

BT Ethical Share NCF

Fact Sheet

December 2011



Fund Overview

Product Name	BT Classic Lifetime - Flexible Pension
APIR	RFA0044AU
ABN	68 324 870 141
Inception Date	January 2002
Fund Status	Closed
Fund Size	\$0.37 million
ICR (Management Fee)	2.08% As at 30/06/2011
Asset Class	Australian Shares
Recommended Investment Timeframe	5 years +
Risk Category	Dynamic

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

Fund Management

BT Investment Management Limited

Investment Objective

The portfolio aims to outperform the S&P/ASX300 Accumulation Index over the long term by investing in Australian companies that we believe are trading at a significant discount to their assessed valuation.

Investment Strategy

Actively seeks out companies which demonstrate superior environmental and social practices and offer sustainable products and services. This includes companies already listed on the Australian Stock Exchange and investments in initial public offerings.

The option will not invest in companies which:

- are directly involved with the extraction of uranium ore
- produce alcohol or tobacco
- manufacture or provide gaming facilities
- manufacture weapons and armaments, or
- have been subject to environmental and/or human rights prosecutions.

These exclusions may change in the future in accordance with the option's ethical guidelines.

Investment Performance

Performance (%) (as at 31/12/2011)	3 months	1 year (pa)	3 years (pa)	5 years (pa)	Since Incep.(pa)
Total Return (post-fee, pre-tax)	2.44	-10.34	5.18	-2.46	7.09

All performance figures assume that income is reinvested. The returns quoted provide a historical reflection of past performance, and are no guarantee of future returns. The actual return to any individual investor may differ. Past performance is not a reliable indicator of future performance.

Progress of the Portfolio Investment

Fund performance

The fund outperformed the benchmark (on a pre fee//pre tax basis) in the December 2011 quarter. Our overweight position in Brambles was a good contributor to performance with the company announcing strong sales growth forecasts for the first quarter of 2012. However our overweight position in JB Hi-Fi, which fell by 26% in the period, detracted from the quarterly result. Also detracting from performance was our overweight position in ResMed, which was down by 16% over the period. We believe industry dynamics remain positive for ResMed, and the company remains the market leader in sleep-disorder apparatus and is well positioned for further growth.

Market outlook

In what was a rollercoaster quarter, the ASX300 Accumulation Index was up 2.1%. In terms of sector performance, defensive sectors did best with Telecoms up 7% and Utilities up 6.5%, while Materials were weak, down 3%. While most commodities rebounded over the quarter from a very weak period prior, spot iron ore prices fell quite measurably, bringing its longer term performance pattern in line with other base metals, which reflects a softer economic outlook for China. The end of the year saw further woes in Australia's retail sector, and we are watching the start of 2012 with interest, to assess specific earnings prospects for companies in this sector.

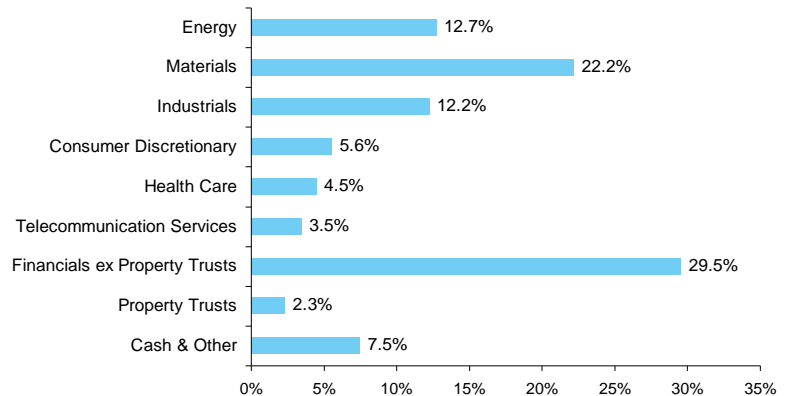
Top Holdings

Holdings (as at 31/12/2011)			
BHP Billiton Limited	8.8%	Origin Energy Limited	4.4%
National Australia Bank Limited	8.6%	Santos Limited	4.4%
Westpac Banking Corporation	7.2%	Brambles Limited	4.1%
Commonwealth Bank of Australia Limited	5.4%	Suncorp Group Limited	3.9%
Rio Tinto Limited	4.8%	Telstra Corporation Limited	3.5%

Asset Allocation

Strategic Asset Allocation	Neutral	Ranges
Australian Shares	100	80-100
Cash	0	0-20

By Sector Allocation (as at 31/12/2011)



More information?

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

BT Funds Management No 2 Limited ABN 22 000 727 659, AFSL No. 233 720 is the Trustee of BT Classic Lifetime – Flexible Pension ABN 68 324 870 141 (the Plan) and is the issuer of interests in the Plan. A Product Disclosure Statement (PDS) and Financial Services Guide (FSG) is available for the Plan and can be obtained by calling the BT Contact Centre on 132 135. You should obtain and consider the PDS before deciding whether to acquire, continue to hold or dispose of units in the Plan. The information in this fact sheet 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 fact sheet 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 Plan 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 Plan.