

Ibbotson Australian Shares Active Trust

Risk Profile

High

Investment Horizon

5 years

Inception

7 July 2000

Trust Size \$Mil

1,026.7

Benchmark

S&P/ASX 300 Accumulation Index

Investment Summary

Investment Objective

To maximise outperformance relative to the benchmark (S&P/ASX 300 Accumulation Index) over rolling five year periods, by investing predominantly in listed Australian shares.

Multi-Manager Trust

Ibbotson selects specialist and complementary active managers, with varying investment styles, that are expected to deliver superior investment returns in excess of their performance benchmarks.

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

Diversified Australian Shares

The portfolio is invested predominantly across listed Australian shares.

Key Attributes

Manager diversification and active manager evaluation maximises the potential for enhanced long-term portfolio performance.

Access to boutique managers capable of generating significant performance potential (alpha).

Tax-effective strategies are used to increase the after-tax alpha to investors:

- Centralised Portfolio Management (CPM) techniques are included (where investment decisions for a number of the managers are aggregated at a centralised dealing desk) saving transaction costs and potential capital gains tax realisations; and
- A portion of the portfolio is allocated directly to tax-effective, value-orientated mandates.

Operations

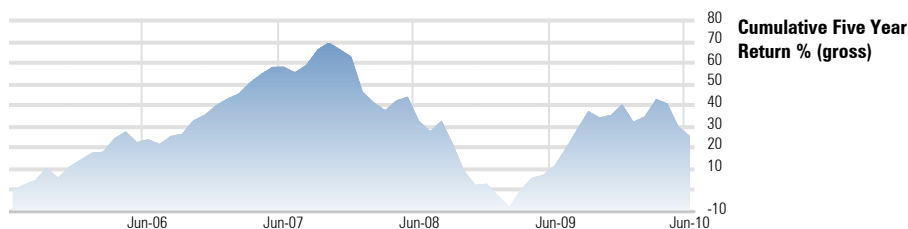
Unit Pricing	Daily
Distributions	Quarterly
Maximum Tracking Error	4% pa
Management Fee ³	Up to 0.87%
Buy/Sell Spread	0.20% / 0.20%

Quarterly Commentary

The Australian market was negative for the month of June (-2.6%), as measured by the S&P/ASX 300 Accumulation Index.

At the sector level the best outperformer was Telecommunications Services (9.2%). Industrials (-7.0%) detracted the most value, followed by Financials ex Property Trusts (-5.4%). Growth (-2.2%) outperformed Value (-3.5%) %, as measured by the Citigroup indices.

Performance¹ 30-06-10



Total Return %	1 Month	3 Months	FYTD	1 Year	5 Years (pa)
Trust	-3.33	-12.16	12.43	12.43	4.68
Benchmark	-2.65	-11.20	13.05	13.05	4.48
Active Return	-0.68	-0.96	-0.62	-0.62	+0.20

Portfolio Analysis² 30-06-10

Market capitalisation	% +/- Bmark %	Largest over or under-weight sector	+/- Bmark %
50 Leaders	78.2 -2.1	Property Trusts	-3.4
51-100 Leaders	8.4 -2.3	Materials	-3.1
Ex-100 Leaders	11.4 +2.5	Consumer Staples	-2.5
Cash	2.0 +2.0	Financial-X-Property Trusts	+2.5
		Health Care	+2.0

Manager Weightings



Manager	Style	%
Wallara	Core (growth bias)	22.2
BlackRock	Value	19.2
Northcape	Core (growth bias)	17.7
Dimensional	Value	15.0
Ibbotson HAT	High alpha multi-manager	13.2
JF Capital	Growth	9.6
Atom	Small Cap	2.9

Manager Styles

Core (growth bias): An approach that does not deliberately target either value or growth stocks, although it is expected that a growth bias would occur more often.

Growth: An approach that focuses on selecting stocks that are regarded as having strong earnings growth potential. The portfolios of growth managers will generally have a significant bias to growth stocks, but may also include some value stocks for risk management purposes.

Small Cap: An approach that targets stocks with relatively small market capitalisations. Portfolios of Australian small cap managers will have a focus on stocks that have a smaller market capitalisation than stocks within the S&P/ASX 100.

Value: An approach that focuses on selecting stocks that are regarded as relatively cheap based on various price measures.

High Alpha Multi-Manager: An approach that focuses on selecting managers who run high conviction portfolios with the sole objective of generating significant outperformance.

Top/Bottom 5 Divergent Stock Positions +/- Bmark %

Telstra	-2.6
National Australia Bank	+2.4
BHP Billiton	-2.1
Origin Energy	+2.0
Woolworths	-1.7
Westfield	-1.6
Commonwealth Bank of Australia	-1.6
News Corp.	+1.2
ANZ Banking	+1.1
Suncorp-Metway	+1.1

Notes

- Performance measures are expressed before fees, costs and taxes are deducted.
- Allocations may not add up to 100% due to the rounding of individual components.
- The Management fee is inclusive of GST and can be negotiated for direct investors. The Trust also has exposure to underlying investment managers (including Ibbotson) which charge performance fees and these are an additional cost to you and impact the return.