



## BT WHOLESALE GEARED IMPUTATION FUND

ARSN: 102 970 089

### Fact Sheet September 2008

<b>About the Fund</b>	<p>The BT Wholesale Geared Imputation Fund is an actively managed geared portfolio of Australian shares, Australian Property securities and convertible preference shares that we believe offer above average income returns.</p> <p>Investors should be aware that due to the Fund's geared investment strategy there is some additional risk involved in investing in the Fund compared to a conventional Australian equities fund. Gearing magnifies both investment gains and losses.</p>
<b>Fund objective</b>	<p>The Fund aims to provide a return (before fees, costs and taxes) that exceeds the S&amp;P/ASX 300 Accumulation Index over the long term. The suggested timeframe is seven years or more.</p>
<b>Investment philosophy</b>	<p>BTIM seeks to deliver consistently superior performance by exploiting investment opportunities that arise due to the inefficient market pricing of securities. Our goal is to invest in strong businesses that are generating cashflow but are currently valued incorrectly by the market.</p>
<b>Investment strategy</b>	<p>The Fund increases investors' exposure to investment returns by borrowing money. This may amplify the performance of the investment (whether that performance is positive or negative).</p>
<b>Investment approach</b>	<p>BTIM's investment process for Australian shares is based on the core investment style. Unrestricted by a growth or value bias and using comprehensive research, BTIM's team of investment professionals selects stocks based on BTIM's assessment of their long term worth and ability to outperform the market, regardless of whether they are characterised as value or growth stocks.</p> <p>The Trust borrows money to increase the amount it can invest in assets, thus potentially increasing investment performance. This is known as gearing.</p>
<b>Investment process</b>	<p>BTIM's investment process for Australian shares is based on the core investment style. Unrestricted by a growth or value bias and using comprehensive research, BTIM's team of investment professionals selects stocks based on BTIM's assessment of their long term worth and ability to outperform the market, regardless of whether they are characterised as value or growth stocks.</p> <p>The Fund uses a geared investment strategy by investing in the BT Institutional Geared Tax Effective Share Sector Trust ('Trust')</p> <p>The Trust borrows money to increase the amount it can invest in assets, thus potentially increasing investment performance.</p> <p><b>Advantages of investing through a geared fund:</b></p> <ul style="list-style-type: none"><li>→ easier and quicker than applying for a personal borrowing facility</li><li>→ due to its size, the Fund may borrow at a very competitive interest rates</li><li>→ does not require the investor to meet or provide additional security repayments in case of a market downturn</li><li>→ provides access to a geared investment for entities that may be restricted from this type of investment themselves</li></ul>
<b>Investment Team</b>	<p>BTIM's nine-member Equity Strategies team is one of the largest in the Australian fund's management industry. Together, the team manages in excess of \$14 billion. The portfolio manager for the Fund is Jack Chemello, who has more than 11 years' industry experience.</p>

## Fund Performance

As at 30 September 2008

(%)	3 months	6 months	1 year (pa)	2 years (pa)	3 years (pa)	5 years (pa)
Total returns (post-fee)	-17.32	-20.38	-37.34	-4.14	4.44	15.07
Total returns (pre-fee)	-17.02	-19.79	-36.40	-2.96	5.61	16.33
Benchmark Returns	-10.70	-12.26	-27.08	-1.63	3.94	12.31
Excess Return (pre-fee)	-6.32	-7.53	-9.32	-1.33	1.67	4.02

Investment returns are volatile and past performance is not necessarily indicative of future performance.

## Asset Allocation

As at 30 September 2008

Asset Class	
Energy	14.9%
Materials	40.4%
Industrials	11.5%
Consumer Discretionary	3.0%
Consumer Staples	13.7%
Health Care	8.7%
Telecommunication Services	12.0%
Utilities	1.8%
Financials ex Property Trusts	51.5%
Property Trusts	6.9%
Cash & Other	-64.4%

The cash position in this fund should always be negative as it borrows more cash than it has in order to buy securities.

## Investment guidelines

Ex-Ante (Forward Looking) Tracking error	2% - 6%
Active Single Stock Position	+/-4%
Active Single Sector Position	+/-6%

## Other information

Fund Size (as at 30 September 2008)	\$23 million
Date of Inception	October 2003
Minimum Investment	\$50,000
Minimum Balance	\$50,000
Buy-sell spread	0.91%
Income distribution frequency	Annually
APIR Code	RFA0130AU

## Fees

Management Fee	1.45% pa*
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\* You should refer to the latest Product Disclosure Statement for full details of fees and other costs you may be charged.

## For more information:

- Please contact your business development representative
- Institutional clients please call 1800 813 886 or visit [www.bt.com.au/institutions](http://www.bt.com.au/institutions)
- Financial advisers please call 1800 025 127 or visit [www.btadviserexchange.com.au](http://www.btadviserexchange.com.au)

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