

Specialised Private Capital Ltd AFSL 246744
Leveraged Investment Companies Fund ARSN 114 579 734

Performance Report June 2008

Fund Information

Fund Size	\$31.1M	Domicile	Australia
Strategy	G geared Australian equities	Denomination	Australian dollar
Style	Long-only	Management Fee	1.10%
Unit Price	Buy: \$1.0920 Sell: \$1.0844	Performance Fee	Nil
Liquidity	Monthly		

Fund Performance (%)

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
FY08	3.0	-0.3	1.0	3.1	-5.5	-3.3	-13.9	-4.3	-15.4	11.3	2.3	-18.6	-36.9
FY07	3.1	4.7	1.1	9.9	4.9	6.4	8.4	-1.4	-1.1	5.1	2.5	2.0	55.6
FY06		2.2	4.3	-1.3	2.6	5.7	3.4	8.1	2.7	-0.1	-2.9	-1.6	25.0

Manager Commentary

The final quarter of the financial year initially saw equity markets rally from their March lows before falling away from mid May to register two year lows at June 30. Consequently the Fund was down 7.3% for the quarter and 36.9% for the financial year. This compares to a fall of 32.9% for the Morningstar Geared Index for the same period.

Unitholders as of 30 June 2008 will be receiving a distribution of 2.81 cents per share, with 5.80 cents per unit of franking credits attached.

Market declines caused gearing levels to rise and we were forced to sell down more of our investments during June to maintain appropriate gearing levels.

The LIC sector along with the rest of the market was battered during the quarter as the consequences of the sub-prime crisis continued to spread through world financial markets and Central banks around the world raise interest rate to curb inflation. Australian bank shares had a particularly bad quarter and given the LIC's significant exposure they generally under performed the overall market.

Most LICs are currently trading at discounts to their NTAs. The estimated weighted average discount to NTA of shares held in the portfolio is 6.8%. Our estimates of P/NTA range from 14% premium to 32% discount.

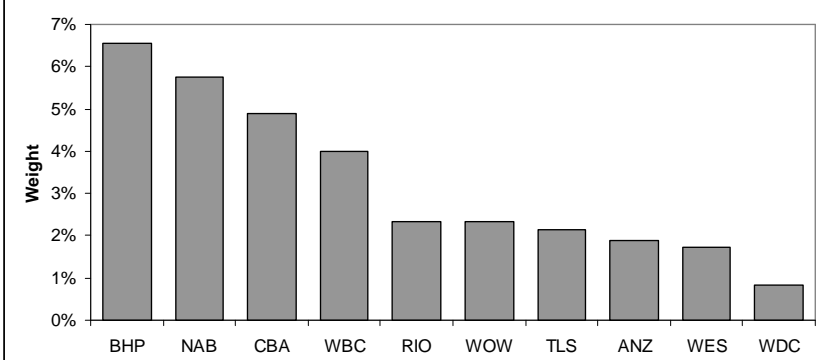
The companies we currently hold are: Australia Foundation Investment Company Ltd, Argo Investments Ltd, Brickworks Investment Company Ltd, Choiseul Investments Ltd, Century Australia Investments Ltd, Contango Microcap Ltd, Diversified United Investments Ltd, Hunter Hall Global Value Ltd, Milton Corporation Ltd, Premium Investors Ltd, Whitefield Ltd, Wilson Investment Fund Ltd, and SPDR S&P/ASX200 Fund.

Since the first full month from inception, the Fund has delivered a compound return of 6.7% per annum, compared to the Morningstar Australian Large Cap Geared Index return of 8.0% per annum.

Disclosure

Specialised Private Capital Ltd (SPC) utilises the advice authorisation under the current AFSL 243253 of Centric Wealth Advisers Ltd to generate and provide this report and SPC is the Responsible Entity of the Leveraged Investment Companies Fund. Refer to the Product Disclosure statement for further information. This document has been issued on the basis that it is only for the information and exclusive use of the particular person to whom it is provided. Any forecasts included are reasonably believed to be reliable based on current information but due to our inability to predict future events they cannot be guaranteed. This document is of a general nature only.

Returns are accumulated calculated on the basis of end of month redemption prices and are net of investment management fees and expenses. Returns are pre-tax and assume no reinvestment of income. The returns represent past performance only and are not indicative of future performance. The value of an investment may rise or fall with changes in the market. Inception date: 8 August 2005

Top 10 indirect holdings ~ 32% of portfolio	Return / Risk Statistics
 <p>Source: SPC Estimates, Company Reports, GSJBWerePortfolioWise</p>	<p>Annualised since inception (% p.a.)</p> <p>Return 6.7 Standard Deviation 30.3</p> <p>Worst month performance (%)</p> <p>LIC Fund -18.6 S&P/ASX200 Accum. Index -10.8 Morningstar Geared Index -19.8</p>

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