

Media Release

23 October 2007

Lincoln's flagship Australian Share Fund number one performer over one year

Boutique managed investment firm Lincoln has posted leading one and two year performance results with its flagship Lincoln Australian Share Fund.

The Fund ranked first from a field of over 430 Large Cap Growth Australian equity funds within its Morningstar category, for the 12 months to 30 September 2007. The Lincoln Australian Share Fund delivered a total return of 51.15% compared with the benchmark S&P/ASX 300 Accumulation Index of 32.70% per cent, representing outperformance of 18.45% for the period. Lincoln also ranked second within the same category on a two year basis.

When compared to Morningstar's three primary Large Cap categories (Growth, Blend and Value) Lincoln still ranked first from a larger field of over 1400 Australian equity funds, on a one year basis, which did not employ gearing in their investment strategy.

Dr Paul Kasian, Head of Managed Investments with Lincoln, said the results represent very pleasing further evidence of the effectiveness of Lincoln's unique fundamental analysis research which underpins Lincoln's investment process.

"The one year, number one ranking to end September demonstrates we are able to add significant and consistent value for investors, based on Lincoln's renowned investment methodology.

"Moreover, our two year results place our Fund at the number two spot in performance terms. To put that in perspective, our Fund delivered top quartile performance and ranked second against a total field of over 1400 Australian equity managers.

"Lincoln's investment approach is to focus on managing the 'three P's' of 'pedigree, people and process', with fund performance the outcome of doing those things very well," Dr Kasian said.

Managing Director and co-founder of Lincoln, Tim Lincoln said that he was incredibly proud of the achievements of the fund and believes that the market can continue to provide excellent returns for investors over the long term.

"While the performance is icing on the cake for many years of blood, sweat and tears, it continues to vindicate our simple approach to investing in the highest quality of companies. Selecting the healthiest, most profitable, efficient, well managed, growing and undervalued companies on the sharemarket yields great returns for Australian investors in all market conditions."



“What’s been more pleasing than the result is the fact that we have helped so many thousands of Australians to empower themselves to invest confidently in the sharemarket via the products we offer.”

The Lincoln investment process is built around its leading DIY investment software program, Stock Doctor®, and involves grading stocks via Lincoln’s unique quantitative filters from an investment universe of larger capitalised companies with strong growth prospects. Only companies assessed to have high quality financial health and value to the portfolio are included.

A “bottom up” qualitative overlay is then applied to determine the growth prospects for each company using an analytical approach that examines local and global conditions, industry dynamics and management capabilities.

*Source: Morningstar. Analysis of Australian Large Cap (Growth) managers, 12 months to September 30, 2007

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Notes to Editors - About Lincoln

Lincoln is Australia’s premier fundamental analysis research house and fund manager offering intelligent sharemarket solutions for the conscientious investor. Founded in 1984 by Melbourne University academic and Australian sports identity Dr Merv Lincoln, the company’s specialist knowledge is based on Dr Lincoln’s PhD thesis which analysed and derived models to assess the financial health of businesses. The resulting Lincoln methodology combines company health assessment, key accounting ratios and other quantitative and qualitative measures to identify well-managed companies with strong growth prospects. Lincoln’s academic and commercially-proven methodology developed over more than 20 years empowers clients to make intelligent and informed investment decisions.

Stock Doctor®, the software-based incarnation of Dr Lincoln’s approach, was introduced to Australian investors in 1996 and has proven itself over a decade of sharemarket conditions. In 2003, Lincoln launched its Managed Investments business, and since that time the Lincoln Australian Share Fund has grown organically to around A\$130 million in funds under management.

Dr Lincoln’s methodology is applied to both Stock Doctor® and the Lincoln Australian Share Funds and the methodology was recently revalidated by Associate Professor Neville Norman, esteemed academic, media commentator and President of the Economic Society of Australia, who confirmed it is as effective today as it was when it was first developed. Dr Lincoln’s son Tim joined Lincoln in 1991, and, as Managing Director, continues to drive his father’s vision – to allow the private investor to invest in the sharemarket with confidence and peace of mind.

For more information visit www.lincolnindicators.com.au or call 1300 676 332.



Important Information

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You should therefore consider the appropriateness of the advice in light of your objections, financial situation and needs, before acting on it. Where our advice relates to the acquisition or possible acquisition of a managed fund, you should obtain a copy of and consider the Product Disclosure Statement before making any decision. Investments can go up and down. Past performance is not a reliable indicator of future performance. Fund returns are calculated gross of management fees, ongoing fees and expenses and assume dividends are reinvested and that no tax is deducted. Economic and other information taken into account in forming any opinions are subject to change and therefore opinions expressed as to future matters may no longer be reliable.

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