,146	269,993	222,267
Closing number of shares	398,609,252	377,864,285	321,986,587	302,237,109
Operating charges****	0.34%	0.36%	0.45%	0.48%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	91.15	89.44	86.02	73.61
Lowest share price	84.10	83.82	74.28	66.20

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++ These represent the highest and lowest share prices available to investors in the period. This may differ to the opening and closing net asset value per share in the table above due to accounting adjustments.

MyFolio Market III Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Standard Life accumulation				
Change in net assets per share				
Opening net asset value per share	76.36	72.33	63.32	60.00
Return before operating charges*	(3.36)	4.21	9.17	3.48
Operating charges**	(0.10)	(0.18)	(0.16)	(0.16)
Return after operating charges*	(3.46)	4.03	9.01	3.32
Distributions	0.00	(1.67)	(1.49)	(1.45)
Retained distributions on accumulation share	0.00	1.67	1.49	1.45
Closing net asset value per share	72.90	76.36	72.33	63.32
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-4.53%	5.57%	14.23%	5.53%
Other information				
Closing net asset value (£'000)	3,521	3,802	2,950	396
Closing number of shares	4,829,608	4,978,990	4,077,539	624,829
Operating charges****	0.27%	0.24%	0.23%	0.26%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	78.71	77.23	74.20	63.38
Lowest share price	72.64	72.30	63.95	56.96

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

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**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period.

+ The performance figures are calculated by taking the value of the shareclass per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report. The Investment Report performance figure is calculated using the last available published price for a given shareclass in the period compared to the equivalent for the prior period. The published price may contain an adjustment for dilution in accordance with the Sub-fund pricing policy, while the price per the financial statements values the Sub-fund on a bid-price basis. The financial statements shareclass valuation is based on close of business market prices on the last day of the period, again this may differ from the intra-day pricing point of the Sub-fund which is used in the published shareclass price.

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Standard Life Investment Company III
Interim Report & Financial Statements

MyFolio Market III Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Platform 1 accumulation				
Change in net assets per share				
Opening net asset value per share	80.73	76.62	67.32	64.03
Return before operating charges*	(3.53)	4.48	9.80	3.75
Operating charges**	(0.16)	(0.37)	(0.50)	(0.46)
Return after operating charges*	(3.69)	4.11	9.30	3.29
Distributions	0.00	(1.62)	(1.32)	(1.32)
Retained distributions on accumulation share	0.00	1.62	1.32	1.32
Closing net asset value per share	77.04	80.73	76.62	67.32
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-4.57%	5.36%	13.81%	5.14%
Other information				
Closing net asset value (£'000)	259,204	236,536	177,019	133,535
Closing number of shares	336,463,446	292,998,248	231,043,941	198,371,462
Operating charges****	0.39%	0.46%	0.68%	0.71%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	83.21	81.66	78.60	67.38
Lowest share price	76.76	76.58	67.99	60.64

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**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period. The operating charge for the current period is lower than in previous compartative periods, because the Authorised Corporate Director's periodic charge was reduced on 1 November 2017.

+ The performance figures are calculated by taking the value of the shareclass per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report. The Investment Report performance figure is calculated using the last available published price for a given shareclass in the period compared to the equivalent for the prior period. The published price may contain an adjustment for dilution in accordance with the Sub-fund pricing policy, while the price per the financial statements values the Sub-fund on a bid-price basis. The financial statements shareclass valuation is based on close of business market prices on the last day of the period, again this may differ from the intra-day pricing point of the Sub-fund which is used in the published shareclass price.

++ These represent the highest and lowest share prices available to investors in the period. This may differ to the opening and closing net asset value per share in the table above due to accounting adjustments.

Comparative Tables
(Continued)

	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional A accumulation^			
Change in net assets per share			
Opening net asset value per share	61.22	54.10	50.00
Return before operating charges*	4.32	7.94	4.84
Operating charges**	(0.87)	(0.82)	(0.74)
Return after operating charges*	3.45	7.12	4.10
Distributions	0.00	(0.72)	(0.23)
Retained distributions on accumulation share	0.00	0.72	0.23
Redemption value as at 14 June 2018	(64.67)	0.00	0.00
Closing net asset value per share	0.00	61.22	54.10
* after direct transaction costs of:***	0.00	0.00	0.00
Performance +			
Return after charges	5.64%	13.16%	8.20%
Other information			
Closing net asset value (£'000)	0	1	1
Closing number of shares	0	2,200	2,200
Operating charges****	0.00%	1.38%	1.41%
Direct transaction costs***	0.00%	0.00%	0.00%
Prices ++			
Highest share price	64.94	62.82	54.15
Lowest share price	61.11	54.64	48.85

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

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**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period.

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++ These represent the highest and lowest share prices available to investors in the period. This may differ to the opening and closing net asset value per share in the table above due to accounting adjustments.

^ Share class closed on 14 June 2018.

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Market III Fund

Portfolio Statement as at 31 December 2018

Holding	Investment	Market value £'000	Percentage of total net assets
Collective Investment Schemes (100.07%)		**1,510,898**	**100.01**
Bond Funds (28.91%)		**489,766**	**32.42**
13,758,427	Fidelity Global Inflation-Linked Bond	16,647	1.10
175,412,511	L&G Emerging Markets Government Bond Index	113,229	7.50
75,954,282	L&G Short Dated Corporate Bond Index	42,003	2.78
8,860,973	PIMCO Global High Yield Bond	49,090	3.25
1,953,112	Putnam Global High Yield Bond	22,246	1.47
32,791,874	Royal London Short Duration Global Index Linked Bond	33,448	2.21
1,189,164	Vanguard Global Corporate Bond Index	116,733	7.73
422,751	Vanguard Global Short-Term Corporate Bond Index	42,133	2.79
455,720	Vanguard UK Investment Grade Bond Index	54,237	3.59
Equity Funds (61.42%)		**873,177**	**57.80**
70,796	Amundi Index FTSE EPRA Nareit Global	67,631	4.48
47,429,114	BlackRock Continental European Equity Tracker	105,909	7.01
41,951,772	BlackRock Japan Equity Tracker	85,456	5.66
21,655,344	BlackRock Pacific Ex Japan Equity Tracker	65,724	4.35
26,551,486	BlackRock UK Equity Tracker	54,723	3.62
48,136,955	L&G UK Index	135,457	8.97
12,198,677	L&G US Index	59,798	3.96
582,204	Vanguard Emerging Markets Stock Index	73,629	4.87
1,155,342	Vanguard FTSE UK All Share Index	135,557	8.97
522,707	Vanguard US Equity Index	89,293	5.91
Money Market Funds (1.92%)		**24,827**	**1.64**
24,827	Aberdeen Liquidity Fund - Sterling*	24,827	1.64
Property Funds (7.82%)		**123,128**	**8.15**
2,857,206	M&G Property Portfolio	40,857	2.70
69,721,367	SLI UK Real Estate	82,271	5.45
Total investment assets		**1,510,898**	**100.01**
Net other liabilities		(205)	(0.01)
Total Net Assets		**1,510,693**	**100.00**

All Investments are regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.
The percentage figures in brackets show the comparative holding as at 30 June 2018.

MyFolio Market III Fund

Portfolio Statement as at 31 December 2018
(Continued)

	Market value £'000
Reconciliation of assets and liabilities to the balance sheet	
Investment assets as per the Balance Sheet	1,486,071
*Collective Investment Schemes classified as Cash Equivalents	24,827
Net other liabilities	(205)
Total Net Assets	**1,510,693**

Statement of Total Return

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Income:				
Net capital (losses)/gains		(93,834)		42,065
Revenue	23,763		18,573	
Expenses	(3,465)		(4,292)	
Interest payable and similar charges	0		(2)	
Net revenue before taxation	20,298		14,279	
Taxation	(908)		(312)	
Net revenue after taxation		19,390		13,967
Total return before distributions		(74,444)		56,032
Equalisation		549		443
Change in net assets attributable to shareholders from investment activities		**(73,895)**		**56,475**

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		1,491,880		1,237,994
Amounts receivable on the issue of shares	117,676		92,886	
Amounts payable on the cancellation of shares	(25,354)		(20,491)	
		92,322		72,395
Dilution adjustment		386		327
Change in net assets attributable to shareholders from investment activities (see above)		(73,895)		56,475
Closing net assets attributable to shareholders		**1,510,693**		**1,367,191**

Comparative information is provided for the statement of change in net assets attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

Balance Sheet

as at 31 December 2018

	31 December 2018		30 June 2018	
	£'000	£'000	£'000	£'000
Assets:				
Fixed assets:				
Investment assets		1,486,071		1,464,297
Current assets:				
Debtors	1,952		6,270	
Cash and bank balances	505		0	
Cash equivalents	24,827		28,591	
		27,284		34,861
Total assets		1,513,355		1,499,158
Liabilities:				
Creditors	(2,662)		(6,832)	
Bank overdrafts	0		(446)	
		(2,662)		(7,278)
Total liabilities		(2,662)		(7,278)
Net assets attributable to shareholders		**1,510,693**		**1,491,880**

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Market IV Fund

Investment Report

Fund Information	
Fund Manager	Bambos Hambi
Launch Date	9 September 2010

Investment objective

The Sub-fund aims to provide a total return from a combination of income and capital appreciation over the longer term.

Investment policy

The current policy of the Sub-fund is to invest mainly in a range of collective investment schemes to achieve a broad exposure to diversified investments, including equities, fixed and variable rate interest bearing securities and immoveable property. Exposure to equities and fixed and variable rate interest bearing securities is achieved by investing mainly in passively managed collective investment schemes. Exposure to immoveable property is achieved by investing mainly in actively managed collective investment schemes. The Sub-fund may also invest in transferable securities, money-market instruments, deposits, cash and near cash. Typically, the Sub-fund will have a preference to those assets providing potential for growth, such as equities.

Risk

The Sub-fund is intended for investors who wish to participate in the opportunity to achieve a competitive level of total return from a combination of capital appreciation and income over the longer term by investing in a portfolio of collective investment schemes which themselves invest in equities, fixed and variable rate interest bearing securities and immoveable property. The diversified nature of the underlying portfolio makes it suitable for investors wishing to achieve a broad spread of exposure. The investor must be able to accept significant temporary losses to capital due to the volatile nature of equity, bond, property and currency markets and should therefore have an investment time horizon of at least 5 years.

Investment activity

The Investment Activity for each Sub-fund is documented as a whole on pages 5 to 9.

Synthetic Risk & Reward Indicator

Lower risk
Typically lower rewards

Higher risk
Typically Higher rewards

1	2	3	**4**	5	6	7

This indicator reflects the volatility of the Sub-fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Sub-fund invests. Historical data may not be a reliable indication of the future. Where the share class does not have a history of five years, an alternative share class or a representative benchmark has been used to show how the Sub-fund price may have behaved over the period.

The current rating, which is the same for all share classes, is not guaranteed and may change if the volatility of the assets in which the Sub-fund invests changes. The lowest rating does not mean risk free.

All investment involves risk. This Sub-fund offers no guarantee against loss or that the Sub-fund's objective will be attained.

For further information on the risks that may not be fully captured by the risk and reward indicator, please refer to the current Key Investor Information Document (KIID).

Cautionary note

It should be remembered that past performance is not a guide to future performance. The value of investments may go down as well as up and, therefore, investors may not get back the amount originally invested.

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Market IV Fund

Comparative Tables

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Retail accumulation				
Change in net assets per share				
Opening net asset value per share	90.72	85.13	72.66	69.09
Return before operating charges*	(5.16)	6.27	13.35	4.35
Operating charges**	(0.36)	(0.77)	(0.88)	(0.78)
Return after operating charges*	(5.52)	5.59	12.47	3.57
Distributions	0.00	(1.61)	(1.25)	(1.18)
Retained distributions on accumulation share	0.00	1.61	1.25	1.18
Closing net asset value per share	85.20	90.72	85.13	72.66
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-6.08%	6.57%	17.16%	5.17%
Other information				
Closing net asset value (£'000)	347,371	345,896	291,163	220,364
Closing number of shares	407,693,052	381,260,721	342,007,112	303,296,497
Operating charges****	0.79%	0.88%	1.09%	1.13%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	94.16	92.07	87.61	72.43
Lowest share price	84.73	85.07	73.29	63.62

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

*** The direct transaction costs are made up of; fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period. The operating charge for the current period is lower than in previous compartative periods, because the Authorised Corporate Director's periodic charge was reduced on 1 November 2017.

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Standard Life Investment Company III
Interim Report & Financial Statements

MyFolio Market IV Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional accumulation				
Change in net assets per share				
Opening net asset value per share	95.19	88.97	75.54	71.38
Return before operating charges*	(5.46)	6.56	13.82	4.50
Operating charges**	(0.17)	(0.34)	(0.39)	(0.34)
Return after operating charges*	(5.63)	6.22	13.43	4.16
Distributions	0.00	(2.06)	(1.74)	(1.67)
Retained distributions on accumulation share	0.00	2.06	1.74	1.67
Closing net asset value per share	89.56	95.19	88.97	75.54
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-5.91%	6.99%	17.78%	5.83%
Other information				
Closing net asset value (£'000)	110,663	109,467	87,055	71,595
Closing number of shares	123,561,878	114,994,209	97,842,613	94,775,305
Operating charges****	0.35%	0.37%	0.46%	0.48%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	98.80	96.59	91.54	75.36
Lowest share price	89.10	88.94	76.25	66.04

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Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Standard Life accumulation				
Change in net assets per share				
Opening net asset value per share	83.19	77.67	65.82	62.08
Return before operating charges*	(4.79)	5.72	12.02	3.90
Operating charges**	(0.11)	(0.20)	(0.17)	(0.16)
Return after operating charges*	(4.90)	5.52	11.85	3.74
Distributions	0.00	(1.88)	(1.65)	(1.57)
Retained distributions on accumulation share	0.00	1.88	1.65	1.57
Closing net asset value per share	78.29	83.19	77.67	65.82
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-5.89%	7.11%	18.00%	6.02%
Other information				
Closing net asset value (£'000)	1,532	1,570	1,411	320
Closing number of shares	1,956,686	1,886,930	1,815,939	485,628
Operating charges****	0.27%	0.24%	0.23%	0.26%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	86.40	84.41	79.91	65.66
Lowest share price	77.80	77.64	66.44	57.50

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Standard Life Investment Company III
Interim Report & Financial Statements

MyFolio Market IV Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Platform 1 accumulation				
Change in net assets per share				
Opening net asset value per share	88.09	82.41	70.09	66.35
Return before operating charges*	(5.06)	6.08	12.86	4.21
Operating charges**	(0.17)	(0.40)	(0.54)	(0.47)
Return after operating charges*	(5.23)	5.68	12.32	3.74
Distributions	0.00	(1.84)	(1.47)	(1.43)
Retained distributions on accumulation share	0.00	1.84	1.47	1.43
Closing net asset value per share	82.86	88.09	82.41	70.09
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-5.94%	6.89%	17.58%	5.64%
Other information				
Closing net asset value (£'000)	130,243	121,276	82,821	54,277
Closing number of shares	157,179,308	137,671,761	100,501,288	77,440,929
Operating charges****	0.40%	0.47%	0.68%	0.71%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	91.45	89.39	84.79	69.92
Lowest share price	82.40	82.37	70.74	61.31

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Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Market IV Fund

Portfolio Statement as at 31 December 2018

Holding	Investment	Market value £'000	Percentage of total net assets
Collective Investment Schemes (99.98%)		**591,378**	**100.27**
Bond Funds (11.76%)		**88,284**	**14.97**
43,351,888	L&G Emerging Markets Government Bond Index	27,984	4.74
6,989,922	L&G Short Dated Corporate Bond Index	3,865	0.66
3,946,908	PIMCO Global High Yield Bond	21,866	3.71
957,225	Putnam Global High Yield Bond	10,903	1.85
181,931	Vanguard Global Corporate Bond Index	17,859	3.03
58,269	Vanguard Global Short-Term Corporate Bond Index	5,807	0.98
Equity Funds (79.31%)		**445,676**	**75.56**
26,720	Amundi Index FTSE EPRA Nareit Global	25,525	4.33
19,461,695	BlackRock Continental European Equity Tracker	43,458	7.37
24,077,262	BlackRock Japan Equity Tracker	49,045	8.32
10,754,141	BlackRock Pacific Ex Japan Equity Tracker	32,639	5.53
13,544,676	BlackRock UK Equity Tracker	27,916	4.72
24,707,074	L&G UK Index	69,526	11.79
7,434,340	L&G US Index	36,443	6.18
287,103	Vanguard Emerging Markets Stock Index	36,309	6.16
594,435	Vanguard FTSE UK All Share Index	69,745	11.82
322,370	Vanguard US Equity Index	55,070	9.34
Money Market Funds (1.57%)		**11,718**	**1.99**
11,718	Aberdeen Liquidity Fund - Sterling*	11,718	1.99
Property Funds (7.34%)		**45,700**	**7.75**
1,351,725	M&G Property Portfolio	19,329	3.28
22,348,655	SLI UK Real Estate	26,371	4.47
Total investment assets		**591,378**	**100.27**
Net other liabilities		(1,569)	(0.27)
Total Net Assets		**589,809**	**100.00**

All investments are regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

The percentage figures in brackets show the comparative holding as at 30 June 2018.

MyFolio Market IV Fund

Portfolio Statement as at 31 December 2018
(Continued)

	Market value £'000
Reconciliation of assets and liabilities to the balance sheet	
Investment assets as per the Balance Sheet	579,660
*Collective Investment Schemes classified as Cash Equivalents	11,718
Net other liabilities	(1,569)
Total Net Assets	**589,809**

Statement of Total Return

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Income:				
Net capital (losses)/gains		(46,259)		19,940
Revenue	10,219		7,770	
Expenses	(1,348)		(1,639)	
Net revenue before taxation	8,871		6,131	
Taxation	(163)		0	
Net revenue after taxation		8,708		6,131
Total return before distributions		(37,551)		26,071
Distributions		456		206
Change in net assets attributable to shareholders from investment activities		**(37,095)**		**26,277**

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		578,209		462,450
Amounts receivable on the issue of shares	71,518		47,760	
Amounts payable on the cancellation of shares	(23,016)		(17,232)	
		48,502		30,528
Dilution adjustment		193		126
Change in net assets attributable to shareholders from investment activities (see above)		(37,095)		26,277
Closing net assets attributable to shareholders		**589,809**		**519,381**

Comparative information is provided for the statement of change in net assets attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

Balance Sheet

as at 31 December 2018

	31 December 2018		30 June 2018	
	£'000	£'000	£'000	£'000
Assets:				
Fixed assets:				
Investment assets		579,660		569,006
Current assets:				
Debtors	1,098		1,275	
Cash and bank balances	194		14	
Cash equivalents	11,718		9,071	
		13,010		10,360
Total assets		592,670		579,366
Liabilities:				
Creditors	(2,861)		(1,157)	
		(2,861)		(1,157)
Total liabilities		(2,861)		(1,157)
Net assets attributable to shareholders		**589,809**		**578,209**

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Market V Fund

Investment Report

Fund Information	
Fund Manager	Bambos Hambi
Launch Date	9 September 2010

Investment objective

The Sub-fund aims to provide a total return from a combination of income and capital appreciation over the longer term.

Investment policy

The current policy of the Sub-fund is to invest mainly in a range of collective investment schemes to achieve a broad exposure to diversified investments, including equities, fixed and variable rate interest bearing securities and immoveable property. Exposure to equities and fixed and variable rate interest bearing securities is achieved by investing mainly in passively managed collective investment schemes. Exposure to immoveable property is achieved by investing mainly in actively managed collective investment schemes. The Sub-fund may also invest in transferable securities, money-market instruments, deposits, cash and near cash. Typically, the Sub-fund will have high exposure to assets providing potential for growth, such as equities.

Risk

The Sub-fund is intended for investors who wish to participate in the opportunity to achieve a competitive level of total return from a combination of capital appreciation and income over the longer term by investing in a portfolio of collective investment schemes which themselves invest in equities, fixed and variable rate interest bearing securities and immoveable property. The diversified nature of the underlying portfolio makes it suitable for investors wishing to achieve a broad spread of exposure. The investor must be able to accept significant temporary losses to capital due to the volatile nature of equity, bond, property and currency markets and should therefore have an investment time horizon of at least 5 years.

Investment activity

The Investment Activity for each Sub-fund is documented as a whole on pages 5 to 9.

Synthetic Risk & Reward Indicator

Lower risk **Higher risk**
Typically lower rewards **Typically Higher rewards**

1	2	3	**4**	5	6	7

This indicator reflects the volatility of the Sub-fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Sub-fund invests. Historical data may not be a reliable indication of the future. Where the share class does not have a history of five years, an alternative share class or a representative benchmark has been used to show how the Sub-fund price may have behaved over the period.

The current rating, which is the same for all share classes, is not guaranteed and may change if the volatility of the assets in which the Sub-fund invests changes. The lowest rating does not mean risk free.

All investment involves risk. This Sub-fund offers no guarantee against loss or that the Sub-fund's objective will be attained.

For further information on the risks that may not be fully captured by the risk and reward indicator, please refer to the current Key Investor Information Document (KIID).

Cautionary note

It should be remembered that past performance is not a guide to future performance. The value of investments may go down as well as up and, therefore, investors may not get back the amount originally invested.

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Market V Fund

Comparative Tables

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Retail accumulation				
Change in net assets per share				
Opening net asset value per share	97.77	90.88	75.67	71.33
Return before operating charges*	(7.27)	7.65	16.13	5.11
Operating charges**	(0.34)	(0.76)	(0.92)	(0.77)
Return after operating charges*	(7.61)	6.89	15.21	4.34
Distributions	0.00	(1.60)	(1.13)	(1.06)
Retained distributions on accumulation share	0.00	1.60	1.13	1.06
Closing net asset value per share	90.16	97.77	90.88	75.67
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-7.78%	7.58%	20.10%	6.08%
Other information				
Closing net asset value (£'000)	168,083	169,788	139,987	99,008
Closing number of shares	186,418,427	173,663,413	154,029,444	130,842,967
Operating charges****	0.70%	0.80%	1.07%	1.09%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	102.00	99.38	93.59	74.98
Lowest share price	89.24	90.36	76.04	64.39

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MyFolio Market V Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional accumulation				
Change in net assets per share				
Opening net asset value per share	103.14	95.36	78.92	73.80
Return before operating charges*	(7.67)	8.07	16.82	5.45
Operating charges**	(0.13)	(0.29)	(0.38)	(0.33)
Return after operating charges*	(7.80)	7.78	16.44	5.12
Distributions	0.00	(2.19)	(1.71)	(1.69)
Retained distributions on accumulation share	0.00	2.19	1.71	1.69
Closing net asset value per share	95.34	103.14	95.36	78.92
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-7.56%	8.16%	20.83%	6.94%
Other information				
Closing net asset value (£'000)	39,052	37,894	30,584	23,562
Closing number of shares	40,962,415	36,739,390	32,073,887	29,855,540
Operating charges****	0.25%	0.29%	0.42%	0.45%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	107.70	104.80	98.22	78.19
Lowest share price	94.35	95.22	79.30	66.98

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MyFolio Market V Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Standard Life accumulation				
Change in net assets per share				
Opening net asset value per share	89.39	82.54	68.19	63.65
Return before operating charges*	(6.66)	7.00	14.50	4.68
Operating charges**	(0.08)	(0.15)	(0.15)	(0.14)
Return after operating charges*	(6.74)	6.85	14.35	4.54
Distributions	0.00	(1.99)	(1.62)	(1.57)
Retained distributions on accumulation share	0.00	1.99	1.62	1.57
Closing net asset value per share	82.65	89.39	82.54	68.19
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-7.54%	8.30%	21.04%	7.13%
Other information				
Closing net asset value (£'000)	905	1,367	1,279	468
Closing number of shares	1,094,884	1,529,490	1,549,445	686,784
Operating charges****	0.18%	0.17%	0.20%	0.22%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	93.32	90.84	85.01	67.56
Lowest share price	81.79	82.46	68.52	57.84

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MyFolio Market V Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Platform 1 accumulation				
Change in net assets per share				
Opening net asset value per share	94.97	87.93	72.91	68.30
Return before operating charges*	(7.07)	7.39	15.56	5.06
Operating charges**	(0.14)	(0.35)	(0.54)	(0.45)
Return after operating charges*	(7.21)	7.04	15.02	4.61
Distributions	0.00	(1.92)	(1.43)	(1.44)
Retained distributions on accumulation share	0.00	1.92	1.43	1.44
Closing net asset value per share	87.76	94.97	87.93	72.91
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-7.59%	8.01%	20.60%	6.75%
Other information				
Closing net asset value (£'000)	46,175	40,886	23,883	17,117
Closing number of shares	52,613,699	43,049,301	27,161,149	23,477,796
Operating charges****	0.30%	0.39%	0.65%	0.67%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	99.14	96.52	90.54	72.23
Lowest share price	86.86	87.69	73.26	61.92

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Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Market V Fund

Portfolio Statement as at 31 December 2018

Holding	Investment	Market value £'000	Percentage of total net assets
Collective Investment Schemes (99.61%)		**253,963**	**99.90**
Bond Funds (0.48%)		**7,735**	**3.04**
9,336,866	L&G Emerging Markets Government Bond Index	6,027	2.37
308,346	PIMCO Global High Yield Bond	1,708	0.67
Equity Funds (97.90%)		**243,314**	**95.71**
1,818	Amundi Index FTSE EPRA Nareit Global	1,737	0.68
11,326,568	BlackRock Continental European Equity Tracker	25,292	9.95
13,153,372	BlackRock Japan Equity Tracker	26,793	10.54
5,990,229	BlackRock Pacific Ex Japan Equity Tracker	18,180	7.15
6,610,390	BlackRock UK Equity Tracker	13,624	5.36
14,042,845	L&G UK Index	39,517	15.55
4,704,978	L&G US Index	23,064	9.07
164,512	Vanguard Emerging Markets Stock Index	20,805	8.18
336,228	Vanguard FTSE UK All Share Index	39,450	15.52
204,019	Vanguard US Equity Index	34,852	13.71
Money Market Funds (1.23%)		**2,914**	**1.15**
2,914	Aberdeen Liquidity Fund - Sterling*	2,914	1.15
Total investment assets		**253,963**	**99.90**
Net other assets		252	0.10
Total Net Assets		**254,215**	**100.00**

All investments are listed on recognised stock exchanges and are approved securities, or approved derivatives within the meaning of the FCA rules unless otherwise stated.

The percentage figures in brackets show the comparative holding as at 30 June 2018.

	Market value £'000
Reconciliation of assets and liabilities to the balance sheet	
Investment assets as per the Balance Sheet	251,049
*Collective Investment Schemes classified as Cash Equivalents	2,914
Net other assets	252
Total Net Assets	**254,215**

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Market V Fund

Financial Statements

Statement of Total Return

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Income:				
Net capital (losses)/gains		(25,522)		9,869
Revenue	4,783		3,381	
Expenses	(644)		(742)	
Net revenue before taxation	4,139		2,639	
Taxation	0		0	
Net revenue after taxation		4,139		2,639
Total return before distributions		(21,383)		12,508
Distributions		142		90
Change in net assets attributable to shareholders from investment activities		**(21,241)**		**12,598**

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		249,935		195,733
Amounts receivable on the issue of shares	36,652		21,950	
Amounts payable on the cancellation of shares	(11,155)		(9,385)	
		25,497		12,565
Dilution adjustment		24		22
Change in net assets attributable to shareholders from investment activities (see above)		(21,241)		12,598
Closing net assets attributable to shareholders		**254,215**		**220,918**

Comparative information is provided for the statement of change in net assets attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

Balance Sheet

as at 31 December 2018

	31 December 2018		30 June 2018	
	£'000	£'000	£'000	£'000
Assets:				
Fixed assets:				
Investment assets		251,049		245,888
Current assets:				
Debtors	448		1,127	
Cash and bank balances	94		0	
Cash equivalents	2,914		3,082	
		3,456		4,209
Total assets		254,505		250,097
Liabilities:				
Creditors	(290)		(162)	
		(290)		(162)
Total liabilities		(290)		(162)
Net assets attributable to shareholders		**254,215**		**249,935**

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager I Fund

Investment Report

Fund Information	
Fund Manager	Bambos Hambi
Launch Date	20 September 2010

Investment objective

The Sub-fund aims to provide a total return from a combination of income and capital appreciation over the longer term.

Investment policy

The current policy of the Sub-fund is to invest mainly in a range of collective investment schemes to achieve a broad exposure to diversified investments, including equities, fixed and variable rate interest bearing securities and immoveable property. The Sub-fund may also invest in transferable securities, money-market instruments, deposits, cash and near cash. Typically, the Sub-fund will have a high exposure to lower risk assets, such as fixed interest.

Risk

The Sub-fund is intended for investors who wish to participate in the opportunity to achieve a competitive level of total return from a combination of capital appreciation and income over the longer term by investing in an actively managed portfolio of collective investment schemes which themselves invest in equities, fixed and variable rate interest bearing securities and immoveable property. The diversified nature of the underlying portfolio makes it suitable for investors wishing to achieve a broad spread of exposure. The investor must be able to accept significant temporary losses to capital due to the volatile nature of equity, bond, property and currency markets and should therefore have an investment time horizon of at least 5 years.

Investment activity

The Investment Activity for each Sub-fund is documented as a whole on pages 5 to 9.

Synthetic Risk & Reward Indicator

Lower risk
Typically lower rewards

Higher risk
Typically Higher rewards

1	2	**3**	4	5	6	7

This indicator reflects the volatility of the Sub-fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Sub-fund invests. Historical data may not be a reliable indication of the future. Where the share class does not have a history of five years, an alternative share class or a representative benchmark has been used to show how the Sub-fund price may have behaved over the period.

The current rating, which is the same for all share classes, is not guaranteed and may change if the volatility of the assets in which the Sub-fund invests changes. The lowest rating does not mean risk free.

All investment involves risk. This Sub-fund offers no guarantee against loss or that the Sub-fund's objective will be attained.

For further information on the risks that may not be fully captured by the risk and reward indicator, please refer to the current Key Investor Information Document (KIID).

Cautionary note

It should be remembered that past performance is not a guide to future performance. The value of investments may go down as well as up and, therefore, investors may not get back the amount originally invested.

Standard Life Investment Company III
Interim Report & Financial Statements

MyFolio Multi-Manager I Fund

Comparative Tables

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Retail accumulation				
Change in net assets per share				
Opening net asset value per share	64.57	63.98	60.73	59.68
Return before operating charges*	(1.32)	1.60	4.28	2.06
Operating charges**	(0.48)	(1.01)	(1.03)	(1.01)
Return after operating charges*	(1.80)	0.59	3.25	1.05
Distributions	0.00	(0.54)	(0.20)	(0.30)
Retained distributions on accumulation share	0.00	0.54	0.20	0.30
Closing net asset value per share	62.77	64.57	63.98	60.73
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-2.79%	0.92%	5.35%	1.76%
Other information				
Closing net asset value (£'000)	38,039	41,286	35,493	27,956
Closing number of shares	60,604,815	63,944,240	55,472,414	46,032,703
Operating charges****	1.49%	1.55%	1.64%	1.69%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	65.26	65.71	64.75	60.76
Lowest share price	62.67	63.92	60.95	58.15

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

*** The direct transaction costs are made up of; fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period. The operating charge for the current year is lower than the previous comparative year, because the Authorised Corporate Director's periodic charge was reduced on 1 November 2017.

+ The performance figures are calculated by taking the value of the shareclass per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report. The Investment Report performance figure is calculated using the last available published price for a given shareclass in the period compared to the equivalent for the prior period. The published price may contain an adjustment for dilution in accordance with the Sub-fund pricing policy, while the price per the financial statements values the Sub-fund on a bid-price basis. The financial statements shareclass valuation is based on close of business market prices on the last day of the period, again this may differ from the intra-day pricing point of the Sub-fund which is used in the published shareclass price.

++ These represent the highest and lowest share prices available to investors in the period. This may differ to the opening and closing net asset value per share in the table above due to accounting adjustments.

MyFolio Multi-Manager I Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional accumulation				
Change in net assets per share				
Opening net asset value per share	67.85	66.89	63.08	61.57
Return before operating charges*	(1.39)	1.67	4.46	2.15
Operating charges**	(0.35)	(0.71)	(0.65)	(0.64)
Return after operating charges*	(1.74)	0.96	3.81	1.51
Distributions	0.00	(0.91)	(0.63)	(0.73)
Retained distributions on accumulation share	0.00	0.91	0.63	0.73
Closing net asset value per share	66.11	67.85	66.89	63.08
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-2.56%	1.43%	6.04%	2.45%
Other information				
Closing net asset value (£'000)	14,503	15,867	15,991	12,700
Closing number of shares	21,939,319	23,385,493	23,906,229	20,131,806
Operating charges****	1.04%	1.05%	0.99%	1.04%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	68.62	68.91	67.68	63.11
Lowest share price	66.00	66.83	63.32	60.27

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

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**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period.

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MyFolio Multi-Manager I Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Standard Life accumulation				
Change in net assets per share				
Opening net asset value per share	62.56	61.39	57.61	56.00
Return before operating charges*	(1.28)	1.53	4.09	1.93
Operating charges**	(0.18)	(0.36)	(0.31)	(0.32)
Return after operating charges*	(1.46)	1.17	3.78	1.61
Distributions	0.00	(1.14)	(0.87)	(0.88)
Retained distributions on accumulation share	0.00	1.14	0.87	0.88
Closing net asset value per share	61.10	62.56	61.39	57.61
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-2.33%	1.91%	6.56%	2.88%
Other information				
Closing net asset value (£'000)	30	86	66	79
Closing number of shares	48,821	138,135	107,910	137,974
Operating charges****	0.57%	0.57%	0.52%	0.57%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	63.30	63.40	62.11	57.64
Lowest share price	61.00	61.35	57.83	54.97

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

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**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period.

+ The performance figures are calculated by taking the value of the shareclass per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report. The Investment Report performance figure is calculated using the last available published price for a given shareclass in the period compared to the equivalent for the prior period. The published price may contain an adjustment for dilution in accordance with the Sub-fund pricing policy, while the price per the financial statements values the Sub-fund on a bid-price basis. The financial statements shareclass valuation is based on close of business market prices on the last day of the period, again this may differ from the intra-day pricing point of the Sub-fund which is used in the published shareclass price.

++ These represent the highest and lowest share prices available to investors in the period. This may differ to the opening and closing net asset value per share in the table above due to accounting adjustments.

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Platform 1 accumulation				
Change in net assets per share				
Opening net asset value per share	63.31	62.48	59.06	57.74
Return before operating charges*	(1.30)	1.56	4.17	2.05
Operating charges**	(0.35)	(0.73)	(0.75)	(0.73)
Return after operating charges*	(1.65)	0.83	3.42	1.32
Distributions	0.00	(0.78)	(0.45)	(0.58)
Retained distributions on accumulation share	0.00	0.78	0.45	0.58
Closing net asset value per share	61.66	63.31	62.48	59.06
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-2.61%	1.32%	5.79%	2.29%
Other information				
Closing net asset value (£'000)	13,813	14,358	13,061	12,050
Closing number of shares	22,399,940	22,679,892	20,903,539	20,403,223
Operating charges****	1.09%	1.15%	1.22%	1.27%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	64.02	64.31	63.22	59.08
Lowest share price	61.57	62.42	59.27	56.46

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

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Standard Life Investment Company III
Interim Report & Financial Statements

MyFolio Multi-Manager I Fund

Portfolio Statement as at 31 December 2018

Holding	Investment	Market value £'000	Percentage of total net assets
Collective Investment Schemes (99.66%)		**66,676**	**100.44**
Absolute Return Funds (15.44%)		**12,353**	**18.61**
10,226	AQR Systematic Total Return	891	1.34
423,951	Invesco Global Targeted Returns	981	1.48
342,138	Payden Absolute Return Bond	3,722	5.61
750,513	SLI Global Absolute Return Strategies	589	0.89
9,849	TM Fulcrum Diversified Core Absolute Return	982	1.48
47,059	Ventobel TwentyFour Absolute Return Credit	5,188	7.81
Bond Funds (56.18%)		**35,343**	**53.24**
5,069	Barings European High Yield Bond	484	0.73
3,092,474	Fidelity UK Corporate Bond	3,940	5.93
128,506	Neuberger Berman Emerging Markets Debt Local Currency	1,266	1.91
15,323	Nomura US High Yield Bond	1,907	2.87
1,066	Oppenheimer Emerging Markets Local Debt	105	0.16
161,362	PIMCO GIS Global Investment Grade Credit	3,169	4.77
31,012	Robeco Global Credits	3,169	4.77
20,236	Robeco Global Credits Short Maturity	2,009	3.03
920,934	Royal London Global Index Linked	1,172	1.77
2,903,683	Royal London Short Duration Credit	2,912	4.39
2,800,455	Royal London Short Duration Global Index Linked Bond	2,856	4.30
580,091	T Rowe Price Dynamic Global Bond	5,668	8.54
34,677	TwentyFour Global Corporate Bond	3,922	5.91
25,499	Vanguard UK Short-Term Investment Grade Bond	2,764	4.16
Equity Funds (21.45%)		**13,857**	**20.87**
592	Amundi Index FTSE EPRA Nareit Global	565	0.85
359,021	Artemis European Opportunities	358	0.54
462,816	Artemis Global Emerging Markets	598	0.90
170,855	Artemis US Select	311	0.47
79,507	Brookfield Global Listed Real Estate	1,454	2.19
29,217	Brown Advisory US Small Cap Blend	285	0.43
335,821	CF Morant Wright Nippon Yield	1,364	2.05
237,401	Fidelity UK Smaller Companies	536	0.81
177,649	Hermes Asia Ex Japan Equity	431	0.65
89,299	Invesco European Equity Income	358	0.54
832,480	Investec UK Alpha	1,603	2.42
510,498	Janus Henderson Emerging Markets Opportunities	724	1.09

MyFolio Multi-Manager I Fund

Portfolio Statement as at 31 December 2018
(Continued)

Holding	Investment	Market value £'000	Percentage of total net assets
Equity Funds (continued)			
1,297,654	JO Hambro UK Dynamic	1,735	2.61
593,164	LF Tellworth UK Smaller Companies	590	0.89
770,504	Majedie UK Equity	1,256	1.89
62,428	Mirae Asset Global Discovery	428	0.64
139,825	Old Mutual North American Equity	280	0.42
3,987	Schroder International Selection	396	0.60
3,425	Vanguard US Equity Index	585	0.88
Money Market Funds (3.97%)		**3,219**	**4.85**
3,219	Aberdeen Liquidity Fund - Sterling*	3,219	4.85
Property Funds (2.62%)		**1,904**	**2.87**
1,333,904	Janus Henderson UK Property Feeder	1,904	2.87
Total investment assets		**66,676**	**100.44**
Net other liabilities		(291)	(0.44)
Total Net Assets		**66,385**	**100.00**

All Investments are regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.
The percentage figures in brackets show the comparative holding as at 30 June 2018.

	Market value £'000
Reconciliation of assets and liabilities to the balance sheet	
Investment assets as per the Balance Sheet	63,457
*Collective Investment Schemes classified as Cash Equivalents	3,219
Net other liabilities	(291)
Total Net Assets	**66,385**

Statement of Total Return

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Income:				
Net capital (losses)/gains		(1,914)		1,258
Revenue	347		442	
Expenses	(301)		(322)	
Net revenue before taxation	46		120	
Taxation	15		(3)	
Net revenue after taxation		61		117
Total return before distributions		(1,853)		1,375
Equalisation		(3)		6
Change in net assets attributable to shareholders from investment activities		**(1,856)**		**1,381**

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		71,597		64,611
Amounts receivable on the issue of shares	5,869		8,155	
Amounts payable on the cancellation of shares	(9,223)		(3,882)	
		(3,354)		4,273
Dilution adjustment		(2)		3
Change in net assets attributable to shareholders from investment activities (see above)		(1,856)		1,381
Closing net assets attributable to shareholders		**66,385**		**70,268**

Comparative information is provided for the statement of change in net assets attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

Balance Sheet

as at 31 December 2018

	31 December 2018		30 June 2018	
	£'000	£'000	£'000	£'000
Assets:				
Fixed assets:				
Investment assets		63,457		68,517
Current assets:				
Debtors	66		248	
Cash and bank balances	46		87	
Cash equivalents	3,219		2,839	
		3,331		3,174
Total assets		66,788		71,691
Liabilities:				
Creditors	(403)		(94)	
		(403)		(94)
Total liabilities		(403)		(94)
Net assets attributable to shareholders		**66,385**		**71,597**

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager II Fund

Investment Report

Fund Information	
Fund Manager	Bambos Hambi
Launch Date	20 September 2010

Investment objective

The Sub-fund aims to provide a total return from a combination of income and capital appreciation over the longer term.

Investment policy

The investment policy of the Sub-fund is to invest mainly in a range of collective investment schemes to achieve a broad exposure to diversified investments, including equities, fixed and variable rate interest bearing securities and immoveable property. The Sub-fund may also invest in transferable securities, money-market instruments, deposits, cash and near cash. Typically, the Sub-fund will have a preference towards lower risk assets, such as fixed interest.

Risk

The Sub-fund is intended for investors who wish to participate in the opportunity to achieve a competitive level of total return from a combination of capital appreciation and income over the longer term by investing in an actively managed portfolio of collective investment schemes which themselves invest in equities, fixed and variable rate interest bearing securities and immoveable property. The diversified nature of the underlying portfolio makes it suitable for investors wishing to achieve a broad spread of exposure. The investor must be able to accept significant temporary losses to capital due to the volatile nature of equity, bond, property and currency markets and should therefore have an investment time horizon of at least 5 years.

Investment activity

The Investment Activity for each Sub-fund is documented as a whole on pages 5 to 9.

Synthetic Risk & Reward Indicator

Lower risk
Typically lower rewards

Higher risk
Typically Higher rewards

1	2	**3**	4	5	6	7

This indicator reflects the volatility of the Sub-fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Sub-fund invests. Historical data may not be a reliable indication of the future. Where the share class does not have a history of five years, an alternative share class or a representative benchmark has been used to show how the Sub-fund price may have behaved over the period.

The current rating, which is the same for all share classes, is not guaranteed and may change if the volatility of the assets in which the Sub-fund invests changes. The lowest rating does not mean risk free.

All investment involves risk. This Sub-fund offers no guarantee against loss or that the Sub-fund's objective will be attained.

For further information on the risks that may not be fully captured by the risk and reward indicator, please refer to the current Key Investor Information Document (KIID).

Cautionary note

It should be remembered that past performance is not a guide to future performance. The value of investments may go down as well as up and, therefore, investors may not get back the amount originally invested.

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager II Fund

Comparative Tables

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Retail accumulation				
Change in net assets per share				
Opening net asset value per share	73.30	71.50	65.54	64.51
Return before operating charges*	(2.48)	2.97	7.11	2.15
Operating charges**	(0.57)	(1.17)	(1.15)	(1.12)
Return after operating charges*	(3.05)	1.80	5.96	1.03
Distributions	0.00	(0.64)	(0.36)	(0.42)
Retained distributions on accumulation share	0.00	0.64	0.36	0.42
Closing net asset value per share	70.25	73.30	71.50	65.54
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-4.16%	2.52%	9.09%	1.60%
Other information				
Closing net asset value (£'000)	237,554	251,698	214,687	176,382
Closing number of shares	338,158,918	343,394,603	300,241,600	269,107,420
Operating charges****	1.54%	1.60%	1.70%	1.74%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	74.58	74.68	71.50	65.82
Lowest share price	70.06	71.52	65.95	61.84

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

*** The direct transaction costs are made up of; fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

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MyFolio Multi-Manager II Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional accumulation				
Change in net assets per share				
Opening net asset value per share	76.71	74.53	67.97	66.44
Return before operating charges*	(2.61)	3.01	7.30	2.26
Operating charges**	(0.42)	(0.83)	(0.74)	(0.73)
Return after operating charges*	(3.03)	2.18	6.56	1.53
Distributions	0.00	(0.98)	(0.75)	(0.89)
Retained distributions on accumulation share	0.00	0.98	0.75	0.89
Closing net asset value per share	73.68	76.71	74.53	67.97
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-3.95%	2.92%	9.65%	2.30%
Other information				
Closing net asset value (£'000)	106,873	114,092	103,683	87,913
Closing number of shares	145,053,870	148,724,748	139,110,547	129,343,658
Operating charges****	1.10%	1.09%	1.05%	1.09%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	78.10	78.03	74.53	68.24
Lowest share price	73.50	74.55	68.39	63.99

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**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period.

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MyFolio Multi-Manager II Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Standard Life accumulation				
Change in net assets per share				
Opening net asset value per share	67.90	65.72	59.69	58.13
Return before operating charges*	(2.34)	2.60	6.39	1.92
Operating charges**	(0.21)	(0.42)	(0.36)	(0.36)
Return after operating charges*	(2.55)	2.18	6.03	1.56
Distributions	0.00	(1.13)	(0.90)	(1.00)
Retained distributions on accumulation share	0.00	1.13	0.90	1.00
Closing net asset value per share	65.35	67.90	65.72	59.69
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-3.76%	3.32%	10.10%	2.68%
Other information				
Closing net asset value (£'000)	551	514	125	54
Closing number of shares	843,513	757,025	189,482	89,834
Operating charges****	0.62%	0.62%	0.58%	0.62%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	69.10	68.94	65.72	59.92
Lowest share price	65.20	65.74	60.06	56.11

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Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager II Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Platform 1 accumulation				
Change in net assets per share				
Opening net asset value per share	70.29	68.35	62.44	61.14
Return before operating charges*	(2.40)	2.78	6.73	2.11
Operating charges**	(0.40)	(0.84)	(0.82)	(0.81)
Return after operating charges*	(2.80)	1.94	5.91	1.30
Distributions	0.00	(0.84)	(0.57)	(0.71)
Retained distributions on accumulation share	0.00	0.84	0.57	0.71
Closing net asset value per share	67.49	70.29	68.35	62.44
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-3.98%	2.84%	9.47%	2.13%
Other information				
Closing net asset value (£'000)	62,103	64,186	56,362	51,966
Closing number of shares	92,017,385	91,322,273	82,465,763	83,225,951
Operating charges****	1.15%	1.20%	1.28%	1.32%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	71.54	71.50	68.35	62.69
Lowest share price	67.30	68.36	62.83	58.82

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Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager II Fund

Portfolio Statement as at 31 December 2018

Holding	Investment	Market value £'000	Percentage of total net assets
Collective Investment Schemes (100.04%)		**407,871**	**100.19**
Absolute Return Funds (15.38%)		**60,687**	**14.91**
113,937	AQR Systematic Total Return	9,930	2.44
1,524,270	Payden Absolute Return Bond	16,583	4.07
7,575,134	SLI Global Absolute Return Strategies	5,947	1.47
106,673	TM Fulcrum Diversified Core Absolute Return	10,632	2.61
159,597	Ventobel Twenty Four Absolute Return Credit	17,595	4.32
Bond Funds (42.99%)		**181,682**	**44.63**
26,842	Barings European High Yield Bond	2,561	0.63
319,207	Brown Advisory US Small Cap Blend	3,116	0.77
12,382,040	Fidelity UK Corporate Bond	15,775	3.88
1,074,424	Neuberger Berman Emerging Markets Debt Local Currency	10,583	2.60
80,733	Nomura US High Yield Bond	10,048	2.47
36,228	Oppenheimer Emerging Markets Local Debt	3,550	0.87
806,204	PIMCO GIS Global Investment Grade Credit	15,834	3.89
155,268	Robeco Global Credits	15,865	3.90
113,588	Robeco Global Credits Short Maturity	11,279	2.77
13,569,784	Royal London Global Index Linked	17,274	4.24
8,162,270	Royal London Short Duration Credit	8,187	2.01
18,246,865	Royal London Short Duration Global Index Linked Bond	18,612	4.57
2,570,521	T Rowe Price Dynamic Global Bond	25,115	6.17
139,796	Twenty Four Global Corporate Bond	15,812	3.88
74,467	Vanguard UK Short-Term Investment Grade Bond	8,071	1.98
Equity Funds (36.08%)		**141,639**	**34.79**
2,812	Amundi Index FTSE EPRA Nareit Global	2,686	0.66
2,606,503	Artemis European Opportunities	2,599	0.64
4,216,228	Artemis Global Emerging Markets	5,450	1.34
1,880,972	Artemis US Select	3,421	0.84
583,977	Brookfield Global Listed Real Estate	10,681	2.62
2,317,767	CF Morant Wright Nippon Yield	9,412	2.31
2,681,051	Fidelity UK Smaller Companies	6,048	1.48
1,841,541	Hermes Asia Ex Japan Equity	4,471	1.10
1,276,200	Invesco European Equity Income	5,120	1.26
4,533,772	Invesco Global Targeted Returns	10,485	2.57
7,635,979	Investec UK Alpha	14,706	3.61
4,781,630	Janus Henderson Emerging Markets Opportunities	6,785	1.67

Standard Life Investment Company III
Interim Report & Financial Statements

MyFolio Multi-Manager II Fund

Portfolio Statement as at 31 December 2018
(Continued)

Holding	Investment	Market value £'000	Percentage of total net assets
Equity Funds (continued)			
11,758,325	JO Hambro UK Dynamic	15,721	3.86
397,831	Lazard European Smaller Companies	2,245	0.55
4,560,318	LF Tellworth UK Smaller Companies	4,535	1.11
7,100,517	Majedie UK Equity	11,572	2.84
646,924	Mirae Asset Global Discovery	4,438	1.09
1,542,322	Old Mutual North American Equity	3,083	0.76
40,863	Schroder International Selection	4,054	1.00
5,450,099	Schroder Tokyo	4,306	1.06
15,829	Tokio Marine Japanese Equity Focus	3,406	0.84
37,554	Vanguard US Equity Index	6,415	1.58
Money Market Funds (1.51%)		**5,758**	**1.41**
5,758	Aberdeen Liquidity Fund - Sterling*	5,758	1.41
Property Funds (4.08%)		**18,105**	**4.45**
11,062,138	Henderson UK Property Feeder	15,787	3.88
162,482	M&G Feeder of Property Portfolio	2,318	0.57
Total investment assets		**407,871**	**100.19**
Net other liabilities		(790)	(0.19)
Total Net Assets		**407,081**	**100.00**

All investments are listed on recognised stock exchanges and are approved securities, or approved derivatives within the meaning of the FCA rules unless otherwise stated.

The percentage figures in brackets show the comparative holding as at 30 June 2018.

	Market value £'000
Reconciliation of assets and liabilities to the balance sheet	
Investment assets as per the Balance Sheet	402,113
*Collective Investment Schemes classified as Cash Equivalents	5,758
Net other liabilities	(790)
Total Net Assets	**407,081**

Statement of Total Return

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Income:				
Net capital (losses)/gains		(17,891)		11,570
Revenue	2,367		2,819	
Expenses	(1,793)		(1,860)	
Net revenue before taxation	574		959	
Taxation	90		(40)	
Net revenue after taxation		664		919
Total return before distributions		(17,227)		12,489
Distributions		(1)		27
Change in net assets attributable to shareholders from investment activities		**(17,228)**		**12,516**

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		430,491		374,857
Amounts receivable on the issue of shares	16,608		41,004	
Amounts payable on the cancellation of shares	(22,783)		(13,500)	
		(6,175)		27,504
Dilution adjustment		(7)		41
Change in net assets attributable to shareholders from investment activities (see above)		(17,228)		12,516
Closing net assets attributable to shareholders		**407,081**		**414,918**

Comparative information is provided for the statement of change in net assets attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

Balance Sheet

as at 31 December 2018

	31 December 2018		30 June 2018	
	£'000	£'000	£'000	£'000
Assets:				
Fixed assets:				
Investment assets		402,113		424,153
Current assets:				
Debtors	423		727	
Cash and bank balances	271		328	
Cash equivalents	5,758		6,493	
		6,452		7,548
Total assets		408,565		431,701
Liabilities:				
Creditors	(1,484)		(1,210)	
		(1,484)		(1,210)
Total liabilities		(1,484)		(1,210)
Net assets attributable to shareholders		**407,081**		**430,491**

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager III Fund

Investment Report

Fund Information	
Fund Manager	Bambos Hambi
Launch Date	20 September 2010

Investment objective

The Sub-fund aims to provide a total return from a combination of income and capital appreciation over the longer term.

Investment policy

The current policy of the Sub-fund is to invest mainly in a range of collective investment schemes to achieve a broad exposure to diversified investments, including equities, fixed and variable rate interest bearing securities and immoveable property. The Sub-fund may also invest in transferable securities, money-market instruments, deposits, cash and near cash.

Risk

The Sub-fund is intended for investors who wish to participate in the opportunity to achieve a competitive level of total return from a combination of capital appreciation and income over the longer term by investing in an actively managed portfolio of collective investment schemes which themselves invest in equities, fixed and variable rate interest bearing securities and immoveable property. The diversified nature of the underlying portfolio makes it suitable for investors wishing to achieve a broad spread of exposure. The investor must be able to accept significant temporary losses to capital due to the volatile nature of equity, bond, property and currency markets and should therefore have an investment time horizon of at least 5 years.

Investment activity

The Investment Activity for each Sub-fund is documented as a whole on pages 5 to 9.

Synthetic Risk & Reward Indicator

Lower risk Typically lower rewards						Higher risk Typically Higher rewards
1	2	3	**4**	5	6	7

This indicator reflects the volatility of the Sub-fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Sub-fund invests. Historical data may not be a reliable indication of the future. Where the share class does not have a history of five years, an alternative share class or a representative benchmark has been used to show how the Sub-fund price may have behaved over the period.

The current rating, which is the same for all share classes, is not guaranteed and may change if the volatility of the assets in which the Sub-fund invests changes. The lowest rating does not mean risk free.

All investment involves risk. This Sub-fund offers no guarantee against loss or that the Sub-fund's objective will be attained.

For further information on the risks that may not be fully captured by the risk and reward indicator, please refer to the current Key Investor Information Document (KIID).

Cautionary note

It should be remembered that past performance is not a guide to future performance. The value of investments may go down as well as up and, therefore, investors may not get back the amount originally invested.

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager III Fund

Comparative Tables

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Retail accumulation				
Change in net assets per share				
Opening net asset value per share	79.40	76.52	68.07	67.13
Return before operating charges*	(3.81)	4.21	9.80	2.14
Operating charges**	(0.66)	(1.33)	(1.35)	(1.20)
Return after operating charges*	(4.47)	2.88	8.45	0.94
Distributions	0.00	(0.75)	(0.49)	(0.50)
Retained distributions on accumulation share	0.00	0.75	0.49	0.50
Closing net asset value per share	74.93	79.40	76.52	68.07
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-5.63%	3.76%	12.41%	1.40%
Other information				
Closing net asset value (£'000)	511,804	545,263	493,151	419,843
Closing number of shares	683,005,333	686,699,481	644,446,803	616,822,808
Operating charges****	1.67%	1.69%	1.82%	1.80%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	81.28	81.02	78.13	68.55
Lowest share price	74.58	76.63	68.61	63.37

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Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional accumulation				
Change in net assets per share				
Opening net asset value per share	83.32	79.93	70.73	69.28
Return before operating charges*	(4.00)	4.37	10.11	2.25
Operating charges**	(0.51)	(0.98)	(0.91)	(0.80)
Return after operating charges*	(4.51)	3.39	9.20	1.45
Distributions	0.00	(1.13)	(0.91)	(0.99)
Retained distributions on accumulation share	0.00	1.13	0.91	0.99
Closing net asset value per share	78.81	83.32	79.93	70.73
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-5.41%	4.24%	13.01%	2.09%
Other information				
Closing net asset value (£'000)	213,445	228,621	210,095	189,508
Closing number of shares	270,843,014	274,387,731	262,849,204	267,931,059
Operating charges****	1.23%	1.18%	1.18%	1.15%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	85.30	84.89	81.64	71.14
Lowest share price	78.40	80.07	71.30	65.70

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Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Standard Life accumulation				
Change in net assets per share				
Opening net asset value per share	73.40	70.15	61.81	60.33
Return before operating charges*	(3.56)	3.76	8.81	1.89
Operating charges**	(0.28)	(0.51)	(0.47)	(0.41)
Return after operating charges*	(3.84)	3.25	8.34	1.48
Distributions	0.00	(1.27)	(1.05)	(1.10)
Retained distributions on accumulation share	0.00	1.27	1.05	1.10
Closing net asset value per share	69.56	73.40	70.15	61.81
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-5.23%	4.63%	13.49%	2.45%
Other information				
Closing net asset value (£'000)	3,807	4,974	4,511	617
Closing number of shares	5,472,444	6,776,110	6,429,985	998,423
Operating charges****	0.75%	0.71%	0.70%	0.68%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	75.20	74.66	71.64	62.15
Lowest share price	69.20	70.28	62.31	57.33

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MyFolio Multi-Manager III Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Platform 1 accumulation				
Change in net assets per share				
Opening net asset value per share	76.90	73.83	65.45	64.22
Return before operating charges*	(3.70)	4.01	9.38	2.12
Operating charges**	(0.49)	(0.98)	(1.00)	(0.89)
Return after operating charges*	(4.19)	3.07	8.38	1.23
Distributions	0.00	(0.98)	(0.71)	(0.80)
Retained distributions on accumulation share	0.00	0.98	0.71	0.80
Closing net asset value per share	72.71	76.90	73.83	65.45
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-5.45%	4.16%	12.80%	1.92%
Other information				
Closing net asset value (£'000)	103,734	104,887	93,956	82,040
Closing number of shares	142,659,160	136,401,325	127,259,098	125,348,717
Operating charges****	1.28%	1.29%	1.40%	1.38%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	78.74	78.36	75.41	65.83
Lowest share price	72.37	73.96	65.97	60.83

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

*** The direct transaction costs are made up of; fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period. The operating charge for the current year is lower than the previous comparative year, because the Authorised Corporate Director's periodic charge was reduced on 1 November 2017.

+ The performance figures are calculated by taking the value of the shareclass per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report. The Investment Report performance figure is calculated using the last available published price for a given shareclass in the period compared to the equivalent for the prior period. The published price may contain an adjustment for dilution in accordance with the Sub-fund pricing policy, while the price per the financial statements values the Sub-fund on a bid-price basis. The financial statements shareclass valuation is based on close of business market prices on the last day of the period, again this may differ from the intra-day pricing point of the Sub-fund which is used in the published shareclass price.

++ These represent the highest and lowest share prices available to investors in the period. This may differ to the opening and closing net asset value per share in the table above due to accounting adjustments.

Comparative Tables
(Continued)

	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional A accumulation^			
Change in net assets per share			
Opening net asset value per share	58.69	52.30	50.00†
Return before operating charges*	3.82	7.58	3.37
Operating charges**	(1.27)	(1.19)	(1.07)
Return after operating charges*	2.55	6.39	2.30
Distributions	0.00	(0.25)	(0.14)
Retained distributions on accumulation share	0.00	0.25	0.14
Redemption value as at 21 June 2018	(61.24)	0.00	0.00
Closing net asset value per share	0.00	58.69	52.30
* after direct transaction costs of:***	0.00	0.00	0.00
Performance +			
Return after charges	4.34%	12.22%	4.60%
Other information			
Closing net asset value (£'000)	0	1	1
Closing number of shares	0	2,200	2,200
Operating charges****	2.11%	2.10%	2.08%
Direct transaction costs***	0.00%	0.00%	0.00%
Prices ++			
Highest share price	62.02	59.91	52.62
Lowest share price	58.75	52.71	48.70

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

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**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period.

+ The performance figures are calculated by taking the value of the shareclass per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report. The Investment Report performance figure is calculated using the last available published price for a given shareclass in the period compared to the equivalent for the prior period. The published price may contain an adjustment for dilution in accordance with the Sub-fund pricing policy, while the price per the financial statements values the Sub-fund on a bid-price basis. The financial statements shareclass valuation is based on close of business market prices on the last day of the period, again this may differ from the intra-day pricing point of the Sub-fund which is used in the published shareclass price.

++ These represent the highest and lowest share prices available to investors in the period. This may differ to the opening and closing net asset value per share in the table above due to accounting adjustments.

† Launched 27 January 2016.

^ Share class closed on 21 June 2018.

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager III Fund

Portfolio Statement as at 31 December 2018

Holding	Investment	Market value £'000	Percentage of total net assets
Collective Investment Schemes (99.84%)		**832,699**	**99.99**
Absolute Return Funds (15.34%)		**131,522**	**15.79**
333,734	AQR Systematic Total Return	29,085	3.49
13,225,598	Invesco Global Targeted Returns	30,585	3.67
1,699,059	Payden Absolute Return Bond	18,485	2.22
25,997,384	SLI Global Absolute Return Strategies	20,411	2.45
330,661	TM Fulcrum Diversified Core Absolute Return	32,956	3.96
Bond Funds (26.03%)		**233,049**	**27.99**
75,492	Barings European High Yield Bond	7,203	0.87
6,863,976	Fidelity UK Corporate Bond	8,745	1.05
3,730,572	Neuberger Berman Emerging Markets Debt Local Currency	36,746	4.41
227,108	Nomura US High Yield Bond	28,265	3.39
125,791	Oppenheimer Emerging Markets Local Debt	12,328	1.48
1,310,391	PIMCO GIS Global Investment Grade Credit	25,736	3.09
252,367	Robeco Global Credits	25,787	3.10
167,548	Robeco Global Credits Short Maturity	16,638	2.00
17,625,206	Royal London Short Duration Credit	17,678	2.12
16,804,059	Royal London Short Duration Global Index Linked Bond	17,140	2.06
2,873,986	T Rowe Price Dynamic Global Bond	28,079	3.37
76,949	TwentyFour Global Corporate Bond	8,704	1.05
Equity Funds (50.17%)		**401,148**	**48.17**
4,101	Amundi Index FTSE EPRA Nareit Global	3,917	0.47
17,323,437	Artemis European Opportunities	17,271	2.07
15,547,910	Artemis Global Emerging Markets	20,097	2.41
8,270,915	Artemis US Select	15,041	1.81
1,453,552	Brookfield Global Listed Real Estate	26,585	3.19
712,066	Brown Advisory US Small Cap Blend	6,950	0.83
5,192,661	CF Morant Wright Nippon Yield	21,086	2.53
7,325,339	Fidelity UK Smaller Companies	16,526	1.99
6,606,197	Hermes Asia Ex Japan Equity	16,041	1.93
6,113,588	Invesco European Equity Income	24,530	2.95
20,855,802	Investec UK Alpha	40,166	4.82
10,271,657	Janus Henderson Emerging Markets Opportunities	14,576	1.75
31,541,225	JO Hambro UK Dynamic	42,171	5.06
1,194,730	Lazard European Smaller Companies	6,742	0.81
11,581,930	LF Tellworth UK Smaller Companies	11,518	1.38

Standard Life Investment Company III
Interim Report & Financial Statements

MyFolio Multi-Manager III Fund

Portfolio Statement as at 31 December 2018
(Continued)

Holding	Investment	Market value £'000	Percentage of total net assets
Equity Funds (continued)			
18,949,599	Majedie UK Equity	30,882	3.71
2,136,365	Mirae Asset Global Discovery	14,655	1.76
7,171,128	Old Mutual North American Equity	14,335	1.72
125,137	Schroder International Selection	12,415	1.49
12,110,311	Schroder Tokyo	9,567	1.15
579,115	THB U.S. Opportunities	5,756	0.69
35,417	Tokio Marine Japanese Equity Focus	7,621	0.92
132,880	Vanguard US Equity Index	22,700	2.73
Money Market Funds (1.59%)		**9,228**	**1.11**
9,228	Aberdeen Liquidity Fund - Sterling *	9,228	1.11
Property Funds (6.71%)		**57,752**	**6.93**
23,704,523	Janus Henderson UK Property PAIF	33,843	4.06
1,672,080	M&G Property Portfolio	23,909	2.87
Total investment assets		**832,699**	**99.99**
Net other assets		91	0.01
Total Net Assets		**832,790**	**100.00**

All investments are regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

The percentage figures in brackets show the comparative holding as at 30 June 2018.

	Market value £'000
Reconciliation of assets and liabilities to the balance sheet	
Investment assets as per the Balance Sheet	823,471
*Collective Investment Schemes classified as Cash Equivalents	9,228
Net other assets	91
Total Net Assets	**832,790**

Statement of Total Return

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Income:				
Net capital (losses)/gains		(51,033)		32,097
Revenue	5,339		5,834	
Expenses	(3,742)		(3,974)	
Interest payable and similar charges	0		(2)	
Net revenue before taxation	1,597		1,858	
Taxation	291		71	
Net revenue after taxation		1,888		1,929
Total return before distributions		(49,145)		34,026
Distributions		(10)		31
Change in net assets attributable to shareholders from investment activities		**(49,155)**		**34,057**

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		883,745		801,714
Amounts receivable on the issue of shares	31,869		56,816	
Amounts payable on the cancellation of shares	(33,666)		(26,339)	
		(1,797)		30,477
Dilution adjustment		(3)		69
Change in net assets attributable to shareholders from investment activities (see above)		(49,155)		34,057
Closing net assets attributable to shareholders		**832,790**		**866,317**

Comparative information is provided for the statement of change in net assets attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

Balance Sheet

as at 31 December 2018

	31 December 2018		30 June 2018	
	£'000	£'000	£'000	£'000
Assets:				
Fixed assets:				
Investment assets		823,471		868,279
Current assets:				
Debtors	871		2,557	
Cash and bank balances	569		391	
Cash equivalents	9,228		14,082	
		10,668		17,030
Total assets		834,139		885,309
Liabilities:				
Creditors	(1,349)		(1,564)	
		(1,349)		(1,564)
Total liabilities		(1,349)		(1,564)
Net assets attributable to shareholders		**832,790**		**883,745**

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager IV Fund

Investment Report

Fund Information	
Fund Manager	Bambos Hambi
Launch Date	20 September 2010

Investment objective

The Sub-fund aims to provide a total return from a combination of income and capital appreciation over the longer term.

Investment policy

The current policy of the Sub-fund is to invest mainly in a range of collective investment schemes to achieve a broad exposure to diversified investments, including equities, fixed and variable rate interest bearing securities and immoveable property. The Sub-fund may also invest in transferable securities, money-market instruments, deposits, cash and near cash. Typically, the Sub-fund will have a preference to those assets providing potential for growth, such as equities.

Risk

The Sub-fund is intended for investors who wish to participate in the opportunity to achieve a competitive level of total return from a combination of capital appreciation and income over the longer term by investing in an actively managed portfolio of collective investment schemes which themselves invest in equities, fixed and variable rate interest bearing securities and immoveable property. The diversified nature of the underlying portfolio makes it suitable for investors wishing to achieve a broad spread of exposure. The investor must be able to accept significant temporary losses to capital due to the volatile nature of equity, bond, property and currency markets and should therefore have an investment time horizon of at least 5 years.

Investment activity

The Investment Activity for each Sub-fund is documented as a whole on pages 5 to 9.

Synthetic Risk & Reward Indicator

Lower risk
Typically lower rewards

Higher risk
Typically Higher rewards

1	2	3	**4**	5	6	7

This indicator reflects the volatility of the Sub-fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Sub-fund invests. Historical data may not be a reliable indication of the future. Where the share class does not have a history of five years, an alternative share class or a representative benchmark has been used to show how the Sub-fund price may have behaved over the period.

The current rating, which is the same for all share classes, is not guaranteed and may change if the volatility of the assets in which the Sub-fund invests changes. The lowest rating does not mean risk free.

All investment involves risk. This Sub-fund offers no guarantee against loss or that the Sub-fund's objective will be attained.

For further information on the risks that may not be fully captured by the risk and reward indicator, please refer to the current Key Investor Information Document (KIID).

Cautionary note

It should be remembered that past performance is not a guide to future performance. The value of investments may go down as well as up and, therefore, investors may not get back the amount originally invested.

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager IV Fund

Comparative Tables

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Retail accumulation				
Change in net assets per share				
Opening net asset value per share	87.28	82.99	71.70	70.74
Return before operating charges*	(5.54)	5.80	12.80	2.25
Operating charges**	(0.74)	(1.51)	(1.51)	(1.29)
Return after operating charges*	(6.28)	4.29	11.29	0.96
Distributions	0.00	(0.83)	(0.46)	(0.47)
Retained distributions on accumulation share	0.00	0.83	0.46	0.47
Closing net asset value per share	81.00	87.28	82.99	71.70
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-7.20%	5.17%	15.75%	1.36%
Other information				
Closing net asset value (£'000)	264,621	287,533	270,965	235,712
Closing number of shares	326,677,005	329,438,583	326,512,000	328,730,725
Operating charges****	1.72%	1.75%	1.90%	1.84%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	89.60	88.95	84.95	72.59
Lowest share price	80.41	80.41	72.21	65.65

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

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**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period. The operating charge for the current period is lower than in previous compartative periods, because the Authorised Corporate Director's periodic charge was reduced on 1 November 2017.

+ The performance figures are calculated by taking the value of the shareclass per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report. The Investment Report performance figure is calculated using the last available published price for a given shareclass in the period compared to the equivalent for the prior period. The published price may contain an adjustment for dilution in accordance with the Sub-fund pricing policy, while the price per the financial statements values the Sub-fund on a bid-price basis. The financial statements shareclass valuation is based on close of business market prices on the last day of the period, again this may differ from the intra-day pricing point of the Sub-fund which is used in the published shareclass price.

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MyFolio Multi-Manager IV Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional accumulation				
Change in net assets per share				
Opening net asset value per share	91.39	86.49	74.31	72.79
Return before operating charges*	(5.80)	6.02	13.22	2.38
Operating charges**	(0.58)	(1.12)	(1.04)	(0.86)
Return after operating charges*	(6.38)	4.90	12.18	1.52
Distributions	0.00	(1.26)	(0.94)	(1.00)
Retained distributions on accumulation share	0.00	1.26	0.94	1.00
Closing net asset value per share	85.01	91.39	86.49	74.31
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-6.98%	5.67%	16.39%	2.09%
Other information				
Closing net asset value (£'000)	75,629	85,580	76,955	70,527
Closing number of shares	88,965,039	93,639,570	88,974,055	94,911,686
Operating charges****	1.27%	1.24%	1.25%	1.19%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	93.90	93.06	88.59	74.73
Lowest share price	84.39	83.82	74.89	67.95

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

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MyFolio Multi-Manager IV Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Standard Life accumulation				
Change in net assets per share				
Opening net asset value per share	79.90	75.32	64.46	62.91
Return before operating charges*	(5.10)	5.18	11.42	2.00
Operating charges**	(0.32)	(0.60)	(0.56)	(0.45)
Return after operating charges*	(5.42)	4.58	10.86	1.55
Distributions	0.00	(1.40)	(1.09)	(1.11)
Retained distributions on accumulation share	0.00	1.40	1.09	1.11
Closing net asset value per share	74.48	79.90	75.32	64.46
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-6.78%	6.08%	16.85%	2.46%
Other information				
Closing net asset value (£'000)	2,268	2,310	1,736	1,360
Closing number of shares	3,045,245	2,891,339	2,304,334	2,110,445
Operating charges****	0.80%	0.77%	0.78%	0.72%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	82.15	81.30	77.15	64.75
Lowest share price	73.93	72.30	64.97	58.86

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**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period.

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MyFolio Multi-Manager IV Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Platform 1 accumulation				
Change in net assets per share				
Opening net asset value per share	84.10	79.69	68.59	67.31
Return before operating charges*	(5.34)	5.53	12.23	2.23
Operating charges**	(0.55)	(1.12)	(1.13)	(0.95)
Return after operating charges*	(5.89)	4.41	11.10	1.28
Distributions	0.00	(1.08)	(0.73)	(0.81)
Retained distributions on accumulation share	0.00	1.08	0.73	0.81
Closing net asset value per share	78.21	84.10	79.69	68.59
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-7.00%	5.53%	16.18%	1.90%
Other information				
Closing net asset value (£'000)	59,753	58,369	49,051	39,515
Closing number of shares	76,401,396	69,403,831	61,550,142	57,612,297
Operating charges****	1.32%	1.35%	1.48%	1.42%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	86.43	85.64	81.60	69.10
Lowest share price	77.64	76.58	69.13	62.76

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

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Standard Life Investment Company III
Interim Report & Financial Statements

MyFolio Multi-Manager IV Fund

Portfolio Statement as at 31 December 2018

Holding	Investment	Market value £'000	Percentage of total net assets
Collective Investment Schemes (100.01%)		**402,334**	**100.02**
Absolute Return Funds (18.62%)		**50,928**	**12.66**
201,562	AQR Systematic Total Return	17,566	4.37
330,496	Payden Absolute Return Bond	3,596	0.89
11,846,113	SLI Global Absolute Return Strategies	9,300	2.31
205,343	TM Fulcrum Diversified Core Absolute Return	20,466	5.09
Bond Funds (9.16%)		**52,612**	**13.08**
41,694	Barings European High Yield Bond	3,978	0.99
522,210	Brown Advisory US Small Cap Blend	5,097	1.27
1,333,433	Neuberger Berman Emerging Markets Debt Local Currency	13,134	3.26
125,455	Nomura US High Yield Bond	15,614	3.88
20,996	Oppenheimer Emerging Markets Local Debt	2,058	0.51
83,238	PIMCO GIS Global Investment Grade Credit	1,635	0.41
16,047	Robeco Global Credits	1,640	0.41
40,054	Robeco Global Credits Short Maturity	3,977	0.99
560,810	T Rowe Price Dynamic Global Bond	5,479	1.36
Equity Funds (64.13%)		**285,419**	**70.95**
2,953	Amundi Index FTSE EPRA Nareit Global	2,821	0.70
7,472,201	Artemis European Opportunities	7,450	1.85
7,006,277	Artemis Global Emerging Markets	9,056	2.25
6,164,624	Artemis US Select	11,210	2.79
660,246	Brookfield Global Listed Real Estate	12,076	3.00
3,696,876	CF Morant Wright Nippon Yield	15,012	3.73
4,725,726	Fidelity UK Smaller Companies	10,661	2.65
12,930,995	Henderson UK Property PAIF	18,462	4.59
3,002,178	Hermes Asia Ex Japan Equity	7,290	1.81
2,993,250	Invesco European Equity Income	12,010	2.99
8,200,341	Invesco Global Targeted Returns	18,964	4.72
13,228,837	Investec UK Alpha	25,478	6.34
5,109,121	Janus Henderson Emerging Markets Opportunities	7,250	1.80
20,135,308	JO Hambro UK Dynamic	26,921	6.69
821,961	Lazard European Smaller Companies	4,638	1.15
6,816,425	LF Tellworth UK Smaller Companies	6,779	1.69
12,028,611	Majedie UK Equity	19,603	4.87
1,578,079	Mirae Asset Global Discovery	10,826	2.69
5,636,342	Old Mutual North American Equity	11,267	2.80

MyFolio Multi-Manager IV Fund

Portfolio Statement as at 31 December 2018
(Continued)

Holding	Investment	Market value £'000	Percentage of total net assets
Equity Funds (continued)			
75,747	Schroder International Selection	7,515	1.87
6,702,022	Schroder Small Cap Discovery	5,313	1.32
8,307,637	Schroder Tokyo	6,563	1.63
413,066	THB U.S. Opportunities	4,106	1.02
29,225	Tokio Marine Japanese Equity Focus	6,288	1.56
104,551	Vanguard US Equity Index	17,860	4.44
Money Market Funds (1.73%)		**5,827**	**1.45**
5,827	Aberdeen Liquidity Fund - Sterling*	5,827	1.45
Property Funds (6.37%)		**7,548**	**1.88**
527,870	M&G Property Portfolio	7,548	1.88
Total investment assets		**402,334**	**100.02**
Net other liabilities		(63)	(0.02)
Total Net Assets		**402,271**	**100.00**

All investments are regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

The percentage figures in brackets show the comparative holding as at 30 June 2018.

	Market value £'000
Reconciliation of assets and liabilities to the balance sheet	
Investment assets as per the Balance Sheet	396,507
*Collective Investment Schemes classified as Cash Equivalents	5,827
Net other liabilities	(63)
Total Net Assets	**402,271**

Statement of Total Return

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Income:				
Net capital (losses)/gains		(31,707)		19,399
Revenue	2,712		2,916	
Expenses	(1,883)		(2,044)	
Net revenue before taxation	829		872	
Taxation	0		0	
Net revenue after taxation		829		872
Total return before distributions		(30,878)		20,271
Equalisation		0		5
Change in net assets attributable to shareholders from investment activities		**(30,878)**		**20,276**

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		433,792		398,707
Amounts receivable on the issue of shares	20,367		25,035	
Amounts payable on the cancellation of shares	(21,009)		(21,123)	
		(642)		3,912
Dilution adjustment		(1)		9
Change in net assets attributable to shareholders from investment activities (see above)		(30,878)		20,276
Closing net assets attributable to shareholders		**402,271**		**422,904**

Comparative information is provided for the statement of change in net assets attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

Balance Sheet

as at 31 December 2018

	31 December 2018		30 June 2018	
	£'000	£'000	£'000	£'000
Assets:				
Fixed assets:				
Investment assets		396,507		426,326
Current assets:				
Debtors	507		728	
Cash and bank balances	286		0	
Cash equivalents	5,827		7,497	
		6,620		8,225
Total assets		403,127		434,551
Liabilities:				
Creditors	(856)		(759)	
		(856)		(759)
Total liabilities		(856)		(759)
Net assets attributable to shareholders		**402,271**		**433,792**

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager V Fund

Investment Report

Fund Information	
Fund Manager	Bambos Hambi
Launch Date	20 September 2010

Investment objective

The Sub-fund aims to provide a total return from a combination of income and capital appreciation over the longer term.

Investment policy

The current policy of the Sub-fund is to invest mainly in a range of collective investment schemes to achieve exposure to diversified investments, of primarily equities, but which may include fixed and variable rate interest bearing securities and immoveable property. The Sub-fund may also invest in transferable securities, money-market instruments, deposits, cash and near cash. Typically, the Sub-fund will have high exposure to assets providing potential for growth, such as equities.

Risk

The Sub-fund is intended for investors who wish to participate in the opportunity to achieve a competitive level of total return from a combination of capital appreciation and income over the longer term by investing in an actively managed portfolio of collective investment schemes which themselves invest primarily in equities, but also in fixed and variable rate interest bearing securities and immoveable property. The investor must be able to accept significant temporary losses to capital due to the volatile nature of equity, bond, property and currency markets and should therefore have an investment time horizon of at least 5 years.

Investment activity

The Investment Activity for each Sub-fund is documented as a whole on pages 5 to 9.

Synthetic Risk & Reward Indicator

Lower risk Typically lower rewards						Higher risk Typically Higher rewards
1	2	3	**4**	5	6	7

This indicator reflects the volatility of the Sub-fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Sub-fund invests. Historical data may not be a reliable indication of the future. Where the share class does not have a history of five years, an alternative share class or a representative benchmark has been used to show how the Sub-fund price may have behaved over the period.

The current rating, which is the same for all share classes, is not guaranteed and may change if the volatility of the assets in which the Sub-fund invests changes. The lowest rating does not mean risk free.

All investment involves risk. This Sub-fund offers no guarantee against loss or that the Sub-fund's objective will be attained.

For further information on the risks that may not be fully captured by the risk and reward indicator, please refer to the current Key Investor Information Document (KIID).

Cautionary note

It should be remembered that past performance is not a guide to future performance. The value of investments may go down as well as up and, therefore, investors may not get back the amount originally invested.

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager V Fund

Comparative Tables

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Retail accumulation				
Change in net assets per share				
Opening net asset value per share	92.05	86.86	73.33	72.01
Return before operating charges*	(7.38)	6.77	15.12	2.63
Operating charges**	(0.78)	(1.58)	(1.59)	(1.31)
Return after operating charges*	(8.16)	5.19	13.53	1.32
Distributions	0.00	(0.56)	(0.22)	(0.36)
Retained distributions on accumulation share	0.00	0.56	0.22	0.36
Closing net asset value per share	83.89	92.05	86.86	73.33
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-8.86%	5.98%	18.45%	1.83%
Other information				
Closing net asset value (£'000)	141,546	156,066	146,455	122,409
Closing number of shares	168,720,849	169,547,733	168,606,668	166,922,975
Operating charges****	1.71%	1.75%	1.93%	1.84%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	94.84	93.85	88.98	73.97
Lowest share price	82.89	86.84	73.65	65.91

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

*** The direct transaction costs are made up of; fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period. The operating charge for the current year is lower than the previous comparative year, because the Authorised Corporate Director's periodic charge was reduced on 1 November 2017.

+ The performance figures are calculated by taking the value of the shareclass per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report. The Investment Report performance figure is calculated using the last available published price for a given shareclass in the period compared to the equivalent for the prior period. The published price may contain an adjustment for dilution in accordance with the Sub-fund pricing policy, while the price per the financial statements values the Sub-fund on a bid-price basis. The financial statements shareclass valuation is based on close of business market prices on the last day of the period, again this may differ from the intra-day pricing point of the Sub-fund which is used in the published shareclass price.

++ These represent the highest and lowest share prices available to investors in the period. This may differ to the opening and closing net asset value per share in the table above due to accounting adjustments.

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional accumulation				
Change in net assets per share				
Opening net asset value per share	97.04	91.10	76.43	74.42
Return before operating charges*	(7.79)	7.12	15.78	2.89
Operating charges**	(0.61)	(1.18)	(1.11)	(0.88)
Return after operating charges*	(8.40)	5.94	14.67	2.01
Distributions	0.00	(1.07)	(0.78)	(1.01)
Retained distributions on accumulation share	0.00	1.07	0.78	1.01
Closing net asset value per share	88.64	97.04	91.10	76.43
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-8.66%	6.52%	19.19%	2.70%
Other information				
Closing net asset value (£'000)	39,081	44,321	41,792	35,828
Closing number of shares	44,090,315	45,674,541	45,873,859	46,878,505
Operating charges****	1.27%	1.24%	1.29%	1.19%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	100.03	98.89	93.31	76.47
Lowest share price	87.58	91.09	76.75	68.49

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

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**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period.

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++ These represent the highest and lowest share prices available to investors in the period. This may differ to the opening and closing net asset value per share in the table above due to accounting adjustments.

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Standard Life accumulation				
Change in net assets per share				
Opening net asset value per share	85.12	79.59	66.52	64.49
Return before operating charges*	(6.85)	6.17	13.68	2.49
Operating charges**	(0.33)	(0.64)	(0.61)	(0.46)
Return after operating charges*	(7.18)	5.53	13.07	2.03
Distributions	0.00	(1.30)	(0.98)	(1.16)
Retained distributions on accumulation share	0.00	1.30	0.98	1.16
Closing net asset value per share	77.94	85.12	79.59	66.52
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-8.44%	6.95%	19.65%	3.15%
Other information				
Closing net asset value (£'000)	1,780	2,375	1,871	962
Closing number of shares	2,284,399	2,790,572	2,351,218	1,446,703
Operating charges****	0.79%	0.77%	0.81%	0.72%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	87.77	86.72	81.54	66.52
Lowest share price	77.00	79.61	66.76	59.49

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

*** The direct transaction costs are made up of; fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period.

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++ These represent the highest and lowest share prices available to investors in the period. This may differ to the opening and closing net asset value per share in the table above due to accounting adjustments.

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Platform 1 accumulation				
Change in net assets per share				
Opening net asset value per share	89.85	84.45	71.00	69.29
Return before operating charges*	(7.20)	6.59	14.66	2.69
Operating charges**	(0.59)	(1.19)	(1.21)	(0.98)
Return after operating charges*	(7.79)	5.40	13.45	1.71
Distributions	0.00	(0.90)	(0.55)	(0.78)
Retained distributions on accumulation share	0.00	0.90	0.55	0.78
Closing net asset value per share	82.06	89.85	84.45	71.00
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-8.67%	6.39%	18.94%	2.47%
Other information				
Closing net asset value (£'000)	46,878	50,468	47,626	39,697
Closing number of shares	57,128,768	56,166,231	56,395,231	55,907,687
Operating charges****	1.32%	1.35%	1.51%	1.42%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	92.62	91.57	86.50	71.20
Lowest share price	81.07	84.43	71.30	63.68

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

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**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period. The operating charge for the current year is lower than the previous comparative year, because the Authorised Corporate Director's periodic charge was reduced on 1 November 2017.

+ The performance figures are calculated by taking the value of the shareclass per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report. The Investment Report performance figure is calculated using the last available published price for a given shareclass in the period compared to the equivalent for the prior period. The published price may contain an adjustment for dilution in accordance with the Sub-fund pricing policy, while the price per the financial statements values the Sub-fund on a bid-price basis. The financial statements shareclass valuation is based on close of business market prices on the last day of the period, again this may differ from the intra-day pricing point of the Sub-fund which is used in the published shareclass price.

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Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager V Fund

Portfolio Statement as at 31 December 2018

Holding	Investment	Market value £'000	Percentage of total net assets
Collective Investment Schemes (100.26%)		**230,011**	**100.32**
Absolute Return Funds (19.19%)		**29,277**	**12.77**
132,490	AQR Systematic Total Return	11,547	5.04
6,349,266	SLI Global Absolute Return Strategies	4,985	2.17
127,876	TM Fulcrum Diversified Core Absolute Return	12,745	5.56
Bond Funds (0.57%)		**6,212**	**2.71**
317,456	Neuberger Berman Emerging Markets Debt Local Currency	3,127	1.36
16,363	Nomura US High Yield Bond	2,036	0.89
10,704	Oppenheimer Emerging Markets Local Debt	1,049	0.46
Equity Funds (79.53%)		**192,243**	**83.85**
1,218	Amundi Index FTSE EPRA Nareit Global	1,164	0.51
6,719,814	Artemis European Opportunities	6,700	2.92
4,579,270	Artemis Global Emerging Markets	5,919	2.58
4,807,121	Artemis US Select	8,742	3.81
382,032	Brown Advisory US Small Cap Blend	3,729	1.63
2,704,983	CF Morant Wright Nippon Yield	10,984	4.79
4,158,818	Fidelity UK Smaller Companies	9,382	4.09
2,654,331	Hermes Asia Ex Japan Equity	6,445	2.81
2,192,454	Invesco European Equity Income	8,797	3.84
5,273,194	Invesco Global Targeted Returns	12,195	5.32
9,661,673	Investec UK Alpha	18,607	8.12
3,867,019	Janus Henderson Emerging Markets Opportunities	5,487	2.39
15,057,526	JO Hambro UK Dynamic	20,132	8.78
590,076	Lazard European Smaller Companies	3,330	1.45
4,018,110	LF Tellworth UK Smaller Companies	3,996	1.74
8,784,897	Majedie UK Equity	14,317	6.25
989,232	Mirae Asset Global Discovery	6,786	2.96
4,348,876	Old Mutual North American Equity	8,693	3.79
46,843	Schroder International Selection	4,647	2.03
4,807,310	Schroder Small Cap Discovery	3,811	1.66
5,090,048	Schroder Tokyo	4,021	1.75
301,913	THB U.S. Opportunities	3,001	1.31
23,091	Tokio Marine Japanese Equity Focus	4,968	2.17
95,942	Vanguard US Equity Index	16,390	7.15

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager V Fund

Portfolio Statement as at 31 December 2018
(Continued)

Holding	Investment	Market value £'000	Percentage of total net assets
Money Market Funds (0.97%)		**2,279**	**0.99**
2,279	Aberdeen Liquidity Fund - Sterling*	2,279	0.99
Total investment assets		**230,011**	**100.32**
Net other liabilities		(726)	(0.32)
Total Net Assets		**229,285**	**100.00**

All investments are regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.
The percentage figures in brackets show the comparative holding as at 30 June 2018.

	Market value £'000
Reconciliation of assets and liabilities to the balance sheet	
Investment assets as per the Balance Sheet	227,732
*Collective Investment Schemes classified as Cash Equivalents	2,279
Net other liabilities	(726)
Total Net Assets	**229,285**

Statement of Total Return

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Income:				
Net capital (losses)/gains		(22,731)		13,193
Revenue	1,492		1,512	
Expenses	(1,080)		(1,191)	
Net revenue before taxation	412		321	
Taxation	0		0	
Net revenue after taxation		412		321
Total return before distributions		(22,319)		13,514
Equalisation		(4)		(3)
Change in net assets attributable to shareholders from investment activities		**(22,323)**		**13,511**

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		253,230		237,744
Amounts receivable on the issue of shares	12,201		14,859	
Amounts payable on the cancellation of shares	(13,823)		(17,163)	
		(1,622)		(2,304)
Dilution adjustment		0		(1)
Change in net assets attributable to shareholders from investment activities (see above)		(22,323)		13,511
Closing net assets attributable to shareholders		**229,285**		**248,950**

Comparative information is provided for the statement of change in net assets attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

Balance Sheet

as at 31 December 2018

	31 December 2018		30 June 2018	
	£'000	£'000	£'000	£'000
Assets:				
Fixed assets:				
Investment assets		227,732		251,445
Current assets:				
Debtors	276		355	
Cash and bank balances	161		0	
Cash equivalents	2,279		2,450	
		2,716		2,805
Total assets		230,448		254,250
Liabilities:				
Creditors	(1,163)		(1,020)	
		(1,163)		(1,020)
Total liabilities		(1,163)		(1,020)
Net assets attributable to shareholders		**229,285**		**253,230**

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed Income I Fund

Investment Report

Fund Information	
Fund Manager	Bambos Hambi
Launch Date	14 December 2011

Investment objective

The Sub-fund aims to provide an income-focused return with some capital appreciation over the longer term.

Investment policy

The current policy of the Sub-fund is to invest mainly in a range of collective investment schemes managed or operated within the Standard Life Aberdeen group of companies to achieve a broad exposure to diversified investments, including equities, fixed and variable rate interest bearing securities and immoveable property. The Sub-fund may also invest in transferable securities, money-market instruments, deposits, cash and near cash. Typically, the Sub-fund will have a high exposure to lower risk assets, such as fixed interest.

Important Note to the Investment Policy
The Standard Life group of companies enlarged following the effective date of the merger of Standard Life plc with Aberdeen Asset Management plc (the "Effective Date") to create Standard Life Aberdeen plc (the "Combined Group"). For the present time, the Sub-Fund will continue to invest mainly in the range of collective investment schemes managed by companies that, immediately prior to the Effective Date, were in the Standard Life group.

Risk

The Sub-fund is intended for investors who wish to participate in the opportunity to achieve a competitive level of income with the potential of some capital appreciation over the longer term by investing in an actively managed portfolio of collective investment schemes which themselves invest in equities, fixed and variable rate interest bearing securities, and immoveable property. The diversified nature of the portfolio makes it suitable for investors wishing to achieve a broad spread of exposure. The investor must be able to accept significant temporary losses to capital and the possibility of fluctuations in the income level due to the volatile nature of equity, bond, property and currency markets, and should therefore have an investment time horizon of at least 5 years.

Investment activity

The Investment Activity for each Sub-fund is documented as a whole on pages 5 to 9.

Synthetic Risk & Reward Indicator

Lower risk
Typically lower rewards

Higher risk
Typically Higher rewards

1	2	**3**	4	5	6	7

This indicator reflects the volatility of the Sub-fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Sub-fund invests. Historical data may not be a reliable indication of the future. Where the share class does not have a history of five years, an alternative share class or a representative benchmark has been used to show how the Sub-fund price may have behaved over the period.

The current rating, which is the same for all share classes, is not guaranteed and may change if the volatility of the assets in which the Sub-fund invests changes. The lowest rating does not mean risk free.

All investment involves risk. This Sub-fund offers no guarantee against loss or that the Sub-fund's objective will be attained.

For further information on the risks that may not be fully captured by the risk and reward indicator, please refer to the current Key Investor Information Document (KIID).

Cautionary note

It should be remembered that past performance is not a guide to future performance. The value of investments may go down as well as up and, therefore, investors may not get back the amount originally invested.

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed Income I Fund

Comparative Tables

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Retail accumulation				
Change in net assets per share				
Opening net asset value per share	61.92	61.42	58.33	56.93
Return before operating charges*	(1.14)	1.32	3.97	2.24
Operating charges**	(0.39)	(0.82)	(0.88)	(0.84)
Return after operating charges*	(1.53)	0.50	3.09	1.40
Distributions	(0.48)	(0.88)	(0.81)	(0.60)
Retained distributions on accumulation share	0.48	0.88	0.81	0.60
Closing net asset value per share	60.39	61.92	61.42	58.33
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-2.47%	0.82%	5.30%	2.46%
Other information				
Closing net asset value (£'000)	11,202	10,069	7,904	5,644
Closing number of shares	18,550,388	16,262,757	12,868,241	9,676,066
Operating charges****	1.25%	1.32%	1.45%	1.47%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	62.70	63.09	62.58	58.17
Lowest share price	60.40	61.29	58.90	56.02

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

*** The direct transaction costs are made up of; fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period. The operating charge for the current period is lower than in previous compartative periods, because the Authorised Corporate Director's periodic charge was reduced on 1 November 2017.

+ The performance figures are calculated by taking the value of the shareclass per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report. The Investment Report performance figure is calculated using the last available published price for a given shareclass in the period compared to the equivalent for the prior period. The published price may contain an adjustment for dilution in accordance with the Sub-fund pricing policy, while the price per the financial statements values the Sub-fund on a bid-price basis. The financial statements shareclass valuation is based on close of business market prices on the last day of the period, again this may differ from the intra-day pricing point of the Sub-fund which is used in the published shareclass price.

++ These represent the highest and lowest share prices available to investors in the period. This may differ to the opening and closing net asset value per share in the table above due to accounting adjustments.

MyFolio Managed Income I Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional accumulation				
Change in net assets per share				
Opening net asset value per share	64.42	63.58	60.03	58.19
Return before operating charges*	(1.19)	1.37	4.05	2.33
Operating charges**	(0.26)	(0.53)	(0.50)	(0.49)
Return after operating charges*	(1.45)	0.84	3.55	1.84
Distributions	(0.64)	(1.24)	(1.20)	(1.01)
Retained distributions on accumulation share	0.64	1.24	1.20	1.01
Closing net asset value per share	62.97	64.42	63.58	60.03
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-2.25%	1.32%	5.91%	3.16%
Other information				
Closing net asset value (£'000)	1,782	1,883	1,519	1,124
Closing number of shares	2,829,107	2,922,074	2,388,873	1,873,289
Operating charges****	0.80%	0.82%	0.80%	0.83%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	65.28	65.50	64.76	59.82
Lowest share price	62.98	63.66	60.62	57.52

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**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period.

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Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed Income I Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Retail income				
Change in net assets per share				
Opening net asset value per share	52.97	53.72	52.22	52.61
Return before operating charges*	(4.72)	1.17	3.51	1.41
Operating charges**	(0.32)	(0.71)	(0.78)	(0.77)
Return after operating charges*	(5.04)	0.46	2.73	0.64
Distributions	(0.56)	(1.21)	(1.23)	(1.03)
Closing net asset value per share	47.37	52.97	53.72	52.22
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-9.51%	0.86%	5.23%	1.22%
Other information				
Closing net asset value (£'000)	0	1	1	2
Closing number of shares	187	2,000	2,000	3,079
Operating charges****	1.20%	1.32%	1.45%	1.47%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	53.69	54.81	55.07	53.33
Lowest share price	47.39	52.95	52.71	51.21

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MyFolio Managed Income I Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional income				
Change in net assets per share				
Opening net asset value per share	56.42	56.94	54.95	54.36
Return before operating charges*	(1.04)	1.23	3.70	2.11
Operating charges**	(0.23)	(0.47)	(0.46)	(0.45)
Return after operating charges*	(1.27)	0.76	3.24	1.66
Distributions	(0.64)	(1.28)	(1.25)	(1.07)
Closing net asset value per share	54.51	56.42	56.94	54.95
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-2.25%	1.33%	5.90%	3.05%
Other information				
Closing net asset value (£'000)	2,566	3,172	3,197	1,427
Closing number of shares	4,708,306	5,621,444	5,614,899	2,597,377
Operating charges****	0.80%	0.82%	0.80%	0.83%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	57.22	58.15	58.34	55.16
Lowest share price	54.52	56.35	55.47	53.23

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MyFolio Managed Income I Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Standard Life income				
Change in net assets per share				
Opening net asset value per share	54.61	54.95	52.89	52.16
Return before operating charges*	(1.75)	1.21	3.54	2.03
Operating charges**	(0.16)	(0.33)	(0.32)	(0.31)
Return after operating charges*	(1.91)	0.88	3.22	1.72
Distributions	(0.38)	(1.22)	(1.16)	(0.99)
Closing net asset value per share	52.32	54.61	54.95	52.89
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-3.50%	1.60%	6.09%	3.30%
Other information				
Closing net asset value (£'000)	0	2	7	8
Closing number of shares	602	2,978	12,336	15,469
Operating charges****	0.58%	0.59%	0.58%	0.60%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	55.40	56.16	56.29	52.94
Lowest share price	52.33	54.50	53.39	51.17

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MyFolio Managed Income I Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Platform 1 accumulation				
Change in net assets per share				
Opening net asset value per share	62.83	62.07	58.72	57.02
Return before operating charges*	(1.16)	1.34	3.98	2.30
Operating charges**	(0.27)	(0.58)	(0.63)	(0.60)
Return after operating charges*	(1.43)	0.76	3.35	1.70
Distributions	(0.61)	(1.14)	(1.05)	(0.89)
Retained distributions on accumulation share	0.61	1.14	1.05	0.89
Closing net asset value per share	61.40	62.83	62.07	58.72
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-2.27%	1.22%	5.71%	2.98%
Other information				
Closing net asset value (£'000)	3,410	3,883	2,469	1,387
Closing number of shares	5,554,594	6,179,323	3,977,546	2,362,772
Operating charges****	0.85%	0.91%	1.03%	1.05%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	63.66	63.89	63.23	58.72
Lowest share price	61.41	62.12	59.29	56.30

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Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed Income I Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Platform 1 income				
Change in net assets per share				
Opening net asset value per share	55.11	55.68	53.88	53.42
Return before operating charges*	(1.00)	1.20	3.60	2.07
Operating charges**	(0.24)	(0.52)	(0.58)	(0.56)
Return after operating charges*	(1.24)	0.68	3.02	1.51
Distributions	(0.63)	(1.25)	(1.22)	(1.05)
Closing net asset value per share	53.24	55.11	55.68	53.88
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-2.25%	1.22%	5.61%	2.83%
Other information				
Closing net asset value (£'000)	1,772	1,507	1,642	1,462
Closing number of shares	3,326,790	2,734,974	2,947,918	2,714,024
Operating charges****	0.85%	0.93%	1.03%	1.05%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	55.90	56.85	57.06	54.19
Lowest share price	53.25	55.05	54.38	52.24

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Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed Income I Fund

Portfolio Statement as at 31 December 2018

Holding	Investment	Market value £'000	Percentage of total net assets
Collective Investment Schemes (100.01%)		**20,737**	**100.02**
Absolute Return Funds (10.49%)		**2,070**	**9.98**
134,898	SLI Absolute Return Global Bond Strategies SICAV	1,463	7.05
773,058	SLI Global Absolute Return Strategies	607	2.93
Bond Funds (60.19%)		**12,343**	**59.54**
2,563,580	L&G Short Dated Sterling Corporate Bond Index	1,291	6.23
2,193,845	SLI Corporate Bond	1,113	5.37
2,897,360	SLI Ethical Corporate Bond	1,575	7.60
209,880	SLI Global Corporate Bond SICAV	2,005	9.67
38,333	SLI Global Emerging Market Local Currency Debt SICAV	352	1.70
97,820	SLI Global High Yield Bond SICAV	892	4.30
826,917	SLI Global Index Linked Bond	1,239	5.97
69,293	SLI Global Short Duration Corporate Bond SICAV II	674	3.25
3,889,123	SLI Short Duration Credit	2,037	9.83
2,324,785	SLI Short Duration Global Index-Linked Bond	1,165	5.62
Equity Funds (21.68%)		**4,502**	**21.71**
335,948	BNY Mellon U.S. Equity Income	320	1.54
11,964	CC Japan Income & Growth	178	0.86
54,834	CF Morant Wright Nippon Yield	179	0.86
159,863	Invesco Global Targeted Income	300	1.45
362,802	Schroder Asian Trust	234	1.13
975,590	SLI American Equity Income	598	2.88
426,149	SLI European Equity Income	354	1.71
527,064	SLI Global Emerging Markets Equity Income	335	1.62
466,703	SLI UK Equity High Income	384	1.85
1,434,859	SLI UK Equity Income Unconstrained	716	3.45
1,312,550	SLMT Global REIT	606	2.92
3,269	TM Fulcrum Income	298	1.44
Money Market Funds (4.15%)		**1,103**	**5.32**
1,103	Aberdeen Liquidity Fund - Sterling*	1,103	5.32

MyFolio Managed Income I Fund

Portfolio Statement as at 31 December 2018
(Continued)

Holding	Investment	Market value £'000	Percentage of total net assets
Property Funds (3.50%)		**719**	**3.47**
649,502	SLI UK Real Estate Income Feeder	719	3.47
Total investment assets		**20,737**	**100.02**
Net other liabilities		(5)	(0.02)
Total Net Assets		**20,732**	**100.00**

All investments are regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

The percentage figures in brackets show the comparative holding as at 30 June 2018.

	Market value £'000
Reconciliation of assets and liabilities to the balance sheet	
Investment assets as per the Balance Sheet	19,634
*Collective Investment Schemes classified as Cash Equivalents	1,103
Net other liabilities	(5)
Total Net Assets	**20,732**

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed Income I Fund

Financial Statements

Statement of Total Return

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Income:				
Net capital (losses)/gains		(650)		262
Revenue	231		156	
Expenses	(64)		(61)	
Net revenue before taxation	167		95	
Taxation	0		0	
Net revenue after taxation		167		95
Total return before distributions		(483)		357
Distributions		(184)		(118)
Change in net assets attributable to shareholders from investment activities		**(667)**		**239**

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		20,517		16,738
Amounts receivable on the issue of shares	4,054		2,394	
Amounts payable on the cancellation of shares	(3,308)		(1,386)	
		746		1,008
Dilution adjustment		3		5
Change in net assets attributable to shareholders from investment activities (see above)		(667)		239
Retained distribution on accumulation shares		133		71
Closing net assets attributable to shareholders		**20,732**		**18,061**

Comparative information is provided for the statement of change in net assets attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

MyFolio Managed Income I Fund

Financial Statements
(Continued)

Balance Sheet

as at 31 December 2018

	31 December 2018		30 June 2018	
	£'000	£'000	£'000	£'000
Assets:				
Fixed assets:				
Investment assets		19,634		19,668
Current assets:				
Debtors	55		337	
Cash and bank balances	10		10	
Cash equivalents	1,103		852	
		1,168		1,199
Total assets		20,802		20,867
Liabilities:				
Creditors	(48)		(320)	
Distribution payable	(22)		(30)	
		(70)		(350)
Total liabilities		(70)		(350)
Net assets attributable to shareholders		**20,732**		**20,517**

Standard Life Investment Company III
Interim Report & Financial Statements

MyFolio Managed Income I Fund

Distribution Tables

for the three months ended 30 September 2018

Group 1 – shares purchased prior to 1 July 2018

Group 2 – shares purchased between 1 July 2018 and 30 September 2018

	Net Income 2018 pence per share	Equalisation 2018 pence per share	Distribution paid 2018 pence per share	Distribution paid 2017 pence per share
Retail accumulation				
Group 1	0.2867	–	0.2867*	0.2066*
Group 2	0.1108	0.1759	0.2867*	0.2066*
Institutional accumulation				
Group 1	0.3711	–	0.3711*	0.3186*
Group 2	0.1305	0.2406	0.3711*	0.3186*
Retail income				
Group 1	0.3315	–	0.3315**	0.3290**
Group 2	0.0126	0.3189	0.3315**	–
Institutional income				
Group 1	0.3689	–	0.3689**	0.3300**
Group 2	0.1689	0.2000	0.3689**	0.3300**
Standard Life income				
Group 1	0.3600	–	0.3600**	0.3108**
Group 2	–	–	–	–
Platform 1 accumulation				
Group 1	0.3539	–	0.3539*	0.2753*
Group 2	0.1632	0.1907	0.3539*	0.2753*
Platform 1 income				
Group 1	0.3603	–	0.3603**	0.3226**
Group 2	0.0305	0.3298	0.3603**	0.3226**

* Distribution accumulated on 30 September 2018
** Distribution paid on 31 December 2018

MyFolio Managed Income I Fund

Distribution Tables
(Continued)

for the three months ended 31 December 2018

Group 1 – shares purchased prior to 1 October 2018

Group 2 – shares purchased between 1 October 2018 and 31 December 2018

	Net Income 2018 pence per share	Equalisation 2018 pence per share	Distribution payable 2018 pence per share	Distribution paid 2017 pence per share
Retail accumulation				
Group 1	0.1920	–	0.1920*	0.1019*
Group 2	0.0560	0.1360	0.1920*	0.1019*
Institutional accumulation				
Group 1	0.2704	–	0.2704*	0.1857*
Group 2	0.2183	0.0521	0.2704*	0.1857*
Retail income				
Group 1	0.2299	–	0.2299**	0.2100**
Group 2	–	–	–	–
Institutional income				
Group 1	0.2747	–	0.2747**	0.2134**
Group 2	0.1010	0.1737	0.2747**	0.2134**
Standard Life income				
Group 1	0.0215	–	0.0215**	0.2031**
Group 2	–	–	–	–
Platform 1 accumulation				
Group 1	0.2547	–	0.2547*	0.1653*
Group 2	0.0542	0.2005	0.2547*	0.1653*
Platform 1 income				
Group 1	0.2732	–	0.2732**	0.2096**
Group 2	–	0.2732	0.2732**	0.2096**

* Distribution accumulated on 31 December 2018
** Distribution payable on 29 March 2019

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed Income II Fund

Investment Report

Fund Information	
Fund Manager	Bambos Hambi
Launch Date	14 December 2011

Investment objective

The Sub-fund aims to provide an income-focused return with some capital appreciation over the longer term.

Investment policy

The current policy of the Sub-fund is to invest mainly in a range of collective investment schemes managed or operated within the Standard Life Aberdeen group of companies to achieve a broad exposure to diversified investments, including equities, fixed and variable rate interest bearing securities and immoveable property. The Sub-fund may also invest in transferable securities, money-market instruments, deposits, cash and near cash. Typically, the Sub-fund will have a preference towards lower risk assets, such as fixed interest.

Important Note to the Investment Policy
The Standard Life group of companies enlarged following the effective date of the merger of Standard Life plc with Aberdeen Asset Management plc (the "Effective Date") to create Standard Life Aberdeen plc (the "Combined Group"). For the present time, the Sub-Fund will continue to invest mainly in the range of collective investment schemes managed by companies that, immediately prior to the Effective Date, were in the Standard Life group.

Risk

The Sub-fund is intended for investors who wish to participate in the opportunity to achieve a competitive level of income with the potential of some capital appreciation over the longer term by investing in an actively managed portfolio of collective investment schemes which themselves invest in equities, fixed and variable rate interest bearing securities, and immoveable property. The diversified nature of the portfolio makes it suitable for investors wishing to achieve a broad spread of exposure. The investor must be able to accept significant temporary losses to capital and the possibility of fluctuations in the income level due to the volatile nature of equity, bond, property and currency markets, and should therefore have an investment time horizon of at least 5 years.

Investment activity

The Investment Activity for each Sub-fund is documented as a whole on pages 5 to 9.

Synthetic Risk & Reward Indicator

Lower risk Typically lower rewards						Higher risk Typically Higher rewards
1	2	**3**	4	5	6	7

This indicator reflects the volatility of the Sub-fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Sub-fund invests. Historical data may not be a reliable indication of the future. Where the share class does not have a history of five years, an alternative share class or a representative benchmark has been used to show how the Sub-fund price may have behaved over the period.

The current rating, which is the same for all share classes, is not guaranteed and may change if the volatility of the assets in which the Sub-fund invests changes. The lowest rating does not mean risk free.

All investment involves risk. This Sub-fund offers no guarantee against loss or that the Sub-fund's objective will be attained.

For further information on the risks that may not be fully captured by the risk and reward indicator, please refer to the current Key Investor Information Document (KIID).

Cautionary note

It should be remembered that past performance is not a guide to future performance. The value of investments may go down as well as up and, therefore, investors may not get back the amount originally invested.

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed Income II Fund

Comparative Tables

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Retail accumulation				
Change in net assets per share				
Opening net asset value per share	68.57	67.65	62.64	61.82
Return before operating charges*	(2.23)	1.87	6.01	1.75
Operating charges**	(0.45)	(0.95)	(1.00)	(0.93)
Return after operating charges*	(2.68)	0.92	5.01	0.82
Distributions	(0.56)	(1.05)	(1.07)	(1.05)
Retained distributions on accumulation share	0.56	1.05	1.07	1.05
Closing net asset value per share	65.89	68.57	67.65	62.64
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-3.91%	1.36%	8.00%	1.33%
Other information				
Closing net asset value (£'000)	26,156	26,635	25,860	23,207
Closing number of shares	39,699,983	38,841,835	38,227,311	37,049,989
Operating charges****	1.30%	1.37%	1.49%	1.50%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	69.83	70.24	69.23	63.22
Lowest share price	65.76	67.27	63.43	60.02

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MyFolio Managed Income II Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional accumulation				
Change in net assets per share				
Opening net asset value per share	71.30	70.05	64.53	63.25
Return before operating charges*	(2.37)	1.87	6.11	1.83
Operating charges**	(0.30)	(0.62)	(0.59)	(0.55)
Return after operating charges*	(2.67)	1.25	5.52	1.28
Distributions	(0.71)	(1.38)	(1.45)	(1.52)
Retained distributions on accumulation share	0.71	1.38	1.45	1.52
Closing net asset value per share	68.63	71.30	70.05	64.53
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-3.74%	1.78%	8.55%	2.02%
Other information				
Closing net asset value (£'000)	4,682	5,710	4,923	4,331
Closing number of shares	6,822,088	8,008,760	7,027,322	6,711,248
Operating charges****	0.85%	0.86%	0.85%	0.87%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	72.63	72.92	71.68	65.06
Lowest share price	68.50	69.89	65.34	61.69

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MyFolio Managed Income II Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Retail income				
Change in net assets per share				
Opening net asset value per share	57.59	58.16	55.26	56.19
Return before operating charges*	(1.86)	1.60	5.26	1.55
Operating charges**	(0.37)	(0.81)	(0.87)	(0.84)
Return after operating charges*	(2.23)	0.79	4.39	0.71
Distributions	(0.68)	(1.36)	(1.49)	(1.64)
Closing net asset value per share	54.68	57.59	58.16	55.26
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-3.87%	1.36%	7.94%	1.26%
Other information				
Closing net asset value (£'000)	228	161	172	265
Closing number of shares	416,529	280,340	295,320	479,477
Operating charges****	1.30%	1.38%	1.49%	1.50%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	58.69	59.79	59.90	57.34
Lowest share price	54.70	57.19	55.97	53.83

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MyFolio Managed Income II Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional income				
Change in net assets per share				
Opening net asset value per share	60.61	60.89	57.44	57.84
Return before operating charges*	(2.00)	1.62	5.43	1.65
Operating charges**	(0.26)	(0.53)	(0.52)	(0.50)
Return after operating charges*	(2.26)	1.09	4.91	1.15
Distributions	(0.69)	(1.37)	(1.46)	(1.55)
Closing net asset value per share	57.66	60.61	60.89	57.44
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-3.73%	1.79%	8.55%	1.99%
Other information				
Closing net asset value (£'000)	17,584	19,755	19,884	8,679
Closing number of shares	30,494,611	32,594,324	32,656,506	15,107,738
Operating charges****	0.85%	0.86%	0.85%	0.86%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	61.79	62.79	62.68	59.04
Lowest share price	57.68	60.12	58.18	55.77

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Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed Income II Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Standard Life income				
Change in net assets per share				
Opening net asset value per share	56.92	57.02	53.75	53.96
Return before operating charges*	(1.89)	1.49	4.92	1.51
Operating charges**	(0.18)	(0.37)	(0.36)	(0.34)
Return after operating charges*	(2.07)	1.12	4.56	1.17
Distributions	(0.62)	(1.22)	(1.29)	(1.38)
Closing net asset value per share	54.23	56.92	57.02	53.75
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-3.64%	1.96%	8.48%	2.17%
Other information				
Closing net asset value (£'000)	18	23	22	115
Closing number of shares	32,718	39,629	37,562	213,382
Operating charges****	0.63%	0.63%	0.62%	0.63%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	58.04	58.89	58.67	55.09
Lowest share price	54.25	56.43	54.44	52.12

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MyFolio Managed Income II Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Platform 1 accumulation				
Change in net assets per share				
Opening net asset value per share	68.41	67.27	62.07	60.95
Return before operating charges*	(2.27)	1.81	5.91	1.78
Operating charges**	(0.31)	(0.67)	(0.71)	(0.66)
Return after operating charges*	(2.58)	1.14	5.20	1.12
Distributions	(0.67)	(1.26)	(1.28)	(1.36)
Retained distributions on accumulation share	0.67	1.26	1.28	1.36
Closing net asset value per share	65.83	68.41	67.27	62.07
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-3.77%	1.69%	8.38%	1.84%
Other information				
Closing net asset value (£'000)	5,945	6,545	6,447	5,228
Closing number of shares	9,030,986	9,568,207	9,584,147	8,422,253
Operating charges****	0.90%	0.97%	1.07%	1.08%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	69.68	69.97	68.83	62.60
Lowest share price	65.70	67.05	62.85	59.38

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MyFolio Managed Income II Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Platform 1 income				
Change in net assets per share				
Opening net asset value per share	58.54	58.88	55.68	56.18
Return before operating charges*	(1.93)	1.57	5.28	1.64
Operating charges**	(0.26)	(0.58)	(0.63)	(0.61)
Return after operating charges*	(2.19)	0.59	4.65	1.03
Distributions	(0.67)	(1.33)	(1.45)	(1.53)
Closing net asset value per share	55.68	58.54	58.88	55.68
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-3.74%	1.68%	8.35%	1.83%
Other information				
Closing net asset value (£'000)	4,397	5,140	4,746	4,311
Closing number of shares	7,896,103	8,779,405	8,061,455	7,741,563
Operating charges****	0.90%	0.97%	1.07%	1.08%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	59.68	60.66	60.62	57.34
Lowest share price	55.70	58.08	56.40	54.11

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Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed Income II Fund

Portfolio Statement as at 31 December 2018

Holding	Investment	Market value £'000	Percentage of total net assets
Collective Investment Schemes (100.30%)		**59,157**	**100.25**
Absolute Return Funds (11.68%)		**5,852**	**9.93**
263,429	SLI Absolute Return Global Bond Strategies SICAV	2,857	4.84
3,814,826	SLI Global Absolute Return Strategies	2,995	5.09
Bond Funds (46.11%)		**27,915**	**47.30**
4,260,010	SLI Corporate Bond	2,162	3.66
2,818,867	SLI Ethical Corporate Bond	1,532	2.60
768,557	SLI Global Corporate Bond SICAV	7,342	12.44
147,540	SLI Global Emerging Market Local Currency Debt SICAV	1,355	2.30
327,979	SLI Global High Yield Bond SICAV	2,991	5.07
2,476,804	SLI Global Index Linked Bond	3,710	6.29
255,836	SLI Global Short Duration Corporate Bond SICAV II	2,487	4.21
7,001,954	SLI Short Duration Credit	3,668	6.21
5,324,955	SLI Short Duration Global Index-Linked Bond	2,668	4.52
Equity Funds (38.13%)		**22,467**	**38.07**
1,824,263	BNY Mellon U.S. Equity Income	1,739	2.95
63,114	CC Japan Income & Growth	940	1.59
284,257	CF Morant Wright Nippon Yield	929	1.57
804,353	Invesco Global Targeted Income	1,507	2.55
2,113,214	Schroder Asian Trust	1,365	2.31
5,290,393	SLI American Equity Income	3,244	5.50
2,780,959	SLI European Equity Income	2,312	3.92
2,605,051	SLI Global Emerging Markets Equity Income	1,654	2.80
2,423,440	SLI UK Equity High Income	1,993	3.38
7,436,896	SLI UK Equity Income Unconstrained	3,713	6.29
3,407,728	SLMT Global REIT	1,573	2.67
16,460	TM Fulcrum Income	1,498	2.54
Money Market Funds (1.38%)		**1,003**	**1.70**
1,003	Aberdeen Liquidity Fund - Sterling	1,003	1.70

Standard Life Investment Company III
Interim Report & Financial Statements

MyFolio Managed Income II Fund

Portfolio Statement as at 31 December 2018
(Continued)

Holding	Investment	Market value £'000	Percentage of total net assets
Property Funds (3.00%)		**1,920**	**3.25**
1,736,008	SLI UK Real Estate Income Feeder	1,920	3.25
Total investment assets		**59,157**	**100.25**
Net other liabilities		(147)	(0.25)
Total Net Assets		**59,010**	**100.00**

All investments are regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

The percentage figures in brackets show the comparative holding as at 30 June 2018.

	Market value £'000
Reconciliation of assets and liabilities to the balance sheet	
Investment assets as per the Balance Sheet	58,154
*Collective Investment Schemes classified as Cash Equivalents	1,003
Net other liabilities	(147)
Total Net Assets	**59,010**

Statement of Total Return

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Income:				
Net capital (losses)/gains		(2,942)		1,399
Revenue	802		638	
Expenses	(174)		(200)	
Net revenue before taxation	628		438	
Taxation	(66)		(42)	
Net revenue after taxation		562		396
Total return before distributions		(2,380)		1,795
Distributions		(623)		(492)
Change in net assets attributable to shareholders from investment activities		**(3,003)**		**1,303**

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		63,969		62,054
Amounts receivable on the issue of shares	5,975		6,045	
Amounts payable on the cancellation of shares	(8,259)		(4,438)	
		(2,284)		1,607
Dilution adjustment		(8)		9
Change in net assets attributable to shareholders from investment activities (see above)		(3,003)		1,303
Retained distribution on accumulation shares		336		247
Closing net assets attributable to shareholders		**59,010**		**65,220**

Comparative information is provided for the statement of change in net assets attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

Balance Sheet

as at 31 December 2018

	31 December 2018		30 June 2018	
	£'000	£'000	£'000	£'000
Assets:				
Fixed assets:				
Investment assets		58,154		63,277
Current assets:				
Debtors	200		1,519	
Cash and bank balances	22		25	
Cash equivalents	1,003		884	
		1,225		2,428
Total assets		59,379		65,705
Liabilities:				
Creditors	(247)		(1,564)	
Distribution payable	(122)		(172)	
		(369)		(1,736)
Total liabilities		(369)		(1,736)
Net assets attributable to shareholders		**59,010**		**63,969**

Standard Life Investment Company III
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MyFolio Managed Income II Fund

Distribution Tables

for the three months ended 30 September 2018

Group 1 – shares purchased prior to 1 July 2018

Group 2 – shares purchased between 1 July 2018 and 30 September 2018

	Net Income 2018 pence per share	Equalisation 2018 pence per share	Distribution paid 2018 pence per share	Distribution paid 2017 pence per share
Retail accumulation				
Group 1	0.3125	–	0.3125*	0.2230
Group 2	0.1655	0.1470	0.3125*	0.2230
Institutional accumulation				
Group 1	0.3899	–	0.3899*	0.3234
Group 2	0.2395	0.1504	0.3899*	0.3234
Retail income				
Group 1	0.3701	–	0.3701**	0.3301
Group 2	0.1790	0.1911	0.3701**	0.3301
Institutional income				
Group 1	0.3758	–	0.3758**	0.3257
Group 2	0.1812	0.1946	0.3758**	0.3257
Standard Life income				
Group 1	0.3387	–	0.3387**	0.2895
Group 2	0.1501	0.1886	0.3387**	0.2895
Platform 1 accumulation				
Group 1	0.3668	–	0.3668*	0.2796
Group 2	0.1633	0.2035	0.3668*	0.2796
Platform 1 income				
Group 1	0.3644	–	0.3644**	0.3214
Group 2	0.1859	0.1785	0.3644**	0.3214

* Distribution accumulated on 30 September 2018
** Distribution paid on 31 December 2018

MyFolio Managed Income II Fund

Distribution Tables
(Continued)

for the three months ended 31 December 2018

Group 1 – shares purchased prior to 1 October 2018

Group 2 – shares purchased between 1 October 2018 and 31 December 2018

	Net Income 2018 pence per share	Equalisation 2018 pence per share	Distribution payable 2018 pence per share	Distribution paid 2017 pence per share
Retail accumulation				
Group 1	0.2481	–	0.2481*	0.1776
Group 2	0.0558	0.1923	0.2481*	0.1776
Institutional accumulation				
Group 1	0.3201	–	0.3201*	0.2589
Group 2	0.1887	0.1314	0.3201*	0.2589
Retail income				
Group 1	0.3127	–	0.3127**	0.2712
Group 2	0.0931	0.2196	0.3127**	0.2712
Institutional income				
Group 1	0.3133	–	0.3133**	0.2683
Group 2	0.1065	0.2068	0.3133**	0.2683
Standard Life income				
Group 1	0.2796	–	0.2796**	0.2361
Group 2	0.0820	0.1976	0.2796**	0.2361
Platform 1 accumulation				
Group 1	0.2983	–	0.2983*	0.2331
Group 2	0.1275	0.1708	0.2983*	0.2331
Platform 1 income				
Group 1	0.3029	–	0.3029**	0.2628
Group 2	0.0740	0.2289	0.3029**	0.2628

* Distribution accumulated on 31 December 2018
** Distribution payable on 29 March 2019

MyFolio Managed Income II Fund

Distribution Tables
(Continued)

Treatment by Corporate Shareholders

Corporate shareholders should account for the current period's dividends shown in the distribution table as follows:

	1st Interim Dividend Distribution	2nd Interim Dividend Distribution
Treat as a UK corporate dividend	64.86%	50.63%
Treat as an annual payment net of Income tax at 20%	35.14%	49.37%

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed Income III Fund

Investment Report

Fund Information	
Fund Manager	Bambos Hambi
Launch Date	14 December 2011

Investment objective

The Sub-fund aims to provide an income-focused return with some capital appreciation over the longer term.

Investment policy

The current policy of the Sub-fund is to invest mainly in a range of collective investment schemes managed or operated within the Standard Life Aberdeen group of companies to achieve a broad exposure to diversified investments, including equities, fixed and variable rate interest bearing securities and immoveable property. The Sub-fund may also invest in transferable securities, money-market instruments, deposits, cash and near cash.

Important Note to the Investment Policy

The Standard Life group of companies enlarged following the effective date of the merger of Standard Life plc with Aberdeen Asset Management plc (the "Effective Date") to create Standard Life Aberdeen plc (the "Combined Group"). For the present time, the Sub-Fund will continue to invest mainly in the range of collective investment schemes managed by companies that, immediately prior to the Effective Date, were in the Standard Life group.

Risk

The Sub-fund is intended for investors who wish to participate in the opportunity to achieve a competitive level of income with the potential of some capital appreciation over the longer term by investing in an actively managed portfolio of collective investment schemes which themselves invest in equities, fixed and variable rate interest bearing securities, and immoveable property. The diversified nature of the portfolio makes it suitable for investors wishing to achieve a broad spread of exposure. The investor must be able to accept significant temporary losses to capital and the possibility of fluctuations in the income level due to the volatile nature of equity, bond, property and currency markets, and should therefore have an investment time horizon of at least 5 years.

Investment activity

The Investment Activity for each Sub-fund is documented as a whole on pages 5 to 9.

Synthetic Risk & Reward Indicator

Lower risk Typically lower rewards						Higher risk Typically Higher rewards
1	2	3	**4**	5	6	7

This indicator reflects the volatility of the Sub-fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Sub-fund invests. Historical data may not be a reliable indication of the future. Where the share class does not have a history of five years, an alternative share class or a representative benchmark has been used to show how the Sub-fund price may have behaved over the period.

The current rating, which is the same for all share classes, is not guaranteed and may change if the volatility of the assets in which the Sub-fund invests changes. The lowest rating does not mean risk free.

All investment involves risk. This Sub-fund offers no guarantee against loss or that the Sub-fund's objective will be attained.

For further information on the risks that may not be fully captured by the risk and reward indicator, please refer to the current Key Investor Information Document (KIID).

Cautionary note

It should be remembered that past performance is not a guide to future performance. The value of investments may go down as well as up and, therefore, investors may not get back the amount originally invested.

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed Income III Fund

Comparative Tables

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Retail accumulation				
Change in net assets per share				
Opening net asset value per share	74.48	72.62	65.78	64.90
Return before operating charges*	(3.06)	2.93	7.95	1.89
Operating charges**	(0.51)	(1.07)	(1.11)	(1.01)
Return after operating charges*	(3.57)	1.86	6.84	0.88
Distributions	(0.74)	(1.40)	(1.30)	(1.28)
Retained distributions on accumulation share	0.74	1.40	1.30	1.28
Closing net asset value per share	70.91	74.48	72.62	65.78
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-4.79%	2.56%	10.40%	1.36%
Other information				
Closing net asset value (£'000)	42,547	44,738	40,197	31,655
Closing number of shares	59,997,715	60,069,166	55,354,071	48,123,041
Operating charges****	1.36%	1.43%	1.57%	1.55%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices++				
Highest share price	76.20	76.39	74.47	66.59
Lowest share price	70.70	72.56	66.61	62.17

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

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**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period. The operating charge for the current period is lower than in previous compartative periods, because the Authorised Corporate Director's periodic charge was reduced on 1 November 2017.

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Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed Income III Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional accumulation				
Change in net assets per share				
Opening net asset value per share	77.43	75.19	67.76	66.39
Return before operating charges*	(3.21)	2.95	8.11	1.97
Operating charges**	(0.36)	(0.71)	(0.68)	(0.60)
Return after operating charges*	(3.57)	2.24	7.43	1.37
Distributions	(0.91)	(1.77)	(1.72)	(1.77)
Retained distributions on accumulation share	0.91	1.77	1.72	1.77
Closing net asset value per share	73.86	77.43	75.19	67.76
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-4.61%	2.98%	10.97%	2.06%
Other information				
Closing net asset value (£'000)	9,305	10,018	9,861	7,166
Closing number of shares	12,599,735	12,938,684	13,115,437	10,575,992
Operating charges****	0.91%	0.92%	0.92%	0.90%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	79.30	79.28	77.09	68.52
Lowest share price	73.60	75.36	68.62	63.90

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MyFolio Managed Income III Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Retail income				
Change in net assets per share				
Opening net asset value per share	60.90	60.99	56.82	57.91
Return before operating charges*	(2.47)	2.44	6.81	1.64
Operating charges**	(0.41)	(0.88)	(0.95)	(0.89)
Return after operating charges*	(2.88)	1.56	5.86	0.75
Distributions	(0.83)	(1.65)	(1.69)	(1.84)
Closing net asset value per share	57.19	60.90	60.99	56.82
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-4.73%	2.56%	10.31%	1.30%
Other information				
Closing net asset value (£'000)	273	301	191	266
Closing number of shares	478,077	495,221	313,001	467,305
Operating charges****	1.36%	1.42%	1.57%	1.55%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	62.37	63.50	63.03	59.39
Lowest share price	57.23	60.17	57.55	54.70

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Standard Life Investment Company III
Interim Report & Financial Statements

MyFolio Managed Income III Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional income				
Change in net assets per share				
Opening net asset value per share	64.06	63.83	59.06	59.60
Return before operating charges*	(2.64)	2.50	7.02	1.72
Operating charges**	(0.29)	(0.60)	(0.58)	(0.54)
Return after operating charges*	(2.93)	1.90	6.44	1.21
Distributions	(0.84)	(1.67)	(1.67)	(1.75)
Closing net asset value per share	60.29	64.06	63.83	59.06
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-4.57%	2.98%	10.90%	2.03%
Other information				
Closing net asset value (£'000)	13,219	14,253	12,867	10,692
Closing number of shares	21,925,718	22,248,221	20,158,809	18,105,391
Operating charges****	0.91%	0.92%	0.92%	0.90%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	65.60	66.66	65.92	61.14
Lowest share price	60.33	63.22	59.82	56.67

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MyFolio Managed Income III Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Standard Life income				
Change in net assets per share				
Opening net asset value per share	59.66	59.28	54.69	55.02
Return before operating charges*	(2.47)	2.30	6.48	1.59
Operating charges**	(0.21)	(0.42)	(0.41)	(0.37)
Return after operating charges*	(2.68)	1.88	6.07	1.22
Distributions	(0.75)	(1.50)	(1.48)	(1.55)
Closing net asset value per share	56.23	59.66	59.28	54.69
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-4.49%	3.17%	11.10%	2.22%
Other information				
Closing net asset value (£'000)	203	233	317	224
Closing number of shares	361,562	390,826	535,304	409,113
Operating charges****	0.69%	0.70%	0.70%	0.68%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	61.13	62.00	61.21	56.44
Lowest share price	56.26	58.85	55.40	52.41

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MyFolio Managed Income III Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Platform 1 accumulation				
Change in net assets per share				
Opening net asset value per share	72.99	70.94	64.04	62.87
Return before operating charges*	(3.03)	2.80	7.69	1.89
Operating charges**	(0.35)	(0.75)	(0.79)	(0.72)
Return after operating charges*	(3.38)	2.05	6.90	1.17
Distributions	(0.84)	(1.60)	(1.50)	(1.56)
Retained distributions on accumulation share	0.84	1.60	1.50	1.56
Closing net asset value per share	69.61	72.99	70.94	64.04
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-4.63%	2.89%	10.77%	1.86%
Other information				
Closing net asset value (£'000)	8,482	9,316	9,249	7,178
Closing number of shares	12,184,508	12,762,640	13,037,779	11,208,045
Operating charges****	0.96%	1.03%	1.15%	1.13%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	74.71	74.76	72.74	64.78
Lowest share price	69.40	71.05	64.86	60.44

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MyFolio Managed Income III Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Platform 1 income				
Change in net assets per share				
Opening net asset value per share	61.21	61.06	56.62	57.26
Return before operating charges*	(2.50)	2.40	6.77	1.71
Operating charges**	(0.30)	(0.64)	(0.70)	(0.65)
Return after operating charges*	(2.80)	1.76	6.07	1.06
Distributions	(0.81)	(1.61)	(1.63)	(1.70)
Closing net asset value per share	57.60	61.21	61.06	56.62
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-4.57%	2.88%	10.72%	1.85%
Other information				
Closing net asset value (£'000)	8,482	8,362	6,990	5,567
Closing number of shares	14,725,821	13,660,131	11,448,030	9,831,964
Operating charges****	0.96%	1.03%	1.15%	1.13%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	62.71	63.71	63.07	58.74
Lowest share price	57.63	60.42	57.35	54.38

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Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed Income III Fund

Portfolio Statement as at 31 December 2018

Holding	Investment	Market value £'000	Percentage of total net assets
Collective Investment Schemes (99.74%)		**82,443**	**99.92**
Absolute Return Funds (12.90%)		**8,638**	**10.47**
190,547	SLI Absolute Return Global Bond Strategies SICAV	2,067	2.50
8,370,137	SLI Global Absolute Return Strategies	6,571	7.97
Bond Funds (25.42%)		**21,068**	**25.53**
2,837,650	SLI Corporate Bond	1,440	1.74
517,086	SLI Global Corporate Bond SICAV	4,940	5.99
297,217	SLI Global Emerging Market Local Currency Debt SICAV	2,730	3.31
642,449	SLI Global High Yield Bond SICAV	5,858	7.10
1,438,190	SLI Global Index Linked Bond	2,154	2.61
148,330	SLI Global Short Duration Corporate Bond SICAV II	1,442	1.75
2,610,766	SLI Short Duration Credit	1,368	1.66
2,266,994	SLI Short Duration Global Index-Linked Bond	1,136	1.37
Equity Funds (50.82%)		**43,892**	**53.20**
3,176,700	BNY Mellon U.S. Equity Income	3,028	3.67
116,412	CC Japan Income & Growth	1,734	2.10
523,436	CF Morant Wright Nippon Yield	1,711	2.08
1,727,426	Invesco Global Targeted Income	3,237	3.92
3,755,468	Schroder Asian Trust	2,425	2.94
10,458,201	SLI American Equity Income	6,412	7.77
5,406,519	SLI European Equity Income	4,495	5.45
4,944,497	SLI Global Emerging Markets Equity Income	3,140	3.81
4,518,563	SLI UK Equity High Income	3,716	4.50
13,932,545	SLI UK Equity Income Unconstrained	6,955	8.43
8,386,539	SLMT Global REIT	3,872	4.69
34,796	TM Fulcrum Income	3,167	3.84
Money Market Funds (1.25%)		**1,115**	**1.35**
1,115	Aberdeen Liquidity Fund – Sterling*	1,115	1.35
Property Funds (9.35%)		**7,730**	**9.37**
7,615,847	SLI UK Real Estate	7,730	9.37
Total investment assets		**82,443**	**99.92**
Net other assets		68	0.08
Total Net Assets		**82,511**	**100.00**

All investments are regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.
The percentage figures in brackets show the comparative holding as at 30 June 2018.

MyFolio Managed Income III Fund

Portfolio Statement
(Continued)

	Market value £'000
Reconciliation of assets and liabilities to the balance sheet	
Investment assets as per the Balance Sheet	81,328
*Collective Investment Schemes classified as Cash Equivalents	1,115
Net other assets	68
Total Net Assets	**82,511**

Statement of Total Return

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Income:				
Net capital (losses)/gains		(4,996)		2,454
Revenue	1,235		851	
Expenses	(254)		(279)	
Net revenue before taxation	981		572	
Taxation	(77)		(25)	
Net revenue after taxation		904		547
Total return before distributions		(4,092)		3,001
Distributions		(978)		(642)
Change in net assets attributable to shareholders from investment activities		**(5,070)**		**2,359**

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		87,221		79,673
Amounts receivable on the issue of shares	8,294		12,744	
Amounts payable on the cancellation of shares	(8,601)		(9,643)	
		(307)		3,101
Dilution adjustment		(2)		24
Change in net assets attributable to shareholders from investment activities (see above)		(5,070)		2,359
Retained distribution on accumulation shares		669		428
Closing net assets attributable to shareholders		**82,511**		**85,585**

Comparative information is provided for the statement of change in net assets attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

Balance Sheet

as at 31 December 2018

	31 December 2018		30 June 2018	
	£'000	£'000	£'000	£'000
Assets:				
Fixed assets:				
Investment assets		81,328		85,897
Current assets:				
Debtors	355		2,737	
Cash and bank balances	52		36	
Cash equivalents	1,115		1,094	
		1,522		3,867
Total assets		82,850		89,764
Liabilities:				
Creditors	(199)		(2,349)	
Distribution payable	(140)		(194)	
		(339)		(2,543)
Total liabilities		(339)		(2,543)
Net assets attributable to shareholders		**82,511**		**87,221**

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed Income III Fund

Distribution Tables

for the three months ended 30 September 2018

Group 1 – shares purchased prior to 1 July 2018

Group 2 – shares purchased between 1 July 2018 and 30 September 2018

	Net Income 2018 pence per share	Equalisation 2018 pence per share	Distribution paid 2018 pence per share	Distribution paid 2017 pence per share
Retail accumulation				
Group 1	0.4154	–	0.4154*	0.2634
Group 2	0.1970	0.2184	0.4154*	0.2634
Institutional accumulation				
Group 1	0.5022	–	0.5022*	0.3775
Group 2	0.2476	0.2546	0.5022*	0.3775
Retail income				
Group 1	0.4527	–	0.4527**	0.3622
Group 2	–	–	–	–
Institutional income				
Group 1	0.4615	–	0.4615**	0.3662
Group 2	0.2365	0.2250	0.4615**	0.3662
Standard Life income				
Group 1	0.4148	–	0.4148**	0.3251
Group 2	0.2071	0.2077	0.4148**	0.3251
Platform 1 accumulation				
Group 1	0.4661	–	0.4661*	0.3237
Group 2	0.2450	0.2211	0.4661*	0.3237
Platform 1 income				
Group 1	0.4424	–	0.4424**	0.3574
Group 2	0.2674	0.1750	0.4424**	0.3574

* Distribution accumulated on 30 September 2018
** Distribution paid on 31 December 2018

MyFolio Managed Income III Fund

Distribution Tables
(Continued)

for the three months ended 31 December 2018

Group 1 – shares purchased prior to 1 October 2018

Group 2 – shares purchased between 1 October 2018 and 31 December 2018

	Net Income 2018 pence per share	Equalisation 2018 pence per share	Distribution payable 2018 pence per share	Distribution paid 2017 pence per share
Retail accumulation				
Group 1	0.3262	–	0.3262*	0.2118
Group 2	0.0903	0.2359	0.3262*	0.2118
Institutional accumulation				
Group 1	0.4058	–	0.4058*	0.2994
Group 2	0.0823	0.3235	0.4058*	0.2994
Retail income				
Group 1	0.3756	–	0.3756**	0.3103
Group 2	0.2587	0.1169	0.3756**	0.3103
Institutional income				
Group 1	0.3807	–	0.3807**	0.2984
Group 2	0.0572	0.3235	0.3807**	0.2984
Standard Life income				
Group 1	0.3395	–	0.3395**	0.2620
Group 2	0.0774	0.2621	0.3395**	0.2620
Platform 1 accumulation				
Group 1	0.3762	–	0.3762*	0.2651
Group 2	0.0582	0.3180	0.3762*	0.2651
Platform 1 income				
Group 1	0.3663	–	0.3663**	0.2903
Group 2	0.0379	0.3284	0.3663**	0.2903

* Distribution accumulated on 31 December 2018
** Distribution payable 29 March 2019

Distribution Tables
(Continued)

Treatment by Corporate Shareholders

Corporate shareholders should account for the current period's dividends shown in the distribution table as follows:

	1st Interim Dividend Distribution	2nd Interim Dividend Distribution
Treat as a UK corporate dividend	82.04%	62.82%
Treat as an annual payment net of Income tax at 20%	17.96%	37.18%

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed Income IV Fund

Investment Report

Fund Information	
Fund Manager	Bambos Hambi
Launch Date	14 December 2011

Investment objective

The Sub-fund aims to provide an income-focused return with some capital appreciation over the longer term.

Investment policy

The current policy of the Sub-fund is to invest mainly in a range of collective investment schemes managed or operated within the Standard Life Aberdeen group of companies to achieve a broad exposure to diversified investments, including equities, fixed and variable rate interest bearing securities and immoveable property. The Sub-fund may also invest in transferable securities, money-market instruments, deposits, cash and near cash. Typically, the Sub-fund will have a preference to those assets providing potential for growth, such as equities.

Important Note to the Investment Policy
The Standard Life group of companies enlarged following the effective date of the merger of Standard Life plc with Aberdeen Asset Management plc (the "Effective Date") to create Standard Life Aberdeen plc (the "Combined Group"). For the present time, the Sub-fund will continue to invest mainly in the range of collective investment schemes managed by companies that, immediately prior to the Effective Date, were in the Standard Life group.

Risk

The Sub-fund is intended for investors who wish to participate in the opportunity to achieve a competitive level of income with the potential of some capital appreciation over the longer term by investing in an actively managed portfolio of collective investment schemes which themselves invest in equities, fixed and variable rate interest bearing securities, and immoveable property. The diversified nature of the portfolio makes it suitable for investors wishing to achieve a broad spread of exposure. The investor must be able to accept significant temporary losses to capital and the possibility of fluctuations in the income level due to the volatile nature of equity, bond, property and currency markets, and should therefore have an investment time horizon of at least 5 years.

Investment activity

The Investment Activity for each Sub-fund is documented as a whole on pages 5 to 9.

Synthetic Risk & Reward Indicator

Lower risk Typically lower rewards						Higher risk Typically Higher rewards
1	2	3	**4**	5	6	7

This indicator reflects the volatility of the Sub-fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Sub-fund invests. Historical data may not be a reliable indication of the future. Where the share class does not have a history of five years, an alternative share class or a representative benchmark has been used to show how the Sub-fund price may have behaved over the period.

The current rating, which is the same for all share classes, is not guaranteed and may change if the volatility of the assets in which the Sub-fund invests changes. The lowest rating does not mean risk free.

All investment involves risk. This Sub-fund offers no guarantee against loss or that the Sub-fund's objective will be attained.

For further information on the risks that may not be fully captured by the risk and reward indicator, please refer to the current Key Investor Information Document (KIID).

Cautionary note

It should be remembered that past performance is not a guide to future performance. The value of investments may go down as well as up and, therefore, investors may not get back the amount originally invested.

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed Income IV Fund

Comparative Tables

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Retail accumulation				
Change in net assets per share				
Opening net asset value per share	78.89	76.51	68.35	67.63
Return before operating charges*	(4.51)	3.56	9.38	1.82
Operating charges**	(0.56)	(1.18)	(1.22)	(1.10)
Return after operating charges*	(5.07)	2.38	8.16	0.72
Distributions	(0.83)	(1.57)	(1.44)	(1.40)
Retained distributions on accumulation share	0.83	1.57	1.44	1.40
Closing net asset value per share	73.82	78.89	76.51	68.35
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-6.43%	3.11%	11.94%	1.06%
Other information				
Closing net asset value (£'000)	13,478	14,698	14,435	12,392
Closing number of shares	18,256,915	18,629,970	18,866,715	18,129,773
Operating charges****	1.43%	1.50%	1.63%	1.62%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	81.30	81.24	78.63	69.57
Lowest share price	73.38	75.92	69.29	64.23

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**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period. The operating charge for the current year is lower than the previous comparative year, because the Authorised Corporate Director's periodic charge was reduced on 1 November 2017.

+ The performance figures are calculated by taking the value of the shareclass per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report. The Investment Report performance figure is calculated using the last available published price for a given shareclass in the period compared to the equivalent for the prior period. The published price may contain an adjustment for dilution in accordance with the Sub-fund pricing policy, while the price per the financial statements values the Sub-fund on a bid-price basis. The financial statements shareclass valuation is based on close of business market prices on the last day of the period, again this may differ from the intra-day pricing point of the Sub-fund which is used in the published shareclass price.

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MyFolio Managed Income IV Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional accumulation				
Change in net assets per share				
Opening net asset value per share	81.70	78.90	70.13	68.92
Return before operating charges*	(4.72)	3.60	9.53	1.88
Operating charges**	(0.40)	(0.80)	(0.76)	(0.67)
Return after operating charges*	(5.12)	2.80	8.77	1.21
Distributions	(1.01)	(1.95)	(1.88)	(1.90)
Retained distributions on accumulation share	1.01	1.95	1.88	1.90
Closing net asset value per share	76.58	81.70	78.90	70.13
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-6.27%	3.55%	12.51%	1.76%
Other information				
Closing net asset value (£'000)	2,267	2,750	2,181	2,130
Closing number of shares	2,960,933	3,365,794	2,764,321	3,037,780
Operating charges****	0.99%	0.98%	0.99%	0.97%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	84.19	83.99	81.08	71.23
Lowest share price	76.12	78.54	71.10	65.76

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MyFolio Managed Income IV Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Retail income				
Change in net assets per share				
Opening net asset value per share	64.01	63.84	58.72	60.02
Return before operating charges*	(3.62)	2.95	7.99	1.62
Operating charges**	(0.46)	(0.98)	(1.04)	(0.97)
Return after operating charges*	(4.08)	1.97	6.95	0.65
Distributions	(0.90)	(1.80)	(1.83)	(1.95)
Closing net asset value per share	59.03	64.01	63.84	58.72
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-6.37%	3.09%	11.84%	1.08%
Other information				
Closing net asset value (£'000)	134	170	209	241
Closing number of shares	226,522	265,479	327,472	410,772
Operating charges****	1.43%	1.51%	1.63%	1.62%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	65.95	67.04	66.14	61.80
Lowest share price	59.06	62.53	59.54	56.27

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MyFolio Managed Income IV Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional income				
Change in net assets per share				
Opening net asset value per share	67.11	66.58	60.82	61.62
Return before operating charges*	(3.84)	3.02	8.22	1.67
Operating charges**	(0.33)	(0.67)	(0.65)	(0.60)
Return after operating charges*	(4.17)	2.35	7.57	1.07
Distributions	(0.91)	(1.82)	(1.81)	(1.87)
Closing net asset value per share	62.03	67.11	66.58	60.82
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-6.21%	3.53%	12.45%	1.74%
Other information				
Closing net asset value (£'000)	3,887	4,421	4,732	3,746
Closing number of shares	6,266,673	6,588,195	7,107,690	6,159,300
Operating charges****	0.99%	0.98%	0.99%	0.97%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	69.17	70.14	68.95	63.48
Lowest share price	62.06	65.48	61.67	58.10

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MyFolio Managed Income IV Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Standard Life income				
Change in net assets per share				
Opening net asset value per share	61.91	61.27	55.79	56.37
Return before operating charges*	(3.55)	2.70	7.52	1.48
Operating charges**	(0.24)	(0.48)	(0.46)	(0.42)
Return after operating charges*	(3.79)	2.22	7.06	1.06
Distributions	(0.81)	(1.58)	(1.58)	(1.64)
Closing net asset value per share	57.31	61.91	61.27	55.79
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-6.12%	3.62%	12.65%	1.88%
Other information				
Closing net asset value (£'000)	44	50	125	72
Closing number of shares	76,802	80,888	204,033	129,269
Operating charges****	0.76%	0.76%	0.76%	0.74%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	63.82	64.64	63.40	58.06
Lowest share price	57.32	60.39	56.57	53.24

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MyFolio Managed Income IV Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Platform 1 accumulation				
Change in net assets per share				
Opening net asset value per share	76.42	73.87	65.77	64.75
Return before operating charges*	(4.39)	3.38	8.97	1.80
Operating charges**	(0.40)	(0.83)	(0.87)	(0.78)
Return after operating charges*	(4.79)	2.55	8.10	1.02
Distributions	(0.92)	(1.76)	(1.64)	(1.67)
Retained distributions on accumulation share	0.92	1.76	1.64	1.67
Closing net asset value per share	71.63	76.42	73.87	65.77
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-6.27%	3.45%	12.32%	1.58%
Other information				
Closing net asset value (£'000)	5,631	5,961	4,874	3,524
Closing number of shares	7,861,080	7,800,573	6,597,971	5,358,888
Operating charges****	1.04%	1.09%	1.21%	1.19%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	78.75	78.58	75.91	66.82
Lowest share price	71.19	73.48	66.67	61.70

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MyFolio Managed Income IV Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Platform 1 income				
Change in net assets per share				
Opening net asset value per share	63.41	62.98	57.66	58.55
Return before operating charges*	(3.62)	2.87	7.82	1.60
Operating charges**	(0.33)	(0.70)	(0.76)	(0.70)
Return after operating charges*	(3.95)	2.17	7.06	0.90
Distributions	(0.87)	(1.74)	(1.74)	(1.79)
Closing net asset value per share	58.59	63.41	62.98	57.66
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-6.23%	3.45%	12.24%	1.54%
Other information				
Closing net asset value (£'000)	2,786	3,012	3,657	2,811
Closing number of shares	4,755,659	4,749,246	5,807,075	4,875,666
Operating charges****	1.04%	1.10%	1.21%	1.20%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	65.40	66.29	65.23	60.29
Lowest share price	58.62	61.88	58.47	55.13

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Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed Income IV Fund

Portfolio Statement as at 31 December 2018

Holding	Investment	Market value £'000	Percentage of total net assets
Collective Investment Schemes (99.62%)		**28,188**	**99.86**
Absolute Return Funds (13.65%)		**3,124**	**11.07**
43,502	SLI Absolute Return Global Bond Strategies SICAV	472	1.67
3,378,615	SLI Global Absolute Return Strategies	2,652	9.40
Bond Funds (9.80%)		**2,651**	**9.39**
55,766	SLI Global Corporate Bond SICAV	533	1.89
64,900	SLI Global Emerging Market Local Currency Debt SICAV	596	2.11
141,345	SLI Global High Yield Bond SICAV	1,289	4.57
23,935	SLI Global Short Duration Corporate Bond SICAV II	233	0.82
Equity Funds (69.40%)		**20,389**	**72.23**
1,698,724	BNY Mellon U.S. Equity Income	1,619	5.74
56,099	CC Japan Income & Growth	836	2.96
250,122	CF Morant Wright Nippon Yield	817	2.89
712,340	Invesco Perpetual Global Targeted Income	1,335	4.73
1,871,085	Schroder Asian Trust	1,208	4.28
5,003,571	SLI American Equity Income	3,068	10.87
2,596,626	SLI European Equity Income	2,159	7.65
2,226,217	SLI Global Emerging Markets Equity Income	1,414	5.01
2,344,809	SLI UK Equity High Income	1,928	6.83
7,215,254	SLI UK Equity Income Unconstrained	3,602	12.76
2,330,970	SLMT Global REIT	1,076	3.81
14,580	TM Fulcrum Income	1,327	4.70
Money Market Funds (0.72%)		**317**	**1.12**
317	Aberdeen Liquidity Fund - Sterling*	317	1.12
Property Funds (6.05%)		**1,707**	**6.05**
1,681,981	SLI UK Real Estate	1,707	6.05
Total investment assets		**28,188**	**99.86**
Net other assets		39	0.14
Total Net Assets		**28,227**	**100.00**

All Investments are regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

The percentage figures in brackets show the comparative holding as at 30 June 2018.

MyFolio Managed Income IV Fund

Portfolio Statement as at 31 December 2018
(Continued)

	Market value £'000
Reconciliation of assets and liabilities to the balance sheet	
Investment assets as per the Balance Sheet	27,871
*Collective Investment Schemes classified as Cash Equivalents	317
Net other assets	39
Total Net Assets	**28,227**

Statement of Total Return

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Income:				
Net capital (losses)/gains		(2,255)		1,069
Revenue	435		330	
Expenses	(91)		(105)	
Net revenue before taxation	344		225	
Taxation	(11)		(4)	
Net revenue after taxation		333		221
Total return before distributions		(1,922)		1,290
Distributions		(362)		(260)
Change in net assets attributable to shareholders from investment activities		**(2,284)**		**1,030**

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		31,062		30,215
Amounts receivable on the issue of shares	2,781		3,636	
Amounts payable on the cancellation of shares	(3,582)		(4,459)	
		(801)		(823)
Dilution adjustment		(5)		(6)
Change in net assets attributable to shareholders from investment activities (see above)		(2,284)		1,030
Retained distribution on accumulation shares		255		164
Closing net assets attributable to shareholders		**28,227**		**30,580**

Comparative information is provided for the statement of change in net assets attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

Balance Sheet

as at 31 December 2018

	31 December 2018		30 June 2018	
	£'000	£'000	£'000	£'000
Assets:				
Fixed assets:				
Investment assets		27,871		30,719
Current assets:				
Debtors	136		1,276	
Cash and bank balances	13		70	
Cash equivalents	317		224	
		466		1,570
Total assets		28,337		32,289
Liabilities:				
Creditors	(64)		(1,157)	
Distribution payable	(46)		(70)	
		(110)		(1,227)
Total liabilities		(110)		(1,227)
Net assets attributable to shareholders		**28,227**		**31,062**

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed Income IV Fund

Distribution Tables

for the three months ended 30 September 2018

Group 1 – shares purchased prior to 1 July 2018

Group 2 – shares purchased between 1 July 2018 and 30 September 2018

	Net Income 2018 pence per share	Equalisation 2018 pence per share	Distribution paid 2018 pence per share	Distribution paid 2017 pence per share
Retail accumulation				
Group 1	0.4601	–	0.4601*	0.2724
Group 2	0.2787	0.1814	0.4601*	0.2724
Institutional accumulation				
Group 1	0.5561	–	0.5561*	0.3909
Group 2	0.2130	0.3431	0.5561*	0.3909
Retail income				
Group 1	0.4948	–	0.4948**	0.3765
Group 2	0.2692	0.2256	0.4948**	0.3765
Institutional income				
Group 1	0.5036	–	0.5036**	0.3771
Group 2	0.2550	0.2486	0.5036**	0.3771
Standard Life income				
Group 1	0.4490	–	0.4490**	0.3315
Group 2	0.2852	0.1638	0.4490**	0.3315
Platform 1 accumulation				
Group 1	0.5116	–	0.5116*	0.3313
Group 2	0.2642	0.2474	0.5116*	0.3313
Platform 1 income				
Group 1	0.4774	–	0.4774**	0.3648
Group 2	0.2831	0.1943	0.4774**	0.3648

* Distribution accumulated on 30 September 2018
** Distribution paid on 31 December 2018

MyFolio Managed Income IV Fund

Distribution Tables
(Continued)

for the three months ended 31 December 2018

Group 1 – shares purchased prior to 1 October 2018

Group 2 – shares purchased between 1 October 2018 and 31 December 2018

	Net Income 2018 pence per share	Equalisation 2018 pence per share	Distribution payable 2018 pence per share	Distribution paid 2017 pence per share
Retail accumulation				
Group 1	0.3676	–	0.3676*	0.2816
Group 2	0.0000	0.3676	0.3676*	0.2816
Institutional accumulation				
Group 1	0.4513	–	0.4513*	0.3788
Group 2	0.0173	0.4340	0.4513*	0.3788
Retail income				
Group 1	0.4070	–	0.4070**	0.3689
Group 2	0.1266	0.2804	0.4070**	0.3689
Institutional income				
Group 1	0.4102	–	0.4102**	0.3656
Group 2	0.1039	0.3063	0.4102**	0.3656
Standard Life income				
Group 1	0.3605	–	0.3605**	0.3216
Group 2	0.1000	0.2605	0.3605**	0.3216
Platform 1 accumulation				
Group 1	0.4131	–	0.4131*	0.3371
Group 2	0.0308	0.3823	0.4131*	0.3371
Platform 1 income				
Group 1	0.3906	–	0.3906**	0.3503
Group 2	0.2612	0.1294	0.3906**	0.3503

* Distribution accumulated on 31 December 2018
** Distribution payable on 29 March 2019

MyFolio Managed Income IV Fund

Distribution Tables
(Continued)

Treatment by Corporate Shareholders

Corporate shareholders should account for the current period's dividends shown in the distribution table as follows:

	1st Interim Dividend Distribution	2nd Interim Dividend Distribution
Treat as a UK corporate dividend	96.82%	88.38%
Treat as an annual payment net of Income tax at 20%	3.18%	11.62%

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed Income V Fund

Investment Report

Fund Information	
Fund Manager	Bambos Hambi
Launch Date	14 December 2011

Investment objective

The Sub-fund aims to provide an income-focused return with some capital appreciation over the longer term.

Investment policy

The current policy of the Sub-fund is to invest mainly in a range of collective investment schemes managed or operated within the Standard Life Aberdeen group of companies to achieve exposure to diversified investments, of primarily equities, but which may include fixed and variable rate interest bearing securities and immoveable property. The Sub-fund may also invest in transferable securities, money-market instruments, deposits, cash and near cash. Typically, the Sub-fund will have high exposure to assets providing potential for growth, such as equities.

Important Note to the Investment Policy
The Standard Life group of companies enlarged following the effective date of the merger of Standard Life plc with Aberdeen Asset Management plc (the "Effective Date") to create Standard Life Aberdeen plc (the "Combined Group"). For the present time, the Sub-Fund will continue to invest mainly in the range of collective investment schemes managed by companies that, immediately prior to the Effective Date, were in the Standard Life group.

Risk

The Sub-fund is intended for investors who wish to participate in the opportunity to achieve a competitive level of income with the potential of some capital appreciation over the longer term by investing in an actively managed portfolio of collective investment schemes which themselves invest in equities, fixed and variable rate interest bearing securities, and immoveable property. The diversified nature of the portfolio makes it suitable for investors wishing to achieve a broad spread of exposure. The investor must be able to accept significant temporary losses to capital and the possibility of fluctuations in the income level due to the volatile nature of equity, bond, property and currency markets, and should therefore have an investment time horizon of at least 5 years.

Investment activity

The Investment Activity for each Sub-fund is documented as a whole on pages 5 to 9.

Synthetic Risk & Reward Indicator

Lower risk Typically lower rewards						Higher risk Typically Higher rewards
1	2	3	**4**	5	6	7

This indicator reflects the volatility of the Sub-fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Sub-fund invests. Historical data may not be a reliable indication of the future. Where the share class does not have a history of five years, an alternative share class or a representative benchmark has been used to show how the Sub-fund price may have behaved over the period.

The current rating, which is the same for all share classes, is not guaranteed and may change if the volatility of the assets in which the Sub-fund invests changes. The lowest rating does not mean risk free.

All investment involves risk. This Sub-fund offers no guarantee against loss or that the Sub-fund's objective will be attained.

For further information on the risks that may not be fully captured by the risk and reward indicator, please refer to the current Key Investor Information Document (KIID).

Cautionary note

It should be remembered that past performance is not a guide to future performance. The value of investments may go down as well as up and, therefore, investors may not get back the amount originally invested.

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed Income V Fund

Comparative Tables

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Retail accumulation				
Change in net assets per share				
Opening net asset value per share	84.77	81.44	70.94	69.13
Return before operating charges*	(6.12)	4.65	11.82	2.97
Operating charges**	(0.63)	(1.32)	(1.32)	(1.16)
Return after operating charges*	(6.75)	3.33	10.50	1.81
Distributions	(0.86)	(1.58)	(1.48)	(1.48)
Retained distributions on accumulation share	0.86	1.58	1.48	1.48
Closing net asset value per share	78.02	84.77	81.44	70.94
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-7.96%	4.09%	14.80%	2.62%
Other information				
Closing net asset value (£'000)	7,086	7,020	5,765	4,574
Closing number of shares	9,081,956	8,281,326	7,077,255	6,448,692
Operating charges****	1.50%	1.56%	1.68%	1.67%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	87.75	87.76	83.72	71.52
Lowest share price	77.33	80.69	71.69	64.85

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

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**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period. The operating charge for the current period is lower than in previous compartative periods, because the Authorised Corporate Director's periodic charge was reduced on 1 November 2017.

+ The performance figures are calculated by taking the value of the shareclass per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report. The Investment Report performance figure is calculated using the last available published price for a given shareclass in the period compared to the equivalent for the prior period. The published price may contain an adjustment for dilution in accordance with the Sub-fund pricing policy, while the price per the financial statements values the Sub-fund on a bid-price basis. The financial statements shareclass valuation is based on close of business market prices on the last day of the period, again this may differ from the intra-day pricing point of the Sub-fund which is used in the published shareclass price.

++ These represent the highest and lowest share prices available to investors in the period. This may differ to the opening closing net asset value per share in the table above due to accounting adjustments.

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional accumulation				
Change in net assets per share				
Opening net asset value per share	87.56	83.73	72.56	70.22
Return before operating charges*	(6.34)	4.75	12.01	3.06
Operating charges**	(0.46)	(0.92)	(0.84)	(0.72)
Return after operating charges*	(6.80)	3.83	11.17	2.34
Distributions	(1.08)	(2.06)	(1.94)	(2.00)
Retained distributions on accumulation share	1.08	2.06	1.94	2.00
Closing net asset value per share	80.76	87.56	83.73	72.56
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-7.77%	4.57%	15.39%	3.33%
Other information				
Closing net asset value (£'000)	632	655	510	333
Closing number of shares	782,116	748,597	609,391	458,684
Operating charges****	1.05%	1.05%	1.04%	1.02%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	90.62	90.44	86.10	73.07
Lowest share price	80.05	83.23	73.32	66.17

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MyFolio Managed Income V Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Retail income				
Change in net assets per share				
Opening net asset value per share	68.15	67.27	60.53	61.08
Return before operating charges*	(5.01)	3.86	10.20	2.59
Operating charges**	(0.51)	(1.08)	(1.12)	(1.01)
Return after operating charges*	(5.52)	2.78	9.08	1.58
Distributions	(0.93)	(1.90)	(2.34)	(2.13)
Closing net asset value per share	61.70	68.15	67.27	60.53
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-8.10%	4.13%	15.00%	2.59%
Other information				
Closing net asset value (£'000)	3	5	1	13
Closing number of shares	4,373	6,373	2,000	21,122
Operating charges****	1.51%	1.58%	1.68%	1.67%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	70.50	71.66	69.75	62.90
Lowest share price	61.53	65.88	61.22	56.41

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Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed Income V Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional income				
Change in net assets per share				
Opening net asset value per share	72.06	70.77	62.99	62.90
Return before operating charges*	(5.16)	3.99	10.37	2.70
Operating charges**	(0.38)	(0.77)	(0.72)	(0.64)
Return after operating charges*	(5.54)	3.22	9.65	2.06
Distributions	(0.99)	(1.93)	(1.87)	(1.97)
Closing net asset value per share	65.53	72.06	70.77	62.99
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-7.69%	4.55%	15.32%	3.28%
Other information				
Closing net asset value (£'000)	1,259	1,319	873	544
Closing number of shares	1,921,134	1,830,831	1,233,519	863,663
Operating charges****	1.05%	1.05%	1.04%	1.02%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	74.61	75.63	73.31	64.79
Lowest share price	65.39	69.60	63.66	58.51

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MyFolio Managed Income V Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Standard Life income				
Change in net assets per share				
Opening net asset value per share	66.94	64.17	57.23	57.10
Return before operating charges*	(4.84)	5.05	9.12	2.34
Operating charges**	(0.28)	(0.56)	(0.51)	(0.46)
Return after operating charges*	(5.12)	4.49	8.61	1.88
Distributions	(0.89)	(1.72)	(1.67)	(1.75)
Closing net asset value per share	60.93	66.94	64.17	57.23
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-7.65%	7.00%	15.04%	3.29%
Other information				
Closing net asset value (£'000)	7	9	5	105
Closing number of shares	11,029	13,170	8,565	182,613
Operating charges****	0.84%	0.82%	0.81%	0.76%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	69.32	70.17	66.90	58.83
Lowest share price	60.79	64.59	57.93	53.18

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Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed Income V Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Platform 1 accumulation				
Change in net assets per share				
Opening net asset value per share	81.09	77.61	67.38	65.33
Return before operating charges*	(5.86)	4.41	11.17	2.87
Operating charges**	(0.45)	(0.93)	(0.94)	(0.82)
Return after operating charges*	(6.31)	3.48	10.23	2.05
Distributions	(0.97)	(1.83)	(1.66)	(1.75)
Retained distributions on accumulation share	0.97	1.83	1.66	1.75
Closing net asset value per share	74.78	81.09	77.61	67.38
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-7.78%	4.48%	15.18%	3.14%
Other information				
Closing net asset value (£'000)	1,917	2,263	2,036	1,941
Closing number of shares	2,563,722	2,790,324	2,623,812	2,880,546
Operating charges****	1.10%	1.16%	1.26%	1.25%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	83.92	83.78	79.80	67.87
Lowest share price	74.12	77.09	68.08	61.49

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MyFolio Managed Income V Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Platform 1 income				
Change in net assets per share				
Opening net asset value per share	68.66	67.50	60.22	60.26
Return before operating charges*	(4.92)	3.81	9.93	2.64
Operating charges**	(0.38)	(0.80)	(0.83)	(0.75)
Return after operating charges*	(5.30)	3.01	9.10	1.89
Distributions	(0.94)	(1.85)	(1.82)	(1.93)
Closing net asset value per share	62.42	68.66	67.50	60.22
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-7.72%	4.46%	15.11%	3.14%
Other information				
Closing net asset value (£'000)	1,140	901	560	437
Closing number of shares	1,827,551	1,312,594	828,953	725,325
Operating charges****	1.10%	1.15%	1.26%	1.25%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	71.08	72.08	69.95	62.07
Lowest share price	62.29	66.32	60.85	55.99

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

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Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Managed Income V Fund

Portfolio Statement as at 31 December 2018

Holding	Investment	Market value £'000	Percentage of total net assets
Collective Investment Schemes (99.56%)		**12,030**	**99.88**
Absolute Return Funds (13.35%)		**1,213**	**10.07**
1,544,250	SLI Global Absolute Return Strategies	1,213	10.07
Bond Funds (1.15%)		**36**	**0.30**
3,906	SLI Global High Yield Bond SICAV	36	0.30
Equity Funds (84.69%)		**10,650**	**88.42**
986,134	BNY Mellon U.S. Equity Income	940	7.80
31,039	CC Japan Income & Growth	462	3.84
139,515	CF Morant Wright Nippon Yield	456	3.79
322,288	Invesco Global Targeted Income	604	5.01
1,115,832	Schroder Asian Trust	721	5.98
2,860,988	SLI American Equity Income	1,754	14.56
1,528,358	SLI European Equity Income	1,271	10.55
1,209,181	SLI Global Emerging Markets Equity Income	768	6.38
1,309,527	SLI UK Equity High Income	1,077	8.94
3,997,078	SLI UK Equity Income Unconstrained	1,995	16.57
6,618	TM Fulcrum Income	602	5.00
Money Market Funds (0.37%)		**60**	**0.50**
60,197	Standard LIfe CNAV Sterling Liquidity Fund*	60	0.50
Property Funds (0.00%)		**71**	**0.59**
154,621	SLMT Global REIT	71	0.59
Total investment assets		**12,030**	**99.88**
Net other assets		14	0.12
Total Net Assets		**12,044**	**100.00**

All investments are listed on recognised stock exchanges and are approved securities, or approved derivatives within the meaning of the FCA rules unless otherwise stated.

The percentage figures in brackets show the comparative holding as at 31 October 2017.

MyFolio Managed Income V Fund

Portfolio Statement as at 31 December 2018
(Continued)

	Market value £'000
Reconciliation of assets and liabilities to the balance sheet	
Investment assets as per the Balance Sheet	11,970
*Collective Investment Schemes classified as Cash Equivalents	60
Net other assets	14
Total Net Assets	**12,044**

Statement of Total Return

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Income:				
Net capital (losses)/gains		(1,156)		475
Revenue	174		114	
Expenses	(43)		(42)	
Net revenue before taxation	131		72	
Taxation	0		0	
Net revenue after taxation		131		72
Total return before distributions		(1,025)		547
Distributions		(146)		(86)
Change in net assets attributable to shareholders from investment activities		**(1,171)**		**461**

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		12,172		9,750
Amounts receivable on the issue of shares	2,867		2,161	
Amounts payable on the cancellation of shares	(1,936)		(1,073)	
		931		1,088
Dilution adjustment		3		6
Change in net assets attributable to shareholders from investment activities (see above)		(1,171)		461
Retained distribution on accumulation shares		109		67
Closing net assets attributable to shareholders		**12,044**		**11,372**

Comparative information is provided for the statement of change in net assets attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

Balance Sheet

as at 31 December 2018

	31 December 2018		30 June 2018	
	£'000	£'000	£'000	£'000
Assets:				
Fixed assets:				
Investment assets		11,970		12,073
Current assets:				
Debtors	79		596	
Cash and bank balances	8		43	
Cash equivalents	60		45	
		147		684
Total assets		12,117		12,757
Liabilities:				
Creditors	(57)		(564)	
Distribution payable	(16)		(21)	
		(73)		(585)
Total liabilities		(73)		(585)
Net assets attributable to shareholders		**12,044**		**12,172**

Standard Life Investment Company III
Interim Report & Financial Statements

MyFolio Managed Income V Fund

Distribution Tables

for the three months ended 30 September 2018

Group 1 – shares purchased prior to 1 July 2018

Group 2 – shares purchased between 1 July 2018 and 30 September 2018

	Net Income 2018 pence per share	Equalisation 2018 pence per share	Distribution paid 2018 pence per share	Distribution paid 2017 pence per share
Retail accumulation				
Group 1	0.4758	–	0.4758*	0.2650*
Group 2	0.3397	0.1361	0.4758*	0.2650*
Institutional accumulation				
Group 1	0.5906	–	0.5906*	0.4098*
Group 2	0.5298	0.0608	0.5906*	0.4098*
Retail income				
Group 1	0.5090	–	0.5090**	0.3970**
Group 2	–	–	–	–
Institutional income				
Group 1	0.5423	–	0.5423**	0.3947**
Group 2	0.3422	0.2001	0.5423**	0.3947**
Standard Life income				
Group 1	0.4889	–	0.4889**	0.3438**
Group 2	0.2898	0.1991	0.4889**	0.3438**
Platform 1 accumulation				
Group 1	0.5372	–	0.5372*	0.3341*
Group 2	0.2270	0.3102	0.5372*	0.3341*
Platform 1 income				
Group 1	0.5170	–	0.5170**	0.3773**
Group 2	0.3732	0.1438	0.5170**	0.3773**

* Distribution accumulated on 30 September 2018
** Distribution paid on 31 December 2018

MyFolio Managed Income V Fund

Distribution Tables
(Continued)

for the three months ended 31 December 2018

Group 1 – shares purchased prior to 1 October 2018

Group 2 – shares purchased between 1 October 2018 and 31 December 2018

	Net Income 2018 pence per share	Equalisation 2018 pence per share	Distribution payable 2018 pence per share	Distribution paid 2017 pence per share
Retail accumulation				
Group 1	0.3842	–	0.3842*	0.3074*
Group 2	0.1088	0.2754	0.3842*	0.3074*
Institutional accumulation				
Group 1	0.4907	–	0.4907*	0.4287*
Group 2	0.2774	0.2133	0.4907*	0.4287*
Retail income				
Group 1	0.4175	–	0.4175**	0.4250**
Group 2	–	–	–	–
Institutional income				
Group 1	0.4435	–	0.4435**	0.4171**
Group 2	0.2356	0.2079	0.4435**	0.4171**
Standard Life income				
Group 1	0.3975	–	0.3975**	0.3721**
Group 2	0.1875	0.2100	0.3975**	0.3721**
Platform 1 accumulation				
Group 1	0.4360	–	0.4360*	0.3759*
Group 2	–	0.4360	0.4360*	0.3759*
Platform 1 income				
Group 1	0.4259	–	0.4259**	0.3975**
Group 2	0.1062	0.3197	0.4259**	0.3975**

* Distribution accumulated on 31 December 2018
** Distribution payable on 29 March 2019

MyFolio Managed Income V Fund

Distribution Tables
(Continued)

Treatment by Corporate Shareholders

Corporate shareholders should account for the current period's dividends shown in the distribution table as follows:

	1st Interim Dividend Distribution	2nd Interim Dividend Distribution
Treat as a UK corporate dividend	100.00%	100.00%
Treat as an annual payment net of Income tax at 20%	0.00%	0.00%

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager Income I Fund

Investment Report

Fund Information	
Fund Manager	Bambos Hambi
Launch Date	16 December 2011

Investment objective

The Sub-fund aims to provide an income-focused return with some capital appreciation over the longer term.

Investment policy

The current policy of the Sub-fund is to invest mainly in a range of collective investment schemes to achieve a broad exposure to diversified investments, including equities, fixed and variable rate interest bearing securities and immoveable property. The Sub-fund may also invest in transferable securities, money-market instruments, deposits, cash and near cash. Typically, the Sub-fund will have a high exposure to lower risk assets, such as fixed interest.

Risk

The Sub-fund is intended for investors who wish to participate in the opportunity to achieve a competitive level of income with the potential of some capital appreciation over the longer term by investing in an actively managed portfolio of collective investment schemes which themselves invest in equities, fixed and variable rate interest bearing securities, and immoveable property. The diversified nature of the portfolio makes it suitable for investors wishing to achieve a broad spread of exposure. The investor must be able to accept significant temporary losses to capital and the possibility of fluctuations in the income level due to the volatile nature of equity, bond, property and currency markets, and should therefore have an investment time horizon of at least 5 years.

Investment activity

The Investment Activity for each Sub-fund is documents as a whole on pages 5 to 9.

Synthetic Risk & Reward Indicator

Lower risk
Typically lower rewards

Higher risk
Typically Higher rewards

1	2	**3**	4	5	6	7

This indicator reflects the volatility of the Sub-fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Sub-fund invests. Historical data may not be a reliable indication of the future. Where the share class does not have a history of five years, an alternative share class or a representative benchmark has been used to show how the Sub-fund price may have behaved over the period.

The current rating, which is the same for all share classes, is not guaranteed and may change if the volatility of the assets in which the Sub-fund invests changes. The lowest rating does not mean risk free.

All investment involves risk. This Sub-fund offers no guarantee against loss or that the Sub-fund's objective will be attained.

For further information on the risks that may not be fully captured by the risk and reward indicator, please refer to the current Key Investor Information Document (KIID).

Cautionary note

It should be remembered that past performance is not a guide to future performance. The value of investments may go down as well as up and, therefore, investors may not get back the amount originally invested.

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager Income I Fund

Comparative Tables

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Retail accumulation				
Change in net assets per share				
Opening net asset value per share	60.00	59.67	56.62	55.15
Return before operating charges*	(0.93)	1.30	4.12	2.57
Operating charges**	(0.46)	(0.97)	(1.00)	(0.96)
Return after operating charges*	(1.39)	0.33	3.12	1.61
Distributions	(0.51)	(1.20)	(0.74)	(0.71)
Retained distributions on accumulation share	0.51	1.20	0.67	0.57
Closing net asset value per share	58.61	60.00	59.67	56.62
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-2.31%	0.56%	5.51%	2.92%
Other information				
Closing net asset value (£'000)	2,735	2,839	2,612	2,458
Closing number of shares	4,666,148	4,732,608	4,376,433	4,341,782
Operating charges****	1.53%	1.61%	1.70%	1.74%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	60.68	61.11	60.44	56.62
Lowest share price	58.46	59.43	56.94	54.16

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**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period. The operating charge for the current period is lower than in previous compartative periods, because the Authorised Corporate Director's periodic charge was reduced on 1 November 2017.

+ The performance figures are calculated by taking the value of the shareclass per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report. The Investment Report performance figure is calculated using the last available published price for a given shareclass in the period compared to the equivalent for the prior period. The published price may contain an adjustment for dilution in accordance with the Sub-fund pricing policy, while the price per the financial statements values the Sub-fund on a bid-price basis. The financial statements shareclass valuation is based on close of business market prices on the last day of the period, again this may differ from the intra-day pricing point of the Sub-fund which is used in the published shareclass price.

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MyFolio Multi-Manager Income I Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional accumulation				
Change in net assets per share				
Opening net asset value per share	62.54	61.88	58.35	56.45
Return before operating charges*	(0.97)	1.35	4.29	2.77
Operating charges**	(0.34)	(0.69)	(0.64)	(0.62)
Return after operating charges*	(1.31)	0.66	3.65	2.15
Distributions	(0.66)	(1.55)	(1.19)	(1.22)
Retained distributions on accumulation share	0.66	1.55	1.07	0.97
Closing net asset value per share	61.23	62.54	61.88	58.35
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-2.09%	1.06%	6.26%	3.81%
Other information				
Closing net asset value (£'000)	2,324	1,749	1,570	701
Closing number of shares	3,796,100	2,796,912	2,537,580	1,201,184
Operating charges****	1.09%	1.10%	1.05%	1.10%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	63.29	63.58	62.67	58.35
Lowest share price	61.08	61.80	58.68	55.69

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Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager Income I Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Retail income				
Change in net assets per share				
Opening net asset value per share	50.05	51.32	49.85	49.75
Return before operating charges*	(0.78)	1.13	3.60	2.03
Operating charges**	(0.38)	(0.83)	(0.87)	(0.86)
Return after operating charges*	(1.16)	0.30	2.73	1.17
Distributions	(0.67)	(1.57)	(1.26)	(1.07)
Closing net asset value per share	48.22	50.05	51.32	49.85
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-2.32%	0.58%	5.48%	2.35%
Other information				
Closing net asset value (£'000)	143	150	155	155
Closing number of shares	295,841	299,232	301,818	311,794
Operating charges****	1.53%	1.62%	1.70%	1.74%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	50.74	52.09	52.31	50.35
Lowest share price	48.28	50.18	50.15	48.27

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MyFolio Multi-Manager Income I Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional income				
Change in net assets per share				
Opening net asset value per share	53.40	54.47	52.57	52.02
Return before operating charges*	(0.83)	1.19	3.81	2.24
Operating charges**	(0.29)	(0.60)	(0.57)	(0.57)
Return after operating charges*	(1.12)	0.59	3.24	1.67
Distributions	(0.71)	(1.66)	(1.34)	(1.12)
Closing net asset value per share	51.57	53.40	54.47	52.57
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-2.10%	1.08%	6.16%	3.21%
Other information				
Closing net asset value (£'000)	1,179	1,366	1,234	1,189
Closing number of shares	2,285,560	2,557,443	2,265,775	2,262,023
Operating charges****	1.09%	1.10%	1.05%	1.10%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	54.18	55.37	55.51	52.69
Lowest share price	51.64	53.54	52.89	50.77

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Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager Income I Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Standard Life income				
Change in net assets per share				
Opening net asset value per share	53.00	53.76	51.59	50.72
Return before operating charges*	(0.92)	1.18	3.75	2.25
Operating charges**	(0.17)	(0.34)	(0.31)	(0.32)
Return after operating charges*	(1.09)	0.84	3.44	1.93
Distributions	(0.69)	(1.60)	(1.27)	(1.06)
Closing net asset value per share	51.22	53.00	53.76	51.59
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-2.06%	1.56%	6.67%	3.81%
Other information				
Closing net asset value (£'000)	1	2	2	2
Closing number of shares	2,049	3,862	3,168	3,440
Operating charges****	0.63%	0.63%	0.58%	0.62%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	53.80	54.78	54.78	51.59
Lowest share price	51.28	53.14	51.92	49.74

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MyFolio Multi-Manager Income I Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Platform 1 accumulation				
Change in net assets per share				
Opening net asset value per share	60.90	60.32	57.07	55.31
Return before operating charges*	(0.95)	1.31	4.10	2.71
Operating charges**	(0.35)	(0.73)	(0.76)	(0.73)
Return after operating charges*	(1.30)	0.58	3.34	1.98
Distributions	(0.63)	(1.47)	(0.99)	(1.07)
Retained distributions on accumulation share	0.63	1.47	0.90	0.85
Closing net asset value per share	59.60	60.90	60.32	57.07
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-2.14%	0.95%	5.85%	3.58%
Other information				
Closing net asset value (£'000)	489	491	364	719
Closing number of shares	820,265	806,448	603,401	1,258,966
Operating charges****	1.14%	1.20%	1.28%	1.32%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	61.62	61.92	61.10	57.07
Lowest share price	59.45	60.24	57.39	54.51

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MyFolio Multi-Manager Income I Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Platform 1 income				
Change in net assets per share				
Opening net asset value per share	52.72	53.85	52.08	51.62
Return before operating charges*	(0.75)	1.17	3.76	2.26
Operating charges**	(0.30)	(0.65)	(0.69)	(0.68)
Return after operating charges*	(1.05)	0.52	3.07	1.58
Distributions	(0.71)	(1.65)	(1.30)	(1.12)
Closing net asset value per share	50.96	52.72	53.85	52.08
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-1.99%	0.97%	5.89%	3.06%
Other information				
Closing net asset value (£'000)	345	189	162	129
Closing number of shares	677,554	357,709	301,009	247,503
Operating charges****	1.14%	1.21%	1.28%	1.32%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	53.48	54.70	54.88	52.28
Lowest share price	51.03	52.86	52.39	50.34

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

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Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager Income I Fund

Portfolio Statement as at 31 December 2018

Holding	Investment	Market value £'000	Percentage of total net assets
Collective Investment Schemes (100.00%)		**7,217**	**100.01**
Absolute Return Funds (9.39%)		**765**	**10.60**
1,429	AQR Systematic Total Return	125	1.73
20,808	Payden Absolute Return Bond	198	2.75
109,729	SLI Global Absolute Return Strategies	86	1.19
3,228	Ventobel TwentyFour Absolute Return Credit	356	4.93
Bond Funds (59.42%)		**4,194**	**58.12**
537	Barings European High Yield Bond	50	0.70
364,559	Fidelity UK Corporate Bond	464	6.44
410,505	L&G Short Dated Sterling Corporate Bond Index	207	2.87
13,832	Neuberger Berman Emerging Markets Debt Local Currency	124	1.71
2,241	Nomura US High Yield Bond	201	2.78
28,274	PIMCO GIS Global Investment Grade Credit	371	5.14
3,894	Robeco Global Credits	375	5.19
2,760	Robeco Global Credits Short Maturity	266	3.68
321,629	Royal London Global Index Linked	409	5.67
584,323	Royal London Short Duration Credit	586	8.12
363,069	Royal London Short Duration Global Index Linked Bond	370	5.13
31,736	T Rowe Price Dynamic Global Bond	306	4.23
4,776	TwentyFour Global Corporate Bond	465	6.46
Equity Funds (22.76%)		**1,581**	**21.91**
50,828	Artemis Income	110	1.53
159,091	BNY Mellon U.S. Equity Income	152	2.10
10,952	Brookfield Global Listed Real Estate	193	2.67
3,980	CC Japan Income & Growth	59	0.82
17,951	CF Morant Wright Nippon Yield	59	0.81
45,656	Invesco European Equity Income	151	2.09
66,142	Invesco Global Targeted Income	124	1.72
72,711	JO Hambro UK Dynamic	68	0.94
63,823	JPM US Equity Income	182	2.53
9,985	Magna Emerging Market Dividend	99	1.37
40,771	MI Chelverton UK Equity Income	45	0.62
162,403	Schroder Asian Trust	105	1.45
115,715	Threadneedle UK Equity Income	111	1.55
1,354	TM Fulcrum Income	123	1.71

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager Income I Fund

Portfolio Statement as at 31 December 2018
(Continued)

Holding	Investment	Market value £'000	Percentage of total net assets
Money Market Funds (4.52%)		**440**	**6.10**
440	Aberdeen Liquidity Fund - Sterling*	440	6.10
Property Funds (3.91%)		**237**	**3.28**
206,226	Janus Henderson UK Property Feeder	237	3.28
Total investment assets		**7,217**	**100.01**
Net other liabilities		(1)	(0.01)
Total Net Assets		**7,216**	**100.00**

All investments are regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

The percentage figures in brackets show the comparative holding as at 30 June 2018.

	Market value £'000
Reconciliation of assets and liabilities to the balance sheet	
Investment assets as per the Balance Sheet	6,777
*Collective Investment Schemes classified as Cash Equivalents	440
Net other liabilities	(1)
Total Net Assets	**7,216**

Statement of Total Return

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Income:				
Net capital (losses)/gains		(246)		69
Revenue	104		89	
Expenses	(32)		(30)	
Net revenue before taxation	72		59	
Taxation	0		0	
Net revenue after taxation		72		59
Total return before distributions		(174)		128
Distributions		(81)		(68)
Change in net assets attributable to shareholders from investment activities		**(255)**		**60**

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		6,786		6,099
Amounts receivable on the issue of shares	1,876		930	
Amounts payable on the cancellation of shares	(1,248)		(780)	
		628		150
Dilution adjustment		1		0
Change in net assets attributable to shareholders from investment activities (see above)		(255)		60
Retained distribution on accumulation shares		56		45
Closing net assets attributable to shareholders		**7,216**		**6,354**

Comparative information is provided for the statement of change in net assets attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

MyFolio Multi-Manager Income I Fund

Financial Statements
(Continued)

Balance Sheet

as at 31 December 2018

	31 December 2018		30 June 2018	
	£'000	£'000	£'000	£'000
Assets:				
Fixed assets:				
Investment assets		6,777		6,479
Current assets:				
Debtors	20		20	
Cash and bank balances	8		12	
Cash equivalents	440		307	
		468		339
Total assets		7,245		6,818
Liabilities:				
Creditors	(16)		(13)	
Distribution payable	(13)		(19)	
		(29)		(32)
Total liabilities		(29)		(32)
Net assets attributable to shareholders		**7,216**		**6,786**

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager Income I Fund

Distribution Tables

for the three months ended 30 September 2018

Group 1 – shares purchased prior to 1 July 2018

Group 2 – shares purchased between 1 July 2018 and 30 September 2018

	Net Income 2018 pence per share	Equalisation 2018 pence per share	Distribution paid 2018 pence per share	Distribution paid 2017 pence per share
Retail accumulation				
Group 1	0.1835	–	0.1835*	0.1764
Group 2	0.0985	0.0850	0.1835*	–
Institutional accumulation				
Group 1	0.2618	–	0.2618*	0.2845
Group 2	0.1286	0.1332	0.2618*	0.2845
Retail income				
Group 1	0.2802	–	0.2802**	0.3081
Group 2	–	–	–	–
Institutional income				
Group 1	0.2992	–	0.2992**	0.3274
Group 2	0.1853	0.1139	0.2992**	0.3274
Standard Life income				
Group 1	0.2879	–	0.2879**	0.3206
Group 2	0.1720	0.1159	0.2879**	0.3206
Platform 1 accumulation				
Group 1	0.2472	–	0.2472*	0.2427
Group 2	0.1025	0.1447	0.2472*	0.2427
Platform 1 income				
Group 1	0.2954	–	0.2954**	0.3235
Group 2	0.2191	0.0763	0.2954**	0.3235

* Distribution accumulated on 30 September 2018
** Distribution paid on 31 December 2018

MyFolio Multi-Manager Income I Fund

Distribution Tables
(Continued)

for the three months ended 31 December 2018

Group 1 – shares purchased prior to 1 October 2018

Group 2 – shares purchased between 1 October 2018 and 31 December 2018

	Net Income 2018 pence per share	Equalisation 2018 pence per share	Distribution payable 2018 pence per share	Distribution paid 2017 pence per share
Retail accumulation				
Group 1	0.3229	–	0.3229*	0.3179
Group 2	0.2074	0.1155	0.3229*	0.3179
Institutional accumulation				
Group 1	0.3938	–	0.3938*	0.4008
Group 2	0.0182	0.3756	0.3938*	0.4008
Retail income				
Group 1	0.3928	–	0.3928**	0.4091
Group 2	–	–	–	–
Institutional income				
Group 1	0.4139	–	0.4139**	0.4319
Group 2	0.2557	0.1582	0.4139**	0.4319
Standard Life income				
Group 1	0.4069	–	0.4069**	0.4390
Group 2	–	–	–	0.4390
Platform 1 accumulation				
Group 1	0.3872	–	0.3872*	0.3791
Group 2	0.0809	0.3063	0.3872*	0.3791
Platform 1 income				
Group 1	0.4159	–	0.4159**	0.4267
Group 2	0.3000	0.1159	0.4159**	0.4267

* Distribution accumulated on 31 December 2018
** Distribution payable on 29 March 2019

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager Income II Fund

Investment Report

Fund Information	
Fund Manager	Bambos Hambi
Launch Date	16 December 2011

Investment objective

The Sub-fund aims to provide an income-focused return with some capital appreciation over the longer term.

Investment policy

The current policy of the Sub-fund is to invest mainly in a range of collective investment schemes to achieve a broad exposure to diversified investments, including equities, fixed and variable rate interest bearing securities and immoveable property. The Sub-fund may also invest in transferable securities, money-market instruments, deposits, cash and near cash. Typically, the Sub-fund will have a preference towards lower risk assets, such as fixed interest.

Risk

The Sub-fund is intended for investors who wish to participate in the opportunity to achieve a competitive level of income with the potential of some capital appreciation over the longer term by investing in an actively managed portfolio of collective investment schemes which themselves invest in equities, fixed and variable rate interest bearing securities, and immoveable property. The diversified nature of the portfolio makes it suitable for investors wishing to achieve a broad spread of exposure. The investor must be able to accept significant temporary losses to capital and the possibility of fluctuations in the income level due to the volatile nature of equity, bond, property and currency markets, and should therefore have an investment time horizon of at least 5 years.

Investment activity

The Investment Activity for each Sub-fund is documented as a whole on pages 5 to 9.

Synthetic Risk & Reward Indicator

Lower risk
Typically lower rewards

Higher risk
Typically Higher rewards

1	2	**3**	4	5	6	7

This indicator reflects the volatility of the Sub-fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Sub-fund invests. Historical data may not be a reliable indication of the future. Where the share class does not have a history of five years, an alternative share class or a representative benchmark has been used to show how the Sub-fund price may have behaved over the period.

The current rating, which is the same for all share classes, is not guaranteed and may change if the volatility of the assets in which the Sub-fund invests changes. The lowest rating does not mean risk free.

All investment involves risk. This Sub-fund offers no guarantee against loss or that the Sub-fund's objective will be attained.

For further information on the risks that may not be fully captured by the risk and reward indicator, please refer to the current Key Investor Information Document (KIID).

Cautionary note

It should be remembered that past performance is not a guide to future performance. The value of investments may go down as well as up and, therefore, investors may not get back the amount originally invested.

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager Income II Fund

Comparative Tables

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Retail accumulation				
Change in net assets per share				
Opening net asset value per share	67.50	66.72	61.72	60.65
Return before operating charges*	(2.07)	1.92	6.20	2.20
Operating charges**	(0.55)	(1.14)	(1.20)	(1.13)
Return after operating charges*	(2.62)	0.78	5.00	1.07
Distributions	(0.60)	(1.33)	(1.03)	(1.11)
Retained distributions on accumulation share	0.60	1.33	1.03	1.11
Closing net asset value per share	64.88	67.50	66.72	61.72
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-3.88%	1.17%	8.10%	1.76%
Other information				
Closing net asset value (£'000)	9,364	10,084	10,291	8,853
Closing number of shares	14,432,913	14,935,978	15,424,036	14,343,021
Operating charges****	1.61%	1.69%	1.84%	1.86%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	68.63	68.90	67.92	61.77
Lowest share price	64.59	66.19	62.21	58.43

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

*** The direct transaction costs are made up of; fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period. The operating charge for the current period is lower than in previous compartative periods, because the Authorised Corporate Director's periodic charge was reduced on 1 November 2017.

+ The performance figures are calculated by taking the value of the shareclass per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report. The Investment Report performance figure is calculated using the last available published price for a given shareclass in the period compared to the equivalent for the prior period. The published price may contain an adjustment for dilution in accordance with the Sub-fund pricing policy, while the price per the financial statements values the Sub-fund on a bid-price basis. The financial statements shareclass valuation is based on close of business market prices on the last day of the period, again this may differ from the intra-day pricing point of the Sub-fund which is used in the published shareclass price.

++ These represent the highest and lowest share prices available to investors in the period. This may differ to the opening closing net asset value per share in the table above due to accounting adjustments.

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional accumulation				
Change in net assets per share				
Opening net asset value per share	70.23	69.13	63.62	62.13
Return before operating charges*	(2.20)	1.93	6.32	2.25
Operating charges**	(0.41)	(0.83)	(0.81)	(0.76)
Return after operating charges*	(2.61)	1.10	5.51	1.49
Distributions	(0.75)	(1.67)	(1.42)	(1.51)
Retained distributions on accumulation share	0.75	1.67	1.42	1.51
Closing net asset value per share	67.62	70.23	69.13	63.62
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-3.72%	1.59%	8.66%	2.40%
Other information				
Closing net asset value (£'000)	3,360	2,964	2,371	2,323
Closing number of shares	4,969,583	4,220,600	3,429,735	3,651,427
Operating charges****	1.17%	1.18%	1.20%	1.22%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	71.43	71.57	70.36	63.65
Lowest share price	67.32	68.79	64.17	60.13

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MyFolio Multi-Manager Income II Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Retail income				
Change in net assets per share				
Opening net asset value per share	55.83	56.88	54.08	54.91
Return before operating charges*	(1.72)	1.65	5.42	1.51
Operating charges**	(0.45)	(0.93)	(1.04)	(1.01)
Return after operating charges*	(2.17)	0.68	4.38	0.50
Distributions	(0.77)	(1.73)	(1.58)	(1.33)
Closing net asset value per share	52.89	55.83	56.88	54.08
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-3.89%	1.20%	8.10%	0.91%
Other information				
Closing net asset value (£'000)	239	253	272	289
Closing number of shares	451,254	453,687	478,514	534,924
Operating charges****	1.61%	1.69%	1.84%	1.86%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	56.91	58.02	58.32	55.81
Lowest share price	52.96	55.57	54.68	52.11

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MyFolio Multi-Manager Income II Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional income				
Change in net assets per share				
Opening net asset value per share	58.72	59.51	56.20	56.54
Return before operating charges*	(1.85)	1.67	5.59	2.06
Operating charges**	(0.34)	(0.71)	(0.71)	(0.69)
Return after operating charges*	(2.19)	0.96	4.88	1.37
Distributions	(0.78)	(1.75)	(1.57)	(1.71)
Closing net asset value per share	55.75	58.72	59.51	56.20
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-3.73%	1.61%	8.68%	2.42%
Other information				
Closing net asset value (£'000)	5,630	7,115	5,875	5,220
Closing number of shares	10,099,302	12,116,062	9,872,724	9,289,533
Operating charges****	1.17%	1.18%	1.20%	1.22%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	59.88	60.90	60.99	57.49
Lowest share price	55.81	58.39	56.75	53.98

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Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager Income II Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Standard Life income				
Change in net assets per share				
Opening net asset value per share	55.60	56.05	52.63	52.66
Return before operating charges*	(1.77)	1.52	5.20	1.86
Operating charges**	(0.20)	(0.40)	(0.40)	(0.39)
Return after operating charges*	(1.97)	1.12	4.80	1.47
Distributions	(0.70)	(1.57)	(1.38)	(1.50)
Closing net asset value per share	52.93	55.60	56.05	52.63
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-3.54%	2.00%	9.12%	2.79%
Other information				
Closing net asset value (£'000)	7	8	7	6
Closing number of shares	13,997	14,918	12,799	10,627
Operating charges****	0.70%	0.70%	0.72%	0.74%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	56.72	57.52	57.41	53.54
Lowest share price	52.98	55.22	53.14	50.44

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Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Platform 1 accumulation				
Change in net assets per share				
Opening net asset value per share	67.37	66.37	61.18	59.82
Return before operating charges*	(2.12)	1.87	6.11	2.22
Operating charges**	(0.41)	(0.87)	(0.92)	(0.86)
Return after operating charges*	(2.53)	1.00	5.19	1.36
Distributions	(0.71)	(1.55)	(1.25)	(1.38)
Retained distributions on accumulation share	0.71	1.55	1.25	1.38
Closing net asset value per share	64.84	67.37	66.37	61.18
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-3.76%	1.51%	8.48%	2.27%
Other information				
Closing net asset value (£'000)	2,264	2,666	2,571	1,942
Closing number of shares	3,492,090	3,957,775	3,873,867	3,173,672
Operating charges****	1.22%	1.29%	1.42%	1.44%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	68.51	68.66	67.55	61.20
Lowest share price	64.55	66.00	61.67	57.83

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Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager Income II Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Platform 1 income				
Change in net assets per share				
Opening net asset value per share	56.80	57.63	54.55	55.00
Return before operating charges*	(1.76)	1.62	5.43	2.00
Operating charges**	(0.35)	(0.74)	(0.81)	(0.79)
Return after operating charges*	(2.11)	0.88	4.62	1.21
Distributions	(0.76)	(1.71)	(1.54)	(1.66)
Closing net asset value per share	53.93	56.80	57.63	54.55
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-3.71%	1.53%	8.47%	2.20%
Other information				
Closing net asset value (£'000)	2,504	2,523	1,425	1,392
Closing number of shares	4,642,447	4,440,353	2,472,758	2,552,251
Operating charges****	1.22%	1.27%	1.42%	1.44%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	57.92	58.92	59.06	55.91
Lowest share price	53.98	56.49	55.09	52.45

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

*** The direct transaction costs are made up of; fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period. The operating charge for the current period is lower than in previous compartative periods, because the Authorised Corporate Director's periodic charge was reduced on 1 November 2017.

+ The performance figures are calculated by taking the value of the shareclass per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report. The Investment Report performance figure is calculated using the last available published price for a given shareclass in the period compared to the equivalent for the prior period. The published price may contain an adjustment for dilution in accordance with the Sub-fund pricing policy, while the price per the financial statements values the Sub-fund on a bid-price basis. The financial statements shareclass valuation is based on close of business market prices on the last day of the period, again this may differ from the intra-day pricing point of the Sub-fund which is used in the published shareclass price.

++ These represent the highest and lowest share prices available to investors in the period. This may differ to the opening closing net asset value per share in the table above due to accounting adjustments.

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager Income II Fund

Portfolio Statement as at 31 December 2018

Holding	Investment	Market value £'000	Percentage of total net assets
Collective Investment Schemes (100.91%)		**23,494**	**100.54**
Absolute Return Funds (9.51%)		**2,315**	**9.91**
6,451	AQR Systematic Total Return	562	2.41
43,742	Payden Absolute Return Bond	416	1.78
786,357	SLI Global Absolute Return Strategies	617	2.64
6,530	Ventobel TwentyFour Absolute Return Credit	720	3.08
Bond Funds (46.20%)		**10,972**	**46.95**
2,526	Barings European High Yield Bond	237	1.01
540,926	Fidelity UK Corporate Bond	689	2.95
47,001	Neuberger Berman Emerging Markets Debt Local Currency	420	1.80
10,540	Nomura US High Yield Bond	945	4.04
105,167	PIMCO GIS Global Investment Grade Credit	1,380	5.90
14,463	Robeco Global Credits	1,392	5.96
10,018	Robeco Global Credits Short Maturity	964	4.13
1,134,479	Royal London Global Index Linked	1,444	6.18
707,720	Royal London Short Duration Credit	710	3.04
1,233,306	Royal London Short Duration Global Index Linked Bond	1,258	5.38
87,582	T Rowe Price Dynamic Global Bond	843	3.61
7,088	TwentyFour Global Corporate Bond	690	2.95
Equity Funds (40.77%)		**9,135**	**39.09**
336,968	Artemis Income	731	3.13
723,643	BNY Mellon U.S. Equity Income	690	2.95
39,529	Brookfield Global Listed Real Estate	696	2.98
25,690	CC Japan Income & Growth	383	1.64
118,595	CF Morant Wright Nippon Yield	388	1.66
288,688	Invesco European Equity Income	952	4.08
324,377	Invesco Global Targeted Income	608	2.60
476,319	JO Hambro UK Dynamic	444	1.90
249,023	JPM US Equity Income	711	3.04
70,848	Magna Emerging Market Dividend	701	3.00
277,455	MI Chelverton UK Equity Income	305	1.30
860,849	Schroder Asian Trust	556	2.38
765,489	Threadneedle UK Equity Income	738	3.16
300,275	Threadneedle US Equity Income	635	2.72
6,555	TM Fulcrum Income	597	2.55

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager Income II Fund

Portfolio Statement as at 31 December 2018
(Continued)

Holding	Investment	Market value £'000	Percentage of total net assets
Money Market Funds (1.64%)		**358**	**1.53**
358	Aberdeen Liquidity Fund - Sterling*	358	1.53
Property Funds (2.79%)		**714**	**3.06**
620,519	Janus Henderson UK Property Feeder	714	3.06
Total investment assets		**23,494**	**100.54**
Net other liabilities		(126)	(0.54)
Total Net Assets		**23,368**	**100.00**

All investments are regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.
The percentage figures in brackets show the comparative holding as at 30 June 2018.

	Market value £'000
Reconciliation of assets and liabilities to the balance sheet	
Investment assets as per the Balance Sheet	23,136
*Collective Investment Schemes classified as Cash Equivalents	358
Net other liabilities	(126)
Total Net Assets	**23,368**

Statement of Total Return

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Income:				
Net capital (losses)/gains		(1,158)		395
Revenue	357		329	
Expenses	(102)		(113)	
Net revenue before taxation	255		216	
Taxation	(24)		(23)	
Net revenue after taxation		231		193
Total return before distributions		(927)		588
Distributions		(272)		(231)
Change in net assets attributable to shareholders from investment activities		**(1,199)**		**357**

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		25,610		22,812
Amounts receivable on the issue of shares	2,377		5,335	
Amounts payable on the cancellation of shares	(3,567)		(2,695)	
		(1,190)		2,640
Dilution adjustment		(1)		4
Change in net assets attributable to shareholders from investment activities (see above)		(1,199)		357
Retained distribution on accumulation shares		148		127
Closing net assets attributable to shareholders		**23,368**		**25,940**

Comparative information is provided for the statement of change in net assets attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

MyFolio Multi-Manager Income II Fund

Financial Statements
(Continued)

Balance Sheet

as at 31 December 2018

	31 December 2018		30 June 2018	
	£'000	£'000	£'000	£'000
Assets:				
Fixed assets:				
Investment assets		23,136		25,426
Current assets:				
Debtors	115		600	
Cash and bank balances	17		13	
Cash equivalents	358		421	
		490		1,034
Total assets		23,626		26,460
Liabilities:				
Creditors	(190)		(740)	
Distribution payable	(68)		(110)	
		(258)		(850)
Total liabilities		(258)		(850)
Net assets attributable to shareholders		**23,368**		**25,610**

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager Income II Fund

Distribution Tables

for the three months ended 30 September 2018

Group 1 – shares purchased prior to 1 July 2018

Group 2 – shares purchased between 1 July 2018 and 30 September 2018

	Net Income 2018 pence per share	Equalisation 2018 pence per share	Distribution paid 2018 pence per share	Distribution paid 2017 pence per share
Retail accumulation				
Group 1	0.2273	–	0.2273*	0.1579*
Group 2	0.1190	0.1083	0.2273*	0.1579*
Institutional accumulation				
Group 1	0.2998	–	0.2998*	0.2542*
Group 2	0.0975	0.2023	0.2998*	0.2542*
Retail income				
Group 1	0.3271	–	0.3271**	0.3059**
Group 2	–	–	–	–
Institutional income				
Group 1	0.3311	–	0.3311**	0.3002**
Group 2	0.1647	0.1664	0.3311**	0.3002**
Standard Life income				
Group 1	0.2915	–	0.2915**	0.2614**
Group 2	0.1509	0.1406	0.2915**	0.2614**
Platform 1 accumulation				
Group 1	0.2815	–	0.2815*	0.2138*
Group 2	0.1357	0.1458	0.2815*	0.2138*
Platform 1 income				
Group 1	0.3216	–	0.3216**	0.2974**
Group 2	0.1891	0.1325	0.3216**	0.2974**

* Distribution accumulated on 30 September 2018
** Distribution paid on 31 December 2018

Standard Life Investment Company III
Interim Report & Financial Statements

MyFolio Multi-Manager Income II Fund

Distribution Tables
(Continued)

for the three months ended 31 December 2018

Group 1 – shares purchased prior to 1 October 2018

Group 2 – shares purchased between 1 October 2018 and 31 December 2018

	Net Income 2018 pence per share	Equalisation 2018 pence per share	Distribution Payabale 2018 pence per share	Distribution paid 2017 pence per share
Retail accumulation				
Group 1	0.3697	–	0.3697*	0.3349*
Group 2	0.0441	0.3256	0.3697*	0.3349*
Institutional accumulation				
Group 1	0.4528	–	0.4528*	0.4224*
Group 2	0.2094	0.2434	0.4528*	0.4224*
Retail income				
Group 1	0.4401	–	0.4401**	0.4365**
Group 2	–	–	–	0.4365**
Institutional income				
Group 1	0.4472	–	0.4472**	0.4440**
Group 2	0.2634	0.1838	0.4472**	0.4440**
Standard Life income				
Group 1	0.4050	–	0.4050**	0.3971**
Group 2	0.2004	0.2046	0.4050**	0.3971**
Platform 1 accumulation				
Group 1	0.4248	–	0.4248*	0.3883*
Group 2	0.1051	0.3197	0.4248*	0.3883*
Platform 1 income				
Group 1	0.4383	–	0.4383**	0.4384**
Group 2	0.1151	0.3232	0.4383**	0.4384**

* Distribution accumulated on 31 December 2018
** Distribution payable 29 March 2019

Treatment by Corporate Shareholders

Corporate shareholders should account for the current period's dividends shown in the distribution table as follows:

	1st Interim Dividend Distribution	2nd Interim Dividend Distribution
Treat as a UK corporate dividend	67.85%	63.65%
Treat as an annual payment net of Income tax at 20%	32.15%	36.35%

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager Income III Fund

Investment Report

Fund Information	
Fund Manager	Bambos Hambi
Launch Date	16 December 2011

Investment objective

The Sub-fund aims to provide an income-focused return with some capital appreciation over the longer term.

Investment policy

The current policy of the Sub-fund is to invest mainly in a range of collective investment schemes to achieve a broad exposure to diversified investments, including equities, fixed and variable rate interest bearing securities and immoveable property. The Sub-fund may also invest in transferable securities, money-market instruments, deposits, cash and near cash.

Risk

The Sub- fund is intended for investors who wish to participate in the opportunity to achieve a competitive level of income with the potential of some capital appreciation over the longer term by investing in an actively managed portfolio of collective investment schemes which themselves invest in equities, fixed and variable rate interest bearing securities, and immoveable property. The diversified nature of the portfolio makes it suitable for investors wishing to achieve a broad spread of exposure. The investor must be able to accept significant temporary losses to capital and the possibility of fluctuations in the income level due to the volatile nature of equity, bond, property and currency markets, and should therefore have an investment time horizon of at least 5 years.

Investment activity

The Investment Activity for each Sub-fund is documented as a whole on pages 5 to 9.

Synthetic Risk & Reward Indicator

Lower risk
Typically lower rewards

Higher risk
Typically Higher rewards

1	2	3	**4**	5	6	7

This indicator reflects the volatility of the Sub-fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Sub-fund invests. Historical data may not be a reliable indication for the future. Where the share class does not have a history of five years, an alternative share class or a representative benchmark has been used to show how the Sub-fund price may have behaved over the period.

The current rating, which is the same for all unit classes, is not guaranteed and may change if the volatility of the assets in which the Sub-fund invests changes. The lowest rating does not mean risk free.

All investment involves risk. This Sub-fund offers no guarantee against loss or that the Sub-fund's objective will be attained.

For further information on the risks that may not be fully captured by the risk and reward indicator, please refer to the current Key Investor Information Document (KIID).

Cautionary note

It should be remembered that past performance is not a guide to future performance. The value of investments may go down as well as up and, therefore, investors may not get back the amount originally invested.

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager Income III Fund

Comparative Tables

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Retail accumulation				
Change in net assets per share				
Opening net asset value per share	74.76	73.33	66.22	64.52
Return before operating charges*	(3.11)	2.77	8.46	2.93
Operating charges**	(0.65)	(1.34)	(1.35)	(1.23)
Return after operating charges*	(3.76)	1.43	7.11	1.70
Distributions	(0.85)	(1.77)	(1.28)	(1.39)
Retained distributions on accumulation share	0.85	1.77	1.28	1.39
Closing net asset value per share	71.00	74.76	73.33	66.22
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-5.03%	1.95%	10.74%	2.63%
Other information				
Closing net asset value (£'000)	25,923	28,257	27,214	24,007
Closing number of shares	36,511,944	37,798,026	37,110,525	36,251,785
Operating charges****	1.73%	1.79%	1.90%	1.90%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	76.50	76.58	74.86	66.25
Lowest share price	70.70	72.95	66.72	61.43

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

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**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period. The operating charge for the current period is lower than in previous compartative periods, because the Authorised Corporate Director's periodic charge was reduced on 1 November 2017.

+ The performance figures are calculated by taking the value of the shareclass per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report. The Investment Report performance figure is calculated using the last available published price for a given shareclass in the period compared to the equivalent for the prior period. The published price may contain an adjustment for dilution in accordance with the Sub-fund pricing policy, while the price per the financial statements values the Sub-fund on a bid-price basis. The financial statements shareclass valuation is based on close of business market prices on the last day of the period, again this may differ from the intra-day pricing point of the Sub-fund which is used in the published shareclass price.

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Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional accumulation				
Change in net assets per share				
Opening net asset value per share	77.86	76.06	68.33	66.12
Return before operating charges*	(3.28)	2.80	8.65	3.04
Operating charges**	(0.50)	(1.00)	(0.92)	(0.83)
Return after operating charges*	(3.78)	1.80	7.73	2.21
Distributions	(1.03)	(2.15)	(1.70)	(1.89)
Retained distributions on accumulation share	1.03	2.15	1.70	1.89
Closing net asset value per share	74.08	77.86	76.06	68.33
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-4.85%	2.37%	11.31%	3.34%
Other information				
Closing net asset value (£'000)	7,718	8,601	9,134	7,281
Closing number of shares	10,418,836	11,046,684	12,007,661	10,655,151
Operating charges****	1.29%	1.28%	1.25%	1.25%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	79.70	79.63	77.64	68.33
Lowest share price	73.70	75.91	68.84	63.25

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

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MyFolio Multi-Manager Income III Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Retail income				
Change in net assets per share				
Opening net asset value per share	59.81	60.72	56.49	57.02
Return before operating charges*	(2.47)	2.28	7.17	2.56
Operating charges**	(0.52)	(1.10)	(1.14)	(1.07)
Return after operating charges*	(2.99)	1.18	6.03	1.49
Distributions	(0.97)	(2.09)	(1.80)	(2.02)
Closing net asset value per share	55.85	59.81	60.72	56.49
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-5.00%	1.94%	10.67%	2.61%
Other information				
Closing net asset value (£'000)	198	223	368	348
Closing number of shares	353,886	373,334	605,862	616,765
Operating charges****	1.73%	1.80%	1.90%	1.90%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	61.39	62.56	62.53	58.40
Lowest share price	55.89	59.30	57.04	53.45

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Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager Income III Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional income				
Change in net assets per share				
Opening net asset value per share	62.98	63.61	58.78	58.83
Return before operating charges*	(2.63)	2.32	7.41	2.66
Operating charges**	(0.41)	(0.83)	(0.79)	(0.73)
Return after operating charges*	(3.04)	1.49	6.62	1.93
Distributions	(0.99)	(2.12)	(1.79)	(1.98)
Closing net asset value per share	58.95	62.98	63.61	58.78
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-4.83%	2.34%	11.26%	3.28%
Other information				
Closing net asset value (£'000)	8,631	9,421	8,537	6,650
Closing number of shares	14,639,473	14,957,648	13,421,299	11,313,741
Operating charges****	1.29%	1.28%	1.25%	1.25%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	64.70	65.75	65.47	60.27
Lowest share price	58.99	62.38	59.34	55.44

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

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++ These represent the highest and lowest share prices available to investors in the period. This may differ to the opening and closing net asset value per share in the table above due to accounting adjustments.

MyFolio Multi-Manager Income III Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Standard Life income				
Change in net assets per share				
Opening net asset value per share	57.25	57.51	52.87	52.63
Return before operating charges*	(2.43)	2.05	6.60	2.34
Operating charges**	(0.23)	(0.47)	(0.44)	(0.41)
Return after operating charges*	(2.66)	1.58	6.16	1.93
Distributions	(0.86)	(1.84)	(1.52)	(1.69)
Closing net asset value per share	53.73	57.25	57.51	52.87
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-4.65%	2.75%	11.65%	3.67%
Other information				
Closing net asset value (£'000)	104	113	112	114
Closing number of shares	193,563	196,423	195,563	215,780
Operating charges****	0.82%	0.81%	0.78%	0.78%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	58.82	59.63	59.16	53.93
Lowest share price	53.76	56.64	53.38	49.75

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

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++ These represent the highest and lowest share prices available to investors in the period. This may differ to the opening and closing net asset value per share in the table above due to accounting adjustments.

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Platform 1 accumulation				
Change in net assets per share				
Opening net asset value per share	72.26	70.66	63.59	61.64
Return before operating charges*	(3.03)	2.60	8.08	2.86
Operating charges**	(0.49)	(1.00)	(1.01)	(0.91)
Return after operating charges*	(3.52)	1.60	7.07	1.95
Distributions	(0.94)	(1.94)	(1.45)	(1.65)
Retained distributions on accumulation share	0.94	1.94	1.45	1.65
Closing net asset value per share	68.74	72.26	70.66	63.59
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-4.87%	2.26%	11.12%	3.16%
Other information				
Closing net asset value (£'000)	4,637	4,829	4,881	4,582
Closing number of shares	6,745,997	6,681,691	6,908,813	7,205,128
Operating charges****	1.34%	1.39%	1.48%	1.48%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	73.98	73.92	72.12	63.57
Lowest share price	68.42	70.46	64.06	58.89

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

*** The direct transaction costs are made up of; fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period. The operating charge for the current period is lower than in previous compartative periods, because the Authorised Corporate Director's periodic charge was reduced on 1 November 2017.

+ The performance figures are calculated by taking the value of the shareclass per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report. The Investment Report performance figure is calculated using the last available published price for a given shareclass in the period compared to the equivalent for the prior period. The published price may contain an adjustment for dilution in accordance with the Sub-fund pricing policy, while the price per the financial statements values the Sub-fund on a bid-price basis. The financial statements shareclass valuation is based on close of business market prices on the last day of the period, again this may differ from the intra-day pricing point of the Sub-fund which is used in the published shareclass price.

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MyFolio Multi-Manager Income III Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Platform 1 income				
Change in net assets per share				
Opening net asset value per share	59.05	59.71	55.31	55.49
Return before operating charges*	(2.48)	2.19	6.98	2.53
Operating charges**	(0.40)	(0.84)	(0.87)	(0.82)
Return after operating charges*	(2.88)	1.35	6.11	1.71
Distributions	(0.94)	(2.01)	(1.71)	(1.89)
Closing net asset value per share	55.23	59.05	59.71	55.31
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-4.88%	2.26%	11.05%	3.08%
Other information				
Closing net asset value (£'000)	2,402	2,851	2,817	2,693
Closing number of shares	4,348,698	4,828,475	4,718,037	4,869,375
Operating charges****	1.34%	1.39%	1.48%	1.48%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	60.64	61.65	61.47	56.85
Lowest share price	55.27	58.49	55.84	52.22

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

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**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period. The operating charge for the current period is lower than in previous compartative periods, because the Authorised Corporate Director's periodic charge was reduced on 1 November 2017.

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Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager Income III Fund

Portfolio Statement as at 31 December 2018

Holding	Investment	Market value £'000	Percentage of total net assets
Collective Investment Schemes (100.08%)		**49,793**	**100.36**
Absolute Return Funds (7.76%)		**4,364**	**8.80**
22,592	AQR Systematic Total Return	1,969	3.97
41,047	Payden Absolute Return Bond	390	0.79
2,553,307	SLI Global Absolute Return Strategies	2,005	4.04
Bond Funds (27.30%)		**13,834**	**27.88**
7,907	Barings European High Yield Bond	742	1.50
466,810	Fidelity UK Corporate Bond	595	1.20
194,217	Neuberger Berman Emerging Markets Debt Local Currency	1,735	3.50
33,006	Nomura US High Yield Bond	2,960	5.96
103,401	PIMCO GIS Global Investment Grade Credit	1,357	2.73
14,135	Robeco Global Credits	1,360	2.74
9,219	Robeco Global Credits Short Maturity	887	1.79
1,176,984	Royal London Global Index Linked	1,498	3.02
870,286	Royal London Short Duration Credit	873	1.76
635,618	Royal London Short Duration Global Index Linked Bond	648	1.31
62,033	T Rowe Price Dynamic Global Bond	597	1.20
5,973	Twenty Four Global Corporate Bond	582	1.17
Equity Funds (55.05%)		**26,346**	**53.10**
988,062	Artemis Income	2,144	4.32
2,035,004	BNY Mellon U.S. Equity Income	1,940	3.91
130,038	Brookfield Global Listed Real Estate	2,290	4.61
69,702	CC Japan Income & Growth	1,038	2.09
313,690	CF Morant Wright Nippon Yield	1,025	2.07
765,443	Invesco European Equity Income	2,525	5.09
1,092,674	Invesco Global Targeted Income	2,048	4.13
1,392,505	JO Hambro UK Dynamic	1,299	2.62
727,186	JPM US Equity Income	2,078	4.19
183,798	Magna Emerging Market Dividend	1,819	3.67
819,053	MI Chelverton UK Equity Income	899	1.81
2,377,777	Schroder Asian Trust	1,536	3.10
2,188,673	Threadneedle UK Equity Income	2,111	4.25
743,914	Threadneedle US Equity Income	1,572	3.17
22,222	TM Fulcrum Income	2,022	4.07

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager Income III Fund

Portfolio Statement as at 31 December 2018
(Continued)

Holding	Investment	Market value £'000	Percentage of total net assets
Money Market Funds (0.97%)		**703**	**1.42**
703	Aberdeen Liquidity Fund - Sterling	703	1.42
Property Funds (9.00%)		**4,546**	**9.16**
2,688,560	Janus Henderson UK Property	3,092	6.23
123,206	M&G Property Portfolio	1,454	2.93
Total investment assets		**49,793**	**100.36**
Net other liabilities		(180)	(0.36)
Total Net Assets		**49,613**	**100.00**

All investments are regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.
The percentage figures in brackets show the comparative holding as at 30 June 2018.

	Market value £'000
Reconciliation of assets and liabilities to the balance sheet	
Investment assets as per the Balance Sheet	49,090
*Collective Investment Schemes classified as Cash Equivalents	703
Net other liabilities	(180)
Total Net Assets	**49,613**

Statement of Total Return

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Income:				
Net capital (losses)/gains		(3,202)		1,150
Revenue	897		770	
Expenses	(226)		(254)	
Interest payable and similar charges	0		(3)	
Net revenue before taxation	671		513	
Taxation	(49)		(27)	
Net revenue after taxation		622		486
Total return before distributions		(2,580)		1,636
Distributions		(686)		(545)
Change in net assets attributable to shareholders from investment activities		**(3,266)**		**1,091**

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		54,295		53,063
Amounts receivable on the issue of shares	3,844		4,291	
Amounts payable on the cancellation of shares	(5,739)		(4,151)	
		(1,895)		140
Dilution adjustment		(5)		0
Change in net assets attributable to shareholders from investment activities (see above)		(3,266)		1,091
Retained distribution on accumulation shares		484		380
Closing net assets attributable to shareholders		**49,613**		**54,674**

Comparative information is provided for the statement of change in net assets attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

Balance Sheet

as at 31 December 2018

	31 December 2018		30 June 2018	
	£'000	£'000	£'000	£'000
Assets:				
Fixed assets:				
Investment assets		49,090		53,813
Current assets:				
Debtors	153		1,650	
Cash and bank balances	50		47	
Cash equivalents	703		528	
		906		2,225
Total assets		49,996		56,038
Liabilities:				
Creditors	(277)		(1,594)	
Distribution payable	(106)		(149)	
		(383)		(1,743)
Total liabilities		(383)		(1,743)
Net assets attributable to shareholders		**49,613**		**54,295**

Standard Life Investment Company III
Interim Report & Financial Statements

MyFolio Multi-Manager Income III Fund

Distribution Tables

for the three months ended 30 September 2018

Group 1 – shares purchased prior to 1 July 2018

Group 2 – shares purchased between 1 July 2018 and 30 September 2018

	Net Income 2018 pence per share	Equalisation 2018 pence per share	Distribution paid 2018 pence per share	Distribution paid 2017 pence per share
Retail accumulation				
Group 1	0.2128	–	0.2128*	0.2128
Group 2	0.0454	0.1674	0.2128*	0.2128
Institutional accumulation				
Group 1	0.3206	–	0.3206*	0.3206
Group 2	0.1033	0.2173	0.3206*	0.3206
Retail income				
Group 1	0.3596	–	0.3596**	0.3596
Group 2	–	–	–	–
Institutional income				
Group 1	0.3545	–	0.3545**	0.3545
Group 2	0.1272	0.2273	0.3545**	0.3545
Standard Life income				
Group 1	0.2982	–	0.2982**	0.2982
Group 2	–	–	–	–
Platform 1 accumulation				
Group 1	0.2655	–	0.2655*	0.2655
Group 2	0.0801	0.1854	0.2655*	0.2655
Platform 1 income				
Group 1	0.3398	–	0.3398**	0.3398
Group 2	0.1062	0.2336	0.3398**	0.3398

* Distribution accumulated on 30 September 2018
** Distribution paid on 31 December 2018

MyFolio Multi-Manager Income III Fund

Distribution Tables
(Continued)

for the three months ended 31 December 2018

Group 1 – shares purchased prior to 1 October 2018

Group 2 – shares purchased between 1 October 2018 and 31 December 2018

	Net Income 2018 pence per share	Equalisation 2018 pence per share	Distribution payable 2018 pence per share	Distribution paid 2017 pence per share
Retail accumulation				
Group 1	0.4910	–	0.4910*	0.4108
Group 2	0.1037	0.3873	0.4910*	0.4108
Institutional accumulation				
Group 1	0.5808	–	0.5808*	0.5065
Group 2	0.3713	0.2095	0.5808*	0.5065
Retail income				
Group 1	0.5335	–	0.5335**	0.4996
Group 2	–	–	–	–
Institutional income				
Group 1	0.5492	–	0.5492**	0.5092
Group 2	0.2151	0.3341	0.5492**	0.5092
Standard Life income				
Group 1	0.4787	–	0.4787**	0.4385
Group 2	–	–	–	–
Platform 1 accumulation				
Group 1	0.5322	–	0.5322*	0.4536
Group 2	0.2630	0.2692	0.5322*	0.4536
Platform 1 income				
Group 1	0.5178	–	0.5178**	0.4807
Group 2	0.1450	0.3728	0.5178**	0.4807

* Distribution accumulated on 31 December 2018
** Distribution payable on 29 March 2019

MyFolio Multi-Manager Income III Fund

Distribution Tables
(Continued)

Treatment by Corporate Shareholders

Corporate shareholders should account for the current period's dividends shown in the distribution table as follows:

	1st Interim Dividend Distribution	2nd Interim Dividend Distribution
Treat as a UK corporate dividend	78.03%	73.47%
Treat as an annual payment net of Income tax at 20%	21.97%	26.53%

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager Income IV Fund

Investment Report

Fund Information	
Fund Manager	Bambos Hambi
Launch Date	16 December 2011

Investment objective

The Sub-fund aims to provide an income-focused return with some capital appreciation over the longer term.

Investment policy

The current policy of the Sub-fund is to invest mainly in a range of collective investment schemes to achieve a broad exposure to diversified investments, including equities, fixed and variable rate interest bearing securities and immoveable property. The Sub-fund may also invest in transferable securities, money-market instruments, deposits, cash and near cash. Typically, the Sub-fund will have a preference to those assets providing potential for growth, such as equities.

Risk

The Sub-fund is intended for investors who wish to participate in the opportunity to achieve a competitive level of income with the potential of some capital appreciation over the longer term by investing in an actively managed portfolio of collective investment schemes which themselves invest in equities, fixed and variable rate interest bearing securities, and immoveable property. The diversified nature of the portfolio makes it suitable for investors wishing to achieve a broad spread of exposure. The investor must be able to accept significant temporary losses to capital and the possibility of fluctuations in the income level due to the volatile nature of equity, bond, property and currency markets, and should therefore have an investment time horizon of at least 5 years.

Investment activity

The Investment Activity for each Sub-fund is documented as whole on pages 5 to 9.

Synthetic Risk & Reward Indicator

Lower risk
Typically lower rewards

Higher risk
Typically Higher rewards

1	2	3	**4**	5	6	7

This indicator reflects the volatility of the Sub-fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Sub-fund invests. Historical data may not be a reliable indication of the future. Where the share class does not have a history of five years, an alternative share class or a representative benchmark has been used to show how the Sub-fund price may have behaved over the period.

The current rating, which is the same for all share classes, is not guaranteed and may change if the volatility of the assets in which the Sub-fund invests changes. The lowest rating does not mean risk free.

All investment involves risk. This Sub-fund offers no guarantee against loss or that the Sub-fund's objective will be attained.

For further information on the risks that may not be fully captured by the risk and reward indicator, please refer to the current Key Investor Information Document (KIID).

Cautionary note

It should be remembered that past performance is not a guide to future performance. The value of investments may go down as well as up and, therefore, investors may not get back the amount originally invested.

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager Income IV Fund

Comparative Tables

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Retail accumulation				
Change in net assets per share				
Opening net asset value per share	76.72	74.75	66.53	64.97
Return before operating charges*	(4.25)	3.42	9.67	2.86
Operating charges**	(0.71)	(1.45)	(1.45)	(1.30)
Return after operating charges*	(4.96)	1.97	8.22	1.56
Distributions	(0.88)	(1.76)	(1.40)	(1.49)
Retained distributions on accumulation share	0.88	1.76	1.40	1.49
Closing net asset value per share	71.76	76.72	74.75	66.53
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-6.47%	2.64%	12.36%	2.40%
Other information				
Closing net asset value (£'000)	5,377	5,974	5,422	4,703
Closing number of shares	7,493,793	7,787,258	7,252,783	7,067,587
Operating charges****	1.85%	1.90%	2.01%	2.00%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	78.94	78.56	76.49	66.75
Lowest share price	71.18	73.78	67.10	61.13

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

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Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional accumulation				
Change in net assets per share				
Opening net asset value per share	79.76	77.40	68.53	66.46
Return before operating charges*	(4.46)	3.46	9.89	2.98
Operating charges**	(0.56)	(1.10)	(1.02)	(0.91)
Return after operating charges*	(5.02)	2.36	8.87	2.07
Distributions	(1.06)	(2.15)	(1.84)	(1.99)
Retained distributions on accumulation share	1.06	2.15	1.84	1.99
Closing net asset value per share	74.74	79.76	77.40	68.53
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-6.29%	3.05%	12.94%	3.11%
Other information				
Closing net asset value (£'000)	2,294	2,345	3,250	1,984
Closing number of shares	3,068,577	2,940,218	4,199,168	2,895,465
Operating charges****	1.40%	1.39%	1.37%	1.36%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	82.11	81.56	79.19	68.67
Lowest share price	74.13	76.64	69.12	62.82

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Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager Income IV Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Retail income				
Change in net assets per share				
Opening net asset value per share	60.81	61.29	56.49	57.18
Return before operating charges*	(3.36)	2.77	8.03	2.54
Operating charges**	(0.56)	(1.18)	(1.22)	(1.13)
Return after operating charges*	(3.92)	1.59	6.81	1.41
Distributions	(1.00)	(2.07)	(2.01)	(2.10)
Closing net asset value per share	55.89	60.81	61.29	56.49
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-6.45%	2.59%	12.06%	2.47%
Other information				
Closing net asset value (£'000)	4	6	6	62
Closing number of shares	8,612	10,612	10,612	109,059
Operating charges****	1.85%	1.91%	2.01%	2.00%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	62.73	63.51	63.40	58.86
Lowest share price	55.91	59.39	57.12	52.86

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

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MyFolio Multi-Manager Income IV Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional income				
Change in net assets per share				
Opening net asset value per share	64.20	64.35	58.71	58.98
Return before operating charges*	(3.53)	2.87	8.41	2.60
Operating charges**	(0.45)	(0.91)	(0.87)	(0.80)
Return after operating charges*	(3.98)	1.96	7.54	1.80
Distributions	(1.02)	(2.11)	(1.90)	(2.07)
Closing net asset value per share	59.20	64.20	64.35	58.71
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-6.20%	3.05%	12.84%	3.05%
Other information				
Closing net asset value (£'000)	1,877	1,844	1,588	1,650
Closing number of shares	3,170,305	2,872,573	2,468,547	2,811,357
Operating charges****	1.40%	1.39%	1.37%	1.36%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	66.25	66.92	66.46	60.73
Lowest share price	59.21	62.63	59.35	54.91

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

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**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period.

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Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager Income IV Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Standard Life income				
Change in net assets per share				
Opening net asset value per share	59.15	58.99	53.50	53.48
Return before operating charges*	(3.33)	2.56	7.65	2.26
Operating charges**	(0.28)	(0.55)	(0.52)	(0.47)
Return after operating charges*	(3.61)	2.01	7.13	1.79
Distributions	(0.90)	(1.85)	(1.64)	(1.77)
Closing net asset value per share	54.64	59.15	58.99	53.50
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-6.10%	3.41%	13.33%	3.35%
Other information				
Closing net asset value (£'000)	8	10	9	7
Closing number of shares	14,193	16,526	14,686	13,642
Operating charges****	0.93%	0.91%	0.89%	0.88%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	61.06	61.52	60.90	55.07
Lowest share price	54.65	57.64	54.09	49.92

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

*** The direct transaction costs are made up of; fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

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++ These represent the highest and lowest share prices available to investors in the period. This may differ to the opening and closing net asset value per share in the table above due to accounting adjustments.

MyFolio Multi-Manager Income IV Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Platform 1 accumulation				
Change in net assets per share				
Opening net asset value per share	74.55	72.41	64.23	62.40
Return before operating charges*	(4.17)	3.25	9.29	2.82
Operating charges**	(0.54)	(1.11)	(1.11)	(0.99)
Return after operating charges*	(4.71)	2.14	8.18	1.83
Distributions	(0.98)	(1.95)	(1.59)	(1.76)
Retained distributions on accumulation share	0.98	1.95	1.59	1.76
Closing net asset value per share	69.84	74.55	72.41	64.23
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-6.32%	2.96%	12.74%	2.93%
Other information				
Closing net asset value (£'000)	2,282	2,714	2,622	2,593
Closing number of shares	3,267,216	3,640,337	3,621,961	4,037,298
Operating charges****	1.45%	1.50%	1.59%	1.58%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	76.74	76.24	74.08	64.37
Lowest share price	69.28	71.64	64.78	58.92

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**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period. The operating charge for the current period is lower than in previous compartative periods, because the Authorised Corporate Director's periodic charge was reduced on 1 November 2017.

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Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager Income IV Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Platform 1 income				
Change in net assets per share				
Opening net asset value per share	60.43	60.65	55.46	55.87
Return before operating charges*	(3.33)	2.70	7.96	2.44
Operating charges**	(0.44)	(0.92)	(0.95)	(0.87)
Return after operating charges*	(3.77)	1.78	7.01	1.57
Distributions	(0.97)	(2.00)	(1.82)	(1.98)
Closing net asset value per share	55.69	60.43	60.65	55.46
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-6.24%	2.93%	12.64%	2.81%
Other information				
Closing net asset value (£'000)	1,220	1,204	990	963
Closing number of shares	2,190,697	1,991,804	1,631,614	1,736,964
Operating charges****	1.45%	1.49%	1.59%	1.58%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	62.35	63.00	62.66	57.52
Lowest share price	55.70	58.96	56.07	51.92

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

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Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager Income IV Fund

Portfolio Statement as at 31 December 2018

Holding	Investment	Market value £'000	Percentage of total net assets
Collective Investment Schemes (100.15%)		**13,076**	**100.10**
Absolute Return Funds (9.18%)		**1,180**	**9.03**
7,471	AQR Systematic Total Return	651	4.98
6,049	Payden Absolute Return Bond	58	0.44
599,858	SLI Global Absolute Return Strategies	471	3.61
Bond Funds (9.53%)		**1,412**	**10.81**
1,432	Barings European High Yield Bond	134	1.03
29,529	Neuberger Berman Emerging Markets Debt Local Currency	264	2.02
5,839	Nomura US High Yield Bond	524	4.01
11,120	PIMCO GIS Global Investment Grade Credit	146	1.12
1,522	Robeco Global Credits	146	1.12
1,142	Robeco Global Credits Short Maturity	110	0.84
9,149	T Rowe Price Dynamic Global Bond	88	0.67
Equity Funds (73.50%)		**9,517**	**72.85**
390,575	Artemis Income	848	6.49
799,517	BNY Mellon U.S. Equity Income	762	5.83
28,825	Brookfield Global Listed Real Estate	508	3.89
25,690	CC Japan Income & Growth	383	2.93
117,514	CF Morant Wright Nippon Yield	384	2.94
293,697	Invesco European Equity Income	969	7.42
348,887	Invesco Global Targeted Income	654	5.01
553,365	JO Hambro UK Dynamic	516	3.95
284,115	JPM US Equity Income	812	6.21
63,186	Magna Emerging Market Dividend	625	4.79
329,774	MI Chelverton UK Equity Income	362	2.77
890,784	Schroder Asian Trust	575	4.40
876,186	Threadneedle UK Equity Income	845	6.47
296,693	Threadneedle US Equity Income	627	4.80
7,111	TM Fulcrum Income	647	4.95
Money Market Funds (1.98%)		**162**	**1.24**
162	Aberdeen Liquidity Fund - Sterling	162	1.24

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager Income IV Fund

Portfolio Statement as at 31 December 2018
(Continued)

Holding	Investment	Market value £'000	Percentage of total net assets
Property Funds (5.96%)		**805**	**6.17**
452,767	Janus Henderson UK Property	521	3.99
24,122	M&G Property Portfolio	284	2.18
Total investment assets		**13,076**	**100.10**
Net other liabilities		(14)	(0.10)
Total Net Assets		**13,062**	**100.00**

All investments are regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

The percentage figures in brackets show the comparative holding as at 30 June 2018.

	Market value £'000
Reconciliation of assets and liabilities to the balance sheet	
Investment assets as per the Balance Sheet	12,914
*Collective Investment Schemes classified as Cash Equivalents	162
Net other liabilities	(14)
Total Net Assets	**13,062**

Statement of Total Return

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Income:				
Net capital (losses)/gains		(1,060)		345
Revenue	233		212	
Expenses	(60)		(68)	
Net revenue before taxation	173		144	
Taxation	(4)		(7)	
Net revenue after taxation		169		137
Total return before distributions		(891)		482
Distributions		(184)		(152)
Change in net assets attributable to shareholders from investment activities		**(1,075)**		**330**

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		14,097		13,887
Amounts receivable on the issue of shares	1,835		2,098	
Amounts payable on the cancellation of shares	(1,925)		(1,906)	
		(90)		192
Change in net assets attributable to shareholders from investment activities (see above)		(1,075)		330
Retained distribution on accumulation shares		130		112
Closing net assets attributable to shareholders		**13,062**		**14,521**

Comparative information is provided for the statement of change in net assets attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

Balance Sheet

as at 31 December 2018

	31 December 2018		30 June 2018	
	£'000	£'000	£'000	£'000
Assets:				
Fixed assets:				
Investment assets		12,914		13,840
Current assets:				
Debtors	53		56	
Cash and bank balances	15		18	
Cash equivalents	162		279	
		230		353
Total assets		13,144		14,193
Liabilities:				
Creditors	(50)		(62)	
Distribution payable	(32)		(34)	
		(82)		(96)
Total liabilities		(82)		(96)
Net assets attributable to shareholders		**13,062**		**14,097**

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager Income IV Fund

Distribution Tables

for the three months ended 30 September 2018

Group 1 – shares purchased prior to 1 July 2018

Group 2 – shares purchased between 1 July 2018 and 30 September 2018

	Net Income 2018 pence per share	Equalisation 2018 pence per share	Distribution paid 2018 pence per share	Distribution paid 2017 pence per share
Retail accumulation				
Group 1	0.3443	–	0.3443*	0.2176
Group 2	0.1593	0.1850	0.3443*	0.2176
Institutional accumulation				
Group 1	0.4371	–	0.4371*	0.3300
Group 2	0.2045	0.2326	0.4371*	0.3300
Retail income				
Group 1	0.4265	–	0.4265**	0.3641
Group 2	–	–	–	–
Institutional income				
Group 1	0.4378	–	0.4378**	0.3602
Group 2	0.1711	0.2667	0.4378**	0.3602
Standard Life income				
Group 1	0.3813	–	0.3813**	0.3095
Group 2	0.1580	0.2233	0.3813**	0.3095
Platform 1 accumulation				
Group 1	0.4010	–	0.4010*	0.2754
Group 2	0.1553	0.2457	0.4010*	0.2754
Platform 1 income				
Group 1	0.4139	–	0.4139**	0.3475
Group 2	0.1012	0.3127	0.4139**	0.3475

* Distribution accumulated on 30 September 2018
** Distribution paid on 31 December 2018

MyFolio Multi-Manager Income IV Fund

Distribution Tables
(Continued)

for the three months ended 31 December 2018

Group 1 – shares purchased prior to 1 October 2018

Group 2 – shares purchased between 1 October 2018 and 31 December 2018

	Net Income 2018 pence per share	Equalisation 2018 pence per share	Distribution payable 2018 pence per share	Distribution paid 2017 pence per share
Retail accumulation				
Group 1	0.5311	–	0.5311*	0.4493
Group 2	0.1280	0.4031	0.5311*	0.4493
Institutional accumulation				
Group 1	0.6265	–	0.6265*	0.5410
Group 2	0.1287	0.4978	0.6265*	0.5410
Retail income				
Group 1	0.5696	–	0.5696**	0.5297
Group 2	–	–	–	–
Institutional income				
Group 1	0.5828	–	0.5828**	0.5373
Group 2	0.4519	0.1309	0.5828**	0.5373
Standard Life income				
Group 1	0.5149	–	0.5149**	0.4713
Group 2	0.2391	0.2758	0.5149**	0.4713
Platform 1 accumulation				
Group 1	0.5744	–	0.5744*	0.4915
Group 2	0.1768	0.3976	0.5744*	0.4915
Platform 1 income				
Group 1	0.5518	–	0.5518**	0.5108
Group 2	0.1814	0.3704	0.5518**	0.5108

* Distribution accumulated on 31 December 2018
** Distribution payable 29 March 2019

Treatment by Corporate Shareholders

Corporate shareholders should account for the current period's dividends shown in the distribution table as follows:

	1st Interim Dividend Distribution	2nd Interim Dividend Distribution
Treat as a UK corporate dividend	100.00%	90.22%
Treat as an annual payment net of Income tax at 20%	0.00%	9.78%

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager Income V Fund

Investment Report

Fund Information	
Fund Manager	Bambos Hambi
Launch Date	16 December 2011

Investment objective

The Sub-fund aims to provide an income-focused return with some capital appreciation over the longer term.

Investment policy

The current policy of the Sub-fund is to invest mainly in a range of collective investment schemes to achieve exposure to diversified investments, of primarily equities, but which may include fixed and variable rate interest bearing securities and immoveable property. The Sub-fund may also invest in transferable securities, money-market instruments, deposits, cash and near cash. Typically, the Sub-fund will have high exposure to assets providing potential for growth, such as equities.

Risk

The Sub-fund is intended for investors who wish to participate in the opportunity to achieve a competitive level of income with the potential of some capital appreciation over the longer term by investing in an actively managed portfolio of collective investment schemes which themselves invest in equities, fixed and variable rate interest bearing securities, and immoveable property. The diversified nature of the portfolio makes it suitable for investors wishing to achieve a broad spread of exposure. The investor must be able to accept significant temporary losses to capital and the possibility of fluctuations in the income level due to the volatile nature of equity, bond, property and currency markets, and should therefore have an investment time horizon of at least 5 years.

Investment activity

The Investment Activity for each Sub-fund is documented as a whole on pages 5 to 9.

Synthetic Risk & Reward Indicator

Lower risk
Typically lower rewards

Higher risk
Typically Higher rewards

1	2	3	**4**	5	6	7

This indicator reflects the volatility of the Sub-fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Sub-fund invests. Historical data may not be a reliable indication of the future. Where the share class does not have a history of five years, an alternative share class or a representative benchmark has been used to show how the Sub-fund price may have behaved over the period.

The current rating is not guaranteed and may change if the volatility of the assets in which the Sub-fund invests changes. The lowest rating does not mean risk free.

All investment involves risk. This Sub-fund offers no guarantee against loss or that the Sub-fund's objective will be attained.

For further information on the risks that may not be fully captured by the risk and reward indicator, please refer to the current Key Investor Information Document (KIID).

Cautionary note

It should be remembered that past performance is not a guide to future performance. The value of investments may go down as well as up and, therefore, investors may not get back the amount originally invested.

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager Income V Fund

Comparative Tables

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Retail accumulation				
Change in net assets per share				
Opening net asset value per share	82.08	79.48	68.52	66.47
Return before operating charges*	(5.61)	4.13	12.50	3.41
Operating charges**	(0.75)	(1.53)	(1.54)	(1.36)
Return after operating charges*	(6.36)	2.60	10.96	2.05
Distributions	(0.84)	(1.53)	(1.41)	(1.45)
Retained distributions on accumulation share	0.84	1.53	1.41	1.45
Closing net asset value per share	75.72	82.08	79.48	68.52
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-7.75%	3.27%	16.00%	3.08%
Other information				
Closing net asset value (£'000)	3,641	3,250	3,259	2,521
Closing number of shares	4,808,422	3,959,809	4,098,995	3,678,544
Operating charges****	1.85%	1.88%	2.03%	2.05%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	84.76	84.21	81.43	68.49
Lowest share price	74.81	77.98	68.86	61.64

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Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager Income V Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional accumulation				
Change in net assets per share				
Opening net asset value per share	85.18	82.06	70.34	67.76
Return before operating charges*	(5.82)	4.27	12.80	3.53
Operating charges**	(0.60)	(1.15)	(1.08)	(0.95)
Return after operating charges*	(6.42)	3.12	11.72	2.58
Distributions	(1.05)	(2.01)	(1.89)	(1.95)
Retained distributions on accumulation share	1.05	2.01	1.89	1.95
Closing net asset value per share	78.76	85.18	82.06	70.34
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-7.54%	3.80%	16.66%	3.81%
Other information				
Closing net asset value (£'000)	443	471	570	257
Closing number of shares	563,125	553,491	694,405	365,311
Operating charges****	1.40%	1.37%	1.38%	1.40%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	88.00	87.18	84.10	70.34
Lowest share price	77.81	80.83	70.70	63.13

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

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MyFolio Multi-Manager Income V Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Retail income				
Change in net assets per share				
Opening net asset value per share	64.46	64.31	57.11	57.31
Return before operating charges*	(4.38)	3.32	10.38	2.99
Operating charges**	(0.61)	(1.24)	(1.27)	(1.16)
Return after operating charges*	(4.99)	2.08	9.11	1.83
Distributions	(0.33)	(1.93)	(1.91)	(2.03)
Closing net asset value per share	59.14	64.46	64.31	57.11
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-7.74%	3.23%	15.95%	3.19%
Other information				
Closing net asset value (£'000)	0.00	1	1	1
Closing number of shares	6	2,006	2,006	2,006
Operating charges****	1.85%	1.90%	2.03%	2.05%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	66.64	67.27	66.52	59.10
Lowest share price	58.60	62.12	57.48	52.37

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**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period. The operating charge for the current period is lower than in previous compartative periods, because the Authorised Corporate Director's periodic charge was reduced on 1 November 2017.

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Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager Income V Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Institutional income				
Change in net assets per share				
Opening net asset value per share	68.78	68.28	60.27	60.09
Return before operating charges*	(4.65)	3.49	10.90	3.04
Operating charges**	(0.48)	(0.95)	(0.92)	(0.83)
Return after operating charges*	(5.13)	2.54	9.98	2.21
Distributions	(1.04)	(2.04)	(1.97)	(2.03)
Closing net asset value per share	62.61	68.78	68.28	60.27
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-7.46%	3.72%	16.56%	3.68%
Other information				
Closing net asset value (£'000)	617	554	385	248
Closing number of shares	986,014	804,262	563,943	412,183
Operating charges****	1.40%	1.37%	1.38%	1.40%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	71.15	71.64	70.63	61.89
Lowest share price	62.47	66.22	60.66	55.11

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

*** The direct transaction costs are made up of; fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period.

+ The performance figures are calculated by taking the value of the shareclass per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report. The Investment Report performance figure is calculated using the last available published price for a given shareclass in the period compared to the equivalent for the prior period. The published price may contain an adjustment for dilution in accordance with the Sub-fund pricing policy, while the price per the financial statements values the Sub-fund on a bid-price basis. The financial statements shareclass valuation is based on close of business market prices on the last day of the period, again this may differ from the intra-day pricing point of the Sub-fund which is used in the published shareclass price.

++ These represent the highest and lowest share prices available to investors in the period. This may differ to the opening and closing net asset value per share in the table above due to accounting adjustments.

MyFolio Multi-Manager Income V Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Standard Life income				
Change in net assets per share				
Opening net asset value per share	64.43	63.61	55.80	55.27
Return before operating charges*	(4.42)	3.23	10.10	2.82
Operating charges**	(0.30)	(0.58)	(0.56)	(0.51)
Return after operating charges*	(4.72)	2.65	9.54	2.31
Distributions	(0.93)	(1.83)	(1.73)	(1.78)
Closing net asset value per share	58.78	64.43	63.61	55.80
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-7.33%	4.17%	17.10%	4.18%
Other information				
Closing net asset value (£'000)	104	125	143	109
Closing number of shares	176,720	193,793	225,258	195,190
Operating charges****	0.93%	0.89%	0.91%	0.93%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	66.68	66.96	65.72	56.92
Lowest share price	58.64	61.97	56.16	50.87

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

*** The direct transaction costs are made up of; fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period.

+ The performance figures are calculated by taking the value of the shareclass per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report. The Investment Report performance figure is calculated using the last available published price for a given shareclass in the period compared to the equivalent for the prior period. The published price may contain an adjustment for dilution in accordance with the Sub-fund pricing policy, while the price per the financial statements values the Sub-fund on a bid-price basis. The financial statements shareclass valuation is based on close of business market prices on the last day of the period, again this may differ from the intra-day pricing point of the Sub-fund which is used in the published shareclass price.

++ These represent the highest and lowest share prices available to investors in the period. This may differ to the opening and closing net asset value per share in the table above due to accounting adjustments.

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Platform 1 accumulation				
Change in net assets per share				
Opening net asset value per share	80.49	77.64	66.67	64.35
Return before operating charges*	(5.50)	4.02	12.16	3.37
Operating charges**	(0.58)	(1.17)	(1.19)	(1.05)
Return after operating charges*	(6.08)	2.85	10.97	2.32
Distributions	(0.98)	(1.82)	(1.66)	(1.73)
Retained distributions on accumulation share	0.98	1.82	1.66	1.73
Closing net asset value per share	74.41	80.49	77.64	66.67
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-7.55%	3.67%	16.45%	3.61%
Other information				
Closing net asset value (£'000)	1,267	1,107	1,041	961
Closing number of shares	1,702,756	1,375,632	1,340,697	1,441,665
Operating charges****	1.45%	1.47%	1.61%	1.63%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	83.16	82.43	79.56	66.66
Lowest share price	73.51	76.40	67.02	59.88

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

*** The direct transaction costs are made up of; fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period. The operating charge for the current period is lower than in previous compartative periods, because the Authorised Corporate Director's periodic charge was reduced on 1 November 2017.

+ The performance figures are calculated by taking the value of the shareclass per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report. The Investment Report performance figure is calculated using the last available published price for a given shareclass in the period compared to the equivalent for the prior period. The published price may contain an adjustment for dilution in accordance with the Sub-fund pricing policy, while the price per the financial statements values the Sub-fund on a bid-price basis. The financial statements shareclass valuation is based on close of business market prices on the last day of the period, again this may differ from the intra-day pricing point of the Sub-fund which is used in the published shareclass price.

++ These represent the highest and lowest share prices available to investors in the period. This may differ to the opening and closing net asset value per share in the table above due to accounting adjustments.

MyFolio Multi-Manager Income V Fund

Comparative Tables
(Continued)

	31 December 2018 pence per share	30 June 2018 pence per share	30 June 2017 pence per share	30 June 2016 pence per share
Platform 1 income				
Change in net assets per share				
Opening net asset value per share	66.21	65.78	58.18	58.13
Return before operating charges*	(4.49)	3.38	10.56	2.99
Operating charges**	(0.48)	(0.98)	(1.03)	(0.94)
Return after operating charges*	(4.97)	2.40	9.53	2.05
Distributions	(1.00)	(1.97)	(1.93)	(2.00)
Closing net asset value per share	60.24	66.21	65.78	58.18
* after direct transaction costs of:***	0.00	0.00	0.00	0.00
Performance +				
Return after charges	-7.51%	3.65%	16.38%	3.53%
Other information				
Closing net asset value (£'000)	521	560	422	279
Closing number of shares	864,197	845,353	642,081	480,092
Operating charges****	1.45%	1.47%	1.61%	1.63%
Direct transaction costs***	0.00%	0.00%	0.00%	0.00%
Prices ++				
Highest share price	68.48	68.97	68.05	59.86
Lowest share price	60.10	63.75	58.55	53.25

** The operating charges include all costs borne by the Sub-fund, except for direct transaction costs.

*** The direct transaction costs are made up of; fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

**** The operating charges percentage shows the annualised operating expenses of the share class as a percentage of the average net asset value of the class over the same period. The operating charge for the current period is lower than in previous compartative periods, because the Authorised Corporate Director's periodic charge was reduced on 1 November 2017.

+ The performance figures are calculated by taking the value of the shareclass per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report. The Investment Report performance figure is calculated using the last available published price for a given shareclass in the period compared to the equivalent for the prior period. The published price may contain an adjustment for dilution in accordance with the Sub-fund pricing policy, while the price per the financial statements values the Sub-fund on a bid-price basis. The financial statements shareclass valuation is based on close of business market prices on the last day of the period, again this may differ from the intra-day pricing point of the Sub-fund which is used in the published shareclass price.

++ These represent the highest and lowest share prices available to investors in the period. This may differ to the opening and closing net asset value per share in the table above due to accounting adjustments.

Standard Life Investment Company III Interim Report & Financial Statements

MyFolio Multi-Manager Income V Fund

Portfolio Statement as at 31 December 2018

Holding	Investment	Market value £'000	Percentage of total net assets
Collective Investment Schemes (99.39%)		**6,590**	**99.95**
Absolute Return Funds (9.59%)		**596**	**9.04**
4,060	AQR Systematic Total Return	354	5.37
308,999	SLI Global Absolute Return Strategies	242	3.67
Bond Funds (1.30%)		**48**	**0.73**
540	Nomura US High Yield Bond	48	0.73
Equity Funds (87.84%)		**5,891**	**89.35**
257,933	Artemis Income	560	8.49
528,595	BNY Mellon U.S. Equity Income	504	7.64
2,831	Brookfield Global Listed Real Estate	50	0.76
16,704	CC Japan Income & Growth	249	3.78
77,063	CF Morant Wright Nippon Yield	252	3.82
199,624	Invesco European Equity Income	658	9.98
184,165	Invesco Global Targeted Income	345	5.23
365,438	JO Hambro UK Dynamic	341	5.17
190,669	JPM US Equity Income	545	8.27
41,992	Magna Emerging Market Dividend	416	6.31
218,451	MI Chelverton UK Equity Income	240	3.64
586,116	Schroder Asian Trust	378	5.74
578,149	Threadneedle UK Equity Income	558	8.46
214,303	Threadneedle US Equity Income	453	6.87
3,762	TM Fulcrum Income	342	5.19
Money Market Funds (0.66%)		**55**	**0.83**
55	Aberdeen Liquidity Fund - Sterling	55	0.83
Total investment assets		**6,590**	**99.95**
Net other assets		3	0.05
Total Net Assets		**6,593**	**100.00**

All investments are regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

The percentage figures in brackets show the comparative holding as at 30 June 2018.

MyFolio Multi-Manager Income V Fund

Portfolio Statement as at 31 December 2018
(Continued)

	Market value £'000
Reconciliation of assets and liabilities to the balance sheet	
Investment assets as per the Balance Sheet	6,535
*Collective Investment Schemes classified as Cash Equivalents	55
Net other assets	3
Total Net Assets	**6,593**

Statement of Total Return

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Income:				
Net capital (losses)/gains		(593)		188
Revenue	97		70	
Expenses	(29)		(30)	
Net revenue before taxation	68		40	
Taxation	0		0	
Net revenue after taxation		68		40
Total return before distributions		(525)		228
Distributions		(77)		(49)
Change in net assets attributable to shareholders from investment activities		**(602)**		**179**

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 July 2018 to 31 December 2018

	31 December 2018		31 December 2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		6,068		5,821
Amounts receivable on the issue of shares	1,432		1,572	
Amounts payable on the cancellation of shares	(366)		(1,417)	
		1,066		155
Dilution adjustment		0		1
Change in net assets attributable to shareholders from investment activities (see above)		(602)		179
Retained distribution on accumulation shares		61		37
Closing net assets attributable to shareholders		**6,593**		**6,193**

Comparative information is provided for the statement of change in net assets attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

Balance Sheet

as at 31 December 2018

	31 December 2018		30 June 2018	
	£'000	£'000	£'000	£'000
Assets:				
Fixed assets:				
Investment assets		6,535		5,991
Current assets:				
Debtors	25		320	
Cash and bank balances	6		12	
Cash equivalents	55		40	
		86		372
Total assets		6,621		6,363
Liabilities:				
Creditors	(16)		(283)	
Distribution payable	(12)		(12)	
		(28)		(295)
Total liabilities		(28)		(295)
Net assets attributable to shareholders		**6,593**		**6,068**

Standard Life Investment Company III
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MyFolio Multi-Manager Income V Fund

Distribution Tables

for the three months ended 30 September 2018

Group 1 – shares purchased prior to 1 July 2018

Group 2 – shares purchased between 1 July 2018 and 30 September 2018

	Net Income 2018 pence per share	Equalisation 2018 pence per share	Distribution paid 2018 pence per share	Distribution paid 2017 pence per share
Retail accumulation				
Group 1	0.2798	–	0.2798*	0.1483
Group 2	0.0487	0.2311	0.2798*	0.1483
Institutional accumulation				
Group 1	0.3868	–	0.3868*	0.2867
Group 2	0.1642	0.2226	0.3868*	0.2867
Retail income				
Group 1	0.3255	–	0.3255**	0.3085
Group 2	–	–	–	–
Institutional income				
Group 1	0.4092	–	0.4092**	0.3371
Group 2	0.1931	0.2161	0.4092**	0.3371
Standard Life income				
Group 1	0.3631	–	0.3631**	0.2884
Group 2	0.1499	0.2132	0.3631**	0.2884
Platform 1 accumulation				
Group 1	0.3554	–	0.3554*	0.2275
Group 2	0.1644	0.1910	0.3554*	0.2275
Platform 1 income				
Group 1	0.3948	–	0.3948**	0.3233
Group 2	0.1844	0.2104	0.3948**	0.3233

* Distribution accumulated on 30 September 2018
** Distribution paid on 31 December 2018

MyFolio Multi-Manager Income V Fund

Distribution Tables
(Continued)

for the three months ended 31 December 2018

Group 1 – shares purchased prior to 1 October 2018

Group 2 – shares purchased between 1 October 2018 and 31 December 2018

	Net Income 2018 pence per share	Equalisation 2018 pence per share	Distribution payable 2018 pence per share	Distribution paid 2017 pence per share
Retail accumulation				
Group 1	0.5582	–	0.5582*	0.3998
Group 2	0.1071	0.4511	0.5582*	0.3998
Institutional accumulation				
Group 1	0.6642	–	0.6642*	0.5232
Group 2	0.5137	0.1505	0.6642*	0.5232
Retail income				
Group 1	–	–	–	0.5144
Group 2	–	–	–	–
Institutional income				
Group 1	0.6263	–	0.6263**	0.5237
Group 2	0.2537	0.3726	0.6263**	0.5237
Standard Life income				
Group 1	0.5688	–	0.5688**	0.4721
Group 2	0.2064	0.3624	0.5688**	0.4721
Platform 1 accumulation				
Group 1	0.6207	–	0.6207*	0.4723
Group 2	0.1529	0.4678	0.6207*	0.4723
Platform 1 income				
Group 1	0.6037	–	0.6037**	0.5116
Group 2	0.3652	0.2385	0.6037**	0.5116

* Distribution accumulated on 31 December 2018
** Distribution payable 29 March 2019

Treatment by Corporate Shareholders

Corporate shareholders should account for the current period's dividends shown in the distribution table as follows:

	1st Interim Dividend Distribution	2nd Interim Dividend Distribution
Treat as a UK corporate dividend	100.00%	100.00%
Treat as an annual payment net of Income tax at 20%	0.00%	0.00%

Standard Life Investment Company III Interim Report & Financial Statements

Alternative Investment Fund Disclosures

The Alternative Investment Fund Manager Directive (AIFMD) introduces additional requirements on the ACD and other parties, such as the Depositary. It also creates a clear and harmonised regulated framework for Alternative Investment Fund Managers (AIFMs) and the Fund ranges they manage. The key benefits of the AIFMD are greater investor protection and the creation of a more efficient and transparent market through enhanced Depositary supervisory practices that will help promote market stability and safekeeping of investments.

Risk profile

In conjunction with the other risk narratives in this report and the policies laid out in the prospectus there has been no significant change to the risk profile of the Sub-funds. For ease of reference the profile of the typical investor is included in each of the Sub-Fund reports.

Liquidity profile

With effect from 17 July 2017, the ACD may defer redemptions in times of high redemptions. For this purpose "high redemptions" are redemptions that at a valuation point on any given business day exceed 10% of a Fund's net asset value. The ability to defer redemptions is intended to protect the interests of shareholders remaining in the relevant Fund and will give the ACD, in times of high redemptions, the ability to defer redemptions at a particular valuation point on a business day to the valuation point on the next business day. This is intended to allow the ACD to match the sale of scheme property to the level of redemptions. Subject to COLL and to sufficient liquidity being raised at the next valuation point all deals relating to the earlier valuation point will be completed before those relating to the later valuation point are considered.

The ACD may, with the prior agreement of the Depositary, and must, if the Depositary so requires, suspend the issue, sale, cancellation and redemption of shares in a Sub-fund if it, or the Depositary in the case of any requirement by the Depositary, is of the opinion that due to exceptional circumstances it is in the interests of holders in the Sub-fund. The Depositary must formally review the suspension at least every 28 days and inform the FCA of the results of this review.

When the ACD buys or sells underlying investments in response to a request for the issue, sale, cancellation or redemption of shares, it will generally incur a cost, made up of dealing costs and any spread between the bid and offer prices of the investments concerned, which is not reflected in the price paid by or to the holder. This effect is known as dilution. With a view to reducing this cost which may have an adverse effect on continuing holders' interests in the Sub-fund the ACD may make a dilution adjustment on the issue, sale, cancellation and/or redemption of shares. Where the Sub-fund is, in the opinion of the ACD, experiencing a period of continual decline. In this case, the dilution adjustment would be made on all redemptions.

It could take less than 7 days to liquidate the majority of the investment assets of the Sub-funds.

The ACD has a robust valuation and pricing policy in place to ensure the valuation of assets is undertaken independently to ensure no conflicts arise. From time to time the ACD may afford preferential terms of investment to certain groups of investors. In assessing whether such terms are afforded to an investor, the ACD will ensure that any such concession is not inconsistent with its obligation to act in the overall best interests of the relevant Sub-fund and its investors. In particular, the ACD may typically exercise its discretion to waive a proportion of the initial charge or investment minima for investment in a Class for investors that are investing sufficiently large amounts, either initially or are anticipated to do so over time. The ACD may also have agreements in place with such groups of investors which result in them paying a reduced annual management charge. The Management charge accrues daily based on the mid valuation of the assets in line with the terms set out in the prospectus. There are no performance fees charged to investors in the Sub-funds.

Leverage of the AIF

There have been no changes to the maximum leverage allowed in the period. The gross leverage figure for Enhanced Diversification Growth Fund does not include centrally cleared interest rate swap contracts which have been economically closed but have not yet been compressed at the clearing house.

Leverage calculated on (basis)	Maximum Gross	Maximum Commitment	Current Gross	Current Commitment
Enhanced Diversification Growth Fund	850	850	719	642
MyFolio Managed I Fund	300	200	100	100
MyFolio Managed II Fund	300	200	100	100
MyFolio Managed III Fund	300	200	100	100
MyFolio Managed IV Fund	300	200	100	100
MyFolio Managed V Fund	300	200	100	100
MyFolio Market I Fund	300	200	100	100
MyFolio Market II Fund	300	200	100	100
MyFolio Market III Fund	300	200	100	100
MyFolio Market IV Fund	300	200	100	100
MyFolio Market V Fund	300	200	100	100
MyFolio Multi-Manager I Fund	300	200	100	100
MyFolio Multi-Manager II Fund	300	200	100	100
MyFolio Multi-Manager III Fund	300	200	100	100
MyFolio Multi-Manager IV Fund	300	200	100	100
MyFolio Multi-Manager V Fund	300	200	100	100
MyFolio Managed Income I Fund	300	200	100	100
MyFolio Managed Income II Fund	300	200	100	100
MyFolio Managed Income III Fund	300	200	100	100
MyFolio Managed Income IV Fund	300	200	100	100
MyFolio Managed Income V Fund	300	200	100	100

Alternative Investment Fund Disclosures
(Continued)

Leverage calculated on (basis)	Maximum Gross	Maximum Commitment	Current Gross	Current Commitment
MyFolio Multi-Manager Income I Fund	300	200	100	100
MyFolio Multi-Manager Income II Fund	300	200	100	100
MyFolio Multi-Manager Income III Fund	300	200	100	100
MyFolio Multi-Manager Income IV Fund	300	200	100	100
MyFolio Multi-Manager Income V Fund	300	200	100	100

Under the Depositary Agreement the Depositary has agreed that it, and any person to whom it delegates custody functions, may not re-use any of the Sub-fund's assets with which it has been entrusted.

The Investment Adviser may use one or more separate counterparties to undertake derivative transactions on behalf of the Sub-fund and may be required to pledge collateral, paid from within the assets of the Sub-fund, to secure such contracts. There may be a risk that a counterparty will wholly or partially fail to honour their contractual obligations under the arrangement. The Investment Adviser assesses the creditworthiness of counterparties as part of the risk management process and will ordinarily hold collateral to mitigate this. The Depositary may, at the request of the ACD, enter into repo contracts and certain stock lending transactions.

Remuneration for the AIF

Standard Life Investments Limited, the Investment Adviser and Standard Life Investments (Mutual Funds) Limited, the Manager, are subsidiaries of Standard Life Aberdeen plc. The Alternative Investment Fund Managers Directive ("AIFMD") requires certain disclosures on the remuneration paid by Standard Life Investments (Mutual Funds) Limited (the "Manager"), to its staff. This information is set out in the table below.

For Standard Life Investments (Mutual Funds) Limited this applies to variable pay of employees of the Investment Manager identified as AIFM Material Risk Takers (MRTs) in respect of the performance period 1 January to 31 December 2017, awarded in March 2018. Our remuneration policy as set out below has been reviewed against the requirements of the Code.

Standard Life Investments (Mutual Funds) Limited does not employ any direct staff. Details of the Remuneration Policy and Procedures for employees of the Investment Manager classified as MRTs in accordance with European Securities and Markets Authority (ESMA) guidance, including, but not limited to, a description of how remuneration and benefits are calculated, the identities of persons responsible for awarding the remuneration and benefits including the composition of the Remuneration Committee can be found at the following link:

www.standardlifeaberdeen.com/remuneration-disclosure A paper copy will be made available free of charge upon request at the registered office of the Company.

These details together with the information below satisfy the AIFMD remuneration disclosures for the year ended 31 December 2017. Standard Life Aberdeen plc identifies certain individuals as Code Staff, in accordance with ESMA guidance in this regard. In accordance with these guidelines, Board members of the Management Company or self-managed entity (as appropriate) and staff that make up the key advisory committees are identified as roles that have a material impact on the risk profile of the Management Company or the AIF managed. Whilst the Board members direct the business this is done with the assistance of the committees, although the Board are ultimately responsible for risk management.

The Company has determined that the fixed remuneration payable is (a) consistent with sound and effective risk management and does not encourage risk-taking which is inconsistent with the risk profile, rules or instrument of incorporation of the Company and (b) in line with the business strategy, objectives, values and interests of the Company and the investors in the Company. The detailed provisions of Article 14b of the Regulations and the related ESMA guidelines in relation to variable remuneration are considered for employees of the Investment Manager on an apportioned basis, to reflect duties for regulated firms in line with regulatory guidance.

During 2017 the following amounts were paid in fixed and variable remuneration to material risk takers. Fixed remuneration includes base salary and benefits. Variable remuneration includes 2017 annual bonus awards paid in March 2018 and the target value of long term incentive awards granted in 2018 (which were based on performance in 2017).

	2017 Material Risk takers	2017 Senior Management	2017 Control Functions
Number of Code Staff[1]	15	23	5
Fixed Remuneration (£)	160,969	324,401	78,793
Variable Remuneration (£)	727,100	1,218,783	84,222
Total (£)[2]	888,069	1,543,184	163,015

[1] These figures reflect the material risk takers in respect of AIFMD for SLI(MF) Ltd. The number of individuals reported reflects ESMA guidelines. We undertake continual re-evaluation of material risk takers to align with the latest regulatory guidance.

[2] The figures reflect the total remuneration paid to each MRT in relation to AIFM duties and has not been time apportioned to reflect the time spent on issues related to an individual AIF.

Standard Life Investment Company III Interim Report & Financial Statements

Securities Financing Transactions Disclosure

Securities financing transactions (SFTs), broadly speaking, are any transactions where securities are used to borrow cash, or vice versa. Practically, this mostly includes repurchase agreements (repos or reverse repos), securities lending activities, sell/buy-back transactions, and margin lending transactions. In each of these, ownership of the securities temporarily changes in return for cash temporarily changing ownership. At the end of an SFT, the change of ownership reverts, and both counterparties are left with what they possessed originally, plus or minus a small fee depending on the purpose of the transaction. In this regard, they act like collateralised loans.

Regulation (EU) 2015/2365 of the European Parliament, from November 2015, seeks to increase the transparency of Securities Financing Transactions, and specifically, inform investors on the uses made of SFTs and Total Return Swaps (which have similar characteristics).

As at 31 December 2018 the Standard Life Investments Enhanced Diversification Growth Fund held SFTs in the form of total return swaps. Details are contained the Fund's Portfolio Statement.

Global Data

Type of asset	Absolute Amount (£'000)	Proportion of AUM (%)
Total return swaps	3,445	1.07

Concentration Data

The ten largest collateral issuers across all SFTs and total return swaps is as follows:

	Collateral Issuers	Volume of collateral securities and commodities (£'000)
Total return swap	Deutsche Bank	1,102
Total return swap	Morgan Stanley	936
Total return swap	Royal Bank of Canada	774
Total return swap	Credit Agricole	298
Total return swap	Nomura	130
Total return swap	Lloyds Bank	119
Total return swap	HSBC	(88)
Total return swap	Barclays	(103)
Total return swap	State Street	(125)
Total return swap	Societe Generale	(233)

The top counterparties across all SFTs and total return swaps is as follows:

	Counterparty	Gross volume of outstanding trades (£'000)
Total return swap	Goldman Sachs	2,817
Total return swap	JP Morgan	628

Securities Financing Transactions Disclosure
(Continued)

Aggregate Transaction Data

Total return swap	Type of collateral	Quality	Currency	Maturity tenor (collateral)	Maturity tenor (SFTs/Total Return Swaps)	Country of establishment (counterparty)	Settlement and clearing
BNP Paribas	Cash	N/A - cash	Euro	N/A - cash	3 months - 1 year	France	Bi-lateral
Barclays	Cash	N/A - cash	Euro	N/A - cash	3 months - 1 year	UK	Bi-lateral
JP Morgan	Cash	N/A - cash	Sterling	N/A - cash	3 months - 1 year	UK	Bi-lateral
Royal Bank of Scotland	Cash	N/A - cash	Sterling	N/A - cash	3 months - 1 year	UK	Bi-lateral
Goldman Sachs	Cash	N/A - cash	Sterling	N/A - cash	3 months - 1 year	US	Bi-lateral
Lloyds	Cash	N/A - cash	Euro	N/A - cash	3 months - 1 year	UK	Bi-lateral
Citigroup	Cash	N/A - cash	Sterling	N/A - cash	3 months - 1 year	US	Bi-lateral
Royal Bank of Scotland	Cash	N/A - cash	Euro	N/A - cash	3 months - 1 year	UK	Bi-lateral
Societe Generale	Cash	N/A - cash	Sterling	N/A - cash	3 months - 1 year	France	Bi-lateral
State Street	Cash	N/A - cash	Sterling	N/A - cash	3 months - 1 year	US	Bi-lateral
Royal Bank of Canada	Cash	N/A - cash	Sterling	N/A - cash	3 months - 1 year	Canada	Bi-lateral

Safekeeping

Collateral cash received is held under the same safe-custody arrangements as all other cash within the Sub-fund. Collateral cash is not held in any segregated or pooled account.

Returns

All returns generated by the Total Return Swaps belong solely to the Sub-fund itself. Collateral administration fees are paid for by the AIFM, not by the Sub-fund. During the period to 31 December 2018 the Sub-fund realised a net loss relating to Total Return Swaps of £10,038,000.

Standard Life Investment Company III
Interim Report & Financial Statements

Further Information

Report and financial statements

The Long Report is available online at aberdeenstandardinvestments.com. The annual accounting year for the Sub-funds finishes on 30 June and the interim accounting period finishes on 31 December.

Prospectus

The Prospectus for Standard Life Investment Company III is available online at aberdeenstandardinvestments.com.

Prices

The most recent share prices are published daily online at aberdeenstandardinvestments.com.

Cancellation Rights

Under certain circumstances, investors will have the right to cancel a deal. Please refer to the Prospectus for full details.

Buying and Selling Shares

Investors wishing to invest in any of the Sub-funds can contact their usual Financial Adviser, or telephone the ACD's Customer Information Team on 0345 113 6966 (or +44 (0)1268 44 5488 from outwith the UK) for information in how to invest.

Applications for shares can be made by sending a completed application form together with a cheque (a cheque need not be provided if paying by direct debit as below) made payable to the ACD at the address: Standard Life Investments (Mutual Funds) Limited, PO Box 12233, Chelmsford CM99 2EE. Applications for shares can also be made by telephone and must be followed by sending an application form and cheque (the latter need not be provided if paying by direct debit as below) made payable to the ACD at the address above.

Holders can sell some or all of their shares through their usual Financial Adviser, or by writing to the ACD at the above address. In either case the holder's account number must be quoted and the request must be signed by the holder or all the joint holders if the shares are held in joint names.

Shares can also be sold by telephone on any day that the ACD is open for business, on 0345 113 6966 (+44 (0)1268 44 5488), although the request must be confirmed in writing. Shares will be sold on a forward pricing basis and the investor will receive the price at the relevant valuation point on the day after the ACD receives the instructions (verbal or written, as the case may be).

Please refer to the Prospectus for full details.

Minimum Investment

The minimum initial investment in shares varies across the Sub-funds. Please refer to the Prospectus for full details.

Minimum Redemption

It is possible to sell all or part of a holding at any time. Please refer to the Prospectus for full details.

Switching

At any time, an investor may switch some or all of the shares in one class/Sub-fund for shares in another class/Sub-fund. Switching instructions can either be given by accessing your investments online at www.myaccountonline.co.uk/sli or by calling us.

Distributions

Distribution of income (if any) to holders of income shares will be made on the income allocation dates shown in the table below. Allocation of revenue to holders of accumulation shares will be transferred to the capital property of each Sub-fund on the first business day following the end of the income allocation year and be reflected in the value of the shares.

Further Information
(Continued)

Fund Name	Income Allocation Periods	Income Allocation Dates
Enhanced Diversification Growth Fund	1 July – 30 June	31 October
MyFolio Managed I Fund	1 July – 30 June	31 October
MyFolio Managed II Fund	1 July – 30 June	31 October
MyFolio Managed III Fund	1 July – 30 June	31 October
MyFolio Managed IV Fund	1 July – 30 June	31 October
MyFolio Managed V Fund	1 July – 30 June	31 October
MyFolio Market I Fund	1 July – 30 June	31 October
MyFolio Market II Fund	1 July – 30 June	31 October
MyFolio Market III Fund	1 July – 30 June	31 October
MyFolio Market IV Fund	1 July – 30 June	31 October
MyFolio Market V Fund	1 July – 30 June	31 October
MyFolio Multi-Manager I Fund	1 July – 30 June	31 October
MyFolio Multi-Manager II Fund	1 July – 30 June	31 October
MyFolio Multi-Manager III Fund	1 July – 30 June	31 October
MyFolio Multi-Manager IV Fund	1 July – 30 June	31 October
MyFolio Multi-Manager V Fund	1 July – 30 June	31 October
MyFolio Managed Income I Fund	1 July – 30 September (interim)	31 January (interim)
MyFolio Managed Income II Fund	1 October – 31 December (interim)	30 April (interim)
MyFolio Managed Income III Fund	1 January – 31 March(interim)	31 July (interim)
MyFolio Managed Income IV Fund	1 April – 30 June	31 October
MyFolio Managed Income V Fund		
MyFolio Multi-Manager Income I Fund	1 July – 30 September (interim)	31 January (interim)
MyFolio Multi-Manager Income II Fund	1 October – 31 December (interim)	30 April (interim)
MyFolio Multi-Manager Income III Fund	1 January – 31 March(interim)	31 July (interim)
MyFolio Multi-Manager Income IV Fund	1 April – 30 June	31 October
MyFolio Multi-Manager Income V Fund		

Aberdeen Standard Investments is a brand of the investment businesses of Aberdeen Asset Management and Standard Life Investments.

Standard Life Investments Limited is registered in Scotland (SC123321) at 1 George Street, Edinburgh EH2 2LL.

Standard Life Investments Limited is authorised and regulated by the Financial Conduct Authority.

Calls may be monitored and/or recorded to protect both you and us and help with our training.

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