

Investment Policy and Objectives

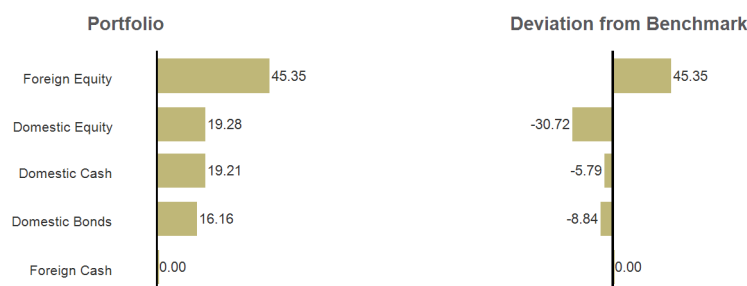
This portfolio is balanced in nature and seeks to provide capital growth through investment in a combination of equities, bonds and cash. The bonds and cash element in the portfolio should result in a lower level of volatility, compared with a 100 percent equity portfolio. The fund's investment mandate allows for up to 30% of the portfolio to be invested into private companies registered and operating within the borders of Lesotho.

Performance (%)

| | 1 year | 3 years | 5 years |
|-----------|--------|---------|---------|
| Class A | 13.21 | 24.59 | 67.80 |
| Benchmark | - | - | - |

Figures quoted are from MoneyMate for the period ending 31 December 2009 for a lump sum, using NAV-NAV prices and do not take any upfront managers charge into account. Income distributions are declared on the ex-dividend date. Actual investment performance will differ based on the upfront managers charge applicable, the actual investment date and the date of reinvestment of income.

Asset Allocation (%)



Portfolio Facts

| | |
|------------------------------|---|
| Portfolio Size | M 119.76 million |
| Sector Classification | |
| Income Distribution | Net revenue is declared on a daily basis and distributed bi-annually. |
| Income Declaration | 30 June & 31 December |
| Benchmark | Forbes MW - Global best Invest |

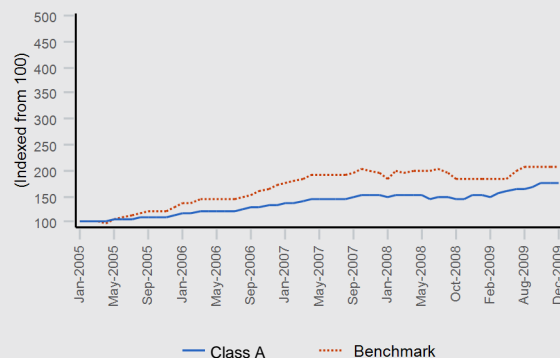
| | Class A |
|------------------------------|-------------|
| Launch Date | 16 Aug 2001 |
| Minimum Investment | |
| Lump Sum | M500 |
| Debit Order Per Month | M100 |
| ISIN No. | N/A |
| Official Code | STLES |
| Total Expense Ratio * | N/A |

| Maximum Portfolio Charges ** | |
|-------------------------------------|-------|
| Total Upfront Charge | 5.00% |
| Upfront Charge Intermediary Portion | 0.00% |
| Total Service Charge | 1.50% |
| Service Charge Intermediary Portion | 0.00% |

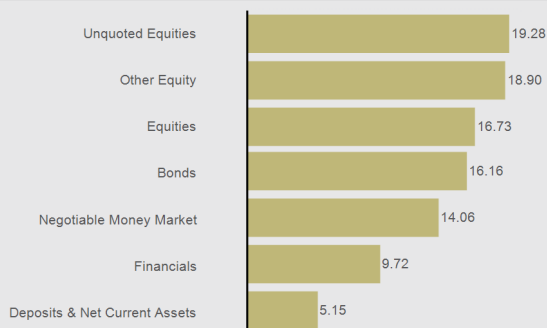
* Please refer to page 2 under "Statutory Disclosure and General Terms & Conditions"
 ** Additional Information can be obtained from Portfolio Charges Brochure on www.stanlib.com

Highlights

Cumulative Performance - Last 5 years



Sector (%)



Income Distribution

| | Paid in the last 12 months | Paid during 2008 | 2008 payments as a % of year end price |
|---------|----------------------------|------------------|--|
| Class A | 13.13 cpu | 16.63 cpu | 11.75 % |

Top Holdings (%)

| | |
|--|-------|
| STANLIB Prosperity Fund A Class | 18.90 |
| STANLIB Offshore Managed Conservative Fund | 16.73 |
| LESOTHO INCOME FUND CLASS A | 16.16 |
| Standard Lesotho Bank Money Market Fund B3 | 14.06 |
| STANLIB Property Income Fund A Class | 9.72 |
| Standard Lesotho Bank Ltd | 8.35 |
| Lesotho Brewing Company | 5.96 |
| Lesotho Brewing Shares | 4.34 |
| Aon Lesotho Shares 1 | 0.42 |
| Aon Lesotho Shares | 0.21 |

Risk Rating

| | | |
|--------------|----------|------------|
| Conservative | Moderate | Aggressive |
|--------------|----------|------------|

Who should Invest

The Lesotho Unit Trust is suitable for smaller pension funds, private individuals seeking long-term capital growth and customers who seek a low to medium risk investment with exposure to local private equity and Lesotho Government Treasury Bills as well as investments in global equity markets. The fund is managed in accordance with the trust deed and is subject to stringent investment guidelines as overseen by independent Trustees.

Benefits

Tax Efficient:
With effect from 1 September 2006, the LUT is subject to Capital Gains Tax. Dividends and interest earned remain tax-free to unit holders.

Accessibility:
You can sell your units at any time. It is however recommended that an investment in any unit trust be viewed as medium to long-term, typically over a five to seven year period.

Peace of Mind:
Professional stock trading and market analysis is our key strength, so why not entrust your valuable investment with managers who are experts in this field?

Statutory Disclosure and General terms & Conditions

Unit Trust investments are generally medium to long-term investments. The value of units may go down as well as up and past performance is not necessarily a guide to the future. Valuations of the assets of the Standard Lesotho Bank Income Fund are conducted in accordance with the provisions of the Trust Deed and the applicable laws, rules and regulations. Neither Standard Lesotho Bank Group Limited nor SBL Unit Trust (Pty) Ltd, nor any of their officers, employees, agents, consultants, associates or assigns accept any liability howsoever arising from or in connection with valuations so conducted. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. It is possible that certain assets within a unit trust fund can only be priced on a monthly basis. Forward pricing is used. An investment in the units of a unit trust is not the same as a deposit with a banking institution. A schedule of fees and charges and maximum commissions is available on request from Standard Lesotho Bank Unit Trust (Pty) Ltd ("the Manager"). Commission and incentives may be paid and if so, would be included in the overall costs. The Manager reserves the right to close certain portfolios from time to time in order to manage them more efficiently. More details are available from the Manager. The Manager undertakes to repurchase units at the price calculated in accordance with the terms and conditions of the relevant deed. All portfolios are valued on a daily basis at 15h30 with the exception of some of the Fund of Funds and Feeder Funds, which are valued at 17h00. Investments and Repurchases will receive the price of the same day if received prior to 15h30. Participatory interest prices are calculated on a net asset value basis, which is the total value of all assets in the Portfolio including any income accrual and less any permissible deductions from the Portfolio divided by the number of participatory interests in issue. Permissible deductions include brokerage, MST / UST, auditor's fees, bank charges, trustee / custodian fees, RSC levies and the service charge levied by Standard Lesotho Bank Unit Trust (Pty) Ltd ("the Manager").

Trustees : ABSA Bank Ltd, 6th Floor, Absa Towers North (6E1), 180 Commissioner Street, Johannesburg, 2001, 2001, Tel: 011 350 4000

Portfolio Manager

John Mackie

John worked for SMB's Treasury Division for 11 years, as a money market dealer, and then in corporate foreign exchange. He joined SCMB Asset Management in 1996 as a portfolio manager and now has investment responsibility for all Africa (ex SA) portfolios.



Quarterly Comments

No significant adjustments were made to the portfolio during the final quarter of the year.

Listed equities returned 7.26% and listed property 3.64% for the quarter.

The fund will continue to deliver solid risk adjusted returns in line with its very conservative mandate.

Contact Details

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Compliance No :