

Excelsior Multi-Manager RMBAM Portfolio

As at 31 January 2010

Portfolio objective

This portfolio invests into Rand Merchant Bank Asset Management's (RMBAM) local best view balanced strategy. RMBAM is a top-down investment house with the asset allocation decision the major driver of investment returns. Once a macro view and broad asset allocation decision has been determined, a portion of the funds are allocated to each equity sector team. Team heads decide on appropriate weightings within each second-tier sector and analyse shares using an internal rate of return model. Top-level risk controls are managed through tracking error. Bonds are managed purely on a top-down duration view.

Portfolio facts

Portfolio manager	RMB Asset management
Administered by	STANLIB Multi-Manager
Portfolio type	Single-Manager
Launch date	March 2006
Classification	Domestic Asset Allocation Prudential Medium Equity
Benchmark	100% SA Large Manager Watch Survey Median

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 the portfolio designed to achieve

Investment horizon to achieve expected return	Expected Returns*
5 years	CPI + 3% p.a.

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 (4th quarter)

The manager was above the benchmark for the quarter, with the outperformance stemming mainly from the equity component.

At an asset allocation level, the net effect was marginally positive, driven by the portfolio being slightly overweight equities partially offset by being overweight bonds. The manager's equity weighting changed little over the quarter and remains marginally overweight its peers.

RMBAM's outperformance was largely driven by positive share selection within equities, specifically Basic Materials, where an underweight to ArcelorMittal, AngloGold, New Gold and an overweight to Northam Platinum and Angloplats contributed positively to performance. The gold price reached a new record above \$1 200/oz, but the strength of the local currency meant the rand gold price fell well short of its record high of over R10 000/oz reached in March 2009. Despite the strong rise in the gold price, the metal's equities languished due to manager concern over operational issues. Such concerns also affected the platinum counters, still reeling from the plunge in PGM prices from mid-2008. More recently, PGM prices have begun to recover in US dollar terms, but the strength of the rand is causing headwinds. Positions in select Industrials, specifically an overweight to Bidvest and a zero weighting to Nampak, added value.

Notes

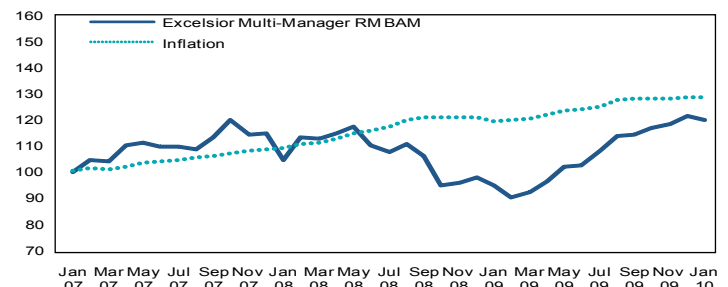
As from 28th October 2008 the portfolio's foreign investment exposure might exceed the restrictive limit of 20%, or as amended from time to time, as a result of the inward listed British American Tobacco ("BAT") shares received as part of a corporate de-merger. The South African Reserve Bank has allowed some institutional investors a grace period of 2 years to rebalance their portfolios to adhere to the foreign investment limit. The grace period for BAT expires on 27 October 2010. Records of foreign investment exposure for BAT are available upon request.

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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Performance

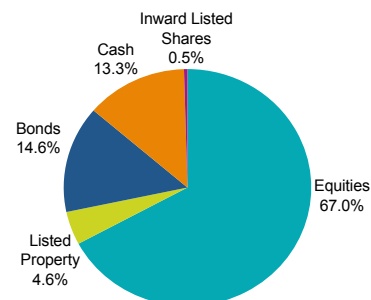


*3 year cumulative performance based on untaxed fund class.

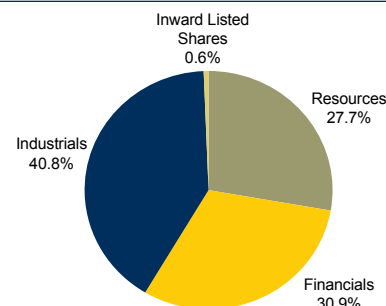
Returns

	3 Months	6 Months	1 Year	2 Years	3 Years
Taxed	2.53%	10.35%	25.21%	6.85%	6.00%
RA	2.59%	10.62%	25.96%	7.04%	6.16%
Untaxed	2.59%	10.62%	25.96%	7.04%	6.16%
Company	2.47%	10.09%	24.49%	6.88%	5.97%
Benchmark	0.04%	2.37%	7.37%	8.43%	8.61%
Inflation	0.04%	2.37%	7.37%	8.43%	8.61%

Asset allocation



Sector allocation



Top 10 equity holdings

STANDARD BANK GROUP LTD	7.88%
MTN GROUP LTD	6.31%
ANGLO AMERICAN PLC	5.90%
BHP BILLITON PLC	5.88%
BIDVEST LTD ORD	5.70%
SASOL LTD. / ORD	5.54%
RMB HOLDINGS LTD	4.74%
NASPERS LTD -N-	3.83%
FIRSTSTRAND LTD	3.01%
OLD MUTUAL PLC	2.91%
PERCENTAGE OF TOTAL EQUITY HOLDINGS	51.70%