

# Ausbil Australian Active Equity Strategy

Fact Sheet - June 2010

The Ausbil Australian Active Equity strategy is a concentrated portfolio of Australian shares, managed by Ausbil's highly skilled Australian equities team.

## Investment aim

The Ausbil Australian Active Equity Strategy aims to out-perform the S&P/ASX 300 Accumulation Index over the medium to long term, with moderate tax effective income. The Strategy invests in a Portfolio of listed Australian equities that are generally chosen from the S&P/ASX 300 Index.

## Key features of the Strategy

- invest in 30-40 quality mid to large cap Australian shares
- the process favours companies with positive earnings and earnings revisions
- aims to provide investors with long-term capital growth

## Key benefits of the Strategy

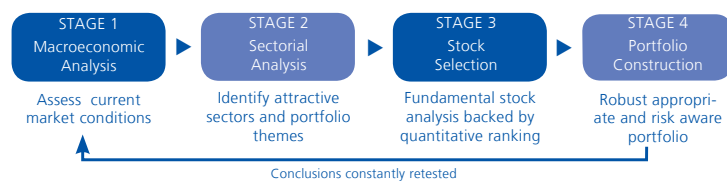
- exposure to quality industrial and resource shares
- managed by Ausbil's skilled and multi-award-winning investment team

## Investment team

Ausbil's Australian equities investment team is one of Australia's most successful and, with a combined 165 years in the industry, one of the most experienced. The average industry experience of Ausbil's analysts is over 14 years. The investment team has managed our Portfolios through a range of market cycles.

## Investment style

We classify ourselves as 'style neutral'; wherein at certain stages of the cycle the portfolio may have a value or growth tilt as markets provide opportunities for particular types of stocks to enjoy earnings growth. Ausbil employs a four stage process to provide the framework for portfolio construction consistent with its investment philosophy. The process is summarised in the diagram below:



## Ratings

| RESEARCH HOUSE    | RATING <sup>1</sup>  |
|-------------------|----------------------|
| Standard & Poor's | *****                |
| Lonsec            | 'Highly Recommended' |
| van Eyk           | 'A'                  |
| Zenith            | 'Highly Recommended' |
| Morningstar       | 'Recommended'        |

## Performance<sup>2</sup>

| Period                             | Portfolio Return% |        | Bench-mark <sup>3</sup> % | Out/Under Performance% |       |
|------------------------------------|-------------------|--------|---------------------------|------------------------|-------|
|                                    | Gross             | Net    |                           | Gross                  | Net   |
| One Month                          | -3.61             | -3.67  | -2.65                     | -0.96                  | -1.02 |
| Three Months                       | -13.07            | -13.25 | -11.20                    | -1.87                  | -2.05 |
| One Year                           | 14.08             | 13.10  | 13.05                     | 1.03                   | 0.05  |
| Three Years p.a                    | -5.02             | -5.86  | -8.05                     | 3.03                   | 2.19  |
| Five Years p.a                     | 7.25              | 6.28   | 4.49                      | 2.75                   | 1.79  |
| Seven Years p.a                    | 13.95             | 12.92  | 9.70                      | 4.26                   | 3.23  |
| Ten Years p.a                      | 10.45             | 9.44   | 6.96                      | 3.50                   | 2.49  |
| Since Inception<br>Date: July 1997 | 11.80             | 10.76  | 7.73                      | 4.07                   | 3.03  |

## Sector allocations

|                        | Position <sup>4</sup> % | Index <sup>3</sup> % | Tilt % |
|------------------------|-------------------------|----------------------|--------|
| Energy                 | 5.52                    | 7.26                 | -1.75  |
| Materials              | 31.51                   | 25.46                | 6.05   |
| Industrials            | 5.28                    | 6.20                 | -0.92  |
| Consumer Discretionary | 9.18                    | 4.21                 | 4.97   |
| Consumer Staples       | 6.96                    | 8.91                 | -1.96  |
| Healthcare             | 0.00                    | 3.59                 | -3.59  |
| Financials (x REITs)   | 35.83                   | 31.96                | 3.87   |
| REITs                  | 3.16                    | 6.28                 | -3.11  |
| IT                     | 0.00                    | 0.79                 | -0.79  |
| Telecommunications     | 1.44                    | 3.95                 | -2.51  |
| Utilities              | 0.00                    | 1.38                 | -1.38  |
| Cash                   | 1.12                    | 0.00                 | 1.12   |
| Total                  | 100.00                  | 100.00               | -      |

## Top 10 stock holdings

|                         | Position <sup>4</sup> % | Index <sup>3</sup> % | Tilt % |
|-------------------------|-------------------------|----------------------|--------|
| BHP Billiton            | 15.24                   | 12.25                | 2.98   |
| ANZ Bank                | 8.56                    | 5.31                 | 3.25   |
| Commonwealth Bank       | 7.00                    | 7.31                 | -0.30  |
| Westpac Bank            | 6.17                    | 6.13                 | 0.04   |
| Rio Tinto               | 5.72                    | 2.81                 | 2.90   |
| Wesfarmers              | 5.07                    | 3.22                 | 1.85   |
| National Australia Bank | 3.93                    | 4.79                 | -0.85  |
| Newscorp                | 3.38                    | 0.67                 | 2.71   |
| Amcor                   | 2.90                    | 0.75                 | 2.15   |
| Asciano                 | 2.76                    | 0.46                 | 2.30   |

1. Ratings as at June 2010

2. Performance figures assume that distributions are reinvested. Gross returns are before fees and taxes. Net returns are after fees but before taxes.

3. S&P/ASX 300 Accumulation Index.

4. Position is based on the Ausbil Active Equity Fund (AAP0103AU).

All Data is as at 30th of June 2010



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