

Magellan Infrastructure Fund

Fund Update: 30 September 2011

Key Facts

Portfolio Manager

Gerald Stack

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*

1.06%

Buy/Sell Spread*

0.25%/0.25%

Fund Size

\$A160.7 million

*All fees are inclusive of the net effect on GST

Performance[†]

	Fund	Excess Return*
1 month	-0.68%	-0.41%
3 months	-3.77%	1.30%
6 months	-1.70%	1.26%
12 months	10.49%	7.14%
2 Years [% p.a.]	13.70%	8.81%
3 Years [% p.a.]	5.89%	5.09%
4 Years [% p.a.]	-0.46%	2.55%
Since Inception [% p.a.]	-0.30%	2.40%
Since Inception	-1.27%	9.71%

*Over benchmark

Top 10 Holdings

in Alphabetical Order

American Water Works	Water Utilities
Auckland Airport	Airports
ConnectEast Group	Urban Toll Roads
ITC Holdings	Transmission and Distribution
National Grid	Transmission and Distribution
Southern Co	Integrated Regulated
Transurban Group	Urban Toll Roads
Washington Gas	Gas Utilities
Westar Energy	Integrated Regulated
Wisconsin Energy	Integrated Regulated

Regional Breakdown*

	Percentage of Portfolio
Europe	19.24%
North America	44.10%
Australia	19.05%
United Kingdom	9.33%
Asia ex-Japan	5.94%
Emerging Markets	0.06%
Japan	0.00%
Cash	2.30%
Total	100%

Portfolio Commentary

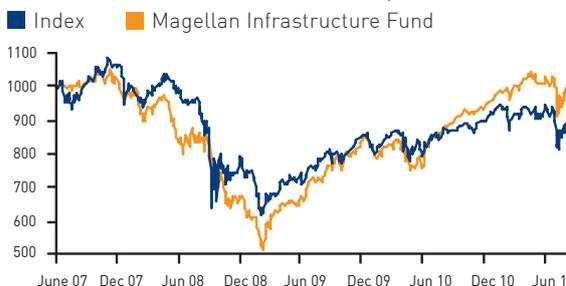
During the month of September, the Fund returned -0.68% compared to -0.27% for the benchmark.

At a sector level, airports and regulated US gas companies performed quite poorly while water utilities, electricity transmission & distribution companies and most toll roads showed share price growth.

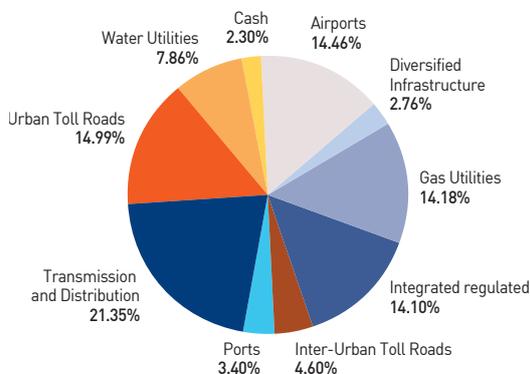
The Fund benefitted from not having exposure to a number of sectors that are included in standard benchmark indices and performed poorly during the month. This included Korean electricity and gas utilities, Japanese electricity utilities and Chinese infrastructure stocks.

Offsetting this was the positive performance of some stocks that Magellan does not define as "infrastructure" but which are included in the benchmark. European competitive power generation companies were particularly strong during the month, many up by more than 10% after suffering very large share price falls in the previous year.

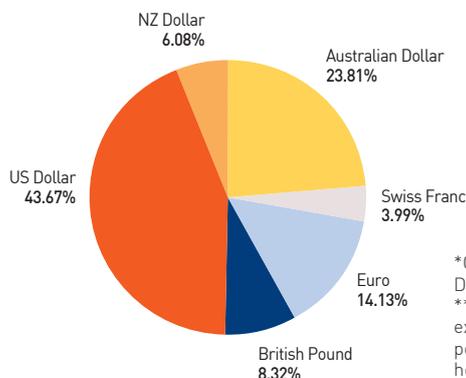
Performance Chart Growth of \$1,000



Industry Breakdown



Currency Breakdown**



*Calculated on a Domicile of Asset basis
**The foreign currency exposures of the portfolio are fully hedged back into AUD

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[†]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.
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