



AF Lifestage Solutions

Investment Portfolio Profile

The portfolio is managed within what Investment Solutions (Namibia) regards to be conservative investment parameters. Within each asset class, the investment managers are given specific mandates aimed at growth in the capital value and income. Asset allocation across South Africa and globally is fixed, and combined with active asset allocation across Namibia only.

Suitability

This portfolio is aimed at investors with a short- to- medium term investment horizon (three years).

Investment Solutions expects:

- A low probability of capital loss over the short to medium term.
- Investment returns above inflation over the medium term.

Inception Dates

March 2009

Benchmark

35% Namibia:	3% Namibian Capped Equity Index + 51% IJG Bond Index + 46% IJG Money Market Index
55% South Africa:	26% SWIX + 14% ALBI + 14% SteFI Call + 15% CPI+5% + 23% (90% Barclays BESA SA Gov ILB Index + 10% SteFI Call) + 8% SAPY
10% Global:	Global Market Index Composite

Risk Profile



Capital: Probability of a capital loss or negative return in any 12-month period.

Inflation: Long term expected return ahead of inflation.

Range: Expected range of returns around the benchmark in any 12-month period.

Performance-Based Fees

AF Namibia Conservative Growth	0.11%
S.A. Conservative Growth	0.00%

Notes

1. All returns quoted are before deduction of Investment Solutions' policy fees and performance fees payable to investment managers but after deduction of any other expenses. Returns for periods exceeding one year are annualised. All returns are in Rands.
2. Global Market Index Composite: 38% Global Equity (a combination of the MSCI World and a market index composite), 35% Global Bonds (a combination of Citi WGBI and 10 yr US government bonds) and 27% Global Cash (a combination of US and French Treasury Bills).
3. All holdings information is based on latest available data.

Market Indices

Namibian Indices	Dec. 2011	6 Months	1 Year	3 Years	5 Years
FTSE/JSE NAM OVERALL INDEX	-0.17%	-0.16%	-0.64%	17.40%	

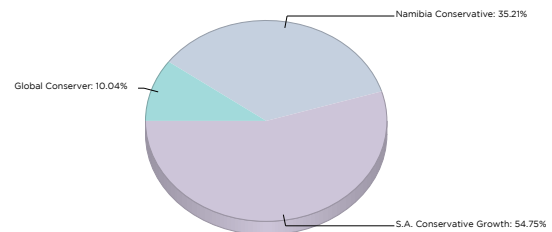
South African Indices

FTSE/JSE SWIX	-1.34%	3.66%	4.30%	17.91%	8.66%
BEASSA ALL BOND	0.70%	6.39%	8.80%	7.39%	8.58%
STEFI COMPOSITE	0.45%	2.80%	5.71%	7.25%	8.54%

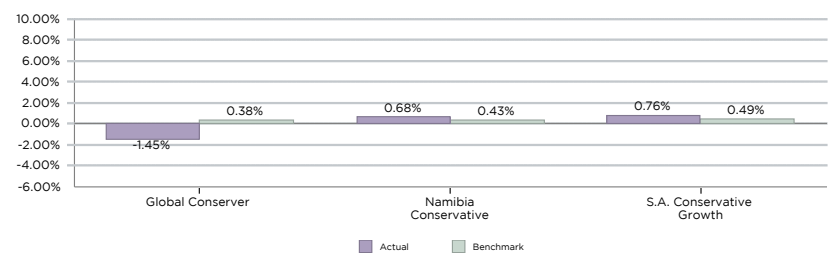
Investment Returns

	Dec 2011	3 Months	YTD	1 Year	2 Years	Since Inception
AF Namibia Conservative Growth	0.51%	3.28%	8.53%	8.53%	10.05%	10.79%
<i>Benchmark</i>	0.46%	3.28%	8.97%	8.97%	10.08%	10.69%
Global Conserver	-1.45%	1.32%	18.69%	18.69%	7.32%	7.14%
<i>Benchmark</i>	0.38%	1.81%	22.91%	22.91%	8.46%	7.48%
Namibia Conservative	0.68%	2.78%	7.27%	7.27%	9.22%	9.39%
<i>Benchmark</i>	0.43%	1.86%	5.75%	5.75%	8.10%	8.60%
S.A. Conservative Growth	0.76%	3.96%	7.40%	7.40%	10.71%	11.98%
<i>Benchmark</i>	0.49%	4.45%	8.41%	8.41%	11.47%	12.49%

Portfolio Structure



Contribution from the underlying building blocks



Asset Allocation

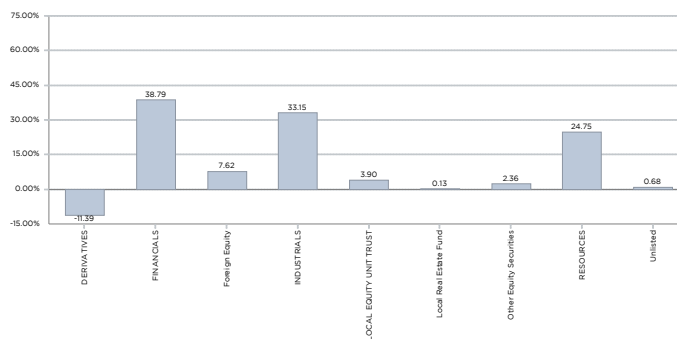
Asset Class	Namibia	SA	Global	Combined
Equity Excluding Property	4.77%	25.57%	45.91%	20.28%
Property	0.05%	10.01%	0.21%	5.52%
Bonds	48.44%	31.22%	29.50%	37.11%
Cash	46.75%	20.68%	24.39%	30.23%
Alternatives	0.00%	12.53%	0.00%	6.86%
Balanced Pooled Funds	0.00%	0.00%	0.00%	0.00%
Total	100.00%	100.00%	100.00%	100.00%



Top Equity Holdings

BHP BILLITON PLC	5.38%
ANGLO AMERICAN PLC	4.80%
MTN GROUP LIMITED	4.34%
GROWTHPOINT PROPERTIES LIMITED	4.19%
SASOL LIMITED	4.07%

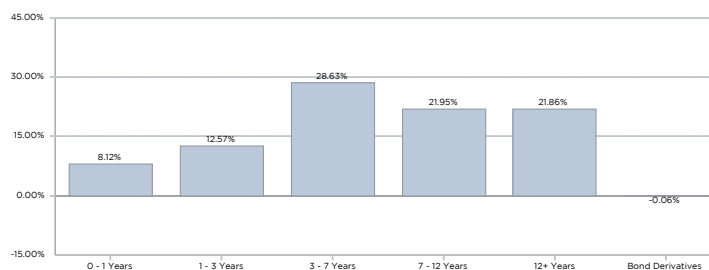
Sector Allocation



Top Bond Holdings

GOV REP OF NAMIBIA	39.41%
REPUBLIC OF SOUTH AFRICA	22.96%
STANDARD BANK GROUP	6.76%
ABSA GROUP LIMITED	5.30%
FIRST NATIONAL BANK	4.60%

Namibian Maturity Breakdown



Underlying Building Block Weightings

Namibia	Weighting
Global Conserver	10.04%
Namibia Conservative	35.21%
S.A. Conservative Growth	54.75%
Total	100.00%

Real Return Focus Local	Weighting
Coronation RRF	34.52%
Prescient RRF	29.79%
ABSA Absolute Return	19.15%
OMIGSA Capital Builder	14.58%
Banker	1.95%
Total	100.00%

Pure Equity Local	Weighting
Coronation Equity	20.22%
Foord Equity	14.98%
Kagiso	14.81%
Oasis Equity	14.64%
Allan Gray Equity	14.42%
Afena Equity	10.51%
Element Earth	10.07%
Banker	0.35%
Total	100.00%

Property	Weighting
Banker	0.71%
Cash Property	0.72%
Catalyst Property	34.27%
Prop/Prudential	20.01%
Stanlib Property	44.31%
Total	100.00%

Inflation-Linked Bonds	Weighting
Sanlam ILB	50.51%
Prescient ILB	49.45%
Banker	0.03%
Total	100.00%

S.A. Conservative Growth	Weighting
Caveo Moderate Portfolio	12.53%
Pure Equity Local	7.49%
Real Return Focus Local	49.02%
Inflation-linked Bond	22.87%
IS Property Fund	8.08%
Total	100.00%



Portfolio Commentary

The portfolio performed in line with its benchmark for the quarter, mainly driven by the Namibia building block. The South Africa building block and Global Conserver underperformed.

The Namibia building block's outperformance was driven by the bond and money-market components. Given the continuing uncertainty, the bond component maintained a cautious stance, remaining underweight duration, which was rewarded by the bond market. The South Africa building block underperformed its benchmark, driven by its high exposure to domestic equities and inflation-linked bonds, as these underperformed their respective benchmarks. Global Conserver's underperformance was driven by Global Flexible, which performed poorly and offset the positive contribution by the other building blocks. The depreciation of the rand during the quarter resulted in investors' offshore returns being positive in local currency absolute terms, but this was not enough to offset the underperformance.

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