

## Aurora Sandringham Dividend Income Trust (ASX Code: AOD) Performance Report - June 2011



### Summary

- The Trust announced a final cash distribution of \$0.015 in cash and \$0.0344 in franking credits per Unit for the three months ending 30 June 2011, which brings the annual yield to 9.51%.
- The Trust has returned 6.97% p.a for the last 5 years versus the Benchmark which has returned 4.59% p.a over the same period.

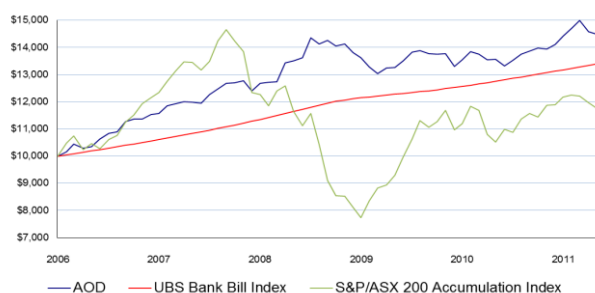
### Performance<sup>1</sup>

	1 month	3 months	6 months	12 months	3 yrs (p.a)	5 yrs (p.a)
Aurora Sandringham Dividend Income Trust	-0.56%	-1.24%	4.03%	6.92%	2.40%	6.97%
Benchmark (50% of UBS Aus B'Bill/S&PASX200 Acc Index) <sup>2</sup>	-0.68%	-1.37%	0.86%	8.55%	3.20%	4.59%
S&P/ASX200 Accumulation Index	-1.80%	-4.02%	-0.92%	11.73%	0.32%	2.38%
UBS Australia Bank Bill Index	0.40%	1.23%	2.47%	4.98%	4.78%	5.61%

### Investment Objective

To provide investors with returns in excess of the S&P/ASX 200 Accumulation Index including the value of franking credits over rolling 5 year periods with around half the volatility.

### Investment Performance



### Trust Features

Unit pricing	Monthly.
Distribution policy	At least 1.5% of Net Asset Value plus any franking credits <sup>3</sup> per Unit per quarter.
Applications	Investors may acquire Units on the ASX
Redemptions	On market by selling on the ASX or off-market at the end of each month.

### Trust Valuations

Fund Size	\$25 million
Net Assets Value per Unit	\$0.9713
Net Assets Value per Unit-incl. franking	\$1.0142
NAV Accumulation per Unit (since inception)	\$1.7024

### Investment Strategy

The Trust seeks to achieve the investment objective by investing in an actively managed portfolio of fully franked dividend paying companies listed on the Australian Securities Exchange while hedging the market exposure to around 50% of net assets.

### Historical Volatility

AOD (since incep)	6.2%
S&P/ASX Accumulation Index (since incep)	15.4%

### Trust Distributions (per Unit)<sup>4</sup>

Period	Cash	Franking (%) <sup>5</sup>	Yield at NAV (p.a)
31-Dec-06	\$0.0188	\$0.0722 (899%)	15.90%
30-Jun-07	\$0.0440	\$0.0295 (154%)	12.60%
31-Dec-07	\$0.0375	\$0.0296 (184%)	11.60%
30-Jun-08	\$0.0417	\$0.0156 (87%)	9.90%
31-Dec-08	\$0.0400	\$0.0213 (124%)	10.40%
30-Jun-09	\$0.0100	\$0.0210 (491%)	5.30%
31-Dec-09	\$0.0300	\$0.0240 (188%)	10.20%
31-Mar-10	\$0.0160	\$0.0100 (146%)	9.90%
30-Jun-10	\$0.0160	\$0.0011 (16%)	6.60%
30-Sep-10	\$0.0150	\$0.0000	6.00%
31-Dec-10	\$0.0150	\$0.0000	6.06%
31-Mar-11	\$0.0150	\$0.0000	6.06%
30-Jun-11	\$0.0150	\$0.0344 (535%)	9.51%
<b>Total</b>	<b>\$0.3140</b>	<b>\$0.2587</b>	

## Portfolio Commentary

The local market followed global equities markets lower during June as the European sovereign debt situation and an increasingly uncertain global economic picture combined to push sentiment lower.

Markets did bounce late in the month as the Greek parliament passed austerity measures but overall the S&P/ASX200 Accumulation Index still finished down 1.80%. The Trust returned -0.56% for June. M&A continues to be a feature of the market with Fosters Group being the Trust's best performing position after it received a \$9.5 billion bid from London based SABMiller. The Fosters board rejected the bid and as at the end of June, Fosters was trading above the bid price as the market anticipated a higher bid emerging.

Energy was the Trust's worst performing sector with the oil price sliding over 7% during June. In addition, Woodside Petroleum disappointed investors in announcing a third cost increase since November 2009 for its Pluto liquefied natural gas project. The project will now cost 6.4% more than last estimated and will be delayed 6 months due to competition for resources amid the WA development boom.

The Trust's performance for the last 5 years of 6.97% per annum continues to outperform both equity market and cash returns of 5.61% and 4.59% per annum respectively.

### Significant Portfolio Holdings

Company	Weight
BHP Billion	19.01%
Commonwealth Bank	14.61%
Westpac Bank	12.40%
Rio Tinto	8.33%
Woolworths	8.16%
Total invested as a % of NAV	136%

### Dividend Calendar

Company	Forecast Div	Ex Date
IAG	\$0.09	1/09/2011
PERPETUAL	\$0.95	1/09/2011
RIO TINTO	\$0.51	10/08/2011
WESTPAC	\$0.24	10/08/2011
OIL SEARCH LIMITED	\$0.03	10/09/2012
ANZ BANK	\$0.78	10/11/2011
NATIONAL AUSTRALIA BANK	\$0.74	11/11/2011
ORIGIN ENERGY	\$0.53	11/11/2011
COCA COLA	\$0.23	12/08/2011
BOART LONGYEAR	\$0.02	12/09/2011

Source: Bloomberg. Note: The Trust may or may not make investments in the above companies

## About Aurora

Aurora Funds Limited ('Aurora', ASX Code: AFV) was listed on the ASX in July 2010. Aurora comprises the combined businesses of Aurora Funds Management Limited, Fortitude Capital Pty Ltd and Sandringham Capital Pty Ltd.

The combined group has in excess of \$500 million in funds under management and administration, and provides asset management and responsible entity/trustee services for

Aurora is also the issuer and/or distributor of the:

- Aurora Fortitude Absolute Return Fund (ARSN 145 894 800)
- Aurora Absolute Return Fund (ASX Code: ABW)
- Aurora Sandringham Global Income Trust (ARSN 131 291 499)
- Aurora Global Income Trust (ASX Code: AIB)
- Aurora Property Buy-Write Income Trust (ASX Code: AUP)
- CORALS Commodities Fund (ARSN 131 196 882)
- van Eyk Blueprint Alternatives Plus (ASX Code: VBP)

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Notes: Since inception (17 Nov 05) the Trust has delivered an annualised return of 6.80%, assumes distributions and franking credits are reinvested. 1. This represents a cumulative estimated return and assumes the reinvestment of distributions and franking credits. 2. The Benchmark return is calculated daily as 50% of the return of the UBS Australia Bank Bill Index plus 50% of the return of the S&P/ASX 200 Accumulation Index. 3. The Trust intends to always distribute at least 1.5% of NAV, excluding any franking credits, per quarter regardless of Trust performance. This means that if the Trust has insufficient net income in a given quarter, investors may receive a partial (or full) return of capital. 4. Please note each historical distribution has been divided by eight to reflect the Unit split carried out in July 2008. 5. The percentage franked is based on a relative comparison to a Company that may pay a 100% franked dividend. A Unit Trust can accumulate franking credits and pass these through to Unitholders. Trusts can have distributions which include franking at more than 100%.

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