

Fund Profile

Aviva Investors Elite Opportunities Fund

December 2011



Investment objective

The Elite Opportunities Fund is a high conviction investment fund. The fund's objective is to outperform the S&P/ASX 200 Accumulation Index by 4% per annum over a rolling five year period by investing in an actively managed and highly concentrated portfolio of Australian shares.

Fund commentary

The Aviva Investors Elite Opportunities Fund returned -2.9% (net of fees) for the month of December, underperforming its benchmark index by 1.5%. The best performing stocks during the month, relative to the Benchmark, were Telstra Corporation (0.14%) and CSL (0.07%). Stocks detracting from the fund's performance, relative to the Benchmark, were Billabong International (-0.45%) and JB Hi-Fi (-0.26%).

At the beginning of 2011, the US economy seemed poised for a sustainable recovery. Monetary policy was very accommodative, the ISM Index was well in expansionary territory at 60.8 and consumer spending was on a tentative uptrend. But then the European sovereign debt crisis, higher oil prices and supply disruptions following the Japanese earthquake caused the recovery to falter and by mid-year a renewed downtrend was in place. Again the US economy appears to be showing signs of improvement

The Elite Opportunities Fund is currently positioned to take advantage of the recovery in US growth via overweight positions in James Hardie Industries and Boral, both of which are leveraged to the recovery in US housing. The fund also has exposure to Brambles which is a long term turnaround story with exposure to US growth via its pallet business.

The fund has been reweighting back into selected resource and cyclical stocks in recent months given the weakness in sharemarkets that left some stocks trading at very low valuations. Our favoured companies in the resource sector include Rio Tinto, BHP Billiton, Oz Minerals, Fortescue Metals, Newcrest Mining and the resource services company, Worley Parsons. The fund is also overweight the oil sector with significant positions in Oil Search and Woodside Petroleum.

In terms of cyclical stocks, the fund has recently taken a position in AMP which we regard as a high quality financial franchise that had been sold down to levels far below its long term worth. AMP's earnings should benefit from the realisation of significant synergy benefits post the AXA acquisition which should leave the stock on around 11 times earnings. The dividend yield of around 7.5% is also attractive.

Fund facts

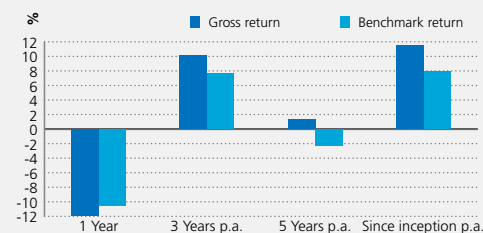
Inception date:	18 November 2002
Fund size at 31 December 2011:	\$61.5m
Benchmark:	S&P/ASX 200 Accumulation Index
Investment timeframe:	At least 5 years
Relative risk:	High - Very High
Relative return:	High - Very High

Investment returns Performance to 31 December 2011

Period	Gross return %	Bmk return %	Excess return %	Net return ¹ %
1 month	-2.8	-1.4	-1.4	-2.9
3 months	-0.1	2.1	-2.2	-0.2
1 year	-11.9	-10.5	-1.4	-12.5
3 years p.a.	10.1	7.6	2.5	9.3
5 years p.a.	1.3	-2.3	3.6	0.6
Since inception p.a.	11.5	7.9	3.6	10.6

¹ Investment returns are based on exit to exit prices of Professional Selection units, are net of management fees and assume reinvestment of all distributions. Past performance is not a guide to or indication of future performance.

Gross return vs Benchmark return



Top 10 share holdings at 31 December 2011 (alphabetical order)

- ANZ Banking Group
- BHP Billiton
- Commonwealth Bank
- CSL
- National Australia Bank
- Rio Tinto
- Telstra Corporation
- Wesfarmers
- Westpac Banking Corporation
- Woodside Petroleum

Investor profile

The concentrated nature of the fund means that there may be a greater level of risk. The fund's returns may be quite volatile. As such, the fund may suit investors who are willing to accept a higher level of risk in exchange for the opportunity to earn greater returns.

Investment details

Minimum investment:	\$20,000
Minimum additional investment:	\$5,000
Distribution:	Quarterly
Entry fee:	Nil
Exit fee:	Nil
Management fee:	0.70% p.a. ¹
Performance fee:	20% of performance above performance hurdle ²

¹ Excluding performance fee. See page 41 of the current PDS for more information. The PDS is available to download from www.avivainvestors.com.au or by contacting the Client Services Team on 1800 671 849.

² Performance hurdle is the benchmark return +5%p.a.

Investment guidelines and ranges

	Minimum	Benchmark Allocation	Maximum	As at 31 Dec11
Australian shares	95%	100%	100%	99%
Cash/short-term securities	0%	0%	5%	1%

Distribution history¹

Quarter end	Cents per unit
31 December 2011	1.14
30 September 2011	1.26
30 June 2011	2.07
31 March 2011	0.91
31 December 2010	0.93
30 September 2010	0.90
30 June 2010	0.58
31 March 2010	0.46
31 December 2009	0.88
30 September 2009	1.02
30 June 2009	1.36
31 March 2009	0.99
31 December 2008	1.54
30 September 2008	0.46
30 June 2008	6.94
31 March 2008	4.12
31 December 2007	4.09
30 September 2007	1.61

¹ Distribution rates have been rounded to two decimal places. As a result, the actual payment rate may differ slightly to the rates listed above.

Franking levels

Year end	
30 June 2011	57.34%
30 June 2010	85.40%
30 June 2009	87.23%
30 June 2008	24.83%
30 June 2007	20.14%
30 June 2006	11.64%

About Aviva Investors

Aviva Investors specialises in the active management of Australian equities and listed property. We are dedicated to providing market leading investment solutions to both institutional and retail clients.



Fund Manager of the Year
Australia

Since our inception in 1994, Aviva Investors has developed an excellent reputation as a leading specialist in the active management of Australian equities and listed property. Our dynamic culture, coupled with the quality of our investment team, allows us to deliver a compelling range of investment solutions. Aviva Investors is wholly owned by nabInvest, the direct investment arm of NAB Wealth Management.

For further information please contact our Client Services Team - Toll Free: 1800 671 849
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