CORONATION ABSOLUTE BOND PORTFOLIO
30 APRIL 2012

CORONATION FUND MANAGERS

KEY BENEFITS

- Access to a highly rated investment team
- Proven track record of consistent out performance of bond markets
- A low risk fixed interest solution

INVESTOR PROFILE

The fund is suitable for:
- Retirement funds, corporate investors, trusts, foundations and medical aid schemes seeking a lower risk bond portfolio with a dual focus on strong returns and capital preservation.

ABSOLUTE BOND PORTFOLIO

The Coronation Absolute Bond Portfolio aims to protect capital regardless of the interest rate cycle and thereby ignoring bond market cyclicality. This portfolio therefore offers lower volatility and greater focus on capital preservation than traditional bond portfolios.

FUND OBJECTIVE

- Benchmark: Consumer Price Index (CPI)
- Performance target: Outperform CPI + 2.5% (gross of fees and taxes) over a rolling 12 month period

The Portfolio has an added objective to preserve capital over a rolling 6-month period.

INVESTMENT APPROACH

Coronation takes an active investment approach to fixed interest portfolio management, with investment decisions based on proprietary research across the full spectrum of potential return enhancers. These include duration and yield curve positions, off-benchmark positions through inflation-linked assets as well as yield enhancement through credit enhanced assets. Bond portfolios are positioned on a long term strategic market view but this is balanced by taking shorter term tactical opportunities when the market lags or runs ahead of that strategic view.

PORTFOLIO STRUCTURE

The Coronation Absolute Bond Portfolio has an absolute benchmark rather than an index-driven one, thus the focus is on achieving positive returns relative to inflation. Derivatives are used to enhance income yield and to reduce risk. The actual duration of the Portfolio may differ from that of a traditional bond portfolio and is likely to fluctuate significantly as the management approach is more focused and active.

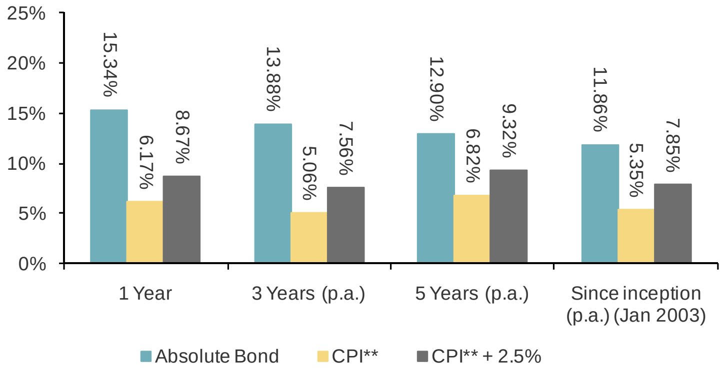
The investments are limited to:

- South African issued and guaranteed bonds
- inflation linked bonds
- corporate bonds (with minimum investment grade rating)
- derivatives which enable us to change the duration profile of a portfolio relatively quickly.

GENERAL INFORMATION

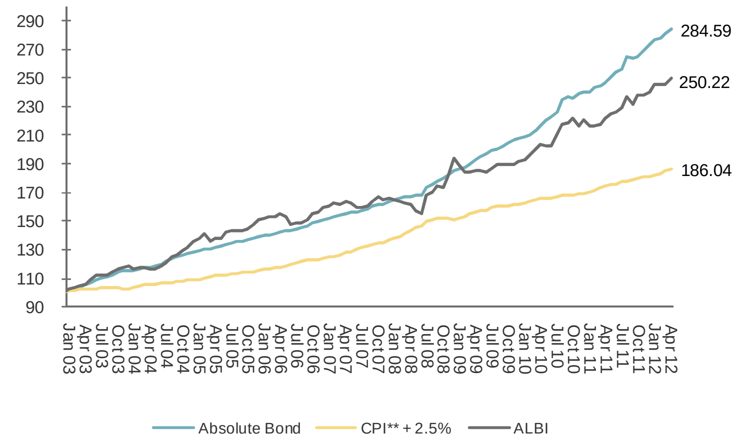
Inception date	1 January 2003
Product options	Segregated portfolio Pooled portfolio offered by Coronation Life.
Minimum investment	Segregated: R200 million Pooled: none
New clients	A one-month re-alignment period may be applied for new clients so as not to prejudice the performance of existing clients in the fund
Termination conditions	A 30-day notice period is required upon termination. No charges apply on either full or partial termination. Coronation reserves the right to pay the termination value in the form of scrip or cash.
Reporting	The following reports are available to clients: Monthly reports: within 5 business days Quarterly reports: within 15 business days

PERFORMANCE (gross of fees)



** Benchmark Methodology - CPI used in calculations are the official month to month numbers based on the old basket prior to January 2009 and new basket post January 2009

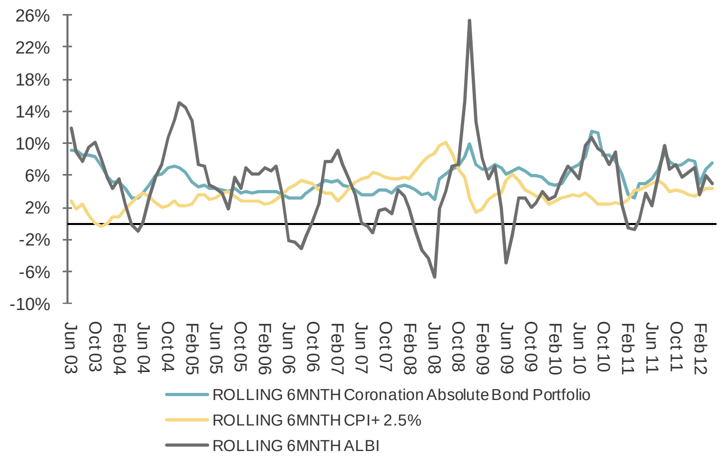
CUMULATIVE PERFORMANCE (since inception)



RISK STATISTICS (since inception)

	Absolute Bond	ALBI
Annualised risk	3.24%	6.87%
Percentage profitable	94.85%	74.26%
Maximum drawdown	-0.66%	-7.34%
Best month	5.95%	8.51%
Worst month	-2.60%	-5.02%

ROLLING 6 MONTHS PERFORMANCE



PORTFOLIO MANAGER

- MARK LE ROUX, *BCom*
  As head of Coronation's fixed interest unit Mark is responsible for the fixed interest investment process and portfolio management functions for both institutional and retail portfolios. Before joining Coronation in 2005 he was with Decillion where he played an integral role in the development of South Africa's first fixed interest hedge fund, the Granite Fixed Income Hedge Fund, which he also managed. Mark has more than 20 years' industry experience.