



CORONATION INDUSTRIAL FUND
31 DECEMBER 2011



Fund purpose Category-specific exposure to industrial category equities

Fund category Domestic – Equity – Industrial

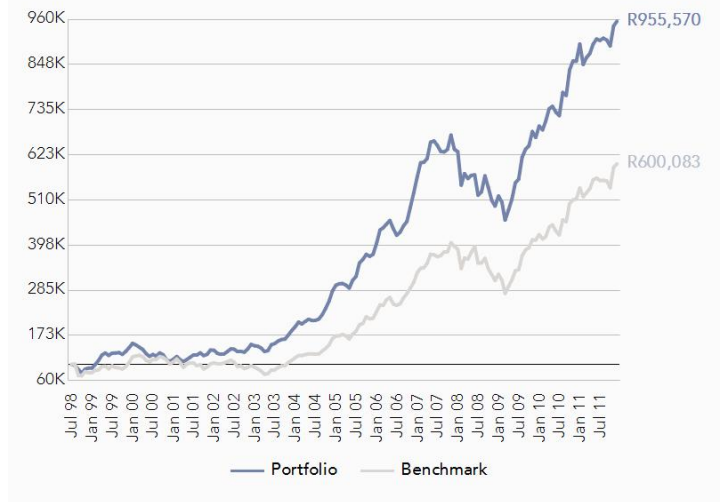
Benchmark FTSE/JSE Industrials Index

Risk profile



LONG-TERM TRACK RECORD

GROWTH OF A R100,000 INVESTMENT AT INCEPTION



HIGHLIGHTS

- Specialised investment vehicle providing access to Coronation’s best industrial stock picks
- Best performing fund in category over 10 years and since launch

INVESTMENT OBJECTIVE

The fund is a category-specific equity fund that aims to achieve long-term capital growth by investing in a broad range of industrial shares. Its return objective is to outperform the FTSE/JSE Industrials Index.

GENERAL INFORMATION

Launch date 1 July 1998

Income distribution Bi-annually
(March and September)

Investment minimum R5 000 lump sum or
R500 monthly debit order

Regulation 28 Does not comply

INVESTMENT MANDATE

The fund invests in domestic equities that derive a significant portion of their earnings from industrial-related activities. The aim is to add value through active stock selection within the category. A minimum of 75% of the fund’s assets will be invested in domestic equities at all times.

INVESTOR PROFILE

The fund is suitable for investors:

- seeking to broaden their equity exposure by including an industrial fund
- who believe that the industrial category offers compelling value
- that are not utilising the fund as a single investment but as part of a diversified portfolio

RISK OF MONETARY LOSS

The recommended use of the fund is as a diversifier of an existing portfolio. The fund should be used with the objective of maximising returns over periods of five years or longer.

CORONATION FEES (excl. VAT)

Initial	0.00%
Annual management	1.00%

Fee Methodology

The fund charges an annual fee of 1.00%. Fees are accrued daily and collected monthly.

TOTAL EXPENSE RATIO (TER)¹

1.20%

INVESTMENT PHILOSOPHY

Coronation is a research-driven investment house. All members of the investment team have research responsibilities, where our focus is on establishing a fair value for each of the companies that we follow. Our approach is based on forming firm views on the long-term valuations of businesses. We buy companies that are temporarily underpriced by the market, and avoid those that are trading above our fair value. We believe that mispricings occur regularly, often due to the short-term focus of most investors. This approach enables us to construct a concentrated, differentiated portfolio with a high degree of conviction. It also supports the discipline required to remain committed to positions that are often materially different to what conventional wisdom will dictate. In the long run, this approach has led to exceptional returns for our investors.



ADVICE FEES

Coronation does not provide financial advice and therefore does not charge advice fees. However, investments are often placed on your behalf by a financial advisor, in which case fees are negotiated directly between you and your advisor, within the following ranges:

Initial	0.00% - 3.00%
Ongoing	0.00% - 1.00% when the initial fee is less than 1.50%
	0.00% - 0.50% when the initial fee is more than 1.50%

Sharing of annual management fees

A portion of Coronation's annual management fee may be paid to administration platforms as a subsidy for administrative and advice costs incurred when investing through these channels. Where commission and incentives are paid, these are included in the overall costs.

INVESTMENT TEAM

We have one of the most experienced and talented investment teams in the country operating in a culture of excellence. Led by Chief Investment Officer Karl Leinberger, the team is made up of 50 investment professionals. Key focus areas include equity research, with dedicated teams based in Cape Town covering South African, Pan-African and emerging markets. Our team also comprises experienced fixed income and quantitative research teams and a London-based international multi-management team. Our team of ten senior portfolio managers is supported by dedicated dealing and implementation teams.

Investment team facts:

- Includes three former chief investment officers
- 23 members with a decade or more in the industry (13 team members have more than 15 years experience)

PORTFOLIO MANAGERS

- **DIRK KOTZÉ, BAcc (Hons), BCom (Hons), CA (SA), CFA**
Dirk has a wealth of experience, having spent seven years in the industry (with Allan Gray and Southern Asset Management) before joining Coronation in 1998. His research background covers most sectors outside of financials, but with a particular focus on resources and heavy industry. Dirk is the co-manager of a segregated industrial mandate as well as the Coronation Industrial unit trust fund.
- **SARAH-JANE ALEXANDER, BBusSc, CFA**
Sarah-Jane joined the Coronation investment team in 2008 as an equity analyst. Her current responsibilities include co-managing the Coronation Industrial Fund and researching food producers and hospital stocks amongst others. Prior to joining Coronation, she formed part of the investment team at JP Morgan Asset Management in London where she was a European research analyst and then co-manager of their UK Smaller Companies Fund.

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