

March 2009

Australian Ethical picks up two more awards

In December the Australian Ethical Equities Trust was awarded the *Ethical Investor Fund of the Year Award* at the 2008 Australian Sustainability Awards.

Lonsec, the award judge, said 'the fund scored highly on the depth of socially responsible investment and was a clear outperformer over the assessed period.'

The Australian Ethical Superannuation Fund has won the *Best Green Super Fund* in *Money* magazine's Best of the Best Awards for 2009.

Judged by Super Ratings, the Australian Ethical Superannuation Fund was found to 'provide the best combination of traditional benefits...with a strong emphasis on environmental issues'.



Australian Ethical's performance in volatile markets

The Australian Ethical Equities Trust and Large Companies Share Trust continue to perform well relative to their peers throughout these turbulent times for financial markets.

Returns to 31 January 2009	1 year
Balanced Trust	-13.96%
Equities Trust	-16.72%
Large Companies Share Trust	-20.98%
World Trust	-25.70%
Income Trust	3.68%

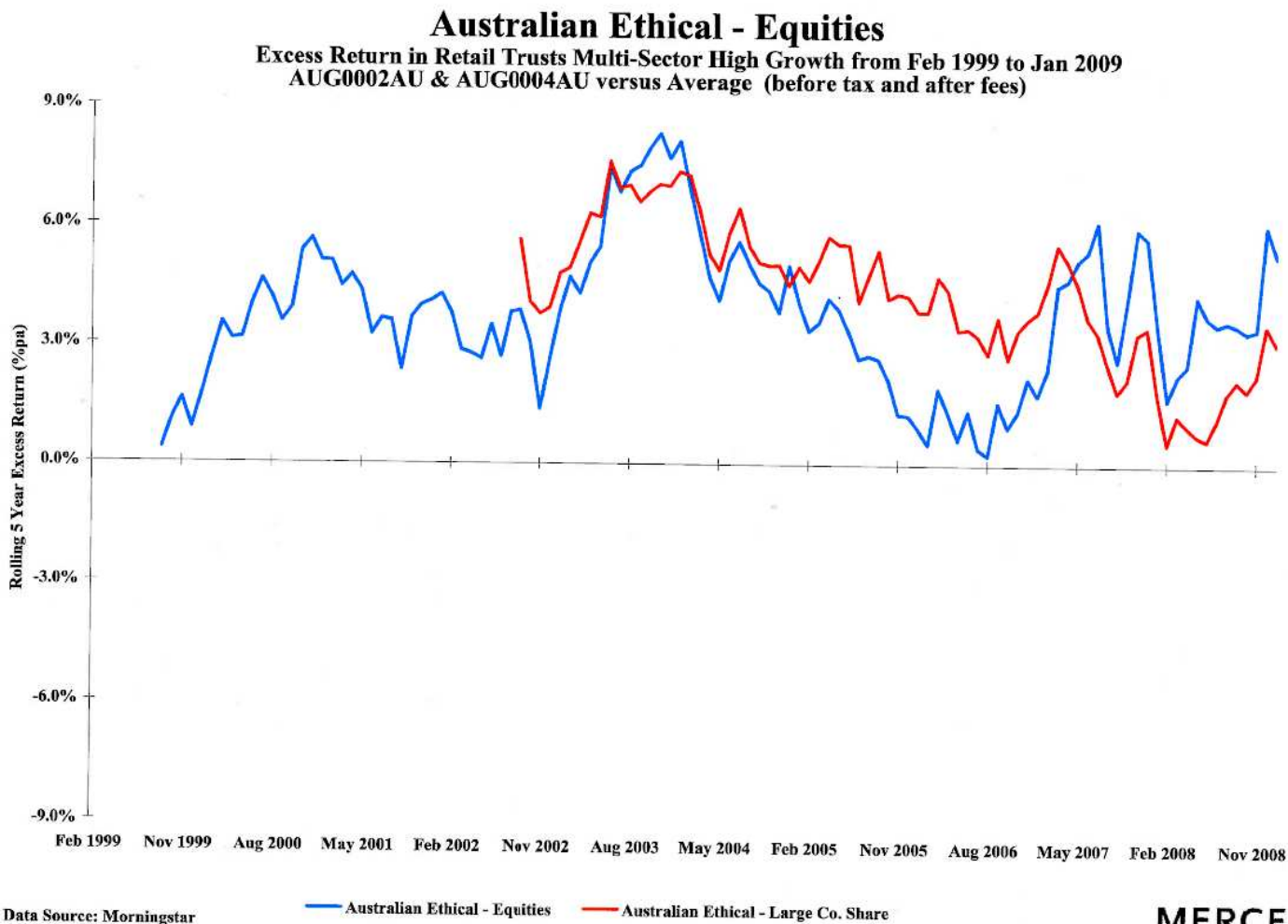
1 year category ranking to 31 January 2009

Balanced Trust	21	of 56 Multi-Sector Balanced investment trusts
Equities Trust	1	of 32 Aust Mid/Small Growth investment trusts
Large Companies Share Trust	4	of 28 Equity World/Aust investment trusts
World Trust	-	of 151 World Large Blend investment trusts
Income Trust	52	of 52 Australian Bonds investment trusts

Source: Morningstar

Long term performance of Australian Ethical's equity funds

The graph below shows the rolling five year excess return of the Australian Ethical Equities Trust and the Australian Ethical Large Companies Share Trust against the average multi-sector high growth fund over the last ten years. These two trusts have constantly outperformed the average multi-sector high growth fund over this ten year period.



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Monthly investment management reports

If you would like to receive the monthly investment manager reports for the Australian Ethical trusts then please contact Krystle Tee by emailing ktee@australianethical.com.au. The reports include commentary from the portfolio managers, returns, top holdings, GICS sectors and asset allocation.

David Macri joins the investment team

Australian Ethical is pleased to have David Macri on board as part of its investment team. David will be focusing on small caps, based in Australian Ethical's Sydney office. He will work closely in this role with Andy Gracey, portfolio manager for the flagship Australian Ethical Equities Trust.

'We are particularly pleased to have recruited someone with such a successful background in equities, and the investment management industry in Australia', said CIO Martin Halloran. 'His appointment will help us continue the strong performance from this fund which, through these difficult times, has been one of the best performing equity trusts in the country'.

Macri joins Australian Ethical from Macquarie Securities where he continued his strong career conducting equities research within the top rating equities strategy team. His experience also includes time with Credit Suisse Asset Management, Mellon HR&IS and Mercer Investment Consulting.

New companies added to the portfolios

Even in these difficult times on Australian and overseas stock markets, Australian Ethical continues to find ethically and financially superior companies to add to its portfolios. New additions to the portfolios over the last few months include Arrow Energy, Primary Health Care and Transpacific Industries.

Arrow Energy is coal seam methane producer focussed on the supply of gas to Australian and international markets. The company has also entered into agreements to develop coal seam methane in India and China.

Primary Health Care works with a wide range of health care professionals who provide comprehensive care to patients. The company is the oldest established and most profitable in this field having established a formula for its medical centres and services which offers value to doctors and patients while providing for a relatively low cost of operation.

Transpacific Industries provides integrated industrial cleaning and waste management to customers across Australia and New Zealand, with a particular focus on liquid, solid and hazardous waste management markets.