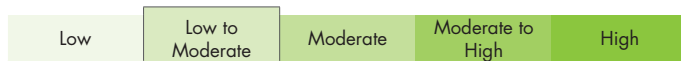


OLD MUTUAL STABLE GROWTH FUND

FUND INFORMATION

RISK PROFILE



RECOMMENDED MINIMUM INVESTMENT TERM



FUND OBJECTIVE

The fund aims to outperform inflation and provide a modest level of income while aiming not to lose money over any 18-month period. The portfolio manager actively manages asset allocation to take advantage of changing market conditions.

WHO IS THIS FUND FOR?

This fund is suited to investors who want their investment to grow in real terms and deliver a moderate level of income, with controlled risk of capital loss in the short term. It is typically suited to investors close to, or in retirement.

INVESTMENT MANDATE

The fund invests in cash, bonds, property and shares. The fund may invest up to 40% of its portfolio in equities. The fund may also invest up to 30% of its portfolio offshore in line with Treasury guidelines. Derivatives may be used for risk management purposes.

REGULATION 28 COMPLIANCE

The fund complies with retirement fund legislation. It is therefore suitable as a stand-alone fund in retirement products where Regulation 28 compliance is specifically required.

BENCHMARK:

CPI

PERFORMANCE TARGET:

CPI + 2% to 3% p.a. (net of fees)
Performance is targeted over the recommended minimum investment term and is not guaranteed.

RISK OBJECTIVE:

This fund aims to avoid losses over rolling 18-month periods.

ASISA CATEGORY:

South African – Multi-Asset – Low Equity

FUND MANAGER(S):

John Orford & Alida Jordaan
(Old Mutual Investment Group – MacroSolutions)

LAUNCH DATE:

01/07/2007

SIZE OF FUND:

R5.8bn

DISTRIBUTIONS: (Half-yearly)*

Date	Dividend	Interest	Total	Total %
31/12/2017	0.73c	4.94c	5.66c	1.80%
30/06/2017	0.77c	5.05c	5.82c	1.93%

* Class A fund distributions

FUND COMPOSITION

ASSET & PERCENTAGE ALLOCATION

SA Cash	31.0%
SA Equities	18.0%
Nominal Bonds	17.5%
International Equities	15.9%
SA Property	8.5%
Inflation-linked Bonds	5.5%
Preference Shares	2.7%
Africa Property	0.9%

FUND PERFORMANCE as at 28/02/2018

	% PERFORMANCE (ANNUALISED)					
	1-Yr	3-Yr	5-Yr	7-Yr	10-Yr	Since Inception ¹
Fund (Class A)	9.2%	6.0%	7.8%	8.9%	8.3%	8.2%
Fund (Class B1) ²	9.6%	6.4%	8.2%	9.3%	8.7%	8.7%
Benchmark*	4.4%	5.7%	5.5%	5.6%	5.8%	6.0%

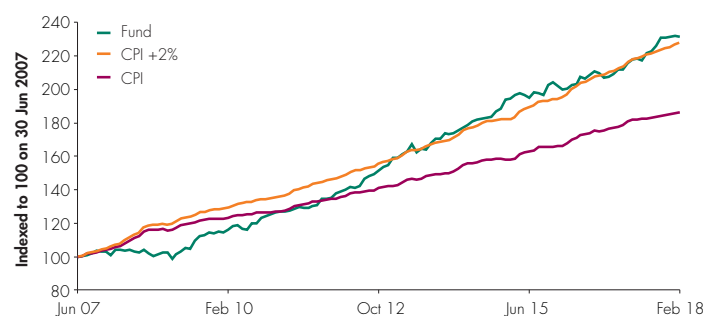
* The CPI figures are lagged by one month as the number was calculated before this month's inflation rate was released.

¹ Performance since inception of the fund.

² Class B1 Fund is only available through investment platforms such as Old Mutual Wealth. Performance measurements over periods shorter than the recommended investment term may not be appropriate. Past performance is no indication of future performance. Fund returns are net of fees and measured against the benchmark.

Rolling 12-Month Return	Highest	Average	Lowest
Fund (Since Inception)	18.6%	8.5%	-5.3%

Performance Since Inception

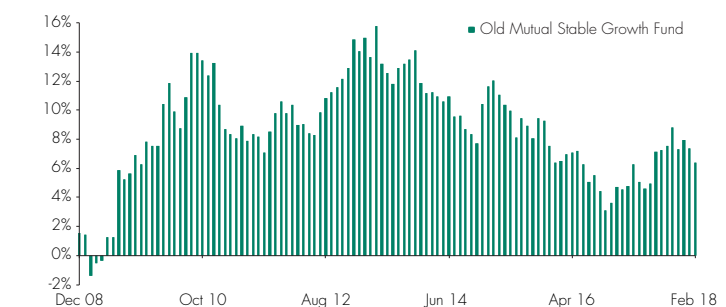


Past performance is no indication of future performance.

Risk Statistics (Since Inception)

Maximum Drawdown	-3.9%
Months to Recover	6
% Positive Months	75.0%
Annual Standard Deviation	4.3%

Risk Objective: Capital protection over 18 months



PRINCIPAL HOLDINGS as at 31/12/2017

HOLDING	% OF FUND
R212 2.75% 31/01/2022	4.3%
R2032 8.25% 31/03/2032	2.6%
R2023 7.75% 28/02/2023	2.5%
R186 10.5% 21/12/2026	2.4%
Naspers Ltd	2.0%
FirstRand NCD 8.2% 24/05/2018	1.9%
FirstRand NCD 8.225% 24/05/2018	1.6%
Standard NCD 8.2% 24/05/2018	1.3%
Growthpoint Properties Ltd	1.3%
R213 7.00% 28/02/2031	1.3%

Funds are also available via Old Mutual Wealth and MAX Investments.

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OLD MUTUAL STABLE GROWTH FUND

FUND MANAGER INFORMATION



JOHN ORFORD

PORTFOLIO MANAGER

- BA Economic History (Hons), Postgraduate Dip (Quantitative Development Economics), MSc (Development Economics), MBA
- 14 years of investment experience



ALIDA JORDAAN

PORTFOLIO MANAGER

- B/Mus (Hons) (cum laude), MBA (cum laude), CFA
- 22 years of investment experience

FUND COMMENTARY as at 28/02/2018

Was February 2018 a turning point for South Africa? In the shortest month of the year, South Africa replaced its president and reshuffled its cabinet, with some well-known faces taking up critical cabinet positions. Another key event was that the then Finance Minister, Malusi Gigaba, recommitted South Africa to a path of fiscal consolidation in his one and only Budget address. Of particular note was the increase in the VAT rate for the first time in over two decades.

Investors rewarded local assets for these developments: the bond market rallied (+3.9%) despite a weakening global bond environment; many of the local property counters moved higher (apart from the Resilient stable); and banks and retailers led the equity market (although the broad market fell during the month, weighed down by global trends). The rand again moved stronger over the month, but gave up a portion of those gains in the final days of February, with land expropriation developments weighing negatively. Global bond yields have been rising from very low levels in recent months and continued this trend in February. As expected, given the improving growth outlook, the global equity market largely ignored the rise in bond yields – until

February, that is. Equity markets did a sharp aboutturn from peaking late in January, falling 7.5% in the first few trading sessions of February. Global data remains robust, but the strength of the economic recovery started to raise fears that inflation will rise, which would lead central banks to tighten monetary policy faster than expected. Volatility rose concurrently, with the sell-off in global equity markets.

The fund delivered slightly negative returns during the month, as global and local equity markets corrected after a period of very strong performance. Over the past year, the fund returned 9.2%, which is excellent relative to peers, cash and inflation. During the month, weakness in both local and global equities detracted from the fund's performance. The fund benefited from an overweight exposure to local cash and a significant holding in local government bonds, including inflation-linked bonds. Nominal and inflation-linked bonds were the only two major asset classes to outperform cash during the month, as the rand and bond markets reacted positively to the Budget Speech. Despite the strong performance of local government bonds, we have not reduced our position. We think recent performance is largely pricing out political risk.

With inflation likely to remain low, we expect the central bank to cut interest rates and this should continue to see local bonds delivering reasonable returns to investors.

Despite the positive political sentiment in South Africa, local equities gave back gains during the month. In particular, rand strength put a dampener on the resources and industrial sectors. In contrast, the bank and retail sectors showed slightly positive returns over the month. During the month we added to our banking sector exposure and also added new positions in some local companies that should benefit from a better domestic economic outlook, namely Raubex and Super Group. Within local property, our preference for locally focused companies paid off, with our property exposure significantly outperforming the listed property sector. Looking ahead, the fund has a considerable exposure to local bonds, property and equities that should benefit from the much more favourable domestic outlook. The fund is well diversified and should continue to deliver good real returns while preserving capital.

Source: Old Mutual Investment Group as at 28/02/2018

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 3.42%.

Investment transactions below the R500 fund minimum incur a 2.28% administration charge.

* Please note: Initial charges do not apply to the Class B funds.

ONGOING

	Class A	Class B1*
Annual service fees (incl. VAT)	1.48%	1.08%

* Please note: The Class B1 Fund is only available through investment platforms such as Old Mutual Wealth. The 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. These include the fees and costs relating to underlying global asset class exposures, which range between 0.20% and 0.50% as the fee for equity exposures is typically higher than the fee for fixed income or money market exposures. A portion of Old Mutual Unit Trusts' annual service fees may be paid to administration platforms.

TAX REFERENCE NUMBER: 9153/631/17/2

ISIN CODES:	Class A	Class B1
	ZAE000097770	ZAE000097788

Total Expenses	36 Months		12 Months	
	Class A	Class B1*	Class A	Class B1*
Total Expense Ratio (TER)	1.61%	1.22%	1.60%	1.20%
Performance Fee (included in TER)	0.02%	0.02%	-	-
Transaction Cost (TC)	0.06%	0.06%	0.05%	0.05%
Total Investment Charge	1.67%	1.28%	1.65%	1.25%

* Please note: The Class B1 Fund is only available through investment platforms such as Old Mutual Wealth.

The Class A Fund and Class B1 Fund ceased charging performance-related service fees with effect from 1 January 2015. The 36-month TER includes a portion of performance fees earned during 2015 and 2016, which will be included in the calculation of the class's TER in 2017.

TER is a historic measure of the impact the deduction of management and operating costs has on a fund's value. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER, which includes the annual service fee, may not necessarily be an accurate indication of future TERs. Transaction Cost (TC) is a necessary cost in administering the fund and impacts fund returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of fund, the investment decisions of the investment manager and the TER.

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We aim to treat our clients fairly by giving you the information you need in as simple a way as possible, to enable you to make informed decisions about your investments.

We believe in the value of sound advice and so recommend that you consult a financial planner before buying or selling unit trusts. You may, however, buy and sell without the help of a financial planner. If you do use a planner, we remind you that they are entitled to certain negotiable planner fees or commissions.

You should ideally see unit trusts as a medium- to long-term investment. The fluctuations of particular investment strategies affect how a fund performs. Your fund value may go up or down. Therefore, we cannot guarantee the investment capital or return of your investment. How a fund has performed in the past does not necessarily indicate how it will perform in the future.

The fund fees and costs that we charge for managing your investment are disclosed in this Minimum Disclosure Document (MDD) and in the table of fees and charges, both of which are available on our public website or from our contact centre.

Additional information of the proposed investment, including brochures, application forms and annual or quarterly reports, can be obtained, free of charge, from Old Mutual Unit Trust Managers (RF) (Pty) Ltd, from our public website at www.omut.co.za or our contact centre on 0860 234 234.

Our cut-off time for client instructions (e.g. buying and selling) is at 15:00 each working day for all our funds, except the Money Market Funds, the price of which is set at 13:00. These are also the times we value our funds to determine the daily ruling price (other than at month-end when we value the Old Mutual Index Funds and Old Mutual Multi-Managers Fund of Funds range at 17:00 close). Daily prices are available on the public website and in the media.

Unit trusts are traded at ruling prices, may borrow to fund client disinvestments and may engage in scrip lending. The daily ruling price is based on the current market value of the fund's assets plus income minus expenses (NAV of the portfolio) divided by the number of units on issue.

This fund holds assets in foreign countries and therefore it may have risks regarding liquidity, the repatriation of funds, political and macroeconomic situations, foreign exchange, tax, settlement, and the availability of information.

The Net Asset Value to Net Asset Value figures are used for the performance calculations. The performance quoted is for a lump sum investment. The performance calculation includes income distributions prior to the deduction of taxes and distributions are reinvested on the ex-dividend date. Performances may differ as a result of actual initial fees, the actual investment date, the date of reinvestment and dividend withholding tax. Annualised returns are the weighted average compound growth rates over the performance period measured. Performances are in ZAR and as at 28 February 2018. Sources: Morningstar and Old Mutual Investment Group (FSP no. 604).

Old Mutual Unit Trust Managers (RF) (Pty) Ltd, registration number 1965 008 47107, is a registered manager in terms of the Collective Investment Schemes Control Act 45 of 2002. Old Mutual is a member of the Association for Savings and Investment South Africa (ASISA). Old Mutual Unit Trust Managers has the right to close the portfolio to new investors in order to manage it more efficiently in accordance with its mandate.

Trustee: Standard Bank, PO Box 54, Cape Town 8000. Tel: +27 21 401 2002, Fax: +27 21 401 3887.

Issued: March 2018