

Eley Griffiths Group Small Companies Fund

Quarterly Report for the June Quarter 2010

Fund Facts as at 30th June 2010

Benchmark	S&P ASX Small Ordinaries Accumulation Index (value 30/06/2010: 5005.1851)
Returns Objective (relative to benchmark)	To exceed the benchmark over a rolling three year period
Fund Size at 30 th June 2010	\$504m
Risk Objective (tracking error %p.a.)	Between 6% and 12%
Fund Assets Inflow/(Outflow) 3 mths (A\$)	27m
Portfolio Holding Size	49 securities

Performance Review

The portfolio returned -6.91% pre fees for the quarter and outperformed its benchmark (the S&P ASX Small Ordinaries Accumulation Index) by 4.68%. The biggest contributors to the portfolio were overweight positions in Andean Resources, IRESS Market Technology, iiNet, Equinox Minerals and Campbell Brothers. The largest detractors included over weight positions in OM Holdings, Ausdrill and Silex Systems.

Portfolio Characteristics as at 30th June 2010

	Quarter end	
	Portfolio	Index
Price to Book	1.73	1.22
Dividend yield	4.3%	4.1%
Return on equity	16.7%	11.1%
Earning growth	17.0%	12.9%
Debt/equity	17.0	35.0
P/E	14.9	13.5

Value Added at the Stock Level

Value Added to Fund Performance

Stocks	Over Weight	Relative Contribution %
Andean Resources Ltd.	3.51%	1.12
Virgin Blue Holdings Ltd.	-0.82%	0.55
iiNET Ltd.	2.68%	0.50
Campbell Brothers Ltd.	2.48%	0.45
Infigen Energy	-0.83%	0.39

Value Detracted from Fund Performance

Stocks	Over Weight	Relative Contribution %
Healthscope Ltd.	-1.29%	-0.45
Eldorado Gold Corp	-0.78%	-0.40
Riversdale Mining Ltd.	-1.22%	-0.32
OM Holdings Ltd.	3.48%	-0.27
St. Barbara Ltd.	-0.62%	-0.25

Top 10 Holdings by Portfolio Weight (as at 30th June 2010)

Stock	% of Portfolio	% of Benchmark
OM Holdings Ltd.	4.01	0.53
Whitehaven Coal Ltd.	3.72	0.89
Adelaide Brighton Ltd.	3.52	1.36
Andean Resources Ltd.	3.51	0.00
Equinox Minerals Ltd.	3.48	0.96
Ausdrill Ltd.	3.33	0.39
SAI Global Ltd.	3.16	0.65
GWA International Ltd.	3.12	0.99
Ramsay Health Care Ltd.	2.93	1.69
ResMed Inc. (CDI-10CDI/1SHS)	2.85	1.99

Five Largest Overweights relative to the Benchmark (as at 30th June 2010)

Stocks	% of Portfolio	% of Index
Andean Resources Ltd.	3.51	0.00
OM Holdings Ltd.	4.01	0.53
Ausdrill Ltd.	3.33	0.39
Whitehaven Coal Ltd.	3.72	0.89
iINET Ltd.	2.68	0.00

Five Largest Underweights relative to the Benchmark (as at 30th June 2010)

Stocks	% of Portfolio	% of Index
Macarthur Coal Ltd.	0.00	-1.75
Aquila Resources Ltd.	0.00	-1.44
Healthscope Ltd.	0.33	-1.28
IOOF Holdings Ltd.	0.00	-1.22
Riversdale Mining Ltd.	0.00	-1.22

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