CONCISE
ASSET MANAGEMENT

March

2012

Net Performance (After Fees)	1 Month	6 Months	1 Year	2 Years	3 Years	*Since inception (Annualised)
Concise Mid Cap Fund Return (%)	1.09	13.31	(2.77)	0.73	16.90	1.16
Mid Cap Masters Index (%)	0.14	12.33	(7.42)	0.26	14.55	(4.16)
Active Performance (%)	0.95	0.98	4.65	0.47	2.35	5.45

Market Performance

March produced a third successive monthly gain for the ASX 200, an increase of 1.2% for the month completed a solid quarterly gain of 6.9%, the best March quarterly performance since 2006. Global equity markets also performed well over the March quarter with the Dow Jones gaining 8.1%, while the S&P 500 & FTSE 100 increasing 23.0% & 3.5% respectively. The S&P 500 return was the best March quarterly performance since 1998 as better than expected US economic growth and an improving US jobs market saw investor sentiment improve sharply.

The Greek debt drama continued to play out as private holders of Greek Government debt underwent an orderly restructure while more austerity measures were put onto the Greeks. During the quarter India announced plans to raise the export tax on iron ore from 20% to 30% on both iron-ore fines and lump. The Indonesian Government reaffirmed its intention of banning the exports of unprocessed mineral products from 2014 and also announced plans to take at least 51% control of all foreign owned mines after 10 years of production.

In other news, the RBA left the cash rate unchanged at 4.25% at its February and March meetings, while the Australian dollar gained 1.3% over the March quarter to finish at US$1.03. Base metal prices gained ground with the LME Metals Index increasing 8.3% over the quarter, while spot iron ore prices stayed relatively steady during the quarter finishing at US$142/t.

The best sector performers on the ASX 200 over the March quarter were Healthcare (+6.1%) and Financials (+4.6%) while Energy (-2.4%) and Property Trusts (-0.8%) lagged. During March, Bank of Queensland (BOQ) announced a $450 million equity raising. BOQ stated that the new capital would be used to strengthen its Core Tier 1 capital position while allowing it to increase provisioning in its current loan book. BOQ increased its impairment expenses to $328 million (previously $134 million) after including a $160 million collective provisioning overlay. BOQ cited continued weakness in the Queensland economy, retail and commercial property markets as key reasons for the increased impairment. Beach Energy also announced a $345 million capital raising during the month via the issue of $150 million in convertible notes and a $195 million 1 for 8 entitlement offer. Proceeds of the capital raising will be used to fund exploration in the Cooper Basin as well as ongoing oil appraisal in Egypt and Tanzania.

Attribution Analysis for the month ended March 2012

Top 5	Bottom 5
AWE Ltd.	OZ Minerals Ltd.
Ramsay Health Care Ltd.	Gindalbie Metals Ltd.
Cabcharge Australia Ltd.	Challenger Ltd.
Henderson Group PLC	Mount Gibson Iron Ltd.
G.U.D. Holdings Ltd.	Sims Metal Management Ltd.

Portfolio Performance

In March the Concise Mid Cap Fund returned 1.09% exceeding the benchmark return of 0.14%. For the quarter the Concise Mid Cap Fund returned 13.3% exceeding the benchmark return of 12.3%. For the month the best performers were AWE Ltd, Ramsay Healthcare, Cabcharge Ltd, Henderson Group and IOOF Holdings. The poor performers included; Oz Minerals, Gindalbie Metals, Challenger Ltd and Mount Gibson.

For the quarter the best performers were; Flight Centre, Henderson Group, AWE Ltd and Ausdrill Ltd. While the poor performers were; Challenger Ltd, Ansell Ltd, Bendigo & Adelaide Bank and Ramsay Healthcare.

Company highlights for the quarter started in January and saw the release of a number of resource quarterly production results. Highlights for the Fund included; Atlas Iron, which reported 4Q11 shipments of 1.4Mt with iron ore prices achieved of US$120/t CFR with cash costs at AUD$42-45/t. Atlas stated that FY12 production will be 5.5-5.7Mt and is targeting 12Mtpa by the end of FY13. Gindalbie Metals released an update on its Karara iron ore project, with first magnetite concentrate expected in the September quarter 2012. Gindalbie did ship 105,000t of hematite Direct Shipping Ore during the December quarter.

Oz Minerals reported 4Q11 production results from its Prominent Hill copper mine, with 27,000t of copper and 38,000t of gold mined being in accordance with market expectations. Oz Minerals gave FY12 guidance of 110,000t copper and 140,000t gold production for the year, while cash costs will be within US$1.0-1.10/lb. Regional exploration will continue in earnest in FY12 with the company targeting to spend $70 million on potentially new copper and gold deposits.

In February, Flight Centre (FLT) reported a strong 1H12 result with Profit before Tax increasing 18.4% exceeding market expectations. The leisure market continues to perform extremely well for FLT. Of particular note was the strong growth derived from the corporate market where FLT has been able to rapidly grow market share. During the GFC, FLT management implemented a strategic decision to invest heavily in the corporate travel market while many competitors placed a freeze on deploying any additional capital. As a consequence FLT is now beginning to receive payback on this investment. FLT upgraded guidance for FY12 from between $265 million and $275 million to between $270 million and $290 million.

Cabcharge (CAB) released its 1H12 profit in February and the result showed underlying net profit up 11.3% to $34.6m, exceeding market expectations. CAB increased its 1H12 dividend to 17 cps up from 1H11 10 cps. Looking at the key drivers of the result, total turnover increased 2.6% to $551m for the half but Cabcharge accounts increased 5% to $230m. Member taxi related services revenue increased 8% to $44.8m as the number of taxis electing to use Cabcharge's Taxi Network services in both NSW and Victoria increased. Commenting on the outlook CAB is confident that the growth seen in the 1H12 will continue into the 2H12. CAB is well positioned to continue to grow its cash flows and is leveraged to the increasing use of cashless technology through MasterCard's PayPass and Visa's payWave technology through its terminals throughout the taxi network.

In March, AWE Ltd announced that it had received approval from the Western Australian Minister of Environment to commence drilling on the planned hydraulic stimulation wells in the onshore Perth Basin, Western Australia. AWE has identified significant potential for shale gas and tight gas in the onshore Perth Basin and will commence drilling in the June quarter. At the end of the month, AWE announced that it had completed the sale of minority stakes in its Bass Gas fields and the cash consideration of $80.125 million from the sale has been received.

*The Mid Cap Masters Index is a price and accumulation price, free float adjusted index calculated daily for Concise on behalf of S&P. The constituent universe of index is the S&P/ASX 200 excluding the S&P/ASX 50. * The CMCF commended on the 16th of April 2008. The since inception figure is annulaised.

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"Building a path to your financial future".

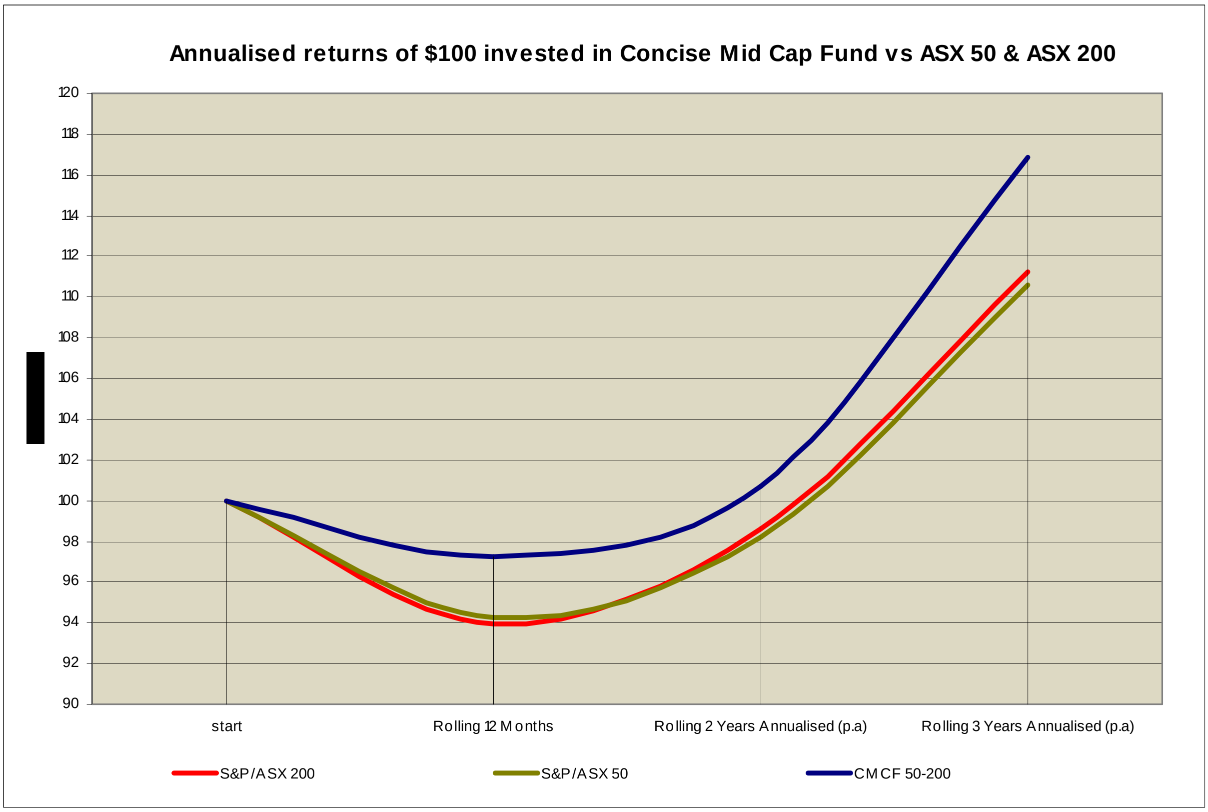
Market Outlook

While equity markets appear inexpensive we believe recent volatility will continue requiring selective stock picking to outperform. The ASX 200 currently trades at a Price to Earnings (PE) multiple around 20% below its long run average. Simplistically, for the market to currently represent fair value implies consensus earnings estimates for FY13 are 20% too high or the market multiple is too pessimistic. Too simplistic to draw any meaningful conclusions but useful in understanding which companies are likely to deliver solid earnings growth in volatile markets. The majority of Australian mid cap companies are large enough to exhibit a degree of pricing power, small enough to have growth options in the domestic economy and while well capitalised have numerous sources of debt and equity finance available.

The February reporting season highlighted that despite corporate balance sheets being well capitalised, many companies are reluctant to invest significant capital as the visibility on the returns from that investment is limited. For the reasons outlined above, numerous mid cap companies continue to invest in their businesses for medium to long term earnings growth.

While not exhaustive examples include Campbell Brothers Ltd (CPB), James Hardie Industries (JHX), OZ Minerals Limited (OZL), Boral Ltd (BLD), Sims Metal Management (SGM), Resmed Inc (RMD), Monadelphous Group (MND), Bradken Ltd (BKN), OneSteel Ltd (OST), Graincorp (GNC) and Ansell Ltd (ANN).

This continued investment will enable mid cap companies to deliver superior returns above other sectors of the Australian equity market. Bottom up stock picking with a focus on cash flow growth and company management's ability to achieve improved returns on capital will identify the selective opportunities that will provide enhanced returns to shareholders. The following graph highlights the superior returns the Concise Mid Cap Fund has achieved over the ASX50 and ASX200 over the last 3 years. The graph shows the annualised returns of the Concise Mid Cap Fund against the ASX50 and ASX200 assuming a $100 investment at 1 April 2009. Of particular note is the correlation between the ASX50 and ASX200 highlighting that alpha within the ASX200 primarily lies in the mid cap space.



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