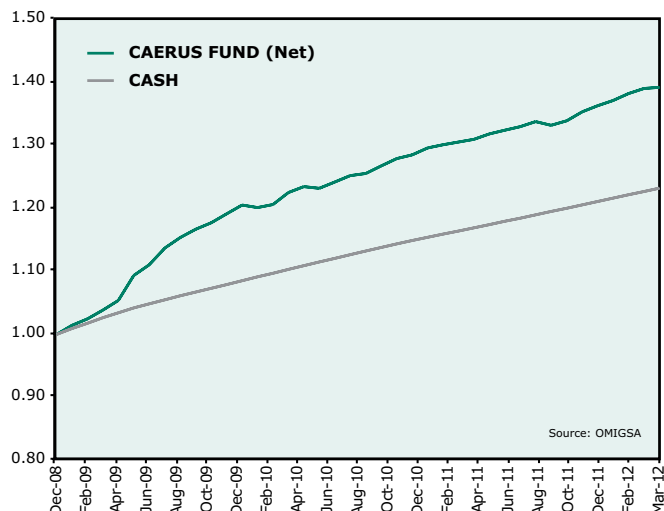


Old Mutual Caerus Fund

ALL DATA TO 31 MARCH 2012

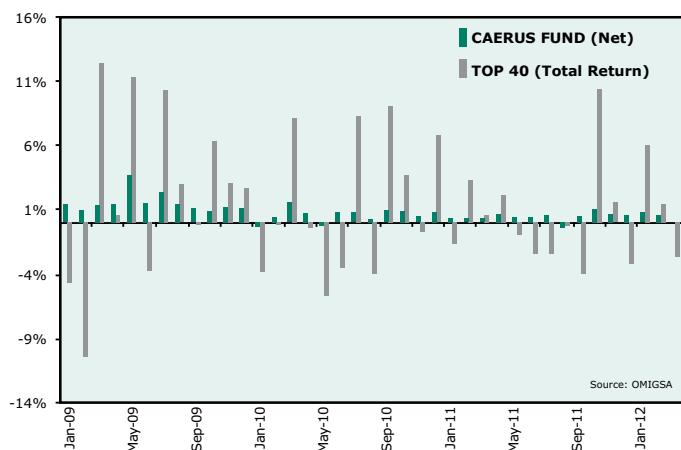
FUND DESCRIPTION

The Old Mutual Caerus Fund is an actively managed, derivative based fund which aims for positive returns in most market conditions, and long-term capital growth, while controlling short-term volatility. The fund aims to generate returns through the identification and exploitation of under- and over-priced derivatives. The fund targets a net return of cash + 7.5% p.a., a standard deviation of less than 6% and a maximum monthly loss of 2%. This market neutral fund targets a correlation to the JSE All Share Index of less than 0.4.



PERFORMANCE (NET)

	2009	2010	2011	2012
Jan	1.41%	-0.33%	0.39%	0.80%
Feb	0.98%	0.40%	0.33%	0.56%
Mar	1.33%	1.57%	0.33%	0.14%
Q1	3.77%	1.64%	1.05%	1.51%
Apr	1.46%	0.75%	0.66%	
May	3.70%	-0.22%	0.44%	
Jun	1.52%	0.81%	0.42%	
Q2	6.81%	1.34%	1.53%	
Jul	2.37%	0.80%	0.60%	
Aug	1.45%	0.29%	-0.45%	
Sep	1.10%	0.93%	0.54%	
Q3	5.00%	2.03%	0.68%	
Oct	0.88%	0.90%	1.06%	
Nov	1.17%	0.46%	0.70%	
Dec	1.15%	0.84%	0.59%	
Q4	3.23%	2.22%	2.37%	
Annual	20.14%	7.43%	5.75%	



RISK AND RETURN (net annualised)

	CAERUS FUND	FTSE/JSE TOP 40 TOTAL RETURN INDEX
Return	10.5%	16.8%
Volatility	2.5%	18.5%
Sharpe Ratio	1.6	0.6
Beta	0.07	
Upside Beta	0.11	
Downside Beta	-0.04	

SINCE INCEPTION ANALYSIS

	CAERUS FUND	FTSE/JSE TOP 40 TOTAL RETURN INDEX
Maximum Losing Month	-0.4%	-10.5%
Maximum Drawdown	-0.4%	-10.5%
Months to Recover	1	1
Average Monthly Return	0.8%	1.4%
% of Positive Months	92.3%	51.3%
Average Gain	0.9%	5.5%
Average Loss	-0.3%	-2.9%
Maximum Gain (monthly)	3.7%	12.3%

PERFORMANCE TARGET

STeFI call deposit Rand cash return + 7.5% p.a., net of fees, on a rolling 12-month basis

ASSET MANAGEMENT FEE

0.25% p.a. (excluding VAT) base fee and a performance-related fee.

The performance fee will be equal to 17.5% (excluding VAT) of any positive performance (net of base fees) subject to a preferred return of cash and a high-water mark. This fee will be accrued and calculated on a monthly basis and deducted twice per annum, when applicable.

FUND MANAGER(S)

John Gilchrist: John is a qualified CA (SA) and holds an MBA (with distinction) from INSEAD (France). He has thirteen years' investment experience, and joined OMIGSA in November 2004 as a portfolio manager. Prior to joining the Old Mutual Investment Group, he was Head of South African Derivatives at a major international bank, and served on the JSE SAFEX financial derivatives committee.

Bivashen Naidoo: Bivashen is a qualified actuary (FIA) and is both a CFA and CAIA charterholder. He has eight years' investment experience and joined OMIGSA in August 2007. Prior to joining Old Mutual Investment Group, he was at Metropolitan Employee Benefits.

REVIEW OF MARCH 2012

Economic growth or the potential lack thereof, was the dominant driver of markets in March. Market jitters returned as it became apparent that the European economy may enter a recession, while China is likely to experience below-trend growth in 2012. Moreover, Standard & Poors placed South Africa on a negative ratings watch at the end of March, which put further pressure on local markets – the The FTSE/JSE Top 40 Index ended the month down 2.3%. Nevertheless, markets are still up 5.1% for the year-to-date.

Despite the drop in equity markets, realised volatility remained low (20-day was up 0.5% to 12.3% at month-end). Implied volatility, as measured by the South African Volatility Index (SAVI), on the other hand, fell 1.7%, ending the month at 20.6%. With the volatility risk premium still quite high relative to its history, we took the opportunity to sell some more short-dated options on the Top 40 Index, following the expiry of a previous such tranche. These trades have been profitable for the fund.

A further two positions expired in March – a relative-value single-stock volatility trade, as well as a basket of strangles sold on three counters, both of which were profitable for the fund overall. Given these expiries, we had greater capacity to take on more risk, and thus put on two tranches of correlation trades at attractive levels. These trades are performing well. We remain on the lookout for any further opportunities, both in the index and single-stock space, which we believe are likely to arise in the current market environment.

FUND FACTS

NAV	R405 million
Launch date	1 January 2009
Currency	SA Rand
Administrator	JP Morgan
Auditor	KPMG
Liquidity	Monthly
Legal structure/vehicle	Debenture/Trust structure

CONTACT DETAILS

Tom Connell
 Head of the Absolute Return Investments Boutique
 Tel: +27 21 509 6135
 Email: tconnell@omigsa.com

Old Mutual Investment Group (South Africa) (Pty) Limited
 P.O. Box 878, Cape Town 8000. www.omigsa.com

Old Mutual Investment Group (South Africa) (Pty) Limited is a licensed financial services provider, FSP 604, approved by the Registrar of Financial Services Providers (www.fsb.co.za) to provide intermediary services and advice in terms of the Financial Advisory and Intermediary Services Act 37 of 2002. Old Mutual Investment Group is a wholly owned subsidiary of Old Mutual (South Africa) Limited. Reg No 1993/003023/07. The investment portfolios are market linked. Products may either be policy based or unithold in collective investment schemes. Investors' rights and obligations are set out in the relevant contracts. Market fluctuations and changes in rates of exchange or taxation may have an effect on the value, price or income of investments. Since the performance of financial markets fluctuates, an investor may not get back the full amount invested. Past performance is not necessarily a guide to future investment performance. There are specific risks associated with investing in portfolios that employ hedging strategies. Please refer to your policy, mandate or contract for detailed information regarding these risks.

