

## LONG TERM OBJECTIVE

The Coronation Managed Strategy is an aggressive, clean slate fully discretionary balanced portfolio. The Strategy's objective is to outperform its peer group or a composite benchmark over meaningful periods (defined as at least 5 years). The Strategy is managed in accordance with the limits of Regulation 28 of the Pension Funds Act.

## INVESTMENT APPROACH

Coronation is a long-term, valuation-driven investment house. Our aim is to identify mispriced assets trading at discounts to their long-term business value (fair value) through extensive proprietary research. In calculating fair values, through our fundamental research, we focus on through-the-cycle normalised earnings and/or free cash flows using a long-term time horizon. The Portfolio is constructed on a cleanslate basis based on the relative risk-adjusted upside to fair value of each underlying security. The Portfolio is constructed with no reference to a benchmark. We do not equate risk with tracking error, or divergence from a benchmark, but rather with a permanent loss of capital.

## STRATEGY RETURNS GROSS OF FEES

| Period                       | Strategy | Benchmark | Active Return |
|------------------------------|----------|-----------|---------------|
| Since Inception (cumulative) | 5,109.0% | 2,750.7%  | 2,358.3%      |
| Since Inception p.a.         | 15.2%    | 12.7%     | 2.5%          |
| Latest 20 years p.a.         | 14.8%    | 12.9%     | 1.9%          |
| Latest 15 years p.a.         | 13.7%    | 12.0%     | 1.7%          |
| Latest 10 years p.a.         | 9.5%     | 8.2%      | 1.3%          |
| Latest 5 years p.a.          | 11.7%    | 8.8%      | 2.9%          |
| Latest 1 year                | 13.7%    | 7.1%      | 6.6%          |
| Year to date                 | 4.5%     | 2.4%      | 2.1%          |
| Month                        | 1.1%     | 0.6%      | 0.5%          |

## PERFORMANCE & RISK STATISTICS (Since inception)

|                               | Strategy | Benchmark |
|-------------------------------|----------|-----------|
| Annualised Standard Deviation | 11.8%    | 11.3%     |
| Maximum Drawdown              | (23.5)%  | (27.7)%   |

## ASSET ALLOCATION

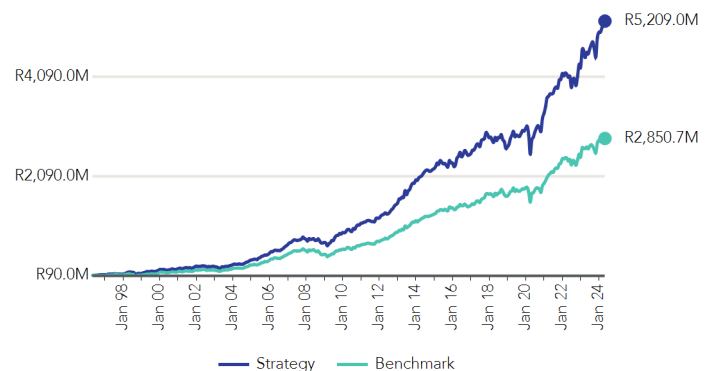
| Asset Type          | % Strategy |
|---------------------|------------|
| Local Equities      | 42.4%      |
| Foreign Equities    | 28.1%      |
| Foreign Bonds       | 10.7%      |
| Local Bonds         | 9.6%       |
| Local Real Estate   | 5.6%       |
| Local Hedge         | 1.6%       |
| Cash                | 1.4%       |
| Foreign Real Estate | 0.6%       |

## GENERAL INFORMATION

|                   |                      |
|-------------------|----------------------|
| Inception Date    | 01 May 1996          |
| Strategy Size †   | R21.35 billion       |
| Strategy Status   | Open                 |
| Mandate Benchmark | Median of Peer Group |
| Dealing Frequency | Daily                |
| Base Currency     | ZAR                  |
| Regulation 28     | Yes                  |

†Strategy assets under management as at the most recent quarter end.

## GROWTH OF R100M INVESTMENT



Benchmark: Median of Peer Group

## TOP 10 HOLDINGS

| Holding                                      | % Strategy |
|----------------------------------------------|------------|
| CORO GBL EQUITY FOF-Z                        | 11.5%      |
| CORONATION GEM EQUITY FUND                   | 6.5%       |
| PROSUS                                       | 5.6%       |
| RSA FIX 6.500% 280241                        | 2.8%       |
| CORONATION GLOBAL EQUITY SELECT FUND CLASS Z | 2.8%       |
| BRITISH AMERICAN TOBACCO PLC                 | 2.0%       |
| ANGLO AMERICAN PLC                           | 1.9%       |
| STANDARD BANK GROUP LTD                      | 1.9%       |
| ANHEUSER-BUSCH INBEV SA/NV                   | 1.9%       |
| NEDBANK GROUP LIMITED                        | 1.7%       |

## EFFECTIVE MATURITY PROFILE\*

| Term          | % Strategy<br>(incl. Cash) | % Strategy<br>(excl. Cash) |
|---------------|----------------------------|----------------------------|
| 0 to 1 year   | (1.3)%                     | 1.6%                       |
| 1 to 3 years  | 0.7%                       | 0.7%                       |
| 3 to 7 years  | 3.7%                       | 3.6%                       |
| 7 to 12 years | 1.8%                       | 1.7%                       |
| Over 12 years | 3.1%                       | 3.1%                       |

## MODIFIED DURATION\*

|                     |     |
|---------------------|-----|
| Portfolio           | 0.5 |
| Fixed Income Assets | 6.7 |

## PORTFOLIO MANAGERS



Neville Chester - BCom, CA (SA), CFA

Neville is a senior member of the investment team with 27 years' investment experience. He manages Coronation's Aggressive Equity Strategy and is co-manager of the Coronation Top 20 and Market Plus unit trust funds.



Nic Stein - BBusSc, CA (SA), CFA

Nic is a portfolio manager and analyst within the Coronation investment team with 15 years' investment experience. He co-manages the Coronation Aggressive Equity and Managed strategies as well as the Coronation Resources, Top 20 and Market Plus unit trust funds.

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