

Excelsior CPI Plus Portfolio



As at 30 November 2011

Portfolio objective

The Portfolio aims to achieve positive returns irrespective of market conditions. The Portfolio provides exposure to a diversified spread of assets, follows an absolute return mandate, and uses a strategic asset allocation methodology rather than a tactical one. This results in a superior risk-adjusted return.

Portfolio facts

Portfolio manager	Henry Munzara
Management company	STANLIB
Launch date	June 2002
Portfolio type	Single Manager
Portfolio size	R 7,183,137,051
Benchmark	Increase in the CPI plus 4% p.a. over rolling 3 year periods after the deduction of tax but before the deduction of ongoing management fees.
Guarantee available	An optional guarantee is available on this portfolio

The performance of the portfolio benchmark over time provides the basis against which the portfolio manager will be measured.

Please consult the current portfolio grid for any current restrictions on the availability of portfolios for new business and switching.

Who should invest in this portfolio

This portfolio is suited to the investor who:

- wants to achieve positive returns over rolling 12-month periods irrespective of market conditions
- wants to achieve real returns of 4% p.a. over rolling 3-year periods after the deduction of tax but before any Liberty Life charges and fees have been deducted
- has an investment horizon of at least 5 years
- is prepared to accept some fluctuations in returns from year to year

Risk profile



No adjustment has been made to the above risk profile for the guaranteed version of the portfolio. If a guarantee is selected on the portfolio, then the risk profile will be lower, provided the investor remains in the guaranteed portfolio for the duration of its guaranteed term.

What return is this portfolio designed to achieve?

Expected return*	CPI + 4%
Investment horizon	3 years

The Consumer Price Index (CPI) measures the increase in the price of the basket of goods an average family would buy over a specified period of time.

* Expected return is after the deduction of tax but before any Liberty Life charges and fees have been deducted.

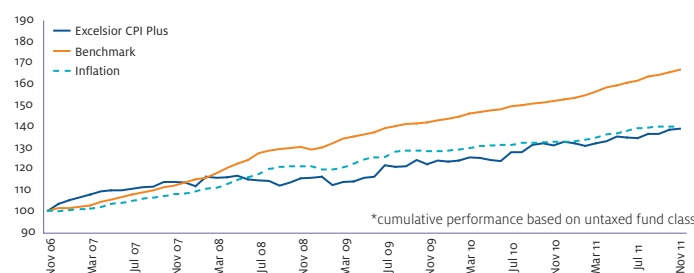
Quarterly commentary (3rd quarter)

Returns from the equity market, which is a key driver of performance, have remained poor over both the short and long term period under review, while CPI has remained elevated. This environment continues to make meeting the benchmark challenging, however, the portfolio has held up well YTD and remains in positive territory despite the volatility and losses that we have witnessed in markets - especially equity.

The allocation to listed property has been reduced after a strong run, as we believe that the risk/reward trade off is no longer as compelling. In turn we have increased the portfolio's cash position and directionally this is likely to be redeployed into equity as the value style opportunities that we seek are starting to present themselves.

We believe that select opportunities in the equity market are now emerging and using history as a guide, current valuations suggest that attractive real returns are likely over the next few years. As we add to our equity positions the balance between growth and defensive assets is likely to tilt in favour of growth assets, thereby increasing the prospects of delivery on the CPI +5% benchmark over the next few years.

Performance

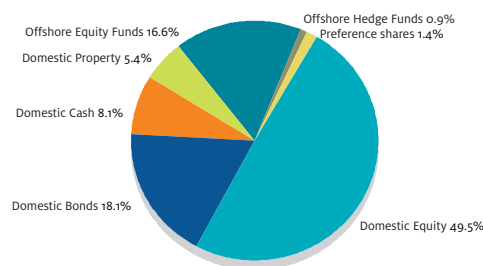


Returns

	3 Months	6 Months	1 Year	2 Years	3 Years	5 Years	8 Years
Taxed	1.39%	2.65%	5.86%	6.13%	5.85%	5.79%	10.01%
Retirement Annuity	1.88%	2.89%	6.77%	7.25%	7.23%	7.20%	11.54%
Untaxed	1.71%	2.74%	5.99%	6.66%	6.32%	6.76%	11.54%
Company	1.37%	2.66%	5.44%	5.70%	5.76%	5.84%	9.68%
Benchmark	2.34%	4.80%	10.39%	8.97%	8.92%	10.95%	9.90%
Inflation	1.10%	2.93%	6.04%	4.69%	5.10%	7.04%	5.86%

Please Note: The above investment returns are after four-fund tax has been deducted but before any Liberty Life charges have been deducted, with applicable distributions reinvested and are on a sell-to-sell basis. They are applicable to single contributions and are for Excelsior 300 and 500 Series products for the periods above. Investment returns for periods less than one year are not annualised.

Asset allocation



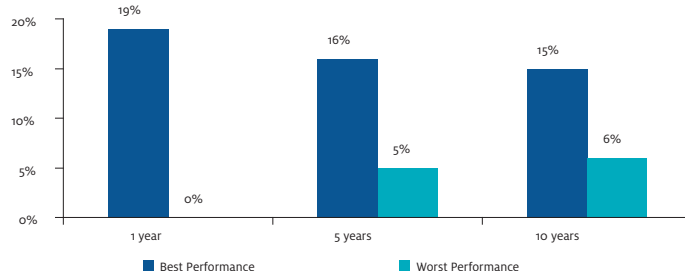
*asset allocation based on untaxed fund class

Top equity holdings

P P C	6.64%
Life Healthcare Grp	6.32%
Jhb Stock Ex	6.19%
MTNGroup	6.19%
M & R	6.02%
Abil	5.97%
Om Plc	5.95%
British American Tob	5.89%
First Rand	5.87%

Return volatility

The graph below indicates the volatility of annual investment returns for an investor in this portfolio. The highest and lowest annual returns over 1, 5 and 10 year intervals have been shown based on the portfolio being invested in the benchmark. The calculations are based on investment returns during the 20 years to 01/01/2007.



No allowance has been made for the impact of tax or charges and fees in calculating these returns.

Disclaimer

The information contained in this document does not constitute advice by Liberty Life. Whilst every attempt has been made to ensure the accuracy of the information contained herein, Liberty Life cannot be held responsible for any errors that may occur. Past performance cannot be relied on as an indicator of future performance. Investment performance will depend on the growth in the underlying assets, which will be influenced by inflation levels in the economy and prevailing market conditions. Source: Liberty Life, STANLIB.

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