

# Eagle Star Investments

## Monthly Review For February 2010

Best  
Investment  
Fund Manager  
(Most recent  
MoneyMate Award  
2008)



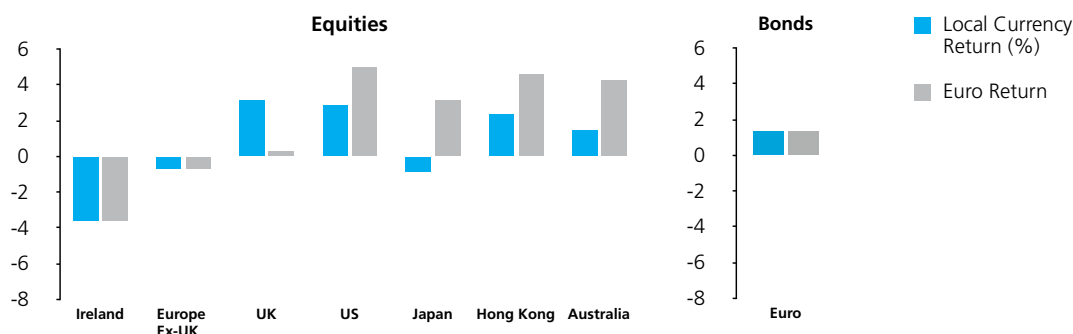
This monthly investment review is produced for professional Insurance Intermediaries. It covers the following: **performance of major stock markets, comment on markets, Eagle Star Funds asset allocation, feature on selected stocks, global outlook and fund performance statistics.** If you require further information, contact your Broker Consultant or your Sales Support Team.

## Equity and Bond % Returns

This graph shows the performance of the major equity markets over the month of February.

The returns are shown in both local and euro currencies.

The bond index is the Merrill Lynch over 5 year Euro Government Bond Index.



## Investment Comment

- Following a short sharp period of profit-taking in the last two weeks of January and the first week of February, equity markets resumed their upward momentum during the period under review. The current bull market is now 12 months old. Equities were supported by generally better-than-expected economic data, the easing of concerns in the periphery of Europe regarding sovereign debt default risk and a greater level of merger and acquisition (M&A) activity. Another positive is that valuations of equities have become slightly more attractive. Markets are likely to remain positive but volatile during the year, with the authorities in the developed world keeping their feet on the stimulus pedal until economic growth gains traction. Debt levels amongst governments and private individuals remain a concern, however.
- World equities (in euro terms) rose by over 3% during the month, leaving the total return for the first two months of 2010 at just under 2%. There was a mixed bag of returns from the main markets during February, ranging from +3% in both the US and the UK to -3% in Ireland (the ISEQ was hurt by the significant underperformance of Irish Life, AIB and Bank of Ireland). Returns for the eurozone investor, however, were enhanced by the continued weakness of the euro against the US dollar, the Australian dollar and the Japanese yen.
- Fears of an early rise in interest rates have subsided further in recent months, as the authorities have espoused a lower-for-longer agenda. However, rates will rise from the current emergency low levels, with the first moves in the main economies expected in the fourth quarter of 2010 or the first quarter of 2011. The futures markets are currently factoring in no change in eurozone rates (at 1%) and an increase of 0.25% to 0.5% in the US by the end of 2010. Australia has already increased interest rates three times (0.25% each time) since October 2009, from 3% to 3.75%, given the strength of its economy, with further rises expected. Elsewhere, commodity prices rebounded following a period of weakness. The oil price rose by 9% to \$80 a barrel, cancelling out January's fall, while the gold price rose by 3% during the month, to \$1,119 per troy ounce.
- Sectorwise, there was clear outperformance of cyclicals over defensive stocks in the US, reflecting current optimism regarding the outlook for the US economy. Industrials, basic materials and consumer discretionary stocks led the way during February. There was no clear-cut sectoral picture in Europe although banking stocks performed poorly.
- Corporate results for the fourth quarter of 2009 continued the positive trend of the previous three quarters, and extended to top-line/ revenue growth as

well as earnings' growth. Of the 489 companies in the US S&P 500 Index which have reported so far, 73% have beaten expectations while only 17% have disappointed. While the current consensus is for earnings' growth of around 20% for 2010, better operating leverage and strong cost control could generate positive surprises. Merger & acquisition activity, which was quiet last year, is likely to be a key feature in 2010.

- The US dollar, which had been weak against the euro for much of 2009, experienced a significant turnaround during the last three months as economic data in the US continued to improve and peripheral European sovereign credit spreads widened. The €/€ rate moved by 2% during February, from 1.39 to 1.36. The euro was also weak against almost all other major currencies, with the exception of sterling.

## Eagle Star Funds - Asset Allocation

The funds are neutral to slightly overweight in equities and closer to neutral in bonds.

### Equities

#### Countries & Markets: Overweight & Underweight positions

The fund managers maintained a neutral to slightly overweight position in equities during February as the markets began to recover from a bout of profit-taking. There were no significant regional changes during the month. The funds' main positions at the end of February were slightly overweight in Japan and Asia Pacific, underweight in Ireland and close to neutral in the other regions.

#### Sectors: Overweight & Underweight positions

There were no significant changes to sectoral positions during the month. Overall, the funds' main positions at the end of February were overweight in technology and industrials and underweight in utilities. Other sectoral positions were pretty balanced.

### Bonds

Eurozone bonds enjoyed a rally in February. The fiscal tribulations of Greece continued to hold the attention of financial markets, with some positive steps being taken to deal with the problems there. First, a new (and more credible) head of the PDMA (the Greek equivalent of the NTMA) was appointed. Second, various European politicians and central bankers indicated that steps would be taken by European authorities to help the Greeks in extreme circumstances. Third, the Greek government indicated that it was prepared to increase VAT, fuel tax and taxes on luxury goods. Last, some bonus payments to civil servants will

be reduced. European government spreads versus Germany tightened uniformly on the month which boosted the performance of bond indices. On the macro front, Italy and Germany had disappointing economic numbers. Industrial

production, 4th quarter GDP and CPI were all weaker than expected for both countries. The Merrill Lynch over 5 year Eurozone government bond index gained 1.4% for the month.

## Spotlight on Stocks

The following stocks are included (at time of going to print) in the Eagle Star funds, including the 5★5 Global Fund.

### Health, Personal Care & Leisure Sector

#### Merck

Merck is one of the largest pharmaceutical companies in the world. The company has recently acquired Schering Plough. Post the acquisition, it will have one of the strongest pipelines in the sector, mainly due to Merck's proven R&D track record. It is much better positioned with regard to patent expiries than peers. There will also be substantial cost synergies over the next couple of years due to the acquisition, particularly in rationalising sales, general and administration expenses. As a result, Merck will have among the best revenue and EPS growth through 2015 in the sector. The valuation is very attractive, with the stock trading at a big discount to the sector and the market on a P/E basis; the dividend yield is also attractive at 4.5%.

### Resources and Infrastructure Sector

#### Rio Tinto

Rio Tinto is one of the world's largest mining companies with significant interests in copper, iron-ore, aluminium and coal. A key player in global merger & acquisition activity in the mining sector over the past decade, Rio Tinto's diverse range of assets provides a significant degree of earnings stability. The company has a meaningful proportion of sales to China and has profited accordingly. Rises in commodity prices and volumes have had a great impact on the company's profitability.

### Information and Communication Technology Sector

#### Hewlett Packard

HP is the number 1 maker of PCs worldwide with 19% share in 2008. It is probably best known for its printers, which is its most profitable division. Its other division is technology solutions which includes services and enterprise hardware. Investment positives include cyclical recoveries in a number of businesses (servers, printing, PCs), aggressive cost reductions in others

(EDS synergies, printing), and finally, product line expansion (printing, networking, storage). HP remains very bullish about long-term cost reduction opportunities, especially around leveraging its scale to reduce product cost, using automation to reduce services delivery cost (both support and professional savings) and continuing to optimise workforce expense through offshore labour and benchmarking. The valuation is very attractive with a forward P/E of around 11.

### Finance and Real Estate Sector

#### ANZ

ANZ is a major Australian-based bank operating in retail and business banking in Australia, New Zealand and throughout the South Pacific. Australian operations make up the largest part of ANZ's business with commercial & retail banking & funds management. It has been expanding into many low credit penetrated markets both organically and by acquisition. The bank has the strongest capital position of all the Australian banks and is expected to increase profitability through its Asian revenue mix. Within its domestic market, ANZ has been gaining market share as foreign banks leave Australia to preserve capital. It offers one of the best growth prospects within the banking industry as well as rewarding investors with a 4.5% dividend.

### Consumer Sector

#### Nestlé

Nestlé is one of the largest fast-moving consumer goods companies in the world today. Its core operations encompass beverages (such as coffee, water and dairy), pet food, and food (such as confectionery, milk powder and culinary). Major brands include Nescafé, Vittel and KitKat chocolate. Nestlé owns 29% of the leading cosmetic manufacturer L'Oréal. In the face of tough market conditions in Western Europe, Nestlé has been able to increase its operating margins through more efficient operational management of its resources.

## Global Outlook

- Economists expect the global economy to expand by 3% in 2010, following a fall of just over 2% last year. A key issue is whether private sector demand in Europe and the US is strong enough to allow governments and central banks to withdraw some of the massive stimulus they have been providing. Additionally, it is notable that bank lending is still quite constrained. Partly for this reason, policymakers remain somewhat cautious on the economic outlook and this remains a key factor to watch during the year.
- While policymakers and academics continue to grapple with the long-term implications of the credit burst (and the unintended consequences of policy actions), market participants work with a shorter time horizon; such longer-term worries tend to be aired only periodically, as in the recent equity market correction.
- Short rates remain at emergency levels in the major economies, although investors are nervous about the withdrawal of such low interest rates, especially when they see rate hikes in economies such as Australia. Central bankers in the US and Europe are keen to remove emergency policy settings but don't want to do so prematurely, a balancing act which continues to be difficult to communicate. Despite that, it is notable that end-2010 rate expectations in the US, UK and eurozone have only increased marginally from their cycle lows. On balance, therefore, investors expect that low rates will persist for some considerable time.
- For bond markets, inflation data has remained pretty supportive. As was the case for much of last year, the 'elephant in the room' remains the exit from emergency policy settings and these concerns help to keep bond markets in a broad trading range; at present European bond prices are towards the top of their range with a slightly weaker bias in the near term. However, it has been the fiscal woes in Greece that have been the dominant concern so far this year. Some sort of a "solution" is being ironed out and Greek spreads should fall further if this happens, but the longer-term picture for the euro will need a more far-reaching set of proposals.
- Equity market optimism was dented by an almost 10% correction from early 2010 highs. More worries over a hard landing in China, plus fiscal risks in the eurozone, have offset strong corporate earnings. However, sentiment swung excessively negatively and set the stage for a recovery as we have witnessed recently. Valuations are reasonable, and we think that liquidity conditions should remain constructive; in the near term, markets have room to push on a bit further from here.

# Eagle Star Investments

Annualised Performance to 1st March 2010

	Year to Date	1 Year	Annualised 3 Years	Annualised 5 Years	Annualised 10 Years	Annualised 15 Years	Annualised 20 Years	Fund Size (€)
<b>Cash</b>								
<b>Eagle Star (Ind) Secure</b>	<b>0.1%</b>	<b>0.6%</b>	<b>2.6%</b>	<b>2.5%</b>	<b>2.9%</b>	<b>4.0%</b>	<b>5.4%</b>	<b>356,291,000</b>
Acorn Life (Ind) Pension Deposit	0.3%	2.2%	3.4%	2.9%	2.9%	3.7%	5.3%	3,400,000
Ark Life (Ind) Pension Assured 2	0.1%	0.5%	2.2%	2.0%	2.2%	Not Started	Not Started	27,588,804
Canada Life (Ind) Setanta Pension Money *	0.0%	0.7%	2.7%	2.4%	2.5%	3.1%	4.6%	362,588,114
Friends (Ind) Cash	0.2%	1.1%	2.7%	2.3%	2.5%	3.2%	4.7%	83,260,000
Hibernian L&P Pension Cash	0.4%	2.5%	3.1%	3.1%	Not Started	Not Started	Not Started	172,843,642
Irish Life (Ind) Exempt Cash 1	0.3%	2.0%	3.2%	2.7%	2.7%	3.3%	4.7%	905,875
Lifetime/BIAM (Ind) Pen Security	0.0%	0.5%	2.2%	2.0%	2.1%	2.9%	4.4%	1,839,000
New Irl (Ind) Pension Cash 2 *	0.1%	0.8%	2.5%	2.2%	2.3%	3.0%	4.6%	693,817,000
Royal Liver (Ind) Money Fund	0.3%	1.5%	2.3%	1.9%	Not Started	Not Started	Not Started	6,830,735
SL Synergy Cash Fund	0.0%	0.0%	2.1%	1.9%	Not Started	Not Started	Not Started	239,600,000
<b>MoneyMate Sector Average</b>	<b>0.2%</b>	<b>1.1%</b>	<b>2.6%</b>	<b>2.3%</b>	<b>2.5%</b>	<b>3.4%</b>	<b>4.9%</b>	
<b>Fixed Interest</b>								
<b>Eagle Star (Ind) Active Fixed Income</b>	<b>2.2%</b>	<b>8.5%</b>	<b>6.0%</b>	<b>4.7%</b>	<b>6.8%</b>	<b>Not Started</b>	<b>Not Started</b>	<b>147,787,000</b>
<b>Eagle Star (Ind) Long Bond</b>	<b>2.7%</b>	<b>9.4%</b>	<b>4.8%</b>	<b>4.3%</b>	<b>Not Started</b>	<b>Not Started</b>	<b>Not Started</b>	<b>51,062,000</b>
Acorn Life (Ind) Pens Cautiously Mgd	2.1%	15.5%	5.6%	4.2%	Not Started	Not Started	Not Started	13,400,000
Canada Life (Ind) Setanta Pen Fixed Interest *	1.8%	8.7%	4.4%	3.4%	5.2%	6.5%	7.9%	221,836,220
Friends (Ind) Fixed Interest	2.2%	11.6%	3.4%	2.8%	5.0%	7.1%	8.3%	70,420,000
Aviva L&P Pen Laser Pension Bond	2.6%	15.1%	5.5%	4.2%	6.1%	7.6%	8.0%	54,949,651
Irish Life (Ind) Exempt Fixed Interest 2	2.4%	8.0%	5.1%	3.8%	5.6%	7.3%	8.2%	1,044,835
New Irl (Ind) Pension Gilt Edge 2 *	2.4%	7.6%	4.6%	3.5%	5.4%	7.1%	8.0%	675,093,000
Royal Liver (Ind) Fixed Interest	2.3%	7.5%	7.5%	5.0%	Not Started	Not Started	Not Started	23,232,975
SL Synergy Government Bond Tracker	1.4%	7.0%	4.0%	3.1%	Not Started	Not Started	Not Started	35,400,000
<b>MoneyMate Sector Average</b>	<b>2.1%</b>	<b>10.4%</b>	<b>4.3%</b>	<b>3.6%</b>	<b>5.6%</b>	<b>7.2%</b>	<b>8.2%</b>	
<b>International Equity</b>								
<b>Eagle Star (Ind) International Equity</b>	<b>0.5%</b>	<b>40.8%</b>	<b>-5.6%</b>	<b>3.2%</b>	<b>-1.9%</b>	<b>Not Started</b>	<b>Not Started</b>	<b>168,609,000</b>
Canada Life (Ind) Passive Equity 2	2.1%	40.9%	-9.7%	-1.2%	Not Started	Not Started	Not Started	5,564,211
Friends (Ind) International	0.0%	46.5%	-7.1%	1.6%	-3.8%	5.1%	4.7%	178,100,000
Aviva L&P Pen Laser Pension Int Eq	-0.5%	43.6%	-8.0%	0.2%	-3.8%	4.6%	5.2%	40,207,818
Irish Life (Ind) Indexed Global Equity P	-0.3%	47.7%	-11.1%	-0.3%	Not Started	Not Started	Not Started	195,167,952
New Irl (Ind) Pension International 2 *	-0.1%	48.7%	-7.7%	-0.8%	-2.3%	5.3%	5.5%	651,516,000
Royal Liver (Ind) International Equity	3.2%	45.4%	-9.2%	0.4%	Not Started	Not Started	Not Started	11,912,444
SL Synergy Global Equity Tracker	0.1%	44.2%	-8.2%	Not Started	Not Started	Not Started	Not Started	200,000
<b>MoneyMate Sector Average</b>	<b>0.6%</b>	<b>48.0%</b>	<b>-7.9%</b>	<b>0.9%</b>	<b>-2.3%</b>	<b>5.4%</b>	<b>6.0%</b>	
<b>Managed Aggressive</b>								
<b>Eagle Star (Ind) Dynamic</b>	<b>-1.2%</b>	<b>38.2%</b>	<b>-7.7%</b>	<b>2.7%</b>	<b>0.4%</b>	<b>7.7%</b>	<b>10.4%</b>	<b>849,253,000</b>
Acorn Life (Ind) Pension Managed Growth	0.1%	36.2%	-11.1%	0.1%	-1.9%	6.7%	6.3%	171,200,000
Hib Life & Pen NU (Ind) Focussed Managed I	-0.3%	34.3%	-11.2%	-1.5%	-1.5%	Not Started	Not Started	6,904,196
Lifetime/BIAM (Ind) Pen Opportunity	-0.1%	36.8%	-9.9%	-1.8%	0.0%	6.0%	5.2%	6,002,000
Royal Liver (Ind) Managed	2.2%	29.6%	-9.9%	-0.2%	Not Started	Not Started	Not Started	47,944,362
<b>MoneyMate Sector Average</b>	<b>-0.4%</b>	<b>34.0%</b>	<b>-10.6%</b>	<b>-0.7%</b>	<b>-0.9%</b>	<b>6.9%</b>	<b>7.8%</b>	
<b>Managed Balanced</b>								
<b>Eagle Star (Ind) Balanced</b>	<b>-0.5%</b>	<b>31.0%</b>	<b>-5.2%</b>	<b>3.0%</b>	<b>1.4%</b>	<b>8.2%</b>	<b>10.3%</b>	<b>1,110,361,000</b>
<b>Eagle Star (Ind) Performance</b>	<b>-1.2%</b>	<b>35.3%</b>	<b>-7.1%</b>	<b>2.7%</b>	<b>0.8%</b>	<b>7.9%</b>	<b>9.8%</b>	<b>756,422,000</b>
Acorn Life (Ind) Pension Managed	0.5%	32.3%	-8.3%	0.7%	-0.2%	6.9%	7.4%	107,300,000
Ark Life (Ind) Pension Managed 2	-0.9%	25.2%	-10.4%	-1.2%	-1.8%	Not Started	Not Started	--
Canada Life (Ind) Setanta Pension Managed *	0.9%	28.6%	-4.7%	2.1%	1.3%	6.8%	6.6%	1,027,369,604
Friends (Ind) Managed	0.1%	31.5%	-9.9%	-0.4%	-0.8%	6.2%	6.1%	259,100,000
Aviva L&P Pen Laser Pension Managed	-1.2%	27.6%	-10.8%	-1.7%	-1.2%	5.6%	5.2%	376,832,448
Irish Life (Ind) Exempt Managed 1	0.3%	38.4%	-8.8%	0.5%	1.2%	6.4%	6.2%	1,266,373,498
Lifetime/BIAM (Ind) Pen Growth	0.1%	31.7%	-9.4%	-1.5%	0.8%	6.4%	7.0%	--
New Irl (Ind) Pension Managed 3	0.2%	32.0%	-9.2%	-1.4%	0.9%	6.9%	Not Started	1,837,486,000
SL Synergy Balanced MultiManager	-0.5%	30.3%	-11.3%	-1.3%	Not Started	Not Started	Not Started	137,100,000
<b>MoneyMate Sector Average</b>	<b>0.1%</b>	<b>30.7%</b>	<b>-8.2%</b>	<b>-0.2%</b>	<b>0.0%</b>	<b>6.4%</b>	<b>7.0%</b>	
<b>Irish Equity</b>								
<b>Eagle Star (Ind) Irish Equity</b>	<b>-4.4%</b>	<b>37.1%</b>	<b>-30.0%</b>	<b>-11.2%</b>	<b>Not Started</b>	<b>Not Started</b>	<b>Not Started</b>	<b>7,724,000</b>
Ark Life (Ind) Pension Irish	-4.8%	38.8%	-29.5%	-12.6%	Not Started	Not Started	Not Started	3,178,494
Friends (Ind) Irish Equity	-5.0%	39.0%	-29.7%	-12.0%	-3.0%	5.0%	4.8%	32,270,000
Hib Life & Pen NU (Ind) Irish Equity *	-6.3%	35.9%	-30.2%	-12.6%	-3.1%	Not Started	Not Started	3,571,281
Irish Life (Ind) Irish Equity Indexed P	-4.0%	42.1%	-31.9%	-13.9%	Not Started	Not Started	Not Started	62,489,161
New Irl (Ind) Pension Irish Equity 3 *	-4.6%	36.4%	-31.6%	-14.1%	-2.0%	5.5%	Not Started	81,096,000
Royal Liver (Ind) Irish Equity	-0.8%	33.6%	-30.6%	-11.7%	Not Started	Not Started	Not Started	14,942,883
SL Synergy Irish Equity Tracker	-4.4%	44.8%	-31.8%	-13.6%	Not Started	Not Started	Not Started	11,800,000
<b>MoneyMate Sector Average</b>	<b>-4.4%</b>	<b>39.8%</b>	<b>-31.8%</b>	<b>-13.1%</b>	<b>-4.1%</b>	<b>4.5%</b>	<b>4.1%</b>	
<b>Euro Equity<sup>2</sup></b>								
<b>Eagle Star Eurozone Equity G</b>	<b>-6.4%</b>	<b>44.1%</b>	<b>-6.0%</b>	<b>5.4%</b>	<b>Not Started</b>	<b>Not Started</b>	<b>Not Started</b>	<b>66,790,000</b>
AIB Inv Mgr Ltd Eurozone Equity Indexmaster B	-6.4%	45.0%	-10.4%	1.0%	Not Started	Not Started	Not Started	67,630,936
Ark Life Eurozone 2 G	-4.1%	37.3%	-12.4%	-2.0%	Not Started	Not Started	Not Started	72,080,973
Aviva L&P Euro Equity	-6.6%	45.3%	-9.5%	2.0%	Not Started	Not Started	Not Started	11,959,507
New Ireland Euroland Equity S9	-7.5%	42.2%	-11.4%	-1.1%	Not Started	Not Started	Not Started	5,026,000
SL Synergy European Equity Tracker	-6.8%	41.3%	-11.2%	Not Started	Not Started	Not Started	Not Started	70,300,000
<b>MoneyMate Sector Average<sup>1</sup></b>	<b>-5.9%</b>	<b>43.3%</b>	<b>-9.1%</b>	<b>0.5%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	

Figures highlighted in navy indicate where the Eagle Star fund has outperformed the average.

\* Note that this fund is no longer open to new business. Other similar funds which are open to new business may be available from the relevant fund manager.

# Eagle Star Investments

Annualised Performance to 1st March 2010

	Year to Date	1 Year	Annualised 3 Years	Annualised 5 Years	Annualised 10 Years	Annualised 15 Years	Annualised 20 Years	Fund Size (€)
<b>European Equities<sup>2</sup></b>								
<b>Eagle Star 5 Star 5 Europe G</b>	<b>-5.8%</b>	<b>29.8%</b>	<b>-10.3%</b>	<b>3.1%</b>	<b>Not Started</b>	<b>Not Started</b>	<b>Not Started</b>	<b>83,296,000</b>
BOI Life - Unit Funds European Ex UK S2	-4.9%	46.4%	-10.3%	-0.8%	Not Started	Not Started	Not Started	8,141,000
Canada Life /Setanta European Equity G	-2.8%	45.4%	-9.0%	0.3%	Not Started	Not Started	Not Started	14,812,185
Friends First European Equity G	-3.7%	41.9%	-10.0%	1.3%	Not Started	Not Started	Not Started	179,700,000
Aviva L&P European Equity	-6.6%	45.7%	-7.2%	2.0%	Not Started	Not Started	Not Started	2,835,348
Irish Life Europascope 2 G	-8.0%	42.3%	-10.4%	-0.2%	Not Started	Not Started	Not Started	33,728,375
New Ireland European Equity S9	-4.9%	45.9%	-10.7%	-1.3%	Not Started	Not Started	Not Started	244,105,000
Royal Liver European Equity G	2.8%	53.8%	-6.7%	3.1%	Not Started	Not Started	Not Started	8,455,976
SL Synergy European Eq MultiManager	-4.8%	42.7%	-11.7%	Not Started	Not Started	Not Started	Not Started	69,700,000
<b>MoneyMate Sector Average <sup>1</sup></b>	<b>-3.6%</b>	<b>46.8%</b>	<b>-9.2%</b>	<b>1.7%</b>	<b>-3.3%</b>	<b>N/A</b>	<b>N/A</b>	
<b>Far East Equity<sup>2</sup></b>								
<b>Eagle Star 5 Star 5 Asia Pacific G</b>	<b>-3.0%</b>	<b>46.9%</b>	<b>-5.7%</b>	<b>6.6%</b>	<b>Not Started</b>	<b>Not Started</b>	<b>Not Started</b>	<b>97,466,000</b>
AIB Inv Mgr Ltd Far East Equity G	3.8%	44.8%	-5.1%	4.8%	Not Started	Not Started	Not Started	7,314,817
BOI Life - Unit Funds Far East Equity S2	2.8%	63.3%	-4.1%	3.0%	Not Started	Not Started	Not Started	1,244,000
Aviva L&P Pacific Basin Equity	-0.7%	57.3%	-1.0%	6.4%	Not Started	Not Started	Not Started	2,791,617
Irish Life Indexed Pacific Basin 1 G	-0.4%	74.4%	-0.6%	7.4%	Not Started	Not Started	Not Started	10,031,363
New Ireland Pacific Basin S9	1.1%	77.0%	2.4%	9.4%	Not Started	Not Started	Not Started	121,610,000
SL Synergy Pacific Basin MultiManager	-1.3%	69.3%	-2.3%	Not Started	Not Started	Not Started	Not Started	29,400,000
<b>MoneyMate Sector Average <sup>1</sup></b>	<b>0.0%</b>	<b>64.9%</b>	<b>0.9%</b>	<b>8.4%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	
<b>American Equity<sup>2</sup></b>								
<b>Eagle Star 5 Star 5 Americas G</b>	<b>1.9%</b>	<b>27.1%</b>	<b>-2.1%</b>	<b>4.6%</b>	<b>Not Started</b>	<b>Not Started</b>	<b>Not Started</b>	<b>40,016,000</b>
AIB Inv Mgr Ltd US Equity G	4.8%	31.1%	-9.0%	-2.0%	Not Started	Not Started	Not Started	8,051,825
BOI Life - Unit Funds North American S2	4.3%	43.4%	-4.5%	-1.4%	Not Started	Not Started	Not Started	251,014,000
Aviva L&P US Equity	5.9%	45.9%	-5.5%	-0.5%	Not Started	Not Started	Not Started	977,492
Irish Life Indexed US 1 G	4.2%	41.9%	-7.3%	-0.7%	Not Started	Not Started	Not Started	148,984,754
New Ireland North American S9	4.2%	42.8%	-4.9%	-1.9%	Not Started	Not Started	Not Started	207,670,000
SL Synergy North American Equity	3.6%	40.8%	-6.7%	Not Started	Not Started	Not Started	Not Started	81,800,000
<b>MoneyMate Sector Average <sup>1</sup></b>	<b>3.2%</b>	<b>41.0%</b>	<b>-6.0%</b>	<b>0.1%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	
<b>Concentrated Funds<sup>3</sup></b>								
<b>Eagle Star 5 Star 5 Global G</b>	<b>-0.3%</b>	<b>32.8%</b>	<b>-7.5%</b>	<b>1.9%</b>	<b>Not Started</b>	<b>Not Started</b>	<b>Not Started</b>	<b>206,048,000</b>
BOI Life - Smart Funds Spotlight S9	3.6%	51.8%	-6.3%	Not Started	Not Started	Not Started	Not Started	6,168,000
Canada Life /Setanta Focus 15 G	5.2%	59.5%	-2.8%	4.3%	Not Started	Not Started	Not Started	120,878,771
Aviva L&P Target 20	-0.3%	28.5%	-12.6%	-4.5%	Not Started	Not Started	Not Started	12,421,427
<b>Average of selected funds</b>	<b>2.1%</b>	<b>43.2%</b>	<b>-7.3%</b>	<b>0.6%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	
<b>Selected Property Funds<sup>3</sup></b>								
<b>Eagle Star Australasia Property</b>	<b>2.4%</b>	<b>75.7%</b>	<b>Not Started</b>	<b>Not Started</b>	<b>Not Started</b>	<b>Not Started</b>	<b>Not Started</b>	<b>4,263,000</b>
<b>Eagle Star European Ex UK Property</b>	<b>-0.4%</b>	<b>49.8%</b>	<b>Not Started</b>	<b>Not Started</b>	<b>Not Started</b>	<b>Not Started</b>	<b>Not Started</b>	<b>5,403,000</b>
<b>Eagle Star Eurozone Property G*</b>	<b>-2.1%</b>	<b>51.9%</b>	<b>-18.2%</b>	<b>Not Started</b>	<b>Not Started</b>	<b>Not Started</b>	<b>Not Started</b>	<b>33,223,000</b>
AIB Inv Mgr Ltd Euro Prop Stocks G	-2.0%	47.1%	-20.6%	Not Started	Not Started	Not Started	Not Started	3,228,921
Friends First Global Property Venture	0.3%	40.1%	-24.3%	Not Started	Not Started	Not Started	Not Started	2,400,000
SL Synergy Global REIT	-2.2%	70.8%	-21.3%	Not Started	Not Started	Not Started	Not Started	46,100,000
<b>Average of selected funds</b>	<b>-0.7%</b>	<b>55.9%</b>	<b>-21.1%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	
<b>Specialist Funds<sup>3</sup></b>								
<b>Eagle Star Dividend Growth G</b>	<b>1.4%</b>	<b>40.1%</b>	<b>-12.2%</b>	<b>Not Started</b>	<b>Not Started</b>	<b>Not Started</b>	<b>Not Started</b>	<b>101,234,000</b>
Aviva L&P High Yield	-1.3%	41.4%	-6.2%	2.7%	Not Started	Not Started	Not Started	5,897,305
Canada Life CL/Set Equity Div Non Dis G	-2.0%	35.8%	-8.4%	0.1%	Not Started	Not Started	Not Started	304,347,164
Blokhams High Yield 1 G	1.8%	37.0%	-10.2%	-0.4%	Not Started	Not Started	Not Started	224,439,921
Merrion SB Ltd Merrion High Yield G	-4.8%	82.0%	-23.8%	Not Started	Not Started	Not Started	Not Started	12,205,610
<b>Average of selected funds</b>	<b>-1.0%</b>	<b>47.2%</b>	<b>-12.1%</b>	<b>0.8%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	

Figures highlighted in navy indicate where the Eagle Star fund has outperformed the average.

The MoneyMate sector averages shown are the average of all funds in each of the MoneyMate sectors in the individual pensions category except where otherwise stated. The funds highlighted have been chosen to show one of each competitors' funds, and to show the performance of competitors over short, medium and long terms.

Source: MoneyMate as on 01/03/2010.

- The average shown is the average of the relevant MoneyMate Irish Domestic Funds (Gross) sector. This sector has been chosen as it contains the most comprehensive selection of competitor funds.
- This MoneyMate regional sector has been chosen as a base comparison for the Eagle Star 5★5 regional fund as there is no regional concentrated fund category.
- This is not a sector on MoneyMate but has been created to compare the performance of the Eagle Star fund to that of its closest competitors in the Irish Domestic Funds (Gross) sector. The average shown is the average of the selected funds above.

\* Note that this fund is no longer open to new business. Other similar funds which are open to new business may be available from the relevant fund manager.

**Warning: The income you get from an investment may go down as well as up. The value of your investment may go down as well as up. Benefits may be affected by changes in currency exchange rates. Past performance is not a reliable guide to future performance.**