

Fund Description

The Fiducian Capital Stable Fund is suitable for investors seeking a relatively high level of income supplemented by a modest level of capital growth. The bulk of the portfolio is held in the fixed interest and cash sector to reduce the likelihood and frequency of negative returns over a single year period. However, some exposure to shares for long-term performance is also included.

This Fund is likely to be suitable for investors who can hold investments for two to three years at least, who are relatively conservative, but are prepared to take some risk by investing a small portion of their assets in Australian and international share funds and property.

Fund Classification Core/Diversified Sector Specialist/Satellite

Manager Commentary

The Fiducian Capital Stable Fund underperformed its benchmark during December due to its overweight position to growth assets. The Fiducian Australian Shares Fund and the Fiducian Property Securities Fund followed their respective indices into negative territory, while the Fiducian International Shares Fund underperformed its index and also detracted from the performance of the diversified funds. The economic consequences of the sovereign debt crisis in Europe was again the main factor effecting investor sentiment, with concerns for slowing economic growth in China also playing their part.

Inflation-linked bonds was the best performing asset sector, though restructuring of this component of the diversified funds led the Fiducian Fund to underperform the index, while international bonds and Australian bonds also contributed positively to overall fund performance.

The Fiducian diversified funds are well positioned to benefit from an eventual pick-up in the growth sectors, which all appeared to have priced in a dramatic slowdown in global economic growth.

Fund Performance and Risk Analytics Summary



Current Period Return (net of fees as at 31 December 2011)

| | 1 Mth | 3 Mth | 6 Mth | 1 Yr | 3 Yrs (pa) | 5 Yrs (pa) | 10 Yrs (pa) |
|-------------|-------|-------|-------|------|------------|------------|-------------|
| Fund | 0.1% | 1.8% | 0.1% | 2.7% | 5.4% | 2.5% | 5.0% |
| Median | 0.3% | 1.7% | 0.0% | 2.0% | 5.2% | 1.6% | 4.2% |
| Excess | -0.2% | 0.1% | 0.1% | 0.7% | 0.2% | 0.9% | 0.8% |

Risk Exposure (as at 31 December 2011)

| | 1 Yr | 3 Yrs (pa) | 5 Yrs (pa) | 10 Yrs (pa) |
|------------------------------------|------|------------|------------|-------------|
| Fund Volatility (Std Dev %) | 2.6% | 3.9% | 4.4% | 3.7% |
| Median (Std Dev %) | 2.7% | 4.0% | 4.5% | 3.7% |
| Beta | 1.02 | 0.99 | 0.99 | 0.99 |
| Tracking Error (% pa) | 0.8% | 1.0% | 1.1% | 0.9% |

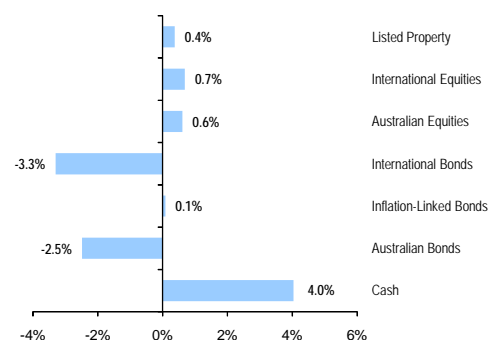
Calendar Year return (net of fees)

| | 2007 | 2008 | 2009 | 2010 | 2011 |
|-------------|-------|-------|-------|-------|-------|
| Fund | 4.9% | -7.5% | 10.3% | 3.3% | 2.7% |
| Median | 3.4% | -9.5% | 9.4% | 3.9% | 2.0% |
| Excess | +1.5% | +2.0% | +0.9% | -0.6% | +0.7% |

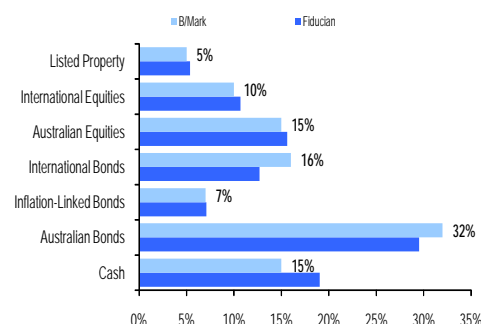
Fund Facts

Portfolio Manager: Conrad Burge
Asset Sector: Diversified Assets
Asset Code: SF1
ARSN: 093 542 879
APIR Code: FPS0002AU
Benchmark: Morningstar Multisector Moderate Median
Inception Date: March 1997
Fund Size: \$85.3 mil as at 31 December 2011
Application/Exit Fee: Nil
Management Fee: 0.76%

Tactical Asset Tilts



Asset Allocation



Top Holdings

| Asset Class | Fund Manager | Weight |
|------------------------|---------------------|--------|
| Australian Equities | Solaris | 3.2% |
| | Constellation | 1.7% |
| | Bennelong | 2.8% |
| | L1 Capital | 3.2% |
| | Ausbil Dexia | 2.5% |
| | BT | 2.0% |
| | Franklin Templeton | 3.3% |
| International Equities | BlackRock | 0.4% |
| | Wellington | 5.9% |
| | SSGA | 0.2% |
| | State Bank of India | 0.1% |
| | Sundaram | 0.1% |
| Listed Property | Vanguard | 0.3% |
| | BlackRock | 0.8% |
| | Phoenix | 2.9% |
| Australian Bonds | Principal | 1.5% |
| | AMP Capital | 21.2% |
| Inflation-Linked Bonds | BlackRock | 8.0% |
| | UBS | 7.1% |
| International Bonds | BlackRock | 12.7% |
| | BlackRock | 15.5% |
| Net Cash | CMT | 4.8% |