

PLATINUM UNHEDGED FUND



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Portfolio Manager

PORTFOLIO POSITION

Some of the themes/large positions contained in the current portfolio include (position prior quarter):

14% (16%) Asia ex-Japan/Hong Kong, including Thailand, Korea, Taiwan and Malaysia.

13% (11%) Japanese domestic (banks, property, construction, etc); Japan is one of the few developed economies where consumers remain relatively un-gear'd and investment preferences, driven by rising inflationary expectations, can change for the better i.e. away from deposits and bonds, towards equities and property.

12% (12%) Pulp and Paper, key neglected part of the commodities complex.

11% (14%) Technology, Health Care and other once proud "growth" stocks.

10% (10%) Energy and "Green" Technology – a long duration theme.

8% (8%) Global infrastructure/energy capex related – a combination of the BRIC's (Brazil, Russia, India and China) emerging requirements and the need to "renew" key parts of Western public infrastructure.

6% (7%) Gold, a laggard metal and inflation hedge.

4% (7%) Hong Kong listings, largely China consumption exposures (eg. property and retail).

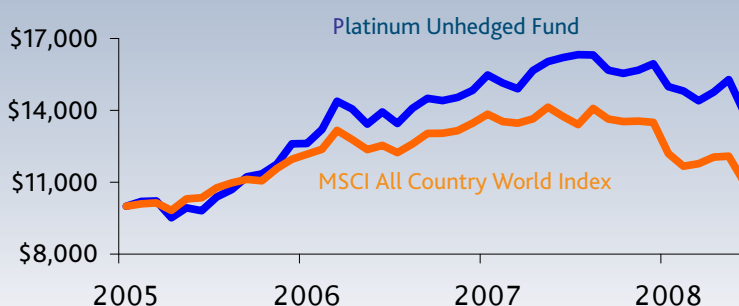
3% (5%) European domestic.

DISPOSITION OF ASSETS

| REGION | JUN 2008 | MAR 2008 |
|----------------|----------|----------|
| NORTH AMERICA | 31% | 31% |
| ASIA AND OTHER | 25% | 28% |
| JAPAN | 20% | 20% |
| EUROPE | 14% | 12% |
| AUSTRALIA | 0% | 1% |
| CASH | 10% | 8% |

Source: Platinum

VALUE OF \$10,000 INVESTED SINCE INCEPTION 31 JANUARY 2005 TO 30 JUNE 2008



Source: Platinum and MSCI. Refer to Note 2, page 3.

PERFORMANCE AND CHANGES TO THE PORTFOLIO

Over the past 12 months the Fund fell 14%, outperforming the MSCI All Countries World Index (A\$) benchmark by 6% and over the past quarter the Fund fell 3%, outperforming the benchmark by 3%.

The key positive contributors to the quarter were our capital equipment (eg. JGC and Bombardier) and energy holdings (Royal Dutch Shell). Whilst the large pulp and paper position contributed positively, in reality we had one stock that strongly benefited from a company specific turn-around and, in contrast, our US paper holdings were some of the worst performers. As a whole, the sector is still struggling to increase prices sufficiently to offset cost increases in fibre, energy and chemicals. In hindsight, we should have cut our exposure to this theme as the credit crisis and Western world consumer recession took hold impacting demand for key grades. Whilst we remain committed to the sector and the stocks are very cheap, we warn investors the ride may be bumpy as balance sheets are stretched (please refer to the September 2007 Platinum Unhedged Fund quarterly for the pulp and paper investment rationale).

Whilst in the March quarter our Thai and Taiwanese stocks were some of the best performers, this situation reversed in the current quarter. Our reasoning that these markets would remain relatively insulated from global concerns has been highjacked by high oil prices and rising inflation. Our error, at least in the short-term, has been to think that the Asian Central Banks, led by China, would proactively fight inflation by raising interest rates and allowing currency appreciation. Mercantilism would seem to be a hard habit for this region to kick. However, my strong view for the crisis involving Western world credit, energy and emerging world inflation is that the end-game is much higher interest rates in Asia and much stronger Asian currencies (at least those with strong external surpluses). The Platinum Unhedged Fund remains positioned for this.

The major change to Fund composition over the quarter was the reduction in our Hong Kong/China

and technology holdings, specifically semiconductor production equipment and the addition of European aerospace stocks, for example EADS, the European equivalent to Boeing. We sold well but were constrained in timing purchases by the need to maintain the cash mandate for the Platinum Unhedged Fund at a maximum of 10%. We commenced buying in early April when the oil price was just over \$100, thinking that the stocks were already discounting the worst of high oil prices (reflecting demand headwinds) and the strong Euro (reflecting the huge costs of manufacturing in Europe). What looked like a great buy, became an even better buy when the oil price re-started its inexorable march towards \$150 and the stocks dropped a further 30%. We have added to our position at these lower prices. These stocks will benefit greatly from a weaker Euro against the US dollar.

The current credit crisis is still perceived to be a US dollar crisis. My view is that it won't be long before the ECB's tough talk on inflation melts in the face of the growing evidence of a European banking crisis and the Euro is likely to lose its shine, especially against the US dollar. Accordingly, whilst the Fund remains heavily underweight European stocks in favour of Asia (Japan being the largest exposure in this region), the stocks we do own in Europe are ones that have been hurt by the strong Euro (ie. manufacturers) and stand to benefit as this unwinds. The opposite holds in Asia, where we have a strong preference for domestic consumption plays.

OUTLOOK

These times clearly remain challenging for long-only equity investors. We are committed to protecting investors capital by remaining "relatively" defensive in our positioning ie. weighting in gold and to the Asian markets that we perceive to be inflation beneficiaries. We will also take advantage of extreme undervaluations of certain stocks that are in some way embroiled in the current issues of credit, energy and inflation. We increased our cash holdings from 8% to 10% over the quarter.

NOTES

1. The investment returns are calculated using the Fund's unit price and represent the combined income and capital return for the specific period. They are net of fees and costs (excluding the buy-sell spread and any investment performance fee payable), are 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 past performance is not a reliable indicator of future performance. Due to the volatility of underlying assets of the Funds and other risk factors associated with investing, investment returns can be negative (particularly in the short-term).

2. The investment returns depicted in the graphs are cumulative on A\$10,000 invested in the relevant Fund since inception relative to their Index (in A\$) as per below:

Platinum International Fund:
Inception 1 May 1995, MSCI All Country World Net Index

Platinum Unhedged Fund:
Inception 31 January 2005, MSCI All Country World Net Index

Platinum Asia Fund:
Inception 3 March 2003, MSCI All Country Asia ex Japan Net Index

Platinum European Fund:
Inception 1 July 1998, MSCI All Country Europe Net Index

Platinum Japan Fund:
Inception 1 July 1998, MSCI Japan Net Index

Platinum International Brands Fund:
Inception 18 May 2000, MSCI All Country World Net Index

Platinum International Health Care Fund:
Inception 10 November 2003, MSCI All Country World Health Care Net Index

Platinum International Technology Fund:
Inception 18 May 2000, MSCI All Country World Information Technology Index

(nb. the gross MSCI Index was used prior to 31 December 1998 as the net MSCI Index did not exist).

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.

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The Platinum Trust Product Disclosure Statement No. 7 (PDS), is the current offer document for the Funds. 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), 02 9255 7500 or 0800 700 726 (New Zealand investors only) 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 consider the PDS in deciding whether to acquire, or continue to hold, units in the Funds.

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