RREEF Global (ex-Australia) Property Securities Fund

March 2012 Quarterly Report

The Fund returned 11.32% gross (11.04% net) for the quarter, underperforming the benchmark by 0.99% gross (1.27% net)

Global market review

Global (ex-Australia) property stocks started the year on a positive note, with the UBS Global (ex-Australia) Real Estate Index rising 12.5% (in local currency terms). Improving macro news flow and relief rallies across global equities helped propel markets higher during the March quarter. Japan was the standout as discounted valuations, coupled with the Bank of Japan's (BoJ) announcement that it would target inflation, resulted in a rally of 19.3%. Asia ex-Japan followed, returning 15.3% with the HK Investors (26.5%) leading the way as risk appetite returned. The Americas posted a healthy return of 10.7%. Within the Americas, the industrial and retail sectors were the standouts, buoyed by better than expected fundamental data provided during earnings results, while the healthcare sector was weighed down by a large stock offering by Health Care REIT and some negative headlines from skilled nursing operators. The UK (10.5%) followed closely, as the large cap stocks with London focus benefited from strong private market sales comparisons, some rumoured large lettings in the office sector and more broadly, the rally in financials. Finally, Continental Europe returned 10.3%, and was similarly aided by the strong performance of the European financials.

Fund performance review

The Fund returned 11.32% gross (11.04% net) for the quarter, underperforming the benchmark by 0.99% gross (1.27% net). Overall, regional allocation contributed to performance, while stock selection detracted. From a regional allocation perspective, the exposure to the Americas, UK and Continental Europe all contributed to relative performance, while the underweight position to Asia ex-Japan detracted.

Stock selection was negative, with the Americas the largest detractor. Stock selection in Asia ex-Japan also detracted, while Continental Europe, Japan and the United Kingdom contributed.

Global market outlook and fund strategy

We continue to believe the European Central Bank's (ECB) aggressive action provided in the form of its longer term refinancing operation (LTRO) has reduced the probability of an intermediate term liquidity squeeze, but it is clear some of the euphoria has worn off. Specifically, during the second half of the month sovereign credit default swaps (CDS) spreads, in particular Spain's, began to creep higher. That said, three month Euribor and dollar funding costs continued to decline throughout March. Economic data coming out of the US

Performance as at 31 March 2012

	RREEF Global Ex-Australia Property Securities Fund Gross Performance (%)	RREEF Global Ex-Australia Property Securities Fund Net Performance (%)	UBS Global Investors Index (TR, Net of WHT, Hedged to AUD) Index %
1 month	4.52	4.43	4.63
3 months	11.32	11.04	12.31
6 months	21.84	21.24	22.26
Financial year to date	1.76	1.00	3.63
1 year	6.58	5.53	8.40
2 years p.a.	14.87	13.73	15.80
3 years p.a.	33.66	32.34	35.68
5 years p.a.	-5.51	-6.44	-3.90
Since commencement of Fund* p.a.	6.57	5.51	6.34
Exit price $	0.5619		
Fund size	$265.6 million		

Past performance is not an indicator of future results.
**Performance inception date: 20 October 2004. This figure represents the annualised performance of the Fund from the first full month of operation. Gross performance figures are calculated using exit prices, pre-fees and reflect the annual reinvestment of distribution.*
Net performance figures are calculated using exit prices, net of fees and reflect the annual reinvestment of distribution. Retail investors should refer to net returns. If investing through an IDPS Provider, the total after fees performance return of your investment in the Fund may be different from the information in this report.
The RREEF Global Property Securities Fund changed its benchmark from the UBS Global Real Estate Investors Index (TR, Gross of WHT, Hedged to AUD) to UBS Global Real Estate Investors Index (TR, Net of WHT, Hedged to AUD) on 31 March 2011. The net of withholding tax benchmark return which is now being provided is a more appropriate measure as it provides investors with directly comparable performance for the Fund and benchmark. This results in greater accuracy of relative returns

Global market outlook and fund strategy (cont'd)

has generally continued to be in line or modestly better than expected, while European data is confirming continued weakness in the Eurozone economies. In addition to heightened concerns in Spain, the market continues to closely follow developments in China. It appears China remains comfortable with only selectively "fine tuning" monetary policy, and allowing nominal GDP to decelerate. Due to the transition of leadership this year we do not expect meaningful easing and therefore China may remain a question mark in the investor's mind for the remainder of the year. One benefit of China's clear focus on growing domestically has been a decline in many commodities, which should continue to keep inflation at bay over the intermediate term. This should provide central banks with comfort to ease monetary policy as necessary. Although near term we remain optimistic, we believe investors will become more cautious as the US election approaches in the second half of 2012, due to the probability of heightened attention on budget issues currently facing the US. In the meantime, property prices globally remain firm as large institutions continue to search for stable and consistent cash flow. Low supply in nearly all markets is providing an environment of stable-to-growing cash flow, even in a low economic growth environment.

Americas

Market Review

The UBS Americas Real Estate Investors Index returned 10.7% for the March quarter (in local currency terms), relative to the broader market, as measured by the S&P 500 and TSX S&P Composite indices which returned 12.6% and 6.2% respectively. The equity markets were supported by improving macro data throughout the quarter. The employment picture, as measured by non-farm payrolls and unemployment claims, convincingly supported a recovering economy. The housing market appears to be stabilising although still not healthy. Consumer confidence continued to move higher in the face of significantly higher gasoline prices. Additionally, REIT fundamentals remain strong. Moderate economic growth accompanied by record low supply has resulted in all property sectors showing improving fundamentals. Capital markets activity remains healthy for both the debt and equity markets. Additionally, M&A has picked up with several public-to-public transactions as well as some large public-to-private portfolio sales.

Performance review

The Americas portion of the portfolio returned 9.9% during the quarter, underperforming the local benchmark return of 10.7% (in local currency terms).

The first quarter of 2012 showed a continued reversal of fortunes with some of the largest laggards in 2011 outperforming in 1Q12. Top performing overweight holdings in the portfolio included Douglas Emmett (25.9%), Kilroy (23.4%) and Strategic Hotels (22.5%). Douglas Emmett and Kilroy have the common theme of exposure to the hot west coast office markets and Strategic is a higher leveraged owner of hotels. The bottom performing overweight holdings in the portfolio included Senior Housing Properties (-0.1%), BRE Properties (0.9%) and Dupont Fabros (1.0%). Senior Housing Properties is a lower risk health care REIT with questionable capital allocation decisions, while Dupont Fabros is a data centre REIT with leasing challenges. BRE's underperformance is a bit questionable since it operates in the very strong west coast apartment markets (except San Diego) and looks attractive on valuation.

Regional Outlook

As of month end March, REITs were trading at an approximate 6% premium to net asset value (NAV) based on RREEF estimates. We remain bullish on real estate fundamentals with the backdrop of historically low supply in virtually all sectors except multifamily. Shorter lease term sectors, such as hotels, apartments and storage should see the best internal growth over the next 24 to 36 months, before giving way to longer lease duration sectors. We are encouraged by the continued positive economic direction but remain slightly reserved, due to a stressed economic and budget environment globally and significant event risk. Interest rates moved up as evidenced by the 25 basis points increase in the 10 year US Treasury and investors' focus on higher rates has regained some shelf space. We continue to view this as an intermediate term risk but have limited clarity on the timing. In this environment of slow but improving growth, lower interest rates and heightened uncertainty, REITs should continue to perform well relative to other investments.

Europe

Market Review

The UBS Europe (ex-UK) Real Estate Investors Index was off to a strong start in 1Q 2012 returning 10.3% (in local currency). The listed property sector outperformed the broader European equities market, as represented by the MSCI Europe, which was up 7.1%. Being a capital intensive business, the real estate sector benefitted from the 1Q rally in financial stocks. The ECB's LTRO program triggered peripheral banks to buy sovereign debt, thereby reducing

Market Review (continued)

credit spreads and easing concerns on the peripheral sovereign debt crisis.
Meanwhile, the UBS UK Real Estate Investors Index rose 10.5% (in local currency). The real estate sector's performance was similarly led by financials, despite funding concerns for UK companies being somewhat less severe than in Europe (given, on average, longer debt maturities).

Performance review

The European (ex-UK) portion of the portfolio returned 10.9% during the quarter, outperforming the local benchmark return of 10.3%. Within Europe ex-UK, the leading contributors to performance included the fund's overweight position to French listed REITs Klepierre (18.0%) and Corio (17.7%). Klepierre rose sharply after American mall REIT Simon Property Group agreed to acquire a 28.7% stake in the vehicle at a significant premium to Klepierre's prior share price close. The acquisition provides Simon with an attractive reentry point into the European shopping centre business. Klepierre also benefited from easing credit conditions in the banking sector and after a stronger than expected result. The leading detractor included underweight positions to Gecina (20.5%), Beni Stabili (34.7%) and Eurocommercial Properties (15.8%).

The UK portion of the portfolio returned 10.8% during the quarter, outperforming the local benchmark return of 10.5%. The leading contributors included an overweight position to Hammerson (22.2%) and an underweight to Hansteen Holdings (-5.4%). Hammerson reported strong results and is benefiting from retailer migration to the dominant regional shopping centres in the UK (away from high street retail offerings), and a lack of new supply of shopping centre space. Additionally the company announced a strategic shift out of London offices (around 10% of assets) to focus on retail in the UK and France. This change has been well received and should narrow the current discount. Underweight positions to Big Yellow (15.8%) and Land Securities (14.6%) detracted.

Regional Outlook

The UK budget unveiled earlier in the month provided few surprises. Amongst the key policy measures announced were the cut on top-rate income tax to 45% and a reduction of the corporate tax rate to 22% by 2014. On the property side, the government stated it would support conversion to, and investment in, the REITs sector: this may occur via the abolition of the 2% REIT entry charge and a new diverse ownership rule. We welcome these measures as they are likely to increase the size and liquidity of the sector. The budget also included the provision of increasing stamp duty to 7% on residential properties worth over £2m.

Deutsche Hypothekenbank stated it would increase its European (new) property lending this year by around €500m to €3.5bn. The German real estate lender's annual new lending commitments were €3bn in 2011, of which around 60% was lent in Germany with the remainder in the UK and France. We view this as good news since some European banks have commenced scaling down their exposure to commercial real estate, causing rising funding pressure, especially on the more highly geared companies. We continue to prefer lowly geared companies with access to capital markets over companies with large short term refinancing commitments.

Asia

Market Review

The UBS Asia (ex-Japan/Australia/NZ) Real Estate Investors Index returned 15.3% during the quarter (in local currency terms). Hong Kong landlords were the standouts (26.5%), as markets favoured cyclical names with office exposure, namely Great Eagle (44.0%) and Hong Kong Land (30.2%). Hong Kong REITs (3.7%) underperformed given their relatively defensive positioning. Meanwhile, the People's Bank of China (PBoC) announced another 50 basis point cut in reserve ratio requirement ("RRR"), effective from 24 February, which lowered the RRR for large banks to 20.5% and small banks to 18.5%, and released RMB420 billion into the banking system.

Singapore REITs returned 12.0% with the office names, including CapitaCommercial Trust (19.63%) and Suntec REIT (18.82%) being the standout performers. Economic data has generally been supportive, with strong export and manufacturing numbers prompting several economists to upgrade their FY2012 GDP expectations to between around 3.5%-4.5%, versus the current government's guidance of 1%-3%.

The UBS Japan Real Estate Investors Index returned 19.3% during the quarter (in local currency terms), in line with the broader share market but underperforming the TOPIX Real Estate Index. Discounted valuations, coupled with the Bank of Japan's announcement that it would target inflation, resulted in a strong rally. The deeply discounted mid cap office REITs such as Top REIT, Kenedix REIT, Premier REIT and Japan Prime were standouts. Meanwhile, Nippon Accommodation and United Urban underperformed largely owing to their defensive positioning.

Performance review

The Asia (ex-Japan/Australia/NZ) portion of the Fund returned 14.0% during the quarter, underperforming the local

RREEF Global (ex-Australia) Property Securities Fund

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Performance review (continued)

benchmark return of 15.3%. Within the Asia ex-Japan portion of the portfolio, an overweight position to CapitaCommercial Trust (19.6%) and an underweight position to Singapore Land (7.5%) were among the leading contributors. Detractors included underweight positions to HK Investors Wharf Holdings (20.2%) and Great Eagle (44.1%) which benefited from rising investor confidence. Equity market, IPO and M&A activity seems to be picking up, which in turn is positive for office demand and by extension, the HK Investors.

The Japan portion of the Fund returned 20.6% during the quarter, outperforming the local benchmark return of 19.3%. The overweight position to Premier REIT (32.5%), and underweight to Nippon Accommodations Fund (5.8%) were amongst the leading contributors. Premier REIT was trading at a deep discount to underlying asset value and was a beneficiary of the liquidity driven rally, while Nippon Accommodations' underperformance was largely owing to its defensive status. The leading detractors included overweight positions to Advanced Residence (9.0%) and United Urban (8.1%).

Regional Outlook

At the end of March, Asia (ex-Japan/Australia/NZ) REITs were trading at an approximately 5.7% discount to NAV and 5.8% yield. In Hong Kong, we expect retail sales to grow at a slowing rate, from approximately 20% in 2011 to about 15% in 2012. There are also housing policy concerns in Hong Kong post the election.

China and Singapore will mostly likely continue to face macro and housing policy headwinds. We believe that risks to Singapore REITs' balance sheet, NAV and earnings are significantly different from global financial crisis levels, and are likely to continue to outperform under the current uncertain macro environment. Meanwhile, we remain cautious on the anticipated liquidity coming from Europe's LTRO and its impact into Asia.

At the end of March, Japan REITs were trading at an approximate 7.3% premium to NAV and 5.1% yield. We retain a positive view for this sector, as dividend yields remain at attractive levels, confidence in the office market outlook is increasing, and improvements to the legal system are expected to give J-REITs greater freedom around methods of raising capital. Some concerns remain that demand supply imbalances could be triggered by IPO or capital raising activity in this sector.

Top active positions as at 31 March 2012

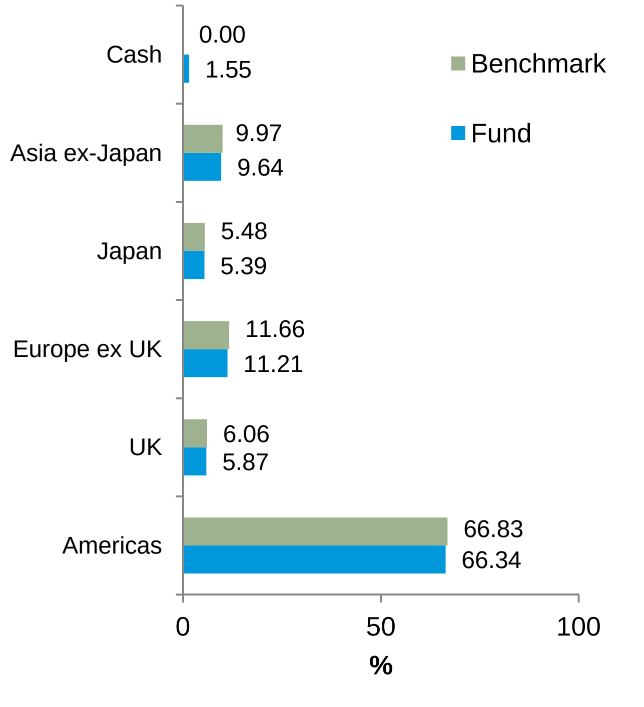
Largest overweight stocks

Stock	Country	% of Fund	% of Index	% Active Position
Health Care REIT Inc.	US	5.01	1.80	3.21
Boston Properties Inc.	US	5.25	2.43	2.82
Camden Property Trust	US	3.36	0.81	2.55
BRE Properties Inc.	US	2.30	0.60	1.70
Federal Realty	US	2.63	0.96	1.67

Largest underweight stock

Stock	Country	% of Fund	% of Index	% Active Position
Public Storage	US	0.00	3.06	-3.06
HCP Inc.	US	0.00	2.52	-2.52
Ventas Inc.	US	0.67	2.57	-1.90
Equity Residential	US	1.24	2.93	-1.70
Host Hotels & Resorts	US	0.48	1.81	-1.33

Geographical diversification at 31 March 2012



Number of stocks as at 31 March 2012

Country	Fund	Benchmark
Americas	42	111
Asia	24	52
Europe	22	54
Total	**88**	**217**

Quarterly video commentary

Quarterly video commentary for the RREEF Global (ex-Australia) Property Securities Fund is available via the Ironbark Asset Management website.

Visit www.ironbarkam.com and click on the link in the "Videos" section on the home page

Contact details

To discuss any information in this report please call 1800 034 402 (Individual investors), 1800 678 519 (Advisers) or 02 8258 2400 (Institutional investors). Alternatively, visit the Ironbark Asset Management website at www.ironbarkam.com