CORONATION BOND FUND
31 DECEMBER 2011

CORONATION FUND MANAGERS

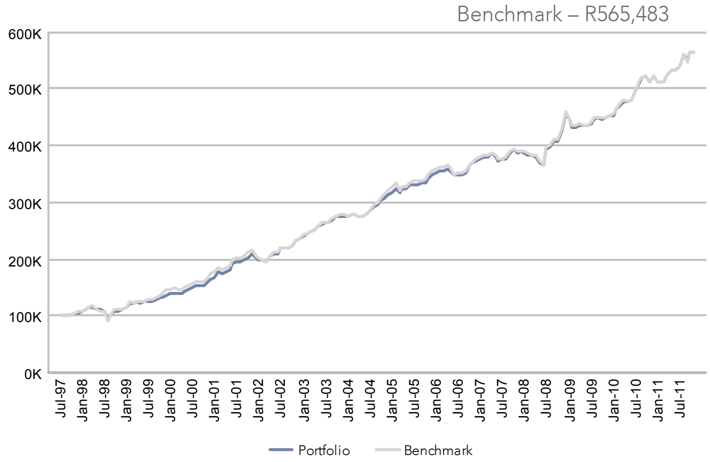
Fund purpose	To provide investors with diversified exposure to the South African Bond Market
Fund category	Domestic – Fixed Interest – Bond
Benchmark	BEASSA All Bond Index
Risk profile	5/10 Moderate

HIGHLIGHTS

- Specialised investment vehicle for investors requiring exposure to the South African Bond Market
- 2nd best performing fund in category since launch

LONG-TERM TRACK RECORD

GROWTH OF A R100,000 INVESTMENT AT INCEPTION
Portfolio – R562,878
Benchmark – R565,483



INVESTMENT OBJECTIVE

The fund seeks to provide investors with well-diversified exposure to the South African Bond Market. Its return objective is to outperform the All Bond Index.

GENERAL INFORMATION

Launch date	1 August 1997
Income distribution	Bi-annually (March and September)
Investment minimum	R5 000 lump sum and/or R500 monthly debit order
Regulation 28	Does not comply

INVESTMENT MANDATE

The fund aims to provide a balance between income and capital growth in order to maximise investment returns. Active duration calls are combined with the active management of both interest rate and credit risk. Instrument selection involves relative valuations of instruments and their yields. The fund invests in domestic fixed interest instruments and cash.

INVESTOR PROFILE

The fund is suitable for investors who are:

- risk averse and seek exposure to less risky assets
- seeking to use the fund as part of a diversified portfolio
- requiring an investment vehicle focused on capital growth and income generation through active selection in the domestic bond market

RISK OF MONETARY LOSS

The recommended term for this investment is 12 months and longer. The risk of monetary loss is slight in periods greater than 12 months and moderate in periods less than 12 months.

CORONATION FEES (excl. VAT)

Initial	0.00%
Annual management	0.75%

Fee Methodology

The fund charges an annual fee of 0.75%, which is accrued daily and paid monthly.

TOTAL EXPENSE RATIO (TER)[1]

0.88%

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 PHILOSOPHY

Coronation takes an active approach to fixed interest portfolio management with investment decisions that are driven by propriety research across the full spectrum of potential return enhancers. Our fixed interest portfolio management approach involves interest rate management through duration and yield curve positioning. The portfolio is constructed with a long-term strategic view which is balanced by the taking of shorter-term tactical opportunities when the market lags or runs ahead of the strategic view. Coronation invests in instruments rated by reputable rating agencies and, while the fund does invest in corporate bonds, it will only do so when the yield compensates for the risk or when there is a general rise in credit spreads.

INVESTMENT TEAM

We have one of the most experienced and talented investment teams in the country operating in a culture of excellence and led by Chief Investment Officer Karl Leinberger

Our Fixed Income Team is multi skilled and complemented by extensive industry experience. Each member of the eight-person team provides key specialist input under the leadership of Mark le Roux.

PORTFOLIO MANAGER

- MARK LE ROUX, *BCom*
  As head of fixed interest investments Mark is responsible for the fixed interest investment process and portfolio management functions for both institutional and retail portfolios. Before joining Coronation in August 2005 he was with Decillion where he was integral in the development of, and responsible for the management of, South Africa's first fixed interest hedge fund, the Granite Fixed Income Hedge Fund. Mark has 20 years' experience in managing traditional fixed interest portfolios (both institutional and unit trust assets) as well as hedge funds, having worked with OMAM, African Harvest and Decillion.

 [1]The TER is calculated as an annualised percentage of the average NAV of the portfolio incurred as charges, VAT, levies and fees in the management of the portfolio for a rolling 12-month period to end September 2011. A higher TER ratio does not necessarily imply a poor return nor does a low TER imply a good return. The current disclosed TER cannot be regarded as an indication of future TERs. This information is factually correct as at December 2011.

Tel: (021) 680 2000 Fax: (021) 680 2100 Website: www.coronation.com