

AUSTRALIAN

RESEARCH

MANAGED INVESTMENTS ANALYSIS

Listed Managed Investments

September 2009 Quarterly Review

Trading conditions for LMIs improve
as equity markets continue to rally over the quarter

EXTRACT

Contents

This is an extract of the Listed Managed Investments September 2009 Quarterly Review.

For Advisers Only

IMPORTANT NOTICE

Aegis has been commissioned to produce this report.

Disclaimer & Disclosure of Interests

This publication has been prepared by Aegis Equities Research Pty Limited ("Aegis") (ACN 085 293 910), an Australian Financial Services Licensee (AFSL no. 225072). Aegis has been commissioned to prepare this independent research report (the "Report") and will receive fees for its preparation. Each company specified in the Report (the "Participants") has provided Aegis with information about its activities. Whilst the information contained in this publication has been prepared with all reasonable care from sources that Aegis believes are reliable, no responsibility or liability is accepted by Aegis for any errors, omissions or misstatements however caused. Any opinions, forecasts or recommendations reflects the judgment and assumptions of Aegis as at the date of publication and may change without notice. Aegis and each Participant in the Report, their officers, agents and employees exclude all liability whatsoever, in negligence or otherwise, for any loss or damage relating to this document to the full extent permitted by law. This publication is not and should not be construed as, an offer to sell or the solicitation of an offer to purchase or subscribe for any investment. Any opinion contained in the Report is unsolicited general information only. Neither Aegis nor the Participants are aware that any recipient intends to rely on this Report or of the manner in which a recipient intends to use it. In preparing our information, it is not possible to take into consideration the investment objectives, financial situation or particular needs of any individual recipient. Investors should obtain individual financial advice from their investment advisor to determine whether opinions or recommendations (if any) contained in this publication are appropriate to their investment objectives, financial situation or particular needs before acting on such opinions or recommendations. This publication is not for public circulation or reproduction whether in whole or in part and is not to be disclosed to any person other than the intended recipient, without obtaining the prior written consent of Aegis. This report is intended for the residents of Australia. It is not intended for any person(s) who is resident of any other country. Aegis and/or the Participant, their officers, employees or its related bodies corporate may, from time to time hold positions in any securities included in this Report and may buy or sell such securities or engage in other transactions involving such securities. Aegis and the Participant, their directors and associates declare that from time to time they may hold interests in and/or earn brokerage, fees or other benefits from the securities mentioned in this publication.

Aegis, its officers, employees and its related bodies corporate have not and will not receive, whether directly or indirectly, any commission, fee, benefit or advantage, whether pecuniary or otherwise in connection with making any statements and/or recommendation (if any), contained in this Report. Aegis discloses that from time to time it or its officers, employees and related bodies corporate may have an interest in the securities, directly or indirectly, which are the subject of these statements and/or recommendations (if any) and may buy or sell securities in the companies mentioned in this publication; may effect transactions which may not be consistent with the statements and/or recommendations (if any) in this publication; may have directorships in the companies mentioned in this publication; and/or may perform paid services for the companies that are the subject of such statements and/or recommendations (if any).

However, under no circumstances has Aegis been influenced, either directly or indirectly, in making any statements and/or recommendations (if any) contained in this Report.

The information contained in this publication must be read in conjunction with the Legal Notice that can be located at <http://www.aegis.com.au/Public/Disclaimer.aspx>

For more information regarding our services please refer to our website www.aegis.com.au.

Mirraboooka Investments Ltd (MIR)



LMI Type	Investment Assets	Investment Area	Investment Sectors
Listed Investment Company	Listed Companies	Australia and New Zealand	Diversified

Company Details

MIR is a listed investment company that invests mainly in small- to medium-sized businesses listed on the Australian and New Zealand stock markets. MIR generally invests in companies that fall outside the S&P/ASX 50 Index. MIR's objective is to provide long-term growth through investing in companies that offer both solid growth and attractive dividend yield.

Board

T Campbell (Chairman), R Barker, I Campbell, D Meiklejohn, G Sinclair

Investment Philosophy

MIR's investment philosophy is that a lack of research on smaller companies means markets are inefficient at valuing them correctly. Therefore, opportunities exist to invest in good-quality businesses at cheap prices.

Style and Process

MIR's investment style can be characterised as a bottom-up, 'buy-and-hold', value-biased strategy. The investment team sees hundreds of companies each year, which may be presented by brokers or found through MIR's own searches. MIR also retains Goldman Sachs JBWere to undertake research on its behalf. MIR looks to identify companies that have strong management, good margins, operate within a sustainable industry dynamic and have strong free cashflows. MIR's investment team and committee (a sub-committee of the board) spend significant time with senior management, particularly with the CEO, in order to understand the business. The investment committee meets fortnightly to ratify decisions. Portfolio weightings reflect the manager's conviction in a company. MIR generally holds a maximum of 70 stocks.

Investment Team

Ross Barker, BSc(Hons), MBA, Grad Dip SIA: MD; Mark Freeman, BCom, MBA, ASIA: CIO; Neil Murchie, BE(Hons), BCom: Investment Analyst; Kieran Kennedy, BCom, CPA: Investment Analyst.

Aegis Comments

MIR offers investors a core exposure to small- to mid-cap companies and has a history of generating a stable dividend yield for investors. While the Fund invests in small- to mid-cap stocks, the manager tends to focus on relatively high-quality companies with an ability to pay dividends. Its portfolio can, therefore, be characterised as comprising a moderate level of risk. Over the 12 months to 30 June, MIR delivered a performance just ahead of the market, with its pre-tax NTA (including dividends) rising 6.9% compared to a 6.3% gain by the S&P/ASX Small Ordinaries Index. Over the September quarter, MIR outperformed by 5.3%, helped by lower cash levels. At 30 September 2009, MIR was trading at a 1.1% premium to pre-tax NTA. We view MIR as a well-managed fund and continue to see this as an attractive investment for those investors seeking exposure to smaller-cap stocks, while having some defensive qualities with its exposure to cash and the top 100 stocks.

Key investment information



RATING	Recommended
Price (\$)	2.00
As at 27 November 2009	
Market Cap (\$M)	251.9
Shares On Issue (M)	125.3
Shares Traded (\$M p.a.)	17.6
12-month L/H (\$)	1.14/2.15
Listing Date	June 2001
Fees	
Management Fee (%)	0.81
Performance Incentives (%)	n/a

Pre-Tax NTA Performance Analytics (including dividends)

	S&P/ASX			
	Small Ords Acc		All Ords Acc	
	1 Yr	3 Yr (p.a.)	1 Yr	3 Yr (p.a.)
Excess Per. (%)	0.63	4.11	(0.51)	0.71
Beta	0.72	0.70	1.12	0.97
TE (%)	16.09	11.13	10.45	8.58
IR	0.04	0.37	(0.05)	0.08

Benchmark returns are purely pre-tax, whereas LIC returns incorporate realised capital gains tax and will understate portfolio performance.

Dividend Yield (%)

FY07	FY08	FY09
4.05ff	5.40ff	5.41ff

Substantial Shareholders (%)

AFIC	6.8
Djerriwarrh Investments	3.7

As at 30 September 2009

Company contact



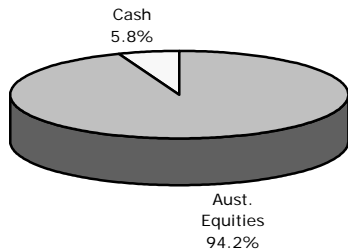
Geoff Driver
gdriver@afi.com.au
61 3 9679 1659

www.mirra.com.au

For Advisers Only

Sector	Industry Group	Industry	Sub Industry
Financials	Diversified Financials	Diversified Financial Services	Multi-Sector Holdings

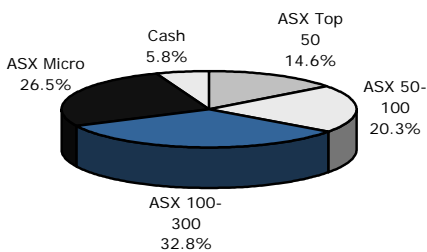
Asset Weighting



Other Data

Options	None on issue.
Dividend policy	To provide attractive dividend returns from the portfolio of investments.
Capital management policy	Share acquisition plan allows shareholders to subscribe for a total of A\$5,000 of shares per annum.
LIC tax concessions	Yes
DRP available	Yes, at current market prices.

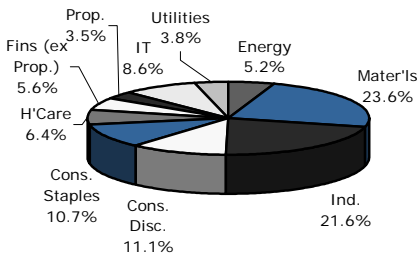
Size Weighting



MIR's Portfolio (Top 10)

Code	Weighting		2010 Aegis Forecasts			Prem/Disc to Aegis Target (%)
	Portfolio (%)	Small Ords (%)	PE (x)	Yield (%)	EPS Gth (%)	
NUF	4.7	na	17.5	2.4	(4.7)	(10.1)
OSH	4.1	na	33.8	1.5	46.0	(7.1)
HSP	4.0	1.5	11.4	5.5	19.4	(17.2)
TOX	3.6	na	na	na	na	na
IRE	3.6	0.9	17.5	4.5	13.4	(6.3)
AWC	3.4	na	38.6	2.5	330.8	(12.9)
HDF	3.4	0.5	8.4	6.2	(9.4)	(21.2)
CPB	3.3	na	na	na	na	na
AIX	3.1	1.1	17.9	6.2	(11.2)	(15.1)
JHX	3.0	na	90.7	0.0	(81.1)	45.4
	36.2	4.0				

Sector Weighting (Equities Component)

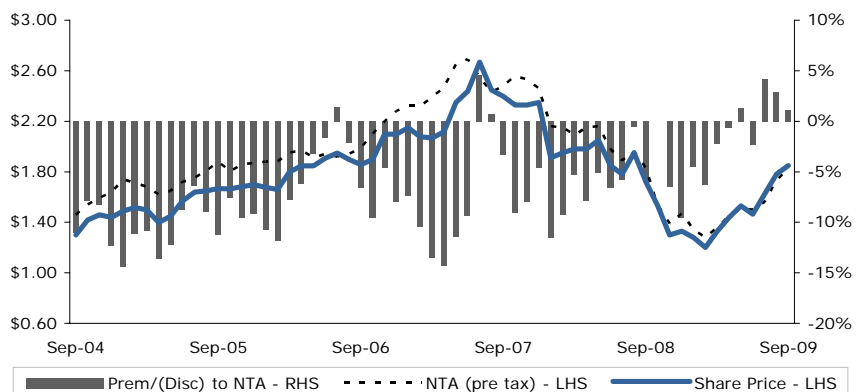


Tax-Based Returns on Share Price and Dividends

	Fund		Small Ords		All Ords Acc	
	1Yr Rtn (%)	3Yr Ann (%)	1Yr Rtn (%)	3Yr Ann (%)	1Yr Rtn (%)	3Yr Ann (%)
No Tax (0%)	17.9	7.8	7.2	(0.8)	9.0	3.1
Super Fund (15%)	16.3	6.6	6.4	(1.5)	8.0	2.2
AWOTE* (31.5%)	14.6	5.3	5.6	(2.2)	6.9	1.3
Max Tax Rate (46.5%)**	13.0	4.1	4.8	(2.9)	5.9	0.5

* Marginal Tax Rate for worker on the Average Wage OTE rate + Annualised
 ** Max Tax Rate of 46.5% used from July 2006 (48.5% used prior to July 2006)

NTA & Share Price Performance



Source all figures: MIR/Aegis Equities Research/IRESS

All data As at 30 September 2009 unless otherwise specified

For Advisers Only



Level 6, 33 York Street
Sydney NSW 2000 Australia
Locked Bag 7 Australia Square
Sydney NSW 1215
Phone 61 2 8296 1100
Fax 61 2 9299 3777
ABN 72 085 293 910
www.aegis.com.au