

Ibbotson Australian Bonds Trust

Risk Profile

Moderate

Investment Horizon

3 years

Inception

7 July 2000

Trust Size \$Mil

205.1

Benchmark

UBS Government Bond (All Maturities) Index

Investment Summary

Investment Objective

Aims to match and, where possible, enhance performance relative to the benchmark (UBS Government Bond (All Maturities) Index) over rolling three year periods, by investing predominantly in Australian investment grade bonds.

Index Manager Trust

Ibbotson selects specialist index manager(s) that utilise sophisticated techniques that are expected to deliver investment returns which closely mirror their performance benchmarks.

Available to wholesale investors, and indirectly to retail investors via select retail platforms.

Australian Bonds

The portfolio is invested in Australian government and semi-government, and investment grade corporate bonds.

Key Attributes

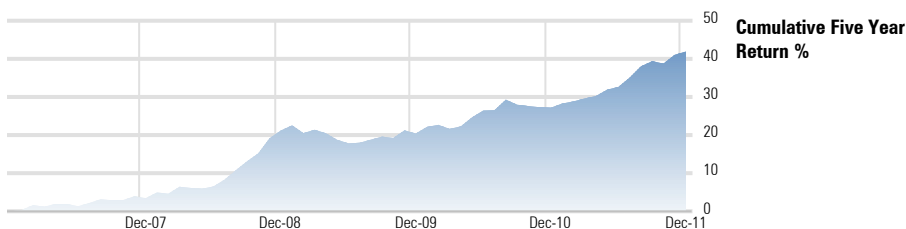
Delivery of market index like returns for Australian bonds, provided at a low cost.

Investment is in sovereign (Australian Government), semi-government and high grade corporate bond securities which are high quality debt instruments and afford a diversified exposure to Australian fixed interest instruments.

Operations

Unit Pricing	Daily
Distributions	Quarterly
Maximum Tracking Error	1.5% pa
Management Fee ³	Up to 0.35%
Buy/Sell Spread	0.03% / 0.03%

Performance¹ 31-12-11



Total Return %	1 Month	3 Months	FYTD	1 Year	5 Years (pa)
Trust (Net of Fees)	0.60	1.83	7.00	11.58	7.25
Benchmark	0.80	2.54	7.85	12.60	7.70
Active Return	-0.20	-0.72	-0.85	-1.02	-0.45

Portfolio Analysis² 31-12-11

Sector Allocations	%	+/- Bmark %
Government	24.0	-29.6
Semi-Government	42.8	-3.6
Supranational/Agency	7.2	+7.2
Corporate	24.3	+24.3
Residential MBS	1.0	+1.0
Cash	0.7	+0.7

Notes

1. Performance measures are expressed after fees, costs and before taxes. Performance may not sum due to the rounding of individual components.
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. Refer to the current disclosure document for more information on fees and costs.

Characteristics	%	+/- Bmark %
Modified Duration (years)	3.5	+3.5
Yield to Maturity (%)	4.5	+0.2

Manager Weightings



Manager	Style	%
Omega	Passive - enhanced	99.8
Others	Other	0.2

Manager Styles

Passive-enhanced: An approach that aims to attain returns at or moderately above the benchmark while still maintaining the risk characteristic of a nominated benchmark.