

Investment Policy and Objectives

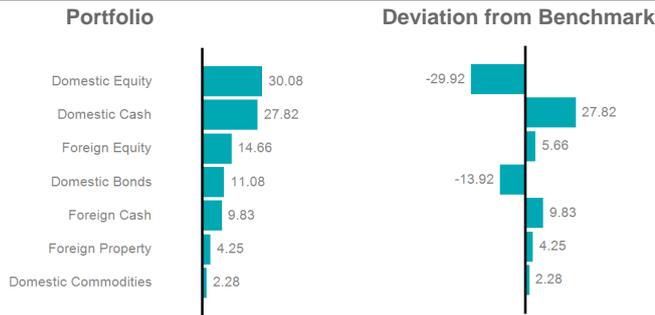
The Portfolio's main objective is to generate a reasonable level of current income and capital growth for the investor. The portfolio will consist of a diversified spread of investments in securities and non-equity securities, in a manner which is similar to that usually employed by retirement schemes. The investments in securities would include shares and preference shares, including property shares and property loan stock, listed on exchanges, non-equity securities and participatory interests of other collective investment schemes.

Performance (%)

	1 year	3 years	5 years	10 years
Class B1	4.51	10.01	12.94	11.26
Sector	3.22	9.56	10.81	9.88
Benchmark	1.41	11.72	14.03	12.62
Rank (Class B1)	52/133	52/94	21/72	11/40
Lowest Return over 12 Rolling Months	4.51	4.51	4.51	-30.12
Highest Return over 12 Rolling Months	11.70	26.49	26.49	46.61

*Annualized Return: is the weighted average compound growth rate over the performance period measured. The performance is calculated for the portfolio. The individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax. Figures quoted are from Morningstar for the period ending 31 January 2016 for a lump sum, using NAV-NAV prices and do not take any upfront manager's charge into account. Income distributions are declared on the ex-dividend date. Actual investment performance will differ based on the upfront manager's charge applicable, the actual investment date and the date of reinvestment of income.

Asset Allocation (%)



Portfolio Facts

Portfolio Size	R 7'303.50 million
Sector Classification	South African - Multi Asset - High Equity
Income Distribution	Net revenue is calculated daily and distributed bi-annually.
Income Declaration	30 June & 31 December
Benchmark	FTSE/JSE Shareholders Weighted All Share Index 60%; BEASSA All Bond Index 25%; MSCI World Index (USD) 9%; Barclays Global Aggregate Bond Index 6%

Class B1

Launch Date	01 Aug 1994
Minimum Investment	
Lump Sum	R5,000
Debit Order Per Month	R500
ISIN No.	ZAE000020103
JSE Code	GDBS
Total Expense Ratio *	1.30%
Maximum Portfolio Charges **	
Upfront Charge: Manager	0.00%
Upfront Charge: Intermediary	3.42%
Total Service Charge	1.14%
Service Charge Intermediary Portion	0.00%

* Please refer to page 2 under "Statutory Disclosure and General Terms & Conditions"
 ** Additional Information can be obtained from Portfolio Charges Brochure on www.stanlib.com

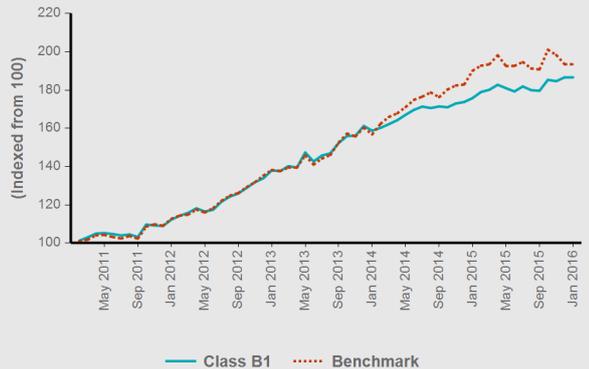
Highlights ***

. An award winning three star rated fund from STANLIB's Multi-Asset Investment Franchise.

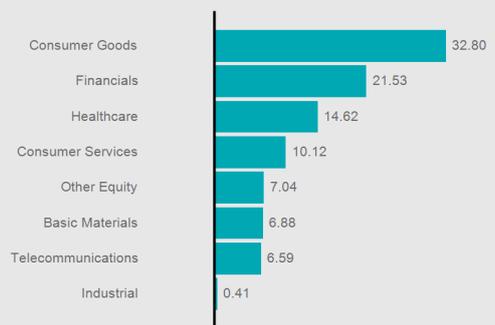
PlexCrown Rating (3/5 crowns)



Cumulative Performance - Last 5 years



Domestic Equity Sector Allocation (%)



Income Distribution

	Paid in the last 12 months	Paid during 2015	2015 payments as a % of year end price
Class B1	21.59 cpu	21.59 cpu	2.90 %

Top Domestic Equity Holdings (% of Fund)

British American Tobacco Plc	4.19
STEINHOFF N.V.	3.00
New Gold	2.27
First Rand Ltd	2.16
Medi-clinic Corp.	1.83
Vodacom Group PTY LTD	1.80
Aspen Pharmacare Holdings Ltd	1.76
Barclays Africa Group Ltd	1.54
Sanlam Ltd	1.23
Netcare	1.12

Risk Rating

Conservative	Moderate	Aggressive
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Franchise

The STANLIB Multi-Asset Franchise currently offers exposure to seven different asset classes: domestic assets (equities, bonds, listed property and cash) and foreign assets (equities, bonds and cash). Value is added to funds through the implementation of both a strategic and tilt asset allocation strategies. The domestic equity comprises the Stanlib Core Equity offering. Bonds, property, cash and international are managed by the in-house specialists. The STANLIB Asset Allocation Process is housed in this investment franchise. The franchise manages domestic equities through the implementation of the STANLIB Core Equity investment philosophy and process. The management of other asset classes is outsourced to in-house specialists.

Quarterly Comments

The STANLIB Balanced Fund increased by 3.5% over the last quarter ended 31 December 2015, outperforming its relative benchmark by 2.1%.

The domestic stock market, especially locally focused names, saw unprecedented volatility as the minister of finance was unexpectedly changed and then changed again a couple of days later. The local currency was dumped as an escape route from the heightened uncertainty, driving the rand to record low levels against the dollar. This saw local bond yield blowing out with unprecedented declines in the capital values of more than 6%. The underweight position in local bonds contributed 1.1% to the fund's total outperformance. Similarly to the previous quarter, the fund benefitted from its overweight positions in international equities and cash, which had a positive attribution of 3%.

The US Federal Reserve finally decided to increase interest rates by 0.25% after advertising the event for some time. The benign inflation outlook coupled with a struggling global growth environment questions the follow through of this restrictive monetary policy action though. Worries over the extent of the slowdown in the Chinese economy kept commodity prices on the back foot and extended further pressure to other emerging markets currencies. Their strategy of weakening their local currency may also have far reaching consequences for the rest of the globe as they compete more aggressively in the export market. Closer to home, we saw the South African Reserve Bank also increasing interest rates in an environment, other than the developed world, where upward pressure on inflation is starting to intensify.

Equity valuation levels remains at elevated levels, with a preference for income products which should still be able to deliver inflation beating returns without the risk of substantial capital losses in the former. Our preference remains skewed to offshore equities, where we find far more value and conviction relative to an expensive domestic equity market.

Looking ahead

We have a bias towards companies that can take advantage of the business cycle stage that we envisage with a strong reference to underlying intrinsic value. We have positioned your Fund conservatively, given the extent of equity market gains over the past six years, together with the level of valuations and continued uncertainty around the global growth path; we remain cautiously tilted to higher quality multi-national companies that have a long-term history of compounding returns over time.

Statutory Disclosure and General terms & Conditions

Collective Investment Schemes in Securities (CIS) are generally medium to long term investments. The value of participatory interests may go down as well as up and past performance is not necessarily a guide to the future. An investment in the participations of a CIS in securities is not the same as a deposit with a banking institution. CIS are traded at ruling prices and can engage in borrowing and scrip lending. A schedule of fees and charges and maximum commissions is available on request from STANLIB Collective Investments Ltd (the Manager). Commission and incentives may be paid and if so, would be included in the overall costs. Forward pricing is used. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Liberty is a full member of the Association for Savings and Investments of South Africa. The Manager is a member of the Liberty Group of Companies.

This portfolio is valued on a daily basis at 15h30. Investments and repurchases will receive the price of the same day if received prior to 15h30. This is a current yield as at 31 January 2016.

The Total Expense Ratio (TER) of a portfolio is a measure of the portfolio's assets that were relinquished as operating costs expressed as a percentage of the daily average value of the portfolio calculated over a period of usually a financial year. Typical expenses which are deducted from a portfolio include service charges, taxes, trustee fees and audit fees.

The manager does not provide any guarantee either with respect to the capital or the return of a portfolio. The manager has a right to close the portfolio to new investors in order to manage the portfolio more efficiently in accordance with its mandate

Additional information about this product, including brochures, application forms and annual or quarterly reports, can be obtained from the Manager, free of charge, and from the website: www.stanlib.com. The prices of unit trust funds are calculated and published on each working day. These prices are available on the Manager's website and in the South African printed news media.

*** Highlights

The Plexus Survey ranks management companies based on consistency of performance of portfolios under management for the (one/two/three) year period ended 30 June 2014. Only companies with at least three portfolios under management in sectors comprising four or more ranked portfolios are considered, with index portfolios excluded. Based on a lump sum investment on a NAV-NAV basis with income reinvested.

The Total Expense Ratio (TER) for this class or portfolio is indicated above, for the period from 01 Jan 2015 to 31 Dec 2015. A higher TER ratio does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indicator of future TERs.

Trustees : Standard Chartered Bank, 4 Sandown Valley Crescent, Sandton, 2196, Tel: 011 217 6600

Portfolio Manager

Herman van Velze

With a mining engineering background, Herman started his asset management career in 1993 as a mining analyst. Winner of several awards in 2007, he has successfully managed the STANLIB Balanced Fund since 2005 and is currently Head of Balanced Funds.



Robin Eagar

Robin started his investment career in 1998 working in corporate finance & private equity. At STANLIB he began as an Industrial Analyst, transferring in 2006 to managing general equity funds. Robin has successfully managed Balanced Funds since 2007 and is currently Head of Balanced Funds.



Warren Buhai

Following 5 years in corporate finance at Standard Bank, Warren joined STANLIB in 2005 where he initially specialised in resources analysis and portfolio management. He has been a portfolio manager in the Multi-Asset Franchise since 2009.



Fund Features

The Fund's main objective is to generate a reasonable level of current income and capital growth.

The Fund invests in a diversified spread of cash, bonds, property, equity and offshore assets with a maximum of 75% in equities.

The Fund is Regulation 28 compliant.

Risk

General market risks:

- A decline in property values
 - Share price volatility
 - Change in interest rates and economic conditions.
- Where foreign securities are included in the portfolio there may be additional risks, such as potential constraints on liquidity and the repatriation of funds, macroeconomic risks, political risks, tax risks, settlement risks, and potential limitations on the availability of market information.

Contact Details

STANLIB Collective Investments (RF) Limited
Reg. No. 1969/003468/06

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Compliance No :

HX3675

Total Expense Ratio, Transaction Costs & Total Investment Charge

Total Expense Ratio (TER) : This shows the charges, levies and fees relating to the management of the portfolio and is expressed as a percentage of the average net asset value of the portfolio, calculated over a rolling three years (where applicable) and annualised to the most recently completed quarter. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs.

Transaction Costs (TC) : The percentage of the value of the fund as costs relating to the buying and selling of the Fund's underlying assets. Transaction costs are a necessary cost in administering the Fund and impacts fund returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of Fund, investment decisions of the investment manager and the TER.

Total Investment Charges (TIC) : The percentage of the value of the Fund incurred as costs, relating to the investment of the Fund. As fund returns are reported after deducting all fees and expenses, these costs (the TER & TC) should not be deducted from the fund returns. It is the sum of the TC & TER.

TER and Transaction Costs Breakdown

Fund Class	TER	TC	TIC
B1	1.3%	0.14%	1.44%

TER + TC = TIC

Where a transaction cost is not readily available, a reasonable best estimate has been used. Estimated transaction costs may include Bond, Money Market and FX Costs (where applicable)