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Strictly Confidential

Prepared by

NMG Consultants and Actuaries

For

Benchmark Retirement Fund

Investment Report as at 30 June 2016

T: (+264) 61 23 7841/2/3
www.nmg.co.za
NMG House, 17 Nachtigal Street, Windhoek Namibia
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1 Introduction

This document has been compiled with the aim of providing members of the Benchmark Retirement Fund with an overview of the investment options offered to enable them to make informed decisions regarding the investment of their retirement assets. Three Unlisted Investment Managers (UIM's) have been added in 2015.

The following portfolios are offered to members:

Investment Portfolio	Risk Categorisation	Asset Manager's Explicit Performance	Return Expectations derived from
Investec Managed Namibia Fund	Moderate	None	CPI+5% to 6%
Old Mutual Namibia Profile Pinnacle Fund	Moderate	None	CPI+5% to 6%
Allan Gray Namibia Balanced Fund	Moderate	None	CPI+5% to 6%
EMH Prescient Absolute Balanced Fund	Moderate	CPI+5%	CPI+5% to 6%
NAM Coronation Balanced Plus Fund	Moderate	None	CPI+5% to 6%
Prudential Namibia Balanced Fund	Moderate	None	CPI+5% to 6%
Standard Bank Namibia Managed Fund	Moderate	None	CPI+5% to 6%
Benchmark Default Portfolio*	Moderate-Low	-	CPI+4% to 5%
NAM Coronation Capital Plus Fund	Moderate-Low	CPI+4% (1 year)	CPI+4%
Prudential Namibia Inflation Plus Fund	Moderate-Low	CPI+4%	CPI+4%
Sanlam Namibia Inflation Linked Fund	Moderate-Low	CPI+4%	CPI+4%
NAM Coronation Balanced Defensive Fund	Moderate-Low	IJG Money Market + 3%	CPI+2% to 3%
Sanlam Namibia Active Fund	Low	1-3 year ALBI	CPI+1% to 2%
Money Market Fund**	Capital Preservation	7 day Repo Rate	CPI to CPI + 1%

*The Benchmark Portfolio is a combination of Allan Gray Namibia Balanced Fund and Prudential Namibia Inflation Plus Fund.
** The Money Market Fund is managed by Capricorn Asset Management.

1 Introduction

Investment Returns

In order to achieve an adequate salary replacement ratio it is imperative that members achieve a real investment return, i.e. a return in excess of price inflation. Refer to Annexure A for an indication of the relationship between investment returns and the salary replacement ratio.

While a real investment return should ideally be set as the explicit performance objective of an investment portfolio, a number of investment portfolios that are suitable for retirement funds, do not have an explicit performance objective related to inflation. The member will therefore have to consider the historic performance experience of an investment portfolio in relation to inflation as a proxy of potential returns in order to link a specific investment portfolio to the salary replacement ratio. It must be noted that the historic performance experience is not guaranteed to be achieved in future. While each investment portfolio will have an internal benchmark as stated by the Investment Manager in the portfolio mandate, that benchmark may not be an explicit real investment return.

Risk

The risk rating of an investment portfolio gives an indication of how volatile investment returns may be and therefore is also an indication of the risk that the investment return per the investment mandate may not be achieved. The risk categories have the following meaning:

- Aggressive risk portfolios: Short term negative returns are possible with this type of portfolio. Exposure to equities (shares) is normally maximised for these types of portfolios in order to achieve the return objective. Maximisation of equity exposure however takes place within the prudential investment guidelines laid down by the Pension Funds Act. Investment returns can be very volatile.

- Moderate risk portfolios: This type of portfolio will have large exposure to growth assets (shares and property) at times and as such short term negative returns are possible. Investment returns can be volatile.

- Moderate-low risk portfolios: This type of portfolio also has exposure to growth assets (shares and property) but typically at lower levels than the moderate risk portfolios. They aim to have minimal negative returns and therefore have a lower risk profile than the moderate risk portfolios. Investment returns can still be volatile.

- Low risk portfolios: This type of portfolio should have minimal negative returns over a rolling 12-month period.

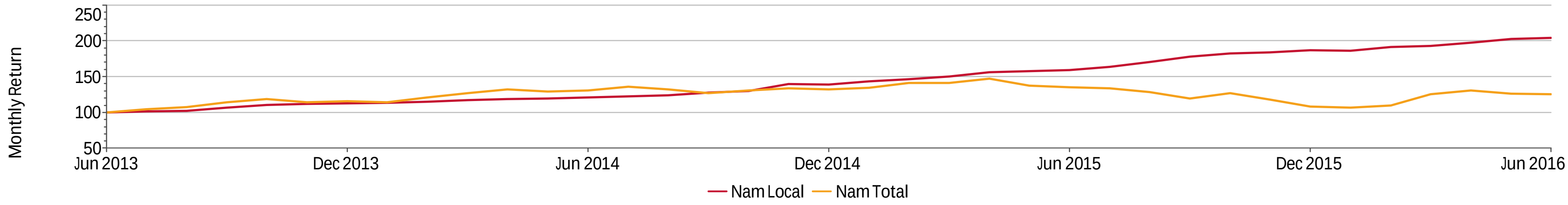
- Capital preservation portfolios: There should be no risk of capital loss on a monthly basis.

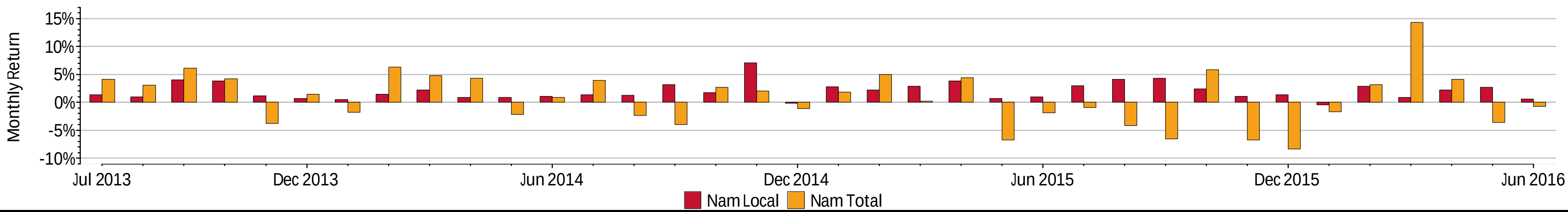
Investment return and risk are correlated; while the correlation cannot be defined in absolute terms, it is generally accepted that an investor would require compensation in the form of investment returns in return for the investment risk taken.

2 Market Overview

Namibian Markets

Inflation remained flat at 6.7% in June 2016 and in Q2 2016 it averaged 6.7%, which was up 0.7% from the Q1 2016 average of 6.0%. The major contributor to the high inflation is mainly the high food prices resulting from drought conditions being experienced by the whole Sub-Saharan region due to El-Nino. The food & non-alcoholic beverages category inflation was down 11.3% year-on-year from the 12.2% recorded in May 2016. In Q1 2016, the GDP expanded by 3.5%. A major contributor to the GDP was the mining sector. Although the country's growth is facing some headwinds as a result of water shortages, drought and low hard-commodity prices, we believe that the economy has done well in comparison to its main trading partner, South Africa. The Namibian local equities in June 2016 gained 0.6% and for the quarter ending June 2016 has increased by 5.7%. Although the local equities have underperformed the total equities on a long term basis in Q1 2016, investors have extracted much value from local equities. This is mainly as a result of attractive valuations and liquidity issues that reduces the ease of trade on the Namibia Stock Exchange. On a valuation basis, the local equities are trading at 11.1 times earnings and total equities at 16.1 times earnings. Both the local and total equities are trading at a premium to their long term averages of 8.6 times and 13.8 times, respectively. We do not foresee valuations being pressurised in the short term as the lack of liquidity deprives investors of being able to continually recycle their investments. There is an increasing demand in the capital markets for short dated bonds. This is as a result of the increased credit downgrade risk to South Africa. The Namibian IJG bond market yielded 2.3% in June 2016 and for the quarter ending June 2016, the returns were 3.3%. The money market returns were 0.6% in June 2016 and 1.8% in for the quarter.





Sector Index	3 Month	YTD	1 Year	3 Year	5 Year
Nam Local Index	5.7%	9.3%	28.5%	26.8%	30.1%
Nam Overall Index	-0.3%	15.5%	-7.2%	7.8%	6.5%
IJG Bond	3.3%	8.1%	7.2%	7.3%	8.6%
IJG Money Market	1.8%	3.6%	7.0%	6.2%	6.0%
Namibian CPI	1.4%	5.3%	6.7%	5.3%	5.6%

South African & International Markets

United States

The US non-farm payrolls in May 2016 grew by only 38 000 jobs while consensus was expecting 162 000 jobs to be added. This is viewed as a negative as job gains are critical to rising incomes with consistent patterns of spending; which drives GDP. This has led to a repricing of the US interest rate hike expectations in the futures markets and we now expect the Federal Open Market Committee (FOMC) to leave rates unchanged at the next three meetings. Aside from the dismal unemployment numbers in May 2016, the US economy has done well, placing the economy on a stronger growth trajectory. The US' Institute for Supply Management (ISM) Purchasing Managers Index (PMI) showed that the economic activity in the manufacturing sector expanded to 53.2 in June 2016 from the May 2016 reading of 51.3. This is the highest expansion recorded since February 2015. The US manufacturing sector has expanded for the fourth consecutive month and the June 2016 reading was the highest reading since the PMI of 53.3 recorded in February 2015. Overall the economy has grown for the 85th consecutive month. The New Orders, Production and Employment Indices all increased to 57.0, 54.7 and 50.4, respectively. We are of the opinion that the strengthening indices for New Orders and Production, which have reached three-month high, are indicative of sustained factory gains .

Europe

In June 2016 Britain voted to exit from the European Union, a move strongly opposed by global markets. According to Britain, one of the primary reasons that led to Brexit is the failure of the EU to address economic problems in the bloc, for instance the unemployment rate in Southern Europe is around 20% whilst for Germany it is 4.2%. Other main reasons provided are the displacement caused by globalisation, which has led to an influx of immigrants in Britain and a surge in imports over the last three decades, especially from China that has resulted in stiff competition for British manufacturing industries. The Euro-area Market Purchasing Manufacturers' Index rose to 52.8 in June 2016 from 51.5 recorded in May 2016. These figures were calculated before Britain's European Union referendum. France was the only nation that showed manufacturing contraction, while Germany and Austria led the bloc's factory growth. Euro-area's unemployment fell to 10.1% in May 2016, the lowest in five years. In the same month, the US' unemployment rate declined by 0.3% to the current 4.7%, the lowest since November 2007. The European Central Bank (ECB) is facing another challenge emanating from the depleting pool of assets eligible for quantitative easing (QE) after investors bought safe assets because of the Brexit risks; pushing down some sovereign yields to below the ECB's current deposit rate, which is at negative 0.4%. Some government bonds are trading at yields below the ECB bond purchase program buying criteria, namely only buying assets with yields higher than the ECB's deposit rate. We believe that in order for the ECB to continue spending €89 billion a month on government bonds to drive up inflation, they have to loosen some of the bond buying rules. Currently inflation is at around 0.2%. This is far less than the ECB's objective of just under 2.0% for more than three years. Headline inflation for the Euro area was at negative 0.1% in May 2016.Our opinion is that the Euro area's inflation growth will face new downside risk driven mainly by the recent Brexit decision.

Emerging Markets

China's manufacturing PMI for June 2016 was at 50.0 whilst the non-manufacturing PMI increased to 53.7 in June 2016 from 53.1 recorded in May 2016. The Chinese factory output remains weighed down by a lukewarm global growth outlook. However, we believe that over the short term the Chinese economy will be driven by the government's fiscal stimulus through infrastructure and agriculture spending and funding of state owned commercial banks; to achieve an objective growth of at least 6.5%. We further believe that the People's Bank of China (PBOC) can no longer do much to simulate growth as rates are at a record low since October 2015. The Chinese manufacturing PMI showed big companies reporting improving conditions while small- and medium-sized firms showed deterioration. This trend has also been highlighted by separate PMI measures such as Caixin Media and Markit Economics that recorded PMIs of 48.6 and 49.2 in May 2016, respectively. These two measures are composed of mostly small, export-driven businesses. The main risk relates to banks preferring to lend to large state-backed borrowers as opposed to smaller private businesses. This creates a growth imbalance as smaller business are more efficiency driven than large companies and the stimulus is supporting the most inefficient part of the Chinese economy. In May 2016, state-owned companies had accumulated US$12.4 trillion in debt, which is more than 70% of the banking system's total credit to non-financial companies. Brazilian industrial output posted streak, three straight months without contraction since 2012. Industrial production in May 2016 was 0.2% which is similar to April 2016 and the output of capital goods, a measure for investment, rose 1.5% in May 2016. However, on a year-on-year basis, industrial production fell 7.8%. The MSCI Emerging Market Index gained 3.3% in June 2016 and for the quarter, the index detracted 0.3%. Emerging market equities lost US$407 billion on the day following Brexit decision and closed the month trading at 12.1 times forward earnings.

South African & International Markets (Continued)

South Africa

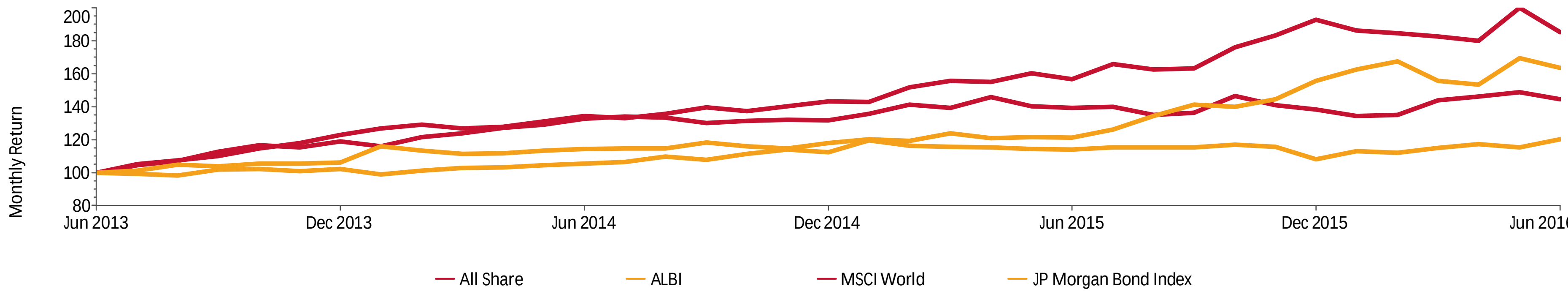
After the Brazilian Real, the South African Rand was the best performer against the dollar among 24 emerging market currencies in June 2016. Most global central banks signalled their readiness to support their economies after Brexit decision. The currency gained 6.7% and closed the month at R14.73 to the dollar. Inflation growth slowed to 6.1% in May 2016; the lowest rate this year; from 6.2% recorded in the previous month. The slowdown in inflation is in part due to the 5.0% strengthening of the Rand since January 2016 after its depreciation of 25.2% against the dollar in 2015. The SARB's Monetary Policy Committee (MPC) decided to leave rates unchanged after raising the repurchase rate by 125 basis points since last July 2015 to the current 7.0%. The main reasons for delaying hiking were the downgrade of the South African GDP from 0.6% to 0%, strengthening of the Rand and moderation of inflation pressures. The S&P Global Ratings maintained South Africa's credit assessment at BBB-, one level above junk status, with a negative view implying that it may downgrade South Africa's rating if the economy doesn't improve. Fitch and Moody's have kept South Africa's credit rating one and two levels, respectively, above the non-investment grade. South Africa's GDP in Q1 2016 shrank by 1.2% following a 0.4% expansion recorded in Q4 2015. The main detractors to the GDP were mining and quarrying industries, which dropped by 18.1% and contributed a negative 1.5% to overall GDP. A positive contribution to the GDP growth was made by the Finance, Real Estate and Business Services sector, which grew by 1.9% and contributed 0.4% to the GDP growth. Expenditure on real GDP fell by 0.7% in Q1 2016, following an expansion of 1.4% recorded in Q4 2015. Negative contributing factors to the GDP growth were the tepid global demand for South African goods and the weak mining production output.

Commodities

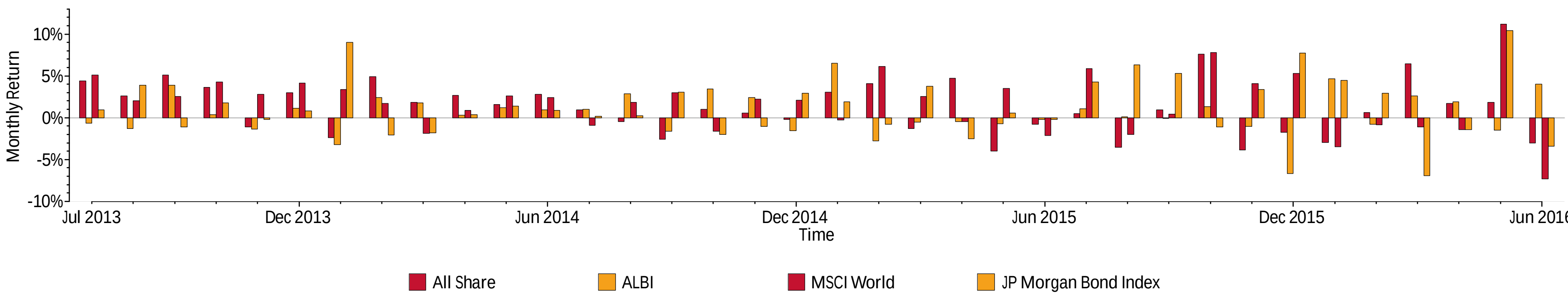
Gold gained 8.8% in June 2016 and for Q2 2016, it gained 2.3%. Following three years of losses, gold has gained 24.6% this year. The gold rally is underpinned by the Fed's failure to add to its December 2015 rate hike; Europe and Japan's negative interest rates and the Brexit decision which has caused political, financial and economic turbulence. In addition, gold ETFs are up by 30.3%, which translates to 443 tonnes in 2016, and have closed the quarter at 1 904.6 tonnes. Platinum gained 4.6% in June 2016 and for the quarter, the metal was up 5.0%. In June 2016, Zinc gained 9.4% and for the quarter ending June 2016, it spiked to 15.8% - the biggest quarterly advance since 2010 - and closed at US$2 104.50 a tonne. The Zinc rally was partly in anticipation of an expected supply deficit. The rally in Commodities witnessed this year is mainly driven by the speculation that most central banks will ease monetary policy to stimulate growth. WTI and Brent crude oil surged by 26.1% and 25.5% in Q2 2016, respectively. This is the biggest quarterly gain since Q2 2009. For the month ending June 2016, WTI crude oil decreased by 1.6% while Brent crude oil remained unchanged, closing at US$49.68. We believe that supply disruptions and the lowest production since September 2014, have attributed to the recovery in oil prices. The US production output shrank 4.4% in Q2 2016 and 1.3% in June 2016, closing at 8.6 million barrel per day. The US crude inventories fell 1.7% to 526.6 million barrels in June 2016 and for the quarter, dropped by 1.5%. However, in April 2016 they climbed to an 87-year high of 543.4 million barrels.

Benchmark Retirement Fund

Cumulative Performance



Monthly Performance



Sector Index	3 Month	YTD	1 Year	3 Year	5 Year
All Share	0.4%	4.3%	3.8%	13.0%	13.8%
ALBI	4.4%	11.2%	5.2%	6.3%	7.9%
MSCI World	1.5%	-4.0%	18.1%	22.8%	25.3%
JP Morgan Bond Index	5.1%	5.1%	35.2%	17.9%	18.7%
ZAR vs USD	0.3%	-4.9%	20.8%	14.2%	16.8%
SA CPI	1.6%	4.5%	6.3%	5.9%	5.7%

Performance Comparison

3.1 Moderate Portfolios

3.1.1. Asset Allocation at 30 June 2016:

	Allan Gray Balanced	Investec Managed	OMIGNAM Profile Pinnacle	Standard Bank Managed	EMH Prescient Absolute Balanced	NAM Coronation Balanced Plus	Prudential Balanced
Namibia Equities	19.0%	8.2%	12.7%	9.5%	0.6%	9.8%	7.3%
Namibia Bonds	8.7%	15.2%	22.5%	18.9%	10.6%	13.9%	16.2%
Namibia Cash	10.2%	19.3%	0.0%	11.6%	26.9%	14.4%	13.0%
Namibia Property	2.5%	0.5%	0.0%	0.0%	0.0%	0.0%	1.8%
South Africa Equities	23.3%	23.5%	24.4%	24.7%	13.1%	30.6%	29.4%
South Africa Bonds	0.6%	0.3%	5.0%	1.9%	13.7%	0.0%	1.7%
South Africa Cash	0.1%	0.4%	1.2%	-0.5%	5.9%	-13.6%	-0.9%
South Africa Property	0.0%	2.3%	1.4%	0.0%	0.0%	13.7%	0.1%
International Equity	24.7%	21.4%	32.8%	12.6%	11.0%	29.0%	27.5%
International Bonds	2.3%	2.6%	0.0%	0.0%	6.6%	0.5%	0.8%
International Cash	2.6%	6.3%	0.0%	0.0%	5.4%	0.1%	3.1%
International Other	1.3%	0.0%	0.0%	21.3%	6.0%	0.6%	0.0%
Other	4.7%	0.0%	0.0%	0.0%	0.1%	1.0%	0.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

1. Allan Gray: International Other represents Property
2. Allan Gray: Other represents SA and Namibia Commodities
3.Allan Gray: International Equity represents Net Equity (13.8%) & Hedged Equity(10.8%)
4. Standard Bank Managed: International Other represents Unit Trusts and Property
5. EMH Prescient: International Other represents Collective Investments and Other represents Forwards, Swaps and Derivatives
6. NAM Coronation Balanced Plus: Other represents Commodities and International Other represents Commodities and Property.
7. Standard Bank, Prudential and NAM Coronation use derivatives to gain additional exposure to certain assets beyond 100%. Thus the cash allocation has an offsetting negative exposure, representing the liability or cash that is ‘owed’ for these assets. The total thus represents the “Notional Cash Value” for the entire effective derivative exposure.

3 Performance Comparison

3.1 Moderate Portfolios

3.1.1. Asset Allocation at 30 June 2015 (12 Months Ago):

	Allan Gray Balanced	Investec Managed	OMIGNAM Profile Pinnacle	Standard Bank Managed	EMH Prescient Absolute Balanced	NAM Coronation Balanced Plus	Prudential Balanced
Namibia Equities	20.9%	14.0%	17.2%	6.3%	5.4%	5.8%	8.1%
Namibia Bonds	9.4%	15.0%	21.3%	0.8%	0.0%	12.3%	11.1%
Namibia Cash	2.0%	11.8%	0.0%	9.8%	38.6%	14.2%	20.5%
Namibia Property	3.0%	0.4%	0.0%	0.0%	0.0%	0.0%	2.1%
South Africa Equities	24.6%	22.8%	22.0%	24.1%	26.1%	20.2%	26.4%
South Africa Bonds	0.0%	0.4%	4.4%	0.0%	4.1%	0.0%	0.0%
South Africa Cash	0.3%	0.3%	1.3%	0.0%	0.2%	0.0%	0.0%
South Africa Property	0.0%	2.4%	2.1%	0.0%	0.0%	13.3%	0.0%
International Equity	31.1%	23.8%	31.7%	32.0%	11.7%	29.3%	25.8%
International Bonds	0.6%	0.2%	0.0%	2.8%	4.6%	0.4%	2.0%
International Cash	2.9%	9.0%	0.0%	0.0%	6.4%	0.1%	4.0%
International Other	0.9%	0.0%	0.0%	3.7%	2.8%	0.9%	0.0%
Other	4.3%	0.0%	0.0%	20.4%	0.0%	3.5%	0.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

1. Allan Gray: International Other represents Commodity ETF's
2. Allan Gray :Other represents SA Hedge Funds
3. EMH Prescient Absolute Balanced Growth: International Other represents International Property & Hedged Equity
4. Standard Bank Managed: Other details not provided by Standard Bank
5. NAM Coronation Balanced Plus: Other represents Commodity ETF's
6. NAM Coronation Balanced Plus: International Other represents Commodities

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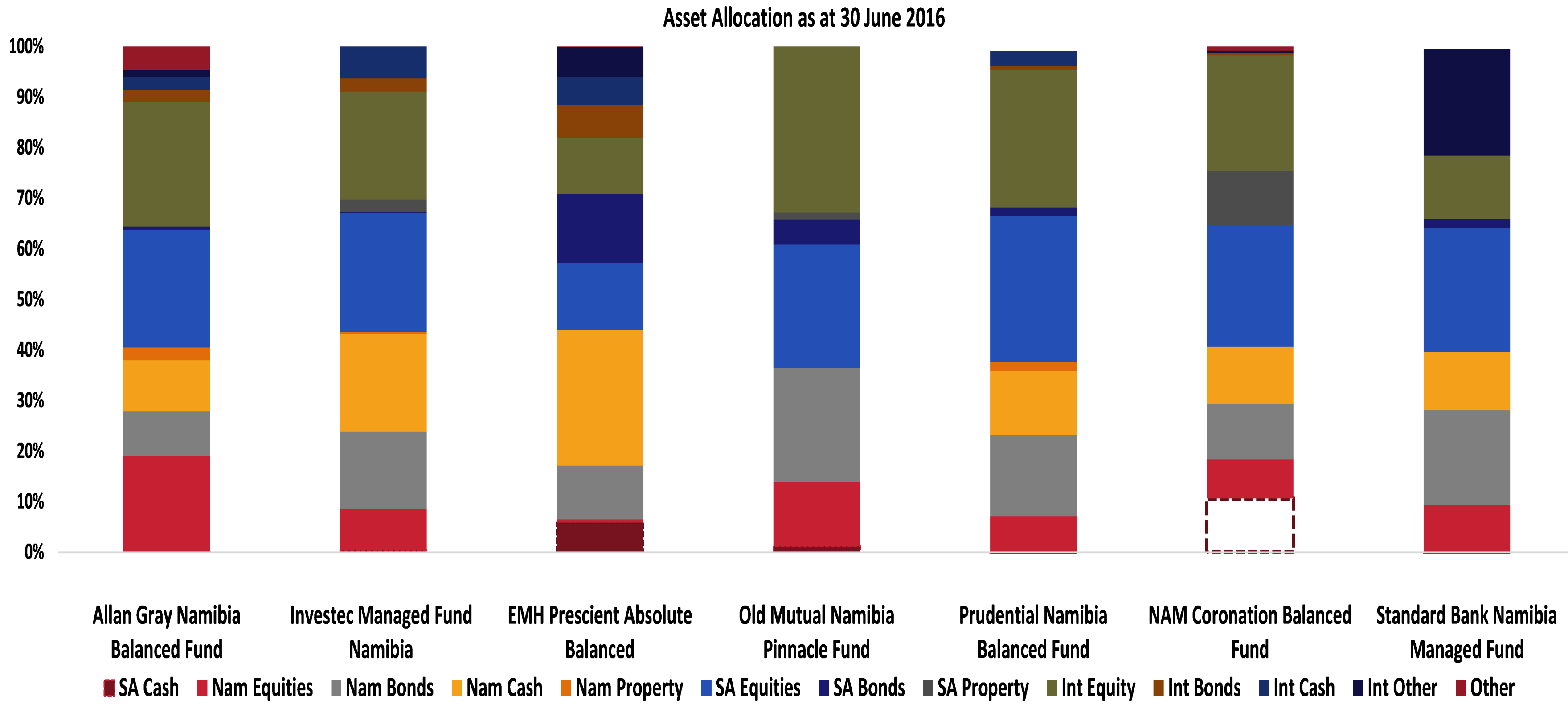
Performance Comparison

Moderate Portfolios Asset Allocation



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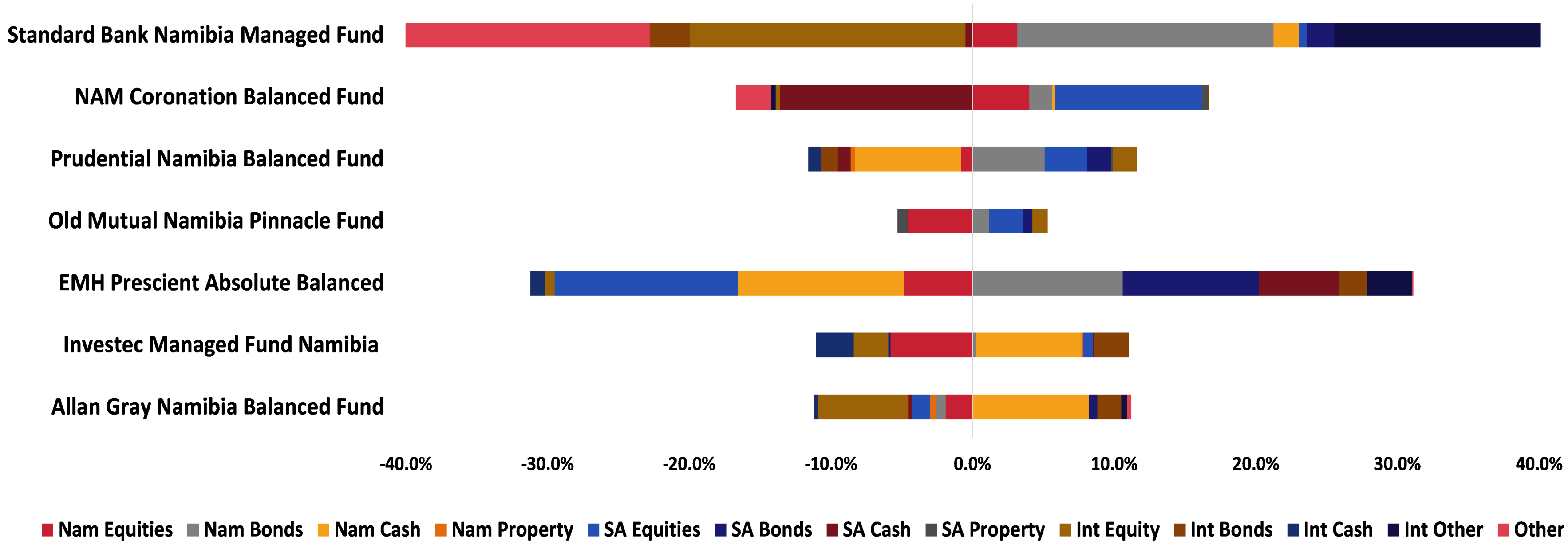
3 Performance Comparison

Moderate Portfolios: Change in Asset Allocation

The following graph illustrates the changes that were made to the managers' asset allocation over the 12 month period ending 30 June 2016. In the event that the allocation to an asset class was decreased, the change would be indicated on the left hand side of the vertical axis, and vice versa.



The graph above illustrates that the Standard Bank Namibia Managed Fund had the greatest shift in asset allocation over the past year, with a significant decrease in Namibian equities and International equity. They up weighted Namibian bonds and other international assets. EMH Prescient Absolute Balanced had the second highest change in asset allocation, and also up weighted Namibian bonds and other international assets, but not to the extent of Standard Bank. However, they down weighted SA equity and Namibian cash. Old Mutual Namibia Pinnacle Fund had the least changes to asset allocation over the year.

3 Performance Comparison

Moderate Portfolios: Geographical Split

	Allan Gray Balanced	Investec Managed	OMIGNAM Profile Pinnacle	Standard Bank Managed	EMH Prescient Absolute Balanced	NAM Coronation Balanced Plus	Prudential Balanced
Namibia	42.9%	43.2%	35.2%	40.0%	38.2%	38.7%	38.3%
South Africa	26.2%	26.5%	32.0%	26.1%	32.6%	31.1%	30.3%
International	30.9%	30.3%	32.8%	33.9%	29.1%	30.2%	31.4%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Time Weighted Returns

	1 Year	3 Years (Annualised)	5 Years (Annualised)	10 Years (Annualised)
Allan Gray Namibia Balanced Fund	17.7%	14.5%	16.5%	14.1%
Investec Managed Fund Namibia	6.9%	15.2%	15.1%	14.2%
EMH Prescient Absolute Balanced	-2.3%	7.8%	N/A	N/A
Old Mutual Namibia Pinnacle Fund	9.4%	13.6%	14.3%	12.8%
Prudential Namibia Balanced Fund	7.0%	12.0%	12.7%	7.2%
NAM Coronation Balanced Fund	5.7%	12.7%	14.6%	12.1%
Standard Bank Namibia Managed Fund	3.4%	10.7%	13.8%	13.2%
Average SA Moderate Portfolio	7.8%	12.4%	13.7%	12.3%
Average NAM Moderate Portfolio	9.5%	14.1%	15.0%	13.0%
All Share (JSE)	3.8%	13.0%	13.8%	12.6%
Nam Inflation	6.7%	5.3%	5.6%	6.4%
Nam Inflation + 6%	12.7%	11.3%	11.6%	12.4%

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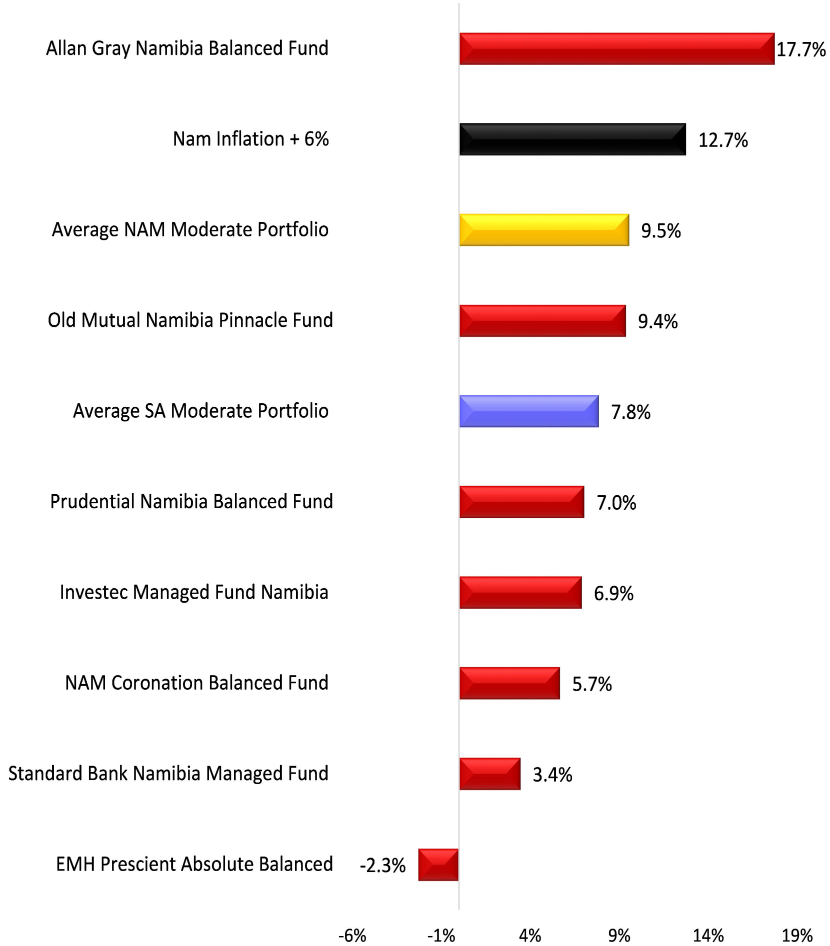
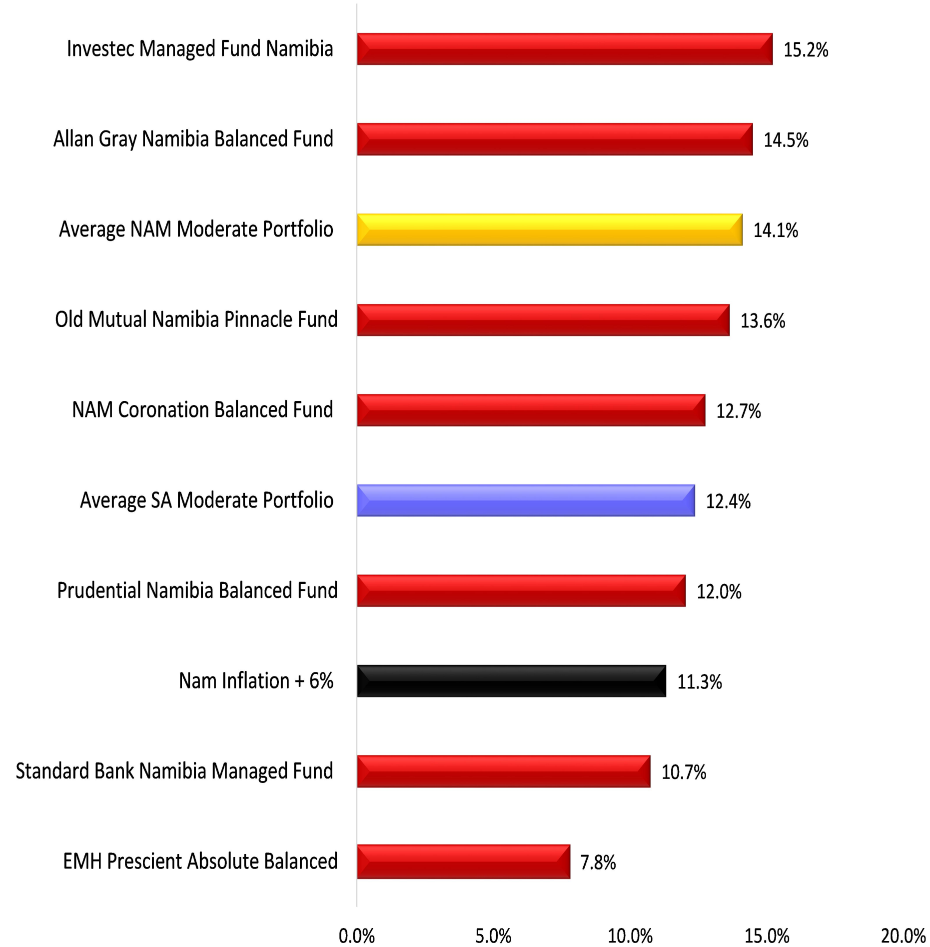
Performance Comparison

1 Year performance for the period ended 30 June 2016



3 Years performance for the period ended 30 June 2016



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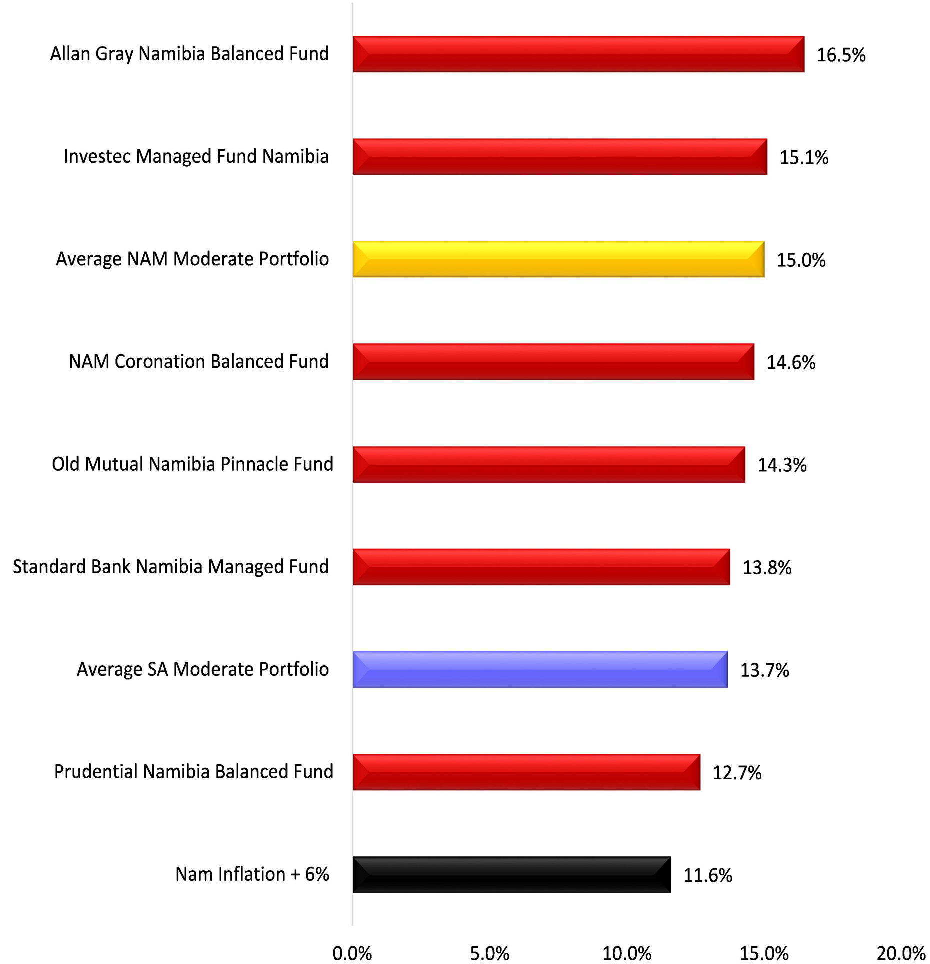
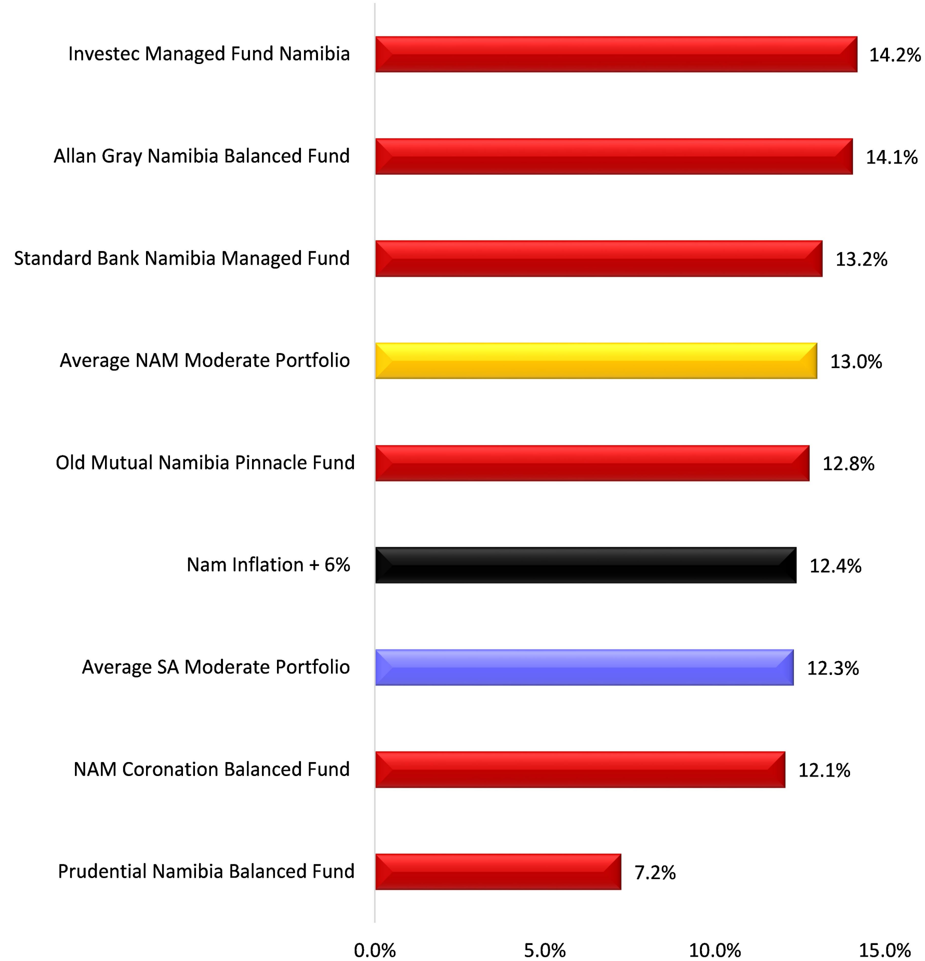
3 Performance Comparison

5 Years performance for the period ended 30 June 2016



10 Years performance for the period ended 30 June 2016



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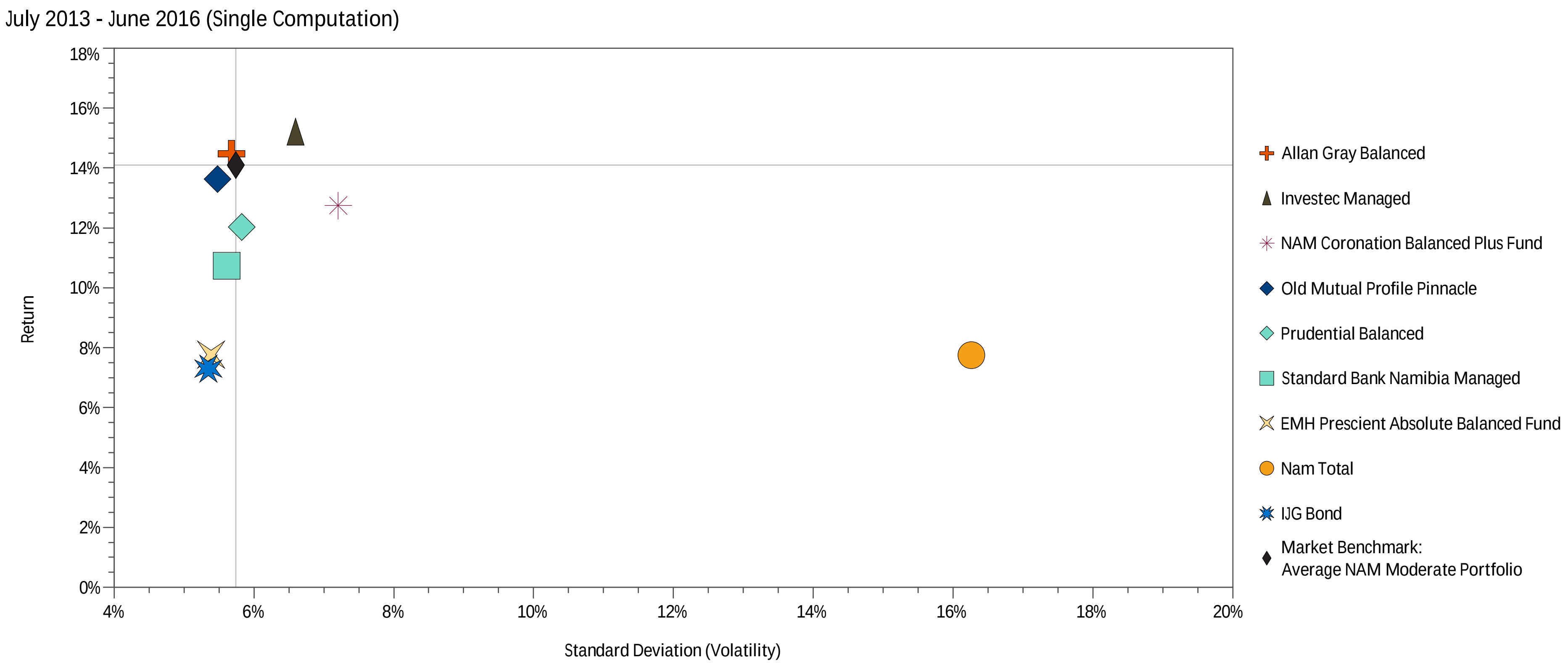
Performance Comparison

3.1.5 Volatility vs Return

The following graph illustrates the volatility and return statistics of the moderate portfolios for a 3 year period. These returns are gross of all investment charges.



3 Performance Comparison

3.2 Moderate-Low Portfolios

3.2.1. Asset Allocation at 30 June 2016:

	NAM Coronation Capital Plus	NAM Coronation Balanced Defensive	Prudential Inflation Plus	Sanlam Namibia Inflation Linked	Benchmark Default Portfolio
Namibia Equities	6.4%	3.2%	4.0%	7.2%	11.7%
Namibia Bonds	24.6%	19.2%	25.6%	1.9%	16.8%
Namibia Cash	9.8%	16.0%	15.1%	27.2%	12.5%
Namibia Property	0.0%	0.1%	3.0%	0.0%	2.7%
South Africa Equities	19.7%	12.5%	16.3%	13.9%	20.0%
South Africa Bonds	0.5%	18.8%	16.7%	8.6%	8.3%
South Africa Cash	0.1%	0.4%	-13.8%	16.6%	-6.5%
South Africa Property	9.8%	5.5%	3.4%	1.6%	1.6%
International Equity	27.5%	20.4%	18.4%	16.3%	21.7%
International Bonds	0.0%	1.9%	6.5%	0.0%	4.3%
International Cash	0.0%	0.6%	4.8%	3.3%	3.7%
International Other	0.0%	0.3%	0.0%	3.5%	0.7%
Other	1.6%	1.1%	0.0%	0.0%	2.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

1. NAM Coronation Capital Plus: Other represents Commodities
2. NAM Coronation Balanced Defensive: Other represents Commodities & International Other represents Real Estate
3. Sanlam Namibia Inflation Linked: International Other represents Property
4. Default: Other represents Commodities & International Other represents Property
5. Prudential's SA Cash position includes an off-set or “Notional Cash value” for all derivative effective exposure.

3 Performance Comparison

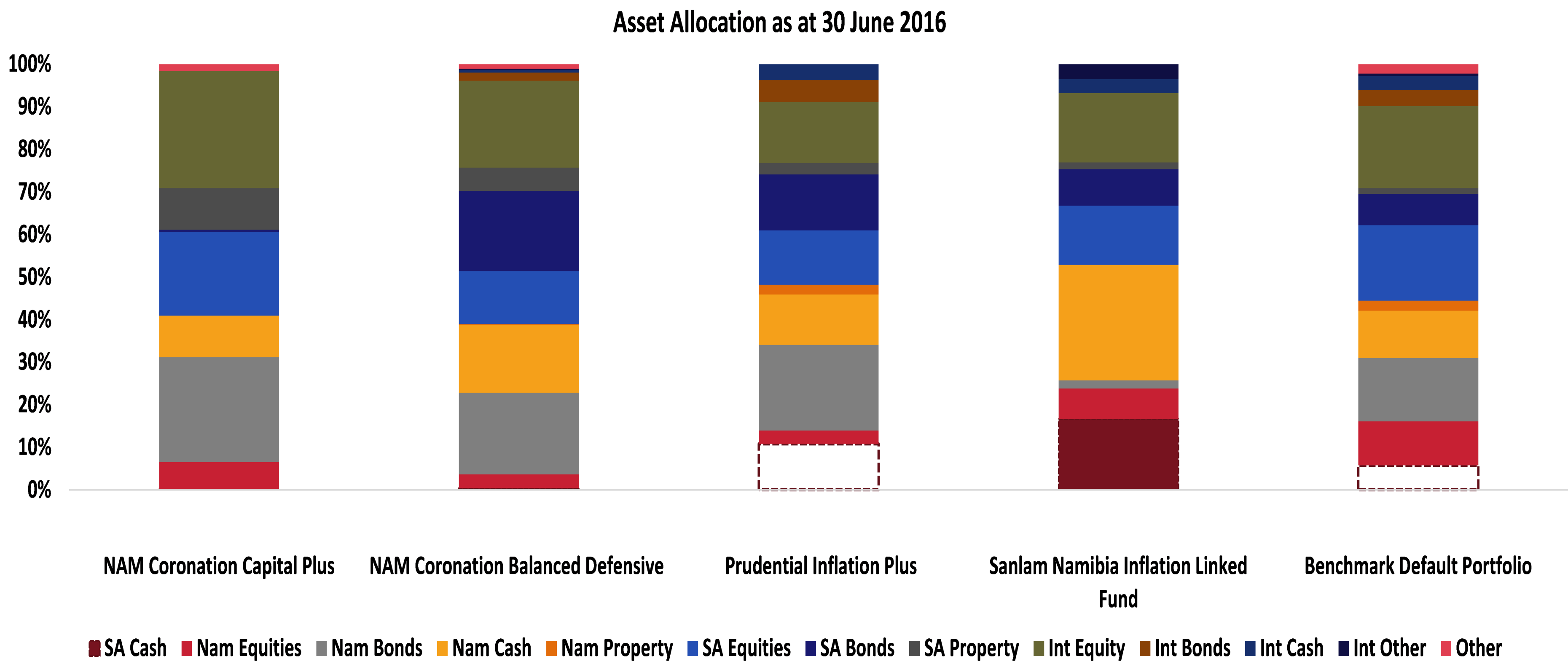
3.2 Moderate-Low Portfolios

3.2.1. Asset Allocation as at 30 June 2015 (12 Months Ago):

	NAM Coronation Capital Plus	NAM Coronation Balanced Defensive	Prudential Inflation Plus	Sanlam Namibia Inflation Linked	Default
Namibia Equities	6.8%	2.7%	5.2%	10.0%	13.1%
Namibia Bonds	12.7%	6.4%	14.8%	1.7%	12.1%
Namibia Cash	15.5%	30.4%	18.5%	23.4%	10.2%
Namibia Property	0.0%	0.1%	3.0%	0.0%	3.0%
South Africa Equities	18.7%	10.2%	15.2%	17.0%	19.9%
South Africa Bonds	6.8%	18.5%	9.3%	7.6%	4.6%
South Africa Cash	3.7%	3.6%	0.0%	17.3%	0.2%
South Africa Property	7.3%	4.8%	3.7%	1.5%	1.8%
International Equity	27.0%	19.8%	16.6%	17.4%	23.9%
International Bonds	0.0%	1.7%	7.8%	0.0%	4.2%
International Cash	0.0%	0.2%	5.9%	1.6%	4.4%
International Other	0.0%	0.5%	0.0%	2.7%	0.5%
Other	1.5%	1.1%	0.0%	0.0%	2.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

1. NAM Coronation Balanced Defensive, Default Portfolio: International Other represents International Property
2. NAM Coronation Balanced Defensive, NAM Coronation Capital Plus and Default Portfolio :Other represents Commodities
3. Sanlam: International Other represents Unit Trusts and Property

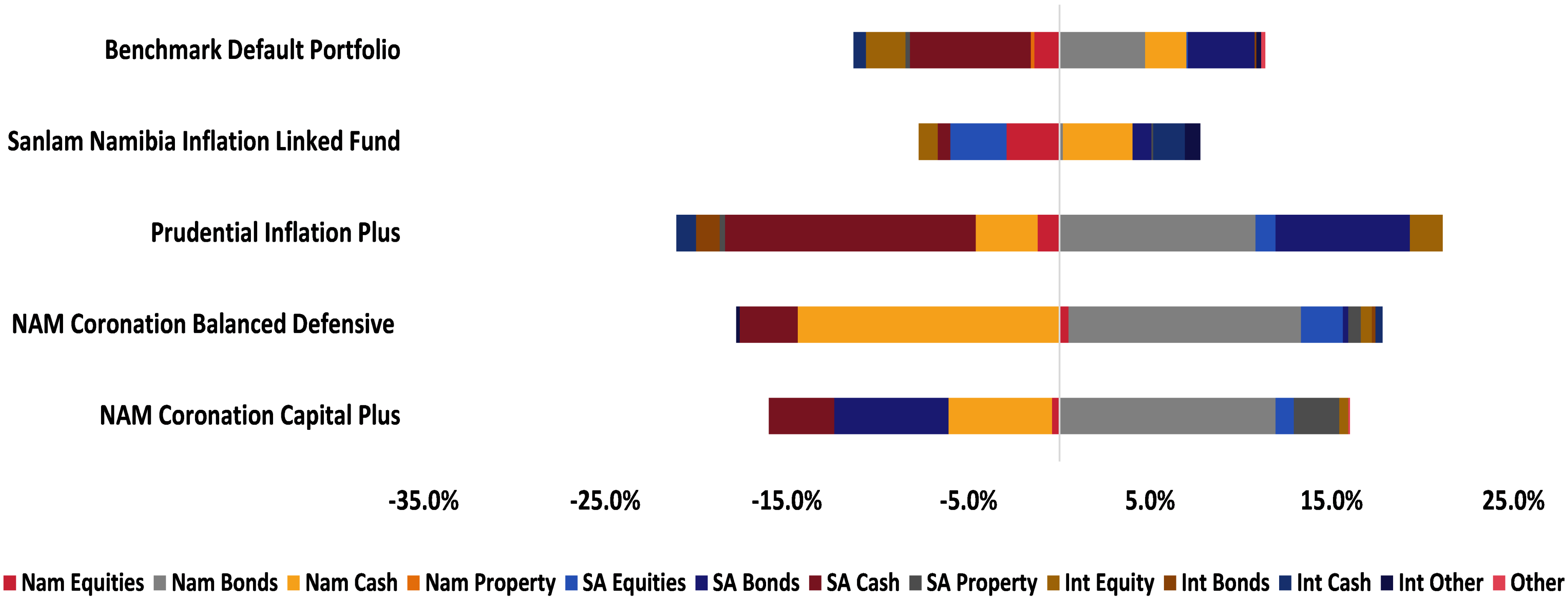
Performance Comparison



Created with Zephyr StyleADVISOR.

3 Performance Comparison

The following graph illustrates the changes that were made to the managers' asset allocation over the 12 month period ending 30 June 2016. In the event that the allocation to an asset class was decreased, the change would be indicated on the left hand side of the vertical axis, and vice versa.



The graph above illustrates that Prudential made the greatest changes in their asset allocation over the year, with SA cash being the largest decrease, and Namibian bonds the largest increase in the Fund. NAM Coronation Balanced Defensive and NAM Coronation Capital Plus also up weighted Namibian bonds, and both decreased allocation to Namibian cash and SA cash. Sanlam Namibian Inflation Linked Fund showed the fewest changes over the year, but had small alterations across most asset classes.

3

Performance Comparison

Moderate-Low Portfolios: Geographical Split

	NAM Coronation Capital Plus	NAM Coronation Balanced Defensive	Prudential Inflation Plus	Sanlam Namibia Inflation Linked	Benchmark Default Portfolio
Namibia	40.8%	38.5%	47.7%	36.4%	43.7%
South Africa	31.7%	38.3%	22.6%	40.6%	25.9%
International	27.5%	23.2%	29.7%	23.0%	30.4%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Returns

	1 Year	3 Years (Annualised)	5 Years (Annualised)	10 Years (Annualised)
NAM Coronation Capital Plus Fund	6.2%	10.3%	11.7%	N/A
NAM Coronation Balanced Defensive Fund	7.7%	10.7%	12.3%	N/A
Prudential Namibia Inflation Plus Fund	10.2%	11.7%	13.3%	11.3%
Benchmark Retirement Fund Default Portfolio	14.6%	14.0%	15.8%	12.4%
Sanlam Namibia Inflation Linked	8.3%	10.8%	11.5%	10.9%
Nam Inflation	6.7%	5.3%	5.6%	6.4%
Nam Inflation + 3% to 5%	9.4%-11.7%	8.3%-10.3%	8.6%-10.6%	9.4%-11.4%

* NAM Coronation Capital Plus and NAM Coronation Balanced Defensive Funds only started in December 2007.

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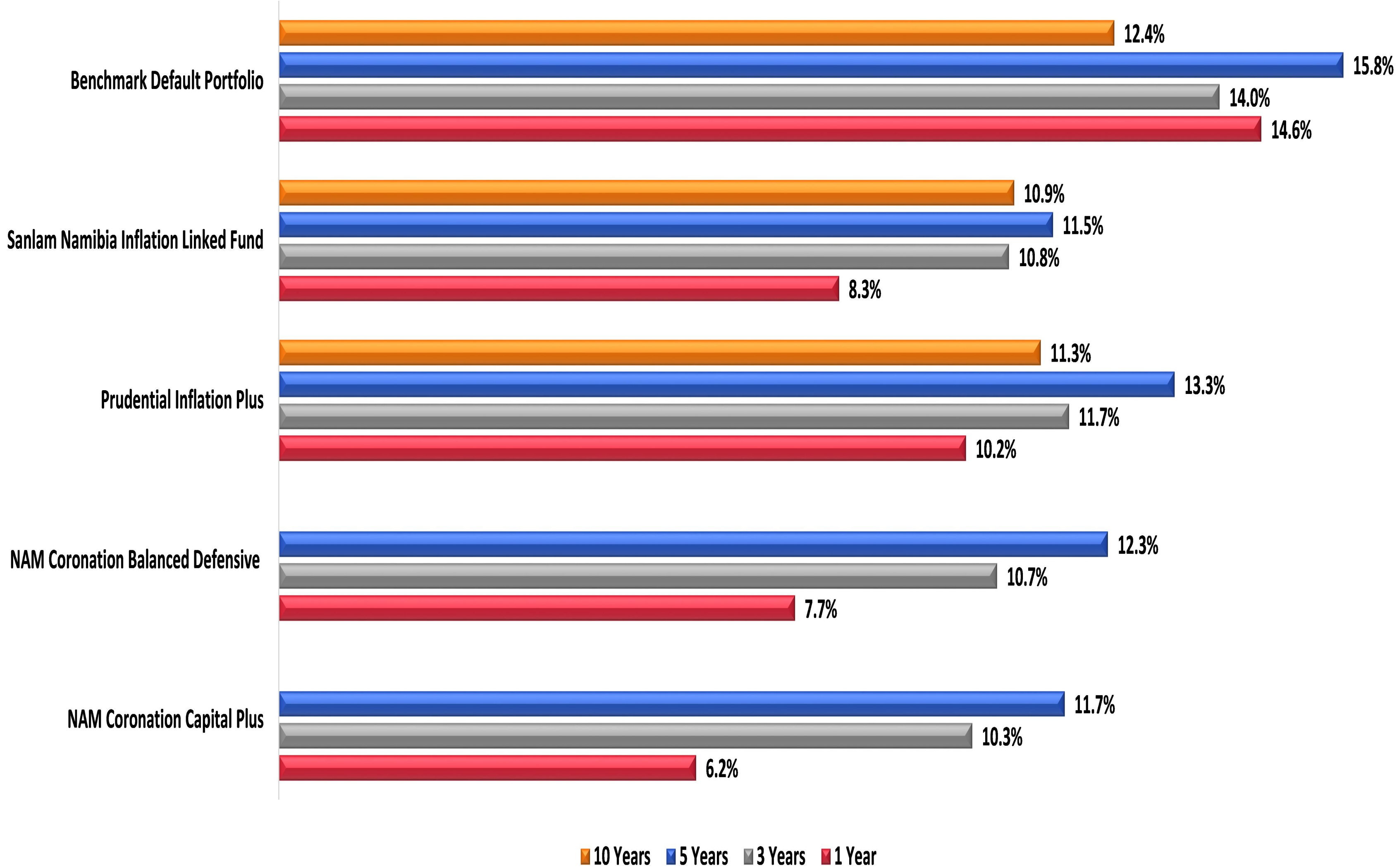
Performance Comparison

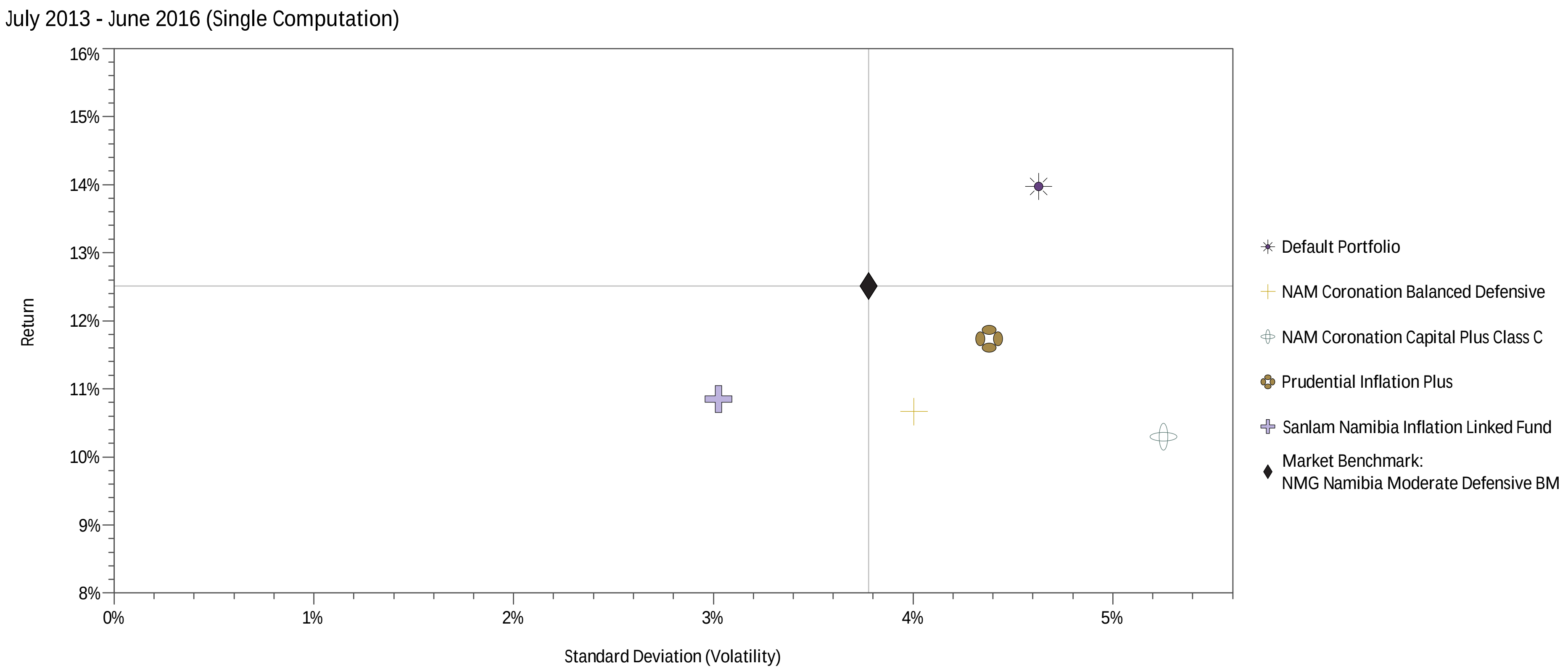


Created with Zephyr StyleADVISOR.

3 Performance Comparison

3.2.5 Volatility vs Return

The following graph illustrates the volatility and return statistics of the moderate low portfolios for a 3 year period.These returns are gross of all investment charges.



Created with Zephyr StyleADVISOR.

3 Performance Comparison

3.3 Low Risk and Capital Preservation Portfolios

3.3.1. Asset Allocation

Sanlam Namibia Active	Current	12 Months Ago	Change
Namibia Equities	0.0%	0.0%	0.0%
Namibia Bonds	2.2%	2.0%	0.2%
Namibia Cash	36.8%	36.1%	0.7%
Namibia Property	0.0%	0.0%	0.0%
South Africa Equities	0.6%	0.5%	0.1%
South Africa Bonds	14.3%	12.3%	2.0%
South Africa Cash	45.0%	48.5%	-3.5%
South Africa Property	1.1%	0.6%	0.5%
Offshore	0.0%	0.0%	0.0%
Other	0.0%	0.0%	0.0%
Total	100.0%	100.0%	

The total Namibian exposure is 39% for the Sanlam Namibia Active Fund. The Money Market Fund is managed by Capricorn Asset Management and is mainly invested in Namibian & South African cash investments.

3 Performance Comparison

Low Risk, Capital Protection Portfolios and Unlisted Investments

3.3.2. Returns

Returns: Low Risk Portfolio

	1 Year	3 Years (Annualised)	5 Years (Annualised)
Sanlam Namibia Active	9.2%	8.0%	8.0%
ALBI 1-3 Year Index	7.5%	6.6%	6.9%
Inflation	6.7%	5.3%	5.6%
Inflation + 1% to 2%	7.7%-8.7%	6.3%-7.3%	6.6%-7.6%

Returns: Capital Protection Portfolio

	1 Year	3 Years (Annualised)	5 Years (Annualised)	10 Years (Annualised)
Money Market Fund	6.6%	6.2%	6.0%	7.4%
IJG Money Market Index	6.9%	6.2%	6.0%	7.3%
Inflation + 1%	7.7%	6.3%	6.6%	7.4%

3.3.3 Unlisted Investments

	Market Value at 30 June 2016
IJG Frontier	10,485,804
Allegrow	664,321
Caliber Capital	18,738,325