

Magellan Global Fund

Fund Update: 30 September 2011

Key Facts

Portfolio Manager

Hamish Douglass

Structure

Global Equity Fund, \$A unhedged

Inception date

1 July 2007

Performance Fee*

10.10% of excess return over the higher of the Index Relative hurdle and the Absolute Return Hurdle (Australian Government 10-year bond yield). Additionally, the Performance Fees are subject to a high water mark.

MER/ICR*

1.36%

Buy/Sell Spread*

0.25%/0.25%

Fund Size

\$A698.6 million

*All fees are inclusive of the net effect on GST

Performance[†]

	Fund	Excess Return*
1 month	4.25%	3.58%
3 months	2.44%	10.59%
6 months	3.42%	14.27%
12 months	7.35%	12.06%
2 Years [% p.a.]	6.10%	9.81%
3 Years [% p.a.]	1.86%	8.66%
4 Years [% p.a.]	1.89%	11.36%
Since Inception [% p.a.]	1.38%	10.72%
Since Inception	6.01%	40.08%

*Over Index Relative Hurdle.

Top 10 Holdings

in Alphabetical Order

Danone	Consumer Staples
eBay Inc	Information Technology
Google Inc	Information Technology
Lowe's	Consumer Discretionary
Nestlé SA	Consumer Staples
Procter and Gamble	Consumer Staples
Unilever NV	Consumer Staples
Visa Inc	Information Technology
Wells Fargo	Financials
Yum! Brands Inc	Consumer Discretionary

Regional Breakdown*

	Percentage of Portfolio
Multinational*	68.42%
North America	27.06%
United Kingdom	0.84%
Australia	0.00%
Europe	0.00%
Japan	0.00%
Asia ex-Japan	0.00%
Cash	3.68%
TOTAL	100%

Portfolio Commentary

During the month of September, ongoing concerns regarding contagion effects arising from European debt issues resulted in continued volatility across global markets. The global market declined in local currency terms by -6.06%, whilst depreciation of the AUD against the US Dollar (-9.42%), Yen (-8.89%), British pound (-5.34%) and the Euro (-2.33%) resulted in a return of 0.67% for the benchmark in Australian dollar terms.

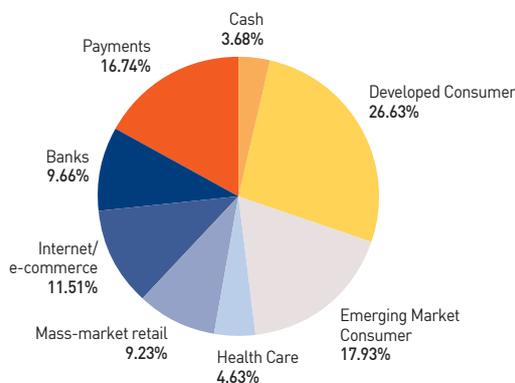
The Fund delivered 4.25% for the month and 2.44% for the quarter, outperforming the benchmark over both periods by 3.58% and 10.59% respectively. During the quarter, the Fund benefitted from local currency gains in Unilever (6.18%), Mastercard (5.30%), McDonald's (4.85%), Visa Inc (1.91%) and Google Inc (1.71%).

Recent market volatility has reinforced the importance of investing in high quality businesses with sustainable competitive advantages highlighted by the strength and quality of recent reporting from the investee companies. We remain confident that these businesses will continue to perform during periods of global uncertainty.

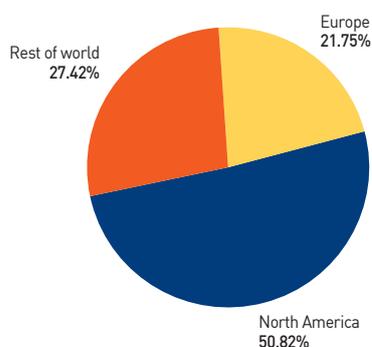
Performance Chart Growth of \$1,000



Industry Exposure by Source of Revenues**



Geographical Exposure by Source of Revenues**



*Multinational: Greater than 50% of revenues outside home country.
**Calculated on a look through basis based on underlying revenue exposure of individual companies held within the portfolio.

www.magellangroup.com.au

[†]Calculations are based on exit price with distributions reinvested, after ongoing fees and expenses but excluding individual tax, member fees and entry fees (if applicable) Fund Inception 1 July 2007.
Important Information: Units in the Magellan Global Fund are issued by Magellan Asset Management Limited (ABN 31 120 593 946, AFS Licence No 304 301). This material has been provided for general information purposes and must not be construed as investment advice. This material has been prepared without taking into account the investment objectives, financial situation or particular needs of any particular person. Investors should consider obtaining professional investment advice tailored to their specific circumstances prior to making any investment decisions and should read the relevant Product Disclosure Statement (PDS) available at www.magellangroup.com.au or call 02 8114 1888 to obtain a copy of the PDS.