

# Eagle Star Investments

## Monthly Review For June 2008

Best Investment  
Fund Manager 2008  
(MoneyMate)

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.

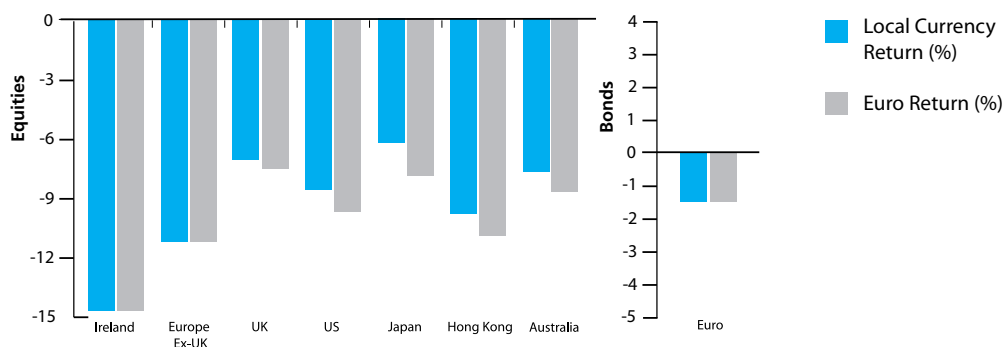
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## Equity and Bond % Returns

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

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

- Equity markets fell sharply in June as oil prices soared from \$128 to \$140 a barrel and expectations of further credit-related write-downs in the banking sector escalated. World equities (in euro terms) fell by over 9% in June, leaving the total return for the first six months of 2008 at -17%. European markets underperformed, with Ireland (-15%) and Portugal (-16%) propping up the performance table. Although investor concerns remain regarding the credit crunch and the effect of rising oil and food prices on inflation, valuations of equities remain reasonably attractive.
- The Fed funds rate, which has been cut from 5.25% in January to 2.0%, is unlikely to fall any further, with futures markets now expecting one rate rise to 2.25% by the end of the year, on the back of higher inflation expectations. Eurozone rates, which had previously been expected to be cut, are now forecast to rise by 0.25% to 4.25% in July, with higher headline inflation being the main reason behind the change. However, a series of rate rises is not expected.
- Sectorwise, there was no clear trend between cyclical and defensive areas during June. Banking stocks globally had a dismal month – Barclays (-20%), Lehman Bros (-46%), Merrill Lynch (-28%) and Irish Life & Permanent (-41%). Auto stocks also performed poorly as fears of a slowdown in global consumer spending grew. Oil & gas stocks stood out as the strongest performers during the month.
- Corporate earnings' news was relatively subdued ahead of the second quarter reporting season, which begins in the second week of July. There were pre-announcements from Morgan Stanley and Lehman Brothers, both of which reported sharp drops in profits. Merger & acquisition activity included a \$28.1 billion deal by mobile technology group Verizon Wireless to buy Alltel. The combined company would become the largest mobile services company in the US, overtaking AT&T.
- The US dollar weakened against the euro during June as expectations of an increase in eurozone interest rates gathered pace. However, the dollar has regained valuation support against European currencies. The €/£ rate ended the period at 1.57.

## Eagle Star Funds - Asset Allocation

The funds are slightly overweight in bonds and underweight in equities.

### Equities

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

The fund managers reduced the equity content of the funds further in June from slightly underweight benchmark to underweight. The main changes in regional weightings during the month were reductions in the Pacific Basin, eurozone, US and Irish weightings. The funds' main positions at the end of June were significantly underweight Ireland, underweight Europe and the Pacific Basin and close to neutral in the UK, Japan and North America. The reduction in the US position is a tactical one as exposure to the region has increased gradually over the last nine months on the back of significant interest rate cuts, fiscal policy changes and a cheaper currency.

#### Sectors: Overweight & Underweight positions

Due to ongoing changes in the economic environment, the cyclical bias of the portfolios has been reduced over the last three quarters, while there has been a corresponding increase in defensive stocks. The main sectoral changes during June were a reduction in the weighting in financials - with the sale of some European and Asian banks - and an increase in positions in healthcare and energy. Overall, the funds are overweight in technology, telecommunications and oil & gas stocks (for tactical reasons), while financials and industrial stocks are underweight. Other sectoral positions are pretty balanced.

### Bonds

June was another poor month for eurozone bonds with further bad inflation data, rising oil prices and higher inflation expectations. The oil price threat to the global economy helped to push global equities lower by more than 9% in the month, but this gave scant comfort to bond markets. The latest inflation data from the eurozone - 4% year-on-year - was both higher than expectations and the highest figure recorded since the euro was introduced. It copper-fastened the determination of the ECB to raise rates by a further 0.25% to 4.25% at its July meeting, an increase that had already been well flagged and discounted by investors. Bonds markets fared slightly better in the US with the Fed keeping rates unchanged at 2%, albeit with it having also heightened its inflation alertness somewhat in the last few weeks also. For the month as a whole, the Merrill Lynch over 5 year eurozone Government Bond Index fell a further 1.6%, bringing the year-to-date performance to -1.7%.

# 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.

## Healthcare, Personal Care & Leisure Sector

### *Johnson & Johnson*

Johnson & Johnson is the second-largest health care company in the world, with industry-leading franchises in medical technology, biotechnology and pharmaceuticals, and consumer products, with annual sales in excess of \$50 billion. On the pharmaceutical side, the company's pipeline looks promising and should offset most of the negative impact from patent expiries on existing drugs. The company is benefiting from synergies from its purchase of Pfizer's consumer products division. The company is benefiting from the weakness of the U.S. dollar. Also, earnings are being driven by restructuring savings and share repurchases. The valuation is attractive relative to the market and its history.

## Resources and Infrastructure Sector

### *Halliburton*

Halliburton is one of the largest oil field service companies in the world. It provides a comprehensive scope of products and services in well construction, production infrastructure, and energy-related capital equipment. The company is benefiting from very strong growth in capital spending by the international oil and gas companies, national oil and gas companies and independent oil and gas customers driven by strength in the oil and gas prices. In particular, Halliburton benefits from strength in the gas price due to its pressure pumping business in the US. The movement of its headquarters to the Middle East has also had a positive impact on contract awards, especially in the project management area. The valuation is attractive relative to its peers and its growth rate.

## Information and Communication Technology Sector

### *IBM*

IBM is the world's largest IT company and is a significant player in virtually every major segment of the IT industry, including services, servers, storage, semiconductors, and software. IBM is benefiting from improving IT services fundamentals,

services cost reductions due to restructuring, and product cycles in Microelectronics and Servers. Services bookings grew for the third-straight year in 2007 following a 22% decline in 2004, and services margins are benefiting from a 10,000 -13,000 reduction in European headcount. Earnings growth is being driven by a decline in pension expense as the company converts its pension scheme to defined contribution. The recurring revenue nature of the IT services business means it is less sensitive to an economic downturn. The valuation of the stock is attractive relative to the market.

## Finance Sector

### *Standard Chartered*

Standard Chartered is an international bank, whose focus is retail and corporate banking and treasury activities, predominantly in Asia-Pacific, the Middle East and Africa, where it has established strong franchises over the last 50 to 100 years. Although domiciled in the UK, its biggest single concentration of customers and profits is in Hong Kong.

The group's strategy is to continue to develop its consumer banking franchises, while maximising profitability in its historical wholesale operations.

Its share price has been supported by strong earnings momentum and stake building by one of the Sovereign Wealth Funds – Temasek.

## Consumer Sector

### *British American Tobacco (BAT)*

BAT is a global tobacco company, with more than half of its profits coming from emerging markets. It has an excellent brand mix, with strong pricing in many markets. It is also centralising management, marketing and production thereby cutting costs with cost savings being reinvested in brand and packaging innovations. BAT has a very strong balance sheet and is returning cash to shareholders via a share buyback and a progressive dividend policy.

# Global Outlook

- The central case for 2008 is for further moderation in global economic growth, with soaring oil prices adding downside risks to this picture. Already much of US data is 'recession-like' and growth concerns will persist there. Asian (ex-Japan) economies are likely to perform reasonably well, although a slower global economy will impact. Japan's lack of exposure to the credit crunch has been a positive.
- Current US interest rates of 2% are expected to be the low point for this cycle, with rates seen rising in the second half of this year. The Fed normally doesn't raise rates when the unemployment rate is rising - as it is now. But inflation concerns are also on the Fed's radar and this may alter the historic pattern.
- Despite a clear loss of growth momentum in the eurozone economy, the ECB's rhetoric has become more hawkish amid higher-than-forecast inflation data. After last week's 0.25% rate increase the ECB says that it has no bias on rates - one way or another - from here. However investors are still anticipating at least a further 0.25% increase by year end.
- After sharp price falls, following higher-than-expected inflation, government bonds are now more reasonably valued, and may also get safe-haven support during any further equity market volatility.
- Equity markets have recently eroded much of the strong gains recorded after the Bear Stearns rescue. Further volatility in equity markets is likely as investors assess the impact of the soaring oil price, the credit crunch and the cyclical slowing of the global economy.
- The US dollar has now regained valuation support versus European currencies. A volatile period of range trading may be the pattern for the next few weeks, especially in the midst of further ECB interest rate tightening.

This outlook does not constitute an offer and should not be taken as a recommendation from Eagle Star/Zurich. Advice should always be sought from an appropriately qualified professional.

# Eagle Star Investments

Annualised Performance to 1st July 2008

	Year to Date	1 Year	Annualised 3 Years	Annualised 5 Years	Annualised 10 Years	Annualised 15 Years	Fund Size (€)
<b>Cash</b>							
<b>Eagle Star (Ind) Secure</b>	<b>1.9%</b>	<b>3.9%</b>	<b>3.0%</b>	<b>2.5%</b>	<b>3.2%</b>	<b>4.4%</b>	<b>237,033,000</b>
Acorn Life (Ind) Pension Deposit	2.1%	4.0%	3.0%	2.4%	3.0%	4.1%	3,800,000
Ark Life (Ind) Pension Assured 2	1.7%	3.3%	2.3%	1.9%	2.4%	Not Started	27,588,804
Canada Life (Ind) Setanta Pension Money *	2.0%	3.9%	2.7%	2.2%	2.6%	3.4%	362,588,114
Friends (Ind) Cash	1.8%	3.6%	2.6%	2.4%	2.6%	3.6%	34,800,000
Hibernian L&P Pension Cash	1.6%	3.3%	2.6%	2.2%	Not Started	Not Started	19,026,090
Irish Life (Ind) Exempt Cash 1	1.8%	3.7%	2.7%	2.2%	2.7%	3.6%	507,957,000
Lifetime/BIAM (Ind) Pen Security	1.6%	3.0%	2.3%	1.8%	2.3%	3.2%	1,839,000
New Irl (Ind) Pension Cash 2 *	1.7%	3.3%	2.5%	2.1%	2.5%	3.4%	120,104,000
Royal Liver (Ind) Money Fund	1.4%	2.8%	1.9%	1.5%	Not Started	Not Started	6,830,735
SL Synergy Cash Fund	1.9%	3.5%	2.4%	1.9%	Not Started	Not Started	142,500,000
<b>MoneyMate Sector Average</b>	<b>1.8%</b>	<b>3.5%</b>	<b>2.6%</b>	<b>2.1%</b>	<b>2.7%</b>	<b>3.7%</b>	
<b>Fixed Interest</b>							
<b>Eagle Star (Ind) Active Fixed Income</b>	<b>-1.3%</b>	<b>2.8%</b>	<b>-0.7%</b>	<b>2.6%</b>	<b>5.5%</b>	<b>Not Started</b>	<b>76,983,000</b>
<b>Eagle Star (Ind) Long Bond Fund</b>	<b>-2.1%</b>	<b>1.5%</b>	<b>-1.8%</b>	<b>3.0%</b>	<b>Not Started</b>	<b>Not Started</b>	<b>28,364,000</b>
Acorn Life (Ind) Pens Cautiously Mgd	-0.7%	1.2%	0.1%	Not Started	Not Started	Not Started	12,100,000
Canada Life (Ind) Setanta Pen Fixed Interest *	-2.0%	0.9%	-1.5%	1.7%	4.2%	5.8%	221,836,220
Friends (Ind) Fixed Interest	-1.8%	-0.4%	-1.9%	1.7%	3.9%	6.2%	64,330,000
Hibernian L&P Pension (Hib) H-R Gilt	-2.3%	1.8%	-0.2%	2.6%	4.8%	6.3%	12,363,842
Irish Life (Ind) Exempt Fixed Interest 2	-1.8%	1.4%	-1.4%	1.9%	4.3%	6.1%	59,375,000
New Irl (Ind) Pension Gilt Edge 2 *	-3.1%	-0.7%	-2.1%	1.4%	4.2%	6.1%	927,602,000
Royal Liver (Ind) Fixed Interest	-1.3%	6.1%	-0.1%	2.4%	Not Started	Not Started	23,232,975
SL Synergy Government Bond Tracker	-1.4%	1.6%	-1.5%	Not Started	Not Started	Not Started	22,100,000
<b>MoneyMate Sector Average</b>	<b>-1.6%</b>	<b>0.8%</b>	<b>-1.2%</b>	<b>1.9%</b>	<b>4.3%</b>	<b>6.2%</b>	
<b>International Equity</b>							
<b>Eagle Star (Ind) International Equity</b>	<b>-17.3%</b>	<b>-21.1%</b>	<b>3.4%</b>	<b>8.3%</b>	<b>4.0%</b>	<b>Not Started</b>	<b>64,058,000</b>
Ark Life (Ind) Pension Global	-17.2%	-20.5%	1.7%	6.7%	Not Started	Not Started	10,049,923
Canada Life (Ind) Passive Equity 2	-17.3%	-25.1%	-2.2%	3.3%	Not Started	Not Started	5,564,211
Friends (Ind) International	-19.4%	-23.1%	1.3%	6.3%	0.1%	5.5%	280,090,000
Hibernian L&P Pension (Hib) H-R International	-18.0%	-19.9%	1.9%	7.0%	1.1%	6.6%	15,507,791
Irish Life (Ind) Indexed Global Equity P	-18.8%	-26.9%	0.7%	Not Started	Not Started	Not Started	202,937,000
New Irl (Ind) Pension International 2 *	-17.4%	-24.5%	-1.6%	3.5%	1.2%	5.9%	319,512,000
Royal Liver (Ind) International Equity	-18.9%	-25.2%	-0.2%	5.9%	Not Started	Not Started	11,912,444
SL Synergy Global Equity Tracker	-18.5%	-24.2%	-1.4%	Not Started	Not Started	Not Started	200,000
<b>MoneyMate Sector Average</b>	<b>-16.6%</b>	<b>-21.6%</b>	<b>1.4%</b>	<b>6.5%</b>	<b>1.3%</b>	<b>6.2%</b>	
<b>Managed Aggressive</b>							
<b>Eagle Star (Ind) Dynamic</b>	<b>-16.6%</b>	<b>-22.0%</b>	<b>4.2%</b>	<b>9.6%</b>	<b>2.9%</b>	<b>9.9%</b>	<b>767,174,000</b>
Acorn Life (Ind) Pension Managed Growth	-17.4%	-24.5%	2.4%	8.2%	2.5%	8.2%	196,300,000
Hib Life & Pen NU (Ind) Focussed Managed I	-18.0%	-23.9%	0.0%	5.9%	2.1%	Not Started	6,904,196
Lifetime/BIAM (Ind) Pen Opportunity	-16.5%	-26.3%	-3.1%	3.3%	1.8%	7.2%	6,002,000
Royal Liver (Ind) Managed Fund	-16.3%	-24.7%	-0.2%	5.7%	Not Started	Not Started	47,944,362
<b>MoneyMate Sector Average</b>	<b>-17.7%</b>	<b>-24.1%</b>	<b>0.8%</b>	<b>6.3%</b>	<b>2.3%</b>	<b>8.5%</b>	
<b>Managed Balanced</b>							
<b>Eagle Star (Ind) Balanced</b>	<b>-13.6%</b>	<b>-17.8%</b>	<b>3.6%</b>	<b>8.2%</b>	<b>3.6%</b>	<b>9.6%</b>	<b>1,110,670,000</b>
<b>Eagle Star (Ind) Performance</b>	<b>-15.8%</b>	<b>-21.1%</b>	<b>3.7%</b>	<b>8.9%</b>	<b>3.3%</b>	<b>9.6%</b>	<b>734,247,000</b>
Acorn Life (Ind) Pension Managed	-14.1%	-19.9%	2.0%	6.6%	2.7%	8.1%	125,400,000
Ark Life (Ind) Pension Managed 2	-16.2%	-22.0%	0.3%	5.1%	0.7%	Not Started	509,704,690
Canada Life (Ind) Setanta Pension Managed *	-12.2%	-16.2%	1.3%	6.3%	2.8%	7.6%	1,027,369,604
Friends (Ind) Managed	-17.5%	-23.6%	0.2%	5.8%	1.9%	7.5%	384,650,000
Hibernian L&P Pension (Hib) Laser Managed	-16.5%	-21.1%	0.7%	5.8%	2.2%	7.2%	136,521,985
Irish Life (Ind) Exempt Managed 1	-15.8%	-22.9%	1.0%	6.7%	2.9%	7.5%	1,706,668,000
Lifetime/BIAM (Ind) Pen Growth	-15.2%	-24.6%	-2.5%	3.6%	2.7%	7.5%	2,314,120,000
New Irl (Ind) Pension Managed 3	-15.1%	-24.4%	-2.4%	4.0%	3.1%	7.9%	2,314,120,000
SL Synergy Balanced MultiManager	-16.5%	-24.9%	-1.0%	Not Started	Not Started	Not Started	230,900,000
<b>MoneyMate Sector Average</b>	<b>-14.7%</b>	<b>-20.6%</b>	<b>0.2%</b>	<b>5.5%</b>	<b>2.6%</b>	<b>7.7%</b>	
<b>Irish Equity</b>							
<b>Eagle Star (Ind) Irish Equity</b>	<b>-22.8%</b>	<b>-40.0%</b>	<b>-2.9%</b>	<b>Not Started</b>	<b>Not Started</b>	<b>Not Started</b>	<b>11,687,000</b>
Ark Life (Ind) Pension Irish	-23.7%	-42.9%	-7.6%	3.0%	Not Started	Not Started	3,178,494
Friends (Ind) Irish Equity	-23.1%	-42.5%	-6.0%	5.3%	1.8%	10.2%	88,410,000
Hib Life & Pen NU (Ind) Irish Equity *	-24.9%	-42.5%	-6.5%	5.2%	2.5%	Not Started	3,571,281
Irish Life (Ind) Irish Equity Indexed Fund P	-23.9%	-43.5%	-6.3%	Not Started	Not Started	Not Started	147,660,000
New Irl (Ind) Pension Irish Equity 3 *	-26.0%	-45.2%	-9.9%	3.5%	2.4%	10.5%	273,295,000
Royal Liver (Ind) Irish Equity	-25.9%	-45.7%	-5.6%	5.6%	Not Started	Not Started	14,942,883
SL Synergy Irish Equity Tracker	-24.3%	-43.1%	-6.2%	Not Started	Not Started	Not Started	36,500,000
<b>MoneyMate Sector Average</b>	<b>-24.4%</b>	<b>-44.2%</b>	<b>-6.1%</b>	<b>4.8%</b>	<b>1.4%</b>	<b>9.8%</b>	
<b>Euro Equity<sup>2</sup></b>							
<b>Eagle Star Eurozone Equity G</b>	<b>-19.3%</b>	<b>-21.1%</b>	<b>9.1%</b>	<b>15.1%</b>	<b>Not Started</b>	<b>Not Started</b>	<b>34,953,000</b>
AIB Inv Mgr Ltd Eurozone Equity Indexmaster B	-22.2%	-24.9%	5.3%	11.0%	Not Started	Not Started	135,580,243
Ark Life Eurozone 2 G	-17.3%	-20.8%	3.0%	8.0%	Not Started	Not Started	72,080,973
Hibernian L&P Euro Equity G	-20.0%	-22.7%	4.2%	9.8%	Not Started	Not Started	11,959,507
New Ireland Euroland Equity S9	-21.1%	-24.4%	2.9%	7.9%	Not Started	Not Started	8,203,000
SL Synergy European Equity Tracker	-20.3%	-23.5%	5.6%	Not Started	Not Started	Not Started	101,500,000
<b>MoneyMate Sector Average<sup>1</sup></b>	<b>-18.8%</b>	<b>-22.2%</b>	<b>4.4%</b>	<b>9.3%</b>	<b>N/A</b>	<b>N/A</b>	

Figures highlighted in red indicate where Eagle Star/Zurich has outperformed the average.

\* Note that this fund is no longer open to New Business.

# Eagle Star Investments

Annualised Performance to 1st July 2008

	Year to Date	1 Year	Annualised 3 Years	Annualised 5 Years	Annualised 10 Years	Annualised 15 Years	Fund Size (€)
<b>European Equities<sup>2</sup></b>							
<b>Eagle Star 5 Star 5 Europe G</b>	<b>-19.5%</b>	<b>-20.7%</b>	<b>8.4%</b>	<b>Not Started</b>	<b>Not Started</b>	<b>Not Started</b>	<b>97,765,000</b>
BOI Life - Unit Funds European Ex UK S2	-18.6%	-25.5%	1.3%	7.0%	Not Started	Not Started	8,141,000
Canada Life /Setanta European Equity G	-17.7%	-26.4%	0.9%	7.5%	Not Started	Not Started	14,812,185
Friends First European Equity G	-22.4%	-26.2%	4.1%	8.8%	Not Started	Not Started	304,510,000
Hibernian L&P European Equity G	-17.8%	-19.6%	5.2%	10.2%	Not Started	Not Started	2,835,348
Irish Life Europascope 2 G	-22.0%	-23.6%	3.7%	8.6%	Not Started	Not Started	48,838,000
New Ireland European Equity S9	-18.9%	-25.9%	0.8%	6.5%	Not Started	Not Started	437,780,000
Royal Liver European Equity G	-17.0%	-20.6%	5.2%	11.3%	Not Started	Not Started	8,455,976
SL Synergy European Eq MultiManager	-19.5%	-25.5%	4.7%	Not Started	Not Started	Not Started	104,500,000
<b>MoneyMate Sector Average <sup>1</sup></b>	<b>-16.7%</b>	<b>-23.5%</b>	<b>5.3%</b>	<b>10.5%</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>-21.7%</b>	<b>-20.7%</b>	<b>10.4%</b>	<b>Not Started</b>	<b>Not Started</b>	<b>Not Started</b>	<b>86,043,000</b>
AIB Inv Mgr Ltd Far East Equity G	-18.6%	-18.5%	5.0%	9.8%	Not Started	Not Started	14,797,793
BOI Life - Unit Funds Far East Equity S2	-16.4%	-21.3%	0.8%	5.4%	Not Started	Not Started	1,244,000
Hibernian L&P Pacific Basin Equity G	-22.6%	-16.3%	7.1%	13.1%	Not Started	Not Started	2,791,617
Irish Life Indexed Pacific Basin 1 G	-19.9%	-18.2%	7.4%	13.9%	Not Started	Not Started	6,645,000
New Ireland Pacific Basin S9	-19.7%	-13.8%	9.1%	13.5%	Not Started	Not Started	160,426,000
SL Synergy Pacific Basin MultiManager	-22.4%	-20.5%	7.1%	Not Started	Not Started	Not Started	46,500,000
<b>MoneyMate Sector Average <sup>1</sup></b>	<b>-18.6%</b>	<b>-17.6%</b>	<b>6.0%</b>	<b>11.0%</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>-13.0%</b>	<b>-15.0%</b>	<b>4.2%</b>	<b>Not Started</b>	<b>Not Started</b>	<b>Not Started</b>	<b>20,564,000</b>
AIB Inv Mgr Ltd US Equity G	-14.8%	-17.9%	-0.6%	3.5%	Not Started	Not Started	15,262,680
BOI Life - Unit Funds North American S2	-14.7%	-22.9%	-5.1%	-1.1%	Not Started	Not Started	251,014,000
Hibernian L&P US Equity G	-16.8%	-15.0%	-1.6%	3.4%	Not Started	Not Started	977,492
Irish Life Indexed US 1 G	-17.6%	-24.7%	-4.5%	0.7%	Not Started	Not Started	125,017,000
New Ireland North American S9	-14.9%	-23.2%	-5.5%	-1.6%	Not Started	Not Started	245,591,000
SL Synergy North American Equity	-15.6%	-22.6%	-4.1%	Not Started	Not Started	Not Started	78,900,000
<b>MoneyMate Sector Average <sup>1</sup></b>	<b>-17.0%</b>	<b>-22.6%</b>	<b>-3.4%</b>	<b>1.2%</b>	<b>N/A</b>	<b>N/A</b>	
<b>Concentrated Funds<sup>3</sup></b>							
<b>Eagle Star 5*5 Global G</b>	<b>-12.7%</b>	<b>-15.5%</b>	<b>6.1%</b>	<b>11.3%</b>	<b>Not Started</b>	<b>Not Started</b>	<b>218,867,000</b>
BOI - Life Smart Funds Spotlight S9	-17.7%	-30.0%	Not started	Not started	Not Started	Not Started	2,118,000
Canada Life /Setanta Focus 15 G	-21.3%	-26.8%	-2.0%	3.7%	Not Started	Not Started	120,878,771
Hib Life & Pens Target 20 G	-12.7%	-15.7%	0.1%	4.8%	Not Started	Not Started	12,421,427
<b>Average of selected funds</b>	<b>-16.1%</b>	<b>-22.0%</b>	<b>1.4%</b>	<b>6.6%</b>	<b>N/A</b>	<b>N/A</b>	
<b>Selected Property Funds<sup>3</sup></b>							
<b>Eagle Star Australasia Property Fund</b>	<b>-29.0%</b>	<b>Not Started</b>	<b>Not Started</b>	<b>Not Started</b>	<b>Not Started</b>	<b>Not Started</b>	<b>1,959,000</b>
<b>Eagle Star European Ex UK Property Fund</b>	<b>-10.9%</b>	<b>Not Started</b>	<b>Not Started</b>	<b>Not Started</b>	<b>Not Started</b>	<b>Not Started</b>	<b>3,361,000</b>
<b>Eagle Star Eurozone Property G</b>	<b>-12.4%</b>	<b>-31.4%</b>	<b>0.5%</b>	<b>Not Started</b>	<b>Not Started</b>	<b>Not Started</b>	<b>47,331,000</b>
AIB Inv Mgr Ltd Euro Prop Stocks G	-18.2%	-36.8%	-3.6%	Not Started	Not Started	Not Started	8,418,524
Friends First Global Property Venture Fund	-13.9%	-33.3%	Not Started	Not Started	Not Started	Not Started	2,400,000
SL Synergy Global REIT Fund	-19.1%	-29.4%	Not Started	Not Started	Not Started	Not Started	94,700,000
<b>Average of selected funds</b>	<b>-17.3%</b>	<b>-32.7%</b>	<b>-1.6%</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>-19.6%</b>	<b>-34.1%</b>	<b>-0.9%</b>	<b>Not Started</b>	<b>Not Started</b>	<b>Not Started</b>	<b>117,919,000</b>
Hibernian L&P High Yield G	-18.4%	-21.8%	3.3%	8.5%	Not Started	Not Started	5,897,305
Canada Life CL/Set Equity Div Non Dis G	-18.1%	-25.9%	-1.3%	5.9%	Not Started	Not Started	304,347,164
Blokhams High Yield Fund 1 G	-19.9%	-30.6%	-2.7%	5.2%	Not Started	Not Started	280,943,000
Merrion SB Ltd Merrion High Yield Fund G	-28.7%	-42.6%	-7.1%	Not Started	Not Started	Not Started	12,205,610
<b>Average of selected funds</b>	<b>-20.9%</b>	<b>-31.0%</b>	<b>-1.7%</b>	<b>6.5%</b>	<b>N/A</b>	<b>N/A</b>	

Figures highlighted in red indicate where Eagle Star/Zurich has outperformed the average.

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

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' open funds. Where a company has no open fund in the category, the best performing closed fund has been chosen. Where more than one fund is applicable the one spanning most time periods has been selected, where there are equal time periods the best performing fund has been selected.

Source: MoneyMate as on 01/07/2008.

- 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.