

Davy Defensive High Yield Fund *From New Ireland*

Fund Performance Sheet | March 2015

FUND OBJECTIVE

The Davy Defensive High Yield Fund (the 'Fund') is a risk managed Fund which aims to offer equity market type returns but with reduced levels of volatility. The Fund invests in 40 - 45 large global companies which historically pay higher than average dividend yields. The Fund implements a simple strategy that generates additional income. This additional income is then used to buy some 'insurance' to help protect it against significant market falls.

FUND FACTS (as at 31st March 2015)

Inception	30th September 2011
Structure	UCITS
Daily Valuation	Yes
Daily Dealing	Yes

PORTFOLIO STATISTICS (as at 31st March 2015)

P/E Ratio Next Yr	15.6
Indicative Dividend Yield	3.1%
Operating Margins Trailing 12M	20.8%
Return on Equity	20.0%
No of Holdings	41
Fund Volatility	8.0%
Index Volatility	11.2%

FUND ENQUIRIES

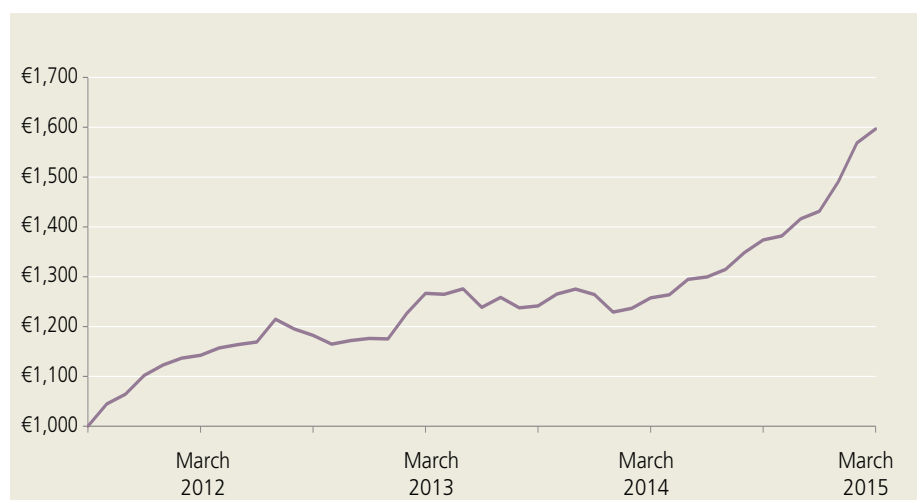
If you have any queries on this fund, please contact New Ireland directly or your independent financial advisor.

In publishing this Fund Performance Sheet, we aim to provide a summary of the Fund's activity and performance in the previous month which may be of interest to you. This document is not intended to constitute an offer or solicitation for the purchase or sale of any financial instruments, trading strategy, product or service and does not take into account the investment objectives, knowledge and experience or financial situation of any particular person. Investors should obtain advice based on their own individual circumstances from their own tax, financial, legal and other advisors before making an investment decision, and only make such decisions on the basis of the investor's own objectives, experience and resources.

MONTHLY COMMENT

Global equities (MSCI World Index) had a positive month, gaining 2.8%. Ongoing US dollar strength, continued negotiations relating to the Greek bailout programme and improved European sentiment all impacted market returns. The standout regional performers were Japan and Europe ex UK, while the UK and the US lagged. The best performing sectors were Healthcare, Financials and Consumer Discretionary, while Materials underperformed. Options expiry occurred during the month and the fund was rebalanced. We initiated positions in Boeing and BB&T while exiting our holdings in Lockheed Martin and L Brands, after strong price performance.

GROWTH OF €1,000 TO 31ST MARCH 2015*



Source: Northern Trust and Davy Asset Management

ROLLING FUND PERFORMANCE* (as at 31st March 2015)

	1-Month	3-Month	YTD	1-Year	3 Years PA	5 Years PA
Davy Defensive High Yield Fund	1.8%	11.6%	11.6%	27.0%	11.8%	-

CALENDAR YEAR PERFORMANCE*

	2014	2013	2012	2011**	2009
Davy Defensive High Yield Fund	13.2%	7.5%	6.8%	10.2	-

*Source: New Ireland (Performance is quoted net of the fund management charge). The fund management charge and product charges will vary depending on the terms and conditions of your policy.
** Inception Date: 30th September 2011

WARNING: Past performance is not a reliable guide to future performance. The return on investments denominated in non-euro currencies may be affected by changes in currency exchange rates.

GEOGRAPHICAL ALLOCATION (%)

	Fund
Asisa Pacific ex-Japan	4.9
Japan	9.6
Eurozone	9.6
Europe ex-Eurozone	4.8
UK	9.6
North America	61.3

Source: Davy Asset Management

MARKET CAPITALISATION (%)

	Fund
Mega-Cap (>€50bn)	68.4%
Large-Cap (€10bn - €50bn)	26.9%
Small & Mid-Cap (<€10bn)	4.8%

Source: Davy Asset Management

SECTOR MIX

Sector	Weighting	Names Including
Consumer Discretionary	12.1%	Nissan Motors
Consumer Staples	12.1%	WalMart, Unilever
Energy	7.3%	BP, Royal Dutch Shell
Financials	22.1%	Axa, JP Morgan
Healthcare	12.2%	Novartis, Bayer
Industrials	12.2%	Siemens
Information Technology	12.2%	Microsoft, Intel Corp.
Materials	4.9%	BASF, Du Pont
Telecommunication Services	2.4%	Verizon
Utilities	2.5%	Public Service Enterprise Group

Source: Davy Asset Management

STRATEGIC OVERVIEW

The Fund adheres to a strict investment process each quarter:

The Fund invests in approximately 40-45 large global stocks which historically pay higher than average dividend yields.

The Fund Manager sells three-month call options on some of the stocks within the portfolio using a simple options strategy that provides the Fund with additional income.

The Fund will use this additional income from selling the call options to buy some 'insurance' to help protect it against significant equity market falls.

STOCK SELECTION

The stock selection process involves a number of stages:

- A. The global universe of stocks is quantitatively screened to identify attractive candidates for possible inclusion in the Fund. These candidates will display the following characteristics:
 - ▶ Dividend yields which are above the sector average and sustainable over time.
 - ▶ Stable earnings growth expected over the next 12 months.
 - ▶ Financial strength, as reflected in solid balance sheets and cash flow statements.
 - ▶ Attractive valuations.
- B. The team then undertakes rigorous fundamental analysis of the candidates that meet the screening criteria and, where possible, meets the company management.
- C. From the list of these candidates the team selects around 40 stocks, which will be structured to provide broad diversification across both geographic regions and industry sectors.

STRUCTURE: The Davy Defensive High Yield Fund is a sub-fund of Skyline Umbrella Fund plc, an umbrella type open-ended investment company with variable capital and segregated liability between sub-funds governed by the laws of Ireland and authorised by the Central Bank of Ireland (i.e. UCITS Fund). Subscriptions may only be based on the current Prospectus together (where applicable) with the most recent annual report and (if issued after such report) the most recent semi-annual report. A copy of the Prospectus and reports (where issued) may be obtained free of charge from the Administrator to the Fund. Please refer to fund documentation for information on fees and charges that apply to your investment. Retail investors may gain exposure to the UCITS Fund through the New Ireland platform. The performance of the New Ireland Fund is linked to the performance of the UCITS Fund. For further information on the New Ireland Fund or to make additional premiums, please contact your financial adviser or New Ireland. Please refer to your policy documentation for information on fees, charges and risks that apply to this investment.

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