

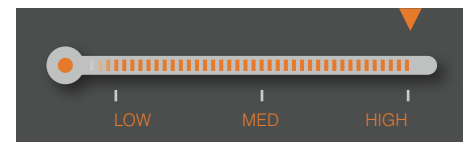
INVESTING IN PRIVATE AND ALTERNATIVE MARKETS

LOCATION:
NOOSA, QUEENSLAND

DEGREE OF FOCUS ON KEY THEMES



INVESTMENT FOCUS OF FORUM CONTENT



Tuesday 10 July – Thursday 12 July 2012

Commences Tuesday evening and concludes Thursday late afternoon



Commencing immediately after the conclusion of CIE's

Real Estate forum, this forum will provide delegates with the opportunity to develop their knowledge of private markets and alternatives investing.

Discussions will cover private equity, absolute return funds, infrastructure and secondaries, as well as other more niche opportunities within the private markets and alternatives spheres. CIE will also examine portfolio construction and implementation, and discuss issues relating to access, fees, risk premia, due diligence and agency risk.

WHO SHOULD ATTEND?

Trustees, executives, investment committee members and investment staff of Institutional Investor entities directly or indirectly managing fund assets exceeding A\$1 billion

ATTENDANCE:

Approximately 30 superannuation fund representatives and 15 sponsor delegates

15
CPE POINTS

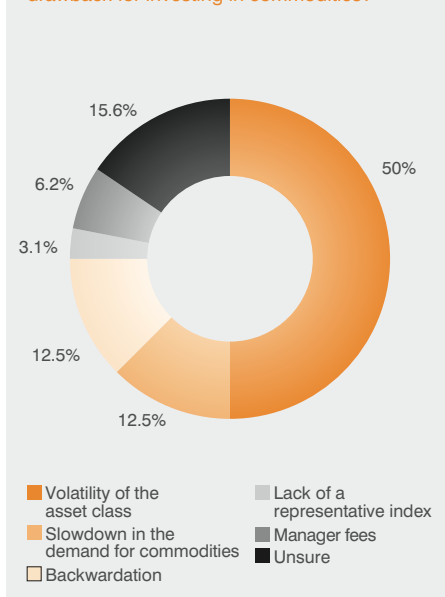
The 2011 Investing in Private and Alternative Markets investment forum was held in the Yarra Valley, Victoria. The event brought together 48 key decision makers from superannuation funds, fund managers and asset consultants representing approximately \$390 billion in funds under management.

The IPAM investment forum provides an opportunity for alternative asset classes and hedge funds to regain their place in funds' portfolios by exploring the role such investments have to play in funds' investment strategies.

During the 2011 IPAM investment forum, sentiment towards investing in private equity shifted from slightly negative to one of being more open to consideration. Delegates acknowledged that while there are risks associated with the asset class, manager selection, timing and tight fee control can make private equity a good vehicle for diversification. In addition, delegates shared their concerns of a potential bubble in emerging economies, and the potential for distressed opportunities to arise as a result.

Negative sentiments towards investing in private and alternative markets largely stem from the lack of clarity around how these investment market structures behave under periods of stress. In addition, fees, as one of the primary aspects of returns that funds can have significant control over, remain a central issue. Hence the alignment of interests between Institutional Investors and managers is critical and will continue to form an important part of the 2012 forum.

(Fig 1) What do you see as the main drawback for investing in commodities?



Additionally, three areas stood out at the 2011 IPAM forum that will be discussed in more detail in 2012:

- In recent years US pension funds have increased their capital commitment towards alternative strategies, albeit moderately. The largest beneficiaries of this increase in capital commitments were commodity strategies. Whilst at the 2011 IPAM forum Australian Institutional Investors still exhibited reservation against direct commodity investment due to the perceived high volatility (Fig 1), broad agreement was reached that leveraging ideas and concepts from direct commodity exposure, to the decision making process for the currently preferred resource equity exposure, was valuable.

The IPAM investment forum provides an opportunity for alternative asset classes and hedge funds to regain their place in funds' portfolios by exploring the role such investments have to play in funds' investment strategies.

- Environmental, Social and Governance (ESG) issues worldwide remain a central part of decision making, and delegates agreed ESG analysis is a core part of sensible investing. Funds' commitment to investing sensibly was reflected in delegates' sentiment at the 2011 IPAM investment forum, believing that demand for energy efficiency and clean-tech would increase over the coming 6-12 months (Fig 2).
- Despite the growing concern that the economies of the BRIC countries may be overheating, delegates acknowledged that high growth opportunities and compelling demographic trends will continue to attract investment in the BRICs. In addition, infrastructure, commodities and energy efficiency all present areas of interest for Australian Institutional Investors.

“Great forum,
professionally run
with dynamic and
challenging debate.”

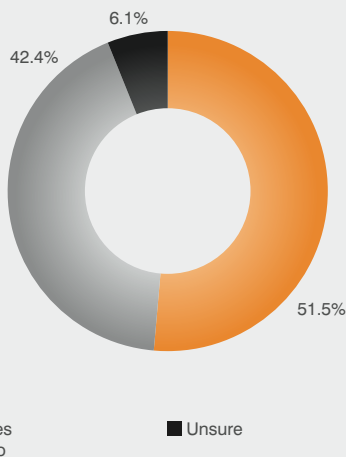
Eugene Snyman,
*Managing Director
Cambridge Associates*

“I would recommend CIE forums to all trustees.
These forums are second to none globally and
have great presenters of an exceptional level.”

Kieren Turner,
*Employer Director
AUSCOAL Super*

In 2012, IPAM will provide delegates with unique and meaningful insights into these traditionally diverse asset classes, with the goal of improving clarity, to assist driving optimal investment decision making of Institutional Investors in this space.

(Fig 2) Do you expect the Cleantech and Alternative Energy sectors to pick up in the next 6 -12 months?



In 2012 IPAM will address the overall reluctance of funds to allocate to private equity; discuss the use and perceptions of hedge funds; consider the growing interest in emerging private markets and examine distressed debt; the need for better alignment of interests between those investing in and those managing

private equity investments, both in terms of fees and transparency; and the growing focus on liquidity and adequacy of the liquidity premium.

The forum will provide delegates with unique and meaningful insights into these traditionally diverse asset classes, with the goal of improving clarity, to assist driving optimal investment decision making of Institutional Investors in this space.

Advisory committee

Peter Tomich
*Investment Implementation Manager,
CBus*

Rob Talevski
*Portfolio Manager, Private Equity,
Telstra Super Pty Ltd*

James Birrell
Portfolio Manager, EquipSuper