

Facts

Portfolio value	\$4.82 bn
Fund commenced	04 March 2003
Minimum investment	A\$20,000 or NZ\$25,000
Regular Investment Plan (min.)	A\$200 or NZ\$250 per mth/qtr
Income distribution date	Annual, 30 June
Unit valuation	Sydney Business Day
Unit prices	App - 2.6743 Red - 2.6609

Performance¹

	FUND %	MSCI %
1 month	(6.01)	(5.00)
3 months	(9.66)	(10.42)
6 months	(11.70)	(11.82)
Calendar year to date	(6.01)	(5.00)
1 year	(11.06)	(9.89)
2 years (compound pa)	9.90	6.86
3 years (compound pa)	12.41	9.55
5 years (compound pa)	8.38	5.47
7 years (compound pa)	10.70	8.71
10 years (compound pa)	8.61	5.29
Since inception (compound pa)	15.03	9.34

Fees

Entry fee	Nil
Exit fee	Nil
Management Expense Ratio/ Indirect Cost Ratio (MER/ICR)	1.54% per annum (inclusive of investment & administration costs)
Brokerage paid	Nil
Buy/sell spread	0.5% total

Performance graph²


Source: Factset and Platinum

Invested positions³

	LONG %	NET %	CURRENCY %
Canada	0.1	0.1	0.1
China	6.2	6.2	(7.3)
China Ex PRC	28.1	28.1	
Hong Kong	4.2	4.2	24.5
Taiwan	3.1	3.1	3.3
India	18.2	18.2	18.8
Indonesia	0.3	0.3	0.3
Korea	9.1	9.1	9.0
Philippines	3.5	3.5	3.5
Singapore	2.4	2.4	
Thailand	6.5	6.5	6.5
Vietnam	2.6	2.6	
	84.2	84.2	
Australian Dollar			0.3
China Renminbi Off Shore			(15.3)
UK Pound Sterling			0.5
United States Dollar			56.0
Cash	15.8	15.8	
Total	100.0	100.0	100.0

Long - 76 stocks, 5 swaps, 1 bond

Top ten positions⁴

STOCK	COUNTRY	INDUSTRY	%
Tencent Holdings Ltd	China Ex	PRC Info Technology	4.0
Baidu com ADR	China Ex	PRC Info Technology	2.9
CK Hutchison Holdings Ltd	Hong Kong	Industrials	2.9
PICC Property & Casualty Co	China Ex	PRC Financials	2.8
Yes Bank Ltd	India	Financials	2.8
JD.com Inc ADR	China Ex	PRC Cons Discretionary	2.8
Kasikornbank PCL Foreign	Thailand	Financials	2.8
Shinhan Financial Group Ltd	Korea	Financials	2.7
China Mobile Ltd HK	China Ex	PRC Telecom Services	2.6
Jardine Matheson Holdings	Singapore	Industrials	2.4

Industry breakdown³

SECTOR	LONG %	NET %
Financials	28.7	28.7
Info Technology	13.6	13.6
Cons Discretionary	10.5	10.5
Industrials	9.9	9.9
Consumer Staples	8.9	8.9
Utilities	6.9	6.9
Telecom Services	2.6	2.6
Energy	1.8	1.8
Materials	1.1	1.1
Other	0.4	0.4

1. Investment returns are calculated using the 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. The investment returns shown are historical and no warranty can be given for future performance. You should be aware that historical performance is not a reliable indicator of future performance. Due to the volatility of underlying assets of the Fund and other risk factors associated with investing, investment returns can be negative (particularly in the short-term).

2. The investment returns depicted in this graph are cumulative on A\$20,000 invested in the Fund since inception relative to the MSCI All Country Asia ex Japan Net Index in A\$. The investment returns are calculated using the Fund's unit price. 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. It should be noted that Platinum does not invest by reference to the weightings of the Index. Underlying assets are chosen through Platinum's individual stock selection process and as a result holdings will vary considerably to the make-up of the Index. The Index is provided as a reference only.

3. The "Long%" represents the exposure to physical holdings, corporate fixed income securities and long stock derivatives. The "Net %" represents the exposure of physical holdings and both long and short derivatives. The "Currency %" represents the currency exposure for the Fund's Portfolio, taking into account currency hedging.

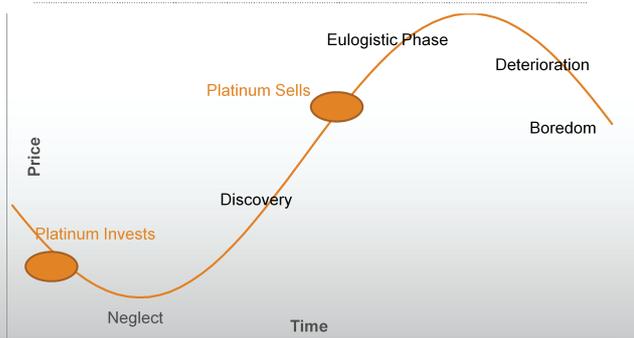
4. Top Ten positions shows the Fund's top long share exposure positions. Long derivative exposures are included, however, short derivative exposures are not.

Platinum Investment Management Limited ABN 25 063 565 006 AFSL 221935, trading as Platinum Asset Management ("Platinum") is the responsible entity and issuer of units in the Platinum Asia Fund (the "Fund"). The Platinum Trust Product Disclosure Statement No. 10 ("PDS") provides details about the Fund. You can obtain a copy of the PDS from Platinum's website www.platinum.com.au, or by contacting Investor Services on 1300 726 700 (Australian investors only), 0800 700 726 (New Zealand investors only), or 02 9255 7500, or via invest@platinum.com.au.

Before making any investment decision you need to consider (with your financial adviser) your particular investment needs, objectives and financial circumstances. You should refer to the PDS when deciding to acquire, or continue to hold, units in the Fund.

DISCLAIMERS: Some numerical figures in this Fact Sheet have been subject to rounding adjustments. The information presented in this Fact Sheet is not intended to be advice. It has not been prepared taking into account any particular investor's or class of investor's investment objectives, financial situation or needs, and should not be used as the basis for making investment, financial or other decisions. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information. Platinum does not guarantee the repayment of capital, payment of income or the Fund's performance. Platinum is a member of the Platinum Group of companies.

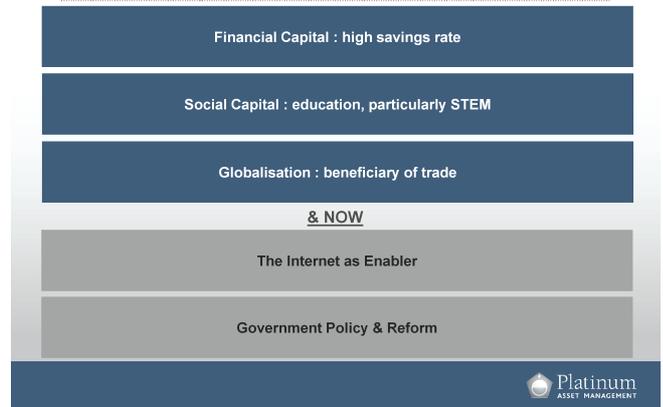
Platinum's approach



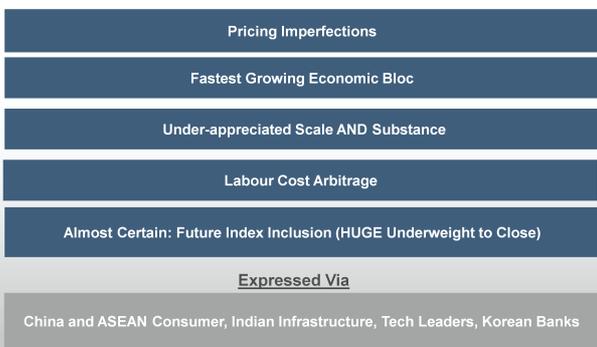
Source: Platinum



Drivers of Asia's Development



Rewards from Asian investing



Consumption : China v US Retail Sales Growth



Source: Bloomberg



Market update and Commentary

Reducing exposure to equity markets around six months ago was prudent but not enough to protect the portfolio against the recent down-draft. January 2016, like August 2015, was a difficult month, but served also as a reminder, after a prolonged and relatively stable up-market, that equity markets are not a one-way ride. The headlines blame China, oil and perhaps the Fed's tighter monetary policy. Oil fell further than even the most fanciful of forecasts. News on US monetary policy and China's challenges were not new though may have been given more weight in decision-making.

The performance over the last six months has been disappointing. However, as in episodes such as the Asian crisis (1997) and European sovereign crisis (2011) it seems to be been a case of cheap stocks, and markets, getting cheaper. Today as China, along with other emerging markets, and commodities sits squarely in the firing line, recent moves are more the result of broader acceptance of problems we have long been aware of. As per our approach we have progressively built positions in unloved companies, with prospects that we think are under-appreciated; many of these are in China.

We respect markets and constantly revisit our hypotheses, even more so when returns are negative. Our large exposure to stocks exposed to the Chinese consumer is a case in point. China's transition from an investment driven economy means it is slowing but we think the challenges get too much weight. Risks of policy mistakes do exist, but on the other hand, the Chinese are in a position to stimulate the economy and loosen monetary policy to an extent that most Western governments and central banks no longer can. When we look at what we hold, primarily e-commerce, insurance and beverages, we remain convinced that we are exposed to growth at very attractive absolute and relative values. Our hypothesis on the emerging/Chinese consumer is not controversial yet few seem willing to invest in the idea directly (see chart above of Retail Sales Growth). We also hold a large short position on their currency as we think it should be allowed to weaken; until it does those who don't employ currency management may remain on the sidelines.

Today, the portfolios weighted median stock is on a P/E of 12x, a lot less than Australia's 15x or the US on 16x, and with cash to deploy, we are now looking to add to some of our preferred companies after such a severe setback.