



CORONATION SA CAPITAL PLUS
31 MARCH 2010

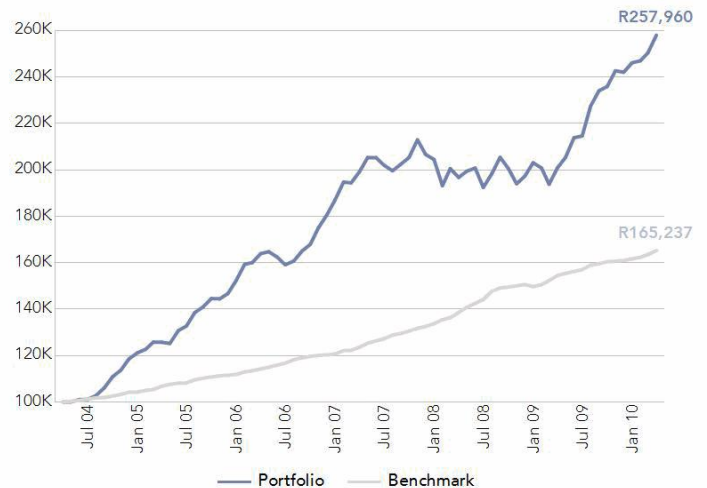
Fund purpose	Maximising long-term returns while minimising short-term risk			
Fund sector	Domestic – Asset Allocation – Targeted Absolute and Real Return			
Benchmark	Returns in excess of inflation + 3.5% per annum			
Risk profile	<table border="1"> <tr> <td>Cons</td> <td>Mod</td> <td>Aggr</td> </tr> </table>	Cons	Mod	Aggr
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HIGHLIGHTS

- A specialised version of Capital Plus that invests in South African assets only
- Ideal for investors in retirement who need a regular income drawdown
- 1st in its category since launch and over 5 years
- Managed by the team that pioneered absolute return investing in South Africa
- Average real return of 6% since launch

LONG-TERM TRACK RECORD

GROWTH OF A R100,000 INVESTMENT AT INCEPTION



INVESTMENT OBJECTIVE

The fund is specifically managed to be a suitable investment portfolio for investors requiring a current income of 7% - 9%, while preserving the purchasing power of their capital over time. To improve the probability of achieving its dual objective our focus is on constructing a portfolio that can produce a high real return in the medium term while reducing the variability of returns from year to year. Our intent is to preserve capital over any 12-month period, while maintaining the ability to produce a medium-term return in excess of inflation + 3.5% per annum.

GENERAL INFORMATION

Launch date	1 April 2004
Income distribution	Quarterly (March, June, September, December)
Investment minimum	R5 000 lump sum or R500 monthly debit order
Regulation 28	Complies

INVESTMENT MANDATE

The fund is managed with an absolute return orientation, meaning that we emphasise the management and diversification of risk and construct the portfolio on a clean slate basis. The fund invests in South African assets only. It is broadly diversified across asset classes including shares, listed property, conventional bonds, inflation-linked bonds, cash and other appropriate instruments. Active asset allocation and security selection strategies appropriate to the needs of conservative investors with medium to longer time horizons are followed. Exposure to risky assets, defined as shares and property, will not exceed 60%, while exposure to equities is limited to 55%. The fund's broad diversification and exposure constraints make it suitable as a single solution for retirement and discretionary savers and for all pensioners requiring an income after retirement.

INVESTOR PROFILE

The fund is suitable for investors:

- seeking a conservative investment solution with a strong focus on capital preservation that only invests in domestic assets
- seeking a risk-conscious investment solution enabling an annual 7% - 9% income drawdown with a reasonable probability of preserving capital in real terms
- requiring a reasonable rate of return over investment horizons of between 3 and 5 years
- with a low tolerance for the volatility of returns associated with equity investing
- who have foreign capacity constraints

RISK OF MONETARY LOSS

The recommended investment term for this fund is 3 years and longer. The fund may hold up to 60% exposure to carefully selected risk (equity and listed property) assets in order to optimise the medium-term outcome. This may cause short-term price fluctuations which make the fund unsuitable for investors with near-term investment horizons. However, while return expectations should be set over 3-5 year periods, the fund is specifically managed to not lose money over any 12-month period. As a result, declines over any 12-month period are highly unlikely. Note that while capital preservation is our intent, this is not a guaranteed fund.

CORONATION FEES (excl. VAT)

Initial	0.00%
Annual management	0.75% - 2.75%

Fee Methodology

The fund charges a performance-related fee, designed to reflect its dual return optimisation and capital preservation intent. A base fee of 1.25% per annum is charged that will increase or decrease depending on whether the fund has achieved its return and capital preservation objectives.

When the fund produces a return above inflation + 3.5%, 10% of the outperformance up to a maximum of 1.50% per annum is payable as a performance fee. When the fund does not preserve capital, the base fee is discounted to 0.75%. Performance is measured over a 12-month period, to reflect its short-term capital preservation intent. Fees are accrued daily and collected monthly, with 1/12th of the annual fee cap applied every month-end.

TOTAL EXPENSE RATIO (TER)¹

2.49% per annum, which includes a performance-related fee of 1.05%.

INVESTMENT PHILOSOPHY

The absolute fund range is actively managed through an integrated process of top down asset allocation and bottom-up stock selection. Overall portfolio risk is managed through the inclusion of non-correlated asset classes and stocks are selected on their equal measure of upside return and downside risk. We make no reference to a benchmark and employ a common-sense valuation-driven process that identifies mispriced assets trading at discounts or premiums to their long-term business values. Those stocks that display a substantial 'margin of safety' to Coronation's fair value qualify for inclusion in our absolute portfolios. Dependent upon the portfolio mandate, derivative instruments may be used for the purposes of managing asset allocation, enhancing income yield or hedging during periods of market volatility.



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 55 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
- 24 members with 10 years or more in the industry (9 team members have more than 15 years experience)

PORTFOLIO MANAGER

- GAVIN JOUBERT, *BBusSc, CA (SA), CFA*
Gavin heads up Coronation's Global Emerging Markets (GEM) team and has 13 years' investment experience as an analyst and portfolio manager. He managed a range of South African equity and balanced funds before moving to focus on Global Emerging Markets. Prior to joining Coronation in 1999, Gavin qualified as a chartered accountant with Ernst & Young and worked for Merrill Lynch and CSFB in London.