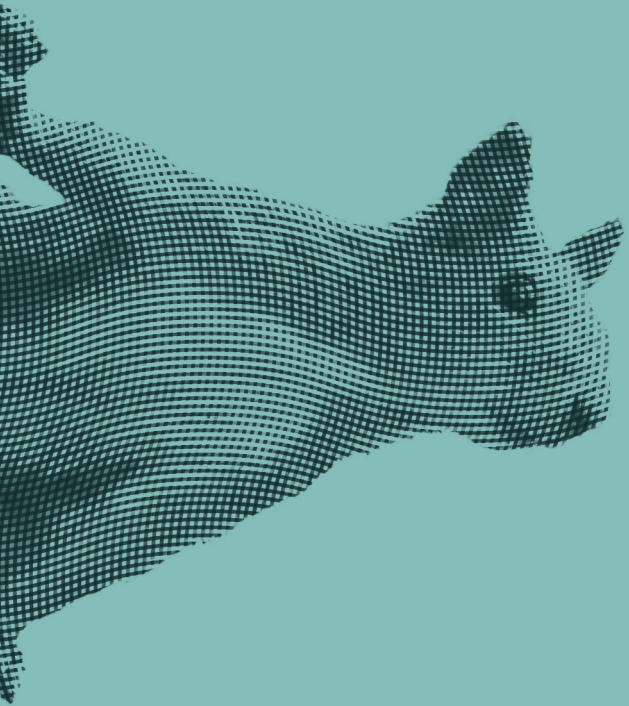

CONSERVATIVE
PORTFOLIO

EDITION 26 January 2017

RISK

3



Cautious Investor

You accept some risk & aim for a reasonable return. You accept the risk of a small to moderate loss with modest yet frequent fluctuations in value.

*Potential return of 17.45%
& maximum loss of -10.55%*

CONSERVATIVE PORTFOLIO

EDITION 26 January 2017

The Conservative Portfolio is a blended style strategy. It is aimed at medium to long term investors who are seeking a relatively cautious investment that has a genuine prospect of capital growth.

The chosen investment funds can invest in fixed interest securities, commercial property, cash, UK and overseas equities and alternative assets. They are actively managed by leading fund managers to maximise total return whilst maintaining control of risk.

The Conservative Portfolio performance is benchmarked against the average performance of the IA Mixed Investment 0%–35% sector and has a risk rating and investor profile of 3 out of 10.

RISK

Potential return of 17.45%
& potential loss of -10.55%.

3

ACTIVE

Managed daily by our personally
selected fund managers.

62%

EQUITY

Held in risk to drive growth, vs
the stability of bonds & property.

31%

Risk

Prospective Risk Level



Historic Risk Level



A **risk level 3** investor should be prepared to accept annual returns somewhere **within the range of a -10.55% loss and a 17.45% gain** — returns within this range would be expected 95% of the time. It should be remembered that there is a 5% chance that **risk level 3** portfolios will experience an annual return outside this range — this means an investor may experience **losses greater than -10.55% or gains greater than 17.45%** at some point(s) during their investment in one year.

Range of Returns

Upper Return

17.45%

In 95 years out of 100, this is the highest expected level of return for a given level of risk. There is a 2.5% chance that returns could fall outside the upper return figure in one year.

Average of All Returns

3.45%

This is the average of all possible returns within a risk level in one year.

Lower Return

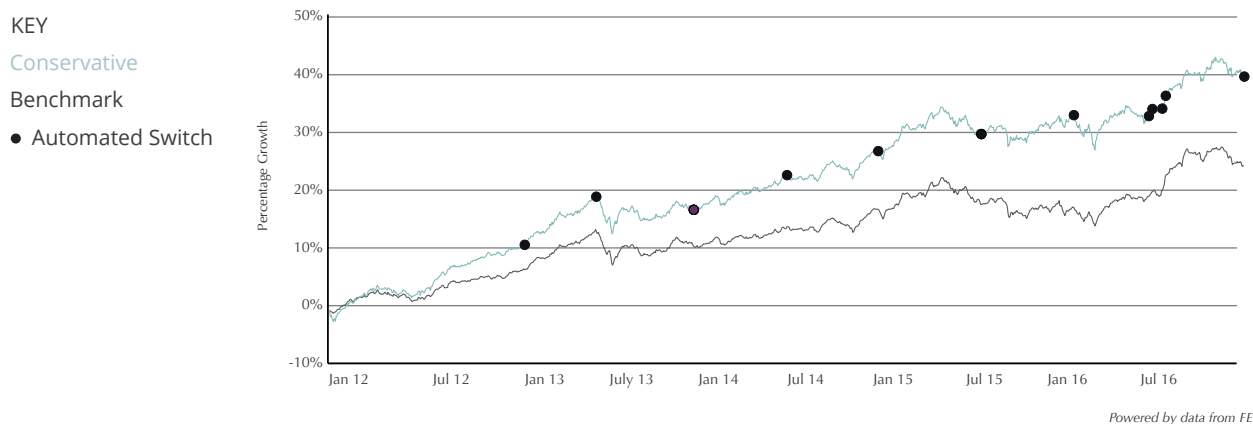
-10.55%

In 95 years out of 100, this is the lowest expected level of return for a given level of risk. There is a 2.5% chance that returns could fall outside the lower return figure in one year.

Asset Allocation

| | <i>Risk /10</i> | <i>Money Markets</i> | <i>Fixed Interest</i> | <i>Property</i> | <i>UK Equity</i> | <i>US Equity</i> | <i>European Equity</i> | <i>Asian Equity</i> | <i>Japan Equity</i> | <i>Global Equity</i> | <i>Other Assets</i> |
|--------------|-----------------|----------------------|-----------------------|-----------------|------------------|------------------|------------------------|---------------------|---------------------|----------------------|---------------------|
| Conservative | 3 | 33% | 21% | 15% | 9% | 11% | 3% | 6% | 2% | 0% | 0% |
| Benchmark | 3 | 9% | 48% | 0% | 9% | 2% | 0% | 1% | 0% | 1% | 30% |

Cumulative Performance Chart



Cumulative performance chart shows % growth from 07.12.2011 to 07.12.2016 calculated using bid prices with income re-invested into the fund net of tax. The cumulative performance chart shows how the portfolio has performed against the benchmark taking into account the changing composition of the portfolio over the period of time shown.

Cumulative Performance: % Growth to 07/12/2016

| | 6 months % | 1 year % | 2 years % | 3 years % | 5 years % |
|--------------------------------------|------------|----------|-----------|-----------|-----------|
| Conservative | 4.12 | 5.85 | 9.95 | 19.45 | 40.31 |
| Benchmark Mixed Investment 0%-35% | 3.79 | 5.82 | 6.39 | 12.65 | 25.00 |
| Difference Portfolio vs Benchmark | 0.33 | 0.03 | 3.56 | 6.80 | 15.31 |

Discrete Performance to Month End Shown: % Growth to 07/12/2016

| | 30/11/16 | 30/11/15 | 30/11/14 | 30/11/13 | 30/11/12 |
|--------------------------------------|----------|----------|----------|----------|----------|
| Conservative | 6.35 | 4.20 | 8.05 | 6.62 | 12.86 |
| Benchmark Mixed Investment 0%-35% | 6.02 | 0.75 | 5.18 | 4.86 | 7.01 |

Performance Ratios Over 3 Years

| Risk Rating | Volatility | Alpha | Beta | Sharpe | Information Ratio | Weighted Average TER | Max Loss | Max Gain | Negative Periods | Positive-Periods |
|-------------|------------|-------|------|--------|-------------------|----------------------|----------|----------|------------------|------------------|
| 3 | 3.98 | 2.35 | 0.95 | 0.68 | 1.59 | 0.62 | -2.63 | 7.32 | 10 | 26 |

Individual Fund's Performance To 07/12/2016

Cumulative Performance: % Growth

| <i>Fund</i> | <i>% Holding</i> | <i>Fund Manager</i> | <i>6 months %</i> | <i>1 year %</i> | <i>2 years %</i> | <i>3 years %</i> | <i>5 years %</i> |
|---|------------------|---------------------------------|-------------------|-----------------|------------------|------------------|------------------|
| AXA Framlington Managed Income | 3% | George Luckraft | 6.20 | 8.98 | 10.72 | 19.44 | 55.39 |
| BlackRock Cash | 31% | Bea Rodriguez | 0.08 | 0.25 | 0.42 | 0.67 | 1.22 |
| BlackRock European Dynamic | 2% | Alister Hibbert | 3.18 | 9.51 | 19.08 | 28.72 | - |
| BlackRock Overseas Corporate Bond Tracker | 4% | Darren Wills | 10.59 | 23.25 | 22.72 | 31.65 | 36.84 |
| CF Lindsell Train UK Equity | 3% | Nick Train | 2.80 | 7.23 | 15.60 | 31.35 | 105.76 |
| Fidelity Emerging Asia | 2% | Dhananjay Phadnis | 17.47 | 25.98 | 24.27 | 53.34 | 68.41 |
| First State Global Listed Infrastructure | 3% | Peter Meany | 9.31 | 30.48 | 28.52 | 54.82 | 88.54 |
| Fundsmith Equity | 3% | Terry Smith | 9.18 | 24.35 | 38.10 | 73.94 | 146.40 |
| GAM Star Credit Opportunities | 4% | Anthony Smouha | 5.18 | 8.74 | 14.80 | 29.11 | 85.85 |
| Henderson UK Property PAIF Feeder | 8% | Marcus Langlands Pearse | -1.39 | -3.94 | 4.31 | 17.15 | 31.79 |
| HSBC FTSE 100 Index | 3% | HSBC Global Asset Mgmt (UK) Ltd | 9.96 | 12.08 | 8.33 | 14.95 | 44.13 |
| Lindsell Train Japanese Equity | 2% | Michael Lindsell | 6.25 | -1.43 | 21.60 | 41.32 | 134.24 |
| Old Mutual North American Equity | 3% | Ian Heslop | 23.03 | 32.72 | 41.62 | 75.85 | 157.87 |
| Old Mutual UK Mid Cap | 2% | Richard Watts | 7.54 | 8.37 | 32.87 | 50.43 | 152.15 |
| Royal London Short Duration Gbl High Yield Bond | 4% | Azhar Hussain | 1.40 | 3.78 | 8.40 | 11.89 | - |
| Schroder US Mid Cap | 5% | Jenny Jones | 22.52 | 36.78 | 48.39 | 76.46 | 141.55 |
| Stewart Inv Asia Pacific Leaders | 4% | David Gait | 9.45 | 19.80 | 16.92 | 41.05 | 66.79 |
| Threadneedle High Yield Bond | 6% | Barrie Whitman | 3.07 | 4.53 | 7.23 | 12.66 | 43.66 |
| Threadneedle UK Property | 8% | Don Jordison | -1.85 | -4.49 | 4.65 | 21.51 | 25.12 |

It is important to remember the figures are not intended to be and should not be taken as a projection of the likely returns from the portfolio risk levels. This is intended to support the risk discussion between an adviser and a client following the completion of a risk profile questionnaire. They show the implied volatility and mean expected return of risk levels 1 to 10 to two standard deviations in one year (ie all returns are expected to be between these extremes in 95 years out of 100; this is often described as a 95% confidence level). The figures shown are the expected arithmetic average returns and the ranges assume that returns are based on a log normal distribution. Figures are shown net of tax and underlying manager fees.

*Maximise your returns with
a level of risk you're entirely
comfortable with*

Financial Advice & Wealth Management



7 Uplands Crescent
Swansea
SA2 0PA

Phone: 01792 477763
Email: mail@estatecapital.co.uk
www.estatecapital.co.uk

ESTATE  CAPITAL

Authorised and Regulated by the Financial Conduct Authority