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January 2010

AMP Capital Australian Small Companies Fund - Off-platform Class H

Investment objective

To provide long term capital growth, after costs and before tax.

Minimum suggested time frame

5 to 7 years

Type of fund

The Fund aims to provide long term capital growth by investing primarily in a diversified portfolio of small companies listed on the Australian Securities Exchange.

Performance benchmark

S&P/ASX Small Ordinaries Accumulation Index AUD

Inception date

19 Jun 2006

Fund size

\$251.75 million

Management costs

1.3227%

Distribution frequency

Half Yearly

Buy/sell spread

+0.25/-0.25

Minimum initial investment

\$30,000

Investment approach

When considering small companies for investment, we target companies that generate a strong free cash flow, manage their capital effectively, have sustainable long term growth prospects, and demonstrate strong management capability and vision.

Asset allocation

%	Current
Materials	25.12
Consumer Discretionary	17.42
Financials	14.89
Industrials	12.70
Energy	8.95
Health Care	8.56
Cash	3.85
Consumer Staples	3.46
Information Technology	2.65
Telecommunication Services	1.67
Utilities	0.75
Others	0.00

Performance – periods to 31 January 2010

%	1 mth	3 mth	6 mth	1 yr	3 yr	incept
Before tax and after fees	-5.48	3.27	15.66	53.52	-6.21	3.23
Before tax and fees	-5.36	3.62	16.42	55.49	-4.92	4.55
Benchmark	-7.43	-1.75	8.49	52.85	-7.79	0.15
Growth	-5.48	2.39	14.68	50.92	-12.78	-5.18
Income	-0.00	0.87	0.98	2.60	6.57	8.41

*Performance more than 1 year is annualised

Total returns shown are actual returns for Private Clients units since the inception of that unit class (19.06.2006) Returns are before tax, after fees and costs, and assume income is reinvested. Past performance is not a reliable indicator of future performance. Returns are calculated using the unit price which uses the net asset values for the relevant month end. This price may differ from the actual unit price for an investor applying for or redeeming an investment. Actual unit prices will be confirmed following any transaction by an investor. Returns quoted are before tax, after Class 'H' fees and costs, assume all distributions are reinvested and are annualised for periods greater than one year.

Performance and Activity

The AMP Capital Australian Small Companies Fund - Off-platform Class H (the Fund) returned -5.48% (Before tax and after fees) in the month of Jan, compared to the benchmark return of -7.43%

Assisting the Fund's performance in January were overweight positions in Mesoblast, which shot up early in the month following favourable news coverage at the end of 2009 before retracing some of its gains as the broader market fell, Bendigo & Adelaide Bank, ARB Corporation, Centrebet International, Amcom Telecommunications, which announced the successful completion of its capital management initiatives announced in October 2009, and Starpharma Holdings. Detracting from the Fund's performance during the month were overweight positions in Aquila Resources, which signed a new mining services contract for the John Holland coal operations at Isaac Plains, Kairiki Energy and Tower Australia Group; and underweight positions in Flight Centre, which performed strongly after upgrading its financial year 2010 profit guidance, Mantra Resources and Australian Infrastructure Fund.

Market commentary

In January, the S&P/ASX Small Ordinaries Index returned -7.4%, underperforming the S&P/ASX300 Index by 1.3%. In 2009, markets benefited from unprecedented fiscal and monetary stimulus measures and from a significant improvement in stability of the global financial system. Investors' confidence was also assisted by a recovery in corporate earnings. Together, these factors translated into a strong demand for risk-bearing assets. In January 2010, markets corrected in response to policy tightening in China, prospects of Financial sector reform in the US, evidence of sovereign stress in some European countries (particularly Greece), and on profit taking. Higher beta segments of the market, including small caps, experienced falls for the month of January. All sectors suffered declines for the month, with global cyclical sectors Energy and Materials suffering double digit falls due to the strengthening Australian dollar and lack of visibility regarding further recovery in economic growth. The Consumer Discretionary sector fared relatively better, as the Australian economy continued to travel relatively well, supported by a marginal fall in unemployment and good consumer confidence data.

Outlook

Although Australian shares have been range bound since mid-October, our assessment remains that this is just a consolidation of the strong gains seen between March and October. The cyclical bull market that began in March has much further to go. The broad macro economic backdrop for shares remains favourable with the global economic and profit recovery continuing, interest rates remaining low and still plenty of cash on the sidelines. Our year-end target for the Australian ASX 200 and All Ordinaries indices remains 5600.

Top 10 holdings – as at 31 Jan 2010

Security Details	% Portf	% Bench
Tower Australia Group Ltd	3.74	0.70
Bendigo and Adelaide Bank Ltd	3.68	0.00
ARB Corp Ltd	2.74	0.00
Aquila Resources Ltd	2.31	1.39
Mesoblast Ltd	2.31	0.00
Adelaide Brighton Ltd	2.26	1.30
PanAust Ltd	2.13	1.25
Wotif.com Holdings Ltd	2.11	0.86
Reject Shop Ltd/The	2.01	0.38
Boart Longyear Group	1.95	1.74

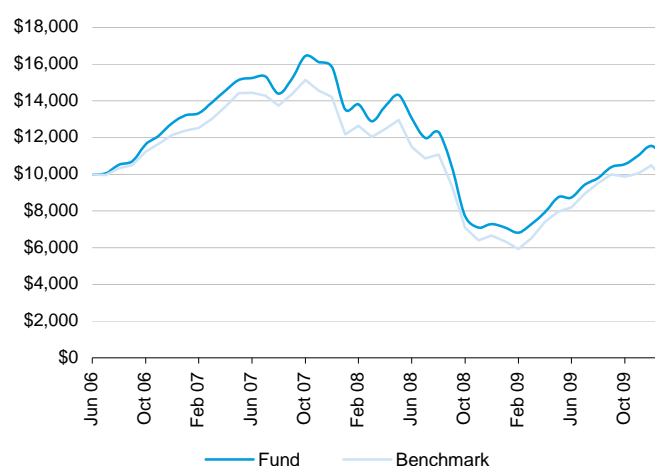
Top 5 Over Weight – as at 31 Jan 2010

Security Details
Bendigo and Adelaide Bank Ltd
Tower Australia Group Ltd
ARB Corp Ltd
Mesoblast Ltd
Austbrokers Holdings Ltd

Top 5 Under Weight – as at 31 Jan 2010

Security Details
Healthscope Ltd
MacArthur Coal Ltd
ING Industrial Fund
Infigen Energy
Flight Centre Ltd

\$10,000 invested since inception



Investors should consider the current product disclosure statement (PDS) available from AMP Capital Investors Limited (ABN 59001 777 591) (AFSL 232497) for the AMP Capital Australian Small Companies Fund - Off-platform Class H unit class before making any decision regarding the Fund. The PDS contains important information about investing in the Fund and it's important investors read the PDS before making a decision about whether to acquire, continue to hold or dispose of units in the Fund. Neither AMP Capital, nor any other company in the AMP Group, guarantees the repayment of capital or the performance of the product or any particular rate of return. Past performance is not a reliable indicator of future performance. AMP Capital makes no representation or warranty as to the accuracy or completeness of any statement in this fact sheet including any forecasts. This fact sheet has been prepared for the purpose of providing general information, without taking account of any particular investor's objectives or financial situation. An investor should, before making any investment decisions, consider the appropriateness of the information in this fact sheet, and seek professional advice, having regard to the investor's objectives and financial situation