

2011 Summary Report

November 2011

La Trobe
financial

Over the last year, La Trobe Financial has continued to develop and build upon the strong platform that has driven our success since 1952. We have made significant progress in our goal of achieving greater diversity and growth, assisted by the new Group structure and our expanded strategic direction.

David Bird, Chairman
La Trobe Financial Asset Management Limited



2011 Highlights

- Underlying earnings increased
- Distribution rates increased on all investment options
- Core investment portfolio delivers strong comparable income growth
- Growth of the funds management platform to more than \$440 million assets under management (at 31 October 2011)
- Awarded **Best of the Best Mortgage Fund in Australia** by *Money* magazine for the third year running
- Only Mortgage Fund in Australia to hold a **Four Star** rating from S&P³ and a 'Recommended' rating from Zenith⁴
- 2011 **Most Innovative Mortgage Fund Award** (March 2011)
- Delivery of targeted returns
- Solid financial position with zero gearing and financial capacity going forward
- Significant progress made developing and leveraging the business' strong position in an industry passing through generational restructuring opportunities

Fund five year performance summary

Year ended 30 June	2011	2010	2009	2008	2007
Cash & short term investments (\$)	47,613,568	34,843,078	45,854,875	14,807,142	39,950,955
Mortgage investments managed & brought to account (\$)	326,446,380	316,425,004	255,440,871	316,930,468	343,769,081
Total funds under management balance (\$)	374,059,948	351,267,082	301,795,975	335,822,637	384,778,676
Funds under management growth rate (%)	6.49	16.58	-10.13	-12.72	-9.44
Number of registered members	14,711	14,532	13,632	13,505	13,343
Statistics on funds under management					
Total number of mortgages	985	1001	904	1,208	1,396
Average loan size (\$)	331,418	316,109	282,567	262,309	246,209
Largest loan (\$)	12m	14m	9m	9m	9m
Average loan to valuation ratio (%)	55.67	55.12	59.02	59.67	59.16
Total loan arrears as % of total loans	2.09	2.76	1.63	0.56	0.98
Weighted average unexpired terms to maturity (months)	53.56	55.10	46.65	55.57	67.03
Total members' interest distribution paid & payable (\$)	27,947,950	25,108,496	24,295,784	29,259,287	33,767,672
Total income on mortgages & cash (\$)	38,789,227	34,246,164	32,673,450	42,003,970	47,113,489
Average rate of return to Cash & Mortgages Option (%)¹	6.29	5.50	6.40	6.88	5.81
Average rate of return to Pooled Mortgages Option (%)¹	7.74	7.26	7.60	8.20	7.27
Average rate of return Select Option (%)²	8.58	8.50	8.62	8.83	8.13

Dates to remember

- New Product Disclosure Statement dated 21 November 2011

Please note this is a summary of our 2011 annual results. The Fund's full 2011 Annual Report is available on our website latrobefinancial.com.au

La Trobe Financial Asset Management Limited ABN 27 007 332 363 & AFS Licence No 222213 is the issuer and manager of the La Trobe Australian Mortgage Fund. It is important for you to read the Product Disclosure Statement for the Fund before you make an investment decision. The PDS is available on our website or by calling 1800 818 818. Financial measures presented here do not reflect adjustments to the financial statements included in this report in relation to Australian Accounting Standards. (1) Based on a nominal dollar value in the Fund for twelve months ended 30 June 2011 with no reinvestment. The above measure of average rate of return is only a measure of a nominal dollar in the relevant Option of the Fund and may not be indicative of an individual investment. (2) Rate net of all charges to members based on an average nominal rate for mortgage investment in the Fund's Select Mortgage Option as at 30 June 2011 for twelve months with no reinvestment and assumes rates remain constant for twelve months. The above measure of average rate of return is only a measure on aggregate of the total Select Mortgage Portfolios of the Fund and may not be indicative of an individual investment. Past performance is no guarantee of future performance. The rates of return from the Fund are not guaranteed and are determined by future revenue of the Fund and may achieve lower than expected returns. Investors risk losing some or all of their principal investment. (3) The Standards & Poor's rating of 4 out of a possible 5 stars (available at www.standardandpoors.com.au) indicates S&P has conviction that La Trobe Financial can generate risk adjusted product returns in line with relevant investment objectives and relative to peers. (4) The Zenith Investment Partners ("Zenith") ABN 60 322 047 314 rating referred to in this document is limited to "General Advice" (as defined by section 766B of Corporations Act 2001) and based solely on the assessment of the investment merits of the financial product on this basis. It is not a specific recommendation to purchase, sell or hold the relevant product(s), and Zenith advises that individual investors should seek their own independent financial advice before investing in this product. The rating is subject to change without notice and Zenith has no obligation to update this document following publication. Zenith usually receives a fee for rating the fund manager and product against accepted criteria considered comprehensive and objective.