

MERCURY BLUE CHIP PEP

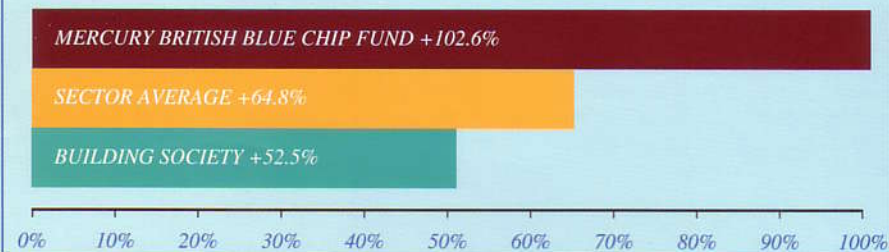
The Mercury Blue Chip PEP is a straightforward, tax-free investment designed for people who want their savings to grow over the long term. To achieve this goal, it invests your money in a unit trust: the Mercury British Blue Chip Fund.

The Mercury British Blue Chip Fund invests in the shares of Britain's largest and best companies, selecting approximately fifty stocks for their ability to outperform the UK stockmarket over the long term. Typical investments include such household names as Shell, Glaxo, Rank and BTR. Investing in the core of the British stockmarket, the Mercury Blue Chip PEP is ideally placed to benefit from the growing economic recovery in the UK. It is therefore a sensible choice for the first-time PEP buyer as well as a core holding for any portfolio.

+102.6%
OVER FIVE YEARS*

As the chart below demonstrates, if you had been able to invest in the Mercury British Blue Chip Fund within a PEP five years ago, your investment would have grown by 102.6% - the equivalent of 15.2% a year. This puts it among the top 10% of all comparable unit trusts*

Five year performance record



The Mercury British Blue Chip Fund, UK Equity Growth Fund Sector Average and Building Society 7-Day Notice Account - offer to bid prices, gross income reinvested. Source: Micropal. Figures 1.2.89 - 1.2.94.

MERCURY BRITISH BLUE CHIP FUND - KEY FACTS

Launch Date: May, 1987

Fund Value: £227 million **Yield:** 2.74%[†]

Performance: 1 Year: +21.2%; 3 Years: +70.0%; 5 Years: +102.6%.*

*Source: Micropal, figures 1.2.89 - 1.2.94, offer to bid, gross income reinvested.

[†]Estimated gross yield at 1.2.94.