

Dear SHY Investor,

**Local Currency Emerging Market Debt remains one of the few asset classes that continues to provide positive absolute returns in 2008 (+2.24% year to date – (see attached chart)**

**Sovereign High Yield Investment Company Ltd Hard Currency Announces A Move to Monthly Distributions and a distribution yield of 9.50%pa\***

**Sovereign High Yield Investment Company Ltd Local Currency Announces Continuation of Existing Monthly Distribution Policy amounting to distribution yield of 11.33%pa\***

(April 22, 2008) Sovereign High Yield Investment Company Ltd Hard Currency ('SHY HC') announces that it is to move from quarterly distributions to paying monthly distributions as from the end of April 2008. In addition SHY HC announces a reduction in distributions from 30 cents per quarter to 8 cents per month adjusting the annual distribution yield to 9.50%\* which, in the view of the Board and the Investment Adviser, continues to remain very competitive compared to other hard currency emerging market debt funds.

The investment manager believes the lowered distribution level is more consistent with the general market environment and the total return expectations for SHY HC going forward.

It should be noted that SHY LC distribution policy continues unchanged, offering a higher level of distribution yield of 11.33%\* (9.2 cents per share per month) which is consistent with the investment managers total return expectations for the portfolio.

SHY LC and SHY HC are fully exchangeable at zero sales charge.

Should you have any question about SHY HC or SHY LC please contact:

Investor Relations at [investor.relations@aberdeen-asset.com](mailto:investor.relations@aberdeen-asset.com) or by telephone at (215) 405-2007 or +1 (866) 517 6405.

\* based on NAV of Class A shares as of April 14, 2008

	Emerging Market Debt Hard Currency %	Emerging Market Debt Local Currency %	High Yield Debt %	S&P 500 %	US Treasuries %
TR 2003	22.21	16.92	27.90	28.68	2.44
TR 2004	11.62	22.97	11.55	10.88	3.75
TR 2005	10.25	6.27	3.07	4.91	2.94
TR 2006	9.86	15.22	11.45	15.79	3.09
TR 2007	6.16	18.10	2.88	5.49	9.20
YTD 2008	0.61	2.24	-2.92	-9.44	4.53
Annualized average return	10.12	13.62	8.99	9.39	4.33

Source: JP Morgan

Emerging Market Debt Hard Currency Index is represented by JPMorgan Emerging Markets Bond Index Global Diversified

Emerging Market Debt Local Currency Index is represented by JPMorgan Government Bond Index-Emerging Markets Global Diversified