Fact Sheet

ATI Australian Equity Portfolio

Information as at 30 April 2012

Portfolio Objective

The ATI Australian Equity Portfolio seeks to achieve total returns (includes income and capital appreciation, before the deduction of fees and taxes) that exceed those on the S&P/ASX300 Accumulation Index by 3% p.a. over rolling three-year periods.

Performance Update

(*Returns to 30 April 2012)	1 Month (%)	3 Months (%)	1 Year (%)	3 Years (% p.a.)	5 Years (% p.a.)	Inception (% p.a.)
ATI Equity Portfolio (gross)	1.0	4.6	(5.7)	10.7	0.5	5.2
S&P/ASX300 Accumulation Index	1.3	4.6	(4.8)	9.8	(2.4)	3.2
Relative Outperformance	(0.3)	0.0	(0.9)	0.9	2.9	2.0

*Past performance is not a guarantee of future results and may not be indicative of them. The gross returns are calculated using the Portfolio's net asset value of a model mandate within the OneVue SMA product. Performance assumes reinvestment of all income. Inception date is 23 December 2005.

Portfolio Details as at 30 April 2012

Largest Holdings	Portfolio Weight (%)	S&P/ASX300 Weight (%)
ANZ Bank	9.3	6.0
BHP Billiton	9.2	10.7
Westpac Bank	8.4	6.5
National Australia Bank	8.3	5.3
Telstra	7.0	4.1
Woolworths	5.2	3.0
Commonwealth Bank	4.5	7.7
Newcrest	4.1	1.9
News Corporation	2.8	0.5
Woodside Petroleum	2.6	2.1

Sector Allocation	Portfolio Weight (%)	S&P/ASX300 Weight (%)
Financials	37.4	37.6
Materials	22.0	26.2
Consumer Staples	9.0	7.7
Telecommunications	7.0	4.3
Industrials	6.2	7.2
Consumer Discretionary	7.5	3.8
Healthcare	3.1	3.4
Energy	2.6	7.4
Information Technology	2.1	0.6
Utilities	1.7	1.6

Selected Portfolio Statistics as at 30 April 2012

Inception Date	23-Dec-05
Number of Stocks	33
ATI Funds Under Management	~ $500m

MER (est.)	~ 0.90% p.a.
Tracking Error (forward estimate)	~ 3.0% p.a.

Suite 1202, Level 12, 135 Macquarie St, Sydney NSW 2000 | T: 8259 7500 | F: 02 9251 4799 | E: info@atiam.com.au | www.atiam.com.au

Portfolio Performance

The ATI Equity Portfolio rose 1.0% in April compared with a rise of 1.3% in the S&P/ASX300 Accumulation Index. Against this benchmark, ATI is producing excess returns on a 3 year, 5 year and since inception (Dec-05) basis.

The Best and Worst Performing Sectors

The best performing sectors in April were Telecommunications (+7.5%), Property Trusts (+5.5%) and Healthcare (+2.4%); while the worst were Information Technology (-3.8%), Industrials (-1.1%) and Energy (-0.2%).

Attribution of Stocks

The portfolio performance during April was assisted by overweight positions in Telstra (TLS), Medusa Mining (MML) and Ardent Leisure (AAD); and by not holding QBE Insurance (QBE), Iluka Resources (ILU) and Seven West Media (SWM). Stocks in the portfolio that contributed most to its relative performance during the month included:

Telstra (TLS) (+7.6%) held an Investor Strategy Day during April at which management reaffirmed their FY12 guidance of low single digit revenue and EBITDA growth and a fully franked 28c dividend for both FY12 & FY13. Management also said they expect to generate $2-3bn in excess free cash over the next three years. In relation to capital management, TLS announced their preference to return capital via growing their franked dividends, however, they do not expect to have franking capacity before 2014. During the month Foxtel also received ACCC approval to proceed with the takeover of Austar and TLS owns 50% of Foxtel. In April S&P also affirmed Telstra's A/A-1 rating and revised the company outlook to stable. Despite the recent stock price strength, TLS remains an overweight portfolio holding.

Medusa Mining (MML) (+14.3%) outperformed the market in April despite the relatively tight trading range of the gold price during the month. As noted in ATI's March report, MML entered the portfolio in March following a significant share price over-reaction to the company's FY2012 production downgrade (-9% on 21 March 2012). The out-performance in April partly reflects this over-reaction in March, which provided an opportune entry point for ATI into this attractively ranked stock, and was also assisted by the release of some positive exploration results at the company's Co-O operation during the month. Despite producing just 18koz during the March 2012 quarter, MML is on track to increase production at Co-O to 200kozpa, and remains one of the lowest cost and highest grade gold producers listed in Australia. MML remains a portfolio holding.

Ardent Leisure (AAD) (+12.6%) outperformed the market during April without there being any specific company announcements for the stock. A few things that may have assisted the monthly performance were: the ongoing improvement in April news-flow regarding US consumer spending and sentiment that could help drive some like for like sales growth in the Main Event entertainment centres; the fact that there had been only negligible rainfall on the Gold Coast over the April Easter / school holiday period should translate to solid attendance levels at the theme parks after the extremely wet weather experienced in the previous corresponding period; and, AAD's presentation at the UBS emerging companies conference where they confirmed their hopes for FY12 earnings growth after posting a better than expected 1H12 interim result. Despite the recent share price performance, AAD still remains relatively attractive and a portfolio holding.

Positions that detracted most from the portfolio's performance during the month were from being overweight Newcrest Mining (NCM), Computershare (CPU), and Qantas (QAN); and from not holding Westfield Group (WDC), Mirvac Group (MGR) and Oilsearch (OSH). Stocks in the portfolio that detracted most from performance during the month included:

Newcrest Mining (NCM) (-11.4%) continued to under-perform the market in April. The gold price was remarkably stable during April, trading in a tight ~4% range between US$1,620-1,680/oz, and remains elevated in a historical context due to the ongoing competitive de-basing of currencies, in particular the US$. Despite the stability in the commodity price, NCM and a number of large global gold-producing peers have materially underperformed the commodity price over the past year. In the case of NCM, blame can clearly be directed at the disappointing performance of its largest operations – Lihir and Cadia Valley – which has brought into question the ability of the current corporate management team to manage the market's expectations, and their accountability for the Lihir acquisition in 2010. Further, the growth profile of the company has been materially downgraded, due to issues with the ramp up of major projects including the upgrade of Lihir, and development of the Cadia East underground. Nevertheless, notwithstanding our lowered expectations of future production, NCM still remains attractively priced relative to the broader market and a portfolio holding. We expect a reversion to the company's historical market rating will occur once a consistent operating performance is re-established.

Computershare (CPU) (-6.6%) underperformed during April after reporting subdued market activity in the March quarter and ongoing legal action relating to: i) two Russian cases, one recently settled, while the second one relates to an individual who has alleged he was defrauded of his holding in a transaction (CPU notes the transaction is pre-2006 which is pre their entry into Russia); ii) Georgeson US has been subpoendaed due to several employees allegedly mis-using proxy information in exchange for certain benefits; and iii) Australia Post making a claim against the use of the name "Digital Post Australia". CPU remains relatively attractive and a portfolio holding.

Qantas (QAN) (-8.4%) underperformed during the month on expectations that domestic airline capacity would increase due to Virgin offering more flights as part of a campaign to win more corporate customers, whilst Tiger was also increasing its flight numbers. QAN CEO Mr Joyce said he was willing to add as many additional flights as necessary to protect Qantas's "line in the sand" of a 65 per cent market share of the domestic market. The share price was weaker over concerns that yields, would fall as increased competition means that there will be more seats in the market to sell. The falling AUD/USD was also perceived as negative for outbound travel and lowering the purchasing power for jet fuel. QAN remains a portfolio holding on the basis of valuation support and our view that the QAN mainline business is stabilising/recovering; the business model of Jetstar is entering a significant growth phase; and cost-saving initiatives have not fully been reflected in the current share price. In addition, the QAN Frequent Flyer and the Qantas Freight operations offer strong cash generation and businesses diversification.

Portfolio Construction

The ATI portfolio continues to maintain its large stock bias with regard to its market capitalisation exposures against the S&P/ASX300 index with 87% of the portfolio (excluding cash) in the top 50 stocks (compared to 81% of the S&P/ASX300 index), 9% in the next 100 (14% of the index), and 4% in the last 150 stocks (5% of the index).

The portfolio is likely to remain overweight the larger cap stocks as we expect there to be ongoing market volatility driven by the unresolved European debt issues and the resultant impact on global growth over the course of 2012. The number of holdings in coming months will only increase if those stocks that have become relatively attractive also improve the expected risk/return profile of the overall portfolio. Any new positions would be expected to complement the overweight positions already held in the larger cap stocks which history has shown us is a relatively good place to be in these uncertain and erratic market conditions.

The main portfolio weighting changes during April included minor top-up purchases for Emeco Holdings (EHL), Newcrest Mining and Kingsgate Consolidated (KCN); and some slight decreases for CSL (CSL) and Wesfarmers (WES].

Portfolio Risk

The current forecast tracking error of ~3.0% (range of 2-8%) for the ATI portfolio has the potential to change in coming months as the risk/return benefit of taking on some relatively oversold stocks is assessed with reference to the global macro developments. At present the main sources of portfolio risk are from overweight positions in Pacific Brands (PBG), Lynas Corporation (LYC), Medusa Mining, Newcrest Mining, and Telstra; and an underweight position in Commonwealth Bank (CBA).

General Market Commentary

The modest rise in the Australian equity market (ASX 300 Accumulation Index +1.3%) in April represented its fourth straight month of positive performance. Our equity market retraced at the start of the month as the ongoing concerns about European sovereign debt, a slowing US economy and softer Chinese growth all weighed on the minds of investors. However, over the course of April, our equity market staged a gradual recovery and appeared to shun the negative news that saw falls in European and Asian equity markets to claw its way back into positive territory. The sector specific performance of the Australian equity market provided some insight into the current investor buying appetite as the more defensive and higher yield areas of telecommunications, property trusts and health care were the main drivers of the market being able to post another positive month. Perhaps the reasonably solid US quarterly reporting season and some more positive Chinese data over the month also helped buoy investor confidence as much of the economic data releases from both the US and Europe did certainly not seem to indicate that we are in the middle of a market supportive global economic recovery.

The domestic market mood was certainly tempered by a host of negative company releases over April. The main theme that resonated from these releases was that profitability was not being achieved in line with market expectations and earnings downgrades were issued across a number of cyclical stocks in the retail, media and building material sectors. Companies generally cited the recent bad weather on the east coast (examples being Boral and Transfield Services] and/or the softness of the underlying economy (examples being JB Hi-Fi and Seven West Media] as the major reasons for their lower profit guidance. It would appear that the downward trajectory of many industrial company earnings profiles is just another reflection of the dual speed economy that exists here in Australia. The clear message is that there is a massive divergence between the niche resource sector boom and the rest of the broader economy with the resources stocks themselves showing some signs of weakness as the materials sector has now underperformed the broader market for the last three months running.

The somewhat subdued global economic data releases in April resulted in some caution with regards to investor demand for commodities. Base metal prices were generally mixed with iron ore slightly lower (Tianjin 62% fines -1.5%), gold almost unchanged (spot -0.2%) and the overall LME index ending the month almost flat. Crude oil prices dropped in April with the spot Brent prices down 3.7%. In Australia, whilst the RBA left interest rates unchanged in April, the release of a lower than expected inflation number paved the way for a 50 basis point rate cut that was delivered in early May. The AUD rose 0.8% in April to finish the month at USD1.043, but gave back these gains in early May when the RBA rate cut was delivered.

Outlook

ATI has responded to the ongoing volatile market conditions by intentionally concentrating and de-risking the portfolio into those larger capitalisation stocks which provide the greatest expected return for the lowest level of expected risk. The ongoing volatility in equity markets reflects the fact that the expectation of a synchronised global recovery is now in doubt as both Europe and the US are attempting to deal with mounting debt problems. As a result of the continuing downward revisions to global growth expectations, the ongoing domestic earnings downgrade cycle for equities is likely to continue as evidenced by a series of profit warnings issued during April. Until we begin the see some improvement in the global macro backdrop and sovereign debt issues, investors are likely to remain somewhat wary and this has convinced us to remain quite defensive in our overall portfolio positioning.

ATI's relative value process is still identifying some attractive opportunities in conjunction with some more defensive holdings that we feel are appropriate for these market conditions. Those stocks whose share prices have rallied excessively in anticipation of the expected simultaneous global economic recovery remain the standout risks over the course of the coming year as signs of earnings growth and a solution to the Eurozone issues are now required to drive the next upward phase in equity markets.

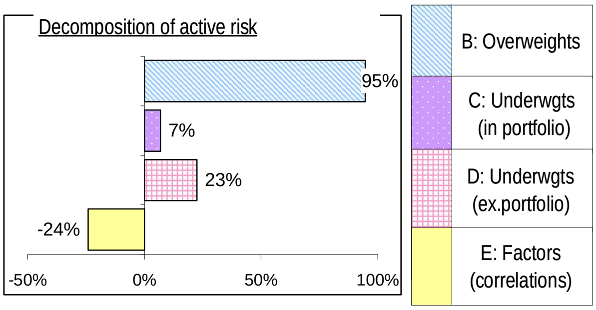
PORTFOLIO RISK SUMMARY

Portfolio Name:	**MyPort**	Model:	48months - 5 factors
Benchmark:	ASX300	Factor Analysis:	Multi-Factor
Date of Data:	30-Apr-12	Timestamp of Analysis:	1/05/2012 3:12:05 PM

Historic portfolio alpha	6.9%	**Active Exposures:**	
Historic portfolio beta	0.93	Held:	50.4%
Raw return	2.0%	Total:	87.0%

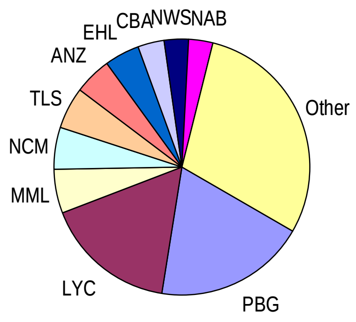
Forecast Tracking Error	2.68 %	2.91 %
	(residual risk)	(active risk)

	Source of portfolio risk	contribution to active portfolio risk	standard deviation	variance / covar.
A	Stocks held in portfolio (B+C)	102%	2.9	8.6
B	Overweight positions	95%	2.8	8.0
C	Underweight positions	7%	0.8	0.6
D	Stocks not held in portfolio	23%	1.4	1.9
E	Factors (correlations between stocks)	-24%		(2.0)
F	Total (A + D + E)	100%	**2.9**	8.5
G	Systematic risk (undiversifiable)		1.1	1.3
H	Residual risk definition tracking error (G - F)		**2.7**	7.2



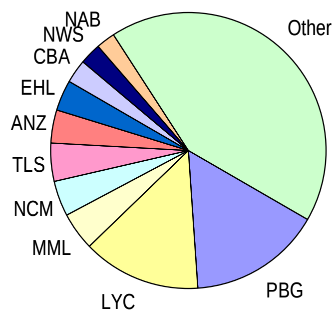
Top 10 sources of risk: Stocks held in the portfolio (A)

1	PBG	19%
2	LYC	17%
3	MML	5%
4	NCM	5%
5	TLS	5%
6	ANZ	5%
7	EHL	4%
8	CBA	3%
9	NWS	3%
10	NAB	3%
	Other	30%



Top 10 sources of risk: All stocks in benchmark (B+C+D)

1	PBG	16%
2	LYC	14%
3	MML	4%
4	NCM	4%
5	TLS	4%
6	ANZ	4%
7	EHL	4%
8	CBA	3%
9	NWS	2%
10	NAB	2%
	Other	42%



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