

Watershed International Share Portfolio

Investment Profile

A Professionally Managed Portfolio of International Shares

The Watershed International Share Portfolio is a separately managed account, or SMA, actively managed by Watershed Funds Management. SMAs are professionally managed portfolios of direct shares whereby the investor receives beneficial ownership of the underlying securities.

Investment Objective

The objective of the Watershed International Share Portfolio is to provide attractive investment returns over the medium and long-term while reducing the risk of permanent capital loss. The Portfolio consists of investments in high-quality global businesses whose shares are listed on major global stock exchanges. The Portfolio aims to outperform the MSCI World Index (excluding Australia) over a rolling three-year period by 2 - 3% per annum.

Key Portfolio Features	
Inception	4 January 2010
Benchmark	World Index (ex Aus)
Authorised Investments	Medium to Large Cap Listed International Shares
Number of Stocks	15-25
Cash Allocation	0-20%
Management Fee	0.66% (inc GST)
Tracking Error	5% to 11% per annum
Investment Horizon	At least 5 years

The Portfolio is designed for investors who...

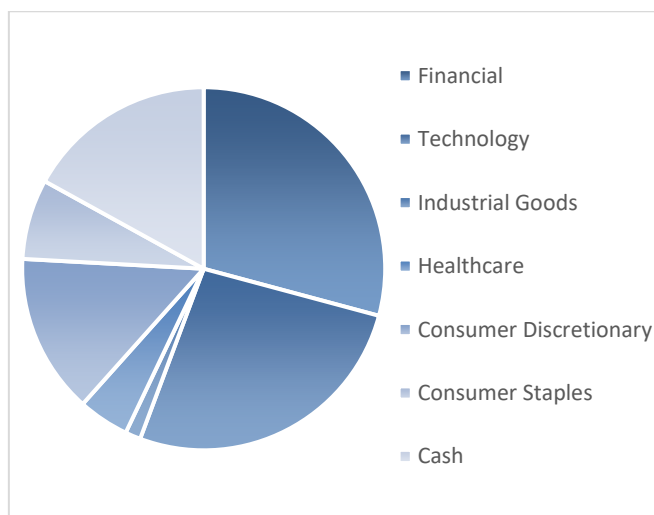
- Seek long term capital growth & portfolio diversification
- Have a longer-term investment horizon of at least five years and accept the risk of price fluctuations.

Portfolio Structure

No.	Company Name	NYSE Code
1	Microsoft	MSFT
2	Amazon	AMZN
3	Berkshire Hathaway	BRK-B
4	JPMorgan Chase	JPM
5	CostCo	COST

Sector Allocation

Financial	29.17%
Technology	26.52%
Industrial Goods	1.38%
Healthcare	4.54%
Consumer Discretionary	14.26%
Consumer Staples	7.14%
Cash	16.99%
TOTAL	100.0%



Performance

Net Performance (%)	1m	3m	6m	1yr	3yr	5yr	7yr	10yr	Inception*
WFM International Share in A\$	5.66%	12.37%	15.36%	35.74%	14.32%	14.16%	14.42%	14.68%	15.20%
MSCI World Index (ex Aus) in A\$	5.92%	12.73%	11.90%	29.15%	15.18%	13.75%	13.53%	12.70%	12.47%
Relative Performance in A\$	-0.26%	-0.36%	3.46%	6.59%	-0.85%	0.41%	0.89%	1.98%	2.74%

*Inception since January 2010

Performance Fee Disclosure The table above sets out the investment performance returns (AFTER investment management fees, but BEFORE administration fees and taxes) for the portfolio. The performance returns have been calculated on a daily basis taking into account brokerage costs, and are accumulated for the period shown. Returns are shown as annualised if the period is over 1 year, or as total returns otherwise.