

Pengana Global Small Companies Solution Performance Report

February 2008



Fund Information

Style	Multi manager investing in regional small company specialists	Management fee	1.00% per annum
Benchmark	Equally weighted to the 3 major developed regions: North America, Europe including UK, Asia including Japan	Performance fee	10% over benchmark hurdle (net of fees)
		AUM	\$32.6 m
		Inception date	November 2005

Fund Performance (AUD, net of fees)

	Jan	Feb	Mar	April	May	June*	July	Aug	Sep	Oct	Nov	Dec	Year
2008 Fund	-11.7%	-1.7%											-13.2%
Benchmark	-9.5%	-0.9%											-10.3%
MSCI World	-7.6%	-0.6%											-8.2%
2007 Fund	5.2%	0.1%	-1.0%	0.1%	2.3%	-3.4%	-2.0%	-4.0%	-0.4%	5.1%	-7.7%	-2.9%	-9.6%
Benchmark	4.4%	-2.6%	0.0%	-1.8%	1.5%	-3.5%	-4.4%	-2.2%	-0.7%	3.5%	-8.2%	-2.7%	-16.3%
MSCI World	3.0%	-3.0%	0.0%	1.6%	4.1%	-4.3%	-2.2%	-0.1%	4.8%	3.1%	-4.1%	-1.3%	1.0%
2006 Fund	-0.4%	1.2%	9.2%	-3.7%	-4.9%	0.8%	-5.6%	3.0%	3.9%	0.1%	1.2%	2.6%	6.4%
Benchmark	4.0%	0.4%	7.7%	-4.1%	-5.8%	0.0%	-6.8%	2.9%	1.8%	-0.1%	0.3%	1.9%	1.4%
MSCI World	1.3%	1.7%	5.8%	-3.1%	-2.4%	1.3%	-2.6%	3.1%	3.2%	-0.2%	0.7%	2.1%	11.1%
2005 Fund											5.2%	8.8%	14.5%
Benchmark											4.5%	7.2%	12.0%
MSCI World											4.4%	3.0%	7.5%

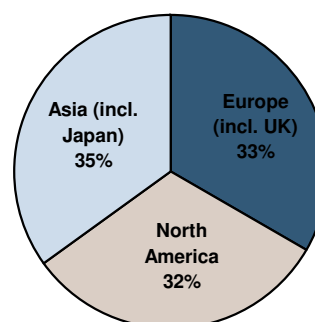
*The fund's currency exposure was unhedged until 30 June 2007

Fund Commentary

The fund lost -1.7%, slightly lagging its benchmark which fell -0.9% in what was a contrasting month for small caps markets around the world. The Eurozone rallied while Asia remained weak and the US continued its sharp decline of recent months. Common to all markets was tremendous volatility, low trading volumes, and a fixation on US recessionary concerns.

All managers adhere to the discipline of fundamental company research, solid business models, strong balance sheets, good quality cash flows and high growth potential. This period of recessionary fear and volatility presents the opportunity to acquire many stocks at extremely attractive valuation levels- the managers are able to choose the companies that offer the best return potential with the lowest risk profiles.

Fund Allocation



Fund Performance (AUD, net of fees)

	1 Month	3 Months	1 Year	Financial Year to Date	Annualised Since Inception	Standard Deviation
Fund	-1.7%	-15.8%	-25.5%	-23.9%	-1.8%	16.4%
Benchmark	-0.9%	-12.7%	-26.2%	-23.1%	-6.6%	15.0%
North America	-10.8%*	-18.8%	-20.7%	-20.4%	-0.8%	16.7%
Benchmark	-3.8%	-10.6%	-19.2%	-17.7%	-3.0%	15.0%
Europe	1.9%*	-14.3%	-25.0%	-29.8%	10.4%	19.9%
Benchmark	2.3%	-12.4%	-22.7%	-24.6%	6.5%	16.7%
Asia	3.1%*	-14.2%	-31.1%	-20.5%	-13.4%	21.9%
Benchmark	-1.1%	-15.3%	-36.4%	-27.3%	-22.2%	19.1%

*estimates

Disclaimer

The information contained in this summary report has been prepared with all reasonable care by Pengana Capital. It is provided for information purposes only and should not be construed as an offer or solicitation. It should not be relied upon as the sole basis for making an investment decision, nor should a decision be made until the risks of the investment are fully understood. Pengana Capital assumes no responsibilities for errors, inaccuracies or omissions in this summary. The information is provided without warranty of any kind. Past performance is not indicative of future performance. Investors may not get back the full amount originally invested.

Pengana Global Small Companies Solution Performance Report

February 2008



North America

Manager	Cortina AM	<p>The US portfolio lost -10.7% in February, underperforming the Russell 2000 index which fell -3.7%. The US small caps market has been dominated this month by fear and confusion over the prospect of a US recession, weakness of the US dollar, house prices and poor consumer sentiment. This has triggered massive downside volatility, during which a third of all trading days in 2008 experienced a 1% intraday decline in the markets.</p> <p>The portfolio fared poorly in all sectors that it was overweight- technology, healthcare and consumer discretionary, which are down -18.6%, -12.2% and -10.4% respectively in 2008. Investors are wary of companies with strong earnings, suspicious of future disappointment. Stocks like Double-Take Software and Stratasys declined sharply despite meeting their earnings expectations; they were punished by an impatient and myopic bear market for slightly reducing their earnings growth for 2008 in exchange for much greater gains in the following year, a sensible business decision in the long-term.</p> <p>Cortina anticipate a recessionary recovery towards the end of 2008, as the drastic interest rate cuts take effect, depleted inventories require restocking, corporate profits edge higher, and credit markets recover. They have targeted the financial and consumer discretionary sectors to capture this recovery.</p>
Benchmark	Russell 2000	
Fund Allocation	31.7%	
Month return	-10.8%*	
Benchmark	-3.8%	
Top 5 positions		
2.9%	J2 Global Communications	
2.7%	Monotype Imaging	
2.6%	Blackbaud Inc	
2.2%	Infinity Property Casual	
2.1%	Iconix Brand Group	

*estimate

Europe (including UK)

Manager	Munros CM	<p>European small caps markets demonstrated a tentative but unconvincing rally this month, gaining +2.3%. Volatility remains high and trading volumes are still lower than average.</p> <p>The strongest markets were Sweden, the Netherlands and Finland, all of which gained over 6.0%. Belgium and Ireland underperformed the benchmark, but still managed to remain in positive territory.</p> <p>The Swedish fashion retailer RNB recovered strongly by +29.1% after its profits downgrade last month. The portfolio's largest position, Lamprell, was boosted by rising oil prices this month, as were offshore oil and gas service providers Prosafe and Wellstream. Hellenic Exchanges has been one of the strongest performers in recent months, but this month declined as take-over speculation dissolved. The video-conferencing group Tandberg also fell, largely driven by US recessionary fears.</p>
Benchmark	HSBC Europe	
Fund Allocation	33.4%	
Month return	1.9%*	
Benchmark	2.3%	
Top 5 positions		
4.0%	Lamprell	
3.9%	Newcourt	
3.6%	LVL Medical	
3.6%	Tanfield	
3.2%	Spice Holdings	

*estimate

Asia (including Japan)

Manager	Sparx AM	<p>In Japan the small cap market outpaced their larger cap counterparts. In the absence of a major shift in macroeconomic fundamentals, this has most likely been due to investors' recognition of small company stocks being significantly undervalued relative to large caps.</p> <p>Internet and service stocks performed particularly well this month. The portfolio's largest position is now Japan Wind Development Ltd, a developer of wind power plants whose growth has been buoyed by increased environmental awareness globally. One of last month's largest performance detractors Prestige International rebounded sharply in February. It was regarded as an oversold position, undervalued by the market despite its high growth potential through operations in Japan as well as in the US as an outsourcing specialist.</p> <p>The fund's largest detractor this month was Message Co, a nursing homes operator, fell sharply amid growing concerns about dilution from a planned additional public offering. Yamato International and MCJ Co also faced selling pressure, largely due to poor stock liquidity.</p>
Benchmark	MSCI Japan Small	
Fund Allocation	34.9%	
Month return	3.1%*	
Benchmark	-1.1%	
Top 5 positions		
3.6%	Japan Wind Development	
3.5%	Studio Alice	
3.5%	Prestige International	
3.5%	Fujistaff Holdings	
3.3%	Tohokushinsha Fim Corp	

*estimate

Disclaimer

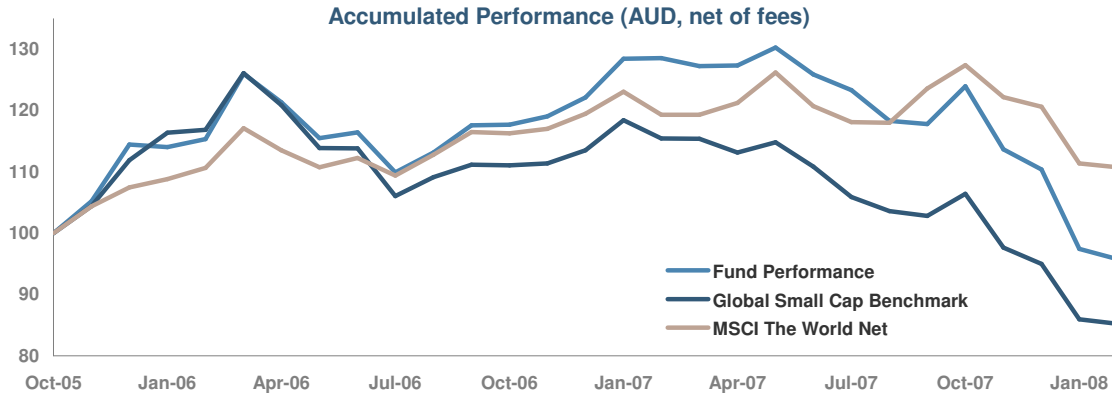
The information contained in this summary report has been prepared with all reasonable care by Pengana Capital. It is provided for information purposes only and should not be construed as an offer or solicitation. It should not be relied upon as the sole basis for making an investment decision, nor should a decision be made until the risks of the investment are fully understood. Pengana Capital assumes no responsibilities for errors, inaccuracies or omissions in this summary. The information is provided without warranty of any kind. Past performance is not indicative of future performance. Investors may not get back the full amount originally invested.

Pengana Global Small Companies Solution Performance Report

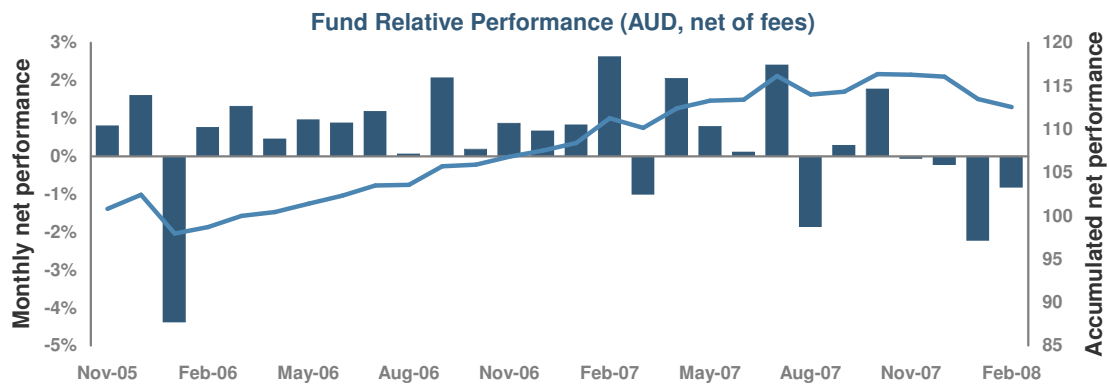
February 2008



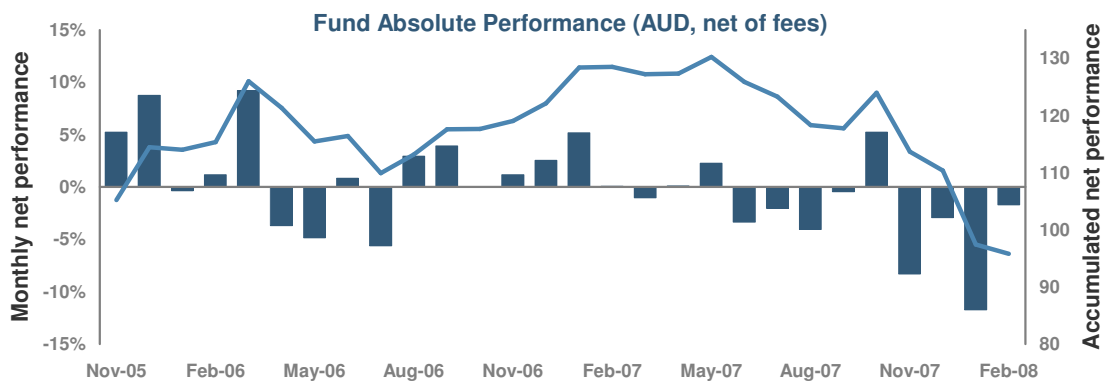
Accumulated Fund and Benchmark Performance



Monthly Fund Relative Performance



Monthly Fund Absolute Performance



Disclaimer

The information contained in this summary report has been prepared with all reasonable care by Pengana Capital. It is provided for information purposes only and should not be construed as an offer or solicitation. It should not be relied upon as the sole basis for making an investment decision, nor should a decision be made until the risks of the investment are fully understood. Pengana Capital assumes no responsibilities for errors, inaccuracies or omissions in this summary. The information is provided without warranty of any kind. Past performance is not indicative of future performance. Investors may not get back the full amount originally invested.