



How the Fund Works

The Indexed Hedged Global Equity Fund invests in a diverse range of global equities. The Fund is managed on an indexed basis and this means that the country, sector and stock allocations within the fund are dictated by the FTSE® World Index. The non-Euro currency elements of the Fund are hedged back to Euro to eliminate all currency risk for a € investor. This Fund is designed to track the performance of the Euro Hedged FTSE® World Index. The non-Euro currency positions are hedged on a monthly basis for 1 month using currency forwards. The currency positions are based on the geographical weights and the resulting currency exposures within the index and at the end of the following month are adjusted to reflect the revised geographical and revised currency positions. The forward positions are then adjusted on a daily basis to account for subscriptions and redemptions on the fund as they occur. This process ensures that the fund delivers the performance of the FTSE® World Index having eliminated all fluctuations due to currency movements. This fund is designed to achieve equity fund returns on a consistent basis but to eliminate the manager selection risk and the stock selection risk i.e. the risk of being with an investment manager who under performs. The benchmark for this Fund is a customised benchmark which FTSE® will provide to ILIM.

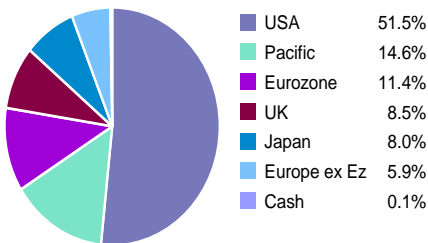
Investment Risk



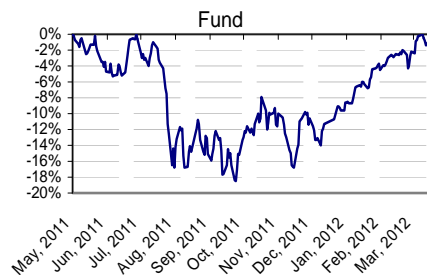
This is a very high risk fund which can have a very high level of volatility. Therefore it may not be suitable for investors who have less than 13 years to retirement. The fund is most suitable for long term investment.

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

Country Distribution



Performance



| Period | Return | Benchmark |
|-------------|--------|-----------|
| Last Mth | 1.4% | 1.6% |
| Qtr to date | 10.8% | 11.0% |
| YTD | 10.8% | 11.0% |

These returns are based on a standard annual management charge of 0.75%. Management charges may vary. **The return of this fund since launch (13th May 2011) is -0.40% 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



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

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