

June 2006

Quarterly Report

Hyperion Australian Growth Companies Fund
Hyperion Small Growth Companies Fund
Hyperion Listed Property Fund
Hyperion Overseas Equity Fund

Hyperion Managed Fund
Hyperion Bond Fund
Hyperion Balanced Superannuation Fund

Performance Review

Fund Name	Activation Date	Fund Size
Hyperion Australian Growth Companies Fund	February 1994	21,853,056
Benchmark		
Hyperion Small Growth Companies Fund	January 1995	4,706,052
Benchmark		
Hyperion Listed Property Fund	September 1998	8,439,369
Benchmark		
Hyperion Overseas Equity Fund	February 1993	9,340,726
Benchmark		
Hyperion Managed Fund	September 1996	8,960,996
Benchmark		
Hyperion Bond Fund	May 1993	5,451,169
Benchmark		
Hyperion Balanced Superannuation Fund	November 1992	2,707,079
Benchmark		

The benchmarks used are detailed on the individual fund pages in this report. Performance numbers are calculated using Net Asset Value unit prices after fees with distributions reinvested. These numbers do not allow for entry fee, income tax, inflation effects, or for the fees charged by a master trust.

3 Months	2006	2005	2004	Since Inception
2.0%	33.5%	30.8%	13.7%	13.1%
-0.3%	24.0%	26.0%	21.7%	11.0%
-1.2%	32.2%	24.1%	44.7%	15.9%
-1.9%	25.5%	27.4%	26.8%	10.6%
3.1%	12.3%	16.2%	23.6%	12.0%
4.4%	18.1%	18.4%	17.2%	13.0%
-3.7%	9.6%	9.0%	13.3%	8.3%
-4.6%	19.9%	0.7%	18.0%	6.8%
0.9%	18.2%	13.8%	12.8%	11.3%
-0.8%	14.1%	13.2%	13.2%	N/A
-0.4%	2.1%	5.5%	3.6%	5.0%
0.4%	3.9%	6.0%	5.3%	5.6%
0.3%	17.4%	12.8%	13.1%	13.7%
-0.8%	14.1%	13.2%	13.2%	N/A

The '3 months' performance numbers are for the three months to 30 June 2006. For the years 2006, 2005 and 2004, performance numbers are for the 12-month period to 30 June of the year stated. Performance numbers 'Since Inception' are annualised from the fund inception date to 30 June 2006. All performance numbers represent past returns and are not necessarily an indicator of future returns. All figures are in Australian dollar terms.

Hyperion Australian Growth Companies Fund

APIR BNT0003AU ARSN 089 548 443

Investment Activity

- ⊗ During the June quarter we added four new investments to the portfolio as follows: Wotif.com, Iress Market Technology, Primary Health Care and Woodside Petroleum.
- ⊗ The portfolio's exposure to Brambles, Cabcharge and STW Communications were reduced during the quarter.
- ⊗ The portfolio's largest contributors to active performance during the quarter were Seek, Babcock and Brown and JB Hi-Fi, all of which were overweight the benchmark. The major detractors from the portfolio performance were STW Communications, Fantastic Furniture and Great Southern Plantations.

Distributions

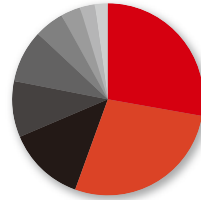
Income is distributed quarterly. The June quarter distribution was 0.63 cents per unit.

Benchmark

S&P/ASX 300 Accumulation Index.

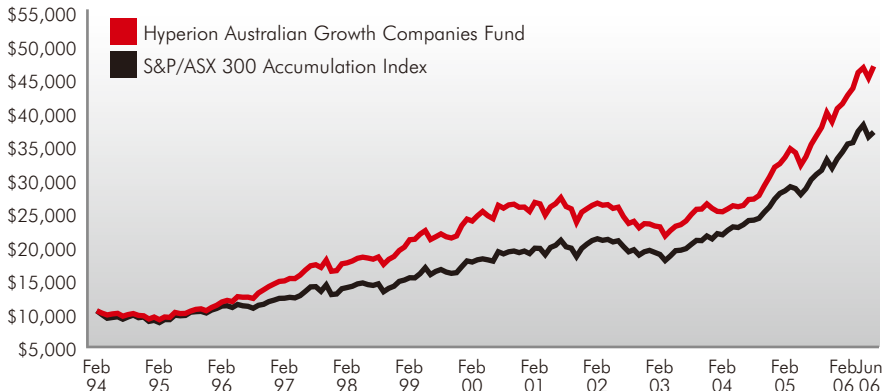
Asset Allocation

As at 30 June 2006



Financials	28.0%
Consumer Discretionary	27.8%
Materials	13.0%
Industrials	9.5%
Healthcare	8.7%
Consumer Staples	5.0%
Information Technology	3.4%
Other	2.4%
Cash and Equivalent	2.2%

Growth of \$10,000 Invested at February 1994 After Fees



Hyperion Small Growth Companies Fund

APIR BNT0101AU ARSN 089 548 943

Investment Activity

- ☉ We added Wotif.com to the portfolio during the quarter under review and increased our exposure to Select Harvest.
- ☉ During the June quarter sold our entire investment in Oron Group and reduced our exposure to Reverse Corp and Nick Scali.
- ☉ The strongest contributors to excess performance in the quarter were Reverse Corp, Seek and Iress Market Technology, while overweight positions in UnderCoverWear, Great Southern Plantations and Fantastic Holdings detracted from the performance of the portfolio during this period.

Distributions

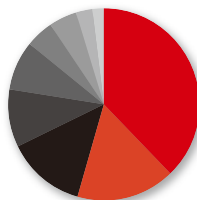
Income is distributed quarterly. There was no distribution for the June quarter.

Benchmark

S&P/ASX Small Ordinaries Accumulation Index.

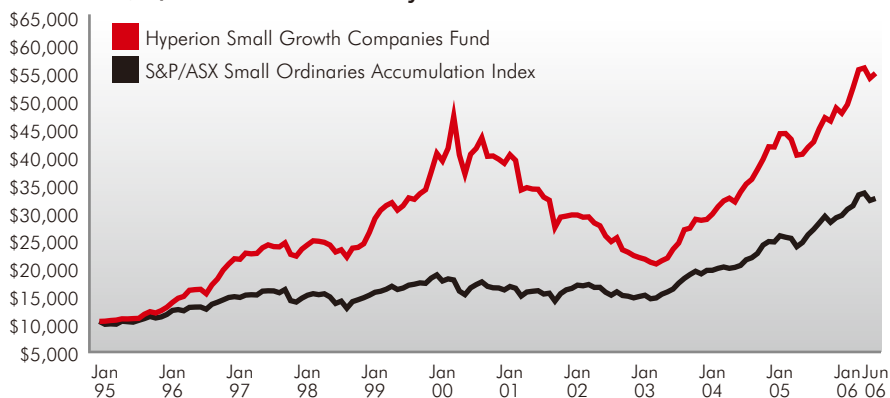
Asset Allocation

As at 30 June 2006



Consumer Discretionary	37.9%
Healthcare	16.6%
Financials	13.3%
Industrials	9.8%
Information Technology	8.4%
Materials	4.8%
Cash and Equivalent	4.6%
Other	2.8%
Consumer Staples	1.8%

Growth of \$10,000 Invested at January 1995 After Fees



Hyperion Listed Property Fund

APIR WHT0100AU ARSN 089 548 130

Investment Activity

- ☉ The Fund generated a solid positive return over the quarter, driven by the sector's "safe haven" status in a period of global volatility.
- ☉ Our exposure to the Macquarie Trusts, which were negatively effected by the increase in US Interest rates, caused relative under-performance of the portfolio.

Distributions

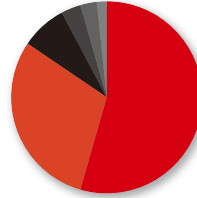
Income is distributed quarterly. The June quarter distribution was 14.08 cents per unit.

Benchmark

S&P/ASX 300 Property Trusts Accumulation Index.

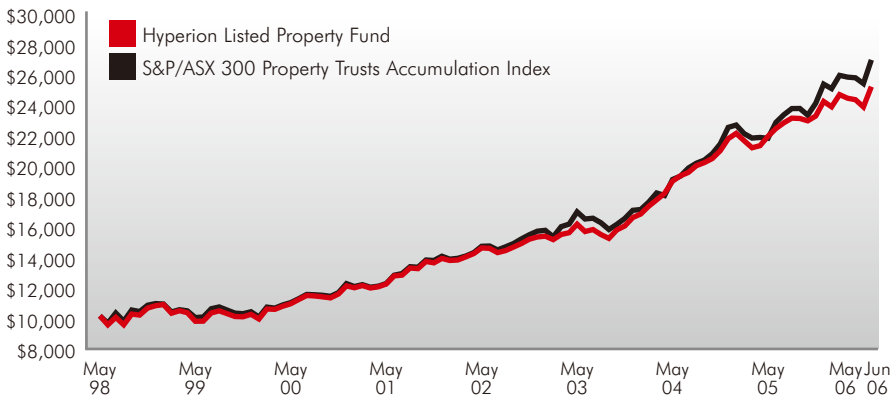
Asset Allocation

As at 30 June 2006



Retail Property	54.5%
Diversified Property	30.1%
Industrial Property	7.8%
Commercial Property	3.3%
Cash and Equivalent	2.9%
Other	1.4%

Growth of \$10,000 Invested at May 1998 After Fees



Hyperion Overseas Equity Fund

APIR BNT0007AU ARSN 089 548 041

Investment Activity

- The portfolio has increased its investment exposure to the developed markets of North America, Europe, United Kingdom and Japan, this has been done as a result of lowering our exposure to Emerging markets and in particular the developing nations of Asia.
- The portfolio ended the financial year with a larger cash holding due to the reduction of our exposure to Asia, however this will be reinvested during the next quarter.

Distributions

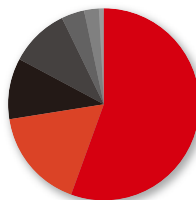
Income is distributed quarterly. The June quarter distribution was 0.86 cents per unit.

Benchmark

MSCI World Index ex Australia in Australian dollars.

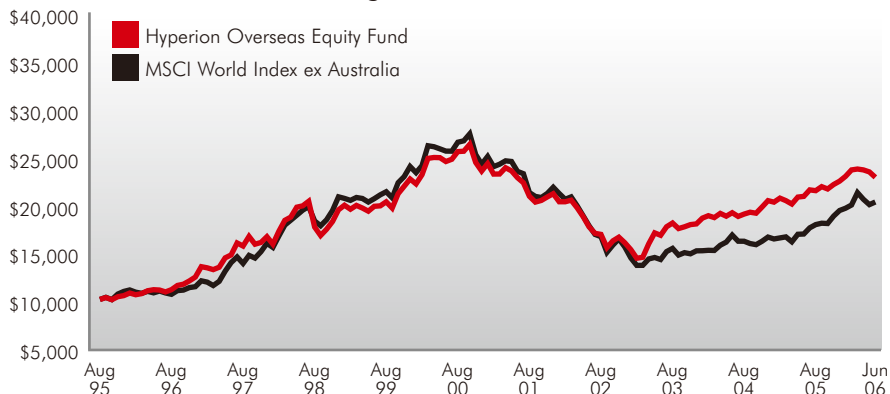
Asset Allocation

As at 30 June 2006



North America	55.6%
Cash	17.0%
Asia Ex Japan	10.3%
Europe	9.9%
United Kingdom	4.0%
Japan	2.4%
Other	0.8%

Growth of \$10,000 Invested at August 1995 After Fees



Hyperion Managed Fund

APIR BNT0002AU ARSN 089 548 201

Investment Activity

- During the June quarter under review we increased our exposure to Australian Equities, the Property sector and Australian Fixed Interest by reducing the Portfolio's weighting in International Equities and Cash.
- The Property sector achieved the strongest performance during the quarter, followed by the Australian Equity sector.

Distributions

Income is distributed quarterly. The June quarter distribution was 1.18 cents per unit.

Benchmark

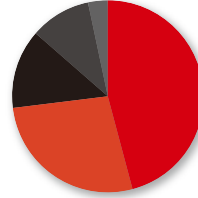
InTech Moderate Survey (formerly known as InTech Balanced Growth Survey) (from 1/2/2005).

All returns for the Average Manager, after fees and tax.

Wilson HTM Balanced Index (to 31/1/2005) is a benchmark composed by Wilson HTM Investment Group.

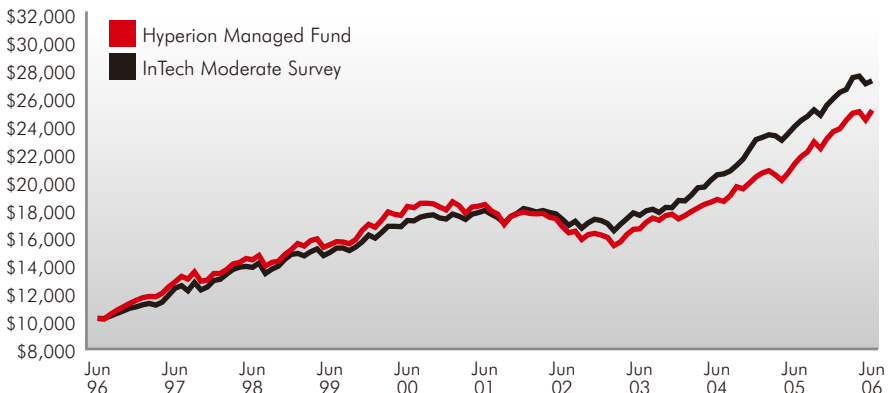
Asset Allocation

As at 30 June 2006



■ Australian Equities	46.1%
■ Property	27.1%
■ International Equities	13.3%
■ Australian Fixed Interest	10.4%
■ Cash and Equivalent	3.1%

Growth of \$10,000 Invested at June 1996 After Fees



Hyperion Bond Fund

APIR BNT0005AU ARSN 089 548 998

Investment Activity

- During the quarter the Fund underperformed the benchmark with the portfolio's overseas strategies detracting performance in an environment of rising interest rates.
- The portfolio retains its well diversified exposure to government, semi-government, corporate, mortgage and other fixed interest securities.

Distributions

Income is distributed quarterly. The June quarter distribution was 2.18 cents per unit

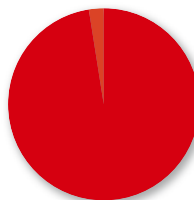
Benchmark

UBS Australia Treasury 0 to 5 Year Return Index (from 1/7/2004).

UBS Warburg Bank Bill Index (to 30/6/2004).

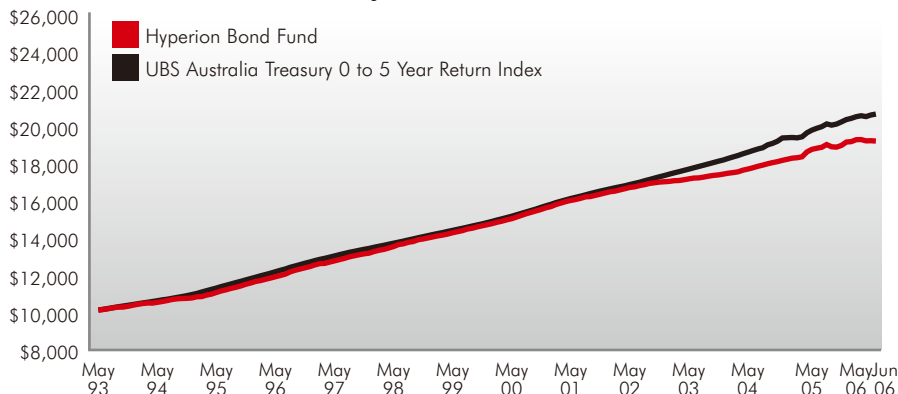
Asset Allocation

As at 30 June 2006



Fixed Interest	97.7%
Cash and Equivalent	2.3%

Growth of \$10,000 Invested at May 1993 After Fees



Hyperion Balanced Superannuation Fund

APIR BNT0001AU SFN 280 420 943 R 1067774

Investment Activity

- During the June quarter under review we increased our exposure to Australian Equities, the Property sector and Australian Fixed Interest by reducing the Portfolio's weighting in International Equities and Cash.
- The Property sector achieved the strongest performance during the quarter, followed by the Australian Equity sector.

Eligible Investors

Regulated superannuation funds, approved deposit funds or other pooled superannuation trusts.

Benchmark

InTech Moderate Survey (formerly known as InTech Balanced Growth Survey).

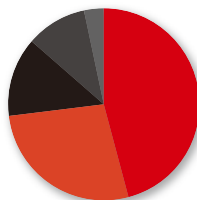
All returns for the Average Manager, after fees and tax.

Trustee

Equity Trustees Limited, ABN 46 004 031 298, AFSL 240975, RSEL N°: L0003094 is the Trustee of the Hyperion Balanced Superannuation Fund.

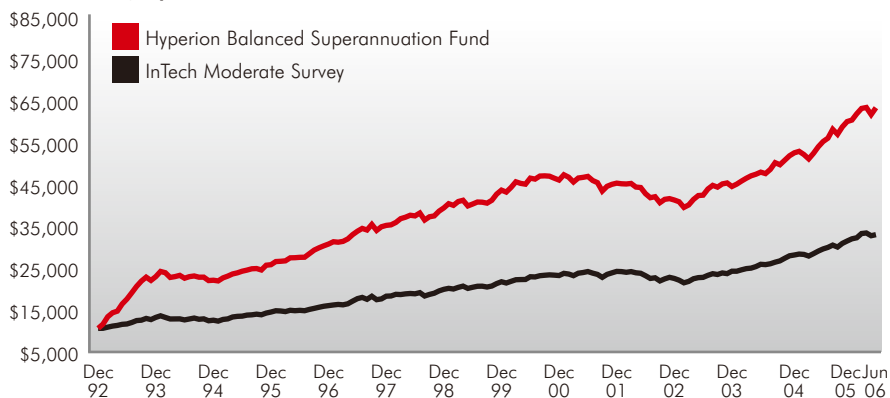
Asset Allocation

As at 30 June 2006



Australian Equities	46.1%
Property	27.1%
International Equities	13.2%
Australian Fixed Interest	10.4%
Cash and Equivalent	3.2%

Growth of \$10,000 Invested at December 1992 After Fees



About Hyperion

Hyperion is a boutique Australian Equity fund manager. We aim to deliver investment out-performance for our clients across a full equity market cycle. The cornerstone of our success is our unique investment process which identifies quality companies that demonstrate sound economics, long-term sustainability and a competitive advantage.

As a high conviction manager, we think as business owners rather than short term stock pickers. This means that if a company doesn't pass our strict selection process, we don't hold it. Of course the true test of any process is performance. Hyperion's investment team, which has been together for almost 10 years, has consistently delivered upper quartile returns against its peers and, given the team's commitment, our clients know that the team that delivered in the past is the team making the investment decisions in the future.

Hyperion was incorporated in 1997 and is an associate of the Wilson HTM Investment Group, one of Australia's oldest financial services companies.

How to Invest?

Direct Access

Direct Investors with at least \$50,000 of investable cash may invest directly via the Hyperion Australian Equity Solutions and the Hyperion Wholesale Managed Funds (Hyperion Funds) or the Hyperion Balanced Superannuation Fund Product Disclosure Statements (PDS). For new clients, investment into these funds can only be made by completing an application form attached to the relevant PDS.

Copies of the PDS's are available on-line at www.hyperionam.com.au or by calling Client Services on tel: 1300 550 293.

External Master Trusts

The Hyperion Funds are available via master trusts, wrap accounts (including Asgard, Australian Executor Trustees, BT Wrap, Macquarie Wrap, Navigator – Premium Choice, Netwealth, Symetry and Synergy) and other Investor Directed Portfolio Services (IPDS). Investors gaining exposure to these Hyperion Funds through an IDPS do not themselves become investors in the Hyperion Fund. It is generally the operator of the IDPS, or their custodian or nominee, who invests on behalf of the investor and has the rights of an investor. They exercise their rights in accordance with their arrangements with the investor. Indirect investors complete an application for the IDPS and receive reports from their operator, not from the Responsible Entity, WHTM Capital Management Limited ABN 29 082 494 362, AFSL Number 238371.

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