



Fund Update

30 April 2011

Key Facts

Portfolio Manager	Gerald Stack	MER/ICR*	1.06%
Structure	Infrastructure Fund, \$A hedged	Buy/Sell Spread*	0.25%/0.25%
Inception date	1 July 2007	Fund Size	\$A 160.4 million
Performance Fee*	10.10% of excess return over the higher of the Index Relative hurdle (UBS Developed Infrastructure & Utilities Net TR Index (\$A Hedged)) and the Absolute Return Hurdle (Australian Government 10-year bond yield). Additionally, the Performance Fees are subject to a high water mark.		

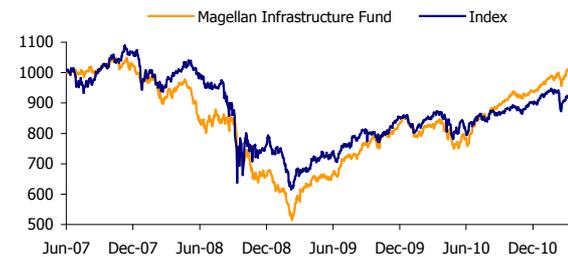
* All fees are inclusive of the net effect of GST

Performance[†]

	Fund	Excess Return*
1 month	2.04%	-0.35%
3 months	6.42%	4.40%
6 months	10.48%	4.55%
12 months	25.50%	15.54%
2 Years (% p.a.)	26.02%	9.97%
3 Years (% p.a.)	2.38%	4.46%
Since Inception (% p.a.)	0.64%	2.26%
Since Inception	2.46%	8.54%

* Over benchmark

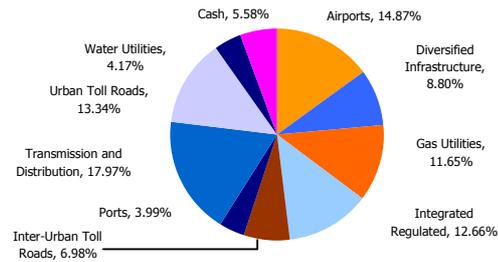
Performance Chart Growth of \$1,000



Top Ten Holdings in Alphabetical Order

American Water Works	Water Utilities
Atlantia	Diversified Infrastructure
Auckland Airport	Airports
ConnectEast Group	Urban Toll Roads
Fraport	Airports
Macquarie Atlas Roads	Inter-Urban Toll Roads
National Grid	Transmission and Distribution
Snam Rete Gas	Gas Utilities
Transurban Group	Urban Toll Roads
Westar Energy	Integrated Regulated

Industry Breakdown



Regional Breakdown *

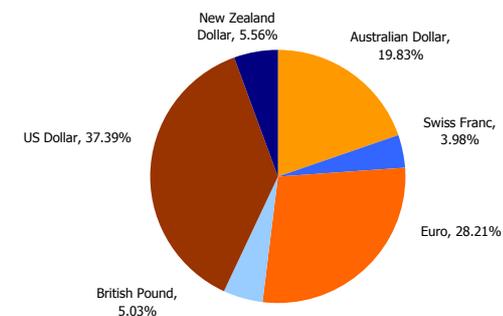
Europe	31.85%
North America	36.87%
Australia	13.87%
United Kingdom	6.37%
Asia ex-Japan	5.25%
Emerging Markets	0.19%
Japan	0.00%
Cash	5.59%

TOTAL 100.00%

* Calculated on a Domicile of Asset basis

** The foreign currency exposures of the portfolio are fully hedged back into AUD

Currency Breakdown **



Portfolio Commentary

During April, the Magellan Infrastructure Fund (the Fund) generated a net return of 2.04% compared to the benchmark return of 2.40%.

Most of the significant influences on the benchmark during the month came from stocks that fail Magellan's quality filters. On the one hand, the stock price of Japanese electricity companies, gas utilities and railways fell by around 6% in the month. The Fund has not invested in Japan due to Magellan's view that the system of utility earnings regulation that prevails in Japan does not allow Japanese utilities (and other regulated companies) to generate earnings with appropriate reliability. Counteracting this was a solid rebound in the price of competitive power companies in Europe and the US. Magellan does not invest in competitive power companies because of the volatility of their earnings (due to both the impacts of competition and the price volatility of commodity inputs e.g. coal, gas & oil).

The Fund's investments continue to perform solidly with toll roads reporting strong traffic growth in the March quarter. Rising oil prices may dampen this growth in the short term but experience shows that any elasticity to higher petrol prices is likely to be short term.

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[†] Calculations are based on exit price to 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.

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