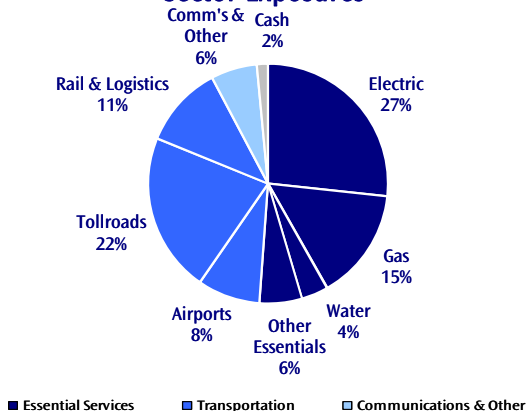
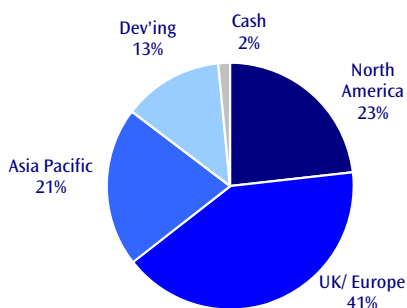
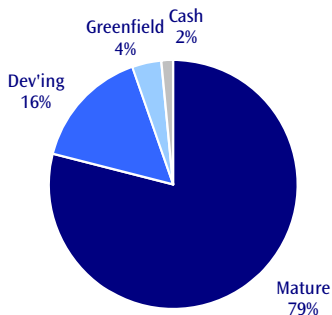


**Performance Summary (total returns in AUD after fees)**

	This Month	Three Months	One Year	Three Year	Inception <sup>1</sup>
RARE Infrastructure Value Fund	1.5%	5.1%	14.4%	4.7%	5.3%
Benchmark <sup>2</sup>	0.7%	1.8%	7.1%	6.9%	7.1%
UBS Global Infra & Utility 50/50 <sup>2</sup>	-3.3%	2.2%	7.4%	-0.5%	1.4%

**Overview of Fund Exposures and Portfolio Statistics**
**Sector Exposures<sup>3</sup>**

**Regional Exposures - by Listing**

**Maturity Exposures<sup>3</sup>**

**Portfolio Statistics**

Current statistics of the RARE Infrastructure Value Fund are as follows:<sup>4</sup>

Dividend Yield	4.6%
EV <sup>5</sup> / EBITDA <sup>6</sup>	9.1x
Interest Cover	3.7x
Gearing (Net Debt/ EV)	42.4%
Total Portfolio Hedging	96.3%

**Fund Details**

Fund Size	\$435m
Number of Holdings	45
Minimum Investment	\$500,000 <sup>7</sup>
Application Price	1.0124
Redemption Price	1.0073
Distribution Frequency	Quarterly
Distribution for Mar 11 (cpu)	2.0000
APIR Code	TGP0008AU
Morningstar Ticker	14651
Management Fee	1.025% per annum
Buy / Sell spread	0.25%
Performance Fee	10.25% of investment returns made in excess of the Benchmark. The performance fee will not exceed 0.30% of the net asset value of the fund in any year.
Benchmark	An accumulation index comprising the OECD G7 Inflation Index plus 5.5% per annum
Fund Status	Open

<sup>1</sup> Fund inception date 1 August 2006; Performance inception date 13 November 2006. Results Annualised

<sup>2</sup> Benchmark is OECD G7 Inflation Index plus 5.5% pa, the comparative index is UBS Global Infrastructure & Utilities 50-50 Index (TR, AUD Hedged)

<sup>3</sup> Based on the exposures of the underlying assets of the stocks in the Fund, as assessed by RARE Infrastructure

<sup>4</sup> Based on weighted averages

<sup>5</sup> EV means Enterprise Value (market capitalisation + preferred equity, if any + net debt)

<sup>6</sup> EBITDA means earnings before interest, tax, depreciation & amortisation

<sup>7</sup> If you invest through an IDPS operator such as a Master Trust or Wrap Account platform, this minimum may not apply to you

## Market Commentary for the Month

A month dominated by Japan's earthquake, tsunami and ensuing (and on-going) nuclear incident. Together with continued sovereign debt challenges in Europe, most developed markets finished down, with the MSCI World Index -0.5%. The MSCI EM Index +4.1% enjoying broad based positive contributions.

The nuclear incident has important implications for the development of "new nuclear" power as one of the cornerstones of a "decarbonised" future for electricity generation. Public opinion on the safety of "new nuclear" plant will likely sway public policy decisions that may have far reaching consequences. For a detailed discussion of the impact of the Japanese "situation" on our portfolio, see our 18 March posting in the NEWS section of our website.

### Infra Regulation:

\*UK competition watchdog has forced BAA (UK, Airports) to sell Stansted airport and one of its Scottish airports (Edinburgh or Glasgow)

\*West Australian Gas Network (WAGN) received a Nominal Pre-tax WACC of 10.2%, consistent with Victoria's Electricity Distribution Price Review handed down by the AER in October 2010 at 10.1% and Allgas at ~10%. Both Opex, Capex and volume forecasts are broadly in line with WAGN submissions

### Infra M&A:

\*Morgan Stanley Infrastructure Partners has secured a EUR380m debt package for its EUR450m acquisition of gas distribution connection points in Madrid (from Fenosa Gas)

\*Brazil is expected to launch a concession tender process for Sao Gocalo do Amarante Int'l Airport in April

\*Forth Ports reached agreement with its largest shareholder on a recommended offer valuing the shares at GBP751m

\*PPL Corp., owner of Pennsylvania's second-largest utility, bought E.ON AG's UK power grid for about USD6b in cash, or 1.3x regulated asset base

### Infra Funding:

\*California Public Employees' Retirement System (CalPERS) plans to implement a US\$5bn infrastructure investment programme by partnering with other direct investors active in the asset class

\*Brisbane Airport raised AUD600m debt, AUD400m 10-15yr bonds in the US Private Placement market with coupons between 5.24% and 8.25%, and AUD200m 8yr BBB/Baa2 bonds in the Australian market at a fixed rate of 8.03%

\*ETSA (Electric, Australia) raised AUD250m in 5yr MTNs at 135bps over the 5.5 yrs swap (~5.70%), an all-in rate of 7.0%

**Other Infra News.** India will speed up the building of rail infrastructure and make increased use of PPPs to deliver 25,000km of rail by 2020, and spend USD12.7b over the next year. The World Bank says sub-Saharan Africa needs an infrastructure spend of USD93b a year over the next decade, with half to target the continent's power supply crisis. The European Commission believes Europe must invest EUR1.5t in transport infrastructure over the next two decades and a further EUR1t in vehicles and equipment

### Markets (MoM%, local)

S&P500	0.0%
EuroStoxx	-3.4%
Japan	-7.4%
Hong Kong	1.1%
Shanghai	0.8%
Brazil	1.8%
MSCI World	-0.5%
MSCI EM	4.1%
Oil (USD)	8.2%

## Portfolio Commentary

In March RARE (+1.5%) outperformed its benchmark (+0.7%), and the UBS Infrastructure & Utility Index (-3.3%) (particularly due to the Japanese weighting in the index).

In our portfolio, the Electric (+70bps) and Gas sectors (+46bps) were again standout contributors to performance for the month. There were no sectors significantly negative.

In regional terms, UK/Europe (+53bps), North America (31bps) and Central/South America (+31bps) contributed strongly. Even with the Japanese crises, Asia/Pacific contributed positively (+19bps).

In Stock terms, the major contributors were Abertis (Spain, Toll Roads) +29bps, CEMIG (Brazil, Utility) +21bps and DP World (Middle East, Ports) +21bps. The major detractors from performance were Brisa (Portugal, Toll Roads) -13bps and SES (Europe, Satellites) -9bps.

We continue to look for companies with fundamental long term value, with strong balance sheets and strong management and supportive regulatory environments or long term contracts.

*Richard Elmslie & Nick Langley*  
*Senior Portfolio Managers*

## Overview of Fund Holdings

### Top 10 Holdings

	Weighting
VINCI SA	6.2%
ABERTIS INFRAESTRUCTURAS SA	5.6%
MAP GROUP	4.9%
TRANSCANADA CORPORATION	4.6%
NATIONAL GRID PLC	4.5%
SHENZHEN INTERNATIONAL HOLDINGS LIM	4.3%
ITC HOLDINGS CORPORATION	4.0%
SPECTRA ENERGY CORP	3.9%
RED ELECTRICA CORPORATION SA	3.7%
SES	3.6%

### Important Information:

While the information contained in this report has been prepared with all reasonable care, RARE Infrastructure Limited ("RARE") accepts no responsibility or liability for any errors, omissions or misstatements however caused. This information is not personal advice. This advice has been prepared without taking account of your objectives, financial situation or needs.

Treasury Group Investment Services Limited ("TIS") is the responsible entity for the RARE Infrastructure Value Fund (the "Fund"). Applications can only be made on the form in the current product disclosure statement dated 31st March 2010 for this Fund. The product disclosure statement can be obtained by contacting the RARE Infrastructure investment team on (02) 9397 7300, by fax (02) 9397 7399, by emailing operations@RAREInfrastructure.com or at www.RAREInfrastructure.com. Potential investors should consider the product disclosure statement before deciding whether to invest, or continue to invest in the Fund. The fact that shares in a particular company may have been mentioned should not be interpreted as a recommendation to buy, sell or hold that stock.

Investors should be aware that past performance is not indicative of future performance. Returns can be volatile, reflecting rises and falls in the value of underlying investments. Potential investors should seek independent advice as to the suitability of the Fund to their investment needs. TIS may be contacted by writing to Level 5, 50 Margaret Street, Sydney, NSW, 2000, by telephone (02) 8243 0400 or by fax (02) 8243 0410. TIS receives an investment management fee of 1.025% per annum of the amount invested in the fund (including GST less the maximum applicable reduced input tax credits), which is the entire management fee, out of which responsible entity fees, investment management costs, ongoing administrative expenses and other fees will be paid.