

Top 20 Investments

Stock	% of Total Portfolio
1 New Hope Corporation	11.6%
2 BHP Billiton Limited	10.3%
3 National Australia Bank	8.2%
4 Commonwealth Bank	7.7%
5 Westpac Banking Corp	5.0%
6 Wesfarmers Limited	3.8%
7 Telstra Corporation	3.3%
8 Woolworths Limited	3.1%
9 Woodside Petroleum Limited	3.0%
10 Campbell Brothers Limited	2.9 %
11 AGL Energy Limited	2.7%
12 ANZ Banking Group	2.3%
13 QBE Insurance Group	2.3%
14 Coca Cola Amatil Limited	1.7%
15 Metcash Limited	1.6%
16 Westpac Pref Shares	1.6%
17 TPG Telecom	1.2%
18 AMP Limited	1.2%
19 ARB Corporation Limited	1.1%
20 ASX Limited	1.1%
Cash & cash equivalents	6.0%
% of Total Portfolio Value (Including Cash & cash equivalents)	81.7%

BKI Investment Company Limited

Monthly Report

April 2011

Group Profile and Investment Strategy

BKI's investment portfolio has been built on a philosophy of long term investment with a focus on Australian equities. BKI primarily seeks to invest in well-managed businesses with a profitable history and with the expectation of sound dividend and distribution growth. An investment in BKI gives shareholders access to a diversified portfolio across most sectors of the market.

Net Tangible Asset Backing

The Directors advise that the consolidated unaudited pre tax net asset backing of the company's shares at 30 April 2011 was **\$1.44** per share.

The company is a long-term equity investor and does not intend to dispose of its total portfolio. If estimated tax at 30% on unrealised portfolio gains were to be recognised, net asset backing post tax would be **\$1.36** per share.

Dividends

The company aims to generate an increasing income stream for distribution to its shareholders in the form of fully franked dividends, to the extent of its available imputation tax credits, through long-term investment in a portfolio of assets that are also able to deliver long term capital growth to shareholders.

BKI's historical dividend yield as at 30 April 2011 was 5.0% (fully franked). BKI's historical grossed up yield as at 30 April 2011 was 7.1%. BKI's Dividend Reinvestment Plan has been maintained offering shareholders the opportunity to acquire further ordinary shares in BKI.

Management Expense Ratio (MER)

BKI's MER as at 31 December 2010 was 0.18%. **BKI does not charge shareholders external management fees or a performance fee.**

Board and Management

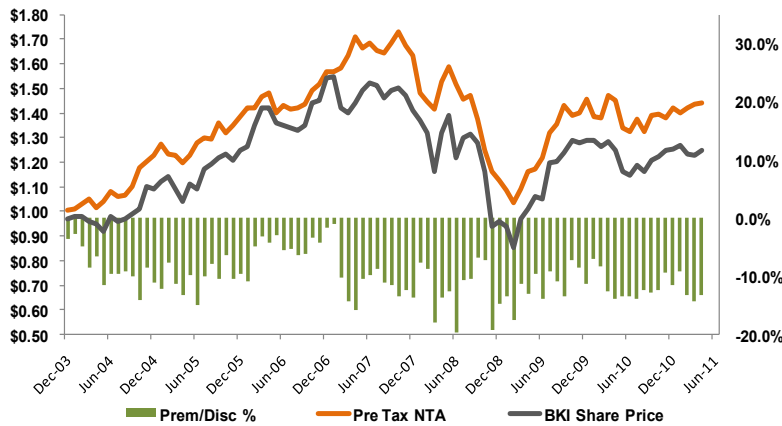
Directors: Robert Millner (Chairman), Alex Payne, David Hall and Ian Huntley.
Management: Tom Millner (CEO) and Richard Pillinger (Company Secretary).

Company Overview

Mandate	Australian Listed Equities
Benchmark	S&P/ASX 300 Acc Index
Investment Manager	BKI Investment Company
Market Capitalisation	\$529m
Investment Portfolio	\$573m
Cash & cash equivalents	\$38m
Debt	nil
MER*	0.18%
Performance Fee	0%
Rolling 12 Month Dividend**	6.25 cps
Historical Dividend Yield***	5.0%
Percentage Franked	100%
Grossed up Yield***	7.1%
DRP	Active (0% discount)
Pre Tax NTA (ex dividend basis)	\$1.44
Post Tax NTA (ex dividend basis)	\$1.36
Share Price	\$1.25

Discount to Pre Tax NTA

BKI Investment Company Limited's share price (BKI.ASX) is currently trading at a 13% discount to the Pre Tax NTA and a 8% discount to the Post Tax NTA. BKI represents a good opportunity for investors to acquire assets at a discount to the Pre Tax NTA.



Benefits of Investing in BKI Investment Company Limited

Dividends - Strong dividend payout ability with abundant franking credits.

Diversification - Access to a high quality diversified investment portfolio through BKI shares listed on the ASX (BKI.ASX).

Management - Experienced Board and conservative investment team delivering sound returns with low investment risk.

Low Costs - Competitive MER of 0.18%*. No external portfolio management fees or performance fees.

Value - Opportunity for investment at a discount to the Pre Tax NTA. Ideal for long term passive shareholders and SMSF's.

BKI Portfolio Returns are measured after all operating expenses, provision and payment of income and capital gains tax.

BKI Performance as at 30 April 2011	6 Mths	1 Year	3 Years (pa)	5 Years (pa)	7 Years (pa)
S&P/ASX 300 ACC INDEX (XKOA1)	5.6%	4.9%	-0.5%	2.6%	9.7%
BKI Total Shareholder Returns	4.5%	5.2%	3.4%	2.5%	9.0%
BKI Share Price Outperformance V's XKOA1	-1.1%	0.3%	3.9%	-0.1%	-0.7%
BKI Portfolio Performance	5.4%	3.9%	2.7%	4.0%	9.6%
BKI Portfolio Outperformance V's XKOA1	-0.2%	-1.0%	3.2%	1.4%	-0.1%

Source: BKI Investment Company Limited, IRESS. Portfolio Returns are measured by change in pre tax NTA and are after all operating expenses, provision and payment of both income and capital gains tax and the reinvestment of dividends. Total Shareholder Returns include reinvestment of dividends. Past performance is not indicative of future performance.

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*MER as at 31 December 2010; **Includes FY10 Final Special Dividend of 0.5cps; *** Based on share price as at 30 April 2011;