

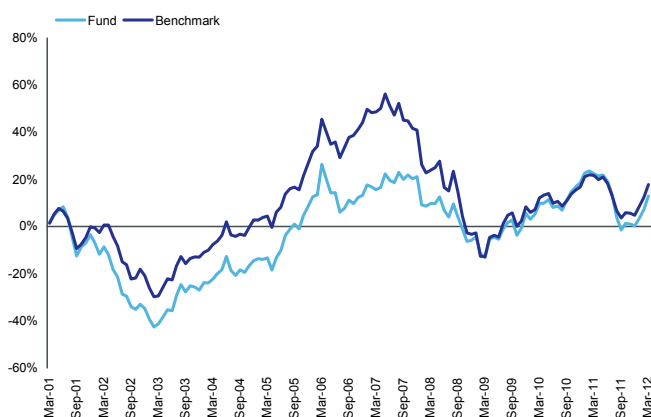
BlackRock Global Small Cap Fund

Investment Performance (%)

	Fund Inception	1 Mth	3 Mths	CYTD	1 Yr	3 Yrs	5 Yrs	Inc
BlackRock Global Small Cap Fund (D Class) (Net of Fees)	29 March 2001	5.32	12.34	12.34	-8.45	8.11	-1.37	0.22
S&P Global Mid-Small Cap Index (unhedged in AUD) (Gross of Fees)		4.89	12.48	12.48	-3.18	10.58	-4.54	1.51
Outperformance (Net of Fees)		0.43	-0.14	-0.14	-5.27	-2.47	3.17	-1.29
BlackRock Global Small Cap Fund (C Class) (Net of Fees)	6 April 2001	5.30	12.26	12.26	-8.77	7.76	-1.64	0.14
S&P Global Mid-Small Cap Index (unhedged in AUD) (Gross of Fees)		4.89	12.48	12.48	-3.18	10.58	-4.54	1.68
Outperformance (Net of Fees)		0.41	-0.22	-0.22	-5.59	-2.82	2.90	-1.54
BlackRock Global Small Cap Fund (A Class) (Net of Fees)	24 April 2001	5.27	12.14	12.14	-9.14	7.27	-2.20	-0.95
S&P Global Mid-Small Cap Index (unhedged in AUD) (Gross of Fees)		4.89	12.48	12.48	-3.18	10.58	-4.54	1.25
Outperformance (Net of Fees)		0.38	-0.34	-0.34	-5.96	-3.31	2.34	-2.20
BlackRock Global Small Cap Fund (Gross of Fees)	29 March 2001	5.38	12.55	12.55	-7.72	9.13	-0.49	1.11
S&P Global Mid-Small Cap Index (unhedged in AUD) (Gross of Fees)		4.89	12.48	12.48	-3.18	10.58	-4.54	1.51
Outperformance (Gross of Fees)		0.49	0.07	0.07	-4.54	-1.45	4.05	-0.40
BlackRock Hedged Global Small Cap Fund (D Class) (Net of Fees)	29 March 2001	1.85	14.03	14.03	-5.29	23.07	3.09	6.93
S&P Global Mid-Small Cap Index (hedged in AUD) (Gross of Fees)		1.60	13.69	13.69	0.85	25.60	0.09	8.47
Outperformance (Net of Fees)		0.25	0.34	0.34	-6.14	-2.53	3.00	-1.54
BlackRock Hedged Global Small Cap Fund (C Class) (Net of Fees)	4 April 2001	1.81	13.94	13.94	-5.64	22.53	2.59	7.05
S&P Global Mid-Small Cap Index (hedged in AUD) (Gross of Fees)		1.60	13.69	13.69	0.85	25.60	0.09	8.80
Outperformance (Net of Fees)		0.21	0.25	0.25	-6.49	-3.07	2.50	-1.75
BlackRock Hedged Global Small Cap Fund (A Class) (Net of Fees)	5 April 2001	1.78	13.82	13.82	-6.06	22.06	2.16	6.14
S&P Global Mid-Small Cap Index (hedged in AUD) (Gross of Fees)		1.60	13.69	13.69	0.85	25.60	0.09	8.49
Outperformance (Net of Fees)		0.18	0.13	0.13	-6.91	-3.54	2.07	-2.35
BlackRock Hedged Global Small Cap Fund (Gross of Fees)	29 March 2001	1.93	14.33	14.33	-4.38	24.28	4.07	7.84
S&P Global Mid-Small Cap Index (hedged in AUD) (Gross of Fees)		1.60	13.69	13.69	0.85	25.60	0.09	8.47
Outperformance (Gross of Fees)		0.33	0.64	0.64	-5.23	-1.32	3.98	-0.63

Past performance is not a reliable indicator of future performance. Performance for periods greater than one year is annualised. Performance is calculated in Australian dollars and assumes reinvestment of distributions. Gross performance is calculated gross of ongoing fees and expenses. Net performance is calculated on exit-to-exit price basis, e.g. net of ongoing fees and expenses.

Cumulative Performance (Gross Unhedged)



Market Review

Equity markets moved higher again through March. The US economy continued to be resilient although some worries re-emerged about whether China could manage a soft-landing in their economy. The S&P Mid-Small Cap Index returned 4.89% in AUD terms over the month compared with the 5.80% performance of the larger cap MSCI World Ex Australia Index in AUD.

In the US the manufacturing ISM for February came in at 52.4, signalling continued expansion. US non-farm payrolls rose +227,000 in February, including

31,000 manufacturing jobs, and the unemployment rate was unchanged at 8.3%. December and January payrolls were revised up showing that 734,000 jobs were created over the three month period ending February whilst weekly initial jobless claims showed strength through the month. February retail sales grew by 1.1%. The Empire manufacturing survey and Philadelphia Fed index both indicated growth in manufacturing activity, as did regional surveys. The February CPI was up 0.4% for an annual 2.9% increase. In "core" terms the CPI rose 0.1% for a 2.2% annual increase. The March University of Michigan consumer confidence index rose to a final reading of 76.2 from 75.3 in February. Housing activity data generally fell short of expectations with the March NAHB Index, February housing starts, existing and new home sales disappointing somewhat. December quarter GDP numbers were unrevised at 3.0%. Personal spending growth grew 0.8% in February. The US S&P 500 rose over 3% in March, capping a 12% rise since the start of the year and the best quarterly gain since 1998.

In the UK growth in the 4th quarter of 2011 fell -0.3%, more than originally estimated (-0.2%) with a rise in consumer spending offset by declining industrial production, including manufacturing. UK inflation fell to 3.4% on an annualised basis to the end of February whilst the Bank of England reiterated its asset purchase program and held rates at historic lows.

Whilst Europe was untroubled by crisis concerns in March, data showed that the slowdown in activity risked turning into a recession. Markits European Manufacturing Purchasing Managers Index fell from 49 in February to 47.7 at the

end of March, confirming flash PMI data earlier in the month. Whilst Italy and Spain have been contracting for some time even Germany's PMI fell from 50.2 to 48.4.

Japan's CPI rose unexpectedly in February by 0.1% from a year earlier, although industrial production fell -1.2%. Pressure remained on the Bank of Japan for further easing measures.

In China official PMI data varied from other market based measures showed CPI and house prices declining from earlier levels. Meanwhile in Brazil further evidence emerged from Sao Paulo that the rate of inflation was well contained.

Strategy Commentary and Outlook

The BlackRock Global Small Cap Fund (unhedged) returned 5.38% (before fees) over the month versus the benchmark return of 4.89%. Over the same period, the Hedged Global Small Cap Fund returned 1.93% (before fees) versus the hedged benchmark return of 1.60%.

Stock selection continued to drive Fund performance. Brightcove Inc was the standout for the month as the online video firm made a stellar debut on the stockmarket. Biotechnology companies Elan Corporation also performed strongly as did specialty chemicals firm Lanxess AG.

We continue to position the fund to have economic sensitivity similar to the benchmark and are focusing on driving returns by identifying opportunities at the sub-industry and stock level.

About the Fund

Investment Objective

The BlackRock Global Small Cap Fund seeks to maximise capital growth through exposure to a globally diversified portfolio of shares of quality small and mid-capitalisation companies listed on international stock exchanges.

Fund Strategy

The investment process is driven by extensive, bottom-up industry and stock research. The research process centres firstly on industry sub-sectors, in order to assess the attractiveness of these sectors on a world-wide basis, and to provide context for company analysis. The second stage of the research process focuses on fundamental company research to identify those stocks that offer above-average investment potential.

The portfolio construction process starts with the establishment of a strategic framework for investing. This framework is comprised of the team's points of view on industry, stock, style and market risks. Portfolio strategy is dynamic and reflects the team's ongoing industry and company research, and its financial market observations. Stocks are selected on the basis of the team's bottom-up fundamental analysis.

From time to time the Fund may take active currency positions relative to the benchmark.

Should be considered by investors who ...

- ▶ Seek investment opportunities that are not readily available or are under-represented in the Australian market.
- ▶ Seek the potential for higher long-term capital growth from such international investment opportunities.
- ▶ Have a long-term investment horizon and a tolerance for significant volatility in investment returns in the short-term.
- ▶ For the hedged version, seek to reduce the impact on A\$ returns on those investments that result from currency exposure.

Fund Details

BlackRock Global Small Cap Fund	
Fund Size	265 mil
Buy/Sell Spread	0.50%/0.50%
BlackRock Global Small Cap Fund (A Class)	
APIR	MAL0125AU
Management Fee	2.00% p.a.
BlackRock Global Small Cap Fund (C Class)	
APIR	MAL0129AU
Management Fee	1.60% p.a.
BlackRock Global Small Cap Fund (D Class)	
APIR	MAL0133AU
Management Fee	1.25% p.a.
BlackRock Global Hedged Small Cap Fund	
Fund Size	158 mil
Buy/Sell Spread	0.525%/0.525%
BlackRock Global Hedged Small Cap Fund (A Class)	
APIR	MAL0127AU
Management Fee	2.10% p.a.
Unit Price (NAV)	0.858070
BlackRock Global Hedged Small Cap Fund (C Class)	
APIR	MAL0131AU
Management Fee	1.65% p.a.
Unit Price (NAV)	0.925050
BlackRock Global Hedged Small Cap Fund (D Class)	
APIR	MAL0135AU
Management Fee	1.30% p.a.
Unit Price (NAV)	0.890400

Region Exposure

Region	Weight %
Asia Pacific ex Japan	1.78
Emerging Markets	13.43
Europe ex United Kingdom	14.25
Japan	6.60
North America	52.24
United Kingdom	7.36
Cash	4.34

Top Holdings

Holding	Weight %
DOLLARAMA INC.	1.09
EQUIFAX INC.	1.08
AFFILIATED MANAGERS GROUP INC.	1.02
ARIBA INC.	1.00
LANXESS AG	0.94
SPX CORP.	0.94
TIBCO SOFTWARE INC.	0.93
ZEON CORP.	0.92
LIG INSURANCE CO. LTD.	0.89
SBA COMMUNICATIONS CORP.	0.89

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