

Ausbil Australian Geared Equity Strategy

Fact Sheet - December 2011

The Ausbil Australian Geared Equity Fund is a version of Ausbil's Australian Active Equity Fund, but offers investors the potential to maximise returns through internal gearing of up to 55%.

Investment aim

The Ausbil Australian Geared Equity Fund aims to provide investors with long-term capital growth through borrowing (gearing) to invest in quality Australian shares.

Key features of the Fund

- invest in 30-40 quality Australian shares
- uses internal gearing to maximise returns
- the process favours companies with positive earnings and earning revisions
- aims to provide investors with long-term capital growth
- level of dividends must be higher than the interest cost associated with borrowing and management fees

Key benefits of the Fund

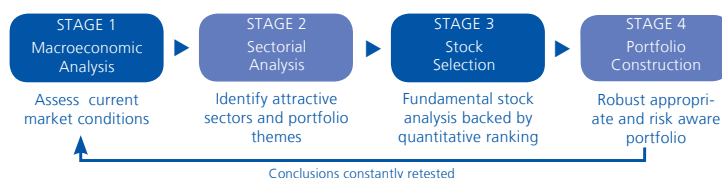
- exposure to quality industrial and resource shares
- managed by Ausbil's skilled and multi-award-winning investment team
- offers access to gearing for superannuation investors
- high level of franking credits relative to an ungeared Portfolio

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 'core'; 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 and outlined in greater detail following



Ratings

RESEARCH HOUSE	RATING ¹
Lonsec	'Highly Recommended'
Standard & Poor's	****
Zenith	'Recommended'

Performance²

Period	Fund Return %	Benchmark ³ %	Out/Under Performance %
One Month	-2.59	-1.44	-1.15
Three Months	3.00	2.05	0.95
One Year	-32.07	-10.98	-21.09
Three Years p.a.	0.14	7.67	-7.53
Since Inception <i>Date: May 2008</i>	-20.80	-4.95	-15.85

Sector allocations

	Position %	Index ³ %	Tilt %
Energy	4.57	7.13	-2.56
Materials	30.10	25.10	5.01
Industrials	6.98	7.14	-0.16
Consumer Discretionary	6.17	3.89	2.28
Consumer Staples	7.87	8.02	-0.16
Healthcare	0.00	3.62	-3.62
Financials (x REITs)	35.93	32.13	3.80
REITs	1.23	6.17	-4.94
IT	0.00	0.67	-0.67
Telecommunications	5.40	4.50	0.90
Utilities	0.97	1.63	-0.65
Cash	0.78	0.00	0.78
Total	100.00	100.00	-

Top 10 stock holdings

	Position %	Index ³ %	Tilt %
BHP Billiton	13.52	11.19	2.33
ANZ Bank	8.76	5.54	3.23
Westpac	7.93	6.17	1.76
National Australia Bank	7.78	5.28	2.51
Wesfarmers	6.21	3.46	2.75
Telstra	5.40	4.20	1.20
Commonwealth Bank	4.92	7.86	-2.94
Rio Tinto	3.71	2.66	1.05
Amcor	3.59	0.89	2.70
Suncorp	3.33	1.09	2.23

1. Ratings as at December 2011

2. Performance figures assume that distributions are reinvested. They are net of fees but before taxes.

3. S&P/ASX 300 Accumulation Index.

All Data is as at 31st of December 2011