

# TI Technology Investment Fund

## Monthly Letter

### February 2008



TIF posted an after-fee return of -3.6% for the month of February 2008, compared with a return of -9.0% for the NASDAQ Composite in Australian dollar terms. The Net Tangible Asset Backing of the Fund as at 29 February 2008 was \$0.4824 per unit.

#### Performance

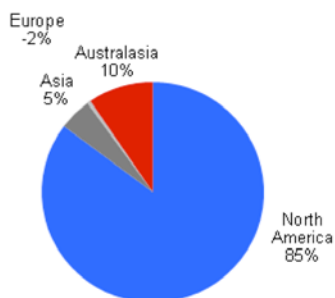
The Fund returned -3.58% (after fees) during the month of February 2008. This compares with a benchmark rate of return of -9.02% for the month (NASDAQ Composite in Australian dollar terms).

#### Portfolio Construction

As outlined in our recent letter to unitholders, from 31 December 2008 the fund will typically adopt a weighting of 120% invested, offset by 20% short sales. As at 29 February 2008 the fund was 108.9% invested in equities offset by 15.0% short sales. The largest ten listed investments in the portfolio as at the end of February 2008 are shown below:

Company	Sector
America Movil S.A. de C.V.	Wireless & Internet
Apple Inc	Hardware & Equipment
Cisco Systems Inc	Hardware & Equipment
eBay Inc	Wireless & Internet
FTI Consulting Inc	Software & Services
Gilead Sciences Inc	Biotechnology
Intel Corp	Software & Services
OmniVision Technologies Inc	Hardware & Equipment
ResMed Inc	Medical Devices
Viropharma Inc	Biotechnology

#### Geographic Breakdown (% Equities)



#### Currency Breakdown

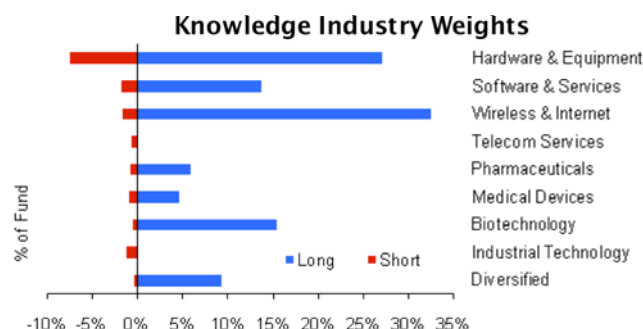
Currency	% of Portfolio
Australian dollar	1.0%
US dollar	99.0%
Total	100.0%

#### Enquiries

For enquiries relating to this communication or the Fund's investments please contact TechInvest on (02) 9223 1821 or via email, [info@techinvest.com.au](mailto:info@techinvest.com.au). For enquiries relating to unitholdings and the processing of applications and redemptions please contact Computershare on 1300 553 481 or via email, [TechInvest@computershare.com.au](mailto:TechInvest@computershare.com.au).

#### Industry Breakdown

In February, the portfolio favoured Wireless & Internet, Biotechnology and Hardware & Equipment, with lower net weights in Diversified Technology, Software & Services, Pharmaceuticals and Medical Devices. The Fund also carried small short positions across a number of industries, particularly Hardware & Equipment. The following table summarises the structure as at 29 February 2008:



#### Industry Overview

Global sharemarkets declined for the fourth consecutive month and are now down around 13% from a peak in October 2007. Weakness has been driven by concerns of a credit-induced recession with Chairman, Ben Bernanke indicating that the Federal Reserve was willing to drop interest rates to assist the ailing US economy. Technology company share prices have been harder hit, the NASDAQ Composite falling 20% over the same period, although generally low levels of debt and relatively strong profitability are supportive.

In a potentially dramatic shift in stance, News.com has reported that software giant Microsoft plans to increase the openness of its products and drive greater interoperability, opportunity and choice for developers, partners, customers and competitors.

The technology industry prepares for CeBIT, the world's largest computer expo in Hanover in March 2008. Focus is expected on smart (email capable) mobile phones, next generation TV screens and enhanced functionality for handheld devices.

#### Unit Prices

	Buy Price	Net Tangible Assets	Sell Price
29 Feb 2008	\$0.4838	\$0.4824	\$0.4809
31 Dec 2007	\$0.5287	\$0.5271	\$0.5255
30 Jun 2007	\$0.5564	\$0.5548	\$0.5531
31 Dec 2006	\$0.5840	\$0.5823	\$0.5805
30 Jun 2006	\$0.5472	\$0.5455	\$0.5439
31 Dec 2005	\$0.5402	\$0.5386	\$0.5370
31 Jul 2005	\$0.5493	\$0.5477	\$0.5461

Note:

- The first available Fund unit prices following transition to an unlisted structure were dated 29 July 2005, the final business day of the month.
- The fund declared a nil distribution as at 30 June 2007.

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