

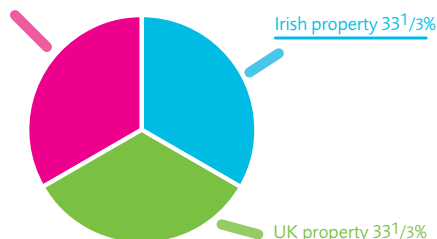
How the Property Portfolio Fund works

The fund gives access to the potential benefits of commercial property across a wide range of countries, sectors and property managers. It will invest initially in a mix of over 380 prime property investments currently in Ireland, the UK and across 13 other European countries. The Property Portfolio Fund will invest in a mix of direct and indirect property investments. The indirect property investments will be used to give the fund access to top quality property investments in overseas markets.

Initial investment mix

European property 33 1/3%

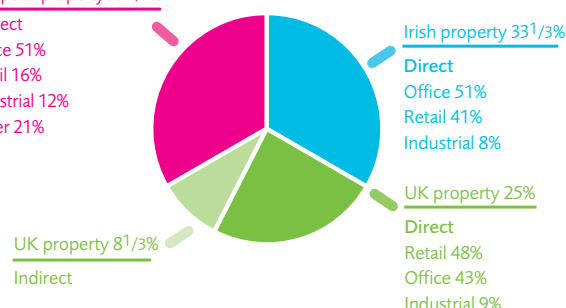
France
Germany
Italy
Denmark
Portugal
Romania
Hungary
Poland
Sweden
Finland
Greece
Norway
Czech Republic



The types of properties

European property 33 1/3%

Indirect
Office 51%
Retail 16%
Industrial 12%
Other 21%



Key features

Commercial property

Opportunity to access a very well-diversified portfolio of commercial property investments.

Wide range of prime investments

- Invests currently across a mix of prime Irish, UK and European property investments.
- Invested across each property sector: retail, office and industrial, with a wide range of tenants.

Local managers for local property expertise

Ireland: Irish Life Investment Managers. (ILIM)

UK: ILIM for direct property investments, indirect managers currently include CBRE, UBS and Schroders.

Europe: Henderson Global Investors currently manage our European property investments. They currently invest in 19 specialist property funds looked after from some of Europe's top fund managers.

Open-ended property fund

You can invest on a daily basis and the fund managers can actively manage the asset mix to take account of changing market conditions.

Borrowings

The UK and European parts of the fund will use borrowings to increase the amount of property that the fund is invested in. This gives the fund the potential for enhanced returns and may also give enhanced losses if the properties fall in value.

Hassle-free property investing

There's no dealings with tenants, estate agents and solicitors. Plus there's none of the tax paperwork. We take care of all of this for you.

Property Fund performance

Fund Property Portfolio Fund

1 month	-0.34%
1 year	9.7%
Performance since fund launch	18.8% (March 2006)

These figures are before tax and net of management charges.



Irish Life

more options for your future

Property Portfolio Fund

Our investment pedigree

The Property Portfolio Fund is managed by Irish Life Investment Managers (ILIM) - one of Ireland's leading investment managers with almost €35 billion of assets under management. ILIM currently manage €3 billion worth of property investments.

ILIM's award winning performance includes:

- KPMG 2006 & 2007 Award for Investment Excellence; and
- 2004, 2005, 2006 Moneymate awards for investment performance.



A look at some of our current property investments

Ireland



No. 2 Custom House Plaza, IFSC, Dublin 1.
Tenants include Fortis, Hanover RE and TD Global Finance.



Airside Retail Park, Swords, Co Dublin.
Tenants include Smyths Toys, Harvey Norman and Atlantic Homecare.



The Pavillions, Swords.
Among its tenants are Dunnes, Superquinn etc.



St. Stephen's Green Shopping Centre, Dublin 2.
Tenants include Benetton and Argos.

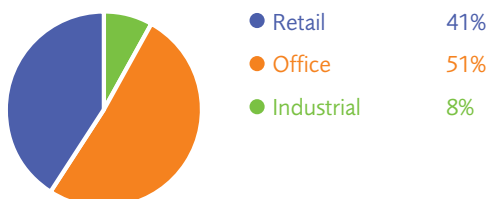
Irish Market News

Tommy Hilfiger is reported to have agreed a letting of a new store to be developed on the former Grafton Arcade site on Grafton Street.

There has been an increase in the number of property investment over the recent months which is good news for the Irish Market given the volatility of recent months. Irish property has also performed very positively over the last six months.

Irish Fund News

Marks & Spencer have signed contracts to open their biggest outlet in Ireland at Phase III of the Pavillions in Swords. Irish Life's Property Fund is a major investor in the Pavillions so this is good news for the fund.



Property Portfolio Fund

Europe



Greece Property.
Let to the German furniture retailer - Praktiker.



Rue de Tronchet, Paris.
Tenants include Cacharel, Gap and Massimo Dutti.



Discovery Fund, Centro Nitra.



Stationsparken, Glostrup, Denmark.
Large office property home to L'Oreal Denmark.

European Property Market Outlook

The European element of this fund is managed by Henderson Global Investors. Henderson have committed to investing €30m into a sub fund called The Discovery Fund 3C.

The Discovery Fund is a Central and Eastern European development focussed on the Czech Republic, Slovakia and Romania. Discovery will develop real estate and undertake investments into all real estate sub-sectors in under-managed assets and assets suitable for redevelopment. The rationale behind this investment is the funds proven track record, the emphasis they place on management quality, favourable commercial terms and access to the Discover Group pipeline.

The acquisition of one new Fund during the quarter has resulted in the Henderson portfolio consisting of 19 underlying sub-funds. This is consistent with our investment style of focussed investments with relatively few underlying managers.



Discovery Fund, Prague, Czech Republic.



CEE rest	13%	Denmark	6%	Czech Republic	5%
France	8%	Norway	4%	Sweden	19%
Germany	11%	Greece	10%	Romania	3%
Italy	17%	Portugal	4%		

European Property Investments:

API Denmark
API Norway
Bluehouse Accession Property II
BNL Business Hotels
Central Europe Industrial Fund
Endurance Real Estate Fund
Endurance Residential
3EP Car Park Investors SCA
FOSCA

Italian Opportunities Fund II
Nextra Sviluppo Immobiliare
Nordic Activ
Olinda
Rockspring German Retail Warehouse
Rockspring Greek Retail Warehouse
Rockspring Portuguese Partnership
JER Fund III
Protego Nordic Retail Fund
The Discovery Fund 3C

Property Portfolio Fund

UK



Chalfont Square,
Reading.

A prime retail park with tenants including Marks & Spencer and McDonalds.



1 Golden Square,
West End, London.

Let to Virgin Radio.



117 Piccadilly,
London.

Let to St. James Wealth Management Group plc.



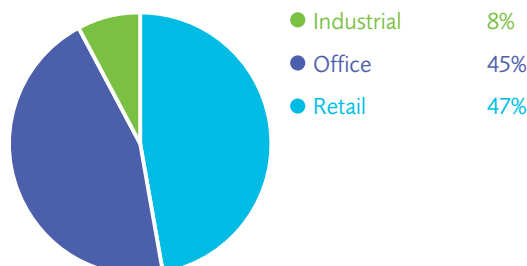
Warehouse in Nimbus Park
let to MFI and DHL.

In Market News

The UK economic indicators continue to show a healthy and robust economy which will continue to attract the best companies and be supportive of occupier demand and rental growth prospects. The Office Sector has been the strongest performing sector this year at 7% year to date. Central London office market has seen a strong level of activity. Unprecedented building activity in the city in particular is projected to lead to an over supply of new space which is likely to result in a softening in rental growth post 2007.

The Retail sector has underperformed this year with a year to date total return of 1.2%. Whilst consumer demand continues to remain quite robust the impact of higher interest rates and subdued wage growth is likely to constrain the consumer going forward. Market conditions are therefore expected to remain challenging for retailers.

A breakdown of the existing direct property portfolio is as follows:



Warning: The value of your investment may go down as well as up. Past performance is not a reliable guide to future performance. This investment may be affected by changes in currency exchange rates.

The views expressed in this document in relation to the market outlook for property are not forecasts, projections or guarantees of likely future returns from the Property Portfolio Fund. The returns on this fund will depend on the actual fund growth achieved in the future from the underlying assets after deduction of buying, selling, and other fund costs. The market news and fund information is provided by Irish Life Investment Managers and Henderson Global Investors. Information correct as of 01 November 2007. Irish Life Assurance plc is regulated by the Financial Regulator.



Irish Life

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