

Magellan Infrastructure Fund

Fund Update: 31 March 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

\$A203.6 million

*All fees are inclusive of the net effect of GST

Performance[†]

	Fund	Index*	Excess Return
1 month	1.36%	1.31%	0.05%
3 months	3.74%	3.07%	0.66%
6 months	9.27%	8.70%	0.57%
12 months	7.41%	5.48%	1.93%
2 Years (% p.a.)	14.23%	6.33%	7.90%
3 Years (% p.a.)	20.57%	13.22%	7.35%
4 Years (% p.a.)	4.05%	0.37%	3.68%
Since Inception (% p.a.)	1.61%	-0.69%	2.30%
Since Inception	7.87%	-3.24%	11.12%

*UBS Developed Infrastructure & Utilities Net TR Index (\$A Hedged)

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	21.96%
North America	41.39%
Australia	14.50%
United Kingdom	11.72%
Asia ex-Japan	6.09%
Emerging Markets	1.89%
Japan	0.00%
Cash	2.45%
Total	100%

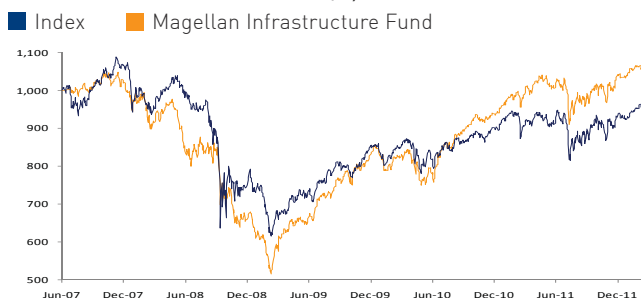
Portfolio Commentary

During March 2012, MIF returned +1.36%. The Benchmark UBS index return for the month was +1.31%. The 1 year return for MIF was +7.41% compared to +5.48% for the benchmark index.

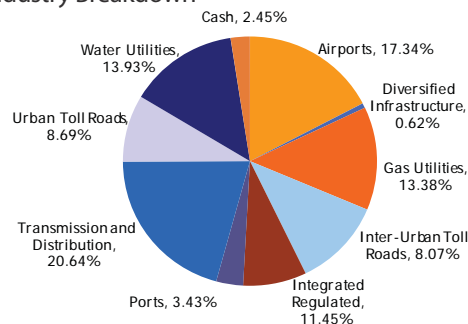
Key announcements for the top 10 stocks for the Fund during the month included:

- A major shareholder of Transurban sold down its investment from 12.6% to 4.8%. Transurban also had an investor day during the month and its plans for its portfolio of roads remain robust.
- Atlantia announced its results for calendar 2011 and, despite weak traffic (-1.3% for the year), demonstrated resilient financial performance with EBITDA up 4.4% for the year.
- Fraport announced its results for the 2011 year with EBITDA increasing by 12.9%. Fraport expects an increase in passenger volume of less than 4% in 2012.
- Zurich Airport announced its results for the 2011 year with EBITDA increasing by 11.1%. Zurich Airport expects a moderate increase of approximately 2% in passenger volume in 2012.

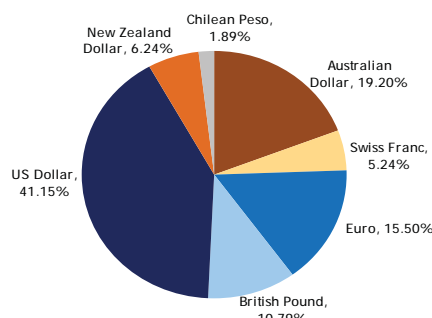
Performance Chart Growth of \$1,000



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.