

Fund Objective

The Fiducian India Fund aims to provide investors with the opportunity to invest in a well-diversified range of companies listed on Indian stock exchanges. It is managed by carefully selected Indian fund managers who are based in India and have satisfied Fiducian's selection criteria. This Fund gives investors the opportunity to invest in an economy that has been one of the fastest growing in the world in recent years.

The objective of the fund is to outperform the benchmark, the Bombay Stock Exchange 100 Index (BSE 100), after fees, over rolling five-year periods.

Fund Classification Core/Diversified Sector Specialist/Satellite

Manager Commentary

The benchmark BSE 100 index ended 4.8% lower in December (in Rupee terms), closing at 7,928. The MSCI India index underperformed the MSCI Emerging Markets index and other major global indices for the month. The BSE large-cap index outperformed both the BSE mid-cap and BSE small-cap indices.

Year to date, foreign funds have been sellers of Indian equity, redeeming a net \$US358 million.

The Reserve Bank of India (RBI) left key interest rates unchanged in its December policy meeting, noting that a moderated inflation trajectory and slower economic growth momentum may result in policy action that is likely to reverse the current tightening cycle.

Headline inflation moderated in November to 9.1%, before falling further in December to 7.5%, the slowest rate in two years. The drop in inflation was mainly driven by falling food prices. The RBI is targeting inflation of 6 to 7% by end March.

India's industrial output growth in October was well below consensus estimates, falling 5.1% from a year earlier, the first negative number since June 2009. Capital goods were the main driver of the decrease, falling 25.5% year on year. On a positive note, November industrial output grew by 5.9%.

Portfolio Manager Style Tilts

Managers	Style	Sector	No. of Stocks	Weight (net)
State Bank of India	Growth	Large Cap	37	48.6%
Sundaram Asset Management	GARP	Mid to Small Cap	28	45.0%
Cash	N/A	N/A	N/A	6.4%

Fund Performance Summary

Current Period Return (net of fees as at 31 December 2011 in \$A terms)

	1 Mth	3 Mth	6 Mth	1 Yr	2 Yrs	3 Yrs	4 Yrs
Fund	-6.0%	-18.9%	-25.6%	-33.7%	-17.8%	-0.2%	-14.7%
Index (BSE100)	-6.2%	-19.3%	-29.0%	-38.2%	-18.9%	-0.5%	-18.0%
Excess	0.3%	0.4%	3.4%	4.5%	1.2%	0.3%	3.2%

Calendar Year return (net of fees)

	2007*	2008	2009	2010	2011
Fund	29.6%	-46.9%	47.2%	2.0%	-33.7%
Index (BSE 100)	36.8%	-54.0%	50.1%	6.4%	-38.2%
Excess	-7.2%	+7.2%	-2.9%	-4.4%	+4.5%

* Return since fund inception, 1 September 2007.

Outlook

A moderation in inflation is a huge positive for India and something that the RBI has been targeting for some time. If the trend continues, then the RBI could be in a position to reverse some of the recent interest rate increases, which would be a positive for corporate India, as well as economic growth in general, which moderated throughout 2011. Though there remains downward pressure for the Indian Rupee given the current account deficit, a more growth conducive monetary policy setting could encourage capital inflows, which would offset outflows on the current account and provide some stability for the Rupee.

Consumption growth in India remains strong, despite expectations for a moderation in 2012. Year on year consumption growth has exceeded 7% for the past 6 years and is expected to remain above 6% in 2012.

State elections over the coming months could set the trend for policy reform for the remainder of the year. The reform process largely came unstuck during 2011 due to a variety of factors (including corruption allegations), though if the outcome of these elections are positive for the Alliance government, then the reform process could accelerate later in the year.

The portfolio remains overweight in consumer staples, telecoms, energy, healthcare and financials in the large-cap space and overweight industrials, healthcare and utilities in the mid-cap space.

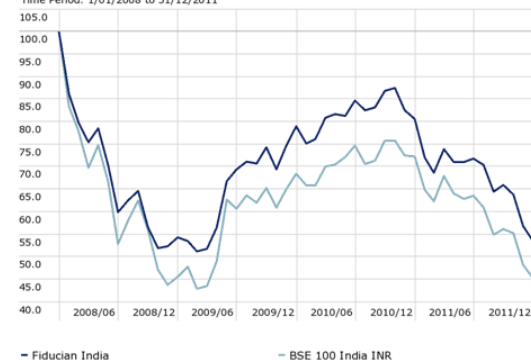
Fund Facts

Portfolio Manager: Conrad Burge
Asset Sector: International Equity (Indian Equities)
Asset Code: IE23
ARSN: 125 089 456
APIR Code: FPS0013AU
Benchmark: BSE 100 Index (in \$A terms)
Inception Date: September 2007
Fund Size: \$22.0 million as at 31 December 2011
Application/Exit Fee: Nil
Management Fee: 1.54%

Fund Performance (in \$A)

Investment Growth

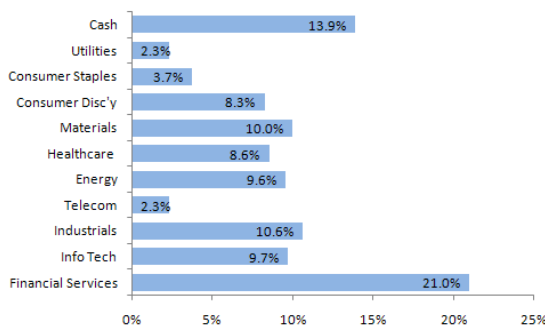
Time Period: 1/01/2008 to 31/12/2011



— Fiducian India

— BSE 100 India INR

Sector Weights



Top Holdings

Stocks	Weight
INFOSYS LIMITED	4.0%
RELIANCE INDUSTRIES LTD	3.8%
ICICI BANK LTD	3.4%
ITC LIMITED	2.9%
HOUSING DEVELOPMENT & FINANCE CORP	2.9%
HDFC BANK LTD	2.8%
PETRONET LNG LTD	2.5%
AXIS BANK LTD	2.5%
STATE BANK OF INDIA	2.4%
LIC HOUSING FINANCE	2.4%
LUPIN LIMITED	2.4%
TATA MOTORS LTD	2.3%
INSECTICIDES INDIA LTD	2.2%
BERGER PAINTS INDIA	1.9%
NATCO PHARMA LTD	1.9%
HINDUSTAN UNILEVER	1.8%
V GUARD INDUSTRIES LTD	1.8%
BAJAJ AUTO LTD	1.7%
IPCA LABORATORIES	1.7%
GUJARAT MINERAL DEV	1.6%
Net Cash	13.9%