Scope

GROSS FUND PERFORMANCE
31st August 2010

Markets During The Month

Equity markets gave back some of the gains made in July shrugging off merger and acquisition activity. Investors moved money out of equities and invested in bonds as concerns continued to mount that the US economy is weakening. In fact, the yield of AAA government bonds fell to historically low levels during the month, as the German ten year yield finished the month at 2.12%, while in the US the ten year yield fell to 2.48%. Investors concerns were also evident in other asset classes, as the Euro gave back some gains against the dollar, while Gold also reversed the losses that were made in July. In other commodity sectors returns were more mixed, as the base metals traded slightly lower, even though copper, which is often seen as a leading indicator for global activity, traded higher.

The bond markets grabbed most of the headlines during the months especially as bond yields of AAA countries fell to historically low levels. Risk aversion is considered the primary reason that investors are pouring money into core bond markets. However increased regulation on both banks, from Basel III, and pension funds, particularly in the Netherlands and Denmark, has increased demand for bonds. Extra demand has also been created by the Federal Reserve for US government bonds. During the recession the Federal Reserve bought $2.3tln worth of Mortgage Backed Securities and expectations had been that once these maturities expired that they Federal Reserve would withdraw this liquidity from the market and hence reduce its balance sheet. However at its August meeting the Federal Reserve announced that it would use these funds to buy government bonds. This news has moved the markets expectations for any interest rate hikes in the US out to early 2012 which once again has made the carry trade in the bond markets more attractive. The carry trade is when investors borrow at the short end of the yield curve where interest rates are currently lower and invest this money in longer dated government bonds.

Peripheral bond markets, on the other hand suffered in August, most notably Ireland. The S&P downgraded Ireland's credit rating to AA- on the back of uncertainties around the backing system and implementing the fiscal austerity measures. As a result, Irelands cost of borrowing increased as the spread of the Irish ten year government bond over the ten year German bond rose to a record high of 3.73%.

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Irish Life

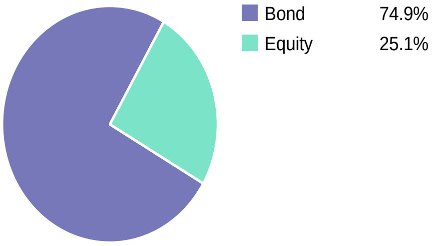
SecureScope

Information is correct as at the 31st August 2010 Volatility/Risk

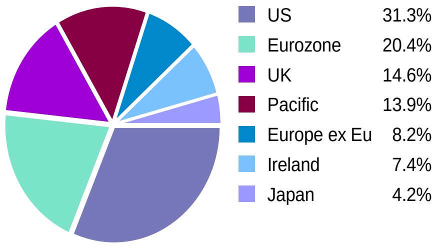
How the Fund Works

About three quarters of the fund is invested in fixed interest securities (bonds) with the remainder invested in shares. The fund provides a capital guarantee after five years.

Asset Distribution



Equity Distribution



Performance

Period	Return
YTD	0.89%
1 Year	2.6% p.a.
3 Year	-1.05% p.a.
5 Year	0.88% p.a.

Returns are quoted net of fees. The annual management charge is 1.5%. There is no Bid/Offer Spread.

Market Commentary

Eurozone bonds had another good month despite strong economic data in core Europe. With German GDP printing at 2.2% for Quarter 2, a rally in yields might have been expected but as issues in peripherals continued, German yields hit new lows of 2.08%. European data remained strong with leading indicators still pointing towards robust growth in core regions although peripheral countries continued to struggle. Ireland was particularly hard hit as concerns for the banking system emerged again as the amount to be injected into Anglo Irish Bank increased by another 10bn. This combined with weak economic data caused Irish bond spreads to widen out to new record levels near 360bps for 10 year bonds. Despite this the NTMA issued 1.5bn of bonds in their monthly auctions and confirmed that they would continue their monthly auctions in September despite being fully funded into Q2 2011.

August was a typically low issuance month with few new issuances to push up yields. Germany announced that they would be reducing their issuance in the coming years as the revenues were higher than forecasted which helped support low yield levels. US data continued to drive core European yields lower as fears of a double dip recession continued. The Fed announced extension of their Quantitative Easing in the reinvestment of maturities and coupons of the bonds purchased. These had initially been expected to mature and roll off thereby improving the Feds balance sheet. US yields fell to all time lows as markets priced out rate hikes into late 2011. ECB increased its bond purchases to support the peripheral markets as Irish woes led to liquidity problems. Septembers ECB meeting will be watched closely for signs of withdrawal of excess liquidity and any direction for rates. September will also see the reopening of the primary bond market and expect that yields will have the potential to move higher, particularly in core Europe.

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Irish Life

Wisdom Scope

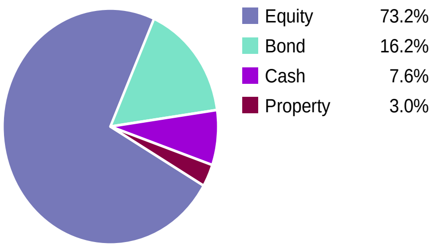
Information is correct as at the 31st August 2010

Volatility/Risk

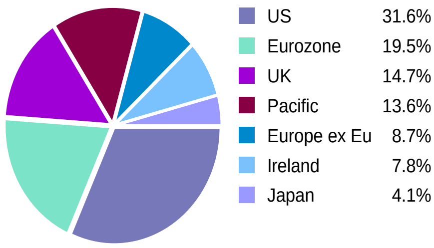
How the Fund Works

Approximately three quarters of Wisdomscope is invested in share with the remainder invested in bonds, property and cash.

Asset Distribution



Equity Distribution



Performance

	Fund	Average Managed Fund
1 Year %p.a.	8.4%	9.6%
3 Year %p.a.	-8.8%	-7.9%
5 Year %p.a.	-1.4%	-0.7%

Returns are quoted net of fees. The annual management charge is 1.5%. There is no Bid/Offer Spread.

Market Commentary

Equity markets gave back some of the gains made in July shrugging off merger and acquisition activity. Investors moved money out of equities and invested in bonds as concerns continued to mount that the US economy is weakening. In fact, the yield of AAA government bonds fell to historically low levels during the month, as the German ten year yield finished the month at 2.12%, while in the US the ten year yield fell to 2.48%. Investors concerns were also evident in other asset classes, as the Euro gave back some gains against the dollar, while Gold also reversed the losses that were made in July. In other commodity sectors returns were more mixed, as the base metals traded slightly lower, even though copper, which is often seen as a leading indicator for global activity, traded higher.

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In Stock News

Glaxosmithkline, the UK pharmaceutical company, gained 9.9% as it benefited from a positive broker note highlighting the emergence from its generic cliff, improved legal risk profile, promising pipeline options and scope for upgrades from improved product level geographical disclosure.

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Irish Life

Global Scope

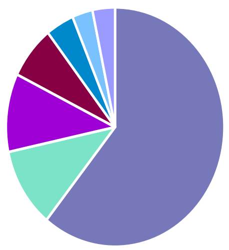
Information is correct as at the 31st August 2010

Volatility/Risk

How the Fund Works

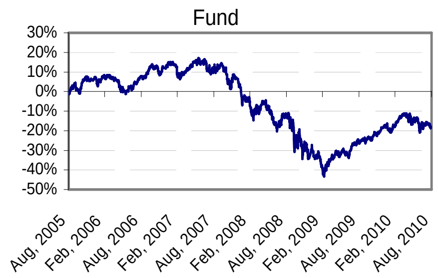
Globalscope aims to track the Dow Jones Gobal Titans shares. This represents 50 of the biggest companies in the world. These companies will give you the chance to benefit from a very broad range of shares which are truly worldwide.

Country Distribution



USA	60.7%
UK	11.0%
Others	10.5%
Switzerland	7.3%
France	4.0%
Germany	3.3%
Spain	3.2%

Performance



Year	Global Scope
2010 YTD	0.2%
1 Year	9.2%
3 Year %p.a.	-10.1%
5 Year %p.a.	-4.0%

Returns are quoted net of fees. The annual management charge is 1.5%. There is no Bid/Offer Spread.

Market Commentary

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In Stock News

Pfizer gained 6%, boosted by good second quarter results with earnings comfortably ahead of consensus and full year guidance towards the upper end of the previously announced range.

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Irish Life

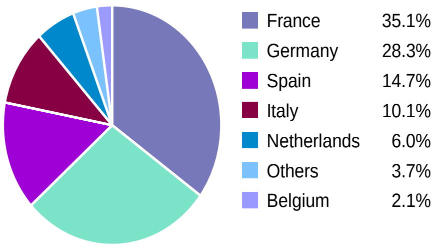
EuropaScope

Information is correct as at the 31st August 2010 Volatility/Risk

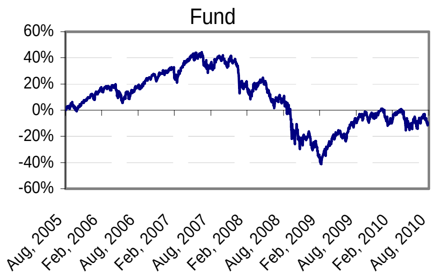
How the Fund Works

The Europascope fund is designed to track the **Euro Stoxx 50 index.** The Euro Stoxx 50 index has fallen by 2.5% in euro terms over the last year.

Country Distribution



Performance



Year	EuropaScope	Euro Stoxx 50
2010 YTD	-9.6%	-9.2%
1 Year	-3.2%	-2.5%
3 Year %p.a.	-12.9%	-12.3%
5 Year %p.a.	-2.1%	-1.4%

Returns are quoted net of fees. The annual management charge is 1.5%. There is no Bid/Offer Spread.

Market Commentary

The Eurozone economy surprised markets and grew by 1% QoQ well ahead of expectations in the second quarters, which is the fastest pace of growth in four years. Germany was a particular source of strength as it grew by 2.2% during the quarter as a result of business investment and stronger than expected trade. However consumer spending also contributed to overall growth. The outlook growth in the region remained robust as the IFO business confidence survey continued to move higher despite expectations that it would weaken. This improvement was driven largely by the assessment of current situation component while the expectation component declined slightly. The strong rebound in the German economy has been offset somewhat by continued weakness in the peripherals, as the Greek economy continued to contract, while in Spain and Portugal growth was muted. Expectations are that peripheral economies will lag the recovery. The austerity measures that have been taken in Greece are on track and the government appears to be in line to meet its 2010 targets. Elsewhere volatility has increased for Ireland as ongoing concerns about the banking sector are weighing on sentiment.

Despite the strong performance of Germany, the ECB has pushed back any plans to remove liquidity. The weekly main refinancing operation and the 1-month special term refinancing operation will remain as fixed price at least until January 18th 2011, while the LTRO will through until at least the fourth quarter. This in turn delays expectations of potential rate hikes. However the ECB's expectation for growth and inflation were revised higher, although with a degree of caution on the more uncertain outlook for the global economy.

In Stock News

Bayer gained 9% on the back of strong phase III efficacy and safety data for key pipeline drug Xarelto in the Deep Vein Thrombosis setting.

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Irish Life

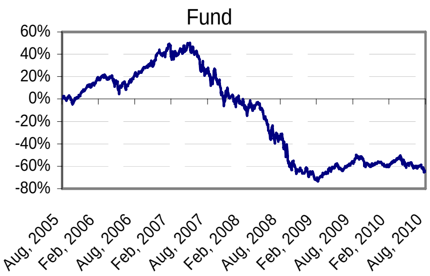
CelticScope

Information is correct as at the 31st August 2010 Volatility/Risk

How the Fund Works

The Celticscope fund is designed to track the **FTSE Ireland All-Share index** benchmark.

Performance



Year	CelticScope
2010 YTD	-15.5%
1 Year	-19.3%
3 Year %p.a.	-34.4%
5 Year %p.a.	-18.6%

Returns are quoted net of fees. The annual management charge is 1.5%. There is no Bid/Offer Spread.

Stock List

Largest Stocks	Weight %	Country
CRH	30.28	Ireland
KERRY GROUP	11.90	Ireland
RYANAIR	9.72	Ireland
BANK OF IRELAND	9.04	Ireland
ELAN CORP	7.02	Ireland
Total Stocks Listed	**67.96**	

Market Commentary

Negative sentiment towards Ireland's government bond market escalated in August and pushed the spread of Ireland's ten year government bond over German ten year government bond rose from 2.3% at the start of the month to 3.7% at the end of the month. The restructuring of the banking sector has contributed to the volatility as estimates for the cost to the government for recapitalizing the banks continued to increase and hence has increased expectations for the government's deficit for 2010. Sentiment deteriorated further during the month when the S&P downgraded Ireland's credit rating to AA- and cited the uncertainty around the banking capitalization and the risks to the government implementing its fiscal austerity measures as the reason for the downgrade. Irish equity markets also underperformed global equities in August and shed over 7%. The high concentration of CRH in the ISEQ caused the underperformance as CRH fell 23% following a profit warning, which had a weighting in the index as high as 28% at the start of the month.

Elsewhere the business sentiment surveys continued to ease in August as both the manufacturing and services PMI indices moved lower, but remained in expansionary territory. Consumer confidence also weakened as retail sales remained lacklustre and failed to show any signs of a recovery. The labour market also showed little sign of recovery as a further 2,500 people added to the live register in August following the 8,500 increase seen in July.

In Stock News

Kerry Group rose 6%, reported stronger than expected first half results, particularly in Asia and in the food ingredients business, this has led to earnings upgrades.

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Irish Life

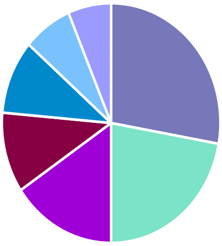
Banc Scope

Information is correct as at the 31st August 2010 Volatility/Risk

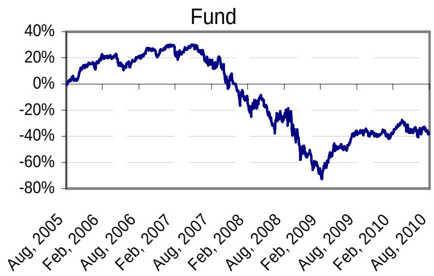
How the Fund Works

The fund was launched in June 2002 and invests in the 50 largest global banks providing Irish investors with the opportunity to invest in a truly diversified portfolio banking stocks that have a global presence.

Country Distribution



Performance



Year	Banc Scope
2010 YTD	1.1%
1 Year	-2.5%
3 Year %p.a.	-19.0%
5 Year %p.a.	-9.1%

Returns are quoted net of fees. The annual management charge is 1.5%. There is no Bid/Offer Spread.

Market Commentary

Largest Stocks	% Weight	Country
HSBC	8.01%	UK
JP Morgan	6.73%	US
Bank of America	5.76%	US
Wells Fargo & Co	5.67	US
Bco Sant Cent	4.48	Spain

In Stock News

Natixis rose 4.83%. Reported its second quarter results in early August, showed good numbers in a more challenging environment than in the first quarter of 2010.

Barclays fell 9% as expectations for investment banking activities deteriorated through the month as market participants indicated activity levels generally remained subdued.

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Irish Life

Tele Scope

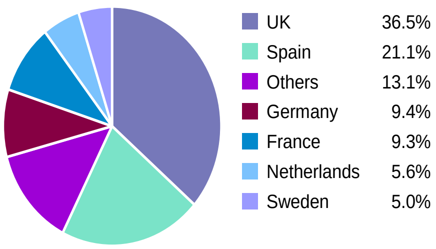
Information is correct as at the 31st August 2010

Volatility/Risk high risk

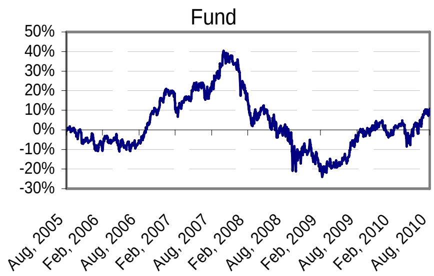
How the Fund Works

Telescope tracks the performance of the Dow Jones European Telecoms Index.

Country Distribution



Performance



Year	Tele Scope
2010 YTD	6.7%
1 Year	15.4%
3 Year %p.a.	-3.6%
5 Year %p.a.	2.0%

Returns are quoted net of fees. The annual management charge is 1.5%. There is no Bid/Offer Spread.

Market Commentary

Largest Stocks	% Weight	Country
Vodafone	30.43	UK
Telefonica	21.12	Spain
Deutsche Telekom	9.40	France
France Telecom	9.29	Germany
Kon KPN	5.66	Netherlands

In stock News

Vodafone's was up 6% as shares received a strong boost towards the end of August on the back of growing market expectation that the company will begin a round of significant asset disposals.

Royal KPN rose 7.12%. Further to the share repurchase program announced on 26 January 2010, KPN announced that from 16 to 20 August 2010, it has repurchased 1,692,252 KPN ordinary shares at an average price of EUR 10.94. To date, approximately 62% of the repurchase program has been completed. Market reacted positively to this.

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Irish Life

Tech Scope

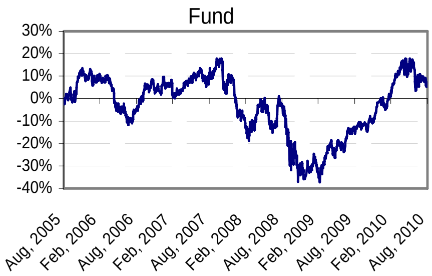
Information is correct as at the 31st August 2010

Volatility/Risk

How the Fund Works

Techscope tracks the performance of the Nasdaq 100 Index. The index is up 8.75% in local terms (22.79% in euro terms) over the last 12 months.

Performance



Year	Tech Scope
2010 YTD	7.2%
1 Year	22.9%
3 Year %p.a.	-1.8%
5 Year %p.a.	1.1%

Returns are quoted net of fees. The annual management charge is 1.5%. There is no Bid/Offer Spread.

Stock List

Largest Stocks	Weight %	Country
Apple	19.01	US
Qualcomm	4.66	US
Microsoft	4.35	US
Google	4.13	US
Oracle	2.82	US

Market Commentary

During August the technology sector fell approx 5.8% in Euro terms.

In Stock News

Qualcomm, the mobile phone chip manufacturer, gained 0.6%, continuing to benefit from its raised guidance in July. At investor meetings in August it reiterated the benefit it expects from better pricing as mobile phone vendors transition to smartphones while new product launches early in 2011 should further improve its leading position in the industry.

IBM also outperformed even though it was down 4.1% as it bought a software company which allows customers build more targeted marketing campaigns. It was also seen as possibly benefiting from any disruptions at Hewlett Packard following the resignation of the CEO.

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Irish Life

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Investment Outlook

The risks to the economic recovery have increased in recent months, particularly as more countries take austerity measures which are likely to curb economic growth in the developed economies. This has been acknowledged by financial markets and has therefore resulted in increased volatility in bond, equity, commodity and currency markets as well as a notable flight to safer assets. As a result gold is trading close to record high levels, while AAA government bonds have also traded higher.

Leading indicators are being closely watched for signs that activity has slowed as a result of the austerity measures that governments are introducing. In the Eurozone and the US the business confidence surveys continue to point to growth, although there has been a modest decline in investor confidence in the Eurozone and consumer confidence in the US.

Elsewhere, economic growth in the developed world has become more broad based as economies become less reliant on government stimulus. For example first quarter US growth was driven by a boost in business spending, while in the Eurozone growth was buoyed by domestic demand. The labour markets in these regions, which are seen as lagging indicators are also stabilizing. There has been job growth in the US for the past five consecutive months, while employment in the Eurozone was unchanged in France, Germany and Spain in the first quarter. As a result many economic forecasters such as the IMF and OECD increased their forecasts for the global economy, which is now expected to grow by 4.4%, with the emerging economies continuing to drive growth.

The recovery has also been evident in companies' earnings reports, as companies noted a pick up in activity and were more positive about the outlook for the second half of 2010. However many companies in the US were unwilling to fully accept that a full recovery had begun given the high level of unemployment and subdued consumer sentiment.

The sell-off in equity markets and on going improvement in earnings has resulted in valuations improving to more attractive levels than seen in the first quarter of 2010. However volatility is likely to continue for investors as the risks to the recovery continue to play out and investors adjust to a lower growth environment as global economies rebalance from the financial crisis. More subdued returns for equity market than seen in 2009 are likely, with expectations somewhere between 0-10%.

Disclosure

DISCLOSURE:-
Irish Life Investment Managers Limited is regulated by the Financial Regulator.

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The performance shown represents past performance and does not guarantee future results. Past performance is not indicative of future results. Our investment management services relate to a variety of investments, each of which can fluctuate in value. The value of funds we manage may fall as well as rise, and the investor may not get back the full amount originally invested. In making an investment decision, prospective investors must rely on their own examination of the merits and risks involved.

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