

Easy Steps Portfolio 1 Fund

Your Easy Steps Risks Profile

The Easy Steps Portfolio 1 Fund is suitable for Conservative investors who:

- Value protecting their capital over investment returns.
- Are comfortable accepting lower returns for a higher degree of stability.
- Typically primarily seek to minimize risk and loss of capital.

The fund is managed by Irish Life Investment Managers (ILIM). The risk profiles above are defined by Invesco. For more information on risk profiles and the funds available to you please see your Invesco fund guide.

How is the Fund Invested?

The fund is managed through a passive (indexed) investment strategy. The fund manager replicates the securities held in the index in the proportion that they are held.

The fund is allocated across the following market indices:

Bonds Merrill Lynch AAA/AA > 10 year Government EMU Bond Index

Cash: Short term deposits and other cash like instruments

Warning: If you invest in this product you may lose some or all of the money you invest

What is the Target Asset Allocation?

Lower Risk Assets	
Cash	40%
Bonds	60%

Higher Risk Assets	
Global Equities	0%
Equity Alternatives	0%

Allocations are rebalanced on a quarterly basis back to the target asset allocation

How has the Fund Performed?

Given that the fund generally follows a passive (indexed) strategy, the fund aims to deliver performance in line with the benchmark index, less any fees and transaction costs.

Period	Quarterly Return	*YTD	*1 Year
Easy Steps Portfolio 1	1.8%	4.5%	4.5%
Benchmark	2.1%	5.7%	5.7%

Returns are quoted net of fees. The fund was launched in September 2012, so these returns are simulated. *Simulated performance may not be a reliable guide to future performance. The performance of contributions in any given year will depend on both the frequency and the duration of the contributions. The Easy Steps Portfolio 1 Fund is managed by Irish Life Investment Managers.

Note: Market conditions may sometimes require us to impose certain restrictions to switches or exits from your pension funds. These restrictions may include a delay in switching funds and/or applying a market value adjustment to the fund.

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

**Warning: These figures are estimates only.
They are not a reliable guide to the future performance of your investment**

What Happened in the Markets over the Quarter?

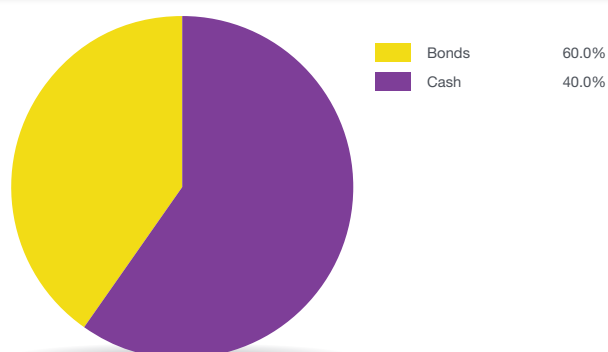
The fourth quarter was positive for investment markets with both equities and bonds providing solid gains. Improving economic momentum in the key economies of the US and China, combined with continued provision of monetary support by global central banks and on-going reduction of tail risks across Europe supporting markets. There was a period of volatility immediately post the US Presidential election relating to uncertainty over negotiations on the 'fiscal

cliff' issue in the US but as confidence grew that an eventual resolution would be found, markets steadied and continued to make progress towards year end. European bond markets were up 4.4% as yields fell in both core and peripheral markets, the latter benefiting from the earlier announcement of a bond buying programme by the ECB.

Source ILIM 31/12/2012

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Asset Allocation



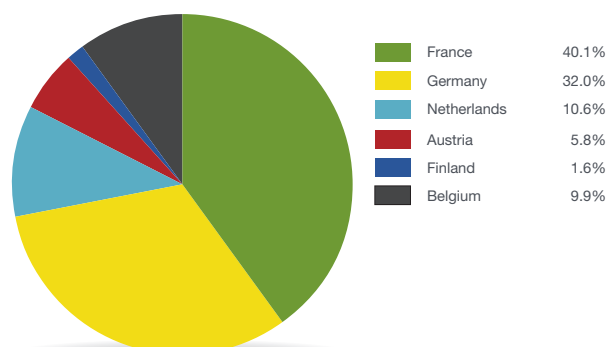
Current allocation as 31/12/2012

Key Characteristics

Number of Bonds	43
Number of Countries	6
Modified Duration	13.65
Yield %	2.33%

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

Country Allocation - Bonds



Current allocation as 31/12/2012

Bond Holdings

France	40.1%
Germany	32.0%
Netherlands	10.6%
Austria	5.8%
Finland	1.6%
Belgium	9.9%

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



Irish Life