

INFLATION (CPI) PLUS 2-3 TARGETED RETURN STRATEGY

Monthly Fund Report – For portfolio over rolling 24-month period as at 30 June 2010

INVESTMENT MANAGER

Absa Investment Management Services (AIMS)

LAUNCH DATE

22 September 2003

TOTAL EXPENSE RATIO

0.94%

STRATEGY BENCHMARK

Inflation (CPI) plus 2%-3%

STRATEGY OBJECTIVE

The objective of this strategy is to target an annual return of CPI plus 2%-3% over a rolling 24-month period and not to lose capital over a rolling 12-month period, while at all times remaining within Prudential guidelines.

AIMS MULTI MANAGEMENT INVESTMENT METHODOLOGY

- The purposeful application of a sound investment philosophy
- Selection of the most appropriate underlying investment managers
- Strategic asset allocation based on the investment houseview
- Blending of the various investment styles in accordance with market circumstances
- Monthly portfolio and investment manager performance analysis

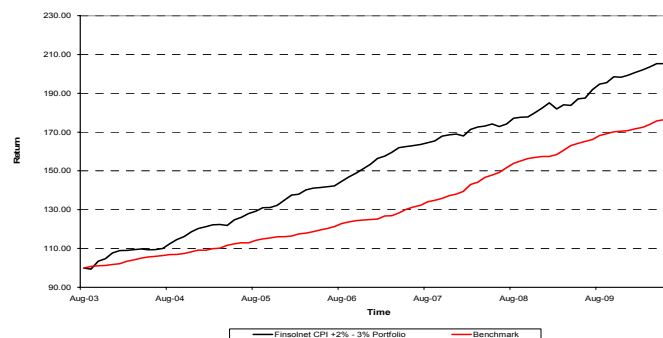
COMMENTARY

The portfolio underperformed its benchmark during the 3-month period, returning 0.91% against the benchmark return of 1.81%. The portfolio, however, continues to outperform its benchmark since inception.

Over the 3-month period to the end of June 2010, the FTSE/JSE All Share Index returned -8.17%, the All Bond Index returned 1.12%, cash returned 1.73% and the South African Property Index returned 0.64%. During the same period, international equities returned -8.76% and international fixed interest returned 5.83%. International bonds were the best performing asset class followed by local cash. The Rand depreciated by 5.19% against the US dollar over the period having a negative impact on the international equity exposure within the portfolio.

PERFORMANCE

Portfolio	Inception (22/09/2003)	3 Month	1 Year AGR	2 Year AGR	3 Year AGR	5 Year AGR
Allan Gray Stable B		2.29%	7.86%	8.90%	7.68%	11.24%
Coronation Capital Plus B2		-1.38%	15.48%	12.14%	6.33%	12.62%
Investec Absolute Income A		1.50%	8.43%	10.67%	9.84%	9.19%
Nedgroup Inv Flexible Inc R		1.39%	7.51%	9.23%	10.25%	9.79%
Absa Capital Gains Tax Fund		1.67%	7.20%	9.24%	9.66%	8.85%
Targeted Return Strategy CPI +2-3 (since inception)	105.43%	0.91%	9.52%	9.00%	8.00%	10.25%
Benchmark	77.11%	1.81%	7.21%	8.94%	10.46%	9.40%
CPI	49.31%	1.18%	4.60%	6.29%	7.76%	6.74%

PERFORMANCE GRAPH

EFFECTIVE ASSET ALLOCATION

Asset Class	%
Equities	12.26%
Protected Equities	3.14%
Bonds	25.48%
Property	1.80%
Cash	43.72%
International Equity	5.70%
International Fixed Interest	7.91%

UNDERLYING FUNDS

Portfolio	Weighting
Allan Gray Stable B	24.25%
Coronation Capital Plus B2	24.25%
Investec Absolute Income A	24.25%
Nedgroup Inv Flexible Inc R	24.25%
Absa Capital Gains Tax Fund	3.00%
Volatility	3.13%

CPI ended the month at 4.60% and remained below the target range set by the SARB. The portfolio is currently meeting all of its performance objectives.