

As at 30 September 2011

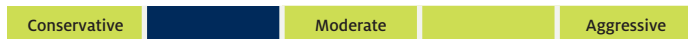
Portfolio objective

The portfolio comprises high quality equity and fixed interest funds. The manager ensures ongoing assessment of local markets, adjusting the composition constantly to take advantage of changing economic conditions. The portfolio is actively managed for optimum growth. It should suit investors who require a managed, high growth South African portfolio with all the advantages of a guaranteed assurance policy. STANLIB Wealth Management manages this portfolio.

Portfolio facts

Fund Managers	STANLIB Wealth Management
Underlying Managers	Stanlib Asset Management
Launch Date	1 July 1995
Fund size	R 71 944 257.08
Classification	Onshore Managed
Benchmark	70% FTSE/JSE All Share Index 20% All Bond Index 10% Alex Forbes Money Market Index
Once-off Charges	Allocation Charges and Policy Fees Bid-offer Spread
Recurring Charges	Liberty Active Management Fee p.a. Fund Manager's Management Fee p.a. Maximum Shareholders' Participation in Surplus
Guarantee	At Maturity On Death before Maturity

Risk profile



The risk profile of this portfolio has been adjusted to reflect the applicable investment guarantee. The risk profile applies, provided the investor remains in the portfolio for the duration of its guaranteed term.

Quarterly commentary (2nd quarter)

Fund Review

In the quarter we introduced a new asset class to the fund, namely the New Gold ETF that is defined in terms of Regulation 28 as a commodity. We have a positive view on gold bullion as investment demand remain strong/ it is important to note that we have been unable to convert the growth in the gold price into earnings. We also increased our exposure to bonds by around 4%. The increase in the bond weighting is a function of our dovish view on interest rate hikes. South Africa coupled to the global investor's search for the yield. The Stanlib view is that interest rates remain flat into early 2012. We continue to remain cautious on the South African equity market with a preference for global equities, which in our opinion offers better value.

We made no changes to the resource exposure of the fund and continue to favour the diversifies commodity plays over the single commodity stocks, hence the large exposures to BHP Billiton, African Rainbow Minerals and Exxaro. Sasol a diversified oil/chemical play remains one of the largest holdings in the fund, we have maintained our largest exposure to both telecoms and healthcare. MTN is our largest equity holding. During the quarter we have added three new consumer related shares: Famous Brands (convenience dining), Lewis (furniture) and Mr price (clothing and apparel). In our opinion the south African consumer will continue to be the main driver of GDP growth. This is a function of more people being employed and a structural shift in growth from mid-upper households to low income households in terms of consumer spending.

Financial shares make up 16% of equities. This is a mixture of Banks, life Companies and Financial Services companies. We have made one change to our financial positioning, namely the sale of the JSE, given other investment opportunities in the market. FirstRand and Nedbank remain our preferred banking shares.

Looking Ahead

Going into the 3rd quarter 2011, our view is that global equities will continue to outperform domestic equities. We continue to position the fund for moderate SA GDP growth that remains consumer driven. The Funds SA equity holdings target companies that are exposed to the global commodity cycle and the south African consumer. Our commodity exposure is a hedge against global volatility and European debt situation.

Disclaimer

The information contained in this document does not constitute advice by Liberty. Whilst every attempt has been made to ensure the accuracy of the information contained herein, Liberty 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, STANLIB.

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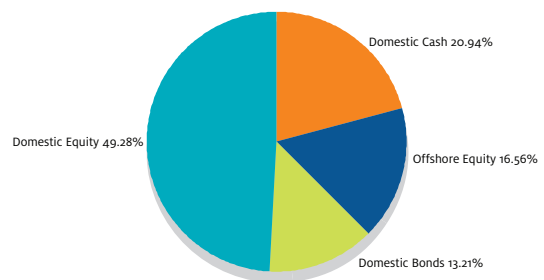
Returns

Rand returns

	Since inception	1 Year	3 Years	5 Years
Single Premium Policies				
Endowment	8.30%	5.88%	5.20%	5.81%
Retirement	8.92%	6.29%	5.67%	6.31%
Annual Premium Policies				
Endowment	8.38%	5.88%	6.71%	4.74%
Retirement	9.05%	6.29%	7.17%	5.17%
Monthly Premium Policies				
Endowment	8.44%	1.69%	9.09%	4.62%
Retirement	9.11%	1.92%	9.64%	5.04%

Please Note: Returns in this report are calculated on a sell-to-sell basis. Sell-to-sell returns apply to allocation (investment) amounts and are gross of any bid-offer spreads. These returns are net of tax, management fees and shareholder profit participation.

Asset allocation



Top 10 holdings

STANLIB High Alpha Origin Class B	13.66%
Standard Bank Inst. Money Market Fund Class B4	6.49%
STD PLFD-3.03=5.97% FM 28032012	5.31%
MTN Group Limited	4.65%
BHP Billiton Plc	4.01%
Anglo American Plc	3.41%
New Gold	2.98%
British American Tobacco PLC	2.90%
R207 7.25% 15/01/2020	2.86%
Nedbank DEMAT NCD 6.325% 12072	2.70%