

Ibbotson International Shares Active (Unhedged) Trust

Risk Profile

High

Investment Horizon

5 years

Inception

7 July 2000

Trust Size \$Mil

409.9

Benchmark

MSCI All Country World ex-Australia Index with Net Dividends Reinvested (Unhedged)

Investment Summary

Investment Objective

To maximise outperformance relative to the benchmark (MSCI All Country World ex-Australia Index with Net Dividends Reinvested (Unhedged)) over rolling five year periods, by investing predominantly in listed international shares.

Multi-Manager Trust

Ibbotson selects specialist and complementary active managers, with varying investment styles, that are expected to deliver superior investment returns in excess of their performance benchmarks.

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

Diversified International Shares

The portfolio is invested in listed international shares across developed and emerging markets.

Key Attributes

Access to numerous specialist international equity managers, ordinarily not available to Australian investors.

A combination of index-aware strategies and high conviction managers capable of generating significant performance.

Risk control through packaging a combination of managers with varying investment styles.

The ability to identify exceptional managers throughout the world is assisted by our access to global resources.

Operations

| | |
|-----------------------------|---------------|
| Unit Pricing | Daily |
| Distributions | Quarterly |
| Maximum Tracking Error | 6% pa |
| Management Fee ³ | Up to 1.08% |
| Buy/Sell Spread | 0.25% / 0.25% |

Quarterly Commentary

The unhedged index returned -3.8% compared to MSCI All Countries World ex Australia Index (\$A, hedged) which returned -3.4% for the month.

At a regional level, in local currency terms, the Emerging Markets (-0.5%) and North America (-5.2%) were the best and worst performers respectively. At the sector level, in local currency terms, all sectors were negative for the month with the exception of Telecommunications with a return of 0.9%. The most performing sectors were Energy (-6.8%), Information Technology (-6.1%) and Consumer Discretionary (-5.6%).

Global Value (-3.6%) marginally outperformed Global Growth (-3.7%), as measured by the MSCI style indices, in local currency terms.

Performance ¹ 30-06-10



| Total Return % | 1 Month | 3 Months | FYTD | 1 Year | 5 Years (pa) |
|----------------|---------|----------|-------|--------|--------------|
| Trust | -3.74 | -3.78 | 10.59 | 10.59 | -1.58 |
| Benchmark | -3.79 | -4.24 | 6.79 | 6.79 | -1.36 |
| Active Return | +0.04 | +0.46 | +3.80 | +3.80 | -0.22 |

Portfolio Analysis ² 30-06-10

| Regional allocations | % +/- Bmark % | Top/Bottom 5 Divergent Stock Positions | +/- Bmark % |
|----------------------|---------------|--|-------------|
| North America | 46.1 -2.9 | Exxon Mobil | -0.9 |
| Europe ex-UK | 17.5 +0.2 | Cablevision Systems | +0.7 |
| Emerging Markets | 11.6 -1.4 | Vodafone | +0.7 |
| UK | 9.4 +0.8 | IBM | -0.6 |
| Japan | 8.9 -0.5 | Jardine Matheson | +0.5 |
| Pacific ex-Japan | 4.8 +2.1 | Johnson & Johnson | -0.5 |
| Cash | 1.7 +1.7 | Procter & Gamble | -0.5 |
| | | HSBC | -0.5 |
| | | Amazon | +0.4 |
| | | Jardine Strategic | +0.4 |

Manager Weightings



| Style | % |
|-----------------------------------|------|
| HOT (UH) High alpha multi-manager | 59.5 |
| AXA Rosenberg Core (global) | 23.6 |
| Dimensional Value (global) | 12.0 |

Manager Styles

Core: An approach that does not deliberately target either value or growth stocks, although it is expected that an unintended small bias to either value or growth stocks, from time to time, will occur.

Value: An approach that focuses on selecting stocks that are regarded as relatively cheap based on various price measures.

High alpha multi-manager: An approach that focuses on selecting managers who run high conviction portfolios with the objective of generating significant outperformance.

Notes

1. Performance measures are expressed before fees, costs and taxes are deducted.
2. Allocations may not add up to 100% due to the rounding of individual components.
3. The Management fee is inclusive of GST and can be negotiated for direct investors. Refer to the current disclosure document for more information on fees and costs.