

Ibbotson Australian Shares High Alpha Trust

Risk Profile

High

Investment Horizon

5 years

Inception

7 December 2005

Trust Size \$Mil

301.6

Benchmark

S&P/ASX 300 Accumulation Index

Investment Summary

Investment Objective

Aims 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 an exposure to long-short equity strategies.

Key Attributes

Access to a selection of boutique managers capable of generating significant outperformance (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.

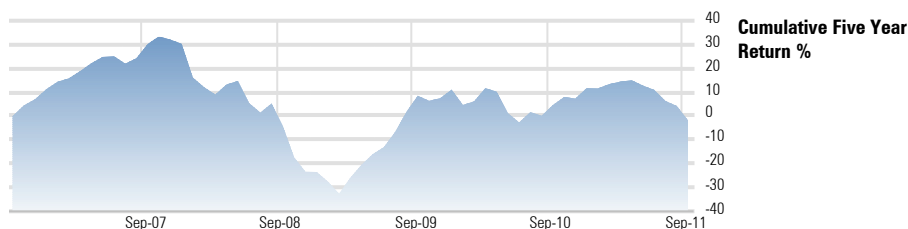
Operations

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 Australian Shares High Alpha Trust returned -11.5% for the September quarter, outperforming the benchmark return of -11.6% by +0.2%⁴. Allan Gray (formerly known as Orbis) (+4.7%) and Vinva (+2.5%) made positive contributions to relative returns, whilst Northcape (-2.4%) and Platypus (-1.1%) detracted. At the sector level, the largest contributions to relative performance stemmed from an underweight position in Materials and an overweight position in Utilities, followed by an overweight position in Healthcare and strong stock selection within Energy. The Trust's aggregate cash position also made a significant contribution given the falls seen in the quarter. An underweight position in Telecommunication Services provided the largest deduction from relative returns. At the stock level, an overweight in Sigma Pharmaceuticals and a net short position in Fortescue Metals contributed the most to relative returns. This was followed by an overweight position in SP Ausnet and an underweight position in BHP Billiton. An underweight in Telstra and an overweight position in APN News & Media detracted the most.

Performance¹ 30-09-11



Total Return %	1 Month	3 Months	FYTD	1 Year	5 Years (pa)
Trust	-5.75	-11.46	-11.46	-6.11	-0.36
Benchmark	-6.28	-11.65	-11.65	-8.71	-0.71
Active Return	+0.53	+0.18	+0.18	+2.60	+0.36

Portfolio Analysis² 30-09-11

Market Capitalisation	% +/- Bmark %	Largest Over or Under-weight Sector	+/- Bmark %
50 Leaders	60.8 -19.4	Materials	-5.7
51-100 Leaders	11.2 +1.0	Financial-X-Property Trusts	-4.8
Ex-100 Leaders	24.9 +15.3	Health Care	+3.6
Cash	3.1 +3.1	Consumer Discretionary	+3.4
		Consumer Staples	-2.9

Manager Weightings



Manager	Style	%
Platypus	Growth	25.5
Allan Gray Australia	Contrarian	25.3
Northcape Conc	Core (growth bias)	24.9
Vinva	Quant + long/short	24.0
Others	Other	0.3

Manager Styles

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

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.

Quant + long/short: An approach that allows the manager flexibility to short sell securities in the market and simultaneously invest the proceeds of such sales in to increase the portfolio's long positions. Typically, the portfolio will exhibit small biases to Value stocks and the Momentum factor.

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

Origin Energy	+2.3
SP AusNet	+2.0
Sigma Pharmaceuticals	+1.6
Rio Tinto	+1.3
Fairfax Media	+1.3
Commonwealth Bank	-3.8
BHP Billiton	-2.8
Woolworths	-2.0
Westfield Group	-1.6
Newcrest Mining	-1.6

Notes

1. Performance measures are expressed after fees, costs and before taxes.
2. Allocations may not add up to 100% due to the rounding of individual components.
3. The Management fee is inclusive of GST (after taking into account Reduced Input Tax Credits) and can be negotiated for direct investors. The Trust also has exposure to underlying investment managers which charge performance fees and these are an additional cost to you and impact the return.
4. Performance may not sum due to the rounding of individual components.