



CHANGE TO THE INVESTMENT POLICY OF THE OLD MUTUAL REAL INCOME FUND

October 2011

Investors and the Registrar of Collective Investment Schemes approved the change to the investment policy of the Old Mutual Real Income Fund and the fund can now include offshore assets in its portfolio. The effective date of the investment policy change was 1 November 2011.

Benefits of the change in investment philosophy

Exposure to foreign assets will mean the following:

- Increased variety of investment opportunities available to the fund. Different economies have different growth prospects and inflation rate regimes and, at times, the portfolio manager may be able to access higher yielding income assets or faster growing shares in other countries.
- Increased diversification – an investment tool that lowers risk and provides more stable returns over time.
- Currently, the fund competes well against competitor funds in the Asset Allocation - Prudential - Low Equity category which allows offshore exposure. To the end of September 2011, it ranked second out of 53 funds over three years and third out of 31 funds over five years.
- Exposure to foreign assets will allow the fund to continue delivering its return and risk objectives in the future and also help to meet clients' needs.

All other aspects stay the same

All other aspects of the fund including its objectives, name, classification, benchmark and annual service fee, as well as the portfolio manager, remain unchanged. The fund will also continue to comply with retirement fund legislation, i.e. Regulation 28 of the Pension Funds Act.

Please note OMUT will be writing to clients to confirm the change in investment policy.

If you have any further questions, please contact your OMIGSA Sales Executive.

Source: Morningstar. The portfolio performance is calculated on a NAV-NAV basis and does not take any initial fees into account. Unit trusts are generally medium- to long-term investments. Past performance is no indication of future performance. Shorter term fluctuations can occur as your investment moves in line with the markets. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Unit trusts can engage in borrowing and scrip lending. The fund's TER reflects the percentage of the average Net Asset Value of the portfolio that was incurred as charges, levies and fees related to the management of the portfolio. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs. The TER of Old Mutual Real Income Fund A was 1.38% as at 30 September 2011. A schedule of fees, charges and maximum adviser fees is available from Old Mutual Unit Trust Managers Ltd (OMUT). You may sell your investment at the ruling price of the day (calculated at 15h00 on a forward pricing basis and 17h00 at month-end for Old Mutual RAFI® 40 Tracker Fund, Old Mutual Top 40 Fund and SYm|metry Equity Fund of Funds). The Old Mutual Money Market Fund unit price aims to be static but investment capital is not guaranteed. The total return is primarily made up of interest (declared daily at 13h00), but may also include any gain/loss on any particular instrument. In most cases this will merely have the effect of increasing or decreasing the daily yield, but in an extreme case it can have the effect of reducing the capital value of the fund. Specialist equity funds may hold a greater risk as exposure limits to a single security may be higher. A feeder fund is a portfolio that, apart from assets in liquid form, consists solely of participatory interests in a single portfolio of a collective investment scheme. A fund of funds unit trust invests only in other collective investment schemes, which may levy their own charges. Certain funds may be capped to be managed in accordance with their mandates. Different classes of units apply to these portfolios and are subject to different fees and charges. Old Mutual is a member of the Association for Savings and Investment South Africa (ASISA).