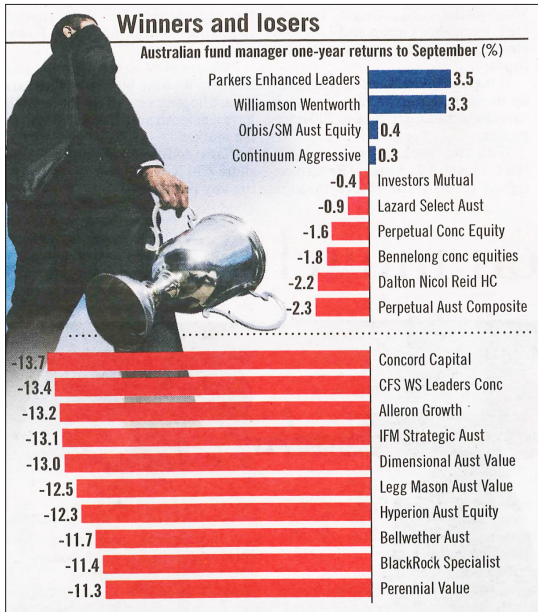


**DELIVERING ON THE EXPECTATIONS OF A 'VALUE' MANAGER**

The IML Industrial Share Fund was recently featured in a performance table of 'winners and losers' in The Australian Financial Review on Tuesday, 18th October, 2011.

The table in the article identifies the top and bottom performers over the 12 month period to September, 2011. There has been significant dispersion in fund manager performance as shown below:

Source: The Australian Financial Review - Tuesday 18 October 2011  
Australian fund manager one-year returns to September (%)



Looking at the IML Australian Share Fund on that basis and taking a longer term view, IML has performed very well relative to the benchmark over all time periods.

IML Australian Share Fund Performance

	ASX300	IMAS	Outperformance IMAS
1 month	-6.28%	-1.70%	<b>+4.57%</b>
3 months	-11.65%	-6.78%	<b>+4.87%</b>
6 months	-15.41%	-7.38%	<b>+8.03%</b>
1 year	-8.71%	-0.18%	<b>+8.53%</b>
2 Years p.a.	-4.14%	+1.87%	<b>+6.01%</b>
3 Years p.a.	-0.10%	+4.16%	<b>+4.26%</b>
5 Years p.a.	-0.71%	+2.11%	<b>+2.83%</b>
Since Inception p.a.	+7.61%	+11.36%	<b>+3.75%</b>
Since Inception	+164.18%	+316.27%	<b>+152.09%</b>

As as September 2011 (GROSS)

IML continues to focus on and to favour good quality companies that continue to generate recurring and predictable earnings streams, have good balance sheets and credible management teams. This philosophy has served our investors well since our inception in 1998.

IML remains committed to delivering on the critical attributes that investors should **expect** from a VALUE manager:

- Reasonable Capital growth over time – focus on quality
- Resilience in falling markets – downside protection
- Low volatility
- Consistent income
- Tax effective – income and total return

IML's portfolios remain well positioned in an environment where economic growth both locally and internationally is going to be patchy for some time yet.

We remain of the view that valuations of many quality stocks that we are researching are at compelling levels on a three to five year view and hence believe there is excellent value now apparent.

With volatility ever present we believe investors should seek funds that display resilience, funds delivering strong and growing income streams for investors (which will be critical going forward) and importantly funds managed by experienced stock pickers focusing on quality companies that will ultimately deliver the capital growth overtime driven by the quality earnings of those companies in the portfolio....all of which IML has demonstrated.

IML Australian Share Fund - 10 Year Risk Return

Source: FactSet

