

OLD MUTUAL NAMIBIA ENHANCED INCOME FUND

FUND INFORMATION

RISK RATING 1 2 3 4 5

FUND OBJECTIVE

The fund aims to outperform money market investments and produce a relatively high level of income. It aims not to lose money over any 6-month period.

WHO IS THIS FUND FOR?

The fund is suitable for investors needing a relatively high level of income together with some capital appreciation. These are investors who are able to live with volatility in income distribution levels. Income is paid in the form of quarterly distributions and can be supplemented with regular automatic withdrawals.

The fund conforms to the legislation governing retirement funds and is thus a suitable investment vehicle for retirement funds.

RECOMMENDED MINIMUM INVESTMENT TERM

1 year+ 2 years+ 5 years+

INVESTMENT MANDATE

This actively managed fund invests in a wide range of Namibian and South African interest-bearing assets (for example, money market instruments, bonds, listed property and preference shares). The fund manager moves actively between these assets, based on a relative value approach.

With no restrictions on the average duration of the portfolio, the fund may hold both short- and long-term securities. This gives greater flexibility in taking advantage of interest rate trends and thus to maximise capital gains and income yields. Interest income can be reinvested to generate further growth, or paid out to supplement income. With a secondary focus on capital gains, the fund will maintain a high quality bond exposure and seek out listed property companies showing good prospects for growth and yield.

BENCHMARK: BEASSA ALBI (1-3 Year) Index

RISK OBJECTIVE:

The fund aims to protect capital over rolling 6-month periods.

FUND CATEGORY: Namibia Managed Prudential Funds

FUND MANAGER(S):

Wikus Furstenberg (OMIGSA - Futuregrowth Asset Management)

LAUNCH DATE: 01/02/2005

SIZE OF FUND: N\$114m

DISTRIBUTIONS:

No direct distributions are paid to unitholders. Any unitholder who wishes to receive periodic income should request that this be effected by way of a sale of units.

OTHER INVESTMENT CONSIDERATIONS

MINIMUM INVESTMENTS:

Monthly: N\$1 000 • Lump sum: N\$5 000 • Ad hoc: N\$1 000

CHARGES:

An initial charge of maximum 1%, which may include commission.

	Admin	Commission
< N\$100 000	0.4%	Max. 0.6%
≥ N\$100 000	0.25%	Max. 0.6%

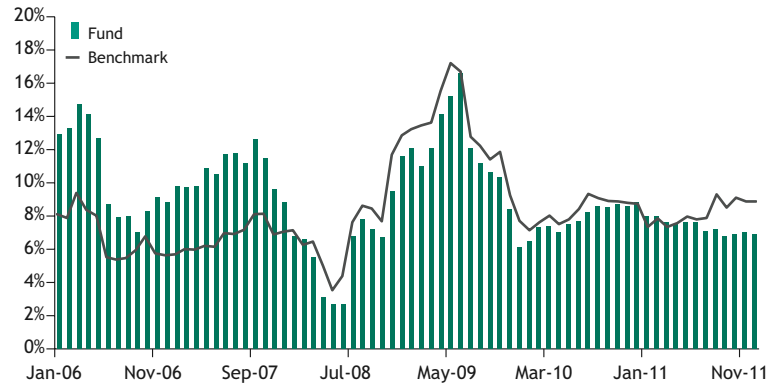
Total expense ratio (TER): 1.09%

- Service fee (included in TER): 1% p.a. This fee is accrued daily and paid to the management company on a monthly basis.
- Other charges incurred by the fund, and deducted from its portfolio, are included in the TER.

FUND PERFORMANCE as at 31/12/2011

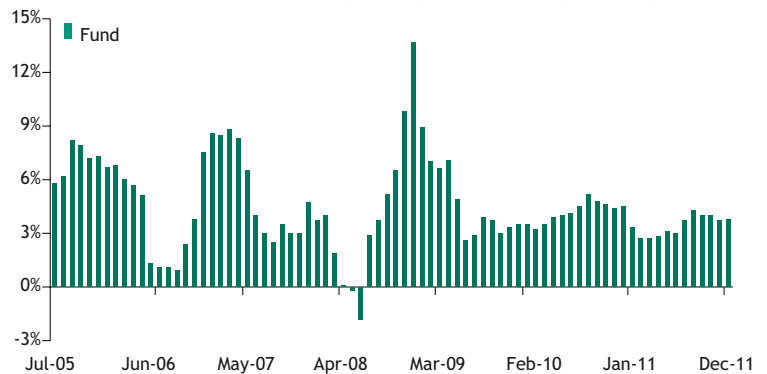
	% PERFORMANCE (p.a.)					
	1-Yr	3-Yr	5-Yr	7-Yr	10-Yr	Since Inception
Fund	6.9	7.3	8.4	-	-	9.1
Benchmark	8.9	8.5	9.1	8.4	9.5	8.4

Old Mutual Namibia Enhanced Income Fund (1-Year Rolling)

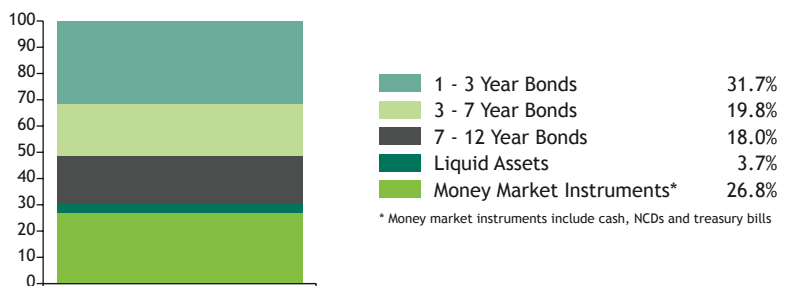


RISK STATISTICS	FUND	ALL BOND
Modified Duration	1.10	5.79
Annual Standard Deviation (3 Years Annualised)	1.1%	5.6%
% Positive 6-Month Returns	97.4%	80.8%

Performance vs Risk Objective (6-Month Rolling Returns)



FUND COMPOSITION



CURRENT PRINCIPAL HOLDINGS

HOLDING	SECTOR	% OF FUND
Money Market	0 - 3 Year NCD	15.8
RSA 5.5% 07/12/2023	7 - 12 Year Bonds	8.0
R204 8.00% 21/12/2018	7 - 12 Year Bonds	6.1
FNB17 9.15% 29/03/2012	1 - 3 Year Bonds	4.4
Republic of SA R203 8.25% 2017	3 - 7 Year Bonds	4.1
Tcnf02 19/08/2015	3 - 7 Year Bonds	2.7
Tn15 9.13% 19/08/2015	3 - 7 Year Bonds	2.7
Bwjh14 15/08/2014	1 - 3 Year Bonds	2.6
Namibian Government Registered Stock	3 - 7 Year Bonds	2.1
RSA 2.75% 31/01/2022	7 - 12 Year Bonds	2.1

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FUND MANAGER INFORMATION



WIKUS FURSTENBERG

QUALIFICATIONS:
MCom (Economics)

CURRENT RESPONSIBILITY:

Wikus manages a range of fixed interest portfolios, which include the Enhanced Income Fund, Namibia Enhanced Income Fund and the fixed interest component of the Real Income Fund.

PREVIOUS EXPERIENCE:

Wikus joined Old Mutual Investment Group South Africa (OMIGSA) in August 1999 as a fixed interest portfolio manager from ABN AMRO Securities. He started his career in the Economics Department of the South African Reserve Bank. In 1995, he joined ABSA Bank Treasury as a Treasury economist and pursued this position until 1997.

FUND COMMENTARY as at 31/12/2011

The defensive positioning of the fund offered some protection against market volatility. The small long-dated fixed rate and large inflation-linked bond holdings have been particularly helpful. We utilised market weakness to add to our holding of medium-dated fixed rate government bonds, a strategy we shall continue to implement as yields rise further. However, as a hedge, we will retain our inflation-linked bond holding in light of the view that the risk to the inflation outlook (as measured by headline CPI) remains skewed to the upside.

Our investment view remains defensive, with a focus on short-term capital preservation while carefully considering potential investment opportunities into market weakness, while retaining an inflation-linked bond holding.

Figures as at 31 December 2011, based on a lump sum investment excluding charges (bid-bid prices). Source: Morningstar. To ensure that the portfolio is always managed in accordance with its mandate, Old Mutual Unit Trusts Namibia reserves the right to close the fund to new investors. Unit trusts are generally medium- to long-term investments. Past performance is no indication of future growth. It is important that you are prepared for some shorter term fluctuations 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. The daily price is the current value of the fund's assets plus interest income (minus expenses) divided by the number of units in issue. 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. You can easily sell your investment at the ruling price of the day (calculated at 15h00 on a forward pricing basis).