

Advance Asian Equity Fund

ADVANCE

SINGLE MANAGER FUND

As at 30 June 2011

Wholesale performance*	3 months	1 year	2 years	3 years	5 years
	% pa	% pa	% pa	% pa	% pa
Growth return	-5.70	-4.11	-0.10	-1.81	-4.34
Distribution return	0.64	0.65	1.02	1.05	3.68
Total return	-5.06	-3.46	0.92	-0.75	-0.66
Benchmark return ¹	-3.40	-0.85	7.66	4.10	3.64

* The Fund performance relates to wholesale investors only. If you are a retail investor, you can obtain up to date returns at advance.com.au.

Inception date: 31 May 2004

² Benchmark: MSCI All Countries Asia ex Japan Accumulation Index (AUD)

Fund update	<p>During the quarter, the Fund returned -5.06%, underperforming the benchmark due to country and sector allocation. In terms of performance attribution by markets, India, China and Korea were the main detractors, with the underweight in defensive sectors such as telecom services and utilities adding a further drag on returns. Stock selection in industrial, financials and consumer staples also contributed negatively. In particular, Tata Motors was a drag as share price was weighed down by declining India sales and concerns that the global economic slowdown would negatively impact Jaguar Land Rover sales in the US and Europe.</p>
-------------	--

Actual asset allocation by sector	Fund %	Benchmark %
	Consumer discretionary	6.90
Consumer staples	5.40	4.50
Energy	7.80	8.40
Financials	34.20	30.90
Healthcare	0.80	0.80
Industrials	9.90	11.20
Information technology	16.40	17.50
Materials	9.80	8.90
Telecom services	3.20	5.50
Utilities	1.60	3.30
Cash	4.00	-
Total	100.00	100.00

Actual asset allocation by country	Fund %	Benchmark %
	China	22.70
Hong Kong	11.60	11.10
India	9.30	10.20
Indonesia	5.50	3.40
Korea	20.00	20.70
Malaysia	1.00	4.10
Philippines	0.50	0.80
Singapore	7.00	7.00
Taiwan	13.80	15.80
Thailand	4.50	2.40
Cash	4.00	-

Market commentary*	<p>The quarter started off well, after Japan made progress in cooling the reactors at the Fukushima Daiichi nuclear plant and production for Japanese corporate resumed faster-than-expected. However, share prices soon retreated as weakening economic data coupled with persistent inflation fuelled concerns over near-term policy actions and the sustainability of global growth. Over the April to June quarter, the Euro-zone sovereign debt concerns came back to the forefront, with the crisis that began in Greece in October 2009 taking a turn for the worse as negotiations for emergency financing were impeded by political gridlock. In addition to the bailouts in Ireland and Portugal, debt concerns have now spread to Italy and Spain. In Asia, policy tightening measures that policy-makers had put in place started to take effect.</p> <p>India and Thailand were the two worst performing sharemarkets. The aggressive rate hikes instituted by the Indian regulators to quell high inflation weighed upon sentiments, while the growing popularity of the Opposition Puea Thai Party going into the Thai Presidential elections in July raised concerns over continuity and stability in the political leadership.</p> <p>*Provided by Lion Global Investors Ltd.</p>																																												
Top 10 holdings	<table border="1"> <thead> <tr> <th></th> <th>Fund %</th> <th>Benchmark %</th> </tr> </thead> <tbody> <tr> <td>Samsung Electronics Company Limited</td> <td>4.08</td> <td>3.01</td> </tr> <tr> <td>China Construction Bank Corp</td> <td>3.29</td> <td>1.4</td> </tr> <tr> <td>Industrial And Commercial Bank Of China Ltd</td> <td>3.22</td> <td>1.62</td> </tr> <tr> <td>LG Chem Limited</td> <td>2.65</td> <td>0.75</td> </tr> <tr> <td>Kasikornbank Public Company Limited</td> <td>2.12</td> <td>0.17</td> </tr> <tr> <td>Shanghai Industrial Holdings Limited</td> <td>2.1</td> <td>0.07</td> </tr> <tr> <td>Kb Financial Group Incorporation</td> <td>2.06</td> <td>0.55</td> </tr> <tr> <td>Cnooc Limited</td> <td>2.05</td> <td>1.47</td> </tr> <tr> <td>Hyundai Mobis</td> <td>1.99</td> <td>0.9</td> </tr> <tr> <td>Pt Bank Rakyat Indonesia Persero Terbuka</td> <td>1.93</td> <td>0.29</td> </tr> </tbody> </table>				Fund %	Benchmark %	Samsung Electronics Company Limited	4.08	3.01	China Construction Bank Corp	3.29	1.4	Industrial And Commercial Bank Of China Ltd	3.22	1.62	LG Chem Limited	2.65	0.75	Kasikornbank Public Company Limited	2.12	0.17	Shanghai Industrial Holdings Limited	2.1	0.07	Kb Financial Group Incorporation	2.06	0.55	Cnooc Limited	2.05	1.47	Hyundai Mobis	1.99	0.9	Pt Bank Rakyat Indonesia Persero Terbuka	1.93	0.29									
	Fund %	Benchmark %																																											
Samsung Electronics Company Limited	4.08	3.01																																											
China Construction Bank Corp	3.29	1.4																																											
Industrial And Commercial Bank Of China Ltd	3.22	1.62																																											
LG Chem Limited	2.65	0.75																																											
Kasikornbank Public Company Limited	2.12	0.17																																											
Shanghai Industrial Holdings Limited	2.1	0.07																																											
Kb Financial Group Incorporation	2.06	0.55																																											
Cnooc Limited	2.05	1.47																																											
Hyundai Mobis	1.99	0.9																																											
Pt Bank Rakyat Indonesia Persero Terbuka	1.93	0.29																																											
Investment objective	<p>To provide long-term capital growth by investing in Asian (ex Japan) securities listed or expected to be listed on world stock exchanges excluding Japan. The Fund aims to provide investors with a total return (before fees and taxes) that outperforms the MSCI All Countries Asia Free excluding Japan Accumulation Index in Australian dollars over periods of five years or longer.</p>																																												
Benefits of investing in Fund	<p>The Advance Asian Equity Fund provides access to a diverse range of stocks and industries across Asia exclusive of Japan. The diversity of Asia's economies and high growth rates of many Asian companies may provide an attractive investment opportunity for Australian investors seeking potentially long-term capital growth with some income. The Asian region includes many of the fastest growing economies in the world.</p>																																												
Current investment manager	<p>Investment manager – Lion Global Investors Ltd. Investment style – Active; fundamental.</p> <p>Lion Global Investors Ltd (Lion Global) believe that securities have intrinsic values which are relatively stable and can be measured with reasonable accuracy by a diligent and disciplined investor.</p> <p>Lion Global believes that a strategy of buying only when market prices are significantly below intrinsic values will produce superior returns over the long term.</p>																																												
Key features	<table border="1"> <thead> <tr> <th></th> <th>Wholesale</th> <th>Retail</th> </tr> </thead> <tbody> <tr> <td>Fund size</td> <td>\$8.2 million</td> <td>\$5.3 million</td> </tr> <tr> <td>Date established</td> <td>May 2004</td> <td>May 2004</td> </tr> <tr> <td>Distribution frequency</td> <td>June</td> <td>June</td> </tr> <tr> <td>Minimum investment</td> <td>\$50,000 (\$25,000 for Regular Savings Plan¹)</td> <td>\$1,500 (\$1,000 for Regular Savings Plan¹)</td> </tr> <tr> <td>Minimum withdrawal</td> <td>\$10,000</td> <td>\$500</td> </tr> <tr> <td>Withdrawal period</td> <td>5 business days</td> <td>5 business days</td> </tr> <tr> <td>Entry fee</td> <td>Nil</td> <td>4.10% maximum²</td> </tr> <tr> <td>Ongoing fee</td> <td>1.25% pa²</td> <td>2.20% pa²</td> </tr> <tr> <td>Regular Savings Plan¹</td> <td>Yes</td> <td>Yes</td> </tr> <tr> <td>Regular Withdrawal Plan¹</td> <td>Yes</td> <td>Yes</td> </tr> <tr> <td>Distribution reinvestment</td> <td>Yes</td> <td>Yes</td> </tr> <tr> <td>Buy/Sell spread (%)</td> <td>0.45/0.45</td> <td>0.45/0.45</td> </tr> <tr> <td>Exit fee</td> <td>Nil</td> <td>Nil</td> </tr> </tbody> </table> <p>¹ Conditions apply. ² Includes effect of GST.</p>				Wholesale	Retail	Fund size	\$8.2 million	\$5.3 million	Date established	May 2004	May 2004	Distribution frequency	June	June	Minimum investment	\$50,000 (\$25,000 for Regular Savings Plan ¹)	\$1,500 (\$1,000 for Regular Savings Plan ¹)	Minimum withdrawal	\$10,000	\$500	Withdrawal period	5 business days	5 business days	Entry fee	Nil	4.10% maximum ²	Ongoing fee	1.25% pa ²	2.20% pa ²	Regular Savings Plan ¹	Yes	Yes	Regular Withdrawal Plan ¹	Yes	Yes	Distribution reinvestment	Yes	Yes	Buy/Sell spread (%)	0.45/0.45	0.45/0.45	Exit fee	Nil	Nil
	Wholesale	Retail																																											
Fund size	\$8.2 million	\$5.3 million																																											
Date established	May 2004	May 2004																																											
Distribution frequency	June	June																																											
Minimum investment	\$50,000 (\$25,000 for Regular Savings Plan ¹)	\$1,500 (\$1,000 for Regular Savings Plan ¹)																																											
Minimum withdrawal	\$10,000	\$500																																											
Withdrawal period	5 business days	5 business days																																											
Entry fee	Nil	4.10% maximum ²																																											
Ongoing fee	1.25% pa ²	2.20% pa ²																																											
Regular Savings Plan ¹	Yes	Yes																																											
Regular Withdrawal Plan ¹	Yes	Yes																																											
Distribution reinvestment	Yes	Yes																																											
Buy/Sell spread (%)	0.45/0.45	0.45/0.45																																											
Exit fee	Nil	Nil																																											

Contact Centre: 1800 819 935

Adviser Services: 1300 361 864

advance.com.au

Advance Asian Equity Fund is issued by Advance Asset Management Limited (Advance) ABN 98 002 538 329 AFSL No. 240902. A Product Disclosure Statement (PDS) for the Fund is available at www.advance.com.au or via 1800 819 935 or from your financial adviser. Financial advisers, please call 1300 361 864. This fact sheet contains general information only and does not take into account individual financial circumstances. Investors should consider the PDS and whether the Fund is appropriate to their circumstances, and seek professional advice before investing in the Fund. Past performance is not a guide to future performance. Past performance is not a reliable indicator of future performance. Advance is a member of the Westpac Group, which includes Westpac Banking Corporation ABN 33 007 457 141 ("Westpac"). An investment in the Fund does not represent an investment in, deposit with or other liability of Westpac or any other member of the Westpac Group. It is subject to investment risk, including possible delays in repayment and loss of income and principal invested. Neither Westpac nor any other member of the Westpac Group stands behind or otherwise guarantees the capital value of an investment in a Fund or the performance of a Fund. Performance figures are calculated using withdrawal values and assume that income is reinvested. Annual management fees and expenses have been taken into account; however, no allowance has been made for entry fees, tax or any rebates that may be given. Past performance is not a reliable indicator of future performance.

AD10038W-0811rr