



How the Fund Works

The Capital Protection Fund is an actively managed smoothed fund. The fund aims to give investors the benefits of some equity participation while at the same time ensuring that the value of the fund will not fall. The majority of the fund is invested in cash deposits and bonds. The declared minimum growth rate for 2012 is 1.0%. This is before management charges, e.g. a 1.0% management charge will result in a minimum growth rate of 0.0%.

Market Value Adjustment

Where clients switch their assets out of the Capital Protection Fund Irish Life may apply a Market Value Adjustment, thereby reducing the amount available. This reduction does not apply to transfers to other arrangements which occur within nine months of leaving employment or on retirement or death. Currently the Market Value Adjustment is 0%.

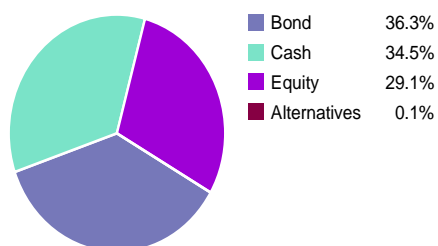
Investment Risk



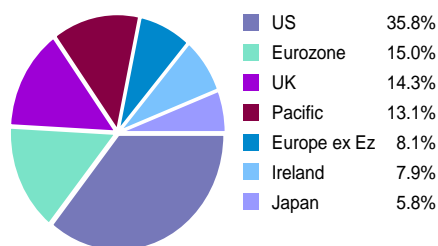
This is a low risk fund. While there will be a low level of volatility in fund returns, there is also only a low potential for gains. It is suitable for investors who are close to retirement or have a low appetite for risk.

Warning: The value of your investment may go down as well as up.

Asset Distribution



Equity Distribution



Performance

Period	Return
YTD	3.0%
1 Year	3.2% p.a.
3 Year	1.4% p.a.
5 Year	1.3% p.a.
10 Year	1.9% p.a.

These returns are based on a standard annual management charge of 1%. Management charges may vary.

The return of this fund since launch (1st January 1989) is 5.35% p.a.

Warning: Past Performance is not a reliable guide to future performance.

Warning: This fund may be affected by changes in currency exchange rates.

Market Commentary

Although equity markets continued to make gains in March, the pace of these gains and equity market momentum has slowed from the levels seen in January and February. Developed equity markets outperformed emerging markets as investors' appetite for risk began to wane, resulting in emerging market equities giving back some of the robust gains achieved since the start of the year. Volatility increased in the AAA government bond space. German, US and UK government bonds sold off as their yields moved out to 2.04%, 2.36% and 2.34% respectively by the middle of March, rallying back to the month start levels in the last week of March.

This fund may engage in securities lending to earn returns.



Irish Life