

Magellan Infrastructure Fund

Fund Update: 29 February 2012

Key Facts

Portfolio Manager

Gerald Stack

Structure

Infrastructure Fund, \$A hedged

Inception date

1 July 2007

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.

Management and Administration Fee

1.06%

Buy/Sell Spread*

0.15%/0.15%

Fund Size

\$A198.2 million

*All fees are inclusive of the net effect on GST

Performance[†]

	Fund	Excess Return*
1 month	1.67%	-0.88%
3 months	4.72%	1.32%
6 months	7.06%	0.07%
12 months	7.83%	6.58%
2 Years (% p.a.)	15.62%	7.77%
3 Years (% p.a.)	23.72%	11.18%
4 Years (% p.a.)	2.32%	2.71%
Since Inception (% p.a.)	1.34%	2.32%
Since Inception	6.42%	10.92%

*Over benchmark

Top 10 Holdings

in Alphabetical Order

American Water Works	Water Utilities
Atlantia	Inter-Urban Toll Roads
Auckland Airport	Airports
Fraport	Airports
ITC Holdings	Transmission and Distribution
National Grid	Transmission and Distribution
Spark Infrastructure	Transmission and Distribution
Transurban Group	Urban Toll Roads
Wisconsin Energy	Integrated Regulated
Zurich Airport	Airports

Regional Breakdown*

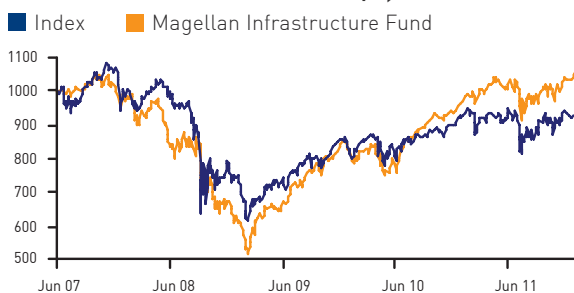
	% of Portfolio
Europe	21.94%
North America	39.77%
Australia	14.36%
United Kingdom	10.50%
Asia ex-Japan	5.75%
Emerging Markets	1.88%
Japan	0.00%
Cash	5.80%
Total	100%

Portfolio Commentary

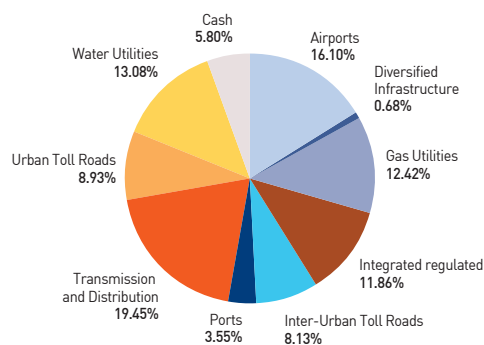
During February 2012, MIF returned +1.67%. The Benchmark UBS index return for the month was +2.54%. The 1 year return for MIF was +7.83% compared to +1.25% for the benchmark index.

February was an unusually volatile month for share price movements of stocks within the benchmark index with one month returns ranging from +36% to -13%. Japanese utilities dominated the top end of the spectrum along with unregulated power generation companies while Korean utilities were the worst performers. MIF does not hold stocks in any of those sectors.

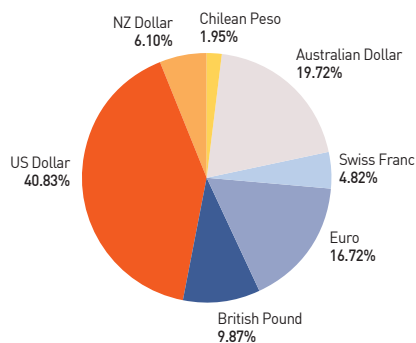
Performance Chart Growth of \$1,000



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.

Important Information: Units in the Magellan Infrastructure Fund are issued by Magellan Asset Management Limited (ABN 31 120 593 946, AFS Licence No 304 301). Past performance is not necessarily indicative of future results and no person guarantees the future performance of the Fund, the amount or timing of any return from it, or that it will achieve its investment objective. 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.