



Magellan Flagship Fund Limited
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Magellan Flagship Fund Limited ('MFF')
Net Tangible Assets ('NTA') per share for April 2010

MFF advises that its approximate monthly and weekly NTA per share as at Friday, 30 April 2010 was \$0.78 excluding net deferred tax assets¹ of \$0.08

MFF remained fully invested in April. Changes to MFF's portfolio in the month were again very modest.

The current reporting season is providing further evidence that the medium to long term prospects for MFF's companies continue to strengthen and that their near term business positions have strengthened in the global crisis. The overall results for first quarter 2010 (to date) have also strengthened markedly and balance sheet strength has been maintained. 2010 dividend increases continued for MFF's companies (outside of the financials and our two cash hoarding internet giants) aided by strong free cashflow generation.

Ongoing economic weakness, unemployment, sovereign debt and the requirement for 'normalisation' of fiscal and monetary policies are important risk factors. Some strong asset prices and spreading 'bubble' like investor behaviour are also increasing risks for investors.

Approximately 90% of MFF's total investment assets by market value continue to be in global multinationals (being entities that generate 50% or more of their revenue and/or have material operations in 15 or more countries outside the domicile of their primary securities exchange), with a majority of the balance being predominantly North American focused. The revenue and earnings split for the multinationals average about 40% USA, 30% Europe and 30% ROW. The emerging markets proportion of underlying revenue and earnings continues to rise. As at 30 April 2010, MFF had net borrowings of approximately 19% of total investment assets. Most of the borrowings are denominated in AUD, with smaller amounts of borrowings in USD and GBP.

Key currency rates for AUD as at 30 April 2010 rates which were 0.9309 (USD), 0.7000 (EUR), 0.6081 (GBP) and 1.0035 (CHF), compared with 31 March 2010 rates which were 0.9179 (USD), 0.6783 (EUR), 0.6051 (GBP) and 0.9661 (CHF).

A handwritten signature in black ink, appearing to read 'Nerida Campbell', is positioned above the typed name.

Nerida Campbell
Company Secretary
4 May 2010

¹ Deferred tax assets less deferred tax liabilities. All figures are unaudited