

Ibbotson Australian Shares High Alpha Trust

Risk Profile

High

Investment Horizon

5 years

Inception

7 December 2005

Trust Size \$Mil

320.8

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 aggressive active managers, with different investment styles, that are expected to deliver superior investment returns well in excess of their performance benchmarks.

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

Diversified Australian Shares

The Trust's portfolio is invested in listed Australian shares, with a small exposure to long-short equity strategies.

Key Attributes

Access to a selection of boutique managers capable of generating significant performance potential (alpha) due to their:

- ▶ low funds under management; and
- ▶ tailored, high alpha mandates.

The managers selected are skilled at running high conviction portfolios. They take large positions, without the influence or constraint of the benchmark.

Multi-manager diversification benefit of combining high conviction, high alpha managers with varying investment styles into the one portfolio.

Operations

Unit Pricing	Daily
Distributions	Quarterly
Maximum Tracking Error	8% pa
Management Fee ³	Up to 1.13%
Buy/Sell Spread	0.30% / 0.30%

Quarterly Commentary

The Ibbotson High Alpha Trust returned -12.6% for the June quarter, underperforming the benchmark return of -11.2% by -1.4%.

At the manager level, Northcape (-2.2%) and Platypus (-2.2%) both underperformed significantly, whilst Orbis (+0.8%) outperformed. At the sector level, the underperformance can be attributed to underweight positions in defensive sectors, specifically Telecommunications Services (-0.6%), Property Trusts (-0.5%) and Consumer Staples (-0.2%). Stock selection within the Materials sector (-0.4%) also detracted from relative performance. On the positive side, an underweight position in Financials ex Property Trusts, combined with successful stock selection within the sector, contributed positively to relative returns (+0.9%).

Performance¹ 30-06-10

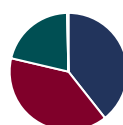


Total Return %	1 Month	3 Months	FYTD	1 Year	3 Years (pa)
Trust	-3.77	-12.61	13.15	13.15	-6.95
Benchmark	-2.65	-11.20	13.05	13.05	-8.05
Active Return	-1.12	-1.41	+0.10	+0.10	+1.09

Portfolio Analysis² 30-06-10

Market capitalisation	% +/- Bmark %	Largest over or under-weight sector	+/- Bmark %
50 Leaders	64.9 -15.5	Health Care	+7.5
51-100 Leaders	9.8 -0.9	Materials	-5.1
Ex-100 Leaders	22.7 +13.7	Consumer Staples	-4.0
Cash	2.7 +2.7	Consumer Discretionary	+3.5
		Financial-X-Property Trusts	-3.4

Manager Weightings



Style	%
Platypus	Growth 39.4
Northcape Conc	Core (growth bias) 39.3
Orbis	Contrarian 20.9
Others	Other 0.4

Manager Styles

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

Contrarian: An approach that often includes holding stocks currently out of favour with the market.

Growth: The focus is on selecting stocks that are regarded as having strong earnings growth potential.

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

Origin Energy	+3.0
Sonic Healthcare	+2.2
CSL	+1.7
SEEK	+1.7
Australand Property Group	+1.4
Telstra	-3.5
Westpac Banking	-3.1
Westfield	-2.5
Woolworths	-1.8
Newcrest Mining	-1.6

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. The Trust also has exposure to underlying investment managers (including Intech) which charge performance fees and these are an additional cost to you and impact the return.