

ASX Code: AEF

24 October 2014

Australian Ethical Investment Limited
Funds under Management and Net Flows

1 July 2014 to 30 September 2014

Australian Ethical advises that funds under management (FUM) as at 30 September 2014 was \$959.4 million, an increase of 8.1% since 30 June 2014. FUM as at 30 June 2014 was \$887.2 million.

FUM and flows by product for the three months to 30 September 2014 were as follows.

Product	FUM – June '14 (\$m)	Net Flows (\$m)	Market & Other* (\$m)	FUM – September '14 (\$m)
Managed Funds	300.3	3.9	15.8	320.0
Superannuation	586.9	30.9	21.6	639.4
All Products	887.2	34.8	37.4	959.4

* Includes changes in asset value due to market movements, income, reinvestments and distributions.

Managing Director Phillip Vernon commented that “the growth in net flows continues to reflect our sales and marketing strategies, consistently strong investment performance and the continual improvement in the overall competitiveness of our products. This is the seventh consecutive quarter of net inflows. Net flows for this quarter of \$34.8m are similar to the previous quarter and twice as high as the same period last year (\$17.0m)”.

“During the quarter our flagship fund, the Smaller Companies Trust celebrated its 20th anniversary. The fund has achieved a return of 10.0% per annum (net of fees) over that period, significantly outperforming its benchmark index by 3.1% pa. It is consistently ranked as one of the top performing funds in its class, according to the Mercer Investment Performance Survey.”

“In addition, our International Equities Trust was named the Best International Equities fund in the recent Australian Fund Manager Awards (AFMA) beating competition from the likes of Platinum and Perennial. The International Trust is the first ethical fund to ever win in these awards and was a magnificent achievement by the team.”

