

Magnet Adventurous Quarterly Fund Factsheet

Quarter 1, 2012

Fund Snapshot

Size	€2.4m
Asset	(Mixed)
Regions Covered	8
Diversification	
Overall Risk rating	low high
Annualised Volatility	12.56%*

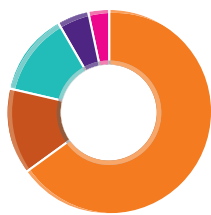
*Volatility over 12 month period to date.

Fund Splits



23.2%	International Equity
4.0%	Index Linked
9.2%	Fixed Interest
3.1%	Cash
13.5%	Insight Currency
5.0%	UK Select Property
14.7%	KBI Global High Yield Equity
15.5%	Explorer (Emerging Markets)
11.7%	Indexed Global (exEurozone) Equity

Asset Class Splits



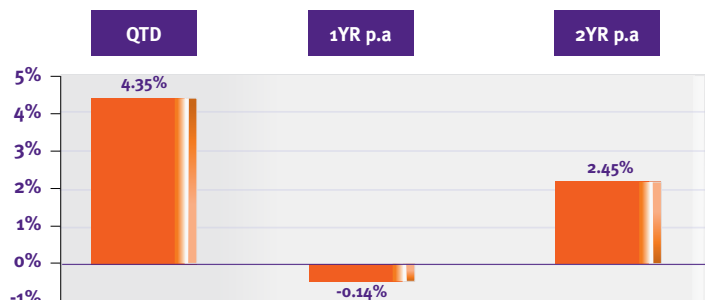
65.1%	Equities
13.6%	Absolute Return Strategies
13.2%	Bonds
5.0%	Commercial Property
3.1%	Cash

Comparative Performance of Underlying Funds

Fund	Quarterly Performance
International Equity	7.45%
KBI Global High Yield Equity	6.20%
Explorer (Emerging Markets)	10.14%
Indexed Global (exEurozone) Equity	10.70%
Insight Currency	-9.30%
Cash	0.00%
UK Select	1.05%
Index Linked	3.08%
Fixed Interest	3.05%

Fund Performance

Source: MoneyMate



Market Commentary

Magnet Adventurous pursues a growth strategy with high exposure to growth assets. The fund's allocation to the Currency Fund together with modest allocations to Bonds and Property helps to keep its volatility consistent with a typical balanced managed fund. The fund's equity allocation is diversified internationally although it has a high weighting towards emerging markets.

Equities recorded more strong gains in the first quarter on the back of the positive nature of economic data streaming out of the US and a renewal of confidence in the Euro's survival prospects. The increased appetite for risk among investors was most apparent in cyclical stocks - financials, consumer discretionary and industrial sectors rather than the more defensive higher dividend stocks. Export oriented Emerging market equities made solid gains with the promise of further rate cuts in Brazil and the Chinese authorities also announced measures to increase liquidity. Russia rallied on the back of rising oil prices. In terms of regions North America stocks followed by European stocks were the best contributors to fund performance while Pacific Basin and Japanese stocks lagged.

The currency component of the fund was reduced in favour of two asset classes included in Magnet Adventurous for the first time. 5% of the fund was allocated to UK Select property instead of Bonds, where there has been some steadying of investor sentiment. There was also the allocation of a portion of the portfolio to Bonds. Both assets are expected to underpin the risk/reward characteristics of the fund.

Insight Currency posted a 9.3% loss in the quarter largely owing to the trend-following component initially suffering a loss on the reversal of the long-term trend in USD/JPY and further losses on a similar reversal of a long-term trend in EUR/AUD. Whilst re-emphasising that there is no all weather asset class, the Currency Fund has been a very good diversification tool for portfolios consisting of equities over the long-term.

Magnet Adventurous recorded a steady gain over the quarter with 8 out of 9 components in positive territory.

Information source: Friends First, unless otherwise stated.
All figures quoted are as at 31st March 2012



Looking forward to your future

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Fund Summary

Magnet Adventurous is a higher risk fund of funds which invests across the range of Friends First investments. It invests in growth assets at the higher end of the risk scale. It has a high equity weighting and a significant exposure to emerging markets. It aims to maximise returns but uses some exposure to growth assets uncorrelated to equities to help dampen volatility.

What is Magnet Adventurous?

The Friends First Magnet Adventurous fund is a complete investment package. It gives unparalleled opportunity to invest with some of the world's best fund managers and top-performing funds, thereby offering genuine diversity and potential for superior returns.

It has a high, but well diversified, equity exposure and uses a significant exposure to uncorrelated growth assets, namely the Currency Fund, to help reduce volatility.

The Magnet Adventurous fund is managed on two levels. Each fund is actively managed by its own individual manager, while Friends First manages the overall fund mix.

Key Features

- Complete investment package
- Higher risk with almost 100% exposure to growth assets
- Exposure to specialist Emerging Market & Currency funds
- 3 award winning fund managers

Asset Classes and Fund Managers

Equities

Fund Managers: F&C Ireland (F&C)
Kleinwort Benson Investors (KBI)
State Street Global Advisors Limited (SSgA)

Investing in shares increases potential returns over the medium to long term. In selecting a diverse range of shares the risks posed by underperformance of a stock or sector are minimised.

KBI manage a Global High Yield fund within the portfolio.

KBI has a rigorous stock selection process that isolates companies that are committed to paying above average dividends relative to their industry group. They believe that companies that pay higher dividends than their peers are better managed and offer good growth potential.

F&C manage an International Equity fund within the portfolio. F&C's fund offers great diversification as it invests in over 250 companies across continental Europe, the US, UK and Asia. F&C use a 'fair value' approach to stock selection. They analyse companies to determine their fair value and see opportunities in companies where the markets have priced them below this fair value.

The Indexed Global (ex Eurozone) Equity fund invests in an underlying (SSgA) passively managed fund which aims to track the performance of the FTSE World Developed (ex Eurobloc) Index. This type of fund offers a huge degree of stock diversification and reduces fund manager stock selection risk.

Alternative Equity

Fund Manager: F&C Management Ltd (F&C)

Most mainstream equity funds only invest in developed markets. However, a significant portion of the world growth is now being generated in developing markets such as Latin America, Russia, India and parts of Asia. F&C's Explorer fund provides exposure to these developing markets.

Absolute Return Strategies

Fund Manager: Alder Capital

Alder Capital manage a currency fund which aims to profit from movements and trends in exchange rates. Currency funds have tended to have their periods of positive and negative performance at different times than the other asset classes in the fund.

Bonds & Cash

Fund Manager: F&C Ireland

A small portion of monies are invested in fixed interest and cash. This is mainly for liquidity and also adds some extra diversification.

Property

Fund Manager: F&C Ireland (F&C)

The advantage of investing in property funds is that you are investing in a portfolio of properties instead of just one. Magnet Adventurous will invest in F&C funds that hold commercial property in Ireland and the UK. F&C have won the Best Property Investment Company of the year in 2005, 2006, 2007 & 2008 in the MoneyMate/Investor Magazine awards.

Warning: Past performance is not a reliable guide to future performance.
Warning: The value of your investment may go down as well as up.
Warning: Funds may be affected by changes in currency exchange rates.
Warning: If you invest in this product you may lose some or all the money you invest.

 **Friends First**
Looking forward to your future