

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 88.88 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	1.91%	1.36%
3 months	12.74%	7.55%
6 months	8.34%	5.14%
12 months	18.98%	11.29%
2 Years (% p.a.)	0.85%	7.48%
3 Years (% p.a.)	-5.36%	-0.65%
Since Inception (% p.a.)	-4.56%	0.53%
Since Inception	-13.75%	1.52%

* Over benchmark

Top Ten Holdings in Alphabetical Order

American Water Works	Water Utilities
Atlantia	Inter-Urban Toll Roads
Fraport	Airports
Intoll Group	Urban Toll Roads
National Grid	Transmission and Distribution
PG & E Corp	Integrated Regulated
Transurban Group	Urban Toll Roads
Westar Energy	Integrated Regulated
Wisconsin Energy	Integrated Regulated
Zurich Airport	Airports

Regional Breakdown *

Europe	28.84%
North America	40.31%
Australia	13.96%
United Kingdom	7.11%
Asia ex-Japan	5.12%
Emerging Markets	0.23%
Japan	0.00%
Cash	4.43%

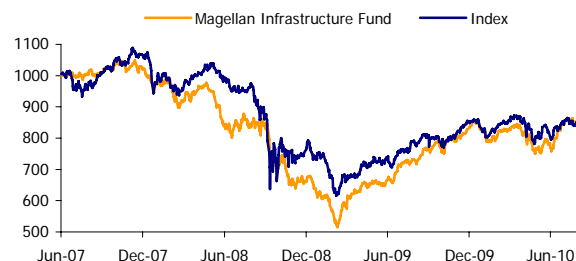
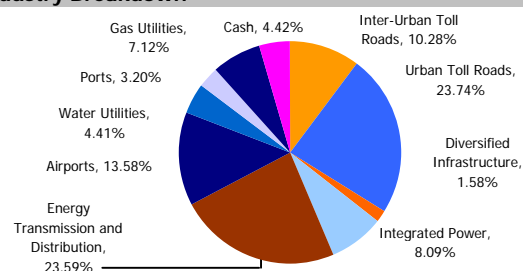
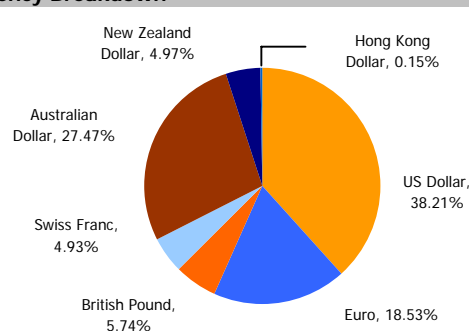
TOTAL	100.00%
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* Calculated on a Domicile of Asset basis

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

Portfolio Commentary

The Fund returned 1.91% for the month compared to 0.55% for the benchmark index. The spin-offs from Macquarie Infrastructure Group (MIG) accounted for the majority of the Fund's outperformance. The strongest contributor during the month was Transurban Group, whose share price rose by 8.7%. The share price movement was in response to the announcement of stronger than expected annual results on the 12th August. Proportional EBITDA (Transurban's share of the EBITDA earned by toll roads it has invested in) increased by 13.1% to \$630m. Of particular note was the performance of Transurban's 100% owned CityLink and M2 toll roads. CityLink increased EBITDA by 10.9%; while the M2 grew its EBITDA by 19.9%. These results reflect impressive cost control and Magellan believes this demonstrates the impressive financial characteristics of urban toll roads.

Performance Chart Growth of \$1,000

Industry Breakdown

Currency Breakdown **

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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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