

OLD MUTUAL INCOME FUND

FUND INFORMATION

RISK RATING 1 2 3 4 5

FUND OBJECTIVE

The fund aims to offer a high level of income, together with relative capital stability. It aims to pay out a high regular income without putting the investor's money at undue risk. It aims to achieve higher than money market returns by taking on marginally more risk.

WHO IS THIS FUND FOR?

This fund is suited to investors seeking capital stability. It can be used as a secure parking bay in times of stock market instability as well as a means of phasing money into an equity (share) fund over a period of time.

RECOMMENDED MINIMUM INVESTMENT TERM

1 year+ 3 years+ 5 years+

INVESTMENT MANDATE

The fund invests in local interest-bearing investments including fixed and floating rate bonds and money market instruments. The average duration of the fund will always be less than two years, which contributes to its relative capital stability.

REGULATION 28 COMPLIANCE

The fund does not comply with the asset allocation sublimits set out in Regulation 28 of the Pension Fund Act, and therefore the fund is not Regulation 28 Compliant.

COMPOSITE BENCHMARK:

80% STeFI Composite Index & 20% All Bond Index

ASISA CATEGORY: Domestic - Fixed Interest - Income

RISK TARGET: No negative quarters.

FUND MANAGER(S):

Jennifer Sheehy (OMIGSA - Futuregrowth Asset Management)

LAUNCH DATE: 22/04/1989

SIZE OF FUND: R1.8bn

DISTRIBUTIONS (Quarterly)*:

Date	Interest	Yield
22/03/2012	1.75c	6.94%
31/12/2011	1.94c	6.71%
30/09/2011	1.98c	6.78%
30/06/2011	2.01c	6.81%

* Class R fund distributions

TAX REFERENCE NO: 9430/004/60/7

OTHER INVESTMENT CONSIDERATIONS

MINIMUM INVESTMENTS:

Monthly: R500 • Lump sum: R10 000 • Ad hoc: R500

INITIAL CHARGES (All fees are VAT inclusive):

There is no initial administration charge for investment transactions of R500 and above. Initial adviser fee will be between 0% and 0.68%. Investment transactions below the R500 fund minimum incur a 0.46% administration charge.

ONGOING:

Annual service fee (min./max.): 0.86% p.a.

This fee is accrued daily and paid to the management company on a monthly basis. Other charges incurred by the fund, and deducted from its portfolio, are included in the TER. A portion of Old Mutual Unit Trusts' annual service fees may be paid to administration platforms.

Old Mutual Income Fund A3 may pay 0.57% of the annual service fee as an ongoing adviser fee.

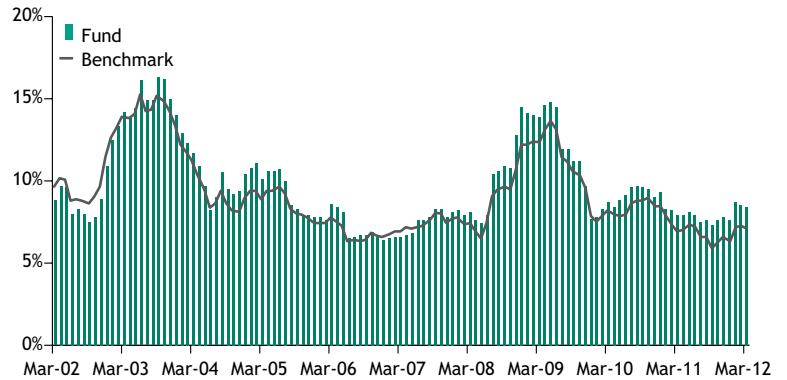
Total expense ratio (TER): 0.86%

TER is a historic measure and includes the annual service fee.

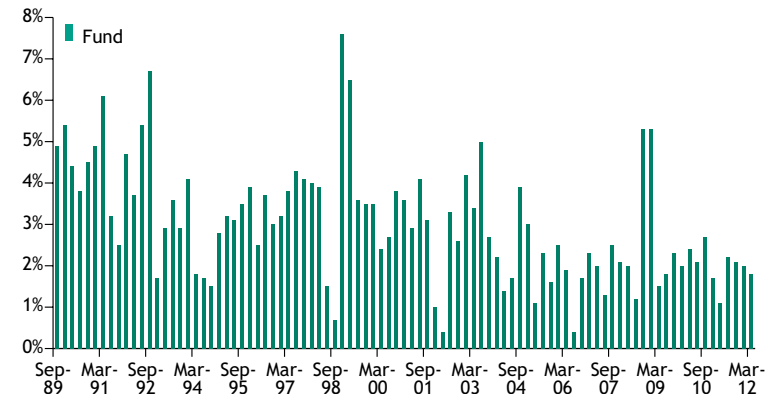
FUND PERFORMANCE as at 31/03/2012

	% PERFORMANCE (p.a.)					
	1-Yr	3-Yr	5-Yr	7-Yr	10-Yr	Since Inception
Fund (Class R)	8.4	8.3	9.4	8.8	9.8	12.6
Benchmark	7.2	7.5	8.4	8.1	9.1	12.7
Tax-exempt Investor	8.4	8.3	9.4	8.8	9.8	12.6
Corporate Investor	6.0	5.9	6.7	6.3	7.0	8.0
Private Investor	5.8	5.7	6.6	6.2	6.9	8.2
Retirement Fund	8.4	8.3	9.3	8.5	8.8	9.8

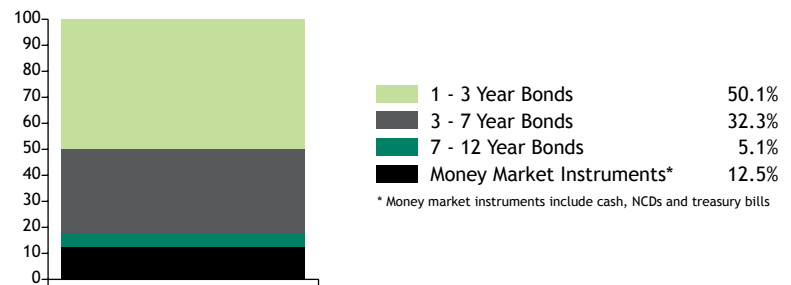
Old Mutual Income Fund (1-Year Rolling)



Performance vs Risk Objective (Rolling Quarter Returns)



FUND COMPOSITION



CURRENT PRINCIPAL HOLDINGS

HOLDING	SECTOR	% OF FUND
R203 8.25% 15/09/2017	3 - 7 Year Bonds	14.2
Money Market	0 - 3 Year NCD	7.8
R204 8.00% 21/12/2018	3 - 7 Year Bonds	5.2
R197 5.5% 07/12/2023	7 - 12 Year Bonds	3.0
PR2A2B 15/12/2012	1 - 3 Year Bonds	2.7
NED6 9.84% 20/09/2013	1 - 3 Year Bonds	2.7
ABSA 8.75% Callable 01/09/2012	1 - 3 Year Bonds	2.6
SBK8 8.20% 10/04/2013	1 - 3 Year Bonds	2.6
The7A3 18/10/2012	1 - 3 Year Bonds	2.3
IV04 31/03/2013	1 - 3 Year Bonds	2.2

OLD MUTUAL INCOME FUND

FUND MANAGER INFORMATION



JENNIFER SHEEHY

QUALIFICATIONS:
BSc (Hons)

CURRENT RESPONSIBILITY:

Jenny joined Futuregrowth in 2008 and is responsible for the interest-bearing portion of a number of pension funds in South Africa and Namibia. In addition, she enhances Old Mutual Investment Group South Africa (OMIGSA)'s equity research capability with her ongoing fixed interest research on the local bond and money markets. Jenny also manages the Old Mutual Income Fund and Old Mutual Namibian Income Fund as well as the Community Gilt Fund.

PREVIOUS EXPERIENCE:

Jenny joined OMIGSA in 1989, commencing her employment as a bond analyst. In 1994, she was appointed as portfolio manager assuming responsibility for the management of the matched annuity fund.

FUND COMMENTARY as at 31/03/2012

Global sentiment improved during the first quarter of 2012, with economic growth faring better than expected and European Union concerns fading sharply since late 2011. With the favourable global backdrop the rand strengthened, with foreigners being substantial net buyers of South African (SA) bonds. The budget was also better than expected for the bond market, with the budget deficit projections being revised down substantially. As a result, fixed rate bonds outperformed cash and money market instruments.

Although consumer price inflation was generally better than expected, negative sentiment arose from inflation concerns. This was due to a sharply rising oil price as a result of ongoing tensions in Iran.

Sentiment deteriorated towards quarter-end with renewed global growth concerns over China lowering its 2012 growth target from 8.0% to 7.5%. Standard and Poor's Rating Agency also revised its outlook on South Africa to negative in line with the other agencies. This fuelled negative sentiment further.

The fund increased exposure to interest rates during the quarter by purchasing fixed rate SA bonds, as well as short-dated credit bonds trading at attractive spreads.

Relatively stable core inflation and below trend growth, point to a flat short-term interest rate cycle until well into 2013. We will consider investment opportunities to enhance the yield on the portfolio, taking advantage of the steep yield curve slope. We are retaining an inflation-linked bond holding as a hedge against inflation risks.

Unit trusts are generally medium- to long-term investments. Past performance is no indication of future performance. Shorter term fluctuations can occur as your investment moves in line with the markets. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Unit trusts can engage in borrowing and scrip lending. The fund's TER reflects the percentage of the average Net Asset Value of the portfolio that was incurred as charges, levies and fees related to the management of the portfolio. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs. A schedule of fees, charges and maximum adviser fees is available from Old Mutual Unit Trust Managers Ltd (OMUT). You may sell your investment at the ruling price of the day (calculated at 15h00 on a forward pricing basis and 17h00 at month-end for Old Mutual RAFI® 40 Tracker Fund, Old Mutual Top 40 Fund and SYm|metry Equity Fund of Funds). The Old Mutual Money Market Fund unit price aims to be static but investment capital is not guaranteed. The total return is primarily made up of interest (declared daily at 13h00), but may also include any gain/loss on any particular instrument. In most cases this will merely have the effect of increasing or decreasing the daily yield, but in an extreme case it can have the effect of reducing the capital value of the fund. Specialist equity funds may hold a greater risk as exposure limits to a single security may be higher. A feeder fund is a portfolio that, apart from assets in liquid form, consists solely of participatory interests in a single portfolio of a collective investment scheme. A fund of funds unit trust invests only in other collective investment schemes, which may levy their own charges. Certain funds may be capped to be managed in accordance with their mandates. Different classes of units apply to these portfolios and are subject to different fees and charges.

The portfolio performance is calculated on a NAV-NAV basis and does not take any initial fees into account. Income is reinvested on the ex-dividend date. Actual investment performance will differ based on the initial fees applicable, the actual investment date and the date of reinvestment of income. Lump sum basis. Performances are in ZAR and as at 31 March 2012. Sources: Morningstar and OMIGSA (estimated inflation figure for month of March 2012). Past performance is not necessarily an indication of future performance.

Old Mutual is a member of the Association for Savings and Investment South Africa (ASISA).