

BT Wholesale Asian Share Fund

**Fact Sheet
June 2011**

ARSN: 087 593 468



About the Fund

The BT Wholesale Asian Share Fund is an actively managed fund that invests in shares selected from the Asian region (excluding Japan and Australia). The Fund can invest in any market in the Asian region that offers attractive opportunities including Korea, Hong Kong, Taiwan, Singapore, China, Malaysia, Thailand, Indonesia, the Philippines, India and Pakistan.

The management of BTIM's regional international share assets is outsourced to MFS International (U.K) Limited (MFS), a member of the Boston-based Massachusetts Financial Services group. A member of the firm's group established the first mutual fund, Massachusetts Investors Trust, in 1924.

Fund objective

The Fund aims to provide a return (before fees, costs and taxes) that exceeds the MSCI AC Asia ex Japan (Standard) Index (Net Dividends) in AUD over the medium to long term. The suggested investment timeframe is five years or more.

Investment philosophy

MFS believes that stock selection based on bottom-up fundamental research is the most consistent method of generating alpha and that a long term focus allows us to capitalise on opportunities created by investors with shorter-term investment horizons. MFS seeks to invest in high quality companies with above average growth and reasonable valuations.

Investment process

The MFS, Asia Pacific ex-Japan Equity strategy is to invest in companies with sustainable fundamentals or significant potential for improvement in earnings and returns, whose value is not fully recognised by the market. Overall, portfolio construction focuses on bottom-up best ideas at weights that reflect conviction levels and, with risk controls at multiple levels.



The security selection process begins with a universe of approximately 600 Asian securities, of which around 400 are covered by analysts. The portfolio will typically hold 45-65 stocks.

Performance

(%)	Total Returns		Benchmark Return
	(post-fee)	(pre-fee)	
3 months	-1.48	-1.33	-3.40
FYDT	1.39	2.27	-0.85
6 months	-1.78	-1.39	-3.13
1 year (pa)	1.39	2.27	-0.85
2 years (pa)	9.36	10.31	7.66
3 years (pa)	4.53	5.41	4.10
5 years (pa)	3.55	4.46	3.64

The investment manager for this fund changed on 6th June 2006. Performance before this date may not be directly comparable.

Asset allocation (as at 30 June 2011)

Hong Kong	17.8%
Singapore	7.4%
Thailand	4.3%
China	24.8%
Indonesia	3.8%
Taiwan	14.3%
India	8.0%
Malaysia	2.1%
South Korea	13.2%
Cash & Other	4.4%

Other information

Fund size (as at 30 Jun 2011)	\$242 million
Date of inception #	August 1996
Minimum Investment	\$25,000
Buy-sell spread	0.60% ¹
Distribution frequency	Quarterly
APIR code	BTA0054AU

MFS started managing the fund in June 2006.

¹ The buy-sell spread represents transaction costs incurred whenever you invest or withdraw funds, and may vary from time to time without notice.

Fees

Management fee	1.00% 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.

Performance Review

The portfolio outperformed the MSCI All Country Asia ex Japan index in the second quarter of 2011.

Contributors

- Stock selection in financials
- Stock selection and underweight positions in telecommunication services and consumer discretionary
- Individual stocks: Cheung Kong Infrastructure Holdings, Hengan International, Taiwan Semiconductor, and Want Want China Holdings

Detractors

- Stock selection in materials and information technology
- Individual stocks: not owning Hyundai Motor and Hyundai Mobis

Outlook and Positioning

Asian companies still have relatively strong balance sheets with comparatively low levels of debt. Structurally healthier economies in Asia are experiencing increased consumer spending and improved capital spending. There have been signs of economic improvement with most countries in the region showing resilient and rapid growth. We believe Asia's economies and markets will continue to benefit from a number of positive factors, including favourable demographic trends, growing international and intra-Asia trade, increasing domestic consumption, an expanding middle class, improving infrastructure, and continued liberalization and structural reforms.

Despite generally strong economic fundamentals, inflation has been a primary issue of concern in Asia over the past year, with governments throughout the region implementing interest rate hikes and other monetary tightening policies. The combination of continued tightening in large markets such as China, India and Indonesia, coupled with slower GDP growth are likely to soften the overall demand for Asian businesses. Signs of economic deceleration in the US, renewed sovereign debt concerns in Europe, and disruptions to global supply chains in the aftermath of the March 2011 earthquake in Japan also may impact Asian companies who depend on global markets.

We continue to focus on bottom-up stock selection as the primary source of alpha, looking for reasonably valued companies that have strong visibility in their earnings, shareholder-friendly managements, and sustainable competitive advantages that can help them outperform through economic cycles. Meanwhile, we are aware of the macroeconomic situation in Asian markets as part of our investment process. While we expect near-term volatility in equity markets and corporate earnings, we believe that the current market environment enables us to invest in high-quality companies (those with significant free cash flow, solid balance sheets and strong management teams) at relatively attractive valuations. That investment will potentially provide us with a strong upside over the next three to five years.



For more information

Please call 1800 813 886, contact your business development representative or visit www.btim.com.au

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Performance figures are calculated in accordance with the Investment & Financial Services Association (IFSA) standards. Total returns (post-fee) are calculated: to the last day of each month using exit prices; taking into account management costs of the fund; assuming reinvestment of distributions (which may include net realised capital gains from the sale of assets of the fund). No reduction is made to the unit price (or performance) to allow for tax you may pay as an investor, other than withholding tax on foreign income (if any). Certain other fees such as Contribution fees or Withdrawal fees (if any) are not taken into account. Total returns (pre-fee) are calculated by adding back management costs to the (post-fee) returns. Past performance is not a reliable indicator of future performance.

If market movements, cash flows or changes in the nature of an investment (eg a change in credit rating) cause the Fund to exceed any of the investment ranges or limits in this document, this will be rectified by BTIM (RE) as soon as reasonably practicable after becoming aware of it. If BTIM (RE) does so, it will have no other obligations in relation to these circumstances. The procedures, investment ranges, benchmarks and limits specified in this document are accurate as at the date of its issue, and BTIM (RE) reserves the right to vary these from time to time.

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