



Investment and Performance Objective

This Fund provides a concentrated portfolio of Australasian securities managed for absolute performance over time. The Aggressive Fund has a target return (benchmark) of 10% (after fees and before tax) per annum over a minimum 5 year investment horizon period.

Performance to 28/02/10 (after fees and before tax)

	Past Month	Past 1 Year	Past 2 Years	Since Inception
Aggressive Fund	-0.4%	+19.3%	+25.8%	+32.8%
Benchmark	+0.8%	+10.0%	+21.0%	+25.9%
NZX Gross Index	-0.3%	+25.1%	-11.9%	-26.1%

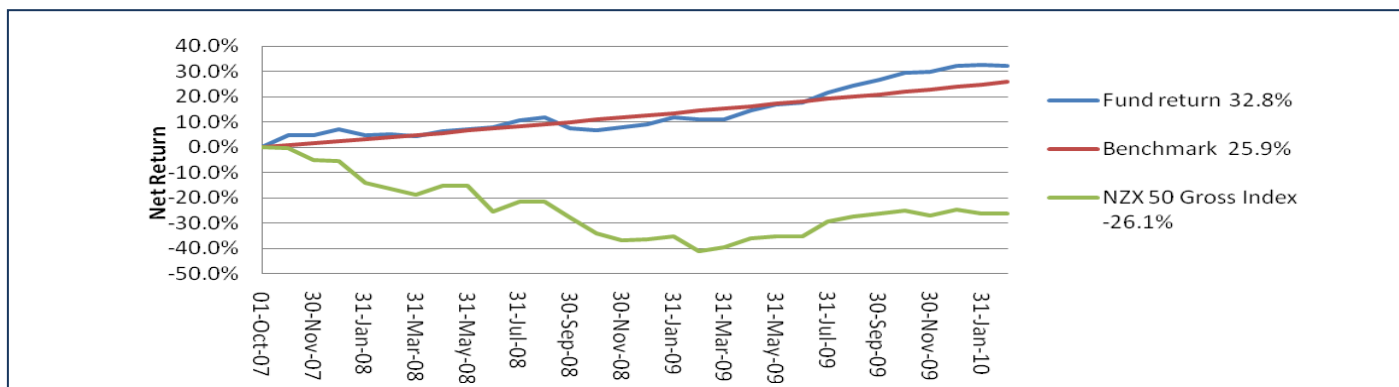
Comment on our market view and the Fund’s current strategy

Global sharemarkets had a mixed performance during February as concerns over Greece’s debt situation continued. Governments are beginning to look at raising interest rates again to stem any inflationary impact from previous stimulus spending. Australia has been leading the way with another rate rise in the past week taking it’s official cash rate to 4.0%. The view for equity markets remains mixed for the rest of the year with stock selection driving returns. Milford is continuously reviewing portfolios and will continue to look for new opportunities both in New Zealand and Australia.

Holdings

Company	Company	Holding	Holding
Restaurant Brands	Guinness Peat Group	5.1%	1.6%
Tower	Mainfreight	4.4%	1.4%
SkyCity	Pyne Gould Corporation	3.5%	1.2%
Air New Zealand	Turners Auctions	3.5%	1.2%
Abano	Santos	3.2%	1.2%
Westpac	Auckland Airport	3.1%	1.1%
Delegat’s	Methven	3.0%	1.0%
Fletcher Building	Pumpkin Patch	3.0%	0.8%
New Zealand Exchange	Healthscope	2.8%	0.8%
National Aus Bank	Comvita	2.8%	0.7%
CSL	Diligent	2.4%	0.7%
PGG Wrightsons	Wakefield Hospital	2.4%	0.6%
Rakon	NZ Farming Systems Uruguay	2.3%	0.3%
Hallenstein Glasson	Various Holdings	2.2%	0.5%
Kathmandu		1.8%	
NZ Oil & Gas	Cash & Bonds	1.6%	39.8%

Investment Performance (returns are since inception, before tax & after fees)



Level 9, Shortland Chambers, 70 Shortland Street.
 PO Box 960, Shortland Street, Auckland
 Telephone 09 921 4700 Facsimile 09 921 4709

Level 16, 157 Lambton Quay
 PO Box 5191, Wellington
 Telephone 04 915 9333 Facsimile 09 921 4709

www.milfordasset.com

Disclaimer: The Milford Aggressive Fund Update has been prepared by Milford Asset Management. It is based on information believed to be accurate and reliable although no guarantee can be given that this is the case. Clients of Milford Asset Management may have an interest or holding in companies and securities mentioned in this report. No reproduction of any material either in part or in full is permitted without prior permission.

Top Contributors for month

Company	Return
Turners Auctions	+16.0%
Diligent	+14.3%
CSL	+10.3%

Top Detractors for month

Company	Return
NZ Farming Systems Uruguay	-17.4%
Delegats	-16.2%
Rakon	-13.3%

Comment on the out and under performers:

Turners Auctions reported net profit after tax for the year ended 31 December 2009 up 207% on the 2008 year end. Turners' management has grown market share and reduced costs in a market where used vehicle sales continue to decline. Diligent Board Member Services reported their result for the year ending 31 December 2009, showing an increase in worldwide clients to 284. This currently brings in over US\$6.3m in annuity income each year. CSL's share price performed strongly after reporting net profit after tax up 23.0% compared to the same period in 2008. The company is continuing to do well with management reporting strong growth in the market for plasma products.

NZ Farming Systems Uruguay failed to impress the market with its full year result which made it apparent that it will take longer to recover than anticipated. Delegat's took a dive after reporting an interim result which contradicted previous guidance from management given in December. We are reviewing our position in the company. Rakon's price fell on no material news.

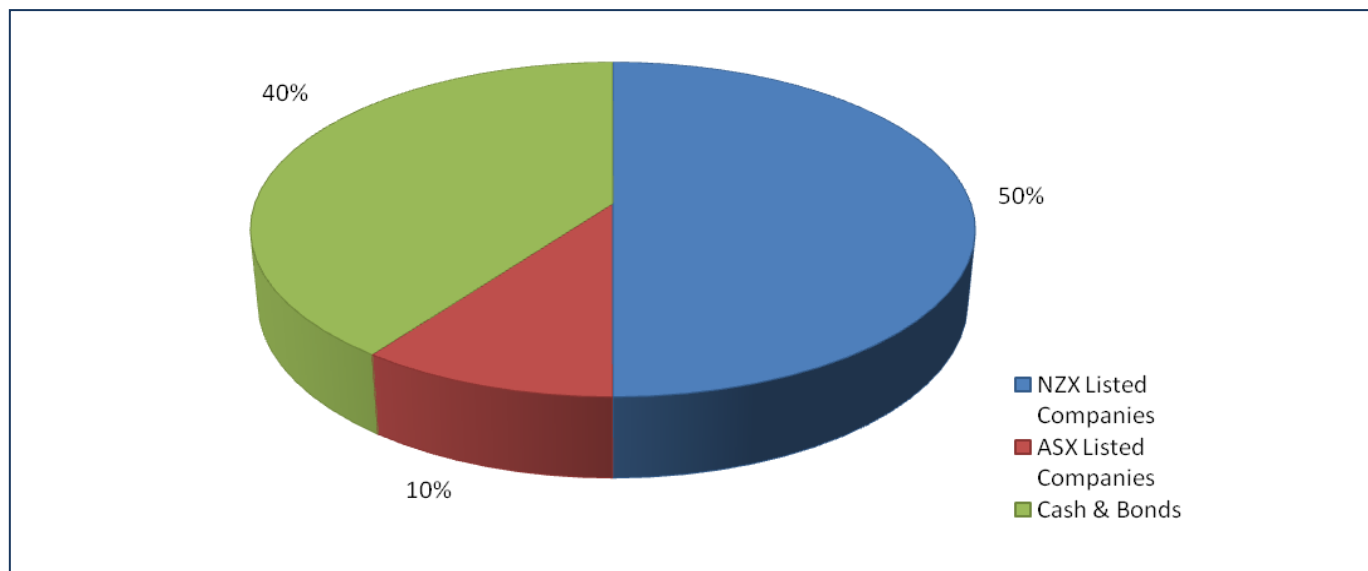
Comment on Stocks Bought During the Month

Hallenstein Glasson has been added to the portfolio because sales have been improving and it is currently trading on an attractive dividend yield. We added Healthscope during the month to get exposure to the aging population in Australasia.

Comment on Stocks exiting from the fund during the Month

No positions were exited during the month.

Portfolio Mix (current fund size \$72.7million)



Milford Funds Limited



Level 9, Shortland Chambers, 70 Shortland Street.
PO Box 960, Shortland Street, Auckland
Telephone 09 921 4700 Facsimile 09 921 4709

Level 16, 157 Lambton Quay
PO Box 5191, Wellington
Telephone 04 915 9333 Facsimile 09 921 4709

www.milfordasset.com

Disclaimer: The Milford Aggressive Fund Update has been prepared by Milford Asset Management. It is based on information believed to be accurate and reliable although no guarantee can be given that this is the case. Clients of Milford Asset Management may have an interest or holding in companies and securities mentioned in this report. No reproduction of any material either in part or in full is permitted without prior permission.