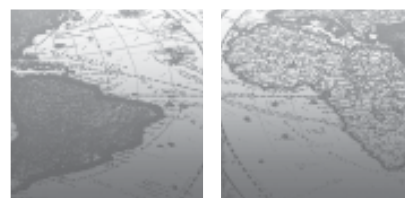


FLEXI PORTFOLIO PERFORMANCE REPORT



M A R C H 2 0 1 0

South African economic review

- The local economy is not only recovering, but growth has in fact surprised strongly on the upside since the final quarter of last year. GDP growth came in at 3.2% annualised during the fourth quarter of 2009, some 0.5% better than consensus expectations. Early indicators point to another strong performance during the first quarter of 2010, although it is still very early to make an accurate assessment.
- Recent firmer real economy data has resulted in consensus GDP growth forecasts for 2010 being revised up from the 2.0%-2.5% range to around 2.5%-3.0%. Our own view is more optimistic at 3.3% for calendar year 2010.
- Our view, expressed last month, that growth may accelerate quite strongly from the second quarter of 2010, appears to be playing out earlier than we thought. The Soccer World Cup will provide a welcome additional impetus to the economy. A very promising development over the past month is growing signs that consumer spending is reviving, albeit modestly.
- The 2010/11 budget contained no major shocks and of considerable relief to financial markets was a clear signal of the continuation of the broadly market-friendly policies in place since the political transition in 1994.
- Inflation surprised on the downside in January, easing to 6.2% from 6.3% in December. While still outside the target range, prospects for the remainder of 2010 look promising, with food inflation still easing, the rand still strong and the international oil price fluctuating between \$70 and \$80.
- The rand firmed further over the past month. While good from an inflation perspective, it will, if sustained, constrain the pace of the recovery.
- While interest rates have probably reached a bottom and will likely remain at these levels for some time, there is an outside chance of another cut if the economy remains weak and inflation surprises on the positive side.

The local economy is recovering and indications are that it will surprise on the upside. Despite stronger recovery signs, the strong rand and good short-term inflation prospects keep open the possibility of a further lowering of local interest rates.

MARKET PERFORMANCE INCLUDING DIVIDENDS

	Last Month (%)	Year to Date (%)	1 Year (% p.a.)	3 Years (% p.a.)	5 Years (% p.a.)	8 Years (% p.a.)	10 Years (% p.a.)
JSE All Share	0.4	-3.1	48.3	4.1	17.9	15.3	16.2
JSE Fin & Ind	1.3	-0.2	53.1	4.0	16.6	18.1	13.4
JSE All Gold	-1.0	-9.3	-17.6	-6.4	7.5	-0.3	9.7
All Bond	2.1	2.3	6.8	6.6	7.0	11.6	12.5
Total Cash	0.5	1.0	7.2	9.4	8.3	8.6	8.7
ALSI40	-0.2	-4.0	48.2	3.8	17.5	13.9	16.2
INDI25	1.2	-1.9	51.2	7.4	18.8	17.3	11.9



RETIREMENT ANNUITIES TO 01.03.2010 - Refer Notes

Period	PERFORMANCE PROFITS												SMOOTHED BONUS			STABLE FUND			CPI
	Equity %			Balanced %			Select %			%			%						
	M.P.	A.P.	S.P.	M.P.	A.P.	S.P.	M.P.	A.P.	S.P.	M.P.	A.P.	S.P.	M.P.	A.P.	S.P.				
1 Year	25.8	39.6	39.6	15.8	21.4	21.4	20.0	29.5	29.5	29.5	6.9	7.0	7.0	6.3	6.6	6.6	5.3		
2 Years	8.6	9.9	-4.6	6.6	7.0	0.0	8.5	9.2	-0.5	-0.5	6.9	6.8	6.7	7.5	7.6	8.1	6.9		
3 Years	2.1	4.6	-0.8	3.4	4.8	2.7	3.8	5.4	1.6	1.6	7.6	8.1	9.2	7.7	7.7	7.8	8.0		
5 Years	6.2	8.3	12.8	6.6	7.7	11.1	7.1	8.1	11.4	11.4	11.0	11.7	14.0	7.3	7.2	6.8	6.7		
8 Years	12.5	12.4	11.5	10.7	10.6	9.9	12.1	12.0	12.1	12.1	12.2	12.1	11.3	6.8	6.8	6.5	5.9		
10 Years	12.2	11.9	10.8	10.6	10.3	9.9	12.3	12.2	12.1	12.1	11.8	11.7	11.3	6.6	6.6	6.3	6.0		
15 Years	11.9	11.6	11.7	10.6	10.4	10.8	-	-	-	-	11.3	11.3	11.5	7.2	7.3	8.5	6.2		
20 Years	12.7	12.7	12.5	11.3	11.2	11.5	-	-	-	-	11.9	12.0	13.0	-	-	-	7.6		
25 Years	14.4	14.9	17.4	13.2	13.4	14.9	-	-	-	-	13.4	13.5	14.7	-	-	-	9.1		
INTERIM RATES													6.20% p.a. (0.503% p.m.)			0.483% p.m.			

ENDOWMENTS/LIFE PORTFOLIOS TO 01.03.2010 - Refer Notes

Period	PERFORMANCE PROFITS												SMOOTHED BONUS			STABLE FUND			CPI
	Equity %			Balanced %			Select %			%			%						
	M.P.	A.P.	S.P.	M.P.	A.P.	S.P.	M.P.	A.P.	S.P.	M.P.	A.P.	S.P.	M.P.	A.P.	S.P.				
1 Year	24.8	36.0	36.0	12.9	17.6	17.6	17.8	26.0	26.0	26.0	5.7	5.8	5.8	4.7	5.1	5.1	5.3		
2 Years	7.3	8.2	-5.5	4.4	4.7	-1.6	6.6	7.3	-1.8	-1.8	5.7	5.6	5.5	5.9	6.0	6.5	6.9		
3 Years	1.0	3.3	-1.8	1.8	3.1	1.5	2.5	4.0	0.7	0.7	6.3	6.9	8.0	6.1	6.1	6.1	8.0		
5 Years	5.2	7.2	11.9	5.1	6.3	10.0	5.7	6.7	10.2	10.2	9.9	10.5	12.9	5.7	5.6	5.3	6.7		
8 Years	11.1	11.0	10.0	9.3	9.2	8.7	10.6	10.6	10.9	10.9	11.2	11.1	10.5	5.4	5.4	5.4	5.9		
10 Years	10.9	10.5	9.5	9.3	9.1	8.9	10.9	10.8	10.8	10.8	10.9	10.9	10.6	5.4	5.4	5.5	6.0		
15 Years	10.6	10.4	10.4	9.5	9.3	9.5	-	-	-	-	10.6	10.6	10.8	6.2	6.3	7.4	6.2		
20 Years	11.4	11.4	11.3	10.0	10.0	10.0	-	-	-	-	11.1	11.2	12.0	-	-	-	7.6		
25 Years	13.1	13.5	16.1	11.8	12.0	13.7	-	-	-	-	12.4	12.5	13.7	-	-	-	9.1		
INTERIM RATES													5.00% p.a. (0.407% p.m.)			0.320% p.m.			
GUARANTEED CAPITAL FUND (CURRENT AFTER-TAX RATE)													4.50% p.a. (0.367% p.m.)						
EQUIVALENT RETURN at the tax rate of 18%													5.49% p.a. (0.446% p.m.)						
at the tax rate of 40%													7.50% p.a. (0.604% p.m.)						

PORTFOLIO ASSET SPLIT

	Retirement Annuities						Endowments/Life					
	PP Equity %	PP Bal. %	PP Select %	Smoothed Bonus %	WW Equity %	WW Bal. %	PP Equity %	PP Bal. %	PP Select %	Smoothed Bonus %	WW Equity %	WW Bal. %
Interest-bearing	0 (0)	20(1)	21(0)	20(1)	0(0)	26(26)	0(0)	17(3)	22(0)	17(3)	0(0)	27(27)
Ordinary Shares	100(13)	68(12)	70(15)	68(12)	100(83)	74(58)	100(18)	70(18)	70(15)	70(18)	100(85)	73(58)
Property	0	10	8	10	0	0	0	10	8	10	0	0
Other	0	3	0	3	0	0	0	3	0	3	0	0

Figures in brackets – international portion of sector weighting

TOP EQUITY HOLDINGS (SA)

Name	% Split	Sector
1. MTN Group	9.1	Mobile Telecommunications
2. Standard Bank Group	5.9	Banks
3. Anglo American plc	5.5	General Mining
4. BHP Billiton plc	5.2	General Mining
5. Sasol Limited	5.1	Oil & Gas
6. FirstRand	4.4	Financials
7. Naspers-N	3.5	Media
8. Old Mutual	2.9	Life Insurance
9. Impala Platinum	2.8	Platinum & Precious Metals
10. ABSA Group Limited	2.8	Banks

Global economic overview

- The bout of fear that gripped global markets in January eased in February, resulting in a solid rally in equity markets around the world during the latter half of the month.
- The key feature of the past month was the panic among investors about the shocking state of government finances in many parts of the world, with Greece being the focal point. While the troubles, risks and challenges remain, Greece's marginal progress with implementing more measures to lower their deficit over the next year or so eased some of the worst fears.
- Meanwhile, concerns that the global recovery is losing momentum eased a bit over the past month. While the Euro-area remains weak, US data continues to point to a continuation of the moderate expansion, while Japan's incoming data has remained surprisingly robust. Much the same goes for the developing world, where the expansion appears to be on course. So, while concerns over a "double-dip" cycle have not disappeared completely, the fears of January have certainly eased during the past month.
- Concerns over Greece's fiscal troubles also raised concerns over the long-term viability of the entire Euro-area as an entity. With a number of countries in Europe struggling badly economically, the euro came under severe further pressure as it weakened over a broad front. Much the same went for the British pound, which tumbled in response to weak economic data and awful government finance data. The dollar and a host of emerging market currencies, which mostly have better growth prospects and less troubled positions, firmed.
- Despite recent market volatility and investor concerns, we remain of the opinion that the global recovery is still on track, although growth will remain sub-par compared with history.

While short-term prospects look reasonably good, there are still many obstacles and risks that cloud medium-term prospects for the world economy.

GLOBAL MARKET PERFORMANCES IN RAND TERMS

	Last Month (%)	Year to Date (%)	1 Year (% p.a.)	3 Years (% p.a.)	5 Years (% p.a.)	8 Years (% p.a.)	10 Years (% p.a.)
MSCI World	3.1	1.2	18.4	-4.5	7.7	-0.6	2.4
JP Morgan	1.8	4.9	-15.8	10.0	11.1	3.2	9.1
S&P 500	4.3	2.9	16.8	-4.1	6.1	-3.1	1.6
FTSE 100	0.1	-2.3	18.6	-7.1	6.3	0.1	3.4
Nikkei 225	2.9	4.7	12.4	-6.9	6.0	-0.4	-2.7
Rand/Dollar	1.6	4.1	-23.7	1.8	5.8	-4.9	1.9

WORLDWIDE FUNDS - PERFORMANCE IN RAND TERMS - Refer Notes

Period	WW EQUITY %						WW BALANCED %					
	Retirement Annuities			Endowments/Life			Retirement Annuities			Endowments/Life		
	M.P.	A.P.	S.P.	M.P.	A.P.	S.P.	M.P.	A.P.	S.P.	M.P.	A.P.	S.P.
1 Year	17.3	17.1	17.1	15.5	13.9	13.9	12.4	8.7	8.7	11.5	7.7	7.7
2 Years	-3.1	-3.0	-13.9	-4.5	-4.6	-14.9	-2.2	-2.5	-8.4	-2.8	-3.2	-9.0
3 Years	-7.2	-5.7	-8.8	-8.3	-7.0	-9.7	-3.8	-3.1	-3.8	-4.4	-3.8	-4.4
5 Years	-2.5	-0.2	4.9	-4.3	-1.8	3.9	1.2	3.0	7.9	0.2	1.9	6.4
8 Years	1.5	1.6	-1.5	-0.1	0.1	-3.4	3.9	3.8	0.0	2.6	2.5	-1.3
10 Years	1.2	1.4	1.1	-0.3	-0.1	-0.2	3.3	3.4	2.9	2.2	2.3	2.1

GEOGRAPHICAL SPREAD

	EQUITY PORTION %			BOND PORTION %		
	Fund	MSCI	Difference	Fund	Benchmark ⁸	Difference
United States	38.9	49.2	-10.3	44.1	35.6	8.6
Japan	9.4	10.4	-1.0	6.7	24.6	-17.9
Europe ex UK	18.2	20.1	-1.9	30.2	30.0	0.2
United Kingdom	8.8	9.7	-0.9	11.0	5.2	5.8
SE Asia & Canada	7.8	10.6	-2.8	6.6	4.0	2.6
South Africa	16.7	0.0	16.7	0.8	0.1	0.7
Other	0.3	0.0	0.3	0.6	0.6	0.0
Total	100.0	100.0	0.0	100.0	100.0	0.0

EQUITY SECTOR SPREAD

	Fund	MSCI	US	Japan	UK	Europe ex UK
Cash	0.8	0.0	0.4	0.1	0.1	0.2
Consumer Discretionary	10.6	9.5	5.0	1.2	1.1	2.3
Consumer Staples	6.9	10.4	3.2	0.8	0.7	1.5
Energy	10.2	10.7	4.8	1.1	1.1	2.2
Financials	13.3	20.7	6.2	1.5	1.4	2.9
Healthcare	8.5	10.3	4.0	1.0	0.9	1.9
Industrials	12.2	10.6	5.7	1.4	1.3	2.7
Information Technology	11.3	11.9	5.3	1.3	1.2	2.5
Materials	4.9	7.3	2.3	0.6	0.5	1.1
Other	0.3	0.0	0.2	0.0	0.0	0.1
Telecoms Services	2.1	4.2	1.0	0.2	0.2	0.5
Utilities	2.0	4.4	0.9	0.2	0.2	0.4
Exchange Traded Funds	0.0	0.0	0.0	0.0	0.0	0.0
SA Rand Hedge	16.7	0.0	0.0	0.0	0.	0.0

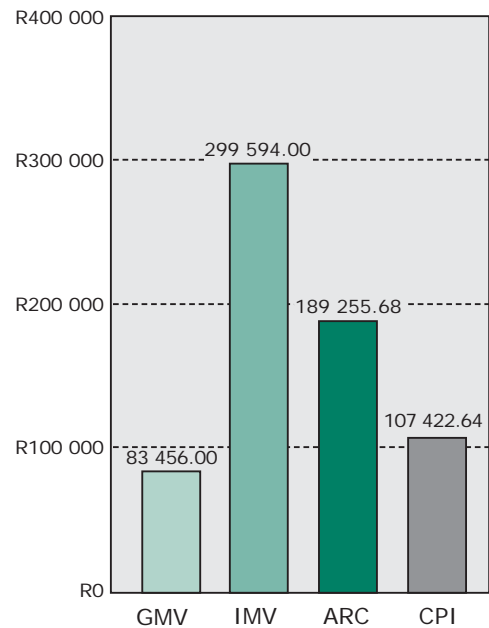
TOP EQUITY HOLDINGS (GLOBAL)

Name	Sector
1. IBM	Information Technology
2. Microsoft	Information Technology
3. Exxon Mobil	Energy
4. BP plc	Energy
5. Royal Dutch Shell	Energy
6. Philip Morris Intl Ord Shr	Industrials
7. Sanofi Aventis	Healthcare
8. Nestle SA	Consumer Goods
9. Johnson & Johnson	Healthcare
10. Imperial Tobacco	Consumer Goods

Actual policy payouts

RETIREMENT ANNUITY (FLEXIPENSION PERF. PROFITS BALANCED) - POLICY NUMBER: 6029257

Monthly premium	R200.00
Entry date	1/3/1989
Maturity date	1/3/2010
Guaranteed Maturity Value (GMV)	R83 456.00
Illustrative Maturity Value (IMV) (@ 15%)*	R299 594.00
Illustrative Maturity Value (IMV) (@ 12%)*	R202 897.00
Total premiums paid	R50 400.00
Retirement age (anb)	62
Actual Retirement Capital (ARC)	R189 255.68
Policyholder's investment return**	11.2% p.a.
Average inflation of policy term (CPI)***	6.7% p.a.

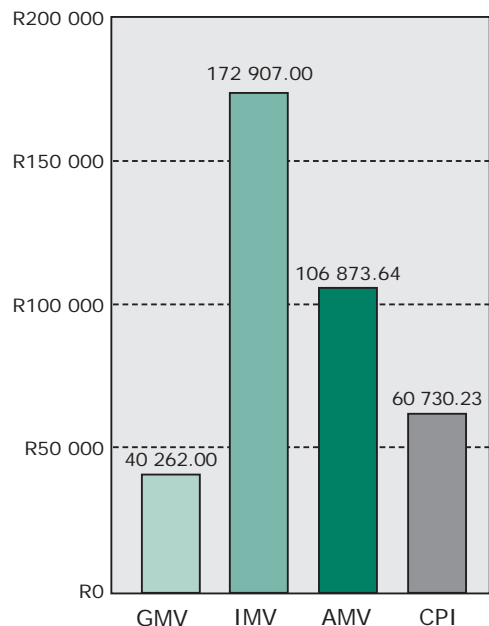


AN OPTION AT MATURITY (Single Life Annuity)

One-third cash	R 63 085.23
Consideration for annuity	R126 170.45
Gross annuity	R 1 081.34
After-tax (40%) annuity	R 648.80
Net return (after tax)	12.0%

RETIREMENT ANNUITY (FLEXIPENSION PERF. PROFITS BALANCED) - POLICY NUMBER: 5630152

Annual premium	R1 159.08
Entry date	1/3/1988
Maturity date	1/3/2010
Guaranteed Maturity Value (GMV)	R40 262.00
Illustrative Maturity Value (IMV) (@ 15%)*	R172 907.00
Illustrative Maturity Value (IMV) (@ 12%)*	R113 072.00
Total premiums paid	R25 499.76
Actual Maturity Value (AMV)	R106 873.64
Policyholder's investment return**	11.2% p.a.
Average inflation of policy term (CPI)***	7.0% p.a.



* The Illustrative Maturity Value calculation is based on the allocation amount (gross premiums minus policy charges). These were the IMV rates applicable at inception. As stipulated by the BIA, the IMV rates for new business are currently 4% and 10%, effective from 1 July 2005.

** The policyholder's investment return is based on gross premiums paid.

*** The average inflation (CPI) of policy term is based on gross premiums paid and payment mode.

Marketing Facts

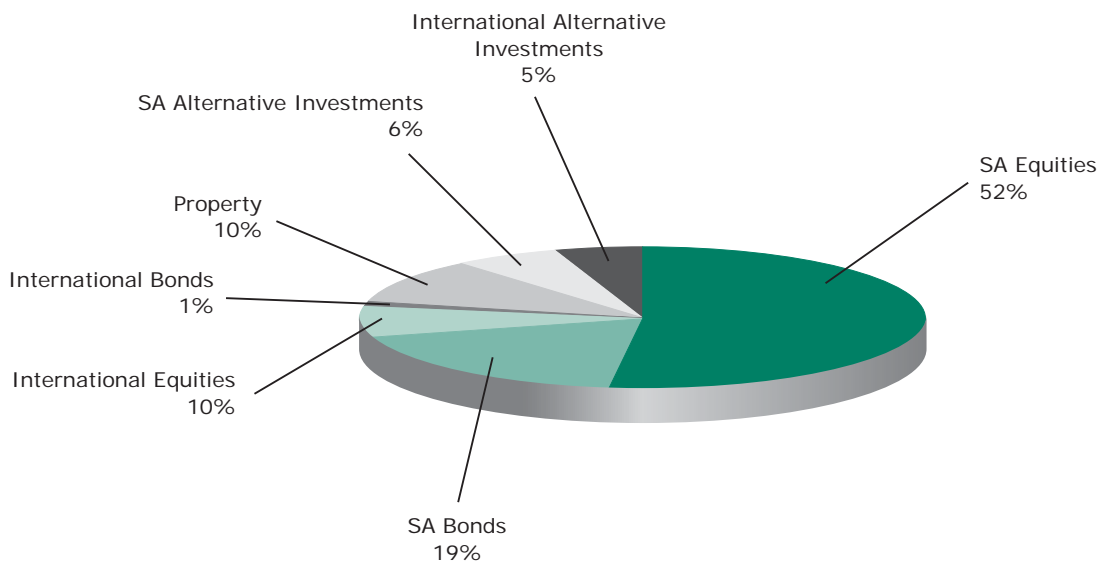
Flexi Smoothed Bonus Portfolio

This portfolio is suited for those investors seeking steady growth and limited volatility. The portfolio cushions the effect of market setbacks, whilst still providing exposure to high-growth investments.

The mandate of the portfolio is 65% equities, 25% interest-bearing assets and 10% property. From time to time, the holdings will differ slightly due to market movements and rebalancing in the portfolio.

The asset composition of the Flexi Smoothed Bonus Portfolio as at 28 February 2010 is as follows:

Flexi Smoothed Bonus Portfolio as at 28 February 2010



Notes

1. The performance figures in the tables represent the returns earned on premiums allocated. The returns on premiums actually paid will be lower than this because they take the policy-specific charges into account. For this reason examples of actual payouts are shown.
 2. All returns are quoted **net** of investment fund charges and tax.
 3. The Smoothed Bonus declaration is made up of a vesting bonus and a claim bonus. The vesting bonus portion of the total bonus cannot be removed on death or maturity of the policy. The claim bonus portion is not guaranteed and could be adjusted should investment conditions dictate.
 4. M.P. = monthly premium, A.P. = annual premium and S.P. = single premium.
 5. The Flexi range of products was launched on 1 September 1984. Returns for periods starting before this date apply to policies available before the introduction of the Flexi range of products.
 6. The Equity Portfolio as an investment option has only been available since February 1990. Longer term returns are based on the equity component of the Balanced Portfolio.
 7. The Property Portfolio and the OMD Top 40 Index Fund returns are available at any time.
 8. The MSCI World Index is the benchmark for the Worldwide Equity portion. The benchmark figures for the Worldwide Bond portion consist of 70% JP Morgan Bond Index and 30% Barclays Global Bond Index.
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March 2010

Retail Investments Marketing – Mutualpark
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