

Ibbotson Australian Bonds Trust

| Risk Profile | Investment Horizon | Inception | Trust Size \$Mil | Benchmark |
|--------------|--------------------|-------------|------------------|--|
| Moderate | 3 years | 7 July 2000 | 345.5 | UBS Government Bond (All Maturities) Index |

Investment Summary

Investment Objective

To match and, where possible, enhance performance relative to the benchmark (UBS Government Bond (All Maturities) Index) over rolling three year periods, by investing predominantly in Australian investment grade bonds.

Index Manager Trust

Ibbotson selects specialist index manager(s) that utilise sophisticated techniques that are expected to deliver investment returns which closely mirror their performance benchmarks.

Available to wholesale investors, and indirectly to retail investors via select retail platforms.

Australian Government Bonds

The portfolio is invested in Australian Government and semi-government bonds.

Key Attributes

Delivery of market index like returns for Australian government bonds, provided at a low cost.

Investment is only in sovereign (Australian Government) and semi-government issued securities which are high quality debt instruments and afford a greater level of protection against credit risk to the portfolio compared to other Australian fixed interest instruments.

Operations

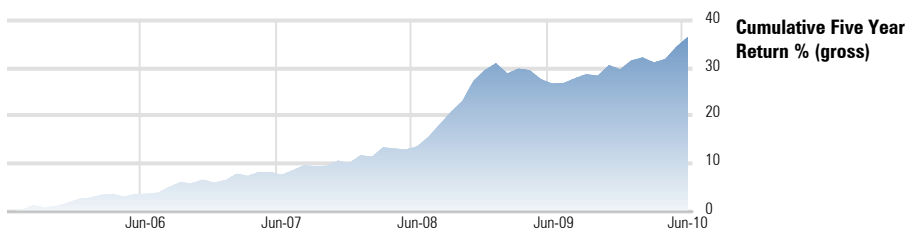
| | |
|-----------------------------|---------------|
| Unit Pricing | Daily |
| Distributions | Quarterly |
| Maximum Tracking Error | 1.5% pa |
| Management Fee ³ | Up to 0.35% |
| Buy/Sell Spread | 0.03% / 0.03% |

Quarterly Commentary

Australian bonds returned 1.5% for the month, as measured by the UBS Government Bond Index.

The Australian Bond Trust performed in line with its benchmark.

Performance ¹ 30-06-10



| Total Return % | 1 Month | 3 Months | FYTD | 1 Year | 5 Years (pa) |
|----------------|---------|----------|-------|--------|--------------|
| Trust | 1.50 | 4.07 | 7.70 | 7.70 | 6.43 |
| Benchmark | 1.51 | 4.05 | 7.58 | 7.58 | 6.20 |
| Active Return | -0.02 | +0.02 | +0.12 | +0.12 | +0.23 |

Portfolio Analysis ² 30-06-10

| Sector allocations | % | +/- Bmark % |
|--------------------|------|-------------|
| Government | 47.1 | -0.2 |
| Semi-Government | 52.8 | +0.1 |
| Cash | 0.1 | +0.1 |

Notes

1. Performance measures are expressed before fees, costs and taxes are deducted.
2. Allocations may not add up to 100% due to the rounding of individual components.
3. The Management fee is inclusive of GST and can be negotiated for direct investors. Refer to the current disclosure document for more information on fees and costs.

Manager Weightings



Manager Styles

Passive: An approach that aims to track the performance of the benchmark index by constructing a portfolio with similar securities and security weights to those of the index.