



How the Fund Works

The Flexible Fund is mainly invested in bonds, with some investment in cash, equities and alternative assets such as emerging markets equity and corporate bonds.

The Flexible Fund is suitable for those who will accept some volatility in the investment performance and want reasonable potential for growth.

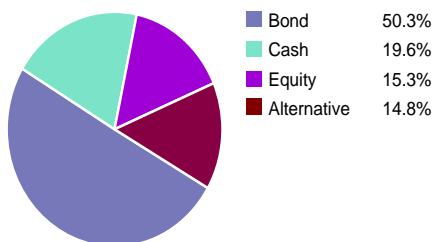
Investment Risk



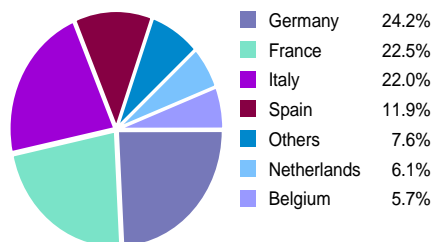
This is a medium risk fund which can have some level of volatility. The potential return from the fund will also be medium. It is suitable for investors who will accept some level of risk.

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

Asset Distribution



Bond Distribution



Performance

| Period | Return | Benchmark |
|-------------|-----------|-----------|
| Last Mth | -0.3% | -0.2% |
| Qtr to date | 5.0% | 5.1% |
| YTD | 5.0% | 5.1% |
| 1 Year | 2.1% p.a. | 2.9% p.a. |

These returns are based on a standard annual management charge of 0.65%. Management charges may vary. **The return of this fund since launch (19th January 2010) is 2.68% 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