

## IMPUTATION FUND

FACTS & UPDATE  
September 2009



### Fund objective

In its management of the Imputation Fund ("the Fund"), Trust seeks to provide you with exposure to a selection of securities listed on the Australian share market which have the ability to increase their dividend payments over time.

The aim of the Fund is to outperform its benchmark, the S&P/ASX 200 Accumulation Index, over rolling three-year periods.

### Present strategy

We continue to manage the Fund in line with our long established value-based investment philosophy. In the management of the investment portfolio Trust seeks to:

- deliver a tax effective income stream that has the potential to grow over time
- generate capital growth over the longer term
- maintain a consistent, conservative investment style
- reduce risk through investing in a diversified portfolio of Australian companies from a range of industry sectors.

### Risk and return profile

The price of securities listed on the Australian Stock Exchange can be extremely volatile, and may fall as well as rise. That volatility will be directly reflected in the price of units in this Fund. Investors in this Fund should have a time frame of five or more years.

### Investment style

Trust, as investment manager of the Fund, employs a value-based investment style. The investment process for the Fund portfolio involves a comparison of securities against the following criteria:

- a track record of paying dividends
- the underlying strength to continue to pay and increase those dividends
- reasonable price earnings multiples
- sound debt-to-equity ratios
- industry structure
- quality of management.

## Key features

|                               |   |
|-------------------------------|---|
| Size as at 30 September 2009  | \$142.88 million                                    |
| Annual management fee         | 1.025% inclusive of the net effect of GST           |
| Unit pricing frequency        | Daily   |
| ICR*                          | Year ended 30/06/09: 1.16%                          |
| Minimum initial investment    | \$5,000   |
| Minimum additional investment | \$1,000   |
| Withdrawal                    | Usually within 7 days following request             |
| Buy/Sell spread               | 0.70%   |
| Distributions                 | Within 21 days of the last day of June and December |

\* Previous ICRs are not a reliable measure of future fees to be paid or expenses to be incurred.

## Quarterly review

The Fund returned 19.34% for the three months to 30 September 2009, underperforming the benchmark S&P ASX200 Accumulation Index which increased 21.50% for the period.

The best performing stock in the portfolio for the quarter was Boral, followed by ANZ Banking Group and Billabong. Holdings which held back performance included ASX and Telstra.

Major portfolio activity for the quarter was the establishment of a position in Asciano Group and APN News & Media. The Fund bought additional shares in ANZ Banking Group, ASX, National Australia Bank, QBE Insurance Group, Sonic Healthcare and Telstra. The Fund's holding in Fairfax Media was sold.

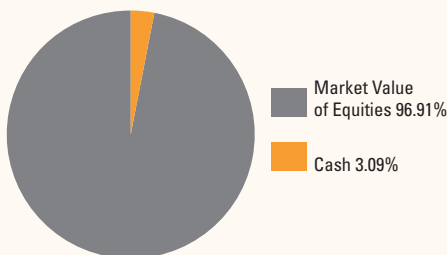
## Fund performance to 30 September 2009

| Total Returns                 | 1 Year<br>% | 3 Years<br>% p.a. | 5 Years<br>% p.a. |
|-------------------------------|-------------|-------------------|-------------------|
| Imputation Fund               | 10.76       | 2.18              | 10.22             |
| S&P ASX200 Accumulation Index | 8.34        | 1.66              | 9.99              |

Source: Trust Company Limited – Returns are net of fees and assume re-investment of gross income without deduction of income tax. Past performance is not a reliable indicator of future performance.

## Portfolio composition

at 30 September 2009



## Unit prices

at 30 September 2009

Application: \$2.8528

Redemption: \$2.8329

### Top Ten Holdings

|                                |       |
|--------------------------------|-------|
| BHP Billiton                   | 12.9% |
| Commonwealth Bank of Australia | 8.7%  |
| Westpac Banking Corporation    | 8.6%  |
| National Australia Bank        | 7.0%  |
| ANZ Banking Group              | 5.6%  |
| QBE Insurance Group            | 4.6%  |
| Telstra Corporation            | 4.5%  |
| Woolworths                     | 4.3%  |
| Wesfarmers                     | 3.9%  |
| Woodside Petroleum             | 3.5%  |

## Distribution history (c.p.u.)

6 months to 30/06/09

Income 3.8158

Realised capital gains 8.5652

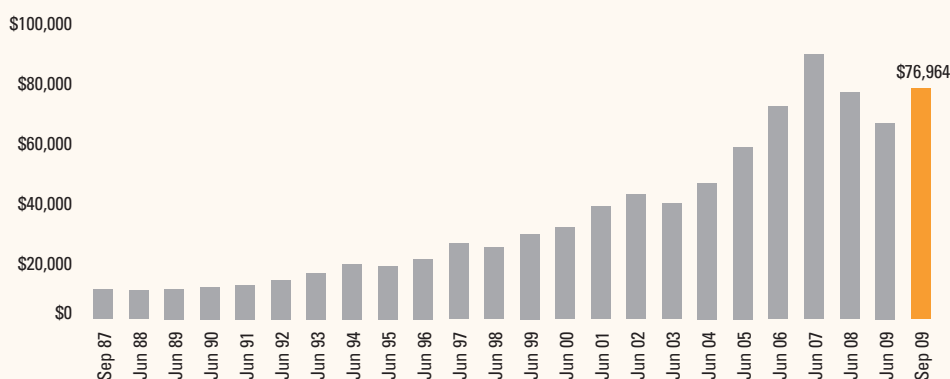
6 months to 31/12/08

Income 8.7393

Past performance is not a reliable indicator of future performance

Source: Trust Company Limited

## The value of \$10,000 invested in the Fund since inception



Source: Trust Company Limited. Returns are net of fees and assume re-investment of gross income without deduction of income tax. Past performance is not a reliable indicator of future performance.

If you have any queries on the Fund, call our Client Services team on 1800 612 822.

Trust Company Limited ABN 59 004 027 749

Trust Company Limited ABN 59 004 027 749 (Trust Company) is the responsible entity and issuer of units in the Fund.

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