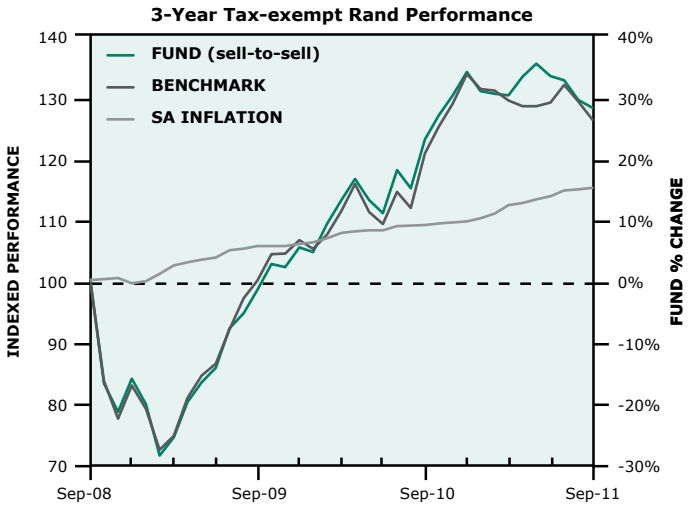
SA Small Companies Fund

ALL DATA TO 30/09/2011

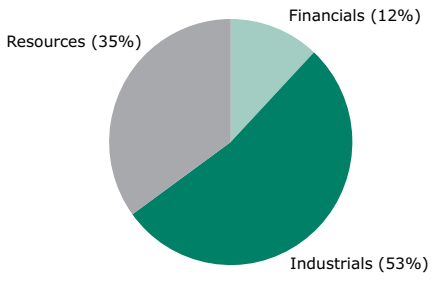


PERFORMANCE

	% PERF.			% PERF. (p.a.)				
	1-Mth	3-Mth	6-Mth	1-Yr	3-Yr	5-Yr	7-Yr	10-Yr
Tax-exempt Investor	-1.0	-3.9	-1.6	4.2	8.5	7.4	15.3	19.6
Benchmark	*-2.3*	*-2.1*	*-2.4*	*4.5*	*8.0*	*7.9*	*17.2*	*19.3*
Corporate Investor	-1.1	-4.0	-1.5	4.7	8.5	6.8	14.1	17.6
Private Investor	-1.0	-3.7	-1.5	4.0	8.4	7.3	14.8	18.8
Retirement Fund	-1.0	-3.8	-1.5	4.1	8.4	7.4	15.1	19.4

Sell-to-sell fund performance and gross benchmark returns, both including reinvested income. Lump sum basis. Performances are in ZAR.

ASSET ANALYSIS



CURRENT PRINCIPAL HOLDINGS

HOLDING	PRINCIPAL ACTIVITY	% OF FUND
Omnia	Chemicals	12.3
AECI	Chemicals	8.0
City Lodge	Consumer	6.9
Santam	Insurance	6.6
Northam	General Mining	6.4
Datatec	Technology	6.2
Trencor Group	Industrial Goods & Services	5.2
Italtile	Retail	5.0
Astral	Food & Beverage	4.6
Hudaco	Industrial Goods & Services	4.4
		65.6

Product availability		IF	FC	Max Life	Max LISP	Max Income
Discretionary Investment	Investment	✓		✓		
	Income	✓				
Retirement Growth	Retirement Annuity	✓		✓		
	OM Flexi-Provident Fund					
	Preservation Fund					
Retirement Income	Living Annuity	✓				✓
	Composite Annuity	✓				✓

FUND DESCRIPTION

This is a specialist equity fund which has exposure to the shares of smaller companies on the JSE. These comprise shares of companies with a market capitalisation below a base level, which we believe have exciting growth prospects. Superior security selection is employed to maximise returns. In order to achieve the fund objective the portfolio manager may choose to gain exposure to the described assets and asset classes by investing through OMLACSA pooled portfolios, collective investment schemes or a combination thereof.

BENCHMARK

Frontier Small Companies Index (Total Rand return basis)

LAUNCH DATE

01/09/1998

BUY/SELL PRICES AS AT 30/09/2011

497.78c 494.32c

Q3 HIGH/LOW SELL PRICES

521.12c 483.99c

ASSET MANAGEMENT FEE*

1.25% p.a.

BUY/SELL SPREAD AS AT 30/09/2011

0.70%

FUND MANAGER(S)

Warren Jervis - OMIGSA

REVIEW OF Q3 2011

The small cap and mid-cap indices returned -2.3% and -2.0% respectively for the three months ended 30 September 2011, while the FTSE/JSE Top 40 Index returned -6.6%. The market remains highly volatile, and this quarter has been no different. Global growth concerns, given the excessive debt levels, are making investors nervous. This lack of investor confidence, and a distinct lack of clarity with regard to the future, is causing investors to sit on the sidelines. The irony of using a leveraged special purpose vehicle to deal with the Eurozone issues is priceless. In fact, it probably makes investors more concerned about the level of understanding, by politicians, of how we got into this mess in the first place. The Eurozone debt and political issues seem far more difficult to sort out than the average investor realises. The fact that US politicians are now telling the Europeans to "get their act together" highlights the worry about the ramifications of a weak Eurozone for American companies. Ultimately, some kind of Greek default would be appropriate, and ongoing German support is critical to sorting out most of the Eurozone problems. The signs of an ongoing credit freeze continue to appear and this is a major source of concern. This credit freeze is exactly what will tip economies into recession and remove the potential of reducing the debt through economic growth. Emerging markets have slowed, but are still expected to show robust growth over the next few years. China, in particular, appears to be well placed to continue growing, despite the ongoing issues in the developed world.

FUND DATA

Number of Holdings 26

The information and opinions contained in this guide are made in good faith and are based on sources believed to be reliable, but no representation or warranty, express or implied, is made as to their accuracy, completeness or correctness. The opinions expressed herein are not intended to serve as authoritative investment advice and should not be used in substitution for the exercise of own judgement. The price of shares/units and any income from them may fall as well as rise. Past performance or fund benchmark performance is not necessarily a guide to the future and investors may not get back the full amount invested. When a subscription involves a foreign exchange transaction, it may be subject to the fluctuations of currency values. Exchange rates may also cause the value of underlying overseas investments to go down or up. It should be noted that investments within the fund may not be readily marketable. It may therefore be difficult for an investor to withdraw from the fund or to obtain reliable information about its value and the extent of the risks to which it is exposed.

* Total management fee will be the sum of the asset management fee and any performance-related fee.

OLD MUTUAL