

Facts

Portfolio value	\$4.08 bn
Fund commenced	04 March 2003
Minimum investment	A\$20,000 or NZ\$20,000
Regular Investment Plan (min.)	A\$200 or NZ\$200 per mth/qtr
Income distribution date	Annual, 30 June
Unit valuation	Sydney Business Day
Unit prices	App - 2.6801 Red - 2.6667

Performance¹

	FUND %	MSCI %
1 month	(0.64)	(0.05)
3 months	(1.73)	(0.98)
6 months	4.56	6.12
Calendar year to date	0.30	5.96
1 year	0.30	5.96
2 years (compound pa)	1.12	4.05
3 years (compound pa)	7.65	7.44
5 years (compound pa)	14.48	12.37
7 years (compound pa)	7.42	6.51
10 years (compound pa)	7.94	4.58
Since inception (compound pa)	14.50	9.56

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	0.25%/0.25%

Performance graph²



Invested positions³

	LONG %	NET %	CURRENCY %
China	9.3	9.3	3.0
China Ex PRC	25.9	25.9	
Hong Kong	0.5	0.5	21.6
Taiwan	2.8	2.8	3.2
India	16.7	16.7	17.4
Indonesia	0.2	0.2	0.2
Korea	8.9	8.9	9.0
Malaysia	1.0	1.0	1.0
Philippines	4.5	4.5	4.6
Singapore	2.4	2.4	
Thailand	6.9	6.9	6.9
Vietnam	3.0	3.0	3.1
	82.2	82.2	
Australian Dollar			17.3
China Renminbi Off Shore			(9.1)
UK Pound Sterling			0.3
United States Dollar			21.6
Cash	17.8	17.8	
Total	100.0	100.0	100.0

Long - 75 stocks, 5 swaps

Top ten positions⁴

STOCK	COUNTRY	INDUSTRY	%
Ayala Corp	Philippines	Financials	3.3
Kasikornbank PCL Foreign	Thailand	Financials	3.1
Ping An Insurance Grp Co - A	China	Financials	3.0
Samsung Electronics Co Ltd	Korea	Info Technology	2.7
Baidu com ADR	China Ex PRC	Info Technology	2.6
Jiangsu Yanghe Brewery - A	China	Consumer Staples	2.5
Anta Sports Products Ltd	China Ex PRC	Cons Discretionary	2.5
Jardine Matheson Holdings	Singapore	Industrials	2.4
Tencent Holdings Ltd	China Ex PRC	Info Technology	2.3
ENN Energy Holdings	China Ex PRC	Utilities	2.1

Industry breakdown³

SECTOR	LONG %	NET %
Financials	24.8	24.8
Info Technology	14.7	14.7
Cons Discretionary	11.7	11.7
Consumer Staples	8.9	8.9
Industrials	6.7	6.7
Utilities	6.6	6.6
Energy	3.3	3.3
Real Estate	3.2	3.2
Materials	1.7	1.7
Other	0.5	0.5

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), or 0800 700 726 (New Zealand investors only), or 02 9255 7500, or via invest@platinum.com.au.

DISCLAIMERS: The information presented in the Fact Sheet is general information only and not intended to be financial product advice. It has not been prepared taking into account any particular investor's or class of investors' investment objectives, financial situation or needs, and should not be used as the basis for making investment, financial or other decisions. You should read the entire PDS and consider your particular investment objectives, financial situation and needs prior to making any investment decision to invest (or divest) in the Fund. You should also obtain professional advice prior to making an investment decision. Some numerical figures in this Fact Sheet have been subject to rounding adjustments.

No company or the directors in the Platinum Group guarantee the performance of the Fund, the repayment of capital, or the payment of income. To the extent permitted by law, no liability is accepted by any company of the Platinum Group or their directors for any loss or damage as a result of any reliance on this information.

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. Investment returns are calculated relative to the MSCI All Country Asia ex Japan Net Index in A\$. 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). Source: Platinum.

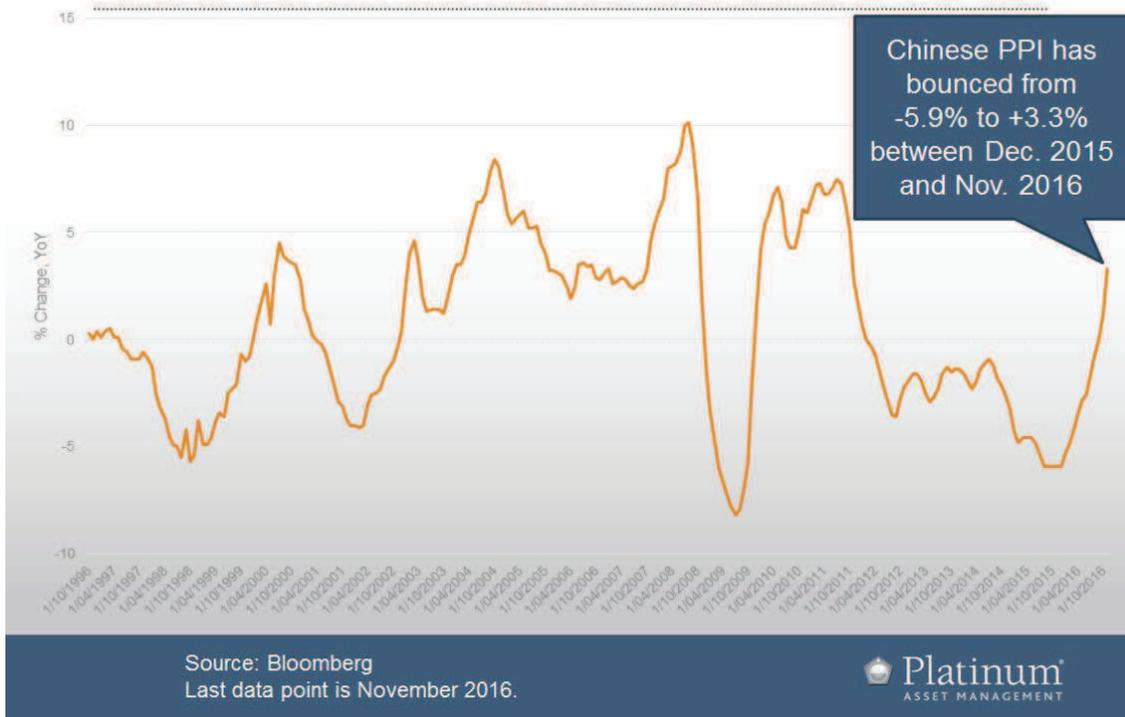
2. The investment returns depicted in this graph are cumulative on A\$20,000 invested in the Fund since inception relative to the MSCI All Country Asia ex Japan Net Index in A\$ ("Index"). The investment returns are calculated using the Fund's unit price. They are net of fees and costs (excluding the 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. Source: Platinum.

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

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

All data where MSCI is referenced is the property of MSCI. No use or distribution of this data is permitted without the written consent of MSCI. This data is provided "as is" without any warranties by MSCI. MSCI assumes no liability for or in connection with this data. Please see full MSCI disclaimer in www.platinum.com.au/our-funds/platinum-asia-fund/#FundPerformance.

Chinese Producer Price Inflation – the change continues



Market Update and Commentary

After the roller coaster ride of the previous couple of years, Asian equity markets have been broadly flat over the last four months. There has been some debate about the potential impact on the region if we see increased protectionism under the Trump administration. More on this in the soon-to-be published Quarterly Report.

Chinese equities have been weak in recent months, with lingering fears around deleveraging of the system, capital outflows and, now, a trade war with the US. However, this belies a robust economic recovery, perhaps best shown via the strength in China's Producer Price Index (or PPI) – see chart above. Input prices have reversed emphatically in recent months, after years of price declines, which we think is significant and may foretell a pick-up in private sector investment to broaden the recovery in 2017.

India's stall reflects corporates being forced to deal with the transitory impact of the Modi government's sudden and audacious "demonetisation", or cancellation of the Rs500 and Rs1,000 notes (representing 86% of the value of currency in circulation). The longer-term impact of such reform, designed to combat the cash economy and broaden and modernise the country's tax base, is, in our view, likely to be positive.

The Korean market was relatively strong in December with local giant Samsung Electronics resuming its strong share price performance. The impeachment of the nation's President amid corruption scandals was perhaps confirmatory to many skeptics, but it could accelerate the corporate reform process.

Meanwhile the Philippines recorded yet another very strong manufacturing PMI reading, indicating that country's ongoing economic momentum. The first half of 2016 – dominated by the China sell-off – was disappointing for the Fund, but the second half saw a recovery, giving us a 4.6% return, which lagged the market's 6.1%.*

Over the last six months, the key sectors that make up half of the Fund's portfolio (Financials, IT and Consumer Discretionary) made the entire contribution to the outcome, while on a geographic basis, the three major markets of China, Korea and India did all the work – both the Indian and Korean contributions were well ahead of their underlying market returns.

As we contemplate Asia at the conclusion of 2016, we are struck by the strength of the region's reform efforts and its economic dynamism. At a global level, investors are revealing a preference for the slogans and protectionism of the incoming US administration over the prospects of fundamental economic reform and buoyant growth in Asia. We are closely monitoring how Trump's administration evolves – Kerr Neilson will address this also in the Platinum International Fund Quarterly Report.

But of course, it's all about price, and at a weighted average median P/E of 14 times earnings and with strong growth prospects, we believe that our portfolio appears attractive, giving us targeted exposure to reforming, rapidly-growing, surplus-generating economies.

The Platinum Trust Quarterly Report will be available on our website, www.platinum.com.au from 13 January and mailed out by month end.

*Please refer to disclaimer note 1 on page 1 for information regarding performance calculations.