

PTM 31 December 2010 Half-Yearly Results Analyst Briefing

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Kerr Neilson

Platinum Asset Management Limited

PTM Half-Yearly Results

Total revenue up 10% \$135mn

Net profit after tax up 12% \$78mn

Diluted EPS 13.37 cps

Dividend: 10 cps

Leaves cash on deposit at \$ 163mn

Source: Platinum



PTM Half-Yearly Results

| | <u>Dec 2010</u> | <u>Dec 2009</u> | <u>\$ chg</u> | <u>% chg</u> |
|---|------------------|------------------|---------------|--------------|
| | | <u>\$mn</u> | | |
| Management and admin fees | 124.4 | 109.1 | 15.3 | 14 |
| Performance fees | 5.3 | 9.9 | -4.6 | -46 |
| Interest income | 5.7 | 3.3 | 2.4 | 73 |
| Net Gains/(Losses) on FX, FA & Other Income | <u>-0.5</u> | <u>0.4</u> | <u>-0.9</u> | <u>-231</u> |
| Total Revenue | 134.9 | 122.7 | 12.2 | 10 |
| Staff costs | 6.0 | 5.3 | 0.7 | 14 |
| Custody and unit registry costs | 6.2 | 5.4 | 0.8 | 15 |
| Share-based payments | 3.0 | 3.3 | -0.3 | -10 |
| Business development costs | 2.4 | 3.4 | -1.0 | -30 |
| Other costs | <u>3.9</u> | <u>4.0</u> | <u>-0.1</u> | <u>-2</u> |
| Total Costs | 21.5 | 21.4 | 0.1 | 1 |
| Pre-Tax Profit | 113.4 | 101.3 | 12.1 | 12 |
| Net Profit After Tax | 78.4 | 69.9 | 8.5 | 12 |
| Diluted EPS | 13.37 cps | 11.92 cps | | 12 |
| Average FUM | 18.2bn | 16.0bn | | 14 |
| Total no. of shares - issued | 561.3mn | 561.0mn | | |
| - options | 25.3mn | 25.3mn | | |

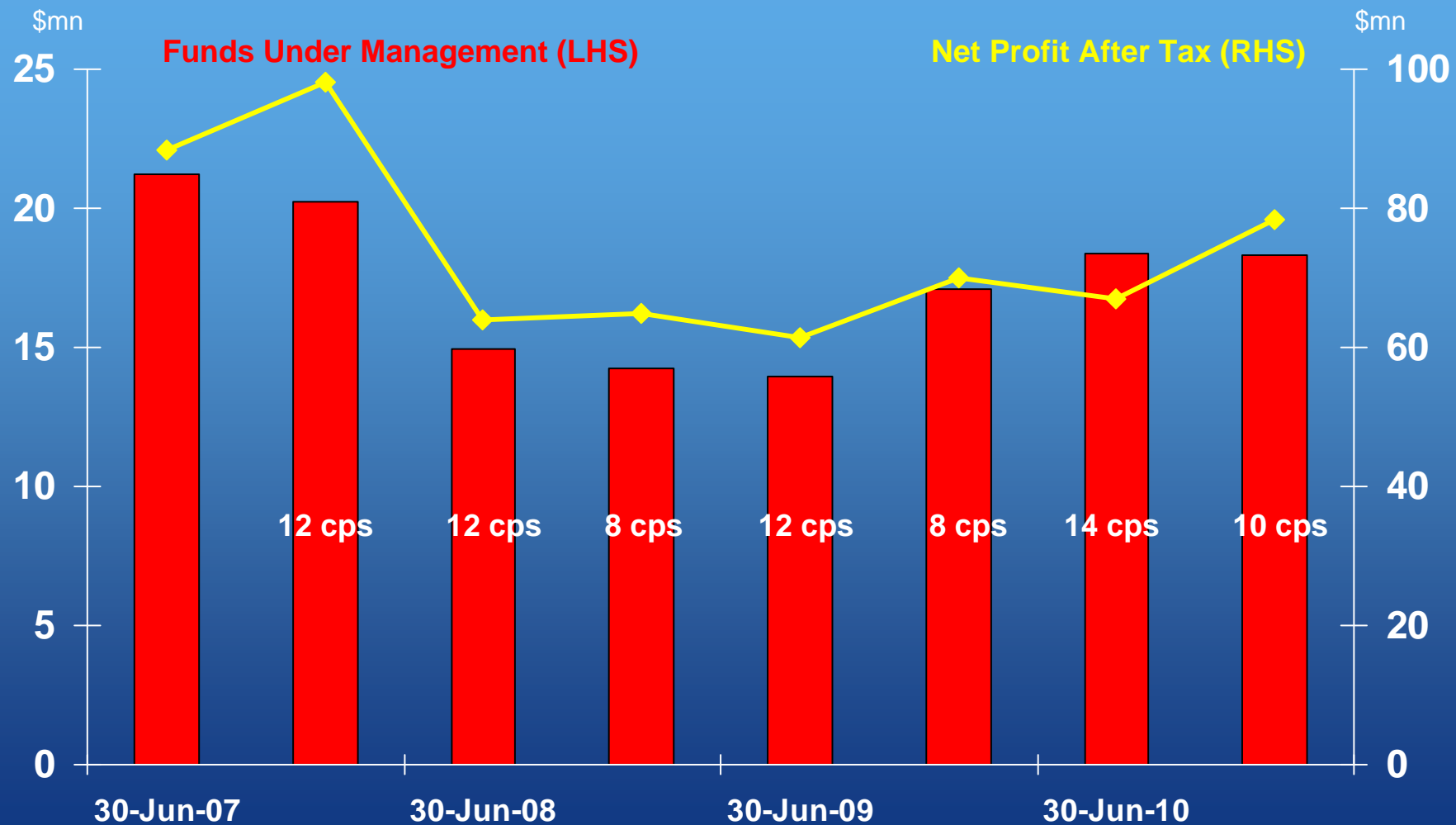
Source: Platinum

Funds Under Management (\$mn) to 31 December 2010

| Funds | Opening Balance (30 June 2010) | Flows | Investment Performance | Closing Balance (31 December 2010) |
|---------------------------------------|-----------------------------------|------------|---------------------------|---------------------------------------|
| Platinum Trust Funds | 13,816 | 357 | (317) | 13,856 |
| MLC Platinum Global Fund | 1,511 | (131) | 7 | 1,387 |
| Management Fee Mandates | 1,518 | 65 | (45) | 1,538 |
| “Relative” Performance Mandates | 908 | 118 | (55) | 971 |
| “Absolute” Performance Mandates | 610 | (12) | (36) | 562 |
| TOTAL | 18,363 | 397 | (446) | 18,314 |

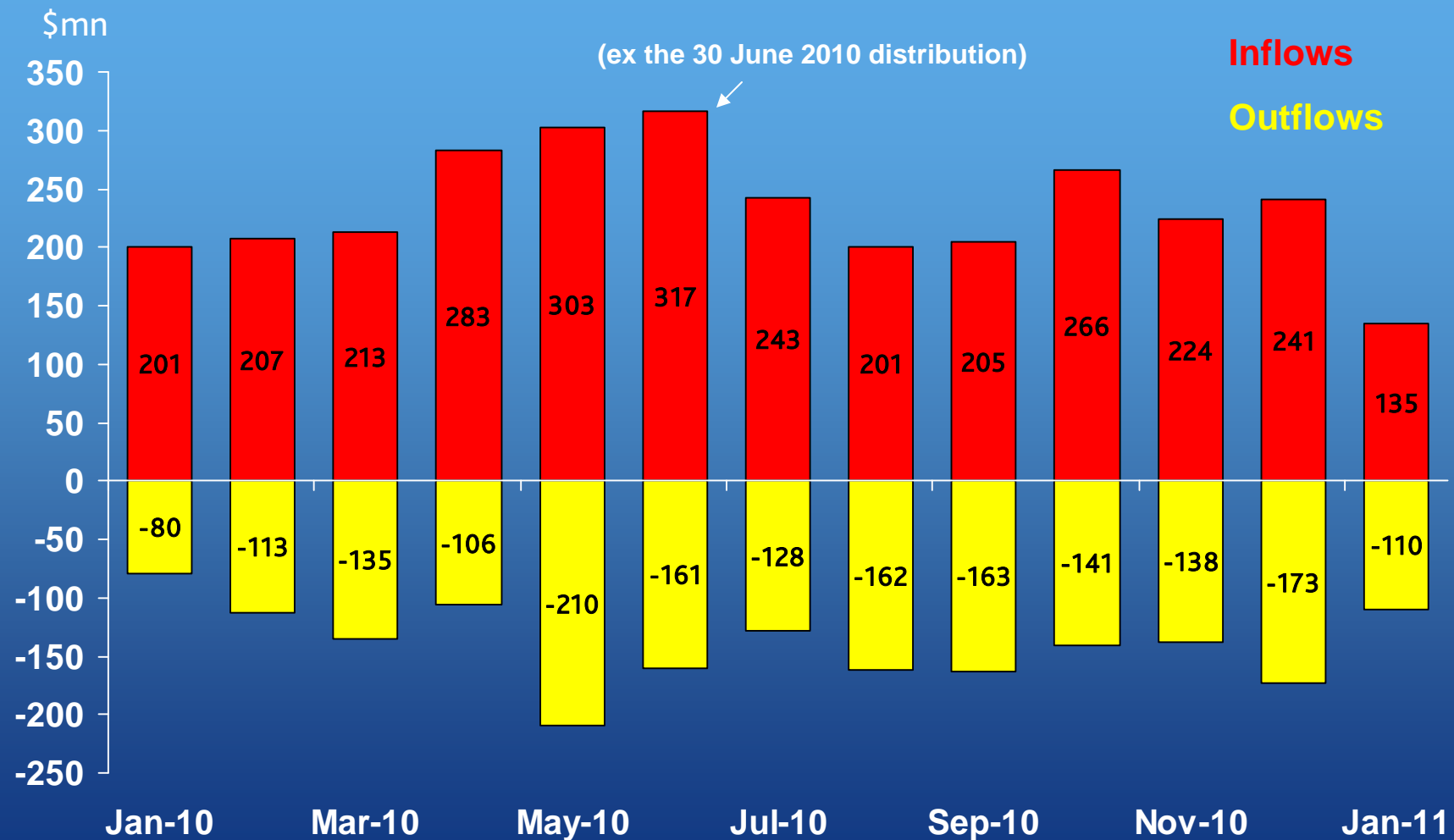
Source: Platinum

PTM – FUM and NPAT



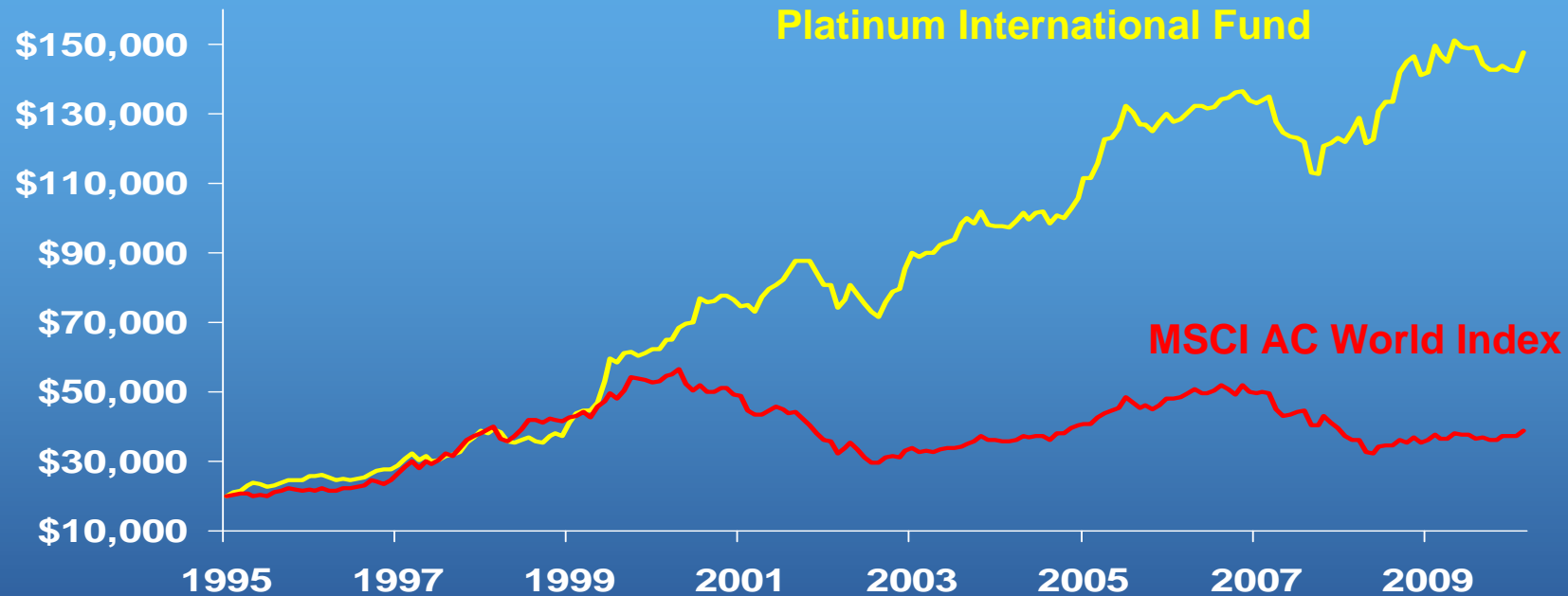
Source: Platinum

Platinum Trust Funds – monthly inflows and outflows



Source: Platinum

PIF Performance (value of \$20,000 invested since inception to 31 January 2011)



(% compound pa, to 31.1.11)

| | <u>3 mths</u> | <u>1 yr</u> | <u>3 yrs</u> | <u>5 yrs</u> | <u>Since Inception</u> |
|---|---------------|-------------|--------------|--------------|------------------------|
| International Fund | 2.6 | 0.5 | 5.0 | 3.7 | 13.5 |
| <i>MSCI All Country World Net Index</i> | 4.8 | 6.6 | -4.6 | -2.8 | -4.3 |

Source: Platinum, MSCI

Peer Comparison (% compound pa, to 31 December 2010)

| | 1 yr | 3 yrs | 5 yrs |
|---|-------------|------------|------------|
| Platinum International Fund | -4.9 | 1.8 | 3.0 |
| Composite Average Returns | 0.0 | -9.9 | -3.7 |
| MSCI All Country World Net Index | -1.1 | -9.1 | -3.3 |
| Advance Wholesale International Multi Blend | 0.5 | -9.2 | -3.0 |
| AMP International Share Fund | -2.8 | -11.9 | -5.7 |
| AXA Wholesale Global Equity Growth | -4.6 | -17.7 | -9.5 |
| AXA Wholesale Global Equity Value | -6.6 | -17.0 | -8.8 |
| Aberdeen Actively Hedged Int'l Share | -0.8 | -8.2 | -4.1 |
| BT International Fund | -1.2 | -9.3 | -5.8 |
| DWS Global Equity Thematic | 3.1 | -10.3 | -2.0 |
| GMO Global Equity | -2.8 | -10.1 | -4.9 |
| GSJBW International Fund | 1.8 | -9.1 | -2.7 |
| GVI Global Industrial Share Fund | 8.4 | -9.9 | 1.2 |
| Hunter Hall Value Growth | 2.2 | -6.0 | 5.3 |
| MFS Global Equity | 2.7 | -6.0 | -0.4 |
| MLC Global Share Fund | -1.6 | -9.9 | -4.6 |
| Perpetual Wholesale International | -7.0 | -9.1 | -4.9 |
| PM Capital Absolute Performance | -0.7 | -9.3 | -6.3 |
| Schroder Global Active Value | 6.4 | -5.8 | 0.1 |
| Suncorp Metway World Equities | -0.7 | -8.5 | -3.2 |
| Vanguard International (Unhedged) | -1.8 | -9.5 | -4.1 |
| Walter Scott Global Equity | -2.6 | -4.0 | -1.5 |
| Zurich Global Thematic Share | 1.8 | -8.3 | -0.4 |

Source: Platinum, Fund Managers and Morningstar



What we got right and wrong...

Right:

- Strong exposure to emerging market consumption boom
eg. Bangkok Bank, CRE, BMW

Wrong:

- Under-estimated follow through on commodities boom
hence:
 - too little AUD exposure
 - costly industrial short

Platinum International Fund portfolio

(%, as at 14 February 2011)

| <u>Region</u> | <u>Long</u> | <u>Net</u> | <u>Currency</u> |
|-------------------|-------------|------------|-----------------|
| Africa | 1.1 | 1.1 | |
| Asia | 17.9 | 15.7 | 18.2 |
| Australia | 0.4 | 0.4 | 11.4 |
| Europe | 27.5 | 25.2 | 27.6 |
| Japan | 21.1 | 21.0 | 5.1 |
| North America | 24.3 | 14.7 | 37.7 |
| | 92.3 | 78.1 | |
| Cash and Accruals | 7.7 | 21.9 | |
| Total | 100.0 | 100.0 | 100.0 |

Source: Platinum

Platinum International Fund industry breakdown

(%, as at 14 February 2011)

| <u>Sector</u> | <u>Long</u> | <u>Net</u> |
|--|-------------|------------|
| Financials | 18.8 | 16.1 |
| Information Technology | 15.0 | 15.0 |
| Materials | 13.8 | 13.8 |
| Consumer Discretionary | 11.7 | 9.8 |
| Industrials | 9.6 | 5.7 |
| Health Care | 7.9 | 7.9 |
| Consumer Staples | 7.0 | 7.0 |
| Energy | 4.2 | 3.7 |
| Telecom Services | 2.0 | 2.0 |
| Utilities | 1.3 | 1.3 |
| Diversified | 1.0 | 1.0 |
| Funds | | -0.9 |
| Other (includes index short positions) | | -4.3 |

Source: Platinum

Developments

- Introduction of new sub-managers for the Platinum International Fund in April →:
 - creating wealth
 - measure and reward performance
 - challenge and progression
- Building the investment team – 30 portfolio managers/analysts/quant analysts/dealers
- Addressing the institutional market in Australia and abroad

Disclaimer

Platinum Asset Management Limited ABN 13 050 064 287 has prepared this presentation material.

Performance results shown have been calculated using the Platinum International Fund's unit price and represent the combined income and capital return for the specified period. They are net of fees and costs (excluding the buy-sell spread and any investment performance fee payable), pre-tax, and assume the reinvestment of distributions.

MSCI data has been sourced through MSCI Inc.