

INVESTOR UPDATE: DECEMBER 2009

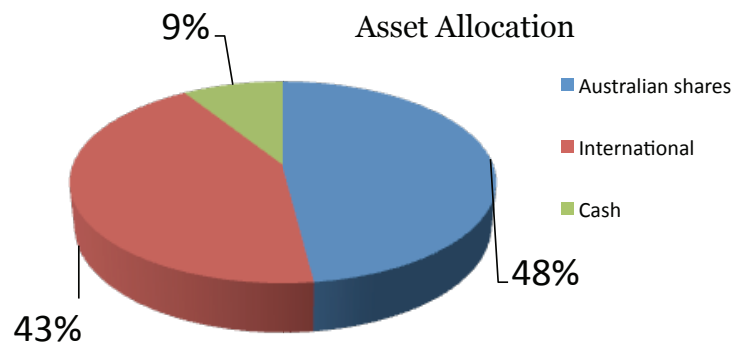
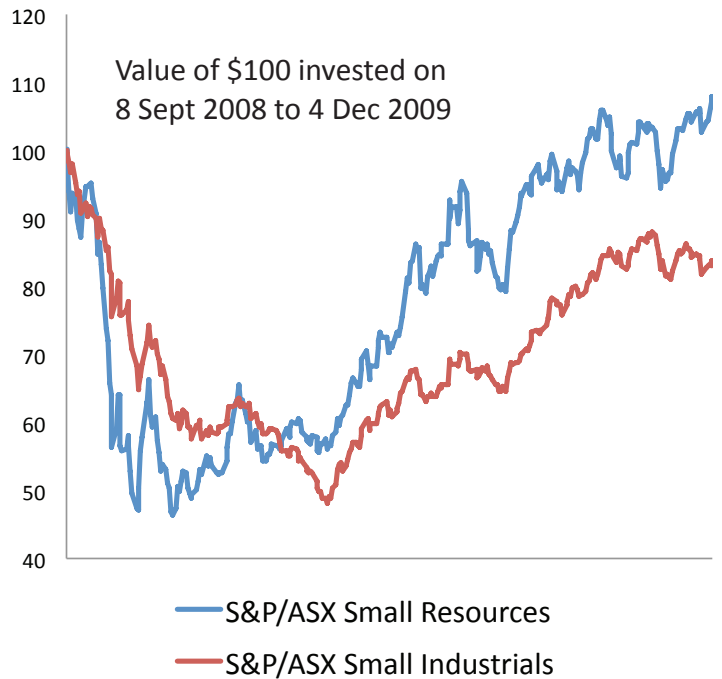


SHORT TERM CONSIDERATIONS

- Small resource stocks are up 99% for the past twelve months signalling heightened risk. Quality small industrial companies appear better value.
- The V-shaped share price recovery has been strong.
- The risk of a market pullback is getting higher.

LONG TERM CONSIDERATIONS

- Exposure to Asian equities, emerging markets and Australian equities represent the greatest opportunity for solid long term returns.
- Mature economies represent the least value.
- The USD and Euro declining with Australian and Asian currencies relatively strong.
- Fast emerging middle class consumer in Asia the largest source of new growth.



YOUR AUSTRALIAN EQUITIES: IML'S VIEW & A NEW STOCK IN THE ORION PORTFOLIO



VALUATIONS HIGH BUT QUALITY IS GOOD

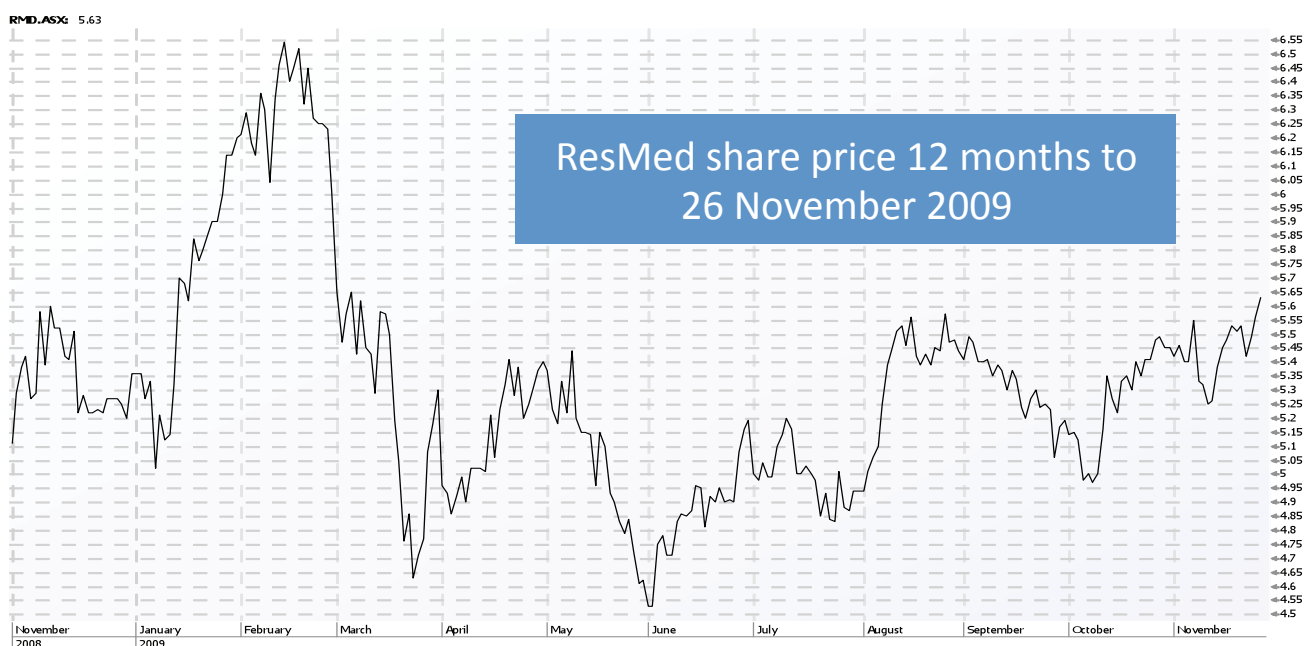
- Telstra held an Investor Day recently and reaffirmed its guidance that it would achieve free cash flow of \$6 billion for fiscal 2010 as well as growth in revenues and earnings.
- IML's focus remains on quality businesses with strong management, as the economy has subdued growth.



RECENT NEW INVESTMENT

• ResMed Inc

ResMed is a developer, manufacturer and distributor of medical equipment for diagnosing and managing Sleep Disordered Breathing (SDB). ResMed operates in over 60 countries and Orion believe it will continue to deliver above average profit growth in a slow growth environment.



INSIGHTS INTO GLOBAL LISTED INFRASTRUCTURE

16.9% OF THE PRV PORTFOLIO

Global infrastructure assets are long term developments or projects serving communities around the world. They are assets that communities and economies require to function and prosper, such as airports, roads and tollways and utilities such as gas, electricity, and water.

Longevity	Global infrastructure assets generally have long life spans beginning with a large capital investment at the greenfield (construction) stage then progressing through development to full maturity and long term operations. The risk/return characteristics may change at each stage but once mature these assets can provide predictable earnings.
Reliability	Global infrastructure assets are generally highly resilient to economic conditions and demand is largely predictable because they represent essential community services. Investors therefore have greater certainty of underlying cash flows, earnings and dividends.
Attractive yields	Global infrastructure assets, particularly mature assets, generally offer comparatively higher yields (dividends) due to greater predictability of long term investment, cash flows and earnings.
Protection from inflation	Global infrastructure assets are generally largely protected from inflation as prices for essential community services such as gas, electricity and water are often indexed to inflation.
Low volatility	The global infrastructure sector is generally less volatile with a limited correlation to other investment sectors as its assets are primarily essential community services attracting predictable long term demand and hence delivering stable long term earnings.
Low maintenance and fixed operating costs	Global infrastructure assets are generally low maintenance and require little ongoing capital expenditure relative to operating cash flows. The operating cost base of these assets is also largely fixed.



INSIGHTS INTO GLOBAL LISTED INFRASTRUCTURE

Sector	Subsector	Segment
Utilities	Electricity	Transmission, Distribution, Generation (including renewables & wind / solar)
	Water	Distribution, Waste water
	Gas	Transmission, Distribution, Storage
	Oil	Pipelines
Transport	Roads	Toll Roads, Toll Bridges, Toll Tunnels
	Airports	Airport facilities and operators, Airport services
	Rail	Track owners, rail operators
	Ports	Port facilities and operators
	Logistics	Distribution facilities and operators
Communication	Communications Infrastructure	Fibre, Copper & Cable networks, Broadcast Towers, Satellites
Community / Social Amenities	PPP Projects (public private partnerships)	Housing, Public Health, Education, Prisons, Stadia



INSIGHTS INTO GLOBAL LISTED INFRASTRUCTURE

The Top 10 Stocks for RARE Infrastructure as at 31 October 2009 are:
ITC Holdings (ITC): Market Capitalisation US\$2.3b USA
National Grid PLC (NG/ LN): Market Capitalisation US\$26.4b United Kingdom
Abertis Infraestructuras SA (ABE): Market Capitalisation US\$15b Spain
Shenzen Intl Holdings (152 HK): Market Capitalisation US\$1bn China
Vinci SA (DG): Market Capitalisation US\$ 27b France
SES : Market Capitalistion \$8.6b Luxembourg
TransCanada(TRP): Market Capitalisation US\$21.2b Canada
Northeast Utilities (NU): Market Capitalisation US\$4.1bn USA
Red Eléctrica Corporacion S.A. (REE SM): Market Capitalisation US\$7.4b Spain
Spectra Energy (SE): Market Capitalisation US\$12.3b USA



DIVIDEND AND SHARE PRICE HISTORY

DIVIDEND HISTORY

