



Facts

Portfolio value	\$369.46 mn
Portfolio inception	29 June 1994
Current share price	\$1.595
Current dividend yield	4.39% fully franked
Pre-tax NTA	\$1.5579
NTA retained earnings & dividend profit reserve	21.81 cps
Max. franked dividend	11.46cps

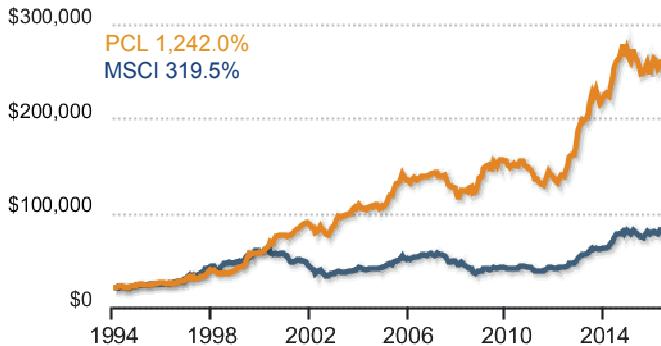
Performance¹

	FUND %	MSCI %
1 month	2.49	4.24
3 months	3.90	6.94
6 months	10.02	9.57
Calendar year to date	3.53	8.38
1 year	3.53	8.38
3 years (compound pa)	5.94	10.67
5 years (compound pa)	15.79	17.24
7 years (compound pa)	8.25	10.63
10 years (compound pa)	6.96	4.44
Since inception (compound pa)	12.23	6.58

Fees

Management fee:	1.1% p.a. of the portfolio value
Performance fee:	15% of the amount by which the portfolio's annual performance exceeds the return achieved by the MSCI All Country World Net Index

Performance graph²



Invested positions³

	LONG %	NET %	CURRENCY %
Australia	0.7	0.7	19.8
Canada	0.1	0.1	0.1
China	2.4	2.4	(3.5)
China Ex PRC	15.1	15.1	
Hong Kong	0.7	0.7	12.0
France	6.0	6.0	
Germany	4.7	4.7	
India	5.1	5.1	5.3
Italy	5.9	5.9	
Japan	12.9	12.9	2.6
Korea	5.5	5.5	5.5
Malaysia	0.9	0.9	0.9
Nigeria	0.1	0.1	0.1
Norway	0.9	0.9	9.5
Russia	0.8	0.8	
Singapore	0.3	0.3	
Sweden	1.6	1.6	1.6
Switzerland	0.8	0.8	0.8
Thailand	0.7	0.7	0.7
United Kingdom	3.9	3.9	4.9
United States	19.5	2.1	31.9
Vietnam	2.5	2.5	2.5
Zimbabwe	0.8	0.8	
	91.6	74.3	
China Renminbi Off Shore			(7.3)
Euro Currency			12.8
Cash	8.4	25.7	
Total	100.0	100.0	100.0

Long - 97 stocks, 3 swaps, 2 options, 1 bond Short - 4 stocks, 2 indices

Top ten positions⁴

STOCK	COUNTRY	INDUSTRY	%
Samsung Electronics Co Ltd	Korea	Info Technology	3.7
Alphabet Inc	USA	Info Technology	3.0
Tencent Holdings Ltd	China Ex PRC	Info Technology	2.5
Sanofi SA	France	Health Care	2.5
Eni SpA	Italy	Energy	2.4
Inpex Corporation Ltd	Japan	Energy	2.2
Intesa Sanpaolo SpA	Italy	Financials	2.2
Kering	France	Cons Discretionary	2.2
AstraZeneca PLC	UK	Health Care	2.0
PICC Property & Casualty Co	China Ex PRC	Financials	1.8

Industry breakdown³

SECTOR	LONG %	NET %
Info Technology	21.3	21.3
Cons Discretionary	14.9	14.1
Financials	13.7	13.7
Health Care	9.6	9.6
Energy	7.5	7.5
Industrials	6.7	6.7
Materials	6.3	6.3
Consumer Staples	5.7	3.5
Utilities	3.1	3.1
Telecom Services	2.1	2.1
Other*	0.7	(13.6)

* Includes index short positions

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DISCLAIMERS: Some numerical figures in this Fact Sheet have been subject to rounding adjustments. The information presented in this Fact Sheet is general information only and is 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. No company or any directors of any company in the Platinum Group® guarantee the performance of PMC, the repayment of capital, or the payment of income. To the extent permitted by law, no liability is accepted by any company in the Platinum Group or their directors for any loss or damage as a result of any reliance on this information.

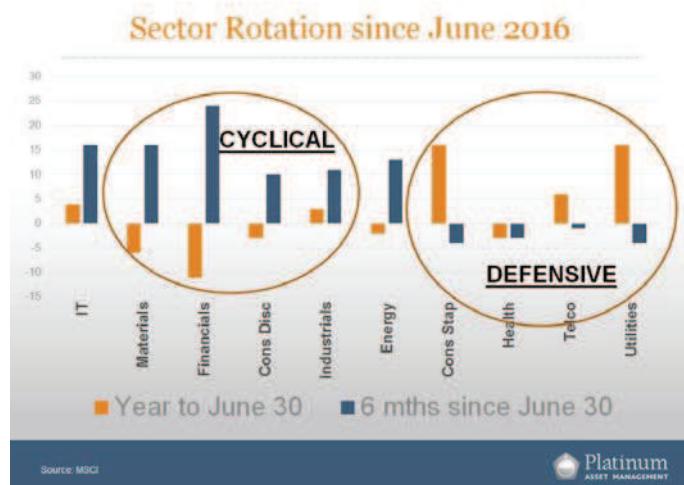
1. Source: Platinum. Performance results have been calculated using the pre-tax net tangible asset value price as released to the ASX and represent the combined income and capital return of the investments for the specified period. Please note that the results are not calculated from the share price of PMC. The returns are calculated relative to the MSCI All Country World Net Index in A\$ (nb. the gross MSCI Index was used prior to 31 December 1998 as the net MSCI Index did not exist). You should also be aware that performance results are calculated using historic points of reference. PMC and its directors cannot guarantee that such results will be replicated in the future; therefore, this information should not be used to make future investment decisions.

2. Source: Platinum. The investment returns depicted in this graph are cumulative on A\$20,000 invested in PMC since inception relative to the MSCI All Country World Net Index in A\$ ("Index") (nb. the gross MSCI Index was used prior to 31 December 1998 as the net MSCI Index did not exist). Performance results have been calculated using the pre-tax net tangible asset value as released to the ASX and represent the combined income and capital return of PMC's investments for the specified period. Please note that the results are not calculated from the share price of PMC. 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 from the make-up of the Index. The Index is provided as a reference only.

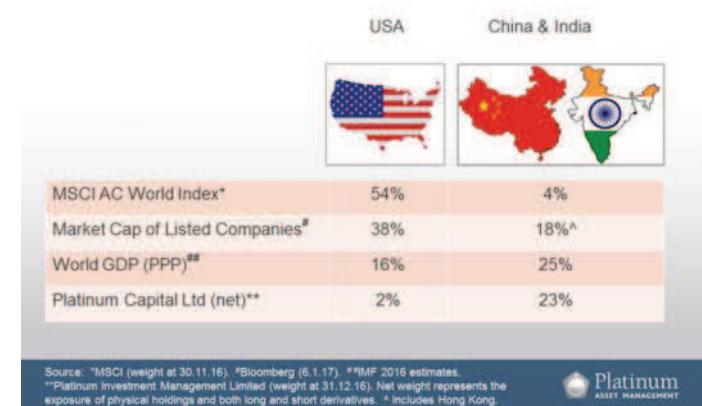
3. The "Long %" represents the exposure to physical holdings, corporate fixed income securities and long stock derivatives as a percentage of PMC's net tangible asset value. The "Net %" represents the exposure of physical holdings and both long and short derivatives as a percentage of PMC's net tangible asset value. The "Currency %" represents the currency exposure for PMC's Portfolio as a percentage of PMC's net tangible asset value, taking into account currency hedging.

4. The "Top ten positions" show PMC's top long share exposure positions as a percentage of PMC's net tangible asset value. Long derivative exposures are included. However, short derivative exposures are not.

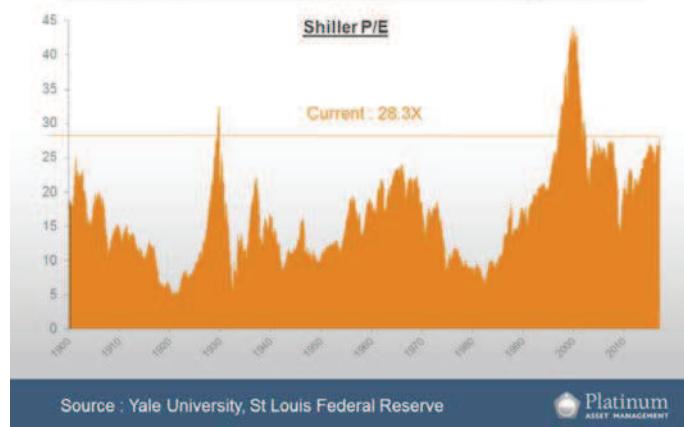
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Indices Don't Reflect the World, or even Markets



US : Valuations : Not a Good Entry Point!



Platinum's current portfolio: key themes



Market Update and Commentary

The last six months have seen the Company deliver 10%, slightly ahead of the global benchmark running at around 9.6% over the same period,* but this does not in itself tell the whole story.

Trump's election win, lauded in advance as a catastrophe, gave the already-expensive US market – the perceived major beneficiary of Trump's campaign promises – yet another adrenaline rush. Kerr Neilson will go into more detail on this in the soon-to-be published Quarterly Report.

Ahead of the election the Company's positioning had started to deliver encouraging outcomes, with a rotation from Defensives to Cyclicals coinciding with perhaps the end of a 36 year bond bull-market and a recovery in the Company's Asia-Pacific and small-cap exposures. Post the November 8th US election, returns were adequate, but became overshadowed by the one-sided local enthusiasm for the President-elect.

There are clear signs that an economic recovery is taking broader hold in the world and the Company is well positioned for it with a P/E of about 16X on its long holdings, comparing favourably with both Australian and US markets. However, we have more recently increased protection for the portfolio given the strong run in the US market which now exceeds its pre-GFC valuation and is behind only the eve of the Tech Bubble burst in 2000 and that of the crash of 1929 as the most expensive moments in the last 140 years. The rest of the world continues to present us with enough reasonably priced investments to be optimistic.

To look at where the returns have come from in the last six months, following the tough opening to 2016 with a China sell-off and the woes around Brexit, we can consider three dimensions – geographic, sector and risk management.

- The Company made money in the three major regions, adding over 6% from holdings in Asia Pacific, almost 3% in Europe and 1% from the US where net exposure is lowest. For context, the US and Japan (returning 10% and 11% respectively in AUD terms in the past six months) bested Europe (8%) and Asia ex Japan (6%) in terms of the total opportunity sets.
- The Company made money across the major sector categories, with 6% coming from Cyclicals (as defined in the first chart above), 2% from IT and around 1% each from Energy and Defensives. To compare with the opportunity set, Cyclicals, Energy and IT were all up 10-24% while Defensives fell 1- 4%.
- Currency moves and shorting broadly cancelled each other out in terms of risk management with small gains on currency and small losses on the down-side hedge in a rising market.

*The Platinum Capital Limited Quarterly Report will be available on our website,
www.platinumcapital.com.au from 17 January and mailed out by month end.*

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