



How the Fund Works

The Indexed European Equity Fund is a passively managed fund which aims to track the FTSE® Europe (excluding UK) Index. The fund is designed to achieve average European equity fund returns on a consistent basis, eliminating manager selection risk.

This fund is 100% invested in European equities. The amount invested in each company is based on the weighting of that company within the market as a whole. If, for example, Total Fina is 4% of the market, this fund will be 4% invested in Total Fina.

Investment Risk



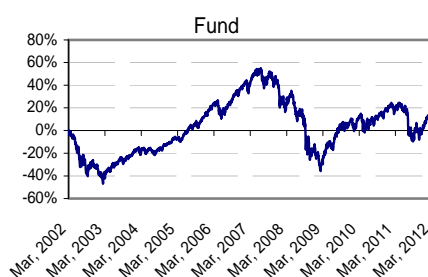
This is a very high risk fund which can have a very high level of volatility. Therefore it may not be suitable for investors who have less than 13 years to retirement. The fund is most suitable for long term investment.

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

Top Stocks

Largest Stocks	Weight %
TOTAL EUR2.5	3.6
SANOFI EUR2	3.1
SIEMENS AG NPV	2.9
BASF AG NPV	2.5
TELEFONICA SA EUR1	2.3

Performance



Year	Return	Benchmark
2012 YTD	9.9%	9.8%
1 Year	-6.5%	-9.7%
3 Year %p.a.	15.5%	13.1%
5 Year %p.a.	-4.6%	-6.0%

These returns are based on a standard annual management charge of 0.65%. Management charges may vary. **The return of this fund since launch (18th October 1996) is 5.68% 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

Business confidence continued to stabilize in March as both the services and manufacturing PMI data increased slightly during the month. The signals from the German economy have remained mixed, implying the lacklustre nature of the recovery there. One area of strength that continues is the labour market as the recovery there is showing no signs of abating. Employment continued to rise and the number of unemployed persons decreased to the lowest reading since March 1992. As expected the ECB left its monetary policy stance unchanged. The ECB's economic assessment was also unchanged as the central bank continued to see downside risks to growth and broadly balanced risks to inflation.

This fund may engage in securities lending to earn returns.



Irish Life



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The above refers to references to FSTE benchmarks throughout this document.

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