

# Eagle Star Investments

## Monthly Review For June 2009

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.**

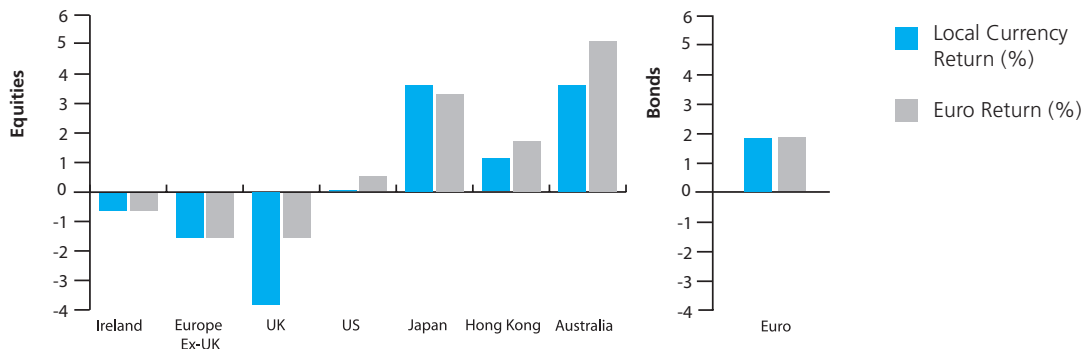
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## Equity and Bond % Returns

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

- The strong three-month rally in equities ran out of steam during June, as economic data became more mixed and valuations became somewhat less attractive. Market participants began to question whether equities had rallied too far, too fast. Technically, a number of key markets had just about broken out of their medium-term trading ranges (e.g. between 800 and 900 on the S&P 500 Index), but were struggling to make any further progress. One or two of the positive 'green shoots', such as US consumer confidence, fell back during June while employment data continued to disappoint. However, many of the leading economic indicators continued to improve, for example, Chinese PMI, US housing data, commodity prices and the Baltic Freight Index. Although the longer-term outlook for equities remains reasonably positive, it is possible that we will see some further retracement in coming weeks.
- World equities (in euro terms) rose marginally in June, leaving the total return for the first six months of 2009 at close to 8%. Since 9th March, world equities have rallied by over 29%. There was a mixed bag of returns amongst the main markets in June ranging from +4% in Australia, which benefited from the continued rally in financial stocks, to -4% in the UK, which was hit by profit taking in cyclical areas such as mining, oil & gas and banks. The key US market was unchanged. Chinese markets rallied for the sixth month in a row, with the Shanghai market up by 12% in June and 62% so far this year.
- The significant reductions in global interest rates, in an attempt to reflate economic growth, now appear to be coming to an end with US, UK and eurozone short rates currently at 0.25%, 0.5% and 1.0% respectively. Fears of an early rise in rates have subsided recently as the authorities have espoused a 'steady-as-she-goes' agenda. Further out, however, rates will rise from these emergency low levels. Quantitative easing (QE) continued to be carried out in the US, the UK, Switzerland and Japan. Some commentators continued to worry about the longer-term inflationary risks associated with QE policies and large budget deficits. Elsewhere, after a huge decline since the summer of 2008, the oil price rose for a fourth month in June, to finish the period at just over \$69 per barrel, somewhat off its intra-month high of \$72. Conversely, the gold price fell by over 5% to \$924 per troy ounce.
- Globally, although we remain in the throes of a severe economic decline/credit crunch, the massive monetary and fiscal policy action which we have seen from the authorities has resulted in a strong rally in a number of risk assets. Valuations of equities remain reasonably attractive (although not as cheap as before, due to declining earnings and higher prices) and, traditionally, equity markets have tended to rebound in advance of the bottom of the economic cycle. It is not yet clear, however, whether the economic cycle has bottomed.

- Sectorwise, the three-month outperformance of cyclicals over defensive areas ended abruptly during June, with investors taking profits after making significant gains. Basic materials, oil & gas stocks and industrials all suffered, while defensive areas such as utilities, healthcare and food & beverages made progress. Financial stocks were more mixed while technology stocks, especially in the US, resumed their upward trajectory.
- Corporate earnings' news was relatively subdued ahead of the second-quarter reporting season, which begins in earnest in the second week of July. Sentiment regarding Q2 profits has improved recently, while it is anticipated that the decline in US profit margins has stabilised. Companies are likely to be more upbeat concerning the outlook for profits in the second half of 2009 and into 2010. There was still no pick-up in M&A activity during the period, with the exception of Blackrock's purchase of Barclays' Global Investors division for \$13.5bn, making it the world's largest asset manager.
- The US dollar was virtually unchanged against the euro during June, with the €/ \$ rate ending the period at 1.41.

## Eagle Star Funds - Asset Allocation

**The funds are close to neutral in equities and overweight in bonds.**

### Equities

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

The fund managers reduced the equity position from slightly overweight to neutral during the period, as the momentum of the global equity rally subsided. The main regional change was a reduction in the Pacific Basin, on the back of profit taking. The funds' main positions at the end of June were significantly overweight the Pacific Basin, close to neutral in the UK, Japan and Europe, slightly underweight in the US and significantly underweight in Ireland.

#### Sectors: Overweight & Underweight positions

The main change in sectoral positions during the month was a tactical reduction in cyclical stocks. The fund managers had previously been shifting the bias of the portfolios towards these stocks, in anticipation of a turn in the global economic cycle. Overall, the funds' main positions at the end of June were overweight in technology and financials and underweight industrials. Other sectoral positions were pretty balanced.

### Bonds

Bonds behaved much better in June, regaining much of the ground lost during a very weak May. The 'green shoots' theme that had dominated financial markets since early March had caused bond yields to rise, as investors

became more confident about a stabilisation in economies and a recovery thereafter. Indeed, at one point during June, the 10 year US interest rate reached 4%, almost doubling from its year-end low. However, with inflation data still surprising on the downside during June, it was clear that economies were still relatively fragile and not strong enough to 'tolerate' substantially higher interest rates. This led investors to reduce expectations of official rate increases by year end, giving them an incentive to buy government bonds in both the US and eurozone. A feeling that the rally in equities was becoming slightly jaded and may be in need of consolidation, was another factor that made investors look at the relative value in government bond markets. During

the month, we still had the usual mixed messages from the ECB. On the one hand, it announced quite bold measures to add long-term liquidity to the banking system - in effect a backdoor version of the quantitative easing that the US had been doing - and on the other hand, there were frequent references to exit strategies from these very same programs. On balance, investors had become somewhat immune to ECB rhetoric and took more heed of their policy actions rather than their words. Indeed, eurozone bonds significantly outperformed US bonds over the period, with the Merrill Lynch over 5 year Eurozone Government Bond Index gaining 1.8% during June, bringing the year-to-date performance back to a positive 0.2%.

## 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.

### Consumer Sector

#### *Belle International*

Belle International is the largest retailer of ladies' footwear on a revenue basis in China. Belle International operates through 9000 outlets, with a market share of 20%, and its brand 'Belle' is a top ranked footwear brand according to the China Industrial Information Issuing Centre. The company's above market growth rate looks set to continue as the Chinese government focuses on stimulating consumption through subsidies and loose monetary policy.

### Resources and Infrastructure Sector

#### *CRH*

CRH is a major international producer and distributor of building materials, with a diversified business profile in product and geographical terms. It operates in four main regions; the Americas, Ireland, continental Europe and the UK. CRH is a proven leader in its sector, with a quality management team focused on creating long-term shareholder value. CRH has grown aggressively over the past three decades, both organically and to a proven acquisition strategy.

### Information and Communication Technology Sector

#### *Cisco Systems*

Cisco Systems is one of the largest technology companies in the world. It makes telecom and networking equipment. The company is benefiting from continued strong growth in internet traffic as this increases demand for its routers and switches. The company has initiated big restructuring actions and this should enable it to weather the tough IT spending environment. The company's balance sheet is very strong and acquisitions could be a catalyst

for the stock. The valuation of the stocks is attractive, especially on free cash flow metrics, and its P/E multiple should expand once revenue growth starts accelerating, and once margins return to their historical level.

### Finance & Real Estate Sector

#### *HSBC*

HSBC is the UK's largest banking company. It is active in Europe, the Asia-Pacific region, the Americas, the Middle East and Africa. HSBC provides a range of financial services; commercial banking; corporate, investment banking and markets; private banking; and other activities. It aims to continue to expand in high-growth markets via a combination of organic and nonorganic means. In addition to a strong capital and liquidity position, HSBC continues to benefit from a high level of diversification. Although slowing economies in the U.S. and Europe, and inflation fears in Asia will undoubtedly slow earnings momentum, these could also provide attractive opportunities for capital deployment.

### Health, Personal Care & Leisure Sector

#### *Reckitt Benckiser*

Reckitt Benckiser was created by the merger of UK-based Reckitt & Colman and the Netherlands Benckiser. It is one of the world's leading household products company with sales of over £4 billion per annum, generated in 180 countries with products such as Vanish, Air Fresh, Finish and Dettol. Operationally, Reckitt Benckiser is regarded as one of the best in class with above average organic growth and margins of nearly 20%, comfortable ahead of its peers. The company's proven business model, possibly enhanced by acquisitions should ensure continued performance over its peers.

## Global Outlook

- The general feeling amongst investors is that economic data has stabilised after being in freefall earlier this year. Signs of less stress in the financial system have bolstered these hopes, although, outside of China, bank lending is moribund. A lot of the 'green shoots' sentiment has its origin in China and Asia but that comes with some health warnings - China's growth is internally-focused and not really helping the rest of the world, while Asia's growth is still dependent on exports to a weakened US consumer sector.
- The scale and scope of policy initiatives to save the banking system and offset the collapse in private sector demand have been unprecedented. The ultimate success of these efforts - or their unintended consequences - is still far from certain, however, given the depth of the crisis faced by the global economic system. Put another way, whether the outlook is inflationary or deflationary, and which comes first, remains an open question.
- Short rates have likely reached their cyclical lows in the major economies, at somewhere between 0% and 1%. However, investors have recently scaled back thoughts of rates rising in the near term after comments from various central banks. This highlights the bind that major central banks feel they are in trying to keep policy easy, while talking about exit strategies from their various initiatives, including their partially successful QE policies. Witness the Bank of England's comments last week on the latter point, which feels that its buying of bonds has been highlighted by profligate government borrowing.
- In the short-term, bonds have rallied from support levels and seem to have entered a more constructive phase, helped by soggy equity markets. Some commentators continue to speculate on the long-term inflation risks from the current policy mix, but inflation expectations have started to fall back again in the past couple of weeks. In the eurozone, peripheral bond markets, such as Ireland, have been helped by "solidarity" expressions from the EU and ECB and somewhat improved funding positions. Periodic concerns about the budgetary positions could easily impact on these spreads again, although it seems that the political commitment to containing this issue has strengthened if anything.
- "Green shoots", oversold markets, large short positions and pessimistic sentiment combined to produce a powerful bear market rally in equity markets over the past three months. At this stage, however, the burden of proof may now lie with those who are bullish on the market. In the last few weeks, negative data seems to be gaining more traction than positive data, suggesting that improvements have been discounted and investors have "enough" risk assets on board at the moment. Whether this is a period of messy consolidation or something more corrective is not clear yet. In that context, the coming Q2 earnings' data will be closely watched for market reaction.

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 2009

	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>0.6%</b>	<b>2.4%</b>	<b>3.2%</b>	<b>2.7%</b>	<b>3.0%</b>	<b>4.2%</b>	<b>310,134,000</b>
Acorn Life (Ind) Pension Deposit	1.3%	3.7%	3.5%	2.8%	2.9%	3.9%	3,400,000
Ark Life (Ind) Pension Assured 2	0.5%	2.2%	2.7%	2.1%	2.3%	Not Started	27,588,804
Canada Life (Ind) Setanta Pension Money *	0.8%	2.9%	3.2%	2.5%	2.6%	3.3%	362,588,114
Friends (Ind) Cash	0.7%	2.6%	3.0%	2.4%	2.6%	3.3%	83,260,000
Hibernian Aviva L&P Pension Cash	0.9%	2.6%	2.8%	Not Started	Not Started	Not Started	172,843,642
Irish Life (Ind) Exempt Cash 1	1.3%	3.6%	3.4%	2.6%	2.7%	3.5%	905,875
Lifetime/BIAM (Ind) Pen Security	0.8%	2.4%	2.7%	2.1%	2.2%	3.1%	1,839,000
New Irl (Ind) Pension Cash 2 *	0.9%	2.7%	2.9%	2.3%	2.4%	3.2%	211,760,000
Royal Liver (Ind) Money	0.6%	2.2%	2.3%	1.8%	Not Started	Not Started	6,830,735
SL Synergy Cash	0.3%	1.7%	2.6%	2.0%	Not Started	Not Started	239,600,000
<b>MoneyMate Sector Average</b>	<b>0.7%</b>	<b>2.6%</b>	<b>2.9%</b>	<b>2.3%</b>	<b>2.6%</b>	<b>3.5%</b>	
<b>Fixed Interest</b>							
<b>Eagle Star (Ind) Active Fixed Income</b>	<b>0.0%</b>	<b>13.7%</b>	<b>5.3%</b>	<b>5.2%</b>	<b>6.0%</b>	<b>Not Started</b>	<b>83,597,000</b>
<b>Eagle Star (Ind) Long Bond</b>	<b>-1.7%</b>	<b>12.1%</b>	<b>4.0%</b>	<b>5.2%</b>	<b>Not Started</b>	<b>Not Started</b>	<b>37,564,000</b>
Acorn Life (Ind) Pens Cautiously Mgd	7.0%	9.2%	3.6%	3.5%	Not Started	Not Started	13,400,000
Canada Life (Ind) Setanta Pen Fixed Interest *	-0.3%	10.5%	3.5%	3.5%	4.4%	6.6%	221,836,220
Friends (Ind) Fixed Interest	0.8%	8.4%	2.5%	2.9%	4.0%	7.0%	70,420,000
Hibernian Aviva L&P Pen Laser Pension Bond	1.7%	9.1%	3.5%	3.9%	4.7%	7.3%	54,949,651
Irish Life (Ind) Exempt Fixed Interest 2	-0.5%	12.1%	4.1%	4.1%	4.7%	7.2%	1,044,835
New Irl (Ind) Pension Gilt Edge 2 *	0.1%	13.0%	3.7%	3.8%	4.6%	7.1%	798,328,000
Royal Liver (Ind) Fixed Interest	-0.5%	11.8%	5.9%	4.8%	Not Started	Not Started	23,232,975
SL Synergy Government Bond Tracker	-0.9%	9.5%	3.3%	Not Started	Not Started	Not Started	35,400,000
<b>MoneyMate Sector Average</b>	<b>1.1%</b>	<b>8.2%</b>	<b>3.1%</b>	<b>3.5%</b>	<b>4.7%</b>	<b>7.1%</b>	
<b>International Equity</b>							
<b>Eagle Star (Ind) International Equity</b>	<b>5.1%</b>	<b>-18.9%</b>	<b>-8.0%</b>	<b>1.3%</b>	<b>0.0%</b>	<b>Not Started</b>	<b>84,377,000</b>
Canada Life (Ind) Passive Equity 2	2.7%	-21.8%	-12.5%	-4.5%	Not Started	Not Started	5,564,211
Friends (Ind) International	8.8%	-20.2%	-10.3%	-1.5%	-3.5%	3.5%	178,100,000
Hibernian Aviva L&P Pen Laser Pension International Eq	7.4%	-24.2%	-11.6%	-2.3%	-3.5%	3.0%	40,207,818
Irish Life (Ind) Indexed Global Equity P	8.3%	-25.5%	-12.9%	-2.5%	Not Started	Not Started	3,784,255
New Irl (Ind) Pension International 2 *	7.3%	-21.7%	-11.7%	-4.2%	-3.0%	3.6%	195,021,000
Royal Liver (Ind) International Equity	14.7%	-20.0%	-10.5%	-2.4%	Not Started	Not Started	11,912,444
SL Synergy Global Equity Tracker	6.2%	-19.7%	-10.9%	Not Started	Not Started	Not Started	200,000
<b>MoneyMate Sector Average</b>	<b>11.7%</b>	<b>-23.1%</b>	<b>-10.5%</b>	<b>-1.7%</b>	<b>-2.4%</b>	<b>3.8%</b>	
<b>Managed Aggressive</b>							
<b>Eagle Star (Ind) Dynamic</b>	<b>6.9%</b>	<b>-20.4%</b>	<b>-8.6%</b>	<b>1.6%</b>	<b>0.2%</b>	<b>7.0%</b>	<b>651,476,000</b>
Acorn Life (Ind) Pension Managed Growth	9.4%	-24.3%	-11.3%	-1.2%	-1.0%	5.6%	171,200,000
Hib Aviva Life & Pen NU (Ind) Focussed Managed I	5.4%	-25.1%	-12.6%	-2.9%	Not Started	Not Started	6,904,196
Lifetime/BIAM (Ind) Pen Opportunity	5.5%	-18.9%	-11.8%	-3.6%	-0.8%	5.2%	6,002,000
Royal Liver (Ind) Managed	9.1%	-17.0%	-8.8%	-1.2%	Not Started	Not Started	47,944,362
<b>MoneyMate Sector Average</b>	<b>6.1%</b>	<b>-23.0%</b>	<b>-11.5%</b>	<b>-2.0%</b>	<b>-0.9%</b>	<b>6.0%</b>	
<b>Managed Balanced</b>							
<b>Eagle Star (Ind) Balanced</b>	<b>5.1%</b>	<b>-15.3%</b>	<b>-6.0%</b>	<b>2.1%</b>	<b>1.4%</b>	<b>7.5%</b>	<b>928,298,000</b>
<b>Eagle Star (Ind) Performance</b>	<b>6.1%</b>	<b>-18.3%</b>	<b>-7.9%</b>	<b>1.8%</b>	<b>0.7%</b>	<b>7.2%</b>	<b>639,427,000</b>
Acorn Life (Ind) Pension Managed	9.3%	-19.2%	-8.7%	-0.6%	0.1%	6.1%	107,300,000
Ark Life (Ind) Pension Managed 2	3.2%	-21.6%	-10.8%	-1.8%	-2.4%	Not Started	-
Canada Life (Ind) Setanta Pension Managed *	4.3%	-14.0%	-6.7%	0.6%	0.5%	6.1%	1,027,369,604
Friends (Ind) Managed	5.4%	-20.1%	-10.6%	-1.7%	-0.9%	5.5%	259,100,000
Hibernian Aviva L&P Pen Laser Pension Managed	4.2%	-24.2%	-11.9%	-2.7%	-1.1%	4.9%	376,832,448
Irish Life (Ind) Exempt Managed 1	8.0%	-20.5%	-10.1%	-1.0%	0.2%	5.5%	13,511,169
Lifetime/BIAM (Ind) Pen Growth	5.1%	-17.9%	-10.8%	-2.8%	0.0%	5.7%	-
New Irl (Ind) Pension Managed 3	5.2%	-17.7%	-10.6%	-2.5%	0.0%	6.2%	1,692,856,000
SL Synergy Balanced MultiManager	5.6%	-21.3%	-11.8%	Not Started	Not Started	Not Started	137,100,000
<b>MoneyMate Sector Average</b>	<b>5.8%</b>	<b>-18.9%</b>	<b>-9.3%</b>	<b>-1.3%</b>	<b>-0.3%</b>	<b>5.7%</b>	
<b>Irish Equity</b>							
<b>Eagle Star (Ind) Irish Equity</b>	<b>13.2%</b>	<b>-47.0%</b>	<b>-25.4%</b>	<b>Not Started</b>	<b>Not Started</b>	<b>Not Started</b>	<b>6,739,000</b>
Ark Life (Ind) Pension Irish	13.6%	-42.1%	-26.3%	-10.6%	Not Started	Not Started	3,178,494
Friends (Ind) Irish Equity	15.3%	-43.1%	-25.8%	-10.3%	-3.1%	5.6%	32,270,000
Hib Aviva Life & Pen NU (Ind) Irish Equity *	12.2%	-43.3%	-26.4%	-10.4%	-2.4%	Not Started	3,571,281
Irish Life (Ind) Irish Equity Indexed Fund P	13.4%	-49.2%	-29.1%	-12.1%	Not Started	Not Started	2,156,719
New Irl (Ind) Pension Irish Equity 3 *	11.4%	-43.4%	-28.0%	-11.4%	-2.7%	6.0%	79,351,000
Royal Liver (Ind) Irish Equity	15.9%	-41.7%	-24.7%	-10.4%	Not Started	Not Started	14,942,883
SL Synergy Irish Equity Tracker	15.9%	-46.9%	-27.8%	Not Started	Not Started	Not Started	11,800,000
<b>MoneyMate Sector Average</b>	<b>12.7%</b>	<b>-46.8%</b>	<b>-27.9%</b>	<b>-11.2%</b>	<b>-4.1%</b>	<b>5.0%</b>	
<b>Euro Equity<sup>2</sup></b>							
<b>Eagle Star Eurozone Equity G</b>	<b>4.8%</b>	<b>-21.2%</b>	<b>-6.0%</b>	<b>5.2%</b>	<b>Not Started</b>	<b>Not Started</b>	<b>33,338,000</b>
AIB Inv Mgr Ltd Eurozone Equity Indexmaster B	3.3%	-26.1%	-10.4%	0.3%	Not Started	Not Started	67,630,936
Ark Life Eurozone 2 G	1.5%	-33.1%	-14.2%	-3.2%	Not Started	Not Started	72,080,973
Hibernian Aviva L&P Euro Equity	3.4%	-25.9%	-10.9%	-0.4%	Not Started	Not Started	11,959,507
New Ireland Euroland Equity S9	1.4%	-28.4%	-12.2%	-2.2%	Not Started	Not Started	5,026,000
SL Synergy European Equity Tracker	1.8%	-26.0%	-10.3%	Not Started	Not Started	Not Started	70,300,000
<b>MoneyMate Sector Average<sup>1</sup></b>	<b>1.8%</b>	<b>-26.4%</b>	<b>-11.1%</b>	<b>-0.8%</b>	<b>N/A</b>	<b>N/A</b>	

Figures highlighted in navy indicate where Eagle Star/Zurich 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 July 2009

	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>2.7%</b>	<b>-28.4%</b>	<b>-11.1%</b>	<b>5.2%</b>	<b>Not Started</b>	<b>Not Started</b>	<b>67,018,000</b>
BOI Life - Unit Funds European Ex UK S2	0.7%	-27.8%	-13.1%	-3.0%	Not Started	Not Started	8,141,000
Canada Life /Setanta European Equity G	6.7%	-21.4%	-11.8%	-0.8%	Not Started	Not Started	14,812,185
Friends First European Equity G	2.7%	-25.5%	-11.5%	-0.6%	Not Started	Not Started	179,700,000
Hibernian Aviva L&P European Equity	3.1%	-22.8%	-9.3%	0.6%	Not Started	Not Started	2,835,348
Irish Life Europascope 2 G	1.1%	-26.0%	-10.9%	-1.1%	Not Started	Not Started	10,068,893
New Ireland European Equity S9	0.4%	-28.1%	-13.6%	-3.5%	Not Started	Not Started	226,614,000
Royal Liver European Equity G	12.3%	-23.7%	-8.7%	1.2%	Not Started	Not Started	8,455,976
SL Synergy European Eq MultiManager	5.0%	-27.7%	-11.6%	Not Started	Not Started	Not Started	69,700,000
<b>MoneyMate Sector Average <sup>1</sup></b>	<b>8.1%</b>	<b>-24.6%</b>	<b>-10.2%</b>	<b>0.2%</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>31.2%</b>	<b>-15.5%</b>	<b>-0.8%</b>	<b>9.1%</b>	<b>Not Started</b>	<b>Not Started</b>	<b>74,632,000</b>
AIB Inv Mgr Ltd Far East Equity G	9.7%	-16.5%	-6.5%	2.1%	Not Started	Not Started	7,314,817
BOI Life - Unit Funds Far East Equity S2	19.8%	-15.5%	-10.4%	-1.0%	Not Started	Not Started	1,244,000
Hibernian Aviva L&P Pacific Basin Equity	24.9%	-14.4%	-2.8%	5.9%	Not Started	Not Started	2,791,617
Irish Life Indexed Pacific Basin 1 G	28.1%	-17.5%	-3.8%	5.8%	Not Started	Not Started	27,794
New Ireland Pacific Basin S9	24.9%	-13.7%	-1.9%	7.0%	Not Started	Not Started	87,242,000
SL Synergy Pacific Basin MultiManager	29.3%	-17.8%	-4.1%	Not Started	Not Started	Not Started	29,400,000
<b>MoneyMate Sector Average <sup>1</sup></b>	<b>23.5%</b>	<b>-15.4%</b>	<b>-2.1%</b>	<b>6.8%</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>-6.0%</b>	<b>-16.8%</b>	<b>-5.8%</b>	<b>2.4%</b>	<b>Not Started</b>	<b>Not Started</b>	<b>28,400,000</b>
AIB Inv Mgr Ltd US Equity G	-0.7%	-30.0%	-13.6%	-5.4%	Not Started	Not Started	8,051,825
BOI Life - Unit Funds North American S2	4.3%	-14.8%	-9.4%	-6.2%	Not Started	Not Started	251,014,000
Hibernian Aviva L&P US Equity	4.0%	-25.9%	-12.4%	-5.5%	Not Started	Not Started	977,492
Irish Life Indexed US 1 G	3.4%	-18.5%	-11.6%	-5.3%	Not Started	Not Started	1,280,826
New Ireland North American S9	4.0%	-15.2%	-9.8%	-6.7%	Not Started	Not Started	183,852,000
SL Synergy North American Equity	9.1%	-18.9%	-10.1%	Not Started	Not Started	Not Started	81,800,000
<b>MoneyMate Sector Average <sup>1</sup></b>	<b>3.4%</b>	<b>-21.3%</b>	<b>-10.5%</b>	<b>-3.8%</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>0.8%</b>	<b>-25.9%</b>	<b>-9.0%</b>	<b>1.0%</b>	<b>Not Started</b>	<b>Not Started</b>	<b>170,202,000</b>
BOI Life - Smart Funds Spotlight S9	12.2%	-7.3%	Not Started	Not Started	Not Started	Not Started	1,947,000
Canada Life /Setanta Focus 15 G	15.1%	-7.2%	-7.6%	-0.1%	Not Started	Not Started	120,878,771
Hibernian Aviva L&P Target 20	-4.0%	-37.1%	-16.4%	-6.3%	Not Started	Not Started	12,421,427
<b>Average of selected funds</b>	<b>6.0%</b>	<b>-19.4%</b>	<b>-11.0%</b>	<b>-1.8%</b>	<b>N/A</b>	<b>N/A</b>	
<b>Selected Property Funds<sup>3</sup></b>							
<b>Eagle Star Australasia Property</b>	<b>40.7%</b>	<b>-17.5%</b>	<b>Not Started</b>	<b>Not Started</b>	<b>Not Started</b>	<b>Not Started</b>	<b>1,759,000</b>
<b>Eagle Star European Ex UK Property</b>	<b>0.8%</b>	<b>-27.4%</b>	<b>Not Started</b>	<b>Not Started</b>	<b>Not Started</b>	<b>Not Started</b>	<b>2,848,000</b>
<b>Eagle Star Eurozone Property G*</b>	<b>6.3%</b>	<b>-32.9%</b>	<b>-17.3%</b>	<b>Not Started</b>	<b>Not Started</b>	<b>Not Started</b>	<b>27,115,000</b>
AIB Inv Mgr Ltd Euro Prop Stocks G	-0.4%	-30.8%	-19.8%	Not Started	Not Started	Not Started	3,228,921
Friends First Global Property Venture	-6.9%	-40.3%	Not Started	Not Started	Not Started	Not Started	2,400,000
SL Synergy Global REIT	7.8%	-42.9%	Not Started	Not Started	Not Started	Not Started	46,100,000
<b>Average of selected funds</b>	<b>8.1%</b>	<b>-32.0%</b>	<b>-18.6%</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>7.8%</b>	<b>-19.1%</b>	<b>-13.5%</b>	<b>Not Started</b>	<b>Not Started</b>	<b>Not Started</b>	<b>81,545,000</b>
Hibernian Aviva L&P High Yield	5.3%	-20.3%	-7.9%	0.9%	Not Started	Not Started	5,897,305
Canada Life CL/Set Equity Div Non Dis G	1.4%	-17.2%	-10.8%	-1.3%	Not Started	Not Started	304,347,164
Bloxhams High Yield Fund 1 G	1.1%	-17.8%	-12.2%	-1.8%	Not Started	Not Started	6,189,131
Merrion SB Ltd Merrion High Yield Fund G	-2.2%	-39.5%	-25.2%	Not Started	Not Started	Not Started	12,205,610
<b>Average of selected funds</b>	<b>2.7%</b>	<b>-22.8%</b>	<b>-13.9%</b>	<b>-0.7%</b>	<b>N/A</b>	<b>N/A</b>	

**Warning: The income you get from an investment may go down as well as up. The value of an 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.**

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 01/07/2009.

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> 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.