

BT Tax Effective Income Fund - NEF

Fact Sheet

September 2011



Fund Overview

Product Name	BT Classic Investment Funds
APIR	RFA0023AU
Inception Date	November 1993
Fund Status	Closed
Distribution Frequency	Monthly
Fund Size	\$80.21 million
ICR (Management Fee)	2.05% As at 30/06/2010
Asset Class	Diversified Shares
Recommended Investment Timeframe	5 years +
Risk Category	Moderate

Latest unit prices (entry/exit) information is available at www.bt.com.au

Fund Management

The Fund is managed by BT Investment Management Limited (BTIM).

Investment Objective

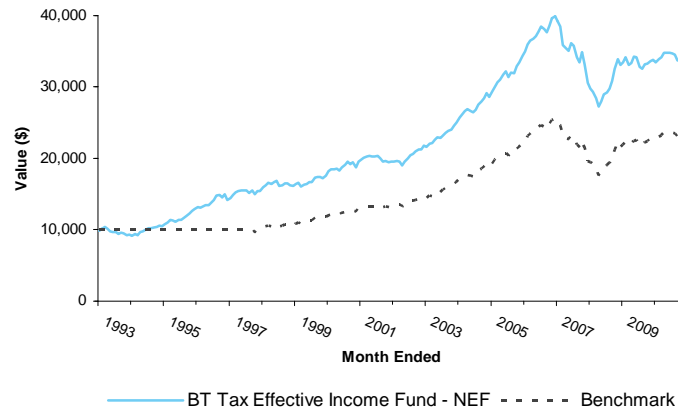
The Fund aims to provide a regular tax effective income as well as some capital growth over the long term to keep pace with inflation.

Investment Strategy

The Fund is an actively managed diversified portfolio that invests in Australian shares, Australian property securities, Australian fixed interest, convertible preference shares, cash and alternative investments that offer attractive income streams. The tax effectiveness arises from dividend imputation from Australian shares and tax deferred income from Australian property securities.

Investment Performance

**Growth of \$10,000 invested
Since inception (net of ongoing fees)**



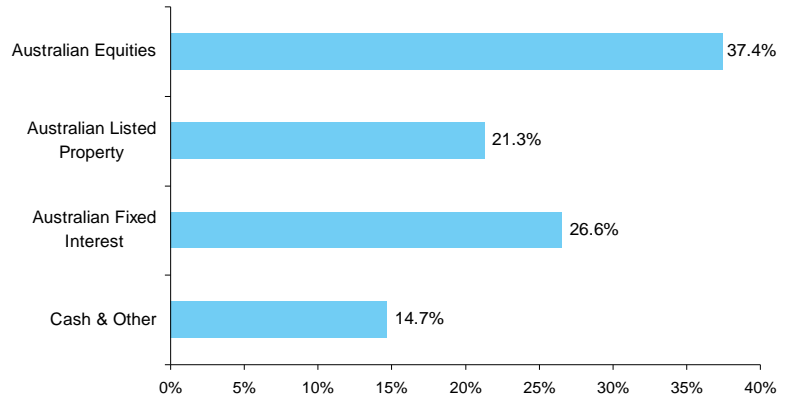
Performance (%) (as at 30/09/2011)	3 months	1 year (pa)	3 years (pa)	5 years (pa)	Since Incep.(pa)
Income Return	0.66	3.54	3.84	7.74	7.84
Growth Return	-5.84	-6.26	-4.26	-8.19	-0.98
Total Return	-5.18	-2.72	-0.42	-0.44	6.86
Benchmark Return	-4.09	-0.67	1.57	0.84	4.78

Performance returns are calculated net of ICR (Management Fees) and pre tax. Past performance is not a reliable indicator of future performance, the value of your investment can go down as well as up. Performance figures are calculated in accordance with the Investment and Financial Services Association (IFSA) standards. Total returns are calculated to the last day of each month (unless otherwise indicated) using exit prices and assuming reinvestment of distributions (which may include net realised capital gains from the sale of fund assets). No allowance is made for tax paid as an investor, other than withholding tax on foreign investments (if any).

Asset Allocation

Strategic Asset Allocation	Neutral	Ranges
Australian shares	35	20-50
Australian property	20	10-30
Australian fixed interest	23	10-35
Convertible preference shares (hybrid securities)	7	0-15
Alternative investments	0	0-5
Cash	15	5-50

By Sector Allocation (as at 30/09/2011)



The market exposure (asset allocation) and holdings of the fund may change significantly each day.

Progress of the Portfolio Investment

Fund Performance

The fund underperformed its benchmark in the September 2011 quarter. The period was a very weak one for risk assets, particularly shares and property, with Australian shares down 11.65% and listed property down by 8.01%. Government bonds continued to rally in the September quarter, contributing a 4.6% return for Australian fixed interest. In addition to our underlying strategies, the mix of Australian equities in the portfolio added value, while our asset allocation slightly detracted from performance.

Strategy & Outlook

The key influence on the Australian sharemarket continues to be the global macroeconomic environment. There is a seemingly entrenched lack of confidence in the key political protagonists agreeing on (let alone implementing), a timely and workable solution to the sovereign debt issues in Europe. Meaningful initiatives to recapitalise European banks are required, and there is clear consensus that action must be taken to avoid full contagion into the banking sector. Progress is being made but it is not quick enough to provide sustained confidence for markets. We continue to be negative on credit markets in the near to mid-term as global growth appears to have slowed markedly. Whilst corporate balance sheets are robust, the market may continue to experience volatility for some time yet.

Other Features

This fund is open to existing investors with a current holding. There is no minimum amount for additional investments or Regular Investment Plans. Existing investors can manage their investment using BT Online or our automated telephone service BT Link. BT Margin Lending will loan against this Fund via a BT Margin Loan. The Loan to Value Ratio (LVR) for this Fund is 75%. Lending ratios are subject to change without notice.

More information?

→ Speak to your financial adviser → Visit www.bt.com.au → BT Contact Centre 132 135

BT Funds Management Limited ABN 63 002 916 458, AFSL 233724 and BT Funds Management No. 2 Limited ABN 22 000 727 659, AFSL 233720 are the Responsible Entities of the BT Classic Investment Funds Product Disclosure Statement (PDS). BT Funds Management No. 2 Limited ABN 22 000 727 659, AFSL 233720 is the issuer of units in, the BT Tax Effective Income Fund - NEF (the Fund). A PDS and Financial Services Guide (FSG) is available for the Fund and can be obtained by calling the BT Contact Centre on 132 135, or visiting www.bt.com.au. You should obtain and consider the PDS before deciding whether to acquire, continue to hold or dispose of units in the Fund. The information in this flyer is factual only. It does not constitute financial product advice. Before acting on this information you should seek independent financial and taxation advice to determine its appropriateness to your objectives, financial situation and needs. This flyer provides an overview or summary only and it should not be considered a comprehensive statement on any matter or relied upon as such.

An investment in the Fund is not an investment in, deposit with or any other liability of Westpac Banking Corporation ABN 33 007 457 141 (the Bank) or any other company in the Westpac Group. It is subject to investment risk, including possible delays in repayment of withdrawal proceeds and loss of income and principal invested. Neither the Bank nor any other company in the Westpac Group has issued, stands behind or otherwise guarantees the capital value or investment performance of the Fund.

