

## Fund Performance

Tables 1 and 2 show the PVIF performance relative to the S&P/ASX 300 Accumulation Index for the period to 31 August 2009. Table 1 shows the performance on an annual basis and Table 2 shows the cumulative return.

Table 1:

Annual Return (Class A Units)*	1 Mth	3 Mths	1 Yr	3 Yrs (p.a.)	5 Yrs (p.a.)	7 Yrs (p.a.)	Since Dec 01 (p.a.)
Prime Value Imputation Fund	8.5%	21.5%	-10.3%	-1.7%	6.3%	15.9%	16.5%
S&P/ASX300 Accumulation Index	6.6%	19.0%	-8.0%	0.0%	9.4%	10.0%	8.4%
Relative Performance To Benchmark	1.9%	2.5%	-2.3%	-1.7%	-3.1%	5.9%	8.1%
Approximate Annual Return (after Performance Fees)#			-10.3%	-1.7%	6.3%	14.7%	14.9%

Table 2:

Cumulative Return (Class A units)*	1 Yr	3 Yrs	5 Yrs	7 Yrs	Since Dec 01
Prime Value Imputation Fund	-10.3%	-5.1%	35.4%	180.5%	227.2%
S&P/ASX300 Accumulation Index	-8.0%	0.1%	56.7%	95.2%	86.6%
Relative Performance To Benchmark	-2.3%	-5.2%	-21.3%	85.3%	140.6%
Approximate Cumulative Return (after Performance Fees) #	-10.3%	-5.1%	35.4%	163.0%	198.3%

\* Performance figures have been calculated in accordance with IFSA Standard No 6.0, Product Performance - "Calculation of Returns" and IFSA Standard No 10 - "Presentation of Past Performance Information". The returns are calculated before performance fees which are charged against individual accounts. The returns exclude the benefits of imputation credits. No allowance has been made for taxation. Performance assumes the reinvestment of income distributions. Past performance is not necessarily an indicator of future performance.

# Post-performance fee returns are an APPROXIMATION only, as performance fees are charged each year on June 30 (or on withdrawal), based on the performance of each investment. Performance fees are only payable where the return of the Fund exceeds the performance of the benchmark and the net return is positive.

## Manager's Commentary

The Australian equity market experienced another positive month, with the S&P/ASX 300 Accumulation Index increasing by 6.6% during August. This represents a return of over 45% since the lows reached in early March. US and European markets were stronger, largely due to better than expected economic data signalling a stabilising global economy. Commodity prices were higher, with base metals and sugar the best performers. However Chinese equities fell on concerns authorities would try to cool overheated equity and property markets through policies which would limit bank lending and stifle growth. The Australian dollar was stable.

Domestically, the RBA left interest rates unchanged but removed its easing bias. Focus centred on the reporting season, which was generally well received. The key themes included resilient revenues, excellent cost management, strength in the consumer sector (particularly JB Hi-Fi and Harvey Norman) and positive surprises for media and bank results. In particular, the banks demonstrated strong margins and a better than expected bad and doubtful debt position.

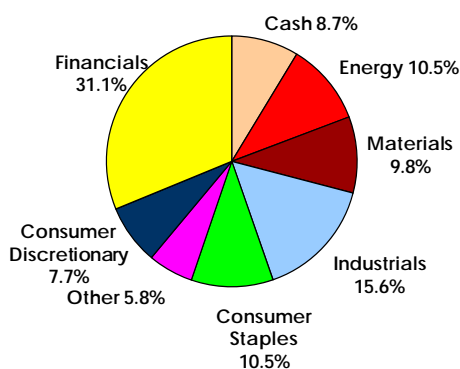
The Financial sector was the best performer, with other cyclical also strong. Miners underperformed, as did defensive sectors such as Telcos, Utilities and Cons Staples.

The Imputation Fund rose by 8.6% during August, extending its recent outperformance. The sectoral allocation was mildly positive, with the Fund underweight in the Materials sector and overweight in the Industrials sector. This was partially offset by an underweight position in Financials and by holding cash in strong market conditions.

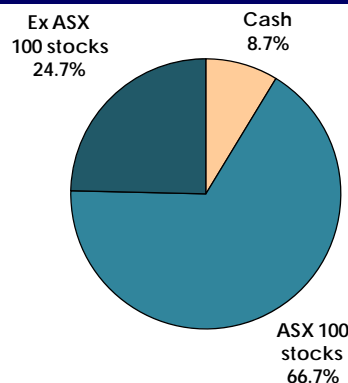
Stock selection was also positive. The biggest contributors to performance included NAB (up 17.1%), Westpac (up 12.4%) and Monadelphous (up 11.1%). The stocks which detracted from performance included Telstra (down 7.6% on lower earnings guidance and a sell-down by the Future Fund), Wesfarmers (down 2.8% as Woolworths plans to enter the hardware sector) and AGL Energy (down 6.3%).

The Imputation Fund has continued to perform well in current market conditions, and has risen by 43.4% over the last six months, outperforming the benchmark return of 37.9%. The recent reporting season has confirmed the hardiness of the domestic economy and corporate earnings. However we retain our cautiously optimistic outlook for equity market performance over the shorter term. Our focus continues to be high quality defensive companies offering growth, strong balance sheet and high tax-effective dividends.

### Holdings by Sectors



### Holdings by Market Cap



### Top Five Holdings

Name	Sector
Monadelphous	Industrials
National Australia Bank	Financials
Santos	Energy
Wesfarmers	Consumer Staples
Westpac	Financials

The portfolio is generally comprised of 30 - 60 stocks.

## Key Fund Details

### Investment Objectives

The PVIF aims to provide capital growth over the medium to long-term, combined with regular tax-effective income, by managing a portfolio of assets comprised mainly of Australian equities listed on any recognised Australian stock exchange.

### Investor Profile

The PVIF is appropriate for an investor seeking medium to long-term capital growth and regular income that includes imputation credits. Investors should be prepared to accept some fluctuations in short-term returns. This type of investment is appropriate as a significant part of a properly diversified investment portfolio for individuals, companies, trusts and superannuation funds.

**Launch Date:** 20 December 2001<sup>1</sup>

**Size of Fund:** \$88.2m

#### Direct Investment (Class A)

#### Indirect Investment via IDPS or IDPS-Like Schemes (Class B)

Indirect Cost Ratio (ICR)

1.435% p.a.<sup>2</sup>

1.23% p.a.<sup>2,3</sup>

Performance Fee

20.5% p.a.<sup>2</sup> of performance (net of management fees and administration costs) above the agreed benchmark, subject to positive performance

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Benchmark

S&P / ASX 300 Accumulation Index

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Minimum Initial Investment

\$40,000

N/A

Minimum Additional Investment

\$5,000

N/A

Contribution Fee

Nil<sup>4</sup>

N/A

Withdrawal Fee

Nil

N/A

Early Withdrawal Fee

2%<sup>5</sup>

N/A

Income Distributions

Half-yearly

Half-yearly

Unit Prices @ 31 August 2009

Issue Price: \$1.9561  
Withdrawal Price: \$1.9413

Issue Price: \$1.9546  
Withdrawal Price: \$1.9398

<sup>1</sup> Research Rating—Standard and Poors—3 stars

<sup>2</sup> Unless otherwise stated, all fees quoted are inclusive of GST and the relevant RITC.

<sup>3</sup> Fees for indirect investments do not include the fees charged by the IDPS operator. The fund is available in the following platforms: Asgard, Ausmaq, Beacon, BT Wrap, Frist Wrap, Macquarie Wrap, netwealth, Portfolio Advantage, Premium Choice, Symetry, Wealthtrac.

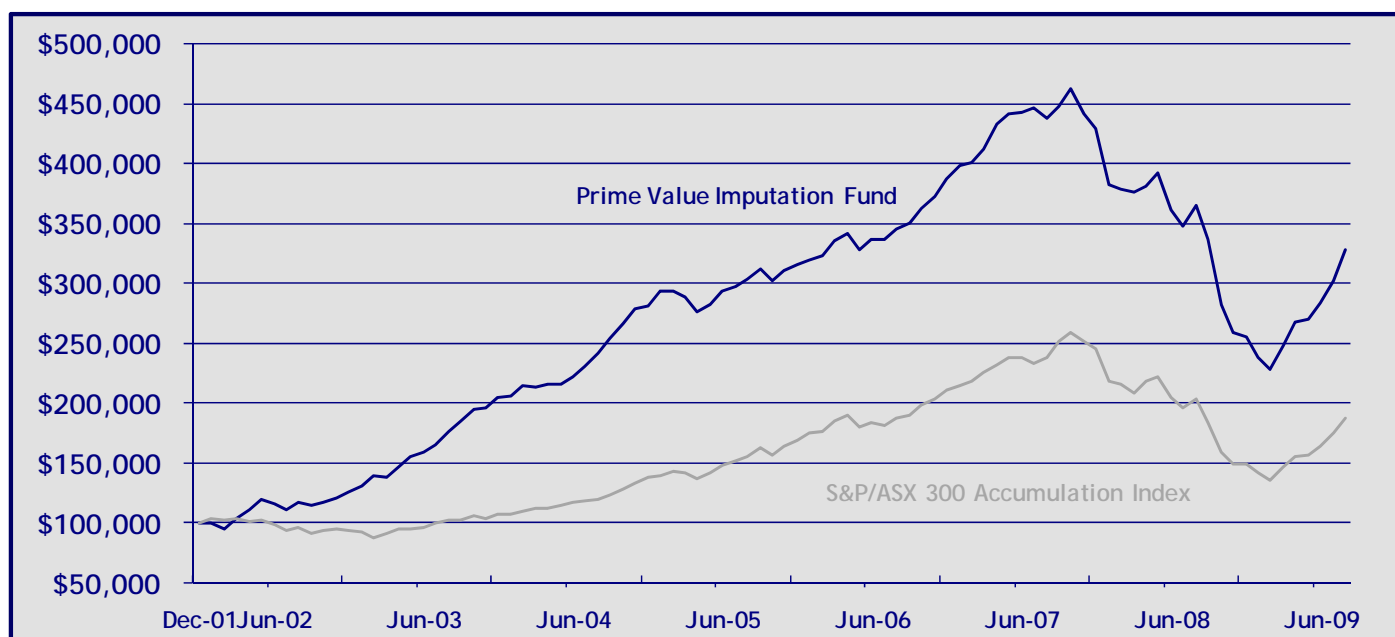
<sup>4</sup> Up to 3% may be charged where a Direct Investor is introduced by an adviser to the Fund, as mutually agreed between the investor & adviser.

<sup>5</sup> Applies to investments of less than 12 months' duration to discourage short term investing. The Fund invests in a portfolio of equities designed to deliver returns over the medium to long term.

## Historical Performance (Class A Units)

The following graph shows how a notional \$100,000 invested at the Fund's Inception (20 December 2001) has increased to \$327,200 (net of fees excluding performance fees) as at 31 August 2009. After performance fees, the amount would be approximately \$298,300. This compares very favourably with the return of the market, where a \$100,000 investment would have increased to \$186,600 over the same period. The returns exclude the benefits of imputation credits.

Value of \$100,000 invested since inception (20 Dec 2001 - 31 Aug 2009)



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