

22 December 2016

Dear Investor

Ausbil Balanced Fund

Ausbil Investment Management Limited (ABN 26 076 316 473 AFSL 229722), in its capacity as Responsible Entity of the Ausbil Balanced Fund (ARSN 089 996 949) (**Fund**), held a meeting of the unitholders of the Fund in December 2016 to put forward a resolution to update the operational provisions of the Fund's constitution.

Please refer to the below information regarding the results of the recent unitholder meeting for the Fund, the recent change in the legal name of the Fund, and other updates of information relating to the Fund.

Unitholder meeting results

Ausbil is pleased to confirm that the resolution was passed at the meeting.

The Responsible Entity has lodged the amending deed for the Fund with the Australian Securities & Investments Commission (ASIC) and issued a new Product Disclosure Statement (PDS) for the Fund.

Name change

Please note that we have changed the name of the Fund from the 'Ausbil Investment Trusts – Balanced Fund' to the 'Ausbil Balanced Fund'.

Investments

In order to provide more flexibility in managing the Fund, we have increased the maximum level of cash that the Fund may invest in from 10% to 20%. All other asset class ranges remain unchanged. Please refer to the table below for the asset class investment ranges.

ASSET CLASSES	RANGE
Australian equities	35% – 55%
International equities	20% – 30%
Direct and listed property	5% – 15%
Alternatives	0% – 10%
Australian fixed interest	0% – 35%
Cash	0% – 20%

The Fund may move outside the ranges set out above, for example, where a large application is received, due to market movements or currency hedging. Ausbil will seek to rebalance the Fund within the above ranges in a reasonable period of time.

United Nations Principles for Responsible Investment

In 2016, Ausbil became a signatory to the United Nations Principles for Responsible Investment (UNPRI). UNPRI signatories undertake to consider environmental, social (including labour standards) and corporate governance factors in its investment decision-making and ownership practices. Ausbil continues to include an assessment of environmental, social and governance factors in its investment process. It does not have a predetermined view on these factors, instead, Ausbil considers these factors as it becomes aware of them in its investment decisions.

Fees and costs

There has been no change to the management fees charged to the Fund for managing the assets of the Fund.

The management fee remains at 0.82% pa and the responsible entity fee of 0.05125% pa. We are entitled to recover expenses incurred in the proper performance of the Fund's operations. We continue to recover normal expenses of no more than 0.02875% pa of the gross asset value of the Fund from the Fund and we will pay any additional amounts from its management fee.

Ausbil has determined that these costs will not exceed 0.90% pa. However, if the Responsible Entity incurs abnormal expenses (eg expenses incurred in holding a unitholder meeting or complying with regulatory changes), then it may deduct these expenses from the Fund's assets.

In the event that Fund incurs abnormal expenses the management costs may be more than 0.90% pa. Conversely, in the event that actual expenses are lower than the estimated costs accrued in the Fund's unit price, management costs may be less than 0.90% pa.

Product disclosure statement

The PDS has been updated with updated disclosure and it is available at www.ausbil.com.au or by calling Ausbil on 1800 287 245 (toll free) or +61 2 9259 0200 (during Sydney business hours) or by email at contactus@ausbil.com.au.

Further information

If you have any questions, please call our client services team on 1800 287 245 during Sydney business hours.

Yours sincerely



Paul Xiradis
Ausbil Investment Management