ASX Listed Investment Companies

Monday, 26 May 2014

EVANS & PARTNERS

NTA Update

This report on ASX Listed Investment Companies seeks to i) identify and capitalise on any trading opportunities that may exist across the sector & ii) assist clients seeking to broaden portfolio exposure through an investment in a diverse and professionally managed portfolio of assets (focused on Australian and International equities).

Across our universe of Listed Investment Companies (LICs), we also take a closer look at relative fund performance figures through to the period ending 30 April 2014.

Note that the Pre-Tax NTA stated below is as last reported (i.e. for the month ended 30 April 2014).

					Implied NTA Calculation*						
Code	Name	Price ($) 30/04/2014	Pre-Tax NTA 30/04/2014 ($)	Prem/Disc to NTA (%) 30/04/2014	Last price ($)	Pre-Tax NTA ($)	Prem/Disc to NTA (%)	Historical DPS (¢)	Historic Yield (Last Price) %	Market Cap ($m)	Benchmark Index
Domestic Focus											
AFI	Australian Foundation Inv Co Ltd	5.96	5.87	1.5%	5.94	5.97	-1%	22.0	3.7	6,221	ASX 200
ARG	Argo Investments Limited	7.20	7.39	-2.6%	7.33	7.52	-3%	26.5	3.6	4,850	ASX 200
MLT	Milton Corporation Limited	4.38	4.34	0.9%	4.39	4.40	0%	16.4	3.7	2,763	All Ords
DJW	Djerriwarrh Investments Limited	4.46	3.79	17.7%	4.63	3.86	20%	26.0	5.6	1,008	ASX 50
AUI	Australian United Investment Company Limited	8.15	8.67	-6.0%	8.15	8.82	-8%	29.5	3.6	894	ASX 300
BKI	BKI Investment Company Limited	1.64	1.64	0.0%	1.67	1.67	0%	6.7	4.0	860	ASX 300
WAM	WAM Capital Limited	1.95	1.79	9.1%	1.90	1.81	5%	12.0	6.3	647	All Ords
DUI	Diversified United Investment Limited	3.57	3.82	-6.5%	3.55	3.88	-9%	13.5	3.8	607	ASX 300
MIR	Mirrabooka Investments Limited	2.53	2.36	7.2%	2.63	2.38	10%	10.0	3.8	367	50% Small/50% Mid Cap
WHF	Whitefield Limited	4.19	4.46	-6.1%	4.14	4.47	-7%	17.0	4.1	322	ASX 200 Industrials
ALF	Australian Leaders Fund Limited	1.68	1.50	12.0%	1.69	1.53	11%	12.0	7.1	389	ASX 200
AMH	AMCIL Limited	0.92	0.93	-1.1%	0.94	0.95	-1%	3.0	3.2	214	ASX 200
CDM	Cadence Capital Limited	1.42	1.37	3.6%	1.43	1.39	3%	11.0	7.7	247	All Ords
CTN	Contango Microcap Limited	1.01	1.17	-13.9%	1.01	1.19	-15%	7.8	7.7	158	Small Ords
WIC	Westoz Investment Company Limited	1.19	1.35	-11.8%	1.26	1.37	-8%	9.0	7.1	161	ASX 200
WAX	WAM Research Limited	1.16	1.06	8.8%	1.13	1.08	5%	7.0	6.2	158	All Ords
WMK	Watermark Market Neutral Fund Limited	1.01	1.02	-1.5%	1.03	1.02	1%	N/A	N/A	85	RBA Cash Rate
CAM	Clime Capital Limited	0.98	1.07	-8.4%	0.99	1.06	-7%	4.0	4.1	79	All Ords
OZG	Ozgrowth Limited	0.20	0.23	-15.2%	0.20	0.23	-14%	1.5	7.5	72	All Ords
Global Focus											
MFF	Magellan Flagship Fund Limited	1.47	1.42	3.9%	1.51	1.42	6%	2.0	1.3	527	MSCI A$
PMC	Platinum Capital Limited	1.66	1.58	5.3%	1.71	1.59	7%	7.0	4.1	379	MSCI A$
TGG	Templeton Global Growth Fund	1.24	1.37	-9.5%	1.31	1.38	-5%	1.5	1.1	253	MSCI A$

NTA calculations are based on end of month figures (30/04/2014). Implied NTA calculation adjusted for LICs ex-dividend.

The key attributes we look for in an LIC:

- **Dividend sustainability –** It is important that an LIC has the ability to pay consistent and steady distributions to shareholders. Dividends paid by LICs are determined by management and unlike unlisted managed funds are not obliged to distribute all surplus income.
- **Market liquidity –** An LIC needs to have sufficient size to provide sufficient market liquidity.
- **Share price premium/discount to NTA –** We will target LICs that are attractively valued relative to historic levels and absolute value. While there are factors that contribute to an LIC trading above or below its NTA (including market liquidity), relative underperformance to NTA may be viewed as a trading opportunity or the chance to gain exposure to underlying holdings at a relatively cheaper level than that traded on market.
- **Board/Management Experience –** We look for a Board and Investment Committee with extensive market experience, a transparent investment philosophy and a consistent track record of meeting investor expectations.
- **An appropriate fee schedule –** Value for money and relatively low-cost management.

LIC Performance

Pre-tax NTA remains our preferred measure when comparing LIC performance. We understand the Pre-tax NTA figure can be distorted by some companies' investment decisions to reduce CGT sooner than others, however the longer term focus of a number of listed investment companies would imply the stock price should trade closer to the Pre-tax NTA than the Post-tax NTA.

ASX Listed Investment Companies - Annual Pre-Tax NTA Performance to 30 April 2014

Name	Code	Market Cap ($m)	Annual Returns (incl Dividends) %								Fund Benchmark
			Share Price				Pre-Tax NTA				
			6 months	1Yr	3Yr	5Yr	6 months	1Yr	3Yr	5Yr	
Domestic Focus											
Australian Foundation Investment Company Limited	**AFI**	**6,221**	0.8%	10.8%	11.2%	10.6%	3.1%	10.6%	10.4%	13.3%	ASX 200
Argo Investments Limited	**ARG**	**4,850**	2.4%	12.8%	9.5%	8.8%	3.1%	11.1%	9.9%	12.5%	All Ords
Milton Corporation Limited	**MLT**	**2,763**	4.5%	16.6%	14.4%	12.8%	1.9%	8.2%	11.4%	13.6%	All Ords
Djerriwarrh Investments Limited	**DJW**	**1,008**	-0.7%	12.1%	8.6%	10.1%	2.5%	10.0%	8.2%	11.5%	ASX 50
Australian United Investment Company Limited	**AUI**	**894**	4.7%	16.9%	9.4%	12.4%	3.5%	11.2%	8.7%	12.8%	ASX 300
BKI Investment Company Limited	**BKI**	**860**	7.3%	15.0%	13.6%	14.7%	1.5%	5.9%	10.1%	12.8%	ASX 300
WAM Capital Limited	**WAM**	**647**	7.2%	23.5%	12.5%	22.2%	0.3%	10.0%	8.7%	13.4%	All Ords
Diversified United Investment Limited	**DUI**	**607**	4.5%	16.3%	10.8%	12.5%	3.4%	12.5%	10.1%	13.1%	ASX 300
Mirrabooka Investments Limited	**MIR**	**367**	-4.3%	14.4%	13.9%	16.4%	2.0%	16.2%	13.8%	17.4%	Small/Mid Cap
Australian Leaders Fund Limited	**ALF**	**389**	3.0%	17.6%	14.6%	23.3%	0.6%	8.4%	10.7%	17.4%	All Ords
Whitefield Limited	**WHF**	**322**	2.8%	16.6%	17.3%	14.6%	4.6%	12.6%	15.5%	14.8%	ASX 200 Ind
Cadence Capital Limited	**CDM**	**247**	7.3%	12.9%	17.1%	34.0%	2.9%	10.3%	11.4%	22.5%	All Ords
AMCIL Limited	**AMH**	**214**	-3.2%	15.4%	16.0%	16.8%	1.1%	13.4%	13.5%	16.8%	ASX 200
Contango Microcap Limited	**CTN**	**158**	-5.4%	4.8%	-1.9%	14.8%	-4.4%	7.1%	-4.6%	7.3%	Small Ords
WAM Research Limited	**WAX**	**158**	1.5%	20.3%	21.0%	21.8%	1.8%	11.9%	11.3%	12.9%	All Ords
Westoz Investment Company Limited	**WIC**	**161**	2.5%	15.6%	9.5%		1.2%	8.5%	-0.2%		All Ords
Clime Capital Limited	**CAM**	**79**	-8.1%	-0.7%	5.7%	16.5%	-4.2%	-1.2%	4.1%	10.2%	All Ords
Watermark Market Neutral Fund Limited	**WMK**	**85**	-0.5%	N/A	N/A	N/A	1.4%	N/A	N/A	N/A	Cash Rate
Ozgrowth Limited	**OZG**	**72**	6.6%	18.1%	10.0%	17.6%	-1.5%	7.7%	1.2%	10.3%	All Ords
International Focus											
Magellan Flagship Fund Limited	**MFF**	**527**	5.0%	30.7%	28.6%	23.4%	6.6%	31.5%	25.5%	16.7%	MSCI A$
Platinum Capital Limited	**PMC**	**379**	3.4%	39.9%	9.4%	8.7%	4.5%	26.4%	13.1%	9.3%	MSCI A$
Templeton Global Growth Fund Limited	**TGG**	**253**	-0.4%	38.2%	18.3%	12.0%	6.2%	34.0%	15.9%	10.7%	MSCI A$

Source: IRESS, Company Data, Bloomberg

*Returns are calculated assuming dividend reinvestment

We also look at the impact on premium/discounts by adjusting pre-tax NTAs for management fees. **We capitalise annual management fees at an estimate of 8x**, **thus adjusting NTAs lower.** This is only to be viewed as an indicative guide on highlighting the impact management fees may have on the relative value proposition, particularly for funds with management fees in excess of 1% per annum.

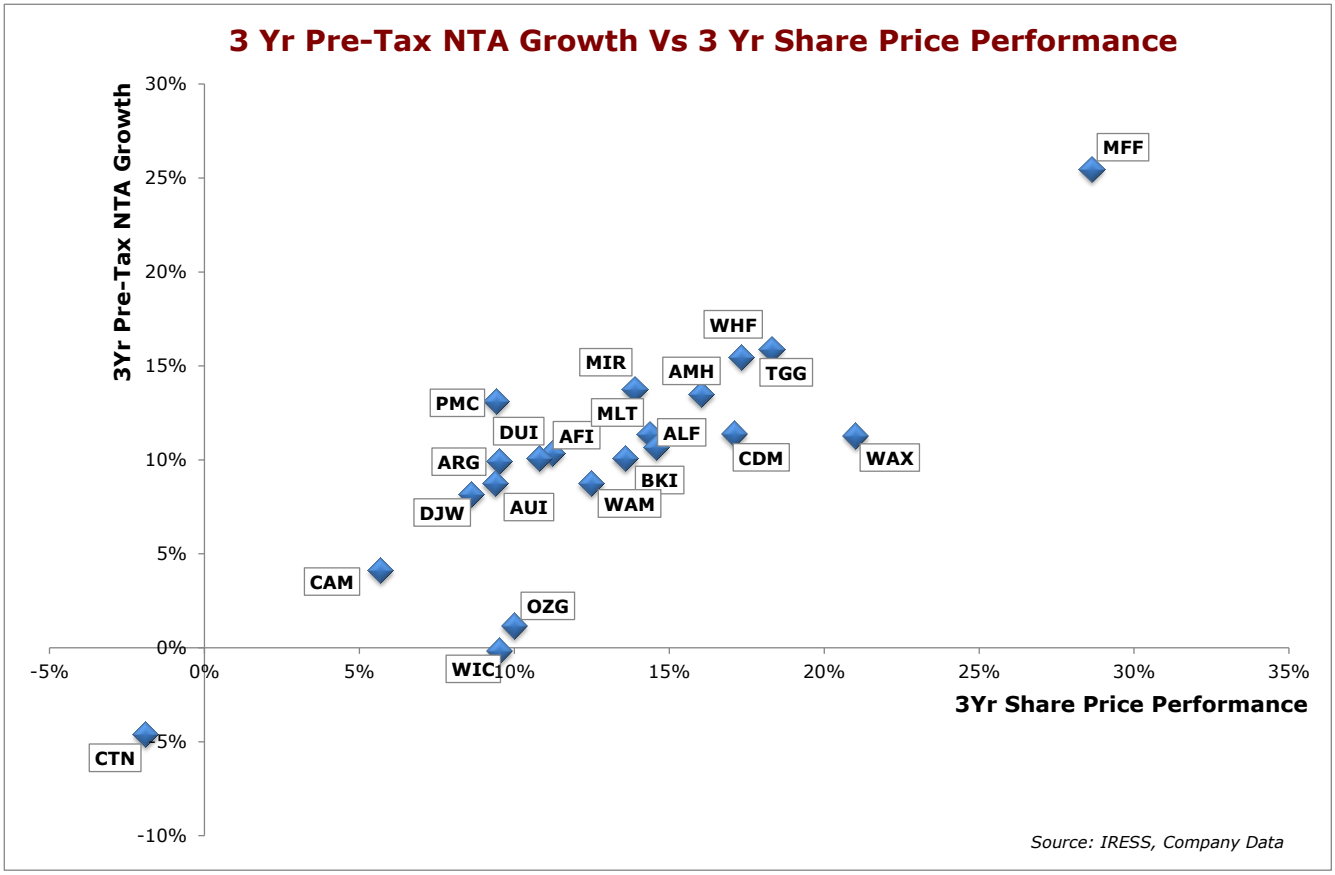
ASX Listed Investment Companies

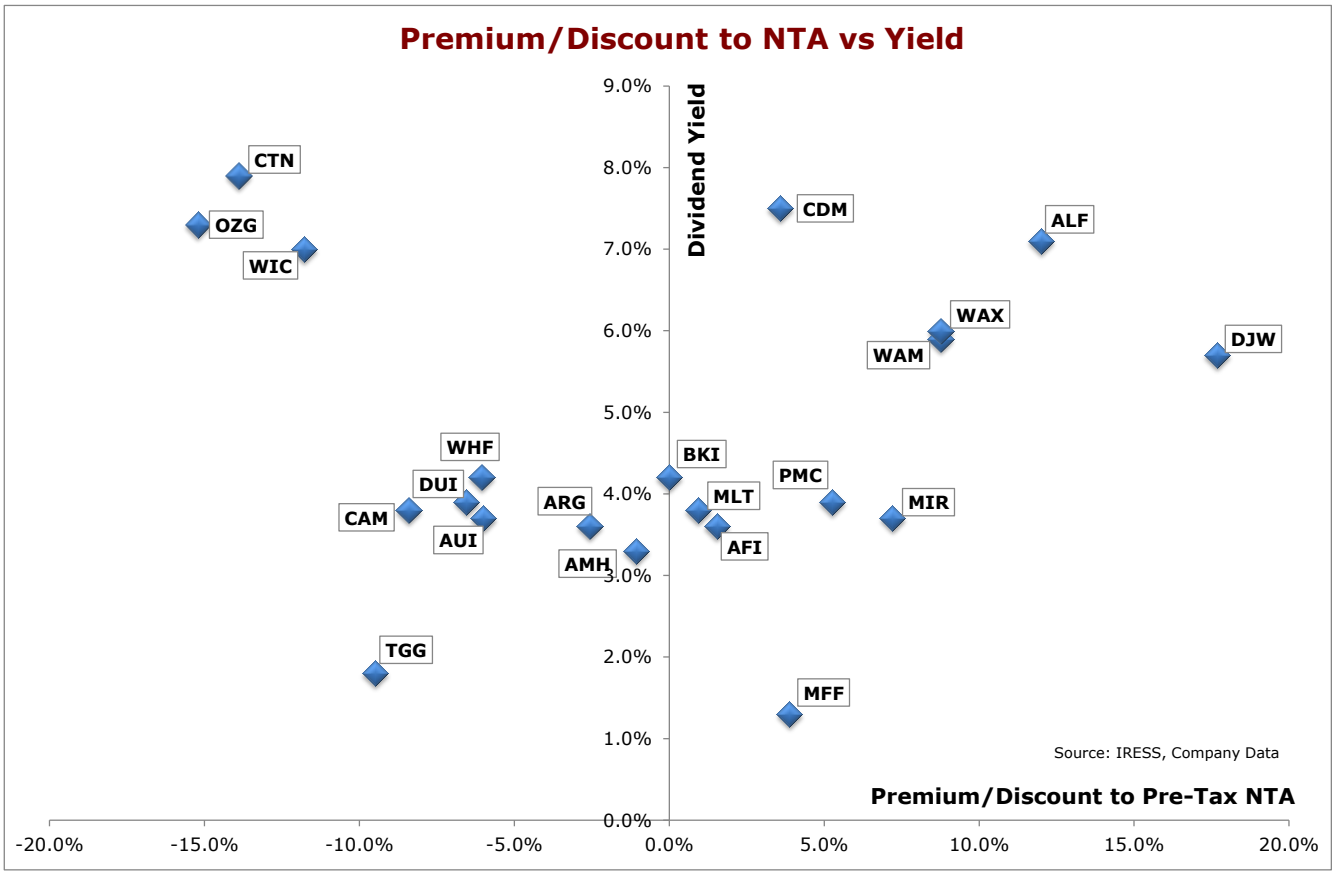
Name	Code	Market Cap ($m)	Share Price ($) 30/04/2014	Pre-Tax NTA ($) 30/04/2014	Prem/Disc to Pre-Tax NTA (%)	Historic Average (%)*	Mgt Fee (%)	Adj. Pre-Tax NTA ($)	Adj Prem/Disc to Pre-Tax NTA (%)
Domestic Focus									
Australian Foundation Investment Company Limited	**AFI**	**6,221**	5.96	5.87	2%	0%	0.18%	5.79	3%
Argo Investments Limited	**ARG**	**4,850**	7.20	7.39	-3%	0%	0.17%	7.29	-1%
Milton Corporation Limited	**MLT**	**2,763**	4.38	4.34	1%	-2%	0.17%	4.28	2%
Djerriwarrh Investments Limited	**DJW**	**1,008**	4.46	3.79	18%	9%	0.39%	3.67	21%
Australian United Investment Company Limited	**AUI**	**894**	8.15	8.67	-6%	-6%	0.15%	8.57	-5%
BKI Investment Company Limited	**BKI**	**860**	1.64	1.64	0%	-11%	0.19%	1.62	2%
Diversified United Investment Limited	**DUI**	**607**	3.57	3.82	-7%	-7%	0.20%	3.76	-5%
WAM Capital Limited	**WAM**	**647**	1.95	1.79	9%	-13%	1.00%*	1.65	19%
Mirrabooka Investments Limited	**MIR**	**367**	2.53	2.36	7%	-2%	0.70%	2.23	14%
Whitefield Limited	**WHF**	**322**	4.19	4.46	-6%	-10%	0.35%	4.34	-3%
Australian Leaders Fund Limited	**ALF**	**389**	1.68	1.50	12%	-17%	1.00%*	1.38	22%
AMCIL Limited	**AMH**	**214**	0.92	0.93	-1%	-10%	0.77%	0.87	5%
Cadence Capital Limited	**CDM**	**247**	1.42	1.37	4%	-19%	1.00%*	1.26	13%
Contango Microcap Limited	**CTN**	**158**	1.01	1.17	-14%	-24%	1.25%*	1.06	-4%
Westoz Investment Company Limited	**WIC**	**161**	1.19	1.35	-12%	-26%	1.00%*	1.24	-4%
WAM Research Limited	**WAX**	**158**	1.16	1.06	9%	-17%	1.00%*	0.98	18%
Watermark Market Neutral Fund Limited	**WMK**	**85**	1.01	1.02	-1%	0%	1.00%*	0.94	7%
Clime Capital Limited	**CAM**	**79**	0.98	1.07	-8%	-30%	1.00%*	0.98	0%
Ozgrowth Limited	**OZG**	**72**	0.20	0.23	-15%	-26%	1.00%*	0.21	-8%
International Focus									
Magellan Flagship Fund Limited	**MFF**	**527**	1.47	1.42	4%	-10%	1.25%*	1.27	15%
Platinum Capital Limited	**PMC**	**379**	1.66	1.58	5%	10%	1.50%*	1.39	20%
Templeton Global Growth Fund Limited	**TGG**	**253**	1.24	1.37	-9%	-13%	1.00%	1.26	-2%

Source: IRESS, Company Data

Note: Annual management fees capitalised at 8x

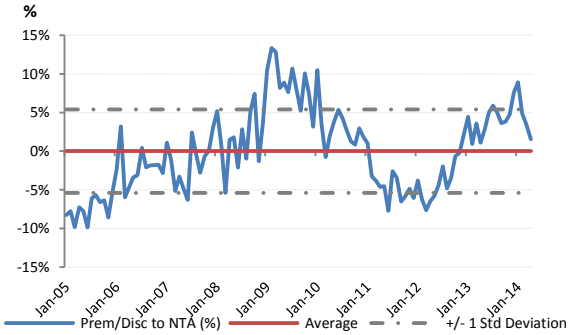
*Does not include any performance fee


3 Yr Pre-Tax NTA Growth Vs 3 Yr Share Price Performance
3Yr Pre-Tax NTA Growth
30%
25%
20%
15%
10%
5%
0%
-5%
-10%
-5%
0%
5%
10%
15%
20%
25%
30%
35%
3Yr Share Price Performance
MFF
WHF
TGG
MIR
AMH
PMC
MLT
DUI
AFI
ALF
CDM
WAX
ARG
BKI
DJW
AUI
WAM
CAM
OZG
WIC
CTN
Source: IRESS, Company Data

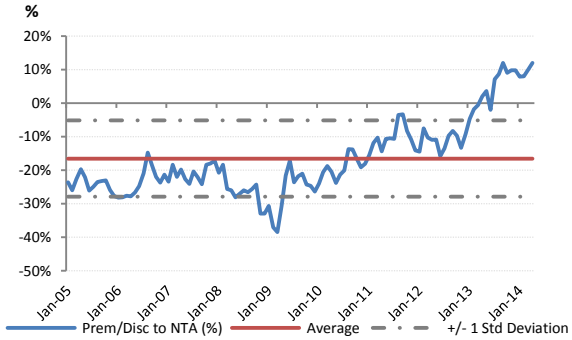

Premium/Discount to NTA vs Yield
Dividend Yield
9.0%
8.0%
7.0%
6.0%
5.0%
4.0%
3.0%
2.0%
1.0%
0.0%
-20.0%
-15.0%
-10.0%
-5.0%
0.0%
5.0%
10.0%
15.0%
20.0%
Premium/Discount to Pre-Tax NTA
CTN
OZG
WIC
CDM
ALF
WAX
WAM
DJW
WHF
DUI
CAM
AUI
BKI
ARG
MLT
AFI
AMH
PMC
MIR
TGG
MFF
Source: IRESS, Company Data

Domestic Focus

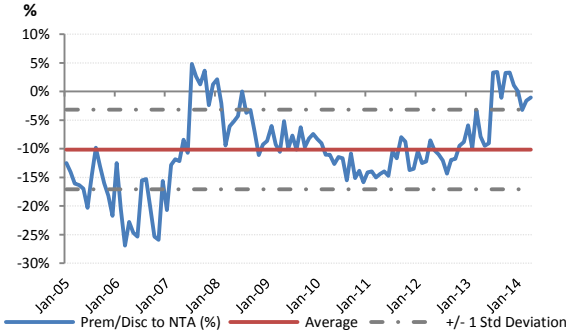
AFI – Australian Foundation Investment Co



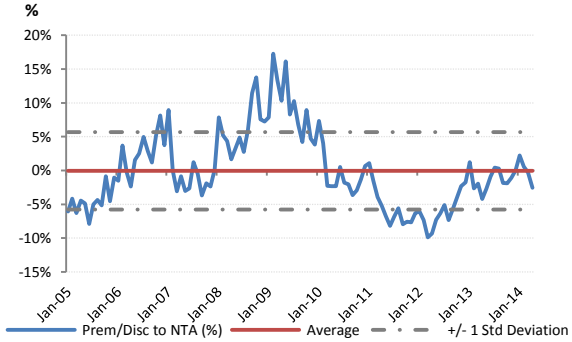
ALF – Australian Leaders Fund Limited



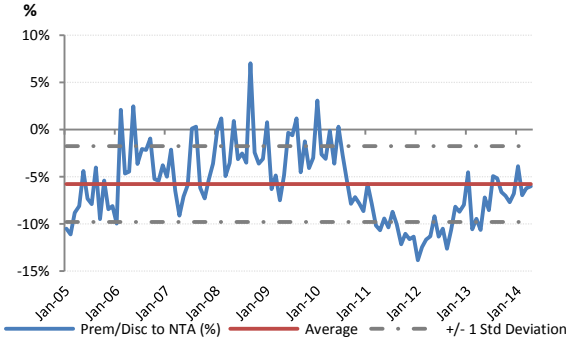
AMH – AMCIL Limited



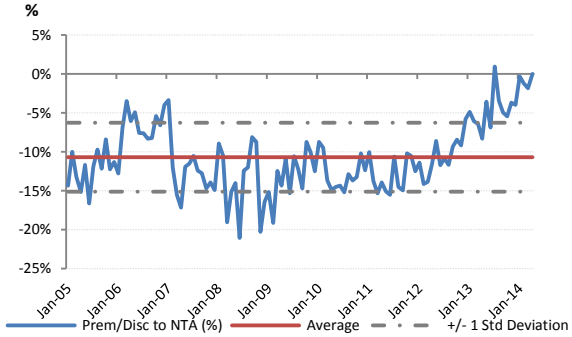
ARG – Argo Investments Limited



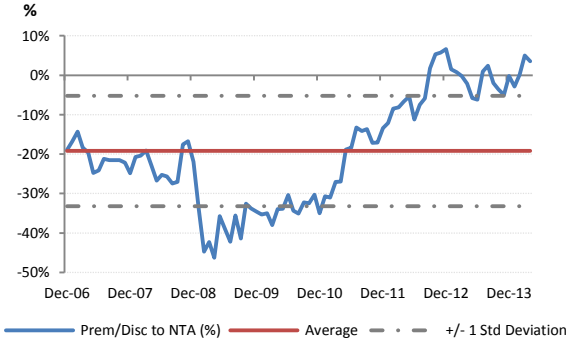
AUI – Australian United Investment Company



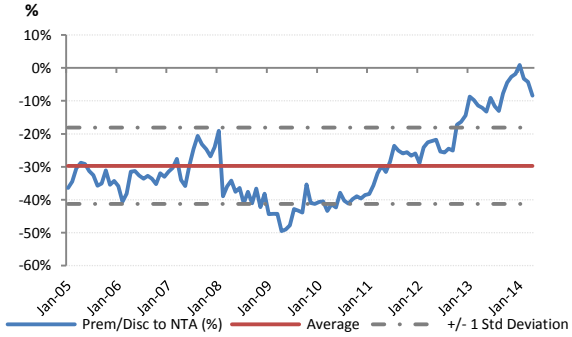
BKI – BKI Investment Company Limited



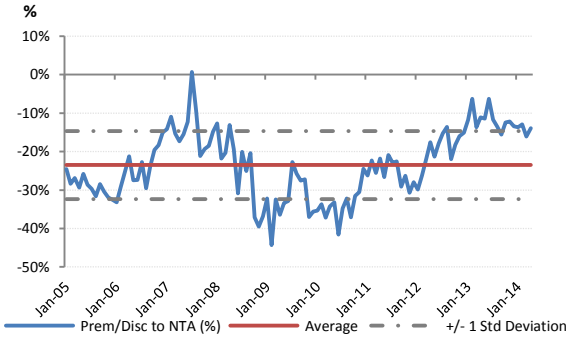
CDM – Cadence Capital



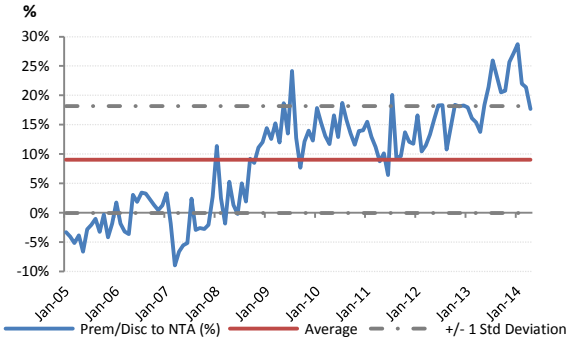
CAM – Clime Capital Limited



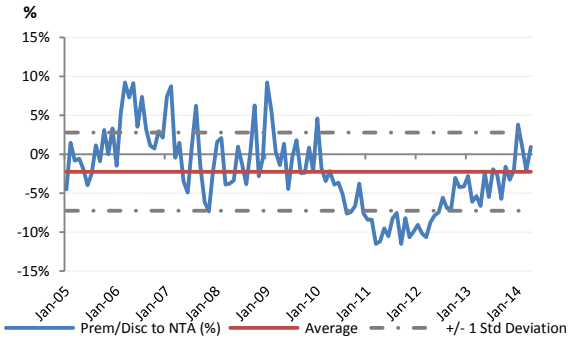
CTN – Contango Microcap Limited



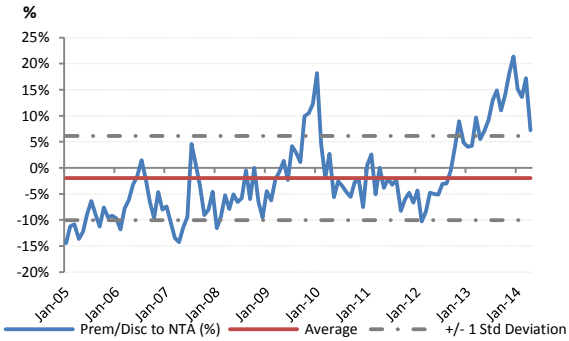
DJW – Djerriwarrh Investments Limited



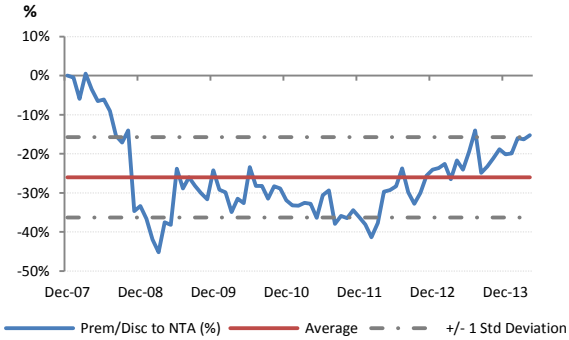
MLT – Milton Corporation Limited



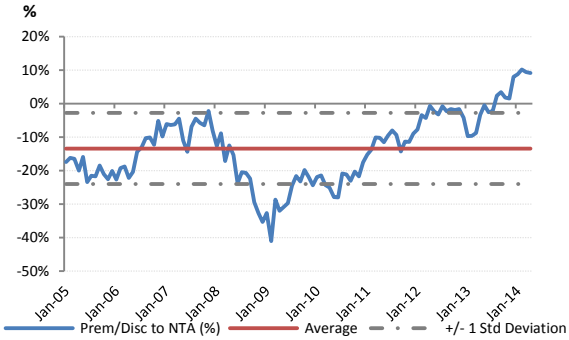
MIR – Mirrabooka Investments Limited



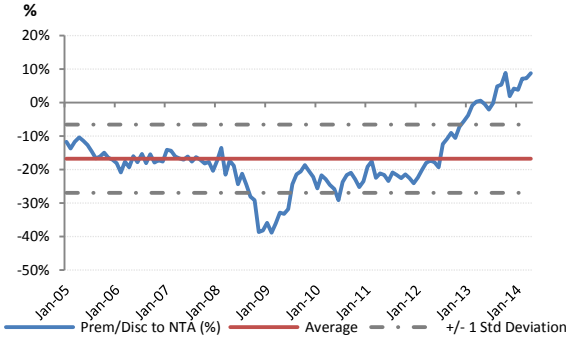
OZG – Ozgrowth Limited



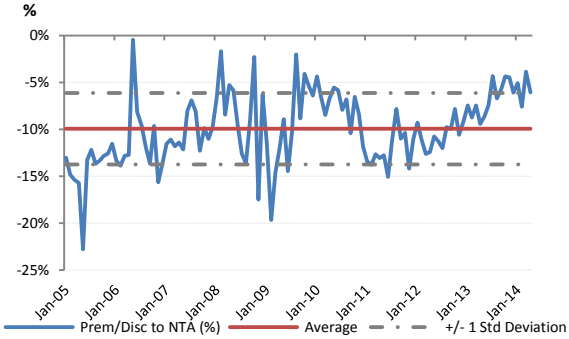
WAM – WAM Capital Limited



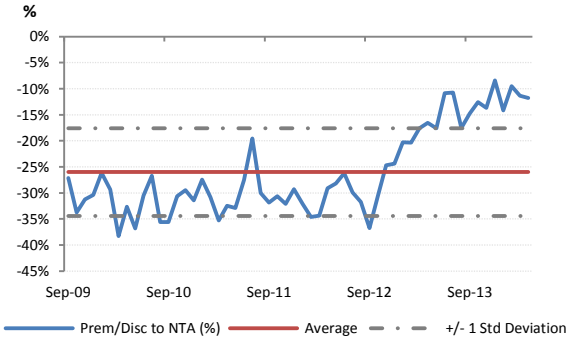
WAX – WAM Research Limited



WHF – Whitefield Limited

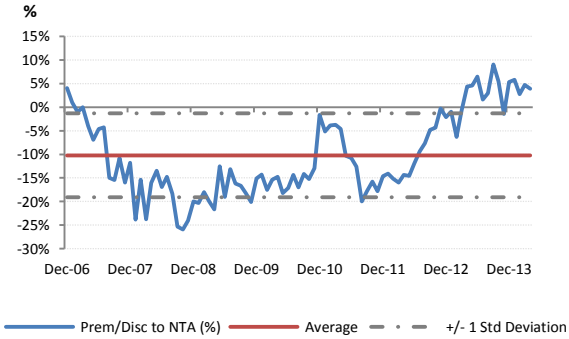


WIC – Westoz Investment Company

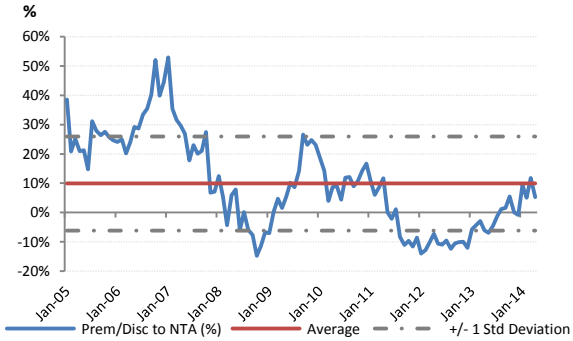


Global Focus

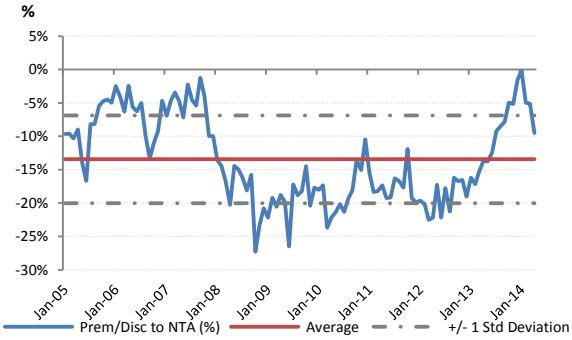
MFF – Magellan Flagship Fund Limited



PMC – Platinum Capital Limited

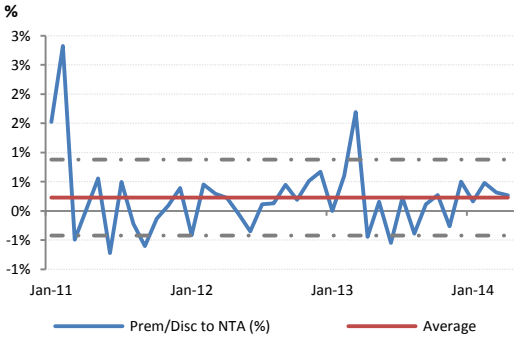


TGG – Templeton Global Growth Fund Limited

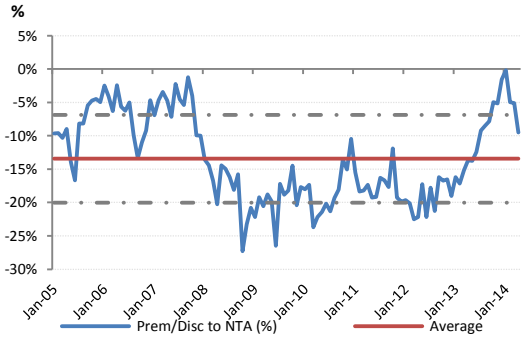


Alternatives

ABW – Aurora Absolute Return Fund Limited



AOD – Aurora Sandringham Dividend Income Trust Limited



Contents

Domestic Focus

- Australian Foundation Investment Company (AFI) 9
- Australian Leaders Fund (ALF) 10
- AMCIL Ltd (AMH) 11
- Argo Investments (ARG) 12
- Australian United Investment Company (AUI) 13
- BKI Investment Company (BKI) 14
- Cadence Capital (CDM) 15
- Clime Capital Ltd (CAM) 16
- Contango Microcap (CTN) 17
- Djerriwarrh Investments Ltd (DJW) 18
- Diversified United Investment Ltd (DUI) 19
- Milton Corporation (MLT) 20
- Mirrabooka Investments (MIR) 21
- Ozgrowth Limited (OZG) 22
- WAM Capital Ltd (WAM) 23
- WAM Research Ltd (WAX) 24
- Whitefield Ltd (WHF) 25
- Westoz Investment Company (WIC) 26
- Watermark Market Neutral Fund (WMK) 27

Global Focus

- Magellan Flagship Fund (MFF) 28
- Platinum Capital Ltd (PMC) 29
- Templeton Global Growth Fund (TGG) 30

Alternatives

- Aurora Absolute Return Fund (ABW) 31
- Aurora Sandringham Dividend Income Trust (AOD) 32

Australian Foundation Investment Co (AFI)

Investment Style/Strategy

AFIC aims to provide a steady stream of fully franked dividends and medium to long term capital growth through investment in a diversified set of quality stocks with management strength and disciplined financial metrics. The focus is on S&P/ASX 200 stocks with a 'nursery' of smaller stocks with the capacity to develop into major businesses over time. AFI looks to target stocks with good management, strong free cash flow, consistent margins and the ability to pay sustainable dividends. While the majority of assets lie in the Long Term Investment Portfolio, AFI also has a Trading Portfolio, capped at 10% of total portfolio, to take advantage of shorter term opportunities in the market.

Asset Allocation

As at 31 December 2013: AFIC had ~97% of capital invested in long term equities and ~3% or $160m in cash. As at 31 December 2013, AFI had total debt of $319.5m - $100m in drawn down debt and a $220m convertible note issue.

Investment Manager

AFIC's investment decisions are driven by the Investment Committee with day to day management of the portfolio and associated research done by an in house investment team that works in close consultation with the Chairman and Managing Director. The Investment Committee is comprised of Terry Campbell (Chairman), Ross Barker (MD), Jacqueline Hey, Graeme Liebelt, John Paterson, David Peever, Fergus Ryan, Cathy Walter and Peter Williams.

Dividend Policy

AFIC aims to provide fully franked dividends growing at a rate greater than inflation. Dividends have been funded by realised capital gains in the past.

Fee Structure

The management expense ratio was 0.18% for the half year ending 31 December 2013. No performance fee. Benchmark S&P/ASX 200 Accumulation.

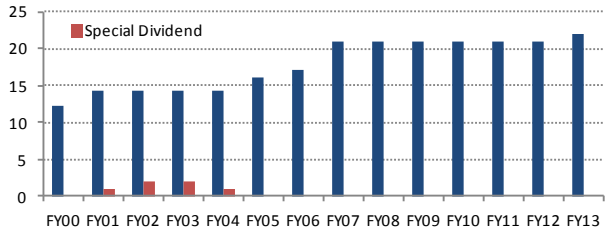
Share Price 30/04/2014	$5.96
Market Cap ($M)	6,252
12 Month Price Range	$5.13 - $6.28
Avg Weekly Volume	1,630,281

Performance (annualised)

	6 M	12 M	3 Yr	5 Yr
Share Price	0.8%	10.8%	11.2%	10.6%
NTA (Pre-tax)	3.1%	10.6%	10.4%	13.3%
ASX200 Accum	3.3%	10.5%	9.3%	12.6%

	FY11	FY12	FY13
Total Dividends (cps)	21.0	21.0	22.0
Yield (last full year dividend)			**3.7%**

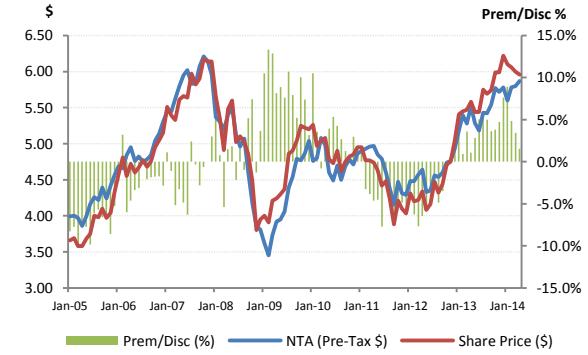
Historic Dividend Per Share (c) **June Year End**



NTA Data (as at end of month)

Last Reported	30/04/2014
NTA (Pre-Tax)	$5.87
Prem/Disc to Share Price	1.5%
1Yr Avg NTA Prem/Disc to Share Price	3.6%
5Yr Avg NTA Prem/Disc to Share Price	1.3%

NTA vs Share Price Chart



Major Shareholdings

as at 30 April 2014	%
Commonwealth Bank of Australia	10.5%
Westpac	10.0%
BHP Billiton	8.8%
National Australia Bank	5.3%
Wesfarmers	5.1%
ANZ Banking Group	4.6%
Telstra	4.5%
Woolworths	3.7%
Rio Tinto	3.6%
Oil Search	2.4%

Australian Leaders Fund (ALF)

Investment Style/Strategy

ALF is an Australian listed investment company with a portfolio comprising of publicly traded Australian companies. ALF differs from traditional listed investment companies in its use of hedging strategies to enhance returns and manage risk.

The investment process has a primary goal of identifying mispriced shares, looking to buy good companies on occasions when they are undervalued by the market. The group also short sells shares that are fundamentally challenged and considered overvalued, providing a natural hedge and helping manage risk through the cycle.

The fund targets +3-5% outperformance on the Long Portfolio and -3-5% underperformance on the Short Portfolio.

Asset Allocation

As at 30 April 2014, ALF's Gross Asset Value was $346m, Long exposure 130% and Short exposure 100% - Net Exposure 30%. Cash accounted for 70%.

Investment Manager

The objective of the investment manager is to deliver superior returns over the medium term within acceptable risk parameters while preserving the company's capital.

Directors: J. Braitling (Chairman & Chief Investment Officer), G. Wilson, J. Abernethy and J. Gosse.

Dividend Policy

Since listing in 2004, ALF has paid consistent and progressive dividends to shareholders including special dividends in years the fund has performed well. The board is also committed to active capital management having completed a number of share buybacks at times when shares have been undervalued by the market. ALF has a large surplus of franking credits - since listing in 2004 the company has paid 77.5 cents of franked dividends.

Fee Structure

The fund incurs a management fee of 1% of gross assets as well as a 20% performance fee on an absolute return basis (returns have to be positive and the fund needs to outperform the All Ordinaries Accumulated Index). The fund also attracts cost directly related to its operations.

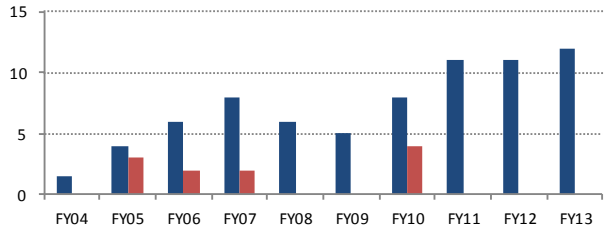
Share Price 30/04/2014	$1.68
Market Cap ($M)	386
12 Month Price Range	$1.41 - $1.80
Avg Weekly Volume	1,440,566

Performance (annualised)

	6 M	12 M	3 Yr	5 Yr
Share Price	3.0%	17.6%	14.6%	23.3%
NTA (Pre-tax)	0.6%	8.4%	10.7%	17.4%
ASX200 Accum	3.0%	10.4%	8.4%	12.5%

	FY11	FY12	FY13
Total Dividends (cps)	11.0	11.0	12.0
Yield (last full year dividend)			**7.1%**

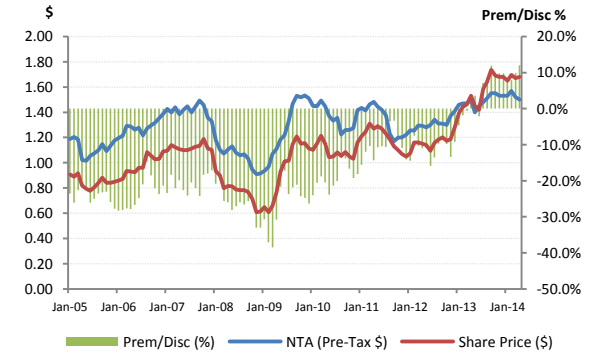
Historic Dividend Per Share (c) **June Year End**



NTA Data (as at end of month)

Last Reported	30/04/2014
NTA (Pre-Tax)	$1.50
Prem/Disc to Share Price	12.0%
1Yr Avg NTA Prem/Disc to Share Price	7.5%
5Yr Avg NTA Prem/Disc to Share Price	-10.0%

NTA vs Share Price Chart



Major Shareholdings (top longs)

as at 31 March 2014	%
ANZ Banking Group	9.1%
Commonwealth Bank	4.9%
Rio Tinto	4.4%
Wesfarmers	3.7%
Transurban	3.5%
Resmed	3.8%
QBE Insurance Group	3.6%
Origin Energy	3.6%
Westpac	3.4%
Asciano	3.1%

AMCIL Limited (AMH)

Investment Style/Strategy

Amcil holds a concentrated but diversified portfolio of stocks in its portfolio including both large and small cap. It seeks to provide investors with capital growth over the medium to long term along with the generation of a stream of fully franked dividends - a subordinate, but nevertheless important objective.

The company is an opportunistic investor and focuses its investments on companies with sound management, strong track record of execution of business strategy and good prospects for growth.

Asset Allocation

As at 31 December 2013, AMH had ~88% of its portfolio invested in long term securities and the residual 12% or $25.7m held in cash.

Investment Manager

AMH's investment decisions are driven by the Investment Committee with day to day management of the portfolio and associated research done by an in house investment team that works in close consultation with the Chairman and Managing Director. The Investment Committee is comprised of Bruce Teele (Chairman), Ross Barker, Peter Barnett, Rupert Myer and Richard Santamaria.

Dividend Policy

AMH considers the generation of dividend income as a subordinate objective to generating capital growth. AMH's dividend policy is to maximise distribution of available franking credits. Dividend growth may vary overtime as the company will not distribute capital gains unless franking credits have been generated.

Fee Structure

The management expense ratio was 0.67% for the half year ended 31 December 2013. No performance based fees. Benchmark is S&P/ASX 200 Accumulation.

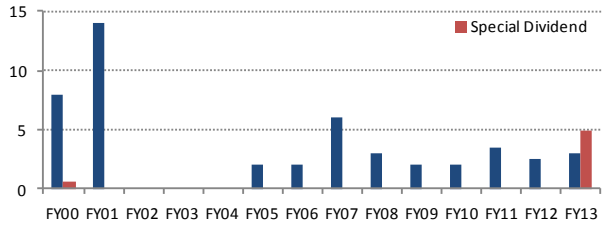
Share Price 30/04/2014	$0.92
Market Cap ($M)	210
12 Month Price Range	$0.80 - $0.99
Avg Weekly Volume	302,600

Performance (annualised)

	6 M	12 M	3 Yr	5 Yr
Share Price	-3.2%	15.4%	16.0%	16.8%
NTA (Pre-tax)	1.1%	13.4%	13.5%	16.8%
ASX200	3.3%	10.5%	9.3%	12.6%

	FY11	FY12	FY13
Total Dividends (cps)	3.5	2.5	3.0
Yield (last full year dividend)			**3.3%**

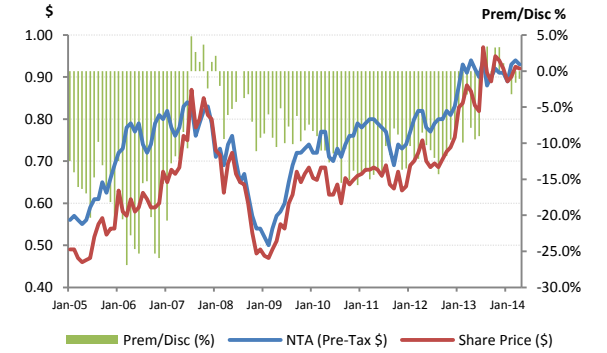
Historic Dividend Per Share (c) **June Year End**



NTA Data (as at end of month)

Last Reported	30/04/2014
NTA (Pre-Tax)	$0.93
Prem/Disc to Share Price	-1.1%
1Yr Avg NTA Prem/Disc to Share Price	-1.5%
5Yr Avg NTA Prem/Disc to Share Price	-8.9%

NTA vs Share Price Chart



Major Shareholdings

as at 30 April 2014	%
Oil Search	8.3%
BHP Billiton	7.8%
Commonwealth Bank	7.4%
Westpac	5.7%
Santos	4.8%
National Australia Bank	4.5%
Brambles	4.2%
Telstra	4.2%
Transurban	3.8%
QBE Insurance Group	3.1%

Argo Investments Ltd (ARG)

Investment Style/Strategy

Argo's objective is to maximise long-term returns to shareholders through a balance of capital and dividend growth via a diversified portfolio of long-term investments in stocks demonstrating quality management and prospects for sound earnings and dividend growth. The company only invests in Australian companies and while the majority of the portfolio consists of market leaders, ARG's strategy includes investing in quality smaller companies expected to generate strong returns.

The company is not a speculator but rather has a value-focused, long-term investment philosophy driven by its stock selection criteria. The portfolio contains approximately 100 companies and trust investments.

Asset Allocation

As at 31 December 2013, ARG had 96.3% of its portfolio invested in long term equities and 3.7% or $177m in cash reserves.

Investment Manager

Board: Geoffrey I. Martin (Chairman), Robert T. Rich (Deputy Chairman), Jason Beddow (MD), Anne B. Brennan, Roger A. Davis, Russell A. Higgins AO, Joycelyn C. Morton and Robert J. Patterson. Management Team: Jason Beddow (MD & CEO), Brenton R. Aird, Christopher C. Hall, Andrew B. Hill, Timothy C.A Binks.

Dividend Policy

ARG aims to provide an increasing stream of fully franked dividends to shareholders. Dividends have historically only been paid out of income received from investments.

Fee Structure

The management expense ratio was 0.18% for the year ended 30 June 2013. No performance fee. Benchmark: All Ordinaries Accumulation.

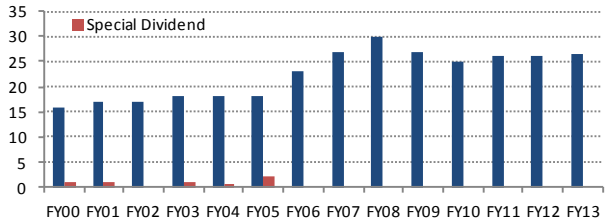
Share Price 30/04/2014	$7.20
Market Cap ($M)	4,764
12 Month Price Range	$6.11 - $7.43
Avg Weekly Volume	688,775

Performance (annualised)

	6 M	12 M	3 Yr	5 Yr
Share Price	2.4%	12.8%	9.5%	8.8%
NTA (Pre-tax)	3.1%	11.1%	9.9%	12.5%
ASX All Ords	3.0%	10.4%	8.4%	12.5%

	FY11	FY12	FY13
Total Dividends (cps)	26.0	26.0	26.5
Yield (last full year dividend)			**3.7%**

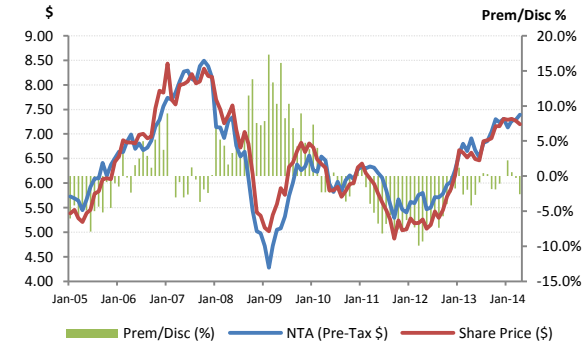
Historic Dividend Per Share (c) **June Year End**



NTA Data (as at end of month)

Last Reported	30/04/2014
NTA (Pre-Tax)	$7.39
Prem/Disc to Share Price	-2.6%
1Yr Avg NTA Prem/Disc to Share Price	-0.9%
5Yr Avg NTA Prem/Disc to Share Price	-1.4%

NTA vs Share Price Chart



Major Shareholdings

as at 30 April 2014	%
Westpac	7.2%
ANZ Banking Group	6.4%
BHP	6.2%
Wesfarmers	4.8%
Telstra	4.4%
Commonwealth Bank	4.4%
National Australia Bank	4.0%
Milton Corporation	3.5%
Rio Tinto	3.1%
Woolworths	3.1%

Australian United Investment Company Limited (AUI)

Investment Style/Strategy

AUI is an investment company which seeks, through portfolio management, to reduce risk and improve income from dividends and interest over the longer term. AUI's funds are invested in shares of companies listed primarily in the ASX300. The company targets medium to long term capital growth through a conservative investment strategy and relatively low turnover.

Investments are purchased or subscribed for on the basis of the directors' assessment of their individual prospects for income and growth. The directors do not invest by reference to any pre-determined policy that any particular proportions of the capital will be invested in particular investment sectors.

Asset Allocation

As at 31 December 2013, AUI had 95% of capital ($971m) invested in listed equities and ~4.6% or $47m in cash assets. The group's borrowings totaled ~$79m. AUI maintain a gearing level of between 10-12%.

Investment Manager

The Board has day-to-day responsibility for management of the investment portfolio. The Board comprises of 5 directors: Charles Goode (Chairman), Peter Wetherall, Professor John Rose, and James Craig.

Dividend Policy

AUI focus on maintaining and increasing dividend levels. Through the GFC, AUI was one of few LICs to not lower dividends. AUI is eligible to distribute capital gains to shareholders.

Fee Structure

The management expense ratio was 0.13% for the year ending 30 June 2013. No performance fee. Benchmark S&P/ASX 300 Accumulation.

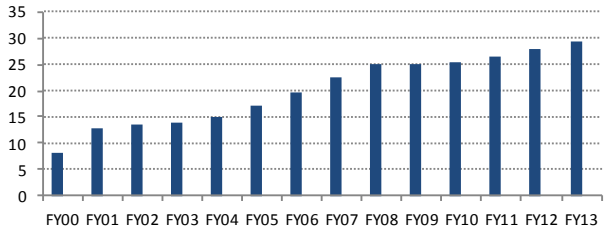
Share Price 30/04/2014	$8.15
Market Cap ($M)	889
12 Month Price Range	$6.57 - $8.30
Avg Weekly Volume	69,135

Performance (annualised)

	6 M	12 M	3 Yr	5 Yr
Share Price	4.7%	16.9%	9.4%	12.4%
NTA (Pre-tax)	3.5%	11.2%	8.7%	12.8%
ASX300 Accum	3.1%	10.1%	8.8%	12.3%

	FY11	FY12	FY13
Total Dividends (cps)	26.5	28.0	29.5
Yield (last full year dividend)			**3.6%**

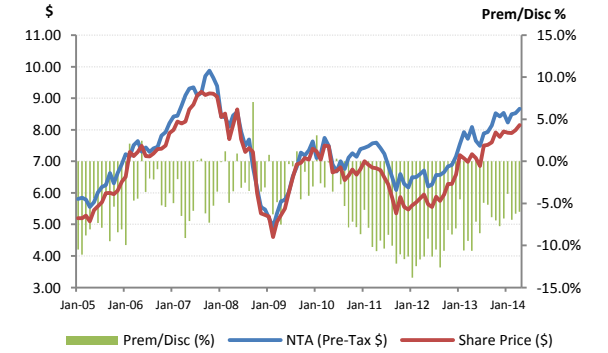
Historic Dividend Per Share (c) **June Year End**



NTA Data (as at end of month)

Last Reported	30/04/2014
NTA (Pre-Tax)	$8.67
Prem/Disc to Share Price	-6.0%
1Yr Avg NTA Prem/Disc to Share Price	-6.7%
5Yr Avg NTA Prem/Disc to Share Price	-7.1%

NTA vs Share Price Chart



Major Shareholdings

as at 30 April 2014	%
ANZ Banking Group	9.1%
Westpac	7.9%
Commonwealth Bank	7.5%
BHP Billiton	7.4%
National Australia Bank	7.1%
Wesfarmers	5.9%
Rio Tinto	5.0%
Woodside Petroleum	4.9%
Woolworths	4.3%
Diversified United Investments	4.1%

BKI Investment Company Limited (BKI)

Investment Style/Strategy
BKI looks to make long term investments in companies, trusts and interest bearing securities with a focus on Australian entities. With the objective of generating an increasing income stream and long term capital growth, BKI seeks to invest in well-managed businesses with a profitable history and with the expectation of sound dividend and distribution growth.

Asset Allocation
As at 31 December 2013, BKI had a total investment portfolio value of ~$850m. Of which $784m was invested in long term equities and 7.6% or $65m was held in cash and cash equivalents.

Investment Manager
BKI has an internal Portfolio Management team to provide investment advisory services to the Board of Directors and its Investment Committee. The Investment Committee makes the final investment decisions and meets regularly to review the portfolio and is comprised of Thomas Millner, Robert Millner, Alexander Payne and Ian Huntley.

Dividend Policy
BKI aims to generate an increasing income stream for distribution to its shareholders in the form of fully franked dividends. Dividends are declared out of realised profit after tax, including interest, dividends and other income received from investments but excluding realised capital profit from any disposals of long-term investments.

Fee Structure
The management expense ratio was 0.17% for the half year ending 31 December 2013. No performance fee. Benchmark: S&P/ASX 300 Accumulation.

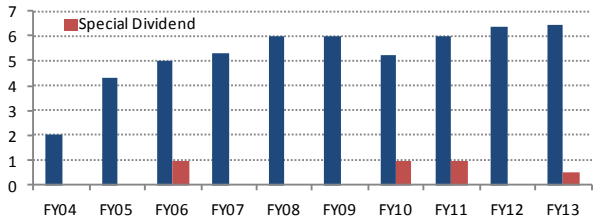
Share Price 30/04/2014	$1.64
Market Cap ($M)	860
12 Month Price Range	$1.33 - $1.65
Avg Weekly Volume	822,501

Performance (annualised)

	6 M	12 M	3 Yr	5 Yr
Share Price	7.3%	15.0%	13.6%	14.7%
NTA (Pre-tax)	1.5%	5.9%	10.1%	12.8%
ASX300 Accum	3.1%	10.1%	8.8%	12.3%

	FY11	FY12	FY13
Total Dividends (cps)	7.0	6.4	6.7
Yield (last full year dividend)			**4.1%**

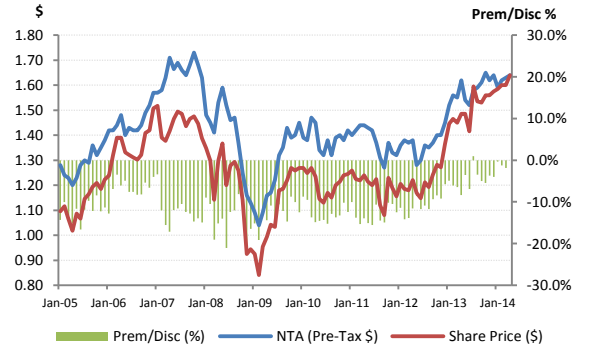
Historic Dividend Per Share (c) **June Year End**



NTA Data (as at end of month)

Last Reported	30/04/2014
NTA (Pre-Tax)	$1.64
Prem/Disc to Share Price	0.0%
1Yr Avg NTA Prem/Disc to Share Price	-3.3%
5Yr Avg NTA Prem/Disc to Share Price	-9.9%

NTA vs Share Price Chart



Major Shareholdings

as at 30 April 2014	%
Commonwealth Bank	9.3%
National Australia Bank	9.2%
Westpac	8.3%
BHP Billiton	6.3%
Telstra	5.3%
New Hope Corporation	5.2%
ANZ Banking Group	4.9%
Wesfarmers	4.5%
Woolworths	3.8%
TPG Telecom	3.0%

Cadence Capital (CDM)

Investment Style/Strategy

CDM is a long-short Australian listed investment company with a portfolio comprising of publicly traded Australian companies. With a long bias, CDM operates an open mandate and its key point of differentiation is the combination of fundamental and technical trend analysis in making investment decision.

The Manager will target 20 to 40 research driven core investments and 0 to 40 trading opportunities in the portfolio at any given time. Fund concentration is monitored by analyzing exposures both at an individual stock and sector level.

Gross exposure of the fund will generally be between 70-140%, with the net exposure typically 50-100%. The maximum leverage the Manager would employ is 40% gearing (debt/equity basis).

Asset Allocation

As at 30 April 2014, CDM's long exposure was 66.2% and Short exposure 1.1% - cash accounted for 34.9%. Top (net) sector exposures were Financials (21.9%) and Banks (14.5%).

Investment Manager

CDM is managed by Cadence Asset Management Pty Ltd, which is controlled by entities ultimately owned by Karl Siegling and Wayne Davies.

Directors: K. Siegling, James Chirnside, Wayne Davies and Ronald Hancock.

Dividend Policy

CDM aims to pay a continuous and growing stream of fully franked dividends dependent on retained earnings and sufficient franking credits being available. The board is also committed to active capital management, having declared special dividends in four out of seven years since listing.

CDM is currently offering a bonus option entitlement for shareholders on the register as at 15 January 2014 (1-for-1 issue with $1.43 strike).

Fee Structure

The fund incurs a management fee of 1% of gross assets as well as a 20% performance fee on any outperformance above the S&P/ASX All Ordinaries Accumulation Index; 20% of absolute positive performance if the index declines over the period.

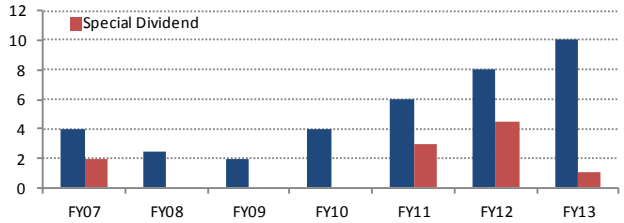
Share Price 30/04/2014	$1.42
Market Cap ($M)	238
12 Month Price Range	$1.24 - $1.53
Avg Weekly Volume	663,339

Performance (annualised)

	6 M	12 M	3 Yr	5 Yr
Share Price	7.3%	12.9%	17.1%	34.0%
NTA (Pre-tax)	2.9%	10.3%	11.4%	22.5%
ASX All Ords	3.0%	10.4%	8.4%	12.5%

	FY11	FY12	FY13
Total Dividends (cps)	9.0	12.5	11.0
Yield (last full year dividend)			**7.7%**

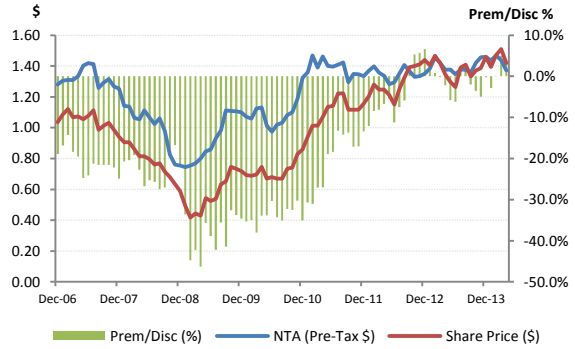
Historic Dividend Per Share (c) **June Year End**



NTA Data (as at end of month)

Last Reported	30/04/2014
NTA (Pre-Tax)	$1.37
Prem/Disc to Share Price	3.6%
1Yr Avg NTA Prem/Disc to Share Price	-1.2%
5Yr Avg NTA Prem/Disc to Share Price	-17.2%

NTA vs Share Price Chart



Major Shareholdings

as at 30 April 2014	%
Henderson Group	8.3%
Macquarie Group	7.8%
National Australia Bank	4.7%
ANZ Banking Group	4.5%
Melbourne IT	3.7%
Bluescope Steel	3.5%
Bank of Queensland	3.2%
IInet	3.2%
Retail Food Group	3.0%
Flexigroup	2.4%

Clime Capital Limited (CAM)

Investment Style/Strategy

Clime invests in a diversified portfolio of 20-25 ASX listed securities, including debt notes and hybrids, with the objective of finding high recurrent yield from strong balance sheets or business cash flows.

A 'macroeconomic overlay' approach means that portfolio allocation between cash (passive) and invested (active) is strategically managed. A macroeconomic overlay is combined with high conviction, value investing resulting in a stable portfolio with low turnover.

Under the investment strategy, up to 30% of the portfolio may be invested in international listed securities.

Asset Allocation

As at 30 April 2014, CAM had total equity market exposure of 43.8%; hybrid and interest bearing securities exposure of 12.2%; and cash and equivalents exposure of 44.0%.

Investment Manager

CAM is ultimately managed by Clime Investment Management Ltd (CIW): John Abernethy (Executive Director, CIO), George Whitehouse (Portfolio Manager), Vincent Chin (Senior Analyst), Adrian Ezquerro (Analyst), Matthew Koroi (Analyst) and Alex Hughes (Analyst).

Dividend Policy

CAM aims to declare and pay ordinary and preference share dividends each quarter. The current portfolio has a high level of income generation from its shares and franking which CAM passes on. The company also declares bonus share issues to improve liquidity and maintains ordinary dividends across these bonus shares.

Fee Structure

Management fee of 1.00% of funds under management per annum. Performance fee of 20% of any out performance above the S&P/ASX All Ordinaries Accumulation Index (absolute return basis); 20% of absolute performance if the index declines over the period.

Share Price 30/04/2014	$0.98
Market Cap ($M)	79
12 Month Price Range	$0.96 - $1.12
Avg Weekly Volume	104,788

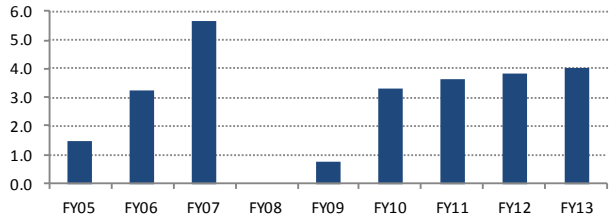
Performance (annualised)

	6 M	12 M	3 Yr	5 Yr
Share Price	-8.1%	-0.7%	5.7%	16.5%
NTA (Pre-tax)*	-4.2%	-1.2%	4.1%	10.2%
ASX All Ords	3.0%	10.4%	8.4%	12.5%

** Returns are calculated on an NTA per ordinary share basis, and therefore exclude the effect of the preference shares.*

	FY11	FY12	FY13
Total Dividends (cps)	3.6	3.8	4.0
Yield (last full year dividend)			**4.1%**

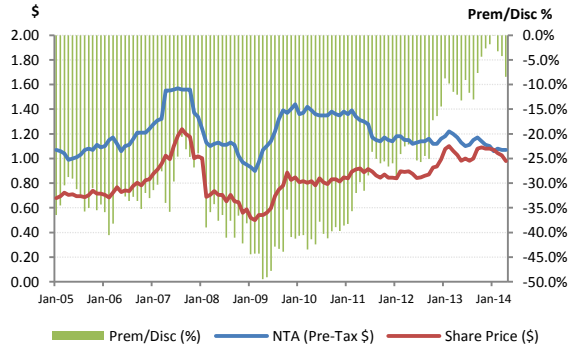
Historic Dividend Per Share (c) **June Year End**



NTA Data (as at end of month)

Last Reported	30/04/2014
NTA (Pre-Tax)	$1.07
Prem/Disc to Share Price	-8.4%
1Yr Avg NTA Prem/Disc to Share Price	-7.0%
5Yr Avg NTA Prem/Disc to Share Price	-26.5%

NTA vs Share Price Chart



Major Shareholdings

as at 30 April 2014	%
BHP Billiton	7.7%
ANZ Banking Group	5.2%
Multiplex Convertible Note	3.9%
Brickworks	3.8%
Woolworths	3.6%
Reject Shop	3.5%
National Australia Bank	3.2%
SMS Management & Technology	3.0%
Macquarie Perpetual Notes	3.0%
Telstra	2.8%

Contango Microcap Limited (CTN)

Investment Style/Strategy

Contango invests in a diversified portfolio of microcap ($10-$350m) stocks listed on the ASX with the objective of providing regular payment of franked dividends and the preservation of the capital base of the Company.

A 'business cycle' approach is used such that macro-economic factors and industry rotation analysis is used in conjunction with extensive company analysis to identify the most attractive investment opportunities in the microcap universe. The company's portfolio usually consists of around 60-100 stocks.

Asset Allocation

As at 30 April 2014, CTN had total equity market exposure of $187m, of which 19% was invested in Resources and 79% in Industrials. The group's portfolio was invested across 67 securities with the top 20 holdings representing ~50% of the portfolio.

Investment Manager

CTN is managed by Contango Asset Management: David Stevens (Managing Director, CIO), Carol Austin (Investment Services Director), Bill Laister (Senior Portfolio Manager & Manager of the CTN Investment Portfolio), Andrew Mouchacca (Senior Portfolio Manager), Paul Davoren (Portfolio Manager) and Craig Allen (Portfolio Manager).

Dividend Policy

CTN aims to pay dividends amounting to a 6% yield on the NTA per share prevailing at the beginning of the financial year **(6.3cps for FY2014E).** The company may also continue to pay additional special dividends when favourable market circumstances allow. Where profits or retained earnings are not sufficient to meet the proposed yield, the lower dividend will be augmented by an equivalent capital return payment.

Fee Structure

1.25% of funds under management per annum. Performance fee of 15% of any out performance above the S&P/ASX All Ordinaries Accumulation Index, subject to exceeding a high water mark.

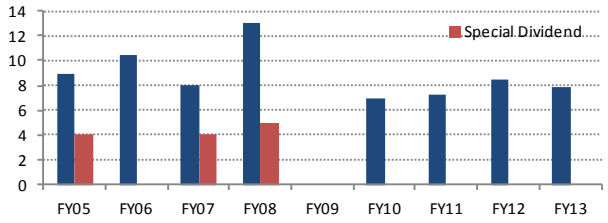
Share Price 30/04/2014	$1.01
Market Cap ($M)	159
12 Month Price Range	$0.94 - $1.15
Avg Weekly Volume	916,455

Performance (annualised)

	6 M	12 M	3 Yr	5 Yr
Share Price	-5.4%	4.8%	-1.9%	14.8%
NTA (Pre-tax)	-4.4%	7.1%	-4.6%	7.3%
ASX All Ords	3.0%	10.4%	8.4%	12.5%

	FY11	FY12	FY13
Total Dividends (cps)	7.2	8.5	7.8
Yield (last full year dividend)			**8.4%**

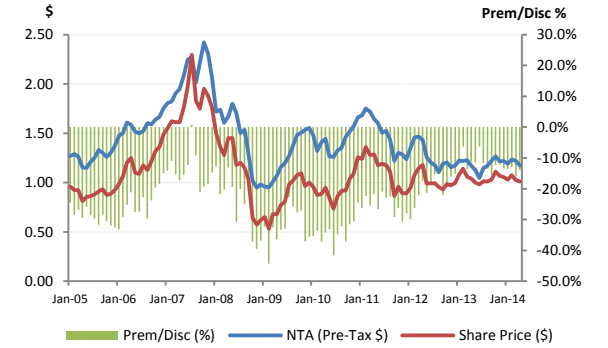
Historic Dividend Per Share (c) **June Year End**



NTA Data (as at end of month)

Last Reported	30/04/2014
NTA (Pre-Tax)	$1.17
Prem/Disc to Share Price	-13.9%
1Yr Avg NTA Prem/Disc to Share Price	-12.6%
5Yr Avg NTA Prem/Disc to Share Price	-23.3%

NTA vs Share Price Chart



Major Shareholdings

as at 30 April 2014	%
Slater & Gordon	3.8%
G8 Education	3.2%
Tiger Resources	3.0%
Mayne Pharma	2.7%
Villa World	2.6%
Prime Media Group	2.6%
Cedar Woods Properties	2.5%
Village Roadshow	2.5%
BT Investment Management	2.4%
Syrah Resources	2.4%

Djerriwarrh Investments Limited (DJW)

Investment Style/Strategy

DJW's approach is built on taking a medium to longer term view of value with a focus on the top 50 ASX shares by market capitalisation. DJW aims to provide an enhanced level of dividends and growth in capital invested in the medium to long term. The company uses Exchange Traded Options to enhance income return (typically 20-50% of portfolio covered dependent on market conditions), thus concentration on stocks in the S&P/ASX 50 Leaders Index with an active options market is an additional consideration to their stock selection criteria. The portfolio consists of approximately 50 stocks.

Asset Allocation

As at the 31 December 2013, DJW had ~95% of its portfolio invested in equities (the short term trading portfolio accounted for ~1% of the portfolio) and cash totaled $42.2m or ~5% of the portfolio.

Investment Manager

DJW's investment decisions are driven by the Investment Committee with day to day management of the portfolio and associated research done by an in house investment team that works in close consultation with the Chairman and Managing Director. The Investment Committee is comprised of John Paterson (Chairman), Ross Barker, Peter Barnett, Graham Goldsmith, Andrew Guy, Graham Kraehe, Bruce Teele and Alice Williams.

Dividend Policy

DJW seeks to provide enhanced fully franked dividend income through its investment, option writing and trading portfolio activities. Dividends may be sourced from current year profits, retained profits and profits from the sale of investments

Fee Structure

The management expense ratio was 0.39% as at 31 December 2013. No performance fee. Benchmark: S&P/ASX 50 Accumulation.

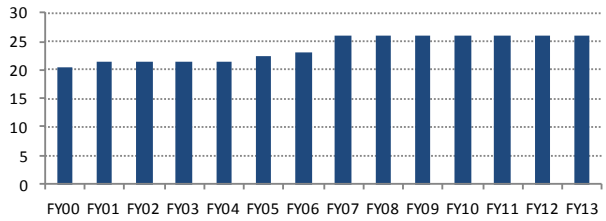
Share Price 30/04/2014	$4.46
Market Cap ($M)	975
12 Month Price Range	$4.21 - $4.90
Avg Weekly Volume	391,684

Performance (annualised)

	6 M	12 M	3 Yr	5 Yr
Share Price	-0.7%	12.1%	8.6%	10.1%
NTA (Pre-tax)	2.5%	10.0%	8.2%	11.5%
ASX50	3.3%	10.7%	10.6%	13.2%

	FY11	FY12	FY13
Total Dividends (cps)	26.0	26.0	26.0
Yield (last full year dividend)			**5.8%**

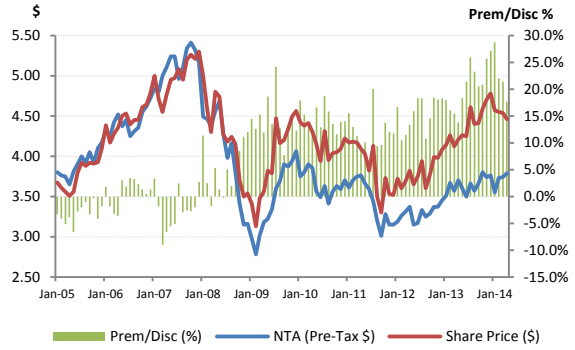
Historic Dividend Per Share (c) **June Year End**



NTA Data (as at end of month)

Last Reported	30/04/2014
NTA (Pre-Tax)	$3.79
Prem/Disc to Share Price	17.7%
1Yr Avg NTA Prem/Disc to Share Price	22.0%
5Yr Avg NTA Prem/Disc to Share Price	15.8%

NTA vs Share Price Chart



Major Shareholdings

as at 30 April 2014	%
BHP Billiton	10.4%
Westpac	7.4%
ANZ Banking Group	6.2%
Telstra	6.2%
National Australia Bank	6.2%
Commonwealth Bank	6.1%
Oil Search	4.5%
Woodside Petroleum	4.3%
Wesfarmers	3.3%
Rio Tinto	3.0%

Diversified United Investment Limited (DUI)

Investment Style/Strategy

DUI is an investment company founded in 1991 which seeks, through portfolio diversification and professional management, to improve its income from dividends and interest over the longer term within an acceptable level of risk. The company takes a medium to long term view investing in Australian equities and short term deposits.

Asset Allocation

As at 31 December 2013, DUI had ~98% of capital ($685m) invested in listed equities and ~2% or $15.4m in cash and short term receivables. The group's borrowings totaled $65m. DUI maintain a gearing level of between 10-12%.

Investment Manager

The Board has day-to-day responsibility for management of the investment portfolio. The Board comprises of four directors: Charles Goode (Chairman), Anthony Burgess, Stephen Hiscock and Pierre Prentice.

Dividend Policy

DUI focus on maintaining and increasing dividend levels. Through the GFC, DUI was one of few LICs to not lower dividends. DUI is eligible to distribute capital gains to shareholders.

Fee Structure

The management expense ratio was 0.17% for the year ending 30 June 2013. No performance fee. Benchmark S&P/ASX 300 Accumulation.

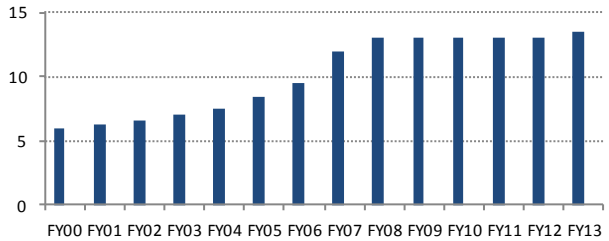
Share Price 30/04/2014	$3.57
Market Cap ($M)	611
12 Month Price Range	$2.89 - $3.67
Avg Weekly Volume	111,501

Performance (annualised)

	6 M	12 M	3 Yr	5 Yr
Share Price	4.5%	16.3%	10.8%	12.5%
NTA (Pre-tax)	3.4%	12.5%	10.1%	13.1%
ASX300 Accum	3.1%	10.1%	8.8%	12.3%

	FY11	FY12	FY13
Total Dividends (cps)	13.0	13.0	13.5
Yield (last full year dividend)			**3.8%**

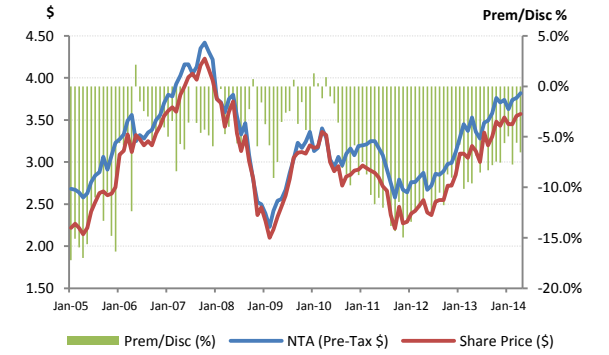
Historic Dividend Per Share (c) **June Year End**



NTA Data (as at end of month)

Last Reported	30/04/2014
NTA (Pre-Tax)	$3.82
Prem/Disc to Share Price	-6.5%
1Yr Avg NTA Prem/Disc to Share Price	-6.9%
5Yr Avg NTA Prem/Disc to Share Price	-7.6%

NTA vs Share Price Chart



Major Shareholdings

as at 30 April 2014	%
ANZ Banking Group	9.1%
Westpac	8.8%
Commonwealth Bank	8.8%
BHP Billiton	8.4%
Woodside Petroleum	6.0%
National Australia Bank	5.9%
CSL	5.4%
Rio Tinto	4.7%
Woolworths	3.6%
Transurban	3.0%

Milton Corporation Limited (MLT)

Investment Style/Strategy

Milton is a long term investor in a diversified portfolio of well managed companies and trusts with a profitable history and an expectation of increasing dividends and distributions. In addition, Milton holds liquid assets such as cash and term deposits and it invests in hybrid securities as well as real property developments through joint ventures.

Milton holds approximately 100 investments within its portfolio. Milton is not a speculative investor and does not sell its assets to increase profit for distribution to shareholders. Turnover of investments is low and capital gains arising from disposal are reinvested.

Asset Allocation

As at 31 December 2013, 93% ($2,523m) of the portfolio was invested in equities, ~5% ($148m) in cash and equivalents and <2% ($40m) in other financial assets.

Investment Manager

MLT is internally managed by its Investment Committee, comprised of three non-executive directors and the managing director. The Committee meets regularly to review the investment portfolio and to make investment decisions within defined limits. Board: Francis Gooch (Managing Director), Robert Millner (Chairman), John Church, Graeme Crampton, Kevin Eley and Ian Pollard.

Dividend Policy

MLT's objective is to pay increasing fully franked dividends to shareholders. The company has sufficient franking credits to ensure future dividends will be fully franked.

Fee Structure

The management expense ratio was 0.13% as at 30 June 2013. No performance fee. Benchmark: All Ordinaries Accumulation.

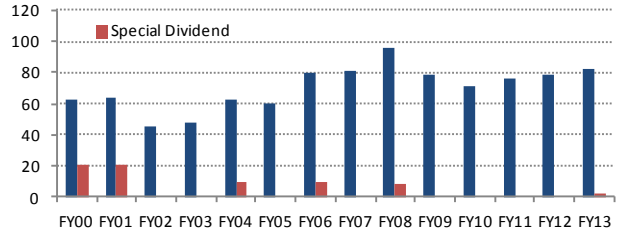
Share Price 30/04/2014	$4.38
Market Cap ($M)	2,763
12 Month Price Range	$3.58 - $4.41
Avg Weekly Volume	113,545

Performance (annualised)

	6 M	12 M	3 Yr	5 Yr
Share Price	4.5%	16.6%	14.4%	12.8%
NTA (Pre-tax)	1.9%	8.2%	11.4%	13.6%
ASX All Ords	3.0%	10.4%	8.4%	12.5%

	FY11	FY12	FY13
Total Dividends (cps)	76.0	78.0	82.0
Yield (last full year dividend)			**3.7%**

Historic Dividend Per Share* (c) June Year End

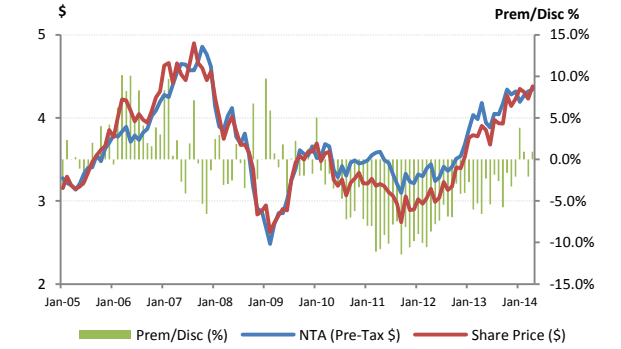


**Historical dividends are pre-split*

NTA Data (as at end of month)

Last Reported	30/04/2014
NTA (Pre-Tax)	$4.34
Prem/Disc to Share Price	0.9%
1Yr Avg NTA Prem/Disc to Share Price	-1.7%
5Yr Avg NTA Prem/Disc to Share Price	-4.7%

NTA vs Share Price Chart



Major Shareholdings

as at 30 April 2014	%
Westpac	13.4%
Commonwealth Bank	8.7%
National Australia Bank	5.7%
WH Soul Pattinson	5.0%
BHP Billiton	4.7%
Wesfarmers	4.5%
ANZ Banking Group	3.7%
Woolworths	3.7%
Bank of Queensland	3.1%
ALS Limited	3.1%

Mirrabooka Investments Limited (MIR)

Investment Style/Strategy

Mirrabooka is a listed investment company that aims to provide medium to long term investment gains through holding core investments in selected small and medium sized companies (located within Australia and New Zealand) and to provide attractive dividend returns to shareholders from these investments. Of particular interest are companies with relatively low price earnings ratios and high dividend yields. The Company typically holds between 50 to 80 stocks depending on their fit with the investment aims and the desired concentration of risk within the portfolio.

Asset Allocation

As at 31 December 2013, MIR had a total portfolio value of $339m, 92% of which was invested in long-term equities, 0.4% in a short term trading portfolio and ~8% or $25.4m in cash.

Investment Manager

MIR's investment decisions are driven by the Investment Committee with day to day management of the portfolio and associated research done by an in house investment team that works in close consultation with the Chairman and Managing Director. The Investment Committee is comprised of Terry Campbell (Chairman), Ross Barker (Managing Director), Ian Campbell, David Meiklejohn and Graeme Sinclair.

Dividend Policy

It is the intention of the Board to pay out a reasonable fully franked dividend to the extent that the performance of the company may prudently allow. Dividends on occasions have been sourced from realised gains.

Fee Structure

Management expense ratio was 0.70% for the year to 30 June 2013. Benchmark: S&P Midcap (50%); Small Acc (50%)

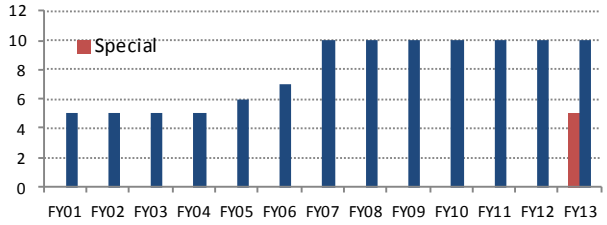
Share Price 30/04/2014	$2.53
Market Cap ($M)	353
12 Month Price Range	$2.12 - $2.85
Avg Weekly Volume	512,140

Performance (annualised)

	6 M	12 M	3 Yr	5 Yr
Share Price	-4.3%	14.4%	13.9%	16.4%
NTA (Pre-tax)	2.0%	16.2%	13.8%	17.4%
S&P Midcap/Small Ords	4.0%	9.0%	2.0%	9.0%

	FY11	FY12	FY13
Total Dividends (cps)	10.0	10.0	10.0
Yield (last full year dividend)			**4.0%**

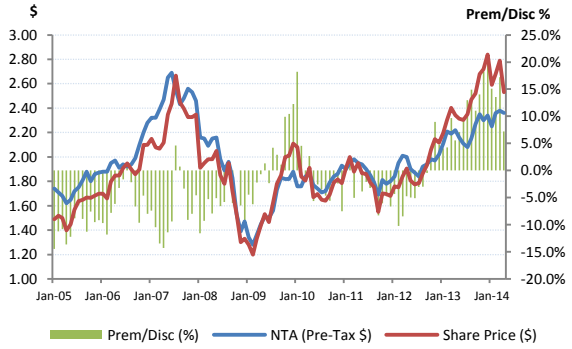
Historic Dividend Per Share (c) **June Year End**



NTA Data (as at end of month)

Last Reported	30/04/2014
NTA (Pre-Tax)	$2.36
Prem/Disc to Share Price	7.2%
1Yr Avg NTA Prem/Disc to Share Price	12.9%
5Yr Avg NTA Prem/Disc to Share Price	2.4%

NTA vs Share Price Chart



Major Shareholdings

as at 30 April 2014	%
James Hardie Industries	4.8%
Oil Search	4.0%
Equity Trustees	3.8%
Tassal Group	3.6%
ALS	3.2%
Ansell	3.1%
Tox Free Solutions	2.9%
Qube Holdings	2.7%
InvoCare	2.5%
IRESS	2.5%

Ozgrowth Limited (OZG)

Investment Style/Strategy

OZG was established in late 2007 and was initially listed in January 2008, having raised $80m. No further equity issues have been made.

Its investment objective is to generate consistent positive returns on its portfolio of assets through investment in small to mid-cap ASX listed shares and cash.

OZG has a similar investment philosophy to its larger counterpart WIC, in that it seeks to identify stocks from its base of operation in Perth that can be in included in a portfolio consistent with its investment objectives. The portfolio manager is owned by Euroz Ltd, whose research OZG leverages with other research to assist in identifying suitable opportunities.

Unlike WIC, OZG adopts a more active trading stance and can consider smaller opportunities (sub $100m market cap). Its portfolio will generally consist of 10-20 stocks and a high level of cash may be held if suitable investment opportunities cannot be identified.

Asset Allocation

As at 30 April 2014, 55% of the portfolio was allocated across Resources, 41% Industrials and 4% held in Cash.

Investment Manager

The portfolio is managed by Westoz Funds Management, a 100% owned subsidiary of Euroz Limited. Board of Directors: Peter Diamond (Chairman), Jay Hughes, Philip Rees and Mike Jefferies.

Dividend Policy

Policy is to payout minimum of 50% of realised after tax profits. Dividend targets (fully franked) of 1.5 cents have been set for FY13 and FY14.

Fee Structure

Management fee is 1% of portfolio value p.a., with performance incentives of 20% of returns in excess of 7% p.a., paid 30 June.

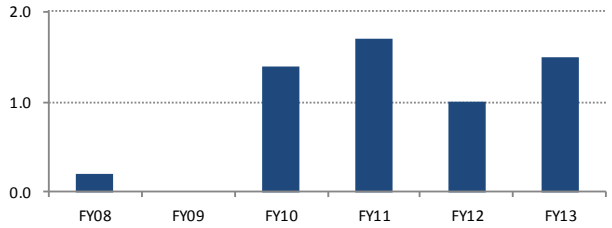
Share Price 30/04/2014	$0.20
Market Cap ($M)	70
12 Month Price Range	$0.15 - $0.20
Avg Weekly Volume	1,189,531

Performance (annualised)

	6 M	12 M	3 Yr	5 Yr
Share Price	6.6%	18.1%	10.0%	17.6%
NTA (Pre-tax)	-1.5%	7.7%	1.2%	10.3%
All Ords	3.0%	10.4%	8.4%	12.5%

	FY11	FY12	FY13
Total Dividends (cps)	1.7	1.0	1.5
Yield (last full year dividend)			**7.7%**

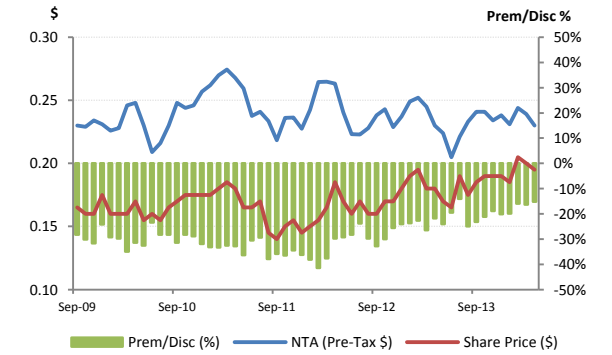
Historic Dividend Per Share (c) **June Year End**



NTA Data (as at end of month)

Last Reported	30/04/2014
NTA (Pre-Tax)	$0.23
Prem/Disc to Share Price	-15.2%
1Yr Avg NTA Prem/Disc to Share Price	-19.6%
5Yr Avg NTA Prem/Disc to Share Price	-28.4%

NTA vs Share Price Chart



Major Shareholdings

as at 30 April 2014	%
Cedar Woods Properties Ltd	20.0%
Aquila Resources	7.0%
Automotive Holdings Group	7.0%
Mount Gibson Iron Ore	6.0%
Aurora Oil & Gas	6.0%
Sundance Energy Australia	5.0%
Tap Oil	5.0%
Medusa Mining	5.0%
Finbar Group	4.0%
Atlas Iron	3.0%

WAM Capital Limited (WAM)

Investment Style/Strategy

WAM invests in ASX listed securities and concentrates on identifying undervalued growth companies - typically small to medium industrial companies. There are two investment approaches which are employed to assist in determining investment decisions: **1)** Research Driven and **2)** Market Driven.

Research Driven investing - extensive research, focusing on free cash flow, then rating the company's management, earnings growth potential, valuation, industry position and catalyst for share price growth. **Market Driven** investing - aims to take advantage of short-term relative arbitrage opportunities and mispricing in the market.

For each position taken in the market driven portfolio WAM generally employs a stop loss strategy for when a company's share price falls below 10% of cost price. The Company has the flexibility to short sell securities. We note that this has never been more than 10% of the portfolio. If the manager does not identify a catalyst under the Research Driven approach or a trading opportunity under the Market Driven approach, we revert to cash. The average net cash position held since inception has been 32.1%.

Asset Allocation

As at 30 April 2014, WAM had 59% of its portfolio invested in Equities. Cash and Fixed Interest made up 41% of the portfolio, totaling $608.9m.

Investment Manager

WAM is managed by Wilson Asset Management: Geoff Wilson (Chairman/Portfolio Manager), Chris Stott (CIO/Portfolio Manager), Martin Hickson (Senior Analyst), Matthew Haupt (Analyst) and Mark Tobin (Analyst).

Dividend Policy

WAM's intention is to provide an increasing stream of fully franked dividends to shareholders providing it has sufficient franking credits and it is within prudent business practices.

Fee Structure

The Manager, Wilson Asset Management Pty Ltd is paid a management fee of 1% p.a of gross assets. In addition to this it is also paid annually in arrears a performance fee of 20% where the amount by which the Value of the Portfolio has exceeded the increase in the All Ordinaries Accumulation Index or 20% of the increased value of the portfolio in the event the All Ordinaries Accumulation index has fallen.

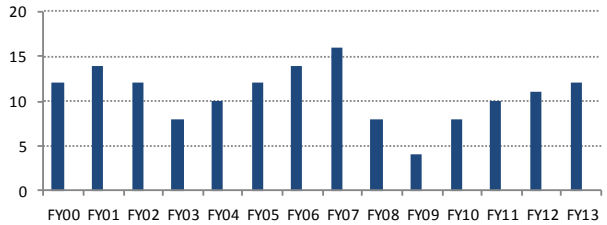
Share Price 30/04/2014	$1.95
Market Cap ($M)	664
12 Month Price Range	$1.60 - $2.08
Avg Weekly Volume	726,257

Performance (annualised)

	6 M	12 M	3 Yr	5 Yr
Share Price	7.2%	23.5%	12.5%	22.2%
NTA (Pre-tax)	0.3%	10.0%	8.7%	13.4%
ASX All Ords	3.0%	10.4%	8.4%	12.5%

	FY11	FY12	FY13
Total Dividends (cps)	10.0	11.0	12.0
Yield (last full year dividend)			**6.2%**

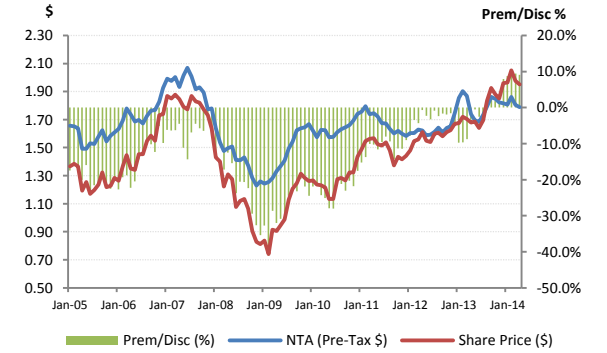
Historic Dividend Per Share (c) **June Year End**



NTA Data (as at end of month)

Last Reported	30/04/2014
NTA (Pre-Tax)	$1.79
Prem/Disc to Share Price	9.1%
1Yr Avg NTA Prem/Disc to Share Price	3.5%
5Yr Avg NTA Prem/Disc to Share Price	-10.7%

NTA vs Share Price Chart



Major Shareholdings

as at 30 April 2014	%
CBA PERLS IV	3.6%
Century Australia Investments	2.3%
Donaco International	1.9%
ANZ CPS2	1.7%
Slater & Gordon	1.6%
Westoz	1.6%
Ardent Leisure Group	1.6%
DuluxGroup	1.6%
Hills Ltd	1.5%
IPE Ltd	1.5%

WAM Research Limited (WAX)

Investment Style/Strategy

WAX invests in ASX listed securities and concentrates on identifying undervalued growth companies - typically small to medium industrial companies. There are two investment approaches which are employed to assist in determining investment decisions: **1)** Research Driven and **2)** Investment Driven.

Research Driven investing - extensive research, focusing on free cash flow, then rating the company's management, earnings growth potential, valuation, industry position and catalyst for share price growth. **Investment Driven** investing - aims to identify companies with sustainable business models, a track record of profits and dividends, positive free cashflow, acceptable financial strength and a sound return on equity.

WAX aims to invest across a portfolio of 30-50 investee securities so as to achieve a high real rate of return, comprising both income and capital growth; a secure income stream in fully franked dividends, and preserve the capital of the company.

Asset Allocation

As at 30 April 2014, WAX had 59% of its portfolio invested in Equities. Cash and Fixed Interest made up 41% of the portfolio, totaling $150.6m.

Investment Manager

WAX is managed by Wilson Asset Management: Geoff Wilson (Chairman/Portfolio Manager), Chris Stott (CIO/Portfolio Manager), Martin Hickson (Analyst/Dealer), Matthew Haupt (Analyst) and Mark Tobin (Analyst).

Dividend Policy

WAX's intention is to provide an increasing stream of fully franked dividends to shareholders providing it has sufficient franking credits and it is within prudent business practices.

Fee Structure

Wilson Asset Management Pty Ltd is paid a management fee of 1% pa of gross assets. In addition to this it is also paid annually in arrears a performance fee of 20% of where the amount by which the Value of the Portfolio has exceeded the increase in the All Ordinaries Accumulation Index or 20% of the increased value of the portfolio in the event the All Ordinaries Accumulation index has fallen.

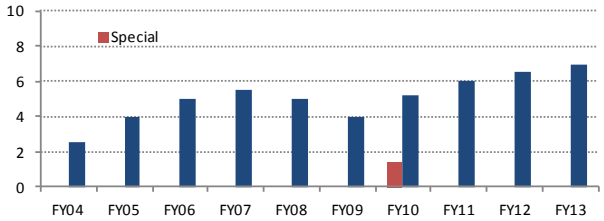
Share Price 30/04/2014	$1.16
Market Cap ($M)	160
12 Month Price Range	$0.92 - $1.22
Avg Weekly Volume	455,993

Performance (annualised)

	6 M	12 M	3 Yr	5 Yr
Share Price	1.5%	20.3%	21.0%	21.8%
NTA (Pre-tax)	1.8%	11.9%	11.3%	12.9%
ASX All Ords	3.0%	10.4%	8.4%	12.5%

	FY11	FY12	FY13
Total Dividends (cps)	6.0	6.5	7.0
Yield (last full year dividend)			**6.1%**

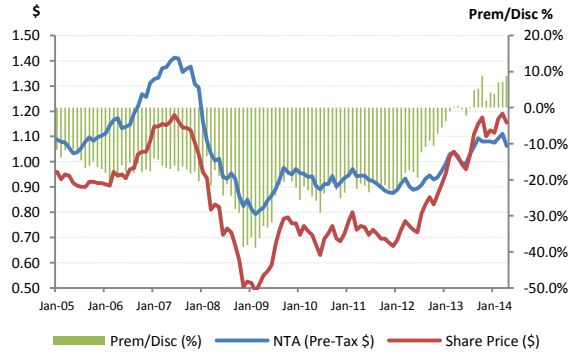
Historic Dividend Per Share (c) **June Year End**



NTA Data (as at end of month)

Last Reported	30/04/2014
NTA (Pre-Tax)	$1.06
Prem/Disc to Share Price	8.8%
1Yr Avg NTA Prem/Disc to Share Price	3.8%
5Yr Avg NTA Prem/Disc to Share Price	-14.7%

NTA vs Share Price Chart



Major Shareholdings

as at 30 April 2014	%
CBA PERLS IV	3.8%
Slater & Gordon	3.2%
Ardent Leisure	3.2%
DuluxGroup	3.1%
Automotive Holdings Group	2.7%
Donaco International	2.4%
Technology One	2.3%
Clime Investment Management	2.2%
Fairfax Media	2.1%
Nearmap	2.1%

Whitefield Limited (WHF)

Investment Style/Strategy
Whitefield is Australia's oldest listed investment company, listing in 1923, and holds a diversified portfolio of listed Australian shares & equities. The portfolio is focused only on Industrial stocks, consisting of ~60 holdings, predominantly from the ASX 100.

Whitefield seeks to hold investments which are capable of providing a robust rate of investment return through the generation of earnings and earnings growth over multiple future years. The investment processes primarily focus on the monitoring and analysis of the achievable future earnings which may be generated from investments, the risk or certainty of delivering those earnings, and the potential return which may progressively accrue to investors.

Whitefield structures its investment portfolio to give emphasis to those investments offering a favourable balance of potential return and certainty.

Asset Allocation
As at 30 April 2014, the portfolio was ~$320.5m. The fund's biggest sector exposures were Banks (34.9%), Financials (14.1%) and Industrials (10.9%).

Investment Manager
All of Whitefield's investment personnel are employed by White Funds Management Pty Ltd. White Funds Management (and its predecessor entities and personnel) have been responsible for the business and investment of Whitefield since inception.
Board: Angus Gluskie (CEO), David Iliffe, Graeme J. Gillmore, Martin J. Fowler. Peter A. Roberts (Company Secretary).

Dividend Policy
To pay out close to underlying earnings. Whitefield has maintained its dividend at the same level since FY09, and expects to maintain this rate until such time as underlying EPS exceeds the DPS rate. The company has excess franking credits of ~$19m.

Fee Structure
Whitefield has maintained a management expense ratio of approximately 0.35% of assets.

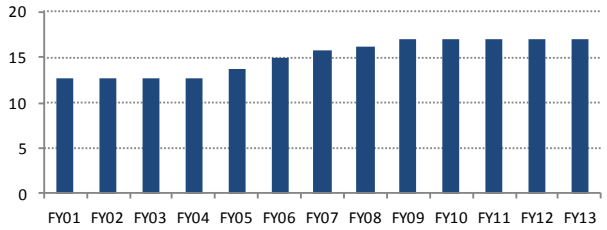
Share Price 30/04/2014	$4.19
Market Cap ($M)	319
12 Month Price Range	$3.37 - $4.22
Avg Weekly Volume	110,810

Performance (annualised)

	6 M	12 M	3 Yr	5 Yr
Share Price	2.8%	16.6%	17.3%	14.6%
NTA (Pre-tax)	4.6%	12.6%	15.5%	14.8%
ASX 200 Industrials	2.5%	9.1%	8.0%	11.5%

	FY11	FY12	FY13
Total Dividends (cps)	17.0	17.0	17.0
Yield (last full year dividend)			**4.1%**

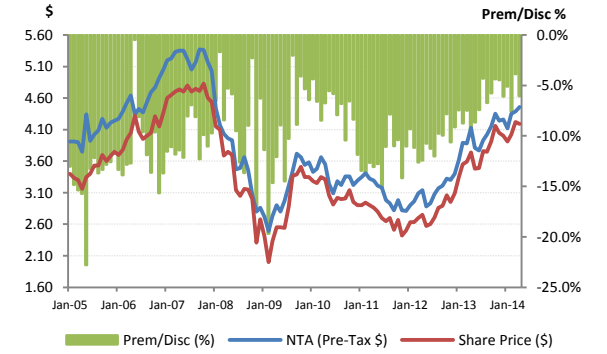
Historic Dividend Per Share (c) **June Year End**



NTA Data (as at end of month)

Last Reported	30/04/2014
NTA (Pre-Tax)	$4.46
Prem/Disc to Share Price	-6.1%
1Yr Avg NTA Prem/Disc to Share Price	-6.1%
5Yr Avg NTA Prem/Disc to Share Price	-9.0%

NTA vs Share Price Chart



Major Shareholdings

as at 30 April 2014	%
Commonwealth Bank of Australia	10.7%
Westpac	9.2%
Australia & New Zealand Banking Group	8.0%
National Australia Bank	7.0%
Telstra	5.5%
Macquarie Group	5.1%
Woolworths	3.9%
Wesfarmers	3.6%
Computershare	3.1%
Brambles	2.6%

Westoz Investment Company Limited (WIC)

Investment Style/Strategy

Westoz (WIC) is a Western Australian focused "Growth" oriented investment company that was established in 2005 and listed in September 2009. The company has an absolute return focus and a mandate to identify undervalued companies with growth potential on a medium to long term investment outlook. As a wholly owned subsidiary of Euroz Limited, Westoz Funds Management's investment decisions are leveraged off the Euroz Securities research and the group's intimate knowledge and connection to Western Australia.

WIC has a concentrated portfolio that typically holds 10-20 stocks, primarily small caps with a market capitalisation of between $100m and $1bn. The focus is on high conviction stock selection with the ability to hold high proportions of cash should no suitable investments be identified.

Asset Allocation

As at 30 April 2014, 49% of the portfolio was allocated across Resources, 39% Industrials and 12% held in Cash.

Investment Manager

The portfolio is managed by Westoz Funds Management, a 100% owned subsidiary of Euroz Limited. Board of Directors: Peter Diamond (Chairman), Jay Hughes, Philip Rees and Terry Budge.

Dividend Policy

The company's dividend policy is to pay out a minimum of 50% of realised after tax profits.

Fee Structure

Management fee is 1% with performance incentives of 20% of returns in excess of 10% p.a.

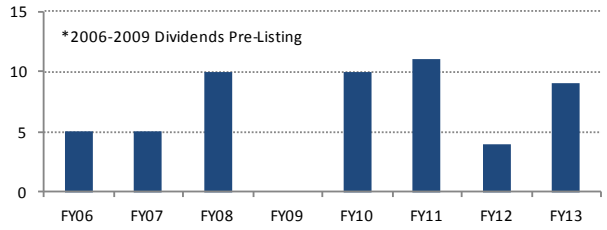
Share Price 30/04/2014	$1.19
Market Cap ($M)	152
12 Month Price Range	$0.97 - $1.29
Avg Weekly Volume	230,561

Performance (annualised)

	6 M	12 M	3 Yr	5 Yr
Share Price	2.5%	15.6%	9.5%	n/a
NTA (Pre-tax)	1.2%	8.5%	-0.2%	n/a
All Ords	3.0%	10.4%	8.4%	12.5%

	FY11	FY12	FY13
Total Dividends (cps)	11.0	4.0	9.0
Yield (last full year dividend)			**7.6%**

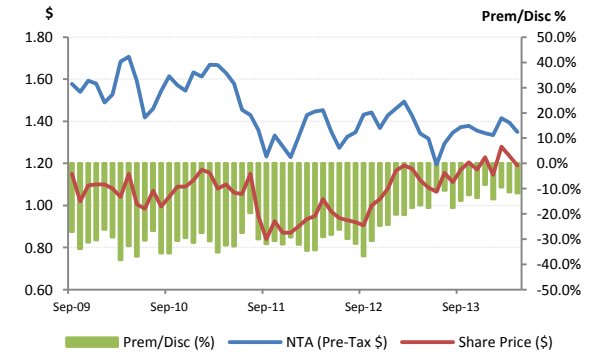
Historic Dividend Per Share (c) **June Year End**



NTA Data (as at end of month)

Last Reported	30/04/2014
NTA (Pre-Tax)	$1.35
Prem/Disc to Share Price	-11.8%
1Yr Avg NTA Prem/Disc to Share Price	-13.0%
5Yr Avg NTA Prem/Disc to Share Price	-26.0%

NTA vs Share Price Chart



Major Shareholdings

as at 30 April 2014	%
Automotive Holdings Group	10.0%
Finbar Group	10.0%
Aquila Resources	9.0%
Aurora Oil & Gas	9.0%
Mount Gibson Iron	6.0%
Cedar Woods Properties	6.0%
Medusa Mining	6.0%
Sundance Energy Australia	5.0%
Sandfire Resources	4.0%
Atlas Iron	4.0%

Watermark Market Neutral Fund (WMK)

Investment Style/Strategy

WMK is an Australian listed investment company with a portfolio largely comprising publicly traded Australian companies. The company's investment strategy involves the primary goal of identifying and buying listed securities that in its view are undervalued and short selling listed securities that it views as overvalued. In a market neutral strategy, WMK's capital is retained in cash/cash equivalents and the investment portfolio is funded from the short selling of borrowed securities. WMK will typically hold 40-80 positions in each of the long and short portfolios at any one time.

WMK will manage risk by being market neutral at any one time with the long and short portfolios being of equal size, resulting in net market exposure of under 10% of capital.

The fund targets +5% outperformance on the Long Portfolio and -5% underperformance on the Short Portfolio, resulting in a targeted return of +10% plus interest on cash deposited.

Asset Allocation

As at 30 April 2014, WMK's Net Asset Value was $89m. Long exposure was 96%, short exposure was 96%. 100% cash position.

Investment Manager

WMK is managed by Watermark Funds Management Pty Ltd, an entity associated with Justin Braitling. Mr Braitling is a Director of both the Company and the Manager.

WMK Board: M. Kidman (Chairman), J. Braitling, J. Abernethy, R. Ferguson and S. van Eyk.

Dividend Policy

The Company intends to pay dividends out of available cash flow. The targeted yield will be 5% pa, based on the net value of the Company's portfolio at the start of each final year and based on the current capital structure. Dividends will be paid semi-annually after the first financial year as a listed entity and will be franked to the maximum extent possible.

Fee Structure

The fund incurs a management fee of 1% of net assets as well as a 20% performance fee on an absolute return basis (returns have to be positive and the fund needs to outperform the RBA Cash Rate). The fund also attracts cost directly related to its operations.

Share Price 30/04/2014	$1.01
Market Cap ($M)	84
12 Month Price Range	$0.98 - $1.08
Avg Weekly Volume	672,150

Performance (annualised)

	6 M	12 M	3 Yr	5 Yr
Share Price	-0.5%	n/a	n/a	n/a
NTA (Pre-tax)	1.4%	n/a	n/a	n/a
RBA Cash Rate	1.3%	n/a	n/a	n/a

	FY11	FY12	FY13
Total Dividends (cps)	n/a	n/a	n/a
Yield (last full year dividend)			**n/a**

NTA Data (as at end of month)

Last Reported	**30/04/2014**
NTA (Pre-Tax)	$1.02
Prem/Disc to Share Price	-1.5%
1Yr Avg NTA Prem/Disc to Share Price	n/a
5Yr Avg NTA Prem/Disc to Share Price	n/a

Major Shareholdings

as at 31 December 2013	**%**
Westpac	7.6%
ANZ Banking Group	7.2%
Mayne Pharma Group	3.9%
IAG Group	3.1%
Bank of Queensland	3.0%
Transurban	2.9%
Aurizon	2.6%
RCR Tomlinson	2.5%
Twenty-First Century Fox	2.2%
Brambles	2.2%

Magellan Flagship Fund Limited (MFF)

Investment Style/Strategy

MFF focus on a portfolio of listed international and Australian companies with outstanding business characteristics, at a discount to their intrinsic values. MFF believes that, by investing in such a portfolio, superior risk-adjusted investment returns may be generated over the medium to long term. More than 80% of MFF's total investment assets by market value are 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 and 7.5% China focused. Revenue and earnings split for the multinationals average about 40% USA, 25% Europe and ~33% ROW (as at 31 March 2012).

Asset Allocation

As at 31 December 2013, MFF had $501m in investments at market value and $35m in cash.

Investment Manager

Magellan is managed by Chris Mackay (Portfolio Manager and Managing Director). Magellan continues to receive investment research and administrative services from Magellan Asset Management (MAML), the former investment manager of MFF. MAML is a wholly owned subsidiary of the ASX-listed Magellan Financial Group Limited.

Dividend Policy

Dividend payments from profits, distributions and interest income will be made to MFF shareholders utilising franking credits and the benefits of the listed investment company structure. The MFF board would consider paying partially franked dividends.

Fee Structure

The management expense ratio is 1.25% and performance fee is 10% of the absolute dollar value of the investment performance (net of management fee) in excess of the MSCI World Index ($A).

Share Price 30/04/2014	$1.47
Market Cap ($M)	517
12 Month Price Range	$1.26 - $1.70
Avg Weekly Volume	1,070,854

Performance (annualised)

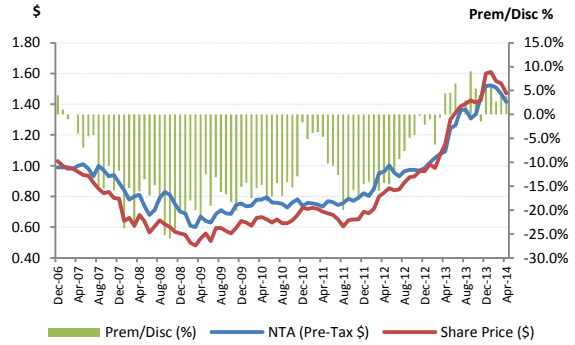
	6 M	12 M	3 Yr	5 Yr
Share Price	5.0%	30.7%	28.6%	23.4%
NTA (Pre-tax)	6.6%	31.5%	25.5%	16.7%
MSCI A$	7.2%	27.7%	12.8%	8.1%

	FY11	FY12	FY13
Total Dividends (cps)	0.0	1.0	2.0
Yield (last full year dividend)			**1.4%**

NTA Data (as at end of month)

Last Reported	**30/04/2014**
NTA (Pre-Tax)	$1.42
Prem/Disc to Share Price	3.9%
1Yr Avg NTA Prem/Disc to Share Price	4.3%
5Yr Avg NTA Prem/Disc to Share Price	-8.7%

NTA vs Share Price Chart



Major Shareholdings

as at 31 March 2014	**%**
Wells Fargo	13.0%
Visa	10.6%
Bank of America	9.8%
Lowe's	8.5%
Home Depot	7.6%
HCA Holdings	6.8%
MasterCard	6.3%
Wal-Mart	5.9%
US Bancorp	5.8%
Lloyds Banking Group	5.6%

Platinum Capital Limited (PMC)

Investment Style/Strategy

PMC seeks to build a diversified portfolio of a broad range of global securities whose business and growth prospects are inappropriately valued by the market. Screening software is used to shortlist companies based on specific criteria, such as hypotheses regarding social, political or economic change. Research analysts then engage in detailed bottom-up analysis, with stocks selected with a view to minimise risk and to deliver above average absolute returns. The portfolio is built up using this individual stock selection process rather than pre-determined asset allocations and holds approximately 150 positions (shorts account for ~20% of assets).

Asset Allocation

As at 31 December 2013, PMC had $346m invested in financial assets and $46m in cash equivalents. The currency exposures were: 26% in European currencies, 38% in the US dollar (incl Hong Kong dollar), 18% in Asian currencies, 5% in the Japanese Yen and 10% in the Australian dollar.

Investment Manager

PMC delegates the investment function to Platinum Asset Management, an Australian based fund manager specialising in international equities. Platinum also manages various regional and industry specific funds in addition to global portfolios with a central aim of achieving absolute returns for investors.

Dividend Policy

It is PMC's objective to smooth dividend payments over time, however this is not guaranteed. Future dividends remain dependent on earnings.

Fee Structure

Management fee of 1.5% per annum of Portfolio Value payable to Platinum Asset Management. Performance fee of 10% if the portfolio's annual performance exceeds the MSCI +5%.

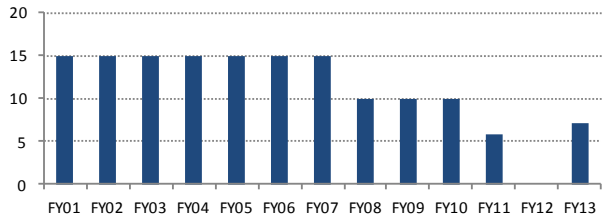
Share Price 30/04/2014	$1.66
Market Cap ($M)	384
12 Month Price Range	$1.34 - $1.90
Avg Weekly Volume	636,561

Performance (annualised)

	6 M	12 M	3 Yr	5 Yr
Share Price	3.4%	39.9%	9.4%	8.7%
NTA (Pre-tax)	4.5%	26.4%	13.1%	9.3%
MSCI A$	7.2%	27.7%	12.8%	8.1%

	FY11	FY12	FY13
Total Dividends (cps)	5.9	0.0	7.0
Yield (last full year dividend)			**4.2%**

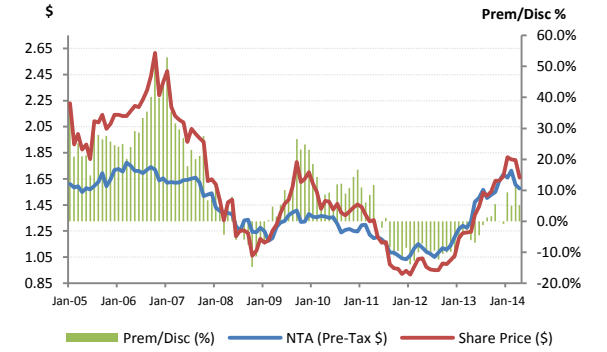
Historic Dividend Per Share (c) **June Year End**



NTA Data (as at end of month)

Last Reported	30/04/2014
NTA (Pre-Tax)	$1.58
Prem/Disc to Share Price	5.3%
1Yr Avg NTA Prem/Disc to Share Price	1.6%
5Yr Avg NTA Prem/Disc to Share Price	2.2%

NTA vs Share Price Chart



Major Shareholdings

as at 30 June 2013	%
Bank of America	3.3%
Microsoft Corp	3.0%
Ericsson	2.5%
Sanofi	2.4%
Google	2.2%
Bangkok Bank	1.9%
Samsung Electronics	1.9%
Jacobs Engineering	1.8%
Anton Oilfield Services	1.8%
Micron Technology	1.7%

Templeton Global Growth Fund Limited (TGG)

Investment Style/Strategy

Templeton are fundamentally a long term investment company, seeking capital growth from a globally diversified portfolio of investment securities. As value investors, Templeton uses a bottom up approach to identify securities that are considered to be underpriced relative to their future earning potential. These assets are typically held for five years or more and TGG does not engage in portfolio hedging. This investment strategy is a reflection of TGG's three underlying tenets; Value, Patience and Bottom-up Analysis.

Asset Allocation

As at 31 December 2013, TGG had 99% of its portfolio invested ($202m), retaining 3% or $2m in cash and cash equivalents. As at 31 December 2013, TGG investments were approximately spread over Nth America (35%), Europe (47%) Asia (14%), Mid-East/Africa (1%) and Latina America/Caribbean (3%).

Investment Manager

TGG's Investment Manager is Franklin Templeton Investments Australia Limited ("Templeton") a member of the Franklin Templeton Investments group, a global investment management organization head-quartered in San Mateo, California. **Board:** James Killen (Chairman), Gregory McGowan, Jennifer Johnson, Joanne Dawson and Michael Bartlett.

Dividend Policy

It is the intention of the Board to pay out a reasonable dividend to the extent that the performance of the company may prudently allow.

Fee Structure

1% p.a. payable monthly on the value net tangible assets to Templeton. No performance fee. Benchmark: MSCI World price index (AUD).

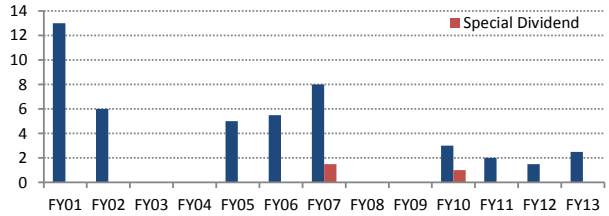
Share Price 30/04/2014	$1.24
Market Cap ($M)	246
12 Month Price Range	$0.99 - $1.44
Avg Weekly Volume	596,565

Performance (annualised)

	6 M	12 M	3 Yr	5 Yr
Share Price	-0.4%	38.2%	18.3%	12.0%
NTA (Pre-tax)	6.2%	34.0%	15.9%	10.7%
MSCI A$	7.2%	27.7%	12.8%	8.1%

	FY11	FY12	FY13
Total Dividends (cps)	2.0	1.5	2.5
Yield (last full year dividend)			**2.0%**

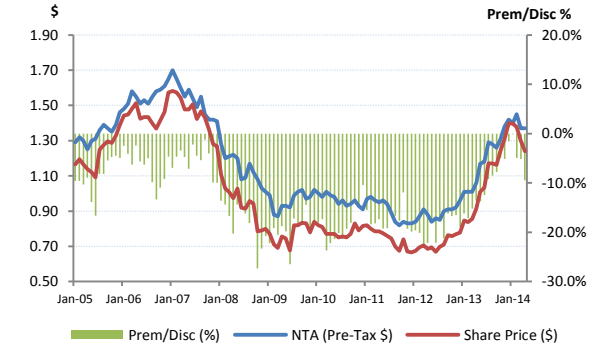
Historic Dividend Per Share (c) **June Year End**



NTA Data (as at end of month)

Last Reported	30/04/2014
NTA (Pre-Tax)	$1.37
Prem/Disc to Share Price	-9.5%
1Yr Avg NTA Prem/Disc to Share Price	-7.4%
5Yr Avg NTA Prem/Disc to Share Price	-16.0%

NTA vs Share Price Chart



Major Shareholdings

as at 31 December 2013	%
Samsung Electronics	N/A
Microsoft	N/A
Amgen	N/A
Sanofi	N/A
GlaxoSmithKline	N/A
Pfizer	N/A
Roche	N/A
Unicredit	N/A
Forest Laboratories	N/A
Credit Agricole	N/A

Aurora Absolute Return Fund (ABW)

Investment Style/Strategy

ABW is a listed vehicle which invests wholly into the Aurora Fortitude Absolute Return Fund (AFARF), an unlisted managed fund. ABW is a style neutral, absolute return oriented fund and aims produce positive returns irrespective of market conditions.

The underlying philosophy of ABW is that markets are more volatile than expected and so runs a long volatility options overlay that profits from extreme market movements. It then pursues other strategies that produce yield like returns including merger and acquisition trading, yield opportunities, share class arbitrage and long/short. The combination of these strategies delivers a defensive instrument that has produced positive returns every year since inception (2005). The fund may employ leverage.

Units in ABW can be bought or sold directly on the ASX or via a monthly off-market redemption facility at NTA. ABW also operates as a 'market maker' and provides a bid and ask quote to ensure investors can enter and exit ABW at a price close to NTA. This will promote liquidity in ABW and ensure a close correlation between NTA and share price.

Asset Allocation

ABW aims for net equities exposure (incl. derivatives and convertibles) of -25 - +25% and can hold 0-100% cash.

Investment Manager

ABW is managed by Aurora Funds Limited (ASX: AFV). ABW is managed by John Corr (Chief Investment Officer & Director), Sheridan Hure (Senior Portfolio Manager) and Andrew Ward (Senior Portfolio Manager).

Board: Steuart Roe (Chair), Alastair Davidson, John Corr and Simon Lindsay.

Dividend Policy

The fund intends to always distribute at least 1.5% of NAV per quarter plus franking credits regardless of fund performance. This may result in a partial (or full) return of capital.

Fee Structure

The Master Fund charges a management fee of 1.4863%, and a performance fee of 20.5% of gross performance in excess of the benchmark (RBA Cash Rate).

Share Price 30/04/2014	$1.06
Market Cap ($M)	22
12 Month Price Range	$1.05 - $1.09
Avg Weekly Volume	117,113

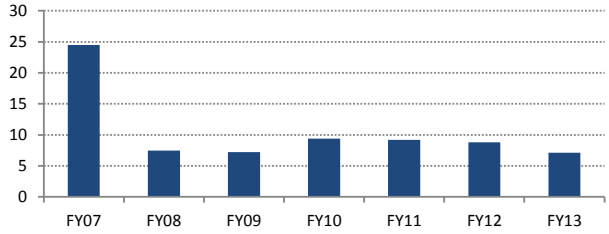
Performance (annualised)

	6 M	12 M	3 Yr*	5 Yr*
Share Price	2.5%	6.6%	4.0%	8.4%
NTA (Pre-tax)	2.6%	6.1%	NA	NA
ASX200 Accum	3.3%	10.5%	9.3%	12.6%
RBA Cash Rate	1.3%	2.6%	3.5%	3.7%

**Fund strategy was altered in March 2011*

	FY11	FY12	FY13
Total Dividends (cps)	9.2	8.8	7.1
Yield (last full year dividend)			**6.7%**

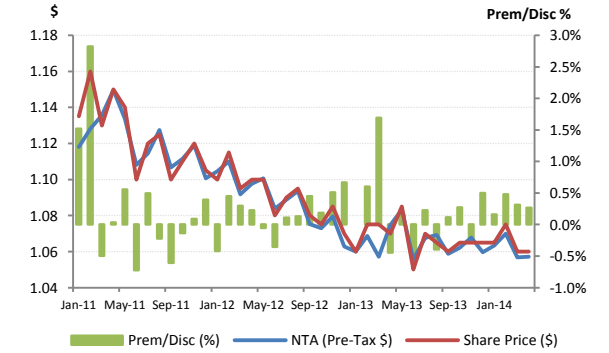
Historic Dividend Per Share (c) **June Year End**



NTA Data (as at end of month)

Last Reported	30/04/2014
NTA (Pre-Tax)	$1.06
Prem/Disc to Share Price	0.3%
1Yr Avg NTA Prem/Disc to Share Price	0.1%
5Yr Avg NTA Prem/Disc to Share Price	-0.4%

NTA vs Share Price Chart



Major Strategies

as at 31 December 2013

Convergence
Long/Short
Mergers & Acquisitions
Options
Yield Book

Aurora Sandringham Dividend Income Trust (AOD)

Investment Style/Strategy

AOD is a listed vehicle which offers investors exposure to the underlying investment strategy run by Aurora. AOD is run with the investment objective of outperforming the S&P/ASX200 over rolling five year periods with approximately half the volatility.

AOD invests in a portfolio of fully franked dividend paying companies listed on the ASX while employing a 'risk management overlay' to limit the exposure to Australian equities to around 50% of the net assets of the trust. Aurora believe that the market systematically undervalues franking credits and as such the portfolio adopts a ~100% long position in companies paying fully franked dividends and a ~50% short position in companies paying non-fully franked dividends through the year.

Units in AOD can be bought or sold directly on the ASX or via a monthly off-market redemption facility at NTA. AOD also operates as a 'market maker' and provides a bid and ask quote to ensure investors can enter and exit AOD at a price close to NTA. This will promote liquidity in AOD and ensure a close correlation between NTA and share price.

Asset Allocation

AOD targets net allocation ranges of 25-60% for cash (target 50%) and 40-75% for Australian equities (target 50%).

Investment Manager

AOD is managed by Aurora Funds Limited (ASX: AFV). AOD is managed by John Corr (Chief Investment Officer & Director), Steuart Roe (Senior Portfolio Manager), Binh Lee (Portfolio Manager) and Evan Tepper (Portfolio Manager).

Board: Steuart Roe (Chair), Alastair Davidson, John Corr and Simon Lindsay.

Dividend Policy

The fund intends to always distribute at least 1.5% of NAV per quarter plus franking credits regardless of fund performance. This may result in a partial (or full) return of capital.

Fee Structure

The Master Fund charges a management fee of 1.3325%.

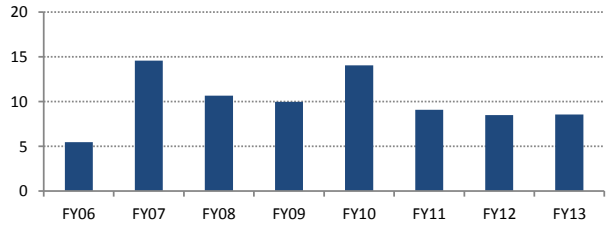
Share Price 30/04/2014	$1.02
Market Cap ($M)	28
12 Month Price Range	$0.94 - $1.06
Avg Weekly Volume	149,854

Performance (annualised)

	6 M	12 M	3 Yr	5 Yr
Share Price	-0.9%	-0.9%	5.9%	5.1%
NTA (Pre-tax)	-0.9%	-1.0%	6.0%	6.5%
ASX200 Accum	3.3%	10.5%	9.3%	12.6%
UBS Bank Bill	1.3%	2.7%	3.7%	3.9%

	FY11	FY12	FY13
Total Dividends (cps)	9.1	8.5	8.6
Yield (last full year dividend)			**8.4%**

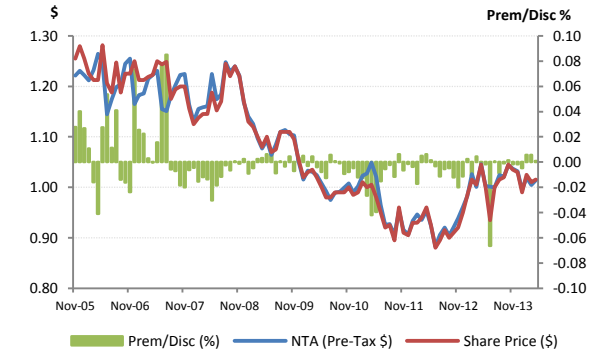
Historic Dividend Per Share (c) **June Year End**



NTA Data (as at end of month)

Last Reported	30/04/2014
NTA (Pre-Tax)	$1.01
Prem/Disc to Share Price	0.1%
1Yr Avg NTA Prem/Disc to Share Price	-0.6%
5Yr Avg NTA Prem/Disc to Share Price	-0.6%

NTA vs Share Price Chart



Major Shareholdings

as at 31 December 2013	%
BHP Billiton	N/A
Telstra	N/A
Commonwealth Bank	N/A
Westpac	N/A
Wesfarmers	N/A

GENERAL RESEARCH DISCLAIMER, WARNING & DISCLOSURES

This document is provided by Evans and Partners ABN 85 125 338 785, holder of AFSL 318075.

The information is **general advice only** and does not take into consideration an investor's objectives, financial situation or needs. Before acting on the advice, investors should consider the appropriateness of the advice, having regard to the investor's objectives, financial situation and needs. If the advice relates to a financial product that is the subject of a Product Disclosure Statement (e.g. unlisted managed funds) investors should obtain the PDS and consider it before making any decision about whether to acquire the product.

The material contained in this document is for information purposes only and does not constitute an offer, solicitation or recommendation with respect to the purchase or sale of securities. It should not be regarded by recipients as a substitute for the exercise of their own judgment. Investors should be aware that past performance is **not an infallible indicator** of f**uture** performance and future returns are not guaranteed.

Any opinions and/or recommendations expressed in this material are subject to change without notice and Evans and Partners is not under any obligation to update or keep current the information contained herein. References made to third parties are based on information believed to be reliable but are not guaranteed as being accurate.

This document is provided to the recipient only and is not to be distributed to third parties without the prior consent of Evans and Partners.

EVANS AND PARTNERS DISCLOSURE OF INTERESTS

Evans and Partners and its respective officers and associates may have an interest in the securities or derivatives of any entities referred to in this material.

Evans and Partners does, and seeks to do, business with companies that are the subject of its research reports.

EVANS AND PARTNERS CORPORATE RELATIONSHIP DISCLOSURE

MQG, MQCPA	A director of Evans and Partners Pty Ltd is a director of Macquarie Group Limited.
SWM	A director of Evans and Partners Pty Ltd is a director of Seven West Media Limited
ANI	Evans and Partners have arranged, managed or co-managed a public offering of the company or its affiliates in the past 12 months.
AUI	Evans and Partners has been appointed by the Issuer as Broker to an on-market buy-back. Accordingly, Evans and Partners is unable to give Sellers advice in respect to a sale of this security. Evans and Partners acted as financial adviser to the off-market buy back of units in AUI and may receive fees for acting in this capacity.
DUI	Evans and Partners has been appointed by the Issuer as Broker to an on-market buy-back. Accordingly, Evans and Partners is unable to give Sellers advice in respect to a sale of this security. Evans and Partners acted as financial adviser to the off-market buy back of units in DUI and may receive fees for acting in this capacity.
IDR	Evans and Partners acted as Co-lead manager to the IPO of Industria REIT and received fees for acting in this capacity.
IMF, IMFHA	Evans and Partners have arranged, managed or co-managed a public offering of the company or its affiliates in the past 12 months.
MQG	Evans and Partners managed a public offering of securities of the company or its affiliates in the past 12 months.
NAB	Evans and Partners have arranged, managed or co-managed a public offering of the company or its affiliates in the past 12 months.
PGH	Evans and Partners acted as Co-Manager to the IPO of Pact Holdings Group and received fees for acting in this capacity in the past 12 months.
PNC	Evans and Partners have arranged, managed or co-managed a public offering of the company or its affiliates in the past 12 months.
SAR	Evans and Partners have arranged, managed or co-managed a public offering of the company or its affiliates in the past 12 months.
SPO	Evans and Partners has arranged, managed or co-managed an offering of securities of the company or its affiliates in the past 12 months.
TOX	Evans and Partners have arranged, managed or co-managed a public offering of the company or its affiliates in the past 12 months.
WHF	Evans and Partners managed or co-managed a public offering of securities of the company or its affiliates in the past 12 months.

RESEARCH ANALYST CERTIFICATION

I, Thomas Strong, hereby certify that all the views expressed in this report accurately reflect my personal views about the subject investment theme and/or company securities. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in this report.

RESEARCH ANALYST DISCLOSURE OF INTEREST

I, Thomas Strong, and/or entities in which I have a pecuniary interest, have an exposure to the following securities and/or managed products:

DISCLAIMER

Except for any liability which cannot be excluded, Evans and Partners, its directors, employees and agents accept no liability or responsibility whatsoever for any loss or damage of any kind, direct or indirect, arising out of the use of all or any part of this material. All information is correct at the time of publication; additional information may be available upon request.