

Platinum International Fund[®] ARSN 089 528 307

Platinum Unhedged Fund[™] ARSN 123 939 471

Platinum Asia Fund[®] ARSN 104 043 110

Platinum European Fund[®] ARSN 089 528 594

Platinum Japan Fund[®] ARSN 089 528 825

Platinum International Brands Fund[®] ARSN 092 429 813

Platinum International Health Care Fund[®] ARSN 107 023 530

Platinum International Technology Fund[®] ARSN 092 429 555

Financial Report - 30 June 2015

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30 June 2015

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Responsible Entity Report

30 June 2015

The Directors of Platinum Investment Management Limited (trading as Platinum Asset Management[®]) ABN 25 063 565 006 AFSL 221935, the responsible entity of the Platinum International Fund, the Platinum Unhedged Fund, the Platinum Asia Fund, the Platinum European Fund, the Platinum Japan Fund, the Platinum International Brands Fund, the Platinum International Health Care Fund and the Platinum International Technology Fund (collectively referred to as "*the registered schemes*"), present their report on the registered schemes for the year ended 30 June 2015.

Principal Activities

The principal activity of the registered schemes during the year was the investment of funds internationally into securities of companies, in accordance with the Product Disclosure Statement (PDS) and their respective Constitutions.

The registered schemes did not have any employees during the year.

Directors of the Responsible Entity

The Directors of Platinum Investment Management Limited during the year and up to the date of this report were:

Kerr Neilson

Andrew Clifford

Elizabeth Norman (appointed on 25 May 2015)

Philip Howard (until his resignation on 25 May 2015)

Andrew Stannard (appointed on 10 August 2015)

Significant Changes in the State of Affairs

There were no significant changes to the state of affairs of the registered schemes during the year, not otherwise disclosed in this report or the financial statements.

Operating and Financial Review (OFR)

The registered schemes have predominantly maintained their individual investment strategies in listed equities, equity and index derivatives and currency contracts. All of the registered schemes generated positive returns for the year-ended 30 June 2015, with annual returns ranging from 41.0% for Platinum Japan Fund to 15.5% for Platinum European Fund. The flagship Platinum International Fund returned 20.2% for the year to 30 June 2015.

Responsible Entity Report
30 June 2015

Operating and Financial Review (OFR) (continued)

The performances of the registered schemes, as represented by the results of their operations for the year ended 30 June 2015, were as follows:

	International Fund \$'000	Unhedged Fund \$'000	Asia Fund \$'000	European Fund \$'000	Japan Fund \$'000	International Brands Fund \$'000	International Health Care Fund \$'000	International Technology Fund \$'000
Net Operating Profit								
2015	1,983,470	61,354	1,350,688	44,835	171,334	203,468	35,294	12,884
2014	1,434,802	49,815	643,908	33,844	54,284	112,141	13,664	9,399
The distributions of the registered schemes at 30 June were:								
Distribution Paid and Payable								
2015	1,009,120	30,894	914,305	3,087	50,931	157,212	11,455	9,507
2014	534,324	33,186	276,756	-	18,453	67,116	-	3,386
Distribution (cents per unit)								
2015	20.21	12.92	53.16	2.28	34.67	34.81	16.20	19.58
2014	11.12	17.11	17.84	-	13.31	13.87	-	8.06
The redemption prices of the registered schemes at 30 June were:								
Redemption Price – (cum-distribution)								
2015	2.3269	1.6587	3.5589	3.0548	4.1935	2.9359	2.2722	1.6599
2014	2.0464	1.5590	2.9182	2.6451	3.1059	2.6387	1.6957	1.4593

The Investment Manager continues to find interesting opportunities with robust growth potential and will deploy funds towards these stocks as opportunities present themselves, in order to increase the schemes' net asset values. The method of operating the registered schemes is not expected to change in the foreseeable future.

Matters subsequent to the end of the year

Except as disclosed in the financial report, no other matter or circumstance has arisen since 30 June 2015 that has significantly affected or may significantly affect:

- (i) the operations of the registered schemes in future years; or
- (ii) the results of those operations in future years; or
- (iii) the states of affairs of the registered schemes in future years.

Responsible Entity Report
30 June 2015

Indemnification and insurance of officers and auditors

No insurance premiums are paid for out of the assets of the registered schemes with regard to insurance cover provided to either the Investment Manager, Platinum Investment Management Limited, or the Auditor of the registered schemes. As long as the officers of the responsible entity act in accordance with the schemes' Constitutions and the Law, they remain fully indemnified out of the assets of the registered schemes against any losses incurred while acting on behalf of the registered schemes. The Auditor of the registered schemes is in no way indemnified out of the assets of the registered schemes.

Fees paid to and interests held in the registered scheme

Fees paid to the responsible entity out of registered schemes' property during the year are disclosed in Note 12 to the financial statements. No fees were paid out of the registered schemes' property directly to the Directors of the responsible entity during the year.

Units on issue

The movements in units on issue in the registered schemes during the year have been disclosed in Note 6 to the financial statements.

Environmental regulation

The operations of the registered schemes are not subject to any particular or significant environmental regulations under Commonwealth, State or Territory law.

Rounding of amounts to the nearest thousand dollars

The registered schemes are of a kind referred to in the Australian Securities & Investments Commission's Class Order 98/0100 (as amended) and consequently amounts in the Responsible Entity Report and financial report have been rounded to the nearest thousand dollars in accordance with that Class Order, unless otherwise indicated.

Including different registered scheme financial reports in a single document

The registered schemes have applied Australian Securities and Investments Commission's Class Order 06/441, which allows registered schemes with a common responsible entity to include their financial statements in adjacent columns in a single financial report.

Auditor's independence declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is attached on page 5.

This report is made in accordance with a resolution of the Directors.

Kerr Neilson
Director

Sydney
24 August 2015



Auditor's Independence Declaration

As lead auditor for the audit of the Platinum International Fund, the Platinum Unhedged Fund, the Platinum Asia Fund, the Platinum European Fund, the Platinum Japan Fund, the Platinum International Brands Fund, the Platinum International Health Care Fund, and the Platinum International Technology Fund for the year ended 30 June 2015, I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audits; and
- b) no contraventions of any applicable code of professional conduct in relation to the audits.

This declaration is in respect of the Platinum International Fund, the Platinum Unhedged Fund, the Platinum Asia Fund, the Platinum European Fund, the Platinum Japan Fund, the Platinum International Brands Fund, the Platinum International Health Care Fund, and the Platinum International Technology Fund during the period.

Joe Sheeran
Partner
PricewaterhouseCoopers

Sydney
24 August 2015

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Liability limited by a scheme approved under Professional Standards Legislation.

Statements of Comprehensive Income
For the year ended 30 June 2015

		International Fund		Unhedged Fund		Asia Fund		European Fund	
	Note	2015	2014	2015	2014	2015	2014	2015	2014
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Investment income									
Dividends		217,596	277,850	5,832	8,801	117,308	65,416	5,456	4,183
Interest		1,464	1,044	116	132	4,164	1,332	857	641
Net gains on financial assets at fair value through profit or loss		1,575,947	1,328,833	60,006	46,689	1,283,621	674,313	36,855	36,012
Net foreign exchange gains/(losses) on forward currency contracts		274,636	34,279	(272)	(80)	220	(10,228)	5,819	(2,653)
Net foreign exchange gains/(losses) on bank accounts		112,041	(32,458)	2,099	(564)	49,804	(9,520)	1,803	197
Total net investment income		2,181,684	1,609,548	67,781	54,978	1,455,117	721,313	50,790	38,380
Expenses									
Management fee		150,838	130,917	4,817	3,698	76,399	55,936	4,456	3,361
Administration fee		8,347	7,067	344	264	5,457	3,995	318	240
Withholding tax on foreign dividends		17,353	17,944	508	589	7,460	7,054	538	442
Transaction costs		21,583	18,750	752	610	15,050	10,394	641	492
Other		93	68	6	2	63	26	2	1
Total expenses		198,214	174,746	6,427	5,163	104,429	77,405	5,955	4,536
Net operating profit		1,983,470	1,434,802	61,354	49,815	1,350,688	643,908	44,835	33,844
Financing Costs									
Net operating profit attributable to unitholders		1,983,470	1,434,802	61,354	49,815	1,350,688	643,908	44,835	33,844
(Increase) in net assets attributable to unitholders	6	(974,350)	(900,478)	(30,460)	(16,629)	(436,383)	(367,152)	(41,748)	(33,844)
Distribution paid and payable	7	(1,009,120)	(534,324)	(30,894)	(33,186)	(914,305)	(276,756)	(3,087)	-
Net profit for the period		-	-	-	-	-	-	-	-
Other comprehensive income		-	-	-	-	-	-	-	-
Total comprehensive income		-	-	-	-	-	-	-	-

The above Statements of Comprehensive Income should be read in conjunction with the accompanying notes.

Statements of Comprehensive Income
For the year ended 30 June 2015

		Japan Fund		International Brands Fund		International Health Care Fund		International Technology Fund	
	Note	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Investment income									
Dividends		9,290	6,875	22,028	17,918	1,227	1,162	1,261	2,086
Interest		118	114	1,170	3,031	315	370	81	46
Net gains on financial assets at fair value through profit or loss		121,783	52,729	179,632	113,355	33,148	14,308	10,365	8,520
Net foreign exchange gains/(losses) on forward currency contracts		43,958	4,804	1,330	1,917	1,900	(597)	1,604	(22)
Net foreign exchange gains/(losses) on bank accounts		5,479	(2,666)	22,879	(2,216)	826	(64)	841	(262)
Total net investment income		180,628	61,856	227,039	134,005	37,416	15,179	14,152	10,368
Expenses									
Management fee		6,993	5,754	17,747	16,674	1,746	1,219	985	739
Administration fee		499	411	1,268	1,191	125	87	70	53
Withholding tax on foreign dividends		973	645	2,341	1,803	143	120	99	78
Transaction costs		826	759	2,207	2,188	107	88	114	99
Other		3	3	8	8	1	1	-	-
Total expenses		9,294	7,572	23,571	21,864	2,122	1,515	1,268	969
Net operating profit		171,334	54,284	203,468	112,141	35,294	13,664	12,884	9,399
Financing Costs									
Net operating profit attributable to unitholders		171,334	54,284	203,468	112,141	35,294	13,664	12,884	9,399
(Increase) in net assets attributable to unitholders	6	(120,403)	(35,831)	(46,256)	(45,025)	(23,839)	(13,664)	(3,377)	(6,013)
Distribution paid and payable	7	(50,931)	(18,453)	(157,212)	(67,116)	(11,455)	-	(9,507)	(3,386)
Net profit for the period		-	-	-	-	-	-	-	-
Other comprehensive income		-	-	-	-	-	-	-	-
Total comprehensive income		-	-	-	-	-	-	-	-

The above Statements of Comprehensive Income should be read in conjunction with the accompanying notes.

Statements of Financial Position
As at 30 June 2015

		International Fund		Unhedged Fund			Asia Fund	European Fund	
	Note	2015	2014	2015	2014	2015	2014	2015	2014
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets									
Cash and cash equivalents	13(a)	1,250,095	846,264	32,011	17,331	1,174,938	380,996	94,032	61,828
Receivables	8	15,361	13,361	319	249	33,307	5,192	423	529
Financial assets at fair value through profit or loss	5	10,442,318	9,064,399	370,370	285,998	4,944,383	4,176,944	321,040	226,726
Total Assets		11,707,774	9,924,024	402,700	303,578	6,152,628	4,563,132	415,495	289,083
Liabilities									
Unitholders' distribution payable	7	1,009,120	534,324	30,894	33,186	914,305	276,756	3,087	-
Payables	9	17,076	23,987	4,759	292	10,734	10,929	523	349
Financial liabilities at fair value through profit or loss	5	42,063	38,031	378	103	5,686	13,413	422	698
Total Liabilities (excluding net assets attributable to unitholders)		1,068,259	596,342	36,031	33,581	930,725	301,098	4,032	1,047
Net Assets Attributable to Unitholders	6	10,639,515	9,327,682	366,669	269,997	5,221,903	4,262,034	411,463	288,036

The above Statements of Financial Position should be read in conjunction with the accompanying notes.

Statements of Financial Position
As at 30 June 2015

		Japan Fund		International Brands Fund		International Health Care Fund		International Technology Fund	
	Note	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Assets									
Cash and cash equivalents	13(a)	61,348	39,863	338,212	304,492	51,739	21,152	14,584	6,615
Receivables	8	741	657	3,135	2,787	169	879	372	43
Financial assets at fair value through profit or loss	5	559,678	394,915	994,735	978,556	109,593	80,855	66,321	54,980
Total Assets		621,767	435,435	1,336,082	1,285,835	161,501	102,886	81,277	61,638
Liabilities									
Unitholders' distribution payable	7	50,931	18,453	157,212	67,116	11,455	-	9,507	3,386
Payables	9	735	1,764	2,939	1,626	313	117	356	72
Financial liabilities at fair value through profit or loss	5	3,394	1,914	3,788	4,261	111	84	128	81
Total Liabilities (excluding net assets attributable to unitholders)		55,060	22,131	163,939	73,003	11,879	201	9,991	3,539
Net Assets Attributable to Unitholders	6	566,707	413,304	1,172,143	1,212,832	149,622	102,685	71,286	58,099

The above Statements of Financial Position should be read in conjunction with the accompanying notes.

Statements of Changes in Equity
For the year ended 30 June 2015

	International Fund		Unhedged Fund		Asia Fund		European Fund	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total equity at the beginning of the year	-	-	-	-	-	-	-	-
Profit/(loss) for the year	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	-	-
Transactions with equity holders	-	-	-	-	-	-	-	-
Total equity at the end of the year	-	-	-	-	-	-	-	-

Under Australian Accounting Standards, net assets attributable to unitholders are classified as a liability rather than equity and, accordingly, the registered schemes have no equity for financial reporting purposes.

The above Statements of Changes in Equity should be read in conjunction with the accompanying notes.

Statements of Changes in Equity
For the year ended 30 June 2015

	Japan Fund		International Brands Fund		International Health Care Fund		International Technology Fund	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total equity at the beginning of the year	-	-	-	-	-	-	-	-
Profit/(loss) for the year	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	-	-
Transactions with equity holders	-	-	-	-	-	-	-	-
Total equity at the end of the year	-	-	-	-	-	-	-	-

Under Australian Accounting Standards, net assets attributable to unitholders are classified as a liability rather than equity and, accordingly, the registered schemes have no equity for financial reporting purposes.

The above Statements of Changes in Equity should be read in conjunction with the accompanying notes.

Statements of Cash Flows
For the year ended 30 June 2015

	Note	International Fund		Unhedged Fund		Asia Fund		European Fund	
		2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Cash flows from operating activities									
Purchase of financial assets		(4,950,827)	(5,470,940)	(196,691)	(198,976)	(3,097,501)	(2,071,311)	(124,813)	(80,197)
Proceeds from sale of financial assets		5,423,448	5,403,956	176,473	150,742	3,577,838	1,756,037	72,339	31,816
Interest received		1,298	1,023	111	118	4,030	1,302	863	591
Dividends received		216,165	278,428	5,787	8,834	116,795	64,216	5,568	4,052
Manager's fees paid		(155,942)	(134,984)	(5,034)	(3,840)	(79,442)	(58,255)	(4,601)	(3,424)
Other expenses paid		(21,808)	(18,970)	(769)	(623)	(15,309)	(10,493)	(654)	(508)
Net cash inflow/(outflow) from operating activities	13(c)	512,334	58,513	(20,123)	(43,745)	506,411	(318,504)	(51,298)	(47,670)
Cash flows from financing activities									
Proceeds from units issued		1,802,220	1,551,918	91,654	55,216	849,402	771,812	137,192	109,403
Payment for units redeemed		(1,464,737)	(1,427,998)	(25,442)	(11,030)	(325,916)	(369,336)	(55,513)	(19,892)
Distributions paid		(534,324)	(204,282)	(33,186)	(1,737)	(276,756)	(66,009)	-	-
Net cash inflow/(outflow) from financing activities		(196,841)	(80,362)	33,026	42,449	246,730	336,467	81,679	89,511
Net increase/(decrease) in cash and cash equivalents		315,493	(21,849)	12,903	(1,296)	753,141	17,963	30,381	41,841
Cash and cash equivalents at beginning of the year		846,264	903,530	17,331	19,319	380,996	372,412	61,828	20,032
Effects of exchange rate changes on cash and cash equivalents		88,338	(35,417)	1,777	(692)	40,801	(9,379)	1,823	(45)
Cash and cash equivalents at the end of the year	13(a)	1,250,095	846,264	32,011	17,331	1,174,938	380,996	94,032	61,828

The above Statements of Cash Flows should be read in conjunction with the accompanying notes.

Statements of Cash Flows
For the year ended 30 June 2015

		Japan Fund		International Brands Fund		International Health Care Fund		International Technology Fund	
	Note	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Cash flows from operating activities									
Purchase of financial assets		(265,966)	(384,995)	(371,136)	(461,125)	(25,335)	(30,822)	(44,352)	(46,331)
Proceeds from sale of financial assets		266,365	374,004	536,486	386,892	32,477	12,580	45,162	32,858
Interest received		83	119	1,306	3,036	313	369	79	42
Dividends received		9,122	6,555	22,602	16,705	1,198	1,121	936	2,104
Manager's fees paid		(7,243)	(6,043)	(18,886)	(17,388)	(1,793)	(1,251)	(1,026)	(762)
Other expenses paid		(849)	(767)	(2,203)	(2,229)	(113)	(93)	(115)	(101)
Net cash inflow/(outflow) from operating activities	13(c)	1,512	(11,127)	168,169	(74,109)	6,747	(18,096)	684	(12,190)
Cash flows from financing activities									
Proceeds from units issued		92,707	65,012	198,361	342,172	38,874	34,776	19,300	15,221
Payment for units redeemed		(59,707)	(60,116)	(285,306)	(134,561)	(15,776)	(8,036)	(9,490)	(4,148)
Distributions paid		(18,453)	-	(67,116)	(56,164)	-	(1,693)	(3,386)	-
Net cash inflow/(outflow) from financing activities		14,547	4,896	(154,061)	151,447	23,098	25,047	6,424	11,073
Net increase/(decrease) in cash and cash equivalents		16,059	(6,231)	14,108	77,338	29,845	6,951	7,108	(1,117)
Cash and cash equivalents at beginning of the year		39,863	49,082	304,492	230,663	21,152	14,307	6,615	8,003
Effects of exchange rate changes on cash and cash equivalents		5,426	(2,988)	19,612	(3,509)	742	(106)	861	(271)
Cash and cash equivalents at the end of the year	13(a)	61,348	39,863	338,212	304,492	51,739	21,152	14,584	6,615

The above Statements of Cash Flows should be read in conjunction with the accompanying notes.

Note 1 General Information

This financial report covers the Platinum International Fund, Platinum Unhedged Fund, Platinum Asia Fund, Platinum European Fund, Platinum Japan Fund, Platinum International Brands Fund, Platinum International Health Care Fund and Platinum International Technology Fund (collectively referred to as “the registered schemes”), as individual entities.

Platinum Investment Management Limited ABN 25 063 565 006 AFSL 221935 is the responsible entity of the registered schemes. The registered office is Level 8, 7 Macquarie Place, Sydney, NSW 2000.

Registered Scheme	Date of Commencement	Registered Scheme	Date of Commencement
Platinum International Fund	4 April 1995	Platinum Japan Fund	12 June 1998
Platinum Unhedged Fund	19 January 2005	Platinum International Brands Fund	11 April 2000
Platinum Asia Fund	3 March 2003	Platinum International Health Care Fund	5 November 2003
Platinum European Fund	12 June 1998	Platinum International Technology Fund	11 April 2000

Each registered scheme may be wound up on the day immediately preceding the 80th anniversary of the date of commencement, unless terminated earlier in accordance with the provisions of the Constitution.

The financial report was authorised for issue by the Directors of the responsible entity on 24 August 2015. The Directors have the power to amend the financial report after issue.

Note 2 Summary of Significant Accounting Policies

(a) Basis of preparation of the financial statements

The financial statements have been prepared in accordance with the requirements of the registered schemes’ Constitutions, Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. Each registered scheme is a for-profit entity for the purpose of preparing the financial report.

The financial statements have been prepared on the basis of fair value measurement of assets and liabilities, except where otherwise stated.

The Statements of Financial Position are presented on a liquidity basis. Specifically, assets and liabilities are presented in decreasing order of liquidity and do not distinguish between current and non-current. All balances are expected to be recovered or settled within 12 months, except for financial assets at fair value through profit or loss and net assets attributable to unitholders.

The registered schemes manage financial assets at fair value through profit or loss based on the economic circumstances at any given point in time, as well as to meet any liquidity requirements. As such, it is expected that a portion of the portfolio will be realised within 12 months, however, a precise estimate of that amount cannot be determined as at balance date.

In the case of net assets attributable to unitholders, the units are redeemed on demand at the unitholder’s discretion. However, it is recommended that holders of these instruments typically retain them for the medium to long term. As such, the amount expected to be settled within 12 months cannot be reliably determined.

Note 2 Summary of Significant Accounting Policies (continued)

(a) Basis of preparation of the financial statements (continued)

Compliance with International Financial Reporting Standards

The financial statements of the registered schemes also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Critical Accounting Estimates

The preparation of the financial statements requires the use of certain critical accounting estimates and judgements, which are included in the accounting policies below.

(b) Income Tax

Under current tax legislation, the registered schemes are not subject to income tax as unitholders are presently entitled to the income of the Fund.

The benefits of any offsets for foreign tax paid are passed on to unitholders.

(c) Financial Assets and Liabilities at Fair Value through Profit or Loss

Under AASB 139: Financial Instruments: Recognition and Measurement, investments are classified in the registered schemes' Statement of Financial Position as "financial assets at fair value through profit or loss". Derivatives and foreign currency contracts are classified as financial instruments "held for trading" and equity securities are designated at fair value through profit or loss upon initial recognition. The registered schemes have applied AASB 13 *Fair Value Measurement*. AASB 13 defines fair value as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date". AASB 13 increases transparency about fair value measurements, including the valuations techniques and inputs used to measure fair value.

The standard prescribes that the most representative price within the bid-ask spread should be used for valuation purposes. With respect to the registered schemes, the last-sale or "last" price is the most representative price within the bid-ask spread, because it represents the price that the security last changed hands from seller to buyer.

The registered schemes have applied last-sale pricing as the fair value measurement basis for equities and derivatives they hold.

AASB 13 also requires reporting entities to disclose its valuation techniques and inputs. This is described below.

Fair value in an active market

The fair value of financial assets and liabilities traded in active markets uses quoted market prices at reporting date without any deduction for estimated future selling costs. Financial assets are valued using "last-sale" pricing. Gains and losses arising from changes in the fair value of the financial assets/liabilities are included in the Statement of Comprehensive Income in the period they arise.

Forward currency contracts are initially recognised at fair value on the date contracts are entered into and are subsequently remeasured at each reporting date. The fair value is the unrealised profit or loss on the foreign currency position (in Australian dollars).

Note 2 Summary of Significant Accounting Policies (continued)

(c) Financial Assets and Liabilities at Fair Value through Profit or Loss (continued)

Fair value in an inactive market or unquoted market

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. These include the use of recent arm's length market transactions, discounted cash flow techniques or any other valuation techniques that provides a reliable estimate of prices obtained in actual market transactions. Options are valued with reference to the quoted price of the underlying index or share. If there is no liquid market available, the options are valued based on the option prices provided by an arm's length broker. These valuations are based on option pricing models.

Recognition/derecognition

The registered schemes recognise financial assets on the date they become party to the purchase contractual agreement (trade date) and recognise changes in fair value of the financial assets from this date.

The registered schemes no longer recognise financial assets on the date they become party to the sale contractual agreement (trade date).

(d) Transaction costs

Initial measurement (cost) on acquisition of trading securities shall not include directly attributable transaction costs, such as fees and commissions paid to agents. Incremental transaction costs on financial assets at fair value through profit or loss are expensed immediately.

(e) Net assets attributable to unitholders

Units on issue give the unitholder a right to redeem units at the redemption price. The registered schemes have more than one class of unit on issue. Therefore, net assets attributable to unitholders are considered a liability rather than equity. The liability represents the balance of the net assets of the registered schemes at reporting date. As unitholders' funds are classed as a liability under Australian Accounting Standards, it will be necessary to recognise "(increase)/decrease in net assets attributable to unitholders" in the Statements of Comprehensive Income as a financing cost.

(f) Foreign currency translation

Items included in the registered schemes' financial statements are measured using the currency of the primary economic environment in which they operate (the "functional currency"). This is the Australian dollar, which reflects the currency of the country that the registered schemes are regulated, funds are raised and distributions are paid. The Australian dollar is also the registered schemes' presentation currency.

Transactions denominated in foreign currencies are translated into Australian currency at the rates of exchange prevailing on the date of the transaction. Foreign currency assets and liabilities for each Statement of Financial Position presented are translated at exchange rates at the closing rate at the date of that Statements of Financial Position. Resulting exchange differences are brought to account in determining profit and loss for the year.

(g) Investment income

Interest Income

Interest income is recognised in the Statements of Comprehensive Income, using the nominated interest rate available on the bank accounts held at various locations throughout the world.

Dividend Income

Dividend income is brought to account on the applicable ex-dividend date.

Note 2 Summary of Significant Accounting Policies (continued)

(h) Distributions

In accordance with each registered schemes' Constitution, each registered scheme fully distributes any distributable income to unitholders by cash or reinvestment. Distributable income is determined by reference to the taxable income of the registered scheme.

(i) Receivables

All receivables are recognised when a right to receive payment is established. Debts that are known to be uncollectible are written off. A provision for doubtful debts is raised where there is evidence the amount will not be collected.

(j) Payables

All payables are recognised as and when the registered schemes become liable.

(k) Applications and redemptions

Applications received for units in the registered schemes are recorded net of any entry fees payable prior to the issue of units in the registered schemes. Redemptions from the registered schemes are recorded gross of any exit fees payable after the cancellation of units redeemed. The redemption price is determined by reference to the net assets of the registered scheme divided by the number of units on issue at or immediately prior to close of business each day. Issues and redemptions of units are processed simultaneously.

(l) Rounding of amounts to the nearest thousand dollars

The registered schemes are of a kind referred to in the Australian Securities & Investments Commission's Class Order 98/0100 (as amended) and consequently amounts in the Responsible Entity Report and financial report have been rounded to the nearest thousand dollars in accordance with that Class Order, unless otherwise indicated.

(m) Including different registered scheme financial reports in a single document

The registered schemes have applied Australian Securities and Investments Commission's Class Order 06/441, which allows registered schemes with a common responsible entity to include their financial statements in adjacent columns in a single financial report.

(n) Goods and Services Tax (GST)

The GST paid on the costs of various services provided to the registered schemes, such as Investment Management fees, has been passed onto the registered schemes. Investment Management fees have been recognised in the Statements of Comprehensive Income net of the amount of GST recoverable from the Australian Taxation Office (ATO). GST recoverable from the ATO at reporting date is included in receivables in the Statements of Financial Position. Cash flows relating to GST are included in the Statements of Cash Flows on a gross basis.

(o) Operating segments

The registered schemes are outside the scope of AASB 8 *Operating Segments* as they do not satisfy the requirement, under AASB 8, of having debt or equity instruments traded in a public market, or file their financial statements with a securities commission or other regulatory organisation for the purpose of issuing any class of instruments in a public market.

Note 2 Summary of Significant Accounting Policies (continued)

(p) Cash and cash equivalents

For the purposes of the Statements of Cash Flows, cash includes deposits held at call with financial institutions, cash held in margin accounts and other short term, highly liquid investments with original maturities of 3 months or less that is readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

Margin accounts comprise cash held as collateral for derivative transactions.

Payments and receipts relating to the purchase and sale of financial assets are classified as “cash flows from operating activities” as realised and unrealised gains (and losses) on financial assets represent the registered schemes' main operating activity.

(q) Due to/from brokers for unsettled trades

Amounts due to/from brokers represent payables for securities purchased and receivables for securities sold that have been contracted for, but not yet delivered by the reporting date. Trades are recorded on trade date. Proceeds on sale of investments are usually received between 2 and 5 days after trade date. Payables on purchase of investments are usually paid between 2 and 5 days after trade date.

(r) Offsetting a financial asset and a financial liability

Financial assets and liabilities are offset and the net amount reported in the Statements of Financial Position where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

Please refer to Note 10(g) for further information.

(s) New accounting standards and interpretations

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the registered schemes for the annual reporting period ended 30 June 2015. The registered schemes' assessment of the impact of the one new or amended Accounting Standard and Interpretation, most relevant to the registered schemes, is set out below.

AASB 9 Financial Instruments (and applicable amendments)

AASB 9 addresses the classification, measurement and de-recognition of financial assets and financial liabilities. It now includes revised rules around hedge accounting and impairment. The standard is not applicable until 1 January 2018. The standard has been assessed as not having a significant impact on the recognition and measurement of the registered schemes' financial instruments as the financial instruments are carried at fair value through profit or loss.

AASB 15 Revenue from contracts with customers

The main objective of this new standard is to provide a single revenue recognition model based on the transfer of goods and services and the consideration expected to be received in return for that transfer. The registered schemes' main sources of income are gains on equities and derivatives, forward currency contracts and overseas bank accounts, as well as interest and dividend income. All of these income types are outside the scope of the standard. The standard was assessed as not having a material impact on the registered schemes in the current or future reporting period.

There are no other standards that are not yet effective that are expected to have a material impact on the registered schemes in the current or future reporting periods and on foreseeable future transactions.

Notes to the Financial Statements
30 June 2015

Note 3 Auditor's Remuneration

	International Fund		Unhedged Fund		Asia Fund		European Fund	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$	\$	\$	\$	\$	\$	\$	\$
Auditing and review of the financial report	48,652	47,235	6,367	6,178	26,649	25,873	23,378	22,696
Auditing the Compliance Plan	9,853	9,566	2,292	2,225	8,134	7,897	5,158	5,008
Other audit and assurance services	28,367	18,978	-	-	28,739	18,234	-	-
Taxation and regulatory services – Compliance	52,730	48,958	40,847	37,021	49,690	48,820	37,805	32,643
Other advisory services – Foreign tax agent	4,927	5,415	-	2,744	6,131	9,477	-	-
	144,529	130,151	49,506	48,168	119,343	110,300	66,341	60,347

	Japan Fund		International Brands Fund		International Health Care Fund		International Technology Fund	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$	\$	\$	\$	\$	\$	\$	\$
Auditing and review of the financial report	24,416	23,706	23,378	22,696	8,762	8,507	19,937	19,357
Auditing the Compliance Plan	5,973	5,799	5,158	5,008	2,292	2,225	4,012	3,895
Other audit and assurance services	-	-	-	-	-	-	-	-
Taxation and regulatory services – Compliance	43,805	35,388	43,165	36,061	39,425	33,541	39,745	53,557
Other advisory services – Foreign tax agent	-	-	672	739	-	-	2,418	3,730
	74,194	64,893	72,373	64,504	50,479	44,273	66,112	80,539

In 2015 (and 2014) Auditor's Remuneration was paid by the responsible entity and reimbursed by the registered schemes, via the administration fee.

Note 4 Taxation

Under current tax legislation, the individual registered schemes are not subject to income tax, as taxable income (including assessable net realised capital gains) is distributed in full to unitholders.

Notes to the Financial Statements
30 June 2015

Note 5 Financial Assets and Liabilities at Fair Value through Profit or Loss

	International Fund		Unhedged Fund		Asia Fund		European Fund	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets								
Equity securities	10,397,218	9,050,210	370,191	285,998	4,930,369	4,173,098	320,611	226,641
Corporate bonds	8,275	-	143	-	7,344	-	-	-
Derivatives	18,363	4,599	36	-	5,926	516	230	58
Forward currency contracts	18,462	9,590	-	-	744	3,330	199	27
	10,442,318	9,064,399	370,370	285,998	4,944,383	4,176,944	321,040	226,726
Financial liabilities								
Derivatives	14,328	15,806	378	103	4,837	3,494	-	-
Forward currency contracts	27,735	22,225	-	-	849	9,919	422	698
	42,063	38,031	378	103	5,686	13,413	422	698
Total of financial assets less liabilities	10,400,255	9,026,368	369,992	285,895	4,938,697	4,163,531	320,618	226,028

	Japan Fund		International Brands Fund		International Health Care Fund		International Technology Fund	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets								
Equity securities	557,839	394,633	990,348	977,334	109,574	80,831	66,145	54,965
Derivatives	260	282	4,196	456	-	-	91	15
Forward currency contracts	1,579	-	191	766	19	24	85	-
	559,678	394,915	994,735	978,556	109,593	80,855	66,321	54,980
Financial liabilities								
Derivatives	80	410	2,674	3,960	89	-	-	-
Forward currency contracts	3,314	1,504	1,114	301	22	84	128	81
	3,394	1,914	3,788	4,261	111	84	128	81
Total of financial assets less liabilities	556,284	393,001	990,947	974,295	109,482	80,771	66,193	54,899

For 30 June 2015 and 30 June 2014, all equity securities and derivatives are valued using "last" pricing.

Note 6 Net Assets Attributable to Unitholders

Movements in number of units and net assets attributable to unitholders during the year were as follows:

	International Fund		Unhedged Fund		Asia Fund		European Fund	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	9,327,682	8,303,284	269,997	209,182	4,262,034	3,492,406	288,036	164,681
Applications during the year	1,802,220	1,551,918	91,654	55,216	849,402	771,812	137,192	109,403
Redemptions during the year	(1,464,737)	(1,427,998)	(25,442)	(11,030)	(325,916)	(369,336)	(55,513)	(19,892)
Increase in net assets attributable to unitholders	974,350	900,478	30,460	16,629	436,383	367,152	41,748	33,844
Closing balance	10,639,515	9,327,682	366,669	269,997	5,221,903	4,262,034	411,463	288,036
	Units	Units	Units	Units	Units	Units	Units	Units
	'000	'000	'000	'000	'000	'000	'000	'000
Opening balance	4,806,891	4,751,856	193,980	163,787	1,551,417	1,408,562	108,618	73,873
Number of units issued during the year	862,466	799,224	61,752	37,733	269,116	279,877	47,516	42,485
Number of units redeemed during the year	(675,962)	(744,189)	(16,657)	(7,540)	(100,690)	(137,022)	(20,770)	(7,740)
Closing balance	4,993,395	4,806,891	239,075	193,980	1,719,843	1,551,417	135,364	108,618

Note 6 Net Assets Attributable to Unitholders (continued)

	Japan Fund		International Brands Fund		International Health Care Fund		International Technology Fund	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	413,304	372,577	1,212,832	960,196	102,685	62,281	58,099	41,013
Applications during the year	92,707	65,012	198,361	342,172	38,874	34,776	19,300	15,221
Redemptions during the year	(59,707)	(60,116)	(285,306)	(134,561)	(15,776)	(8,036)	(9,490)	(4,148)
Increase in net assets attributable to unitholders	120,403	35,831	46,256	45,025	23,839	13,664	3,377	6,013
Closing balance	566,707	413,304	1,172,143	1,212,832	149,622	102,685	71,286	58,099
	Units	Units	Units	Units	Units	Units	Units	Units
	'000	'000	'000	'000	'000	'000	'000	'000
Opening balance	138,664	137,399	483,832	404,352	60,401	44,034	42,028	34,251
Number of units issued during the year	25,575	21,939	75,929	131,246	18,945	21,577	12,628	10,805
Number of units redeemed during the year	(17,327)	(20,674)	(108,102)	(51,766)	(8,632)	(5,210)	(6,104)	(3,028)
Closing balance	146,912	138,664	451,659	483,832	70,714	60,401	48,552	42,028

Note 7 Distributions Paid and Payable

	International Fund		Unhedged Fund		Asia Fund		European Fund	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
The distributions were paid/payable as follows:								
30 June final payable	1,009,120	534,324	30,894	33,186	914,305	276,756	3,087	-
	Japan Fund		International Brands Fund		International Health Care Fund		International Technology Fund	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
The distributions were paid/payable as follows:								
30 June final payable	50,931	18,453	157,212	67,116	11,455	-	9,507	3,386

Notes to the Financial Statements
30 June 2015

Note 8 Receivables

	International Fund		Unhedged Fund		Asia Fund		European Fund	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Due from brokers – receivable for securities sold	1,216	47	9	-	23,860	336	-	-
Interest receivable	187	21	19	14	164	30	45	51
GST receivable	1,388	1,172	47	36	740	544	47	35
Dividends receivable	9,048	7,434	164	156	4,795	4,282	159	308
Dividend tax refund receivable	3,484	3,667	80	43	-	-	172	135
Indian capital gains tax receivable	38	1,020	-	-	3,748	-	-	-
	15,361	13,361	319	249	33,307	5,192	423	529

	Japan Fund		International Brands Fund		International Health Care Fund		International Technology Fund	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Due from brokers – receivable for securities sold	-	139	479	-	-	747	-	-
Interest receivable	36	1	4	140	3	1	10	8
GST receivable	71	51	159	156	18	12	9	7
Dividends receivable	634	466	1,793	2,308	36	33	350	26
Dividend tax refund receivable	-	-	124	183	112	86	3	2
Indian capital gains tax receivable	-	-	576	-	-	-	-	-
	741	657	3,135	2,787	169	879	372	43

Proceeds on sale of investments are usually received between 2 and 5 days after trade date. Interest is usually received within 3 days of becoming receivable and dividends are usually received within 75 days of the ex-dividend date.

Information relating to the ageing of receivables for 2015 is provided in Note 10.

Note 9 Payables

	International Fund		Unhedged Fund		Asia Fund		European Fund	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Due to brokers – payable for securities purchased	372	11,916	4,340	-	-	4,964	-	-
Interest payable	84	-	-	-	-	-	1	-
Management and administration fees	15,314	12,071	419	292	8,120	5,706	522	349
Payable for foreign Capital Gains Tax	1,306	-	-	-	2,614	259	-	-
	17,076	23,987	4,759	292	10,734	10,929	523	349

	Japan Fund		International Brands Fund		International Health Care Fund		International Technology Fund	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Due to brokers – payable for securities purchased	-	1,278	1,169	-	117	-	254	-
Interest payable	-	-	15	-	1	-	1	-
Management and administration fees	735	486	1,755	1,626	195	117	101	72
	735	1,764	2,939	1,626	313	117	356	72

Payables on purchase of investments are usually paid between 2 and 5 days after trade date. Information relating to the registered schemes' exposures of payables to liquidity risk is provided in Note 10.

Note 10 Financial Risk Management

(a) Financial Risk Management Objectives, Policies and Processes

The registered schemes' primary risks are related to the investment activities undertaken on its behalf by the responsible entity. The risks that the schemes are exposed to include market risk (including currency risk and price risk), credit risk and liquidity risk.

The responsible entity's investment style:

- adopts a bottom-up stock selection methodology such that long-term capital growth is sought through investing in undervalued securities across the world;
- seeks absolute returns and not returns relative to any index;
- invests excess funds in cash when undervalued stocks cannot be found; and
- actively manages currency.

Derivatives (which include equity swaps, futures and options) are utilised for risk management purposes and to take opportunities to increase returns. The underlying value of derivatives held by a registered scheme may not exceed 100% of the net asset value of that scheme. The underlying value of long stocks and derivative contracts may not exceed 150% of the net asset value of that scheme. Each of the registered schemes complied with its investment mandate as at 30 June 2015. The registered schemes do not generally enter or trade derivatives for speculative purposes.

Note 10 Financial Risk Management (continued)

(b) Investments at Fair Value and Derivatives Exposure

	2015				2014			
	Physical	Long	Short	Net	Physical	Long	Short	Net
	\$'000	Derivative	Derivative	Exposure	\$'000	Derivative	Derivative	Exposure
		Contracts	Contracts	\$'000		Contracts	Contracts	\$'000
		\$'000	\$'000			\$'000	\$'000	
International Fund								
Japan	1,290,471	-	-	1,290,471	1,356,714	18,204	-	1,374,918
Other Asia	4,151,596	125,041	-	4,276,637	2,262,961	60,888	(1,133)	2,322,716
Australia	63,487	-	-	63,487	76,601	-	-	76,601
Europe – Euro	1,194,286	-	-	1,194,286	1,381,022	-	(27,911)	1,353,111
Europe – Other	1,313,752	-	(10,838)	1,302,914	1,234,642	-	(89,918)	1,144,724
North America	2,363,938	-	(917,451)	1,446,487	2,665,124	-	(937,304)	1,727,820
South America	27,963	-	-	27,963	62,354	-	-	62,354
Africa	-	-	-	-	10,792	-	-	10,792
	10,405,493	125,041	(928,289)	9,602,245	9,050,210	79,092	(1,056,266)	8,073,036
Futures Notional Cost Amounts 30 June 2015	(801,853)							
Futures Notional Cost Amounts 30 June 2014	(965,877)							
Unhedged Fund								
Japan	42,105	-	-	42,105	65,603	-	-	65,603
Other Asia	133,521	10,656	-	144,177	52,460	1,403	-	53,863
Australia	4,895	-	-	4,895	9,434	-	-	9,434
Europe – Euro	46,810	-	-	46,810	26,808	-	-	26,808
Europe – Other	57,313	-	-	57,313	38,220	-	-	38,220
North America	80,538	-	-	80,538	85,318	-	-	85,318
South America	2,147	-	-	2,147	4,135	-	-	4,135
Africa	3,005	-	-	3,005	4,020	-	-	4,020
	370,334	10,656	-	380,990	285,998	1,403	-	287,401
Futures Notional Cost Amounts 30 June 2015	10,936							
Futures Notional Cost Amounts 30 June 2014	1,522							

Refer to narrative on page 28 for explanations of the terms used in the above table.

Note 10 Financial Risk Management (continued)

(b) Investments at Fair Value and Derivatives Exposure (continued)

	2015				2014			
	Physical	Long	Short	Net	Physical	Long	Short	Net
	\$'000	Derivative	Derivative	Exposure	\$'000	Derivative	Derivative	Exposure
		Contracts	Contracts	\$'000		Contracts	Contracts	\$'000
		\$'000	\$'000			\$'000	\$'000	
Asia Fund								
Asia (excluding Japan)	4,928,741	165,710	-	5,094,451	4,159,122	131,680	-	4,290,802
North America	8,972	-	-	8,972	13,976	-	-	13,976
	<u>4,937,713</u>	<u>165,710</u>	<u>-</u>	<u>5,103,423</u>	<u>4,173,098</u>	<u>131,680</u>	<u>-</u>	<u>4,304,778</u>
Futures Notional Cost Amounts 30 June 2015	164,182							
Futures Notional Cost Amounts 30 June 2014	133,526							
European Fund								
Europe – Euro	182,135	-	-	182,135	127,472	-	(3,220)	124,251
Europe – Other	124,904	-	(2,706)	122,198	87,577	-	(2,046)	85,531
North America	13,572	-	-	13,572	11,593	-	-	11,593
	<u>320,611</u>	<u>-</u>	<u>(2,706)</u>	<u>317,905</u>	<u>226,641</u>	<u>-</u>	<u>(5,266)</u>	<u>221,375</u>
Futures Notional Cost Amounts 30 June 2015	(2,871)							
Futures Notional Cost Amounts 30 June 2014	(5,301)							
Japan Fund								
Japan	519,058	15,797	(24,911)	509,944	365,227	25,914	(76,728)	314,413
South Korea	38,781	-	-	38,781	29,406	-	-	29,406
	<u>557,839</u>	<u>15,797</u>	<u>(24,911)</u>	<u>548,725</u>	<u>394,633</u>	<u>25,914</u>	<u>(76,728)</u>	<u>343,819</u>
Futures Notional Cost Amounts 30 June 2015	(9,271)							
Futures Notional Cost Amounts 30 June 2014	(50,722)							

Refer to narrative on page 28 for explanations of the terms used in the above table.

Note 10 Financial Risk Management (continued)

(b) Investments at Fair Value and Derivatives Exposure (continued)

	2015				2014			
	Physical	Long	Short	Net	Physical	Long	Short	Net
	\$'000	Derivative	Derivative	Exposure	\$'000	Derivative	Derivative	Exposure
		Contracts	Contracts	\$'000		Contracts	Contracts	\$'000
		\$'000	\$'000			\$'000	\$'000	
International Brands Fund								
Japan	83,790	-	-	83,790	66,139	-	-	66,139
Other Asia	290,303	77,465	(24,637)	343,131	258,208	71,124	(23,206)	306,126
Europe – Euro	215,628	-	(29,026)	186,602	269,823	-	(52,958)	216,864
Europe – Other	149,717	-	-	149,717	147,617	7,096	-	154,712
North America	132,795	-	-	132,795	120,303	-	-	120,303
South America	99,934	-	-	99,934	91,370	-	-	91,370
Africa	18,181	-	-	18,181	23,874	-	-	23,874
	990,348	77,465	(53,663)	1,014,150	977,334	78,220	(76,164)	979,389
Futures Notional Cost Amounts 30 June 2015	21,851							
Futures Notional Cost Amounts 30 June 2014	5,850							
International Health Care Fund								
Japan	7,497	-	-	7,497	5,959	-	-	5,959
Other Asia	2,655	-	-	2,655	-	-	-	-
Australia	798	-	-	798	1,276	-	-	1,276
Europe – Euro	23,305	-	-	23,305	17,094	-	-	17,094
Europe – Other	30,809	-	-	30,809	29,926	-	-	29,926
North America	44,510	-	(1,964)	42,546	25,353	-	-	25,353
South America	-	-	-	-	1,223	-	-	1,223
	109,574	-	(1,964)	107,610	80,831	-	-	80,831
Futures Notional Cost Amounts 30 June 2015	(1,861)							
Futures Notional Cost Amounts 30 June 2014	-							

Refer to narrative on page 28 for explanations of the terms used in the above table.

Note 10 Financial Risk Management (continued)

(b) Investments at Fair Value and Derivatives Exposure (continued)

	2015				2014			
	Physical \$'000	Long Derivative Contracts \$'000	Short Derivative Contracts \$'000	Net Exposure \$'000	Physical \$'000	Long Derivative Contracts \$'000	Short Derivative Contracts \$'000	Net Exposure \$'000
International Technology Fund								
Japan	6,905	-	-	6,905	8,134	-	-	8,134
Other Asia	22,925	-	-	22,925	18,109	-	-	18,109
Europe – Euro	5,262	-	-	5,262	6,047	-	(1,789)	4,258
Europe – Other	8,626	-	-	8,626	6,476	-	-	6,476
North America	21,245	-	(2,266)	18,979	15,082	-	-	15,082
Africa	1,182	-	-	1,182	1,117	-	-	1,117
	66,145	-	(2,266)	63,879	54,965	-	(1,789)	53,176
Futures Notional Cost Amounts 30 June 2015	(2,341)							
Futures Notional Cost Amounts 30 June 2014	(1,800)							

The “Physical” column above represents the location of the registered schemes’ investments. The “Long/Short Contracts” columns include the notional value of long/short equity swaps and futures.

The “Net Exposure” column above represents an approximation of each registered schemes’ exposures to movements in the markets. This is calculated by making an adjustment to the “physical” position by adding to the physical position, the principal notional amount of any long (bought) positions and subtracting any short (sold) derivative positions in shares and shares index futures. For example, if 5% of the Portfolio of a registered scheme was invested in Japan, but there was a 2% short exposure to Nikkei futures, the Net Exposure column would show 3%. Conceivably, the figure could show a negative exposure, which would indicate the Portfolio was net short the Japanese market.

(c) Market Risk

(i) Foreign Exchange Risk

Foreign exchange risk is the risk the fair value or future cash flows of financial instruments will fluctuate due to changes in foreign exchange rates.

The registered schemes operate internationally and are exposed to foreign exchange risk arising from buying, selling and holding investments denominated in foreign currency.

Currency hedging is an integral part of the management of currency risk. The Investment Manager positions a registered scheme’s portfolio in what it believes will be a stronger currency(ies). For example, at 30 June 2015, Platinum International Fund remains heavily hedged back into US Dollars (60.1%), 13.7% in European currencies including Norwegian Krone and Swiss Francs and 10.2% in Hong Kong Dollars. There is little exposure to the Japanese Yen and Australian Dollar.

Note 10 Financial Risk Management (continued)

(c) Market Risk (continued)

(i) Foreign Exchange Risk (continued)

The Investment Manager may use forward foreign exchange contracts and futures and option contracts on foreign exchange rate contracts to position a registered scheme's portfolio in the desired currencies. A currency exposure may be hedged using a different currency from which the exposure is maintained (for example, US dollar hedges may be used to hedge the currency risk of holding investments in Hong Kong dollars).

Where there have been major currency movements, or where currencies are perceived to be over or undervalued, the Investment Manager may look for investments whose operating environment has been distorted by the currency as part of the search for undervalued stocks. There may even be opportunities for stocks impacted by a lower currency (for example, export-oriented stocks).

In respect of the Platinum Unhedged Fund, there is no currency management undertaken. The disposition of its investments determines its currency exposure.

The tables below summarise the registered schemes' exposures to foreign exchange risk:

	2015				2014			
	Physical \$'000	Bought \$'000	Sold \$'000	Net Exposure \$'000	Physical \$'000	Bought \$'000	Sold \$'000	Net Exposure \$'000
International Fund								
Japan	1,279,719	-	(1,225,899)	53,820	1,594,108	327,993	(1,432,727)	489,374
Hong Kong	1,190,807	-	-	1,190,807	494,931	-	-	494,931
Other Asia	1,828,378	30,000	(408,314)	1,450,064	1,304,022	181,835	(334,439)	1,151,418
Australia	122,046	124,460	(124,134)	122,372	78,830	51,265	(106,324)	23,771
Europe – Euro	1,456,468	94,381	(878,926)	671,923	1,538,395	440,953	-	1,979,348
Europe – Other	898,889	308,708	(280,655)	926,942	845,180	51,443	(18,031)	878,592
North America	4,846,080	2,624,089	(263,710)	7,206,459	3,954,812	1,488,059	(650,027)	4,792,844
South America	27,962	-	-	27,962	62,354	-	-	62,354
	11,650,349	3,181,638	(3,181,638)	11,650,349	9,872,632	2,541,548	(2,541,548)	9,872,632
Unhedged Fund								
Japan	42,539	-	-	42,539	71,802	-	-	71,802
Other Asia	78,289	-	-	78,289	36,610	-	-	36,610
Australia	15,807	-	-	15,807	15,700	-	-	15,700
Europe – Euro	46,817	-	-	46,817	27,524	-	-	27,524
Europe – Other	32,759	-	-	32,759	27,689	-	-	27,689
North America	180,639	-	-	180,639	116,831	-	-	116,831
South America	2,147	-	-	2,147	4,244	-	-	4,244
Africa	3,005	-	-	3,005	2,826	-	-	2,826
	402,002	-	-	402,002	303,226	-	-	303,226

Note 10 Financial Risk Management (continued)

(c) Market Risk (continued)

(i) Foreign Exchange Risk (continued)

	2015				2014			
	Physical \$'000	Bought \$'000	Sold \$'000	Net Exposure \$'000	Physical \$'000	Bought \$'000	Sold \$'000	Net Exposure \$'000
Asia Fund								
Hong Kong	1,293,810	-	-	1,293,810	665,140	-	-	665,140
India	955,633	-	-	955,633	926,783	-	-	926,783
South Korea	659,313	-	(95,347)	563,966	678,947	-	-	678,947
Other Asia	1,310,307	-	-	1,310,307	1,247,239	-	(824,780)	422,459
Australia	249,980	-	(78,870)	171,110	156,666	-	(78,870)	77,796
Europe – Other	29,928	-	-	29,928	46,968	-	-	46,968
North America	1,614,663	174,217	-	1,788,880	822,784	903,650	-	1,726,434
	6,113,634	174,217	(174,217)	6,113,634	4,544,527	903,650	(903,650)	4,544,527
European Fund								
Australia	80,389	-	(58,830)	21,559	49,192	11,779	(55,807)	5,164
Europe – Euro	185,966	8,710	(19,397)	175,279	134,229	8,710	(13,589)	129,350
Europe – Other	104,587	31,102	(15,681)	120,008	73,687	16,517	-	90,204
North America	43,707	54,096	-	97,803	30,748	44,169	(11,779)	63,138
	414,649	93,908	(93,908)	414,649	287,856	81,175	(81,175)	287,856
Japan Fund								
Japan	525,946	-	(234,641)	291,305	388,225	-	(178,339)	209,886
Korea	38,781	-	-	38,781	29,364	41,967	-	71,331
Australia	33,176	-	(3,150)	30,026	262	6,500	(6,500)	262
North America	19,730	237,791	-	257,521	15,013	142,872	(6,500)	151,385
	617,633	237,791	(237,791)	617,633	432,864	191,339	(191,339)	432,864

Note 10 Financial Risk Management (continued)

(c) Market Risk (continued)

(i) Foreign Exchange Risk (continued)

	2015				2014			
	Physical \$'000	Bought \$'000	Sold \$'000	Net Exposure \$'000	Physical \$'000	Bought \$'000	Sold \$'000	Net Exposure \$'000
International Brands Fund								
Japan	99,714	-	(7,897)	91,817	69,012	-	(8,858)	60,154
Hong Kong	175,530	-	-	175,530	118,437	-	-	118,437
Other Asia	131,067	-	-	131,067	118,139	-	-	118,139
Australia	14,139	-	(16,720)	(2,581)	152,964	-	(51,120)	101,844
Europe – Euro	278,339	58,290	-	336,629	285,881	8,858	(13,732)	281,007
Europe – Other	174,395	21,746	(33,673)	162,468	158,807	48,487	-	207,294
North America	361,918	-	(21,746)	340,172	282,310	34,400	(18,035)	298,675
South America	82,013	-	-	82,013	79,530	-	-	79,530
Africa	12,044	-	-	12,044	13,707	-	-	13,707
	1,329,159	80,036	(80,036)	1,329,159	1,278,787	91,745	(91,745)	1,278,787
International Health Care Fund								
Japan	8,014	-	(509)	7,505	6,014	-	(511)	5,503
Other Asia	3,737	1,150	-	4,887	837	1,150	-	1,987
Australia	37,557	-	(13,385)	24,172	20,694	-	(13,393)	7,301
Europe – Euro	26,224	1,730	-	27,954	17,112	1,730	-	18,842
Europe – Other	34,863	785	-	35,648	29,928	785	-	30,713
North America	49,866	10,229	-	60,095	26,021	10,239	-	36,260
South America	959	-	-	959	1,317	-	-	1,317
	161,220	13,894	(13,894)	161,220	101,923	13,904	(13,904)	101,923
International Technology Fund								
Japan	7,475	-	(6,826)	649	8,121	-	(6,717)	1,404
Other Asia	15,897	-	(3,523)	12,374	14,028	-	-	14,028
Australia	8,053	-	(2,400)	5,653	4,095	-	(3,040)	1,055
Europe – Euro	7,739	-	-	7,739	6,419	-	-	6,419
Europe – Other	7,811	-	-	7,811	4,238	-	-	4,238
North America	32,578	13,686	-	46,264	23,459	9,757	-	33,216
Africa	1,224	-	(937)	287	1,154	-	-	1,154
	80,777	13,686	(13,686)	80,777	61,514	9,757	(9,757)	61,514

Note 10 Financial Risk Management (continued)

(c) Market Risk (continued)

(i) Foreign Exchange Risk (continued)

Forward foreign currency contracts and options on forward currency contracts are adjusted against the “Physical” column to arrive at a “Net Exposure” for each currency grouping. The registered schemes generally utilise short dated (90 day maturity) currency agreements with high credit rating counterparties. Generally, the existing forward currency maturity dates range from 79 to 344 days.

Foreign exchange risk sensitivity analysis

The sensitivity analysis below shows the impact a 10% movement in foreign currency at reporting date would have on the registered schemes’ profit on monetary and non-monetary assets and liabilities such as cash, forward contracts and equities.

A sensitivity of 10% has been selected as this is considered reasonably possible given current exchange rates and the volatility observed both on a historic basis and possible future movements. The table presents the foreign currency or currencies with the largest impact on profit for each registered scheme.

	2015 +10% \$'000	2015 -10% \$'000	2014 +10% \$'000	2014 -10% \$'000		2015 +10% \$'000	2015 -10% \$'000	2014 +10% \$'000	2014 -10% \$'000
International Fund					Unhedged Fund				
United States Dollar	(637,204)	768,144	(409,852)	500,927	United States Dollar	(15,484)	18,925	(9,894)	12,093
Hong Kong Dollar	(108,568)	132,694	(45,025)	55,031	Hong Kong Dollar	(4,262)	5,209	(667)	815
Asia Fund					European Fund				
United States Dollar	(164,037)	200,490	(154,993)	189,435	Euro	(15,945)	19,489	(11,772)	14,389
Hong Kong Dollar	(117,983)	144,201	(60,698)	74,187	United States Dollar	(8,895)	10,871	(5,759)	7,038
Japan Fund					International Brands Fund				
United States Dollar	(23,411)	28,614	(13,762)	16,821	Euro	(30,622)	37,288	(25,601)	31,290
Japanese Yen	(26,556)	32,546	(19,008)	23,232	United States Dollar	(31,152)	38,074	(26,902)	32,880
International Health Care Fund					International Technology Fund				
United States Dollar	(5,193)	6,347	(3,113)	3,804	United States Dollar	(4,214)	5,151	(3,020)	3,691
Euro	(2,542)	3,107	(1,782)	2,177	Hong Kong Dollar	(779)	952	(376)	459

The sensitivity analysis shows that the registered schemes are all materially affected by exchange rate movements (other things being equal), given the global nature of the investments held. Throughout 2014/2015, most of the registered schemes have had minimal exposure to the Australian Dollar, whilst emphasising the United States Dollar.

Note 10 Financial Risk Management (continued)

(c) Market Risk (continued)

(ii) Interest Rate Risk

Interest rate risk is the possibility the fair value or future cash flows of financial instruments will fluctuate because of changes in market interest rates.

The overwhelming majority of the registered schemes' financial assets and liabilities are non-interest bearing. The registered schemes have a policy of not borrowing money, other than for settlement of trades. Therefore, there is no liability exposure to interest rate risk.

Interest rate risk indirectly affects the registered schemes because interest rate movements will affect forward points used in determining gains or losses on forward contracts. This is not capable of precise estimation. The impact of interest rate movements on our investments is also not capable of precise estimation.

At 30 June 2015 and 2014, if interest rates had changed by ± 100 basis points with all other variables held constant, the direct impact on interest income would not be significant for any of the registered schemes.

(iii) Price Risk

Market prices fluctuate due to a range of factors specific to the individual investments or factors affecting the market in general.

Platinum Asset Management's stock selection process is core to the management of price risk. Moreover, whilst we use the MSCI to measure relative performance, risk in our view is not solely relative performance versus a benchmark - but also the prospect of losing money (i.e. absolute returns). Platinum adopts a thematic stock selection approach and is referred to as an "active manager". Platinum seeks a broad range of investments whose business and growth prospects are being undervalued by the market. Accordingly, holdings in each of the registered schemes vary considerably from the make-up of the index. Active fund managers such as Platinum seek to outperform the market as represented by an appropriate index.

In addition, the registered schemes (other than Platinum Unhedged Fund) may enter into short equity swaps and futures to protect against market movements. At 30 June 2015, some of the registered schemes maintained short positions against various company specific stocks and market indices. The use of index derivatives allows a Fund to invest in particular companies, whilst providing some degree of protection against more general adverse market price movements.

Price risk sensitivity analysis

Price risk exposure arises from the registered schemes' investment portfolios that comprise investments in securities. The effect on net assets attributable to unitholders due to a reasonably possible change in market factors, as represented by a $\pm 10\%$ movement in the key regional equity index or indices affecting the market that each registered scheme invests in, with all other variables held constant is indicated on the following page:

Note 10 Financial Risk Management (continued)

(c) Market Risk (continued)

(iii) Price Risk (continued)

Price risk sensitivity analysis (continued)

	2015 +10% \$'000	2015 -10% \$'000	2014 +10% \$'000	2014 -10% \$'000		2015 +10% \$'000	2015 -10% \$'000	2014 +10% \$'000	2014 -10% \$'000
International Fund					Unhedged Fund				
United States S&P	330,247	(330,247)	244,196	(244,196)	United States S&P	13,086	(13,086)	10,238	(10,238)
Japanese Topix	129,047	(129,047)	137,492	(137,492)	Hong Kong Hang Seng	4,316	(4,316)	732	(732)
Hong Kong Hang Seng	109,199	(109,199)	49,022	(49,022)	Japanese Topix	4,210	(4,210)	6,560	(6,560)
Asia Fund					European Fund				
Hong Kong Hang Seng	118,303	(118,303)	64,180	(64,180)	United Kingdom FTSE	8,202	(8,202)	6,471	(6,471)
Indian NSE	93,614	(93,614)	91,545	(91,545)	German DAX	7,512	7,512	6,390	(6,390)
United States S&P	79,084	(79,084)	62,388	(62,388)	United States S&P	2,883	(2,883)	2,273	(2,273)
Korean Kospi	65,946	(65,946)	67,895	(67,895)	French CAC	2,410	(2,410)	2,405	(2,405)
Japan Fund					International Brands Fund				
Japanese Topix	53,485	(53,485)	37,664	(37,664)	United States S&P	23,057	(23,057)	22,964	(22,964)
Korean Kospi	3,878	(3,878)	2,941	(2,941)	Hong Kong Hang Seng	13,831	(13,831)	11,828	(11,828)
					French CAC	12,862	(12,862)	13,739	(13,739)
					United Kingdom FTSE	11,092	(11,092)	10,886	(10,886)
					Japanese Topix	8,379	(8,379)	6,614	(6,614)
International Health Care Fund					International Technology Fund				
United States S&P	3,982	(3,982)	2,437	(2,437)	United States S&P	2,807	(2,807)	2,268	(2,268)
Swiss Market Index	1,251	(1,251)	1,086	(1,086)	Hong Kong Hang Seng	876	(876)	252	(252)
United Kingdom FTSE	1,049	(1,049)	1,084	(1,084)	Japanese Topix	691	(691)	813	(813)

A sensitivity of 10% has been selected as this is considered reasonably possible. However, given the volatility of the markets, increases or decreases greater than this are possible.

Note that the above analysis is based on the assumption that the registered schemes' stocks moved in correlation with the respective index or indices. The index or indices provided above is a reference point only. Actual movements in stock prices may vary significantly to movements in the index.

An investment management style where the composition of the portfolio is by reference to global share index weightings is often referred to as an "index manager". An index manager tries to match a particular index by investing in securities that are representative of that index.

Note 10 Financial Risk Management (continued)

(d) Credit Risk

Credit risk relates to the risk of a counterparty defaulting on a financial obligation resulting in a loss to a registered scheme (typically "non-equity" financial instruments or cash/deposit holdings).

The exposure to credit risk for futures, equity swaps, and forward currency contracts is any unrealised profit, margins and collateral paid on the positions (the money a registered scheme would lose if the counterparty defaulted) at reporting date.

The table below shows the registered schemes counterparty credit risk exposure by credit rating.

Rating	International Fund		Unhedged Fund		Asia Fund		European Fund	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
AA-	-	-	-	-	178,466	96,010	20,105	15,768
A+	1,185,941	586,698	34,954	16,492	896,154	179,221	72,539	44,457
A	161,597	119,107	12,621	2,308	39,446	129,346	363	1,372
A-	276,895	162,354	-	838	180,133	39,495	682	415
BBB+	177,764	-	12,176	-	127,978	-	659	-
Unrated (CICC)	105,034	-	9,642	-	128,258	-	-	-
	1,907,231	868,159	69,393	19,638	1,550,435	444,072	94,348	62,012

Rating	Japan Fund		International Brands Fund		International Health Care Fund		International Technology Fund	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
AA-	-	-	6	84,304	16,938	16,640	-	-
A+	58,213	27,514	267,617	153,930	34,385	4,374	14,285	6,148
A	210	2,435	16,133	46,253	415	163	-	58
A-	1,388	10,199	7,075	21,165	3	-	402	424
BBB+	1,795	-	51,543	-	11	-	-	-
Unrated (CICC)	-	-	14,622	-	-	-	-	-
	61,606	40,148	356,996	305,652	51,752	21,177	14,687	6,630

(Source: Platinum and Standard & Poor's)

Note 10 Financial Risk Management (continued)

(d) Credit Risk (continued)

The Investment Manager regularly monitors the registered schemes' credit risk exposures to counterparties and seeks to manage the risk by spreading exposure over a number of counterparties, by signing standard International Swaps and Derivatives Association (ISDA) master agreements and net settlement contracts, employing two-way symmetrical margining of unrealised profits and losses and by controlling the duration of contracts to be short-term.

Transactions in listed securities and investments are only entered into with approved brokers. Payment is only made once a broker has received securities and delivery of securities sold only occurs once the broker receives payment.

Ageing analysis of receivables

The registered schemes' ageing analysis of receivables (disclosed in Note 8) at 30 June 2015 is as follows:

Ageing	International Fund		Unhedged Fund		Asia Fund		European Fund	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
0-30 days	2,856	2,926	74	50	24,999	3,060	124	97
31-60 days	5,970	2,621	108	3	4,245	1,879	187	173
61-90 days	2,028	414	49	-	316	253	27	25
90+ days	4,507	7,400	88	196	3,747	-	85	234
	15,361	13,361	319	249	33,307	5,192	423	529

Ageing	Japan Fund		International Brands Fund		International Health Care Fund		International Technology Fund	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
0-30 days	107	192	1,304	507	57	773	287	15
31-60 days	-	10	582	971	3	15	72	28
61-90 days	-	-	208	76	6	5	-	-
90+ days	634	455	1,041	1,233	103	86	13	-
	741	657	3,135	2,787	169	879	372	43

The amounts 90 days and over are past due, but no receivables are impaired.

(e) Liquidity Risk

The registered schemes are exposed to cash redemptions of redeemable units. They hold equities that are traded on active markets and, if necessary, these can be readily disposed.

Note 10 Financial Risk Management (continued)

(e) Liquidity Risk (continued)

Contractual maturity analysis

(i) Non-financial liabilities

The amounts below represent the contractual maturity of non-financial liabilities. Note that net assets attributable to unitholders are only included in the maturity analysis below because, under Australian Accounting Standards, unitholders' equity is classified as a liability. For management purposes, net assets attributable to unitholders are not an operating liability.

	International Fund		Unhedged Fund		Asia Fund		European Fund	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Payable within 3 months								
Due to brokers – payable for securities purchased	372	11,916	4,340	-	-	4,964	-	-
Management and administration fees	15,314	12,071	419	292	8,120	5,706	522	349
Payable for foreign Capital Gains Tax	1,306	-	-	-	2,614	259	-	-
Interest payable	84	-	-	-	-	-	1	-
Unitholders' distribution payable	1,009,120	534,324	30,894	33,186	914,305	276,756	3,087	-
Operating liabilities	1,026,196	558,311	35,653	33,478	925,039	287,685	3,610	349
Net assets realisable in 1 year or less to meet operating liabilities	11,663,325	9,883,426	402,271	303,454	6,143,194	4,549,719	415,031	288,384
Net assets attributable to unitholders	10,639,515	9,327,682	366,669	269,997	5,221,903	4,262,034	411,463	288,036
	Japan Fund		International Brands Fund		International Health Care Fund		International Technology Fund	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Payable within 3 months								
Due to brokers – payable for securities purchased	-	1,278	1,169	-	117	-	254	-
Management and administration fees	735	486	1,755	1,626	195	117	101	72
Interest payable	-	-	15	-	1	-	1	-
Unitholders' distribution payable	50,931	18,453	157,212	67,116	11,455	-	9,507	3,386
Operating liabilities	51,666	20,217	160,151	68,742	11,768	117	9,863	3,458
Net assets realisable in 1 year or less to meet operating liabilities	618,373	433,521	1,331,668	1,281,460	161,322	102,757	81,149	61,557
Net assets attributable to unitholders	566,707	413,304	1,172,143	1,212,832	149,622	102,685	71,286	58,099

Assets realisable in 1 year or less include equities, foreign currency contracts, derivatives and cash and cash equivalents.

Note 10 Financial Risk Management (continued)

(e) Liquidity Risk (continued)

(ii) Financial liabilities

The amounts below represent the maturity of derivative and foreign exchange outflows based on the position at 30 June.

	International Fund		Unhedged Fund		Asia Fund		European Fund	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Payable within 3 months								
Derivative contractual outflows	14,328	15,806	378	103	4,837	3,494	-	-
Forward currency contracts	27,735	14,784	-	-	849	464	422	698
Payable between 3 months and 1 year								
Forward currency contracts	-	7,441	-	-	-	9,455	-	-
	42,063	38,031	378	103	5,686	13,413	422	698

	Japan Fund		International Brands Fund		International Health Care Fund		International Technology Fund	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Payable within 3 months								
Derivative contractual outflows	80	410	2,674	3,960	89	-	-	-
Forward currency contracts	3,314	1,504	1,114	301	22	84	128	81
	3,394	1,914	3,788	4,261	111	84	128	81

At 30 June 2015, there are no other contractual amounts due or payable after 1 year.

Except for short equity swaps and futures, the maximum capital risk resulting from financial instruments is determined by the fair value of financial instruments. Potential losses from equity swaps and futures are limited to available capital.

The registered schemes are exposed to daily cash redemptions. If necessary, investments may be realised to cover these redemptions as they are generally readily convertible to cash. The risk management guidelines adopted are designed to minimise liquidity risk through:

- ensuring that there is no significant exposure to illiquid or thinly traded financial instruments; and
- applying limits to ensure there is no concentration of liquidity risk to a particular counterparty or market.

The registered schemes prepare daily cash forecasts and maintain sufficient cash to meet normal operating requirements. The registered schemes have a policy of not borrowing money, other than on a short-term basis for settlement, trading and like purposes.

Note 10 Financial Risk Management (continued)

(f) Fair Value Hierarchy

AASB 13 *Fair Value Measurement* requires the registered schemes to classify their assets and liabilities held at fair value based on the following fair value hierarchy model:

- a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- b) inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (as prices) or indirectly (derived from prices) (level 2); and
- c) inputs for the assets or liabilities that are not based on observable market data (unobservable inputs) (level 3).

The registered schemes measure and recognise the following assets and liabilities at fair value, pursuant to AASB 13, on a recurring basis:

- equity securities, long equity swaps and long futures;
- short equity swaps and short futures; and
- forward currency contracts.

The tables on the following 3 pages analyse within the fair value hierarchy model, the registered schemes' assets and liabilities measured at fair value at 30 June 2015 and 30 June 2014. The registered schemes have no assets or liabilities classified as level 3.

Note 10 Financial Risk Management (continued)

(f) Fair Value Hierarchy (continued)

30 June 2015	International Fund			Unhedged Fund			Asia Fund		
	Level 1 \$'000	Level 2 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Total \$'000
Financial assets									
Equity securities	9,814,939	582,279	10,397,218	332,747	37,444	370,191	4,562,275	368,094	4,930,369
Corporate bonds	-	8,275	8,275	-	143	143	-	7,344	7,344
Derivatives	18,363	-	18,363	36	-	36	2,327	3,599	5,926
Forward currency contracts	-	18,462	18,462	-	-	-	-	744	744
	9,833,302	609,016	10,442,318	332,783	37,587	370,370	4,564,602	379,781	4,944,383
Financial liabilities									
Derivatives	7,716	6,612	14,328	378	-	378	4,812	25	4,837
Forward currency contracts	-	27,735	27,735	-	-	-	-	849	849
	7,716	34,347	42,063	378	-	378	4,812	874	5,686
Total of financial assets less liabilities	9,825,586	574,669	10,400,255	332,405	37,587	369,992	4,559,790	378,907	4,938,697
30 June 2014	Level 1 \$'000	Level 2 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Total \$'000
Financial assets									
Equity securities	9,034,160	16,050	9,050,210	285,365	633	285,998	4,086,547	86,551	4,173,098
Derivatives	3,972	627	4,599	-	-	-	-	516	516
Forward currency contracts	-	9,590	9,590	-	-	-	-	3,330	3,330
	9,038,132	26,267	9,064,399	285,365	633	285,998	4,086,547	90,397	4,176,944
Financial liabilities									
Derivatives	9,077	6,729	15,806	-	103	103	-	3,494	3,494
Forward currency contracts	-	22,225	22,225	-	-	-	-	9,919	9,919
	9,077	28,954	38,031	-	103	103	-	13,413	13,413
Total of financial assets less liabilities	9,029,055	(2,687)	9,026,368	285,365	530	285,895	4,086,547	76,984	4,163,531

Note 10 Financial Risk Management (continued)

(f) Fair Value Hierarchy (continued)

30 June 2015	European Fund			Japan Fund			International Brands Fund		
	Level 1 \$'000	Level 2 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Total \$'000
Financial assets									
Equity securities	320,611	-	320,611	557,839	-	557,839	967,676	22,672	990,348
Derivatives	230	-	230	260	-	260	2,147	2,049	4,196
Forward currency contracts		199	199	-	1,579	1,579	-	191	191
	320,841	199	321,040	558,099	1,579	559,678	969,823	24,912	994,735
Financial liabilities									
Derivatives	-	-	-	80	-	80	2,674	-	2,674
Forward currency contracts	-	422	422	-	3,314	3,314	-	1,114	1,114
	-	422	422	80	3,314	3,394	2,674	1,114	3,788
Total of financial assets less liabilities	320,841	(223)	320,618	558,019	(1,735)	556,284	967,149	23,798	990,947
30 June 2014	Level 1 \$'000	Level 2 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Total \$'000
Financial assets									
Equity securities	226,641	-	226,641	394,633	-	394,633	977,334	-	977,334
Derivatives	28	30	58	-	282	282	456	-	456
Forward currency contracts	-	27	27	-	-	-	-	766	766
	226,669	57	226,726	394,633	282	394,915	977,790	766	978,556
Financial liabilities									
Derivatives	-	-	-	271	139	410	-	3,960	3,960
Forward currency contracts	-	698	698	-	1,504	1,504	-	301	301
	-	698	698	271	1,643	1,914	-	4,261	4,261
Total of financial assets less liabilities	226,669	(641)	226,028	394,362	(1,361)	393,001	977,790	(3,495)	974,295

Note 10 Financial Risk Management (continued)

(f) Fair Value Hierarchy (continued)

30 June 2015	International Health Care Fund			International Technology Fund		
	Level 1 \$'000	Level 2 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Total \$'000
Financial assets						
Equity securities	109,574	-	109,574	66,145	-	66,145
Derivatives	-	-	-	-	91	91
Forward currency contracts	-	19	19	-	85	85
	109,574	19	109,593	66,145	176	66,321
Financial liabilities						
Derivatives	-	89	89	-	-	-
Forward currency contracts	-	22	22	-	128	128
	-	111	111	-	128	128
Total of financial assets less liabilities	109,574	(92)	109,482	66,145	48	66,193
<hr/>						
30 June 2014	Level 1 \$'000	Level 2 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Total \$'000
Financial assets						
Equity securities	80,031	-	80,831	54,965	-	54,965
Derivatives	-	-	-	-	15	15
Forward currency contracts	-	24	24	-	-	-
	80,031	24	80,855	54,965	15	54,980
Financial liabilities						
Derivatives	-	-	-	-	-	-
Forward currency contracts	-	84	84	-	81	81
	-	84	84	-	81	81
Total of financial assets less liabilities	80,031	(60)	80,771	54,965	(66)	54,899

Note 10 Financial Risk Management (continued)

(f) Fair Value Hierarchy (continued)

The registered schemes' policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There were no transfers between levels 1 and 2 for any assets or liabilities measured at fair value during the year.

Valuation techniques used to classify assets and liabilities as level 1

Nearly all of the equity securities held by the registered schemes are valued using quoted prices in active markets, with the exceptions listed below. Accordingly, nearly all equity securities are classified as Level 1 in the fair-value hierarchy model.

Valuation techniques used to classify assets and liabilities as level 2

There are some financial instruments that have been classified as level 2, because there is a degree of adjustment made to the quoted price i.e., whilst all significant inputs required for fair value measurement are observable and quoted on an active market, there is a degree of estimation or adjustment involved in deriving the fair value. Examples include:

- foreign exchange contracts are classified as level 2, even though forward points are quoted in an active and liquid market. The forward points themselves are based on interest rate differentials;
- certain P-Notes/warrants are classified as level 2, because they are traded over-the counter and are often priced in a different currency to the underlying security;
- certain Over-The Counter (OTC) derivatives/options may be classified as level 2 because either (i) the contract itself is not listed and therefore there is no directly observable market price; or (ii) the price is sourced from the relevant counterparty, even though the price (and in the case of options, the relevant delta) can be verified from either Bloomberg or other option pricing models; and
- certain index derivatives are classified as level 2, because the registered schemes may agree with the counterparty to include or exclude one or more securities that make up the "basket" of securities that comprise the index derivative. Hence, the quoted price of the index derivative would be very similar, but not identical, to the index derivative that the registered schemes hold.

OTC equity swap contracts are classified as level 2 because (as stated above) the swap contract itself is not listed and does not have an observable market price. However, the underlying security referred to in each swap contract has a directly observable quoted price in an active market.

Note 10 Financial Risk Management (continued)

(g) Offsetting Financial Assets and Financial Liabilities

The registered schemes enter into derivative transactions under International Swaps and Derivatives Association (ISDA) master netting agreements. In general, the amounts owed by each counterparty on a single day in respect of all transactions outstanding in the same currency are aggregated into a single net amount that is payable by one party to the other. In certain circumstances, when a credit event occurs (e.g., default), all outstanding transactions under the agreement are terminated, the termination value is assessed and only a single net amount is payable in settlement of all transactions. The ISDA agreements do not meet the criteria for offsetting in the Statements of Financial Position, as the registered schemes do not have any currently legally enforceable right to offset recognised amounts, because the right to offset is enforceable only on the occurrence of future events such as default.

The following table sets out the carrying amounts of recognised financial instruments that are subject to the above agreements.

Platinum International Fund	Amounts offset in the Statements of Financial Position			Related amounts not set-off in the Statements of Financial Position		
	Gross amounts \$'000	Gross amounts set-off in the Statements of Financial Position \$'000	Net amounts presented in the Statements of Financial Position \$'000	Financial Instruments (1) \$'000	Cash Collateral \$'000	Net Amount \$'000
Financial assets						
30 June 2015						
Derivatives	18,363	-	18,363	(14,328)	-	4,035
Forward currency contracts	18,882	(420)	18,462	(18,462)	-	-
	37,245	(420)	36,825	(32,790)	-	4,035
30 June 2014						
Derivatives	4,599	-	4,599	(4,599)	-	-
Forward currency contracts	13,677	(4,087)	9,590	(9,590)	-	-
	18,276	(4,087)	14,189	(14,189)	-	-
Financial liabilities						
30 June 2015						
Derivatives	14,328	-	14,328	(14,328)	-	-
Forward currency contracts	28,155	(420)	27,735	(18,462)	(9,273)	-
	42,483	(420)	42,063	(32,790)	(9,273)	-
30 June 2014						
Derivatives	15,806	-	15,806	(4,599)	(11,207)	-
Forward currency contracts	26,312	(4,087)	22,225	(9,590)	(12,635)	-
	42,118	(4,087)	38,031	(14,189)	(23,842)	-

(1) Shows the impact of arrangements between the registered schemes and the relevant counterparty on financial instruments that provide a right to set-off that becomes enforceable and affects settlement of individual financial assets and liabilities only following a specified event of default or in other circumstances not expected to arise in the normal course of business. These arrangements are not set-off in the Statements of Financial Position, as they are not currently enforceable.

Note 10 Financial Risk Management (continued)

(g) Offsetting Financial Assets and Financial Liabilities (continued)

Platinum Unhedged Fund	Amounts offset in the Statements of Financial Position			Related amounts not set-off in the Statements of Financial Position		
	Gross amounts \$'000	Gross amounts set-off in the Statements of Financial Position \$'000	Net amounts presented in the Statements of Financial Position \$'000	Financial Instruments (1) \$'000	Cash Collateral \$'000	Net Amount \$'000
Financial assets						
30 June 2015						
Derivatives	36	-	36	(36)	-	-
Forward currency contracts	-	-	-	-	-	-
	36	-	36	(36)	-	-
30 June 2014						
Derivatives	-	-	-	-	-	-
Forward currency contracts	-	-	-	-	-	-
	-	-	-	-	-	-
Financial liabilities						
30 June 2015						
Derivatives	378	-	378	(36)	(342)	-
Forward currency contracts	-	-	-	-	-	-
	378	-	378	(36)	(342)	-
30 June 2014						
Derivatives	103	-	103	-	(103)	-
Forward currency contracts	-	-	-	-	-	-
	103	-	103	-	(103)	-

(1) Shows the impact of arrangements between the registered schemes and the relevant counterparty on financial instruments that provide a right to set-off that becomes enforceable and affects settlement of individual financial assets and liabilities only following a specified event of default or in other circumstances not expected to arise in the normal course of business. These arrangements are not set-off in the Statements of Financial Position, as they are not currently enforceable.

Note 10 Financial Risk Management (continued)

(g) Offsetting Financial Assets and Financial Liabilities (continued)

Platinum Asia Fund	Amounts offset in the Statements of Financial Position			Related amounts not set-off in the Statements of Financial Position		
	Gross amounts \$'000	Gross amounts set-off in the Statements of Financial Position \$'000	Net amounts presented in the Statements of Financial Position \$'000	Financial Instruments (1) \$'000	Cash Collateral \$'000	Net Amount \$'000
Financial assets						
30 June 2015						
Derivatives	5,926	-	5,926	(4,837)	-	1,089
Forward currency contracts	744	-	744	(744)	-	-
	6,670	-	6,670	(5,581)	-	1,089
30 June 2014						
Derivatives	516	-	516	(516)	-	-
Forward currency contracts	3,330	-	3,330	(3,330)	-	-
	3,846	-	3,846	(3,846)	-	-
Financial liabilities						
30 June 2015						
Derivatives	4,837	-	4,837	(4,837)	-	-
Forward currency contracts	849	-	849	(744)	(105)	-
	5,686	-	5,686	(5,581)	(105)	-
30 June 2014						
Derivatives	3,494	-	3,494	(516)	(2,978)	-
Forward currency contracts	9,919	-	9,919	(3,330)	(6,589)	-
	13,413	-	13,413	(3,846)	(9,567)	-

(1) Shows the impact of arrangements between the registered schemes and the relevant counterparty on financial instruments that provide a right to set-off that becomes enforceable and affects settlement of individual financial assets and liabilities only following a specified event of default or in other circumstances not expected to arise in the normal course of business. These arrangements are not set-off in the Statements of Financial Position, as they are not currently enforceable.

Note 10 Financial Risk Management (continued)

(g) Offsetting Financial Assets and Financial Liabilities (continued)

Platinum European Fund				Related amounts not set-off in the Statements of Financial Position		
	Amounts offset in the Statements of Financial Position					
	Gross amounts	Gross amounts	Net amounts	Financial	Cash	Net Amount
	\$'000	set-off in the	presented in the	Instruments	Collateral	
		Statements of	Statements of	(1)		
		Financial Position	Financial Position	\$'000	\$'000	\$'000
Financial assets						
30 June 2015						
Derivatives	230	-	230	-	-	230
Forward currency contracts	277	(78)	199	(199)	-	-
	507	(78)	429	(199)	-	230
30 June 2014						
Derivatives	58	-	58	-	-	58
Forward currency contracts	127	(100)	27	(27)	-	-
	185	(100)	85	(27)	-	58
Financial liabilities						
30 June 2015						
Derivatives	-	-	-	-	-	-
Forward currency contracts	500	(78)	422	(199)	(223)	-
	500	(78)	422	(199)	(223)	-
30 June 2014						
Derivatives	-	-	-	-	-	-
Forward currency contracts	798	(100)	698	(27)	(671)	-
	798	(100)	698	(27)	(671)	-

(1) Shows the impact of arrangements between the registered schemes and the relevant counterparty on financial instruments that provide a right to set-off that becomes enforceable and affects settlement of individual financial assets and liabilities only following a specified event of default or in other circumstances not expected to arise in the normal course of business. These arrangements are not set-off in the Statements of Financial Position, as they are not currently enforceable.

Note 10 Financial Risk Management (continued)

(g) Offsetting Financial Assets and Financial Liabilities (continued)

Platinum Japan Fund				Related amounts not set-off in the Statements of Financial Position		
	Amounts offset in the Statements of Financial Position					
	Gross amounts	Gross amounts	Net amounts	Financial	Cash	Net Amount
	\$'000	set-off in the	presented in the	Instruments	Collateral	
		Statements of	Statements of	(1)		
		Financial Position	Financial Position	\$'000	\$'000	\$'000
Financial assets						
30 June 2015						
Derivatives	260	-	260	(80)	-	180
Forward currency contracts	1,579	-	1,579	(1,579)	-	-
	1,839	-	1,839	(1,659)	-	180
30 June 2014						
Derivatives	282	-	282	(282)	-	-
Forward currency contracts	-	-	-	-	-	-
	282	-	282	(282)	-	-
Financial liabilities						
30 June 2015						
Derivatives	80	-	80	(80)	-	-
Forward currency contracts	3,314	-	3,314	(1,579)	(1,735)	-
	3,394	-	3,394	(1,659)	(1,735)	-
30 June 2014						
Derivatives	410	-	410	(282)	(128)	-
Forward currency contracts	1,504	-	1,504	-	(1,504)	-
	1,914	-	1,914	(282)	(1,632)	-

(1) Shows the impact of arrangements between the registered schemes and the relevant counterparty on financial instruments that provide a right to set-off that becomes enforceable and affects settlement of individual financial assets and liabilities only following a specified event of default or in other circumstances not expected to arise in the normal course of business. These arrangements are not set-off in the Statements of Financial Position, as they are not currently enforceable.

Note 10 Financial Risk Management (continued)

(g) Offsetting Financial Assets and Financial Liabilities (continued)

Platinum International Brands Fund	Amounts offset in the Statements of Financial Position			Related amounts not set-off in the Statements of Financial Position		
	Gross amounts \$'000	Gross amounts set-off in the Statements of Financial Position \$'000	Net amounts presented in the Statements of Financial Position \$'000	Financial Instruments (1) \$'000	Cash Collateral \$'000	Net Amount \$'000
Financial assets						
30 June 2015						
Derivatives	4,196	-	4,196	(2,674)	-	1,522
Forward currency contracts	191	-	191	(191)	-	-
	4,387	-	4,387	(2,865)	-	1,522
30 June 2014						
Derivatives	456	-	456	(456)	-	-
Forward currency contracts	876	(110)	766	(301)	-	465
	1,332	(110)	1,222	(757)	-	465
Financial liabilities						
30 June 2015						
Derivatives	2,674	-	2,674	(2,674)	-	-
Forward currency contracts	1,114	-	1,114	(191)	(923)	-
	3,788	-	3,788	(2,865)	(923)	-
30 June 2014						
Derivatives	3,960	-	3,960	(456)	(3,504)	-
Forward currency contracts	411	(110)	301	(301)	-	-
	4,371	(110)	4,261	(757)	(3,504)	-

(1) Shows the impact of arrangements between the registered schemes and the relevant counterparty on financial instruments that provide a right to set-off that becomes enforceable and affects settlement of individual financial assets and liabilities only following a specified event of default or in other circumstances not expected to arise in the normal course of business. These arrangements are not set-off in the Statements of Financial Position, as they are not currently enforceable.

Note 10 Financial Risk Management (continued)

(g) Offsetting Financial Assets and Financial Liabilities (continued)

Platinum International Health Care Fund	Amounts offset in the Statements of Financial Position			Related amounts not set-off in the Statements of Financial Position		
	Gross amounts \$'000	Gross amounts set-off in the Statements of Financial Position \$'000	Net amounts presented in the Statements of Financial Position \$'000	Financial Instruments (1) \$'000	Cash Collateral \$'000	Net Amount \$'000
Financial assets						
30 June 2015						
Derivatives	-	-	-	-	-	-
Forward currency contracts	19	-	19	(19)	-	-
	19	-	19	(19)	-	-
30 June 2014						
Derivatives	-	-	-	-	-	-
Forward currency contracts	24	-	24	(24)	-	-
	24	-	24	(24)	-	-
Financial liabilities						
30 June 2015						
Derivatives	89	-	89	-	(89)	-
Forward currency contracts	22	-	22	(19)	(3)	-
	111	-	111	(19)	(92)	-
30 June 2014						
Derivatives	-	-	-	-	-	-
Forward currency contracts	84	-	84	(24)	(60)	-
	84	-	84	(24)	(60)	-

(1) Shows the impact of arrangements between the registered schemes and the relevant counterparty on financial instruments that provide a right to set-off that becomes enforceable and affects settlement of individual financial assets and liabilities only following a specified event of default or in other circumstances not expected to arise in the normal course of business. These arrangements are not set-off in the Statements of Financial Position, as they are not currently enforceable.

Note 10 Financial Risk Management (continued)

(g) Offsetting Financial Assets and Financial Liabilities (continued)

Platinum International Technology Fund	Amounts offset in the Statements of Financial Position			Related amounts not set-off in the Statements of Financial Position		
	Gross amounts \$'000	Gross amounts set-off in the Statements of Financial Position \$'000	Net amounts presented in the Statements of Financial Position \$'000	Financial Instruments (1) \$'000	Cash Collateral \$'000	Net Amount \$'000
Financial assets						
30 June 2015						
Derivatives	91	-	91	-	-	91
Forward currency contracts	85	-	85	(85)	-	-
	176	-	176	(85)	-	91
30 June 2014						
Derivatives	15	-	15	-	-	15
Forward currency contracts	-	-	-	-	-	-
	15	-	15	-	-	15
Financial liabilities						
30 June 2015						
Derivatives	-	-	-	-	-	-
Forward currency contracts	128	-	128	(85)	(43)	-
	128	-	128	(85)	(43)	-
30 June 2014						
Derivatives	-	-	-	-	-	-
Forward currency contracts	81	-	81	-	(81)	-
	81	-	81	-	(81)	-

(1) Shows the impact of arrangements between the registered schemes and the relevant counterparty on financial instruments that provide a right to set-off that becomes enforceable and affects settlement of individual financial assets and liabilities only following a specified event of default or in other circumstances not expected to arise in the normal course of business. These arrangements are not set-off in the Statements of Financial Position, as they are not currently enforceable.

(h) Capital Risk Management

The responsible entity manages the registered schemes' net assets attributable to unitholders as capital, notwithstanding net assets attributable to unitholders are classified as a liability. The amount of net assets attributable to unitholders can change on a daily basis as the registered schemes are subject to daily applications and redemptions at the discretion of unitholders.

Notes to the Financial Statements
30 June 2015

Note 11 Key Management Personnel Disclosures

AASB 124: *Related Party Disclosures* defines key management personnel as “persons having authority and responsibility for planning, directing and controlling activities of the entity”. The only employees that have this authority and responsibility are the Directors of Platinum Investment Management Limited.

Directors

The following persons were Directors of Platinum Investment Management Limited at any time during the year up to 30 June 2015:

Kerr Neilson
Andrew Clifford
Elizabeth Norman (appointed on 25 May 2015)
Philip Howard (until his resignation on 25 May 2015)

There are no other key management personnel within Platinum Investment Management Limited.

Key management personnel compensation

The Directors are all employees of Platinum Investment Management Limited and are paid remuneration in their capacity as employees of Platinum Investment Management Limited. The Directors are not compensated by the registered schemes. The total remuneration paid in aggregate terms is as follows:

	2015	2014
	\$	\$
Cash salary	1,275,000	1,275,000
Increase/(decrease) in annual and long service leave (1)	(20,843)	15,077
Short-term incentives	1,125,000	1,904,650
Post-employment benefits - superannuation	56,352	53,325
	<u>2,435,509</u>	<u>3,248,052</u>

(1) These amounts were not received as cash or as compensation by the Directors.

Service Agreements

The Directors do not have service agreements as they are employees of Platinum Investment Management Limited.

Related parties

Disclosures relating to manager's fees payable to Platinum Investment Management Limited are set out in note 12.

Notes to the Financial Statements
30 June 2015

Note 12 Related Parties

Responsible Entity

Platinum Investment Management Limited ABN 25 063 565 006 AFSL 221935 is the responsible entity of the registered schemes.

Directors of the Responsible Entity

Key management personnel include persons who were Directors of Platinum Investment Management Limited at any time during the financial year as follows:

Kerr Neilson
 Andrew Clifford
 Elizabeth Norman (appointed on 25 May 2015)
 Philip Howard (until his resignation on 25 May 2015)

There were no other persons with responsibility for planning, directing and controlling the activities of the responsible entity, directly or indirectly during the financial year.

Transactions with key management personnel

Key management personnel services are provided by Platinum Investment Management Limited and included in the responsible entity fees on page 57. There was no compensation paid directly by the registered schemes to any of the key management personnel.

Related party unitholdings

Units held by related parties of the registered schemes are as follows:

Unitholder	No. of units held opening	No. of units held closing	Investment (cum- distribution) (\$)	Interest held (%)	No. of units acquired	No. of units disposed	Distributions paid/payable by the Fund (\$)
Platinum International Fund							
30 June 2015							
Key management personnel	7,824,931	8,567,104	19,934,795	0.17	742,173	-	1,581,348
Other related parties	75,383,577	49,623,921	115,469,902	0.99	4,603,355	(30,363,011)	9,191,296
Responsible entity	5,775	5,775	13,438	-	-	-	1,167
30 June 2014							
Key management personnel	7,440,980	7,824,931	16,012,939	0.16	423,952	-	822,678
Other related parties	70,951,942	75,383,577	154,264,953	1.57	4,431,635	-	7,935,234
Responsible entity	749,853	5,775	11,818	-	-	744,077	642

Notes to the Financial Statements
30 June 2015

Note 12 Related Parties (continued)

Related party unitholdings (continued)

Unitholder	No. of units held opening	No. of units held closing	Investment (cum-distribution) (\$)	Interest held (%)	No. of units acquired	No. of units disposed	Distributions paid/payable by the Fund (\$)
Platinum Unhedged Fund							
30 June 2015							
Key management personnel	1,947,581	2,111,678	3,502,641	0.88	164,097	-	251,676
Other related parties	22,955,856	23,020,829	38,184,649	9.63	5,350,671	(5,285,698)	2,743,691
Responsible entity	1,824	1,824	3,026	-	-	-	236
30 June 2014							
Key management personnel	1,734,406	1,947,581	3,036,279	1.00	213,175	-	296,719
Other related parties	20,312,377	22,955,856	35,788,180	11.83	2,643,479	-	3,497,380
Responsible entity	1,824	1,824	2,844	-	-	-	312
Platinum Asia Fund							
30 June 2015							
Key management personnel	4,813,285	13,952,924	49,657,063	0.81	9,139,640	-	6,312,434
Other related parties	43,466,080	32,829,367	116,836,434	1.91	5,107,215	(15,743,928)	15,086,182
Responsible entity	4,269	4,269	15,193	-	-	-	2,270
30 June 2014							
Key management personnel	4,519,793	4,813,285	14,046,127	0.31	293,492	-	806,281
Other related parties	40,755,966	43,466,080	126,842,714	2.80	2,710,114	-	7,312,795
Responsible entity	4,269	4,269	12,458	-	-	-	762

Notes to the Financial Statements
30 June 2015

Note 12 Related Parties (continued)

Related party unitholdings (continued)

Unitholder	No. of units held opening	No. of units held closing	Investment (cum-distribution) (\$)	Interest held (%)	No. of units acquired	No. of units disposed	Distributions paid/payable by the Fund (\$)
Platinum European Fund							
30 June 2015							
Key management personnel	2,267,610	2,284,620	6,979,057	1.69	17,010	-	51,706
Other related parties	13,602,503	7,127,964	21,774,505	5.27	129,073	(6,603,612)	161,322
Responsible entity	4,649	4,649	14,203	-	-	-	106
30 June 2014							
Key management personnel	2,267,610	2,267,610	5,998,055	2.09	-	-	-
Other related parties	13,518,347	13,602,503	35,979,980	12.52	84,155	-	-
Responsible entity	4,649	4,649	12,298	-	-	-	-
Platinum Japan Fund							
30 June 2015							
Key management personnel	4,900,073	5,340,457	22,395,208	3.64	440,384	-	1,698,738
Other related parties	39,482,315	28,085,278	117,775,612	19.12	2,318,443	(13,715,480)	9,012,885
Responsible entity	4,684	4,684	19,643	-	-	-	1,624
30 June 2014							
Key management personnel	4,690,647	4,900,073	15,219,138	3.53	209,427	-	624,217
Other related parties	37,692,557	39,482,315	122,628,122	28.47	1,789,757	-	5,044,985
Responsible entity	4,684	4,684	14,548	-	-	-	623
Platinum International Brands Fund							
30 June 2015							
Other related parties	2,676,934	1,367,783	4,015,675	0.30	175,619	(1,484,769)	419,789
Responsible entity	5,015	5,015	14,725	-	-	-	1,746
30 June 2014							
Other related parties	2,521,961	2,676,934	7,063,625	0.55	154,973	-	351,867
Responsible entity	5,015	5,015	13,234	-	-	-	696

Notes to the Financial Statements
30 June 2015

Note 12 Related Parties (continued)

Related party unitholdings (continued)

Unitholder	No. of units held opening	No. of units held closing	Investment (cum- distribution) (\$)	Interest held (%)	No. of units acquired	No. of units disposed	Distributions paid/payable by the Fund (\$)
Platinum International Health Care Fund							
30 June 2015							
Other related parties	14,260,072	7,727,414	17,558,230	10.93	631,569	(7,164,227)	1,162,712
Responsible entity	10,071	10,071	22,884	0.01	-	-	1,631
<hr/>							
30 June 2014							
Other related parties	14,169,040	14,260,072	24,180,804	23.61	91,032	-	-
Responsible entity	10,071	10,071	17,078	0.02	-	-	-
<hr/>							
Platinum International Technology Fund							
30 June 2015							
Other related parties	7,406,051	7,460,178	12,383,150	15.37	912,023	(857,896)	1,291,037
Responsible entity	9,410	9,410	15,619	0.02	-	-	1,843
<hr/>							
30 June 2014							
Other related parties	6,960,398	7,406,051	10,807,650	17.62	445,653	-	564,155
Responsible entity	9,410	9,410	13,731	0.02	-	-	758
<hr/>							

Note 12 Related Parties (continued)

Responsible Entity Fees

Fees paid by the registered schemes include management fees (calculated at 1.44% per annum inclusive of GST of the registered schemes' net asset value and payable monthly) and administration fees (calculated at 0.10 % per annum inclusive of GST of the registered schemes' net asset values and payable monthly). The fees, exclusive of GST, are as follows:

	International Fund		Unhedged Fund		Asia Fund		European Fund	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$	\$	\$	\$	\$	\$	\$	\$
Fees for the year expensed by the registered schemes to the responsible entity	159,185,198	137,984,322	5,161,188	3,962,641	81,855,685	59,931,192	4,774,280	3,601,092
Aggregate amounts payable by the registered schemes at reporting date	15,314,674	12,070,986	418,812	292,877	8,119,436	5,706,776	522,778	348,731

	Japan Fund		International Brands Fund		International Health Care Fund		International Technology Fund	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$	\$	\$	\$	\$	\$	\$	\$
Fees for the year expensed by the registered schemes to the responsible entity	7,492,204	6,165,000	19,014,628	17,865,243	1,870,428	1,305,989	1,055,127	791,821
Aggregate amounts payable by the registered schemes at reporting date	735,391	486,541	1,755,788	1,626,050	194,711	116,591	101,355	72,128

Note 13 Reconciliation of Net Profit/(Loss) to Net Cash Inflow from Operating Activities

(a) Reconciliation of Cash

For the purposes of the Statements of Cash Flows, cash includes deposits at call and cash at bank. Cash at the end of the period, as shown in the Statements of Cash Flows, is reconciled to the related items in the Statements of Financial Position as follows:

	International Fund		Unhedged Fund		Asia Fund		European Fund	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents	1,083,179	641,437	22,789	16,493	1,118,755	330,425	93,707	61,493
Margin accounts	166,916	204,827	9,222	838	56,183	50,571	325	335
	<u>1,250,095</u>	<u>846,264</u>	<u>32,011</u>	<u>17,331</u>	<u>1,174,938</u>	<u>380,996</u>	<u>94,032</u>	<u>61,828</u>

	Japan Fund		International Brands Fund		International Health Care Fund		International Technology Fund	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents	57,455	30,116	325,512	278,919	51,757	21,141	14,141	6,206
Margin accounts	3,893	9,747	12,700	25,573	(18)	11	443	409
	<u>61,348</u>	<u>39,863</u>	<u>338,212</u>	<u>304,492</u>	<u>51,739</u>	<u>21,152</u>	<u>14,584</u>	<u>6,615</u>

The registered schemes maintain bank accounts at various locations throughout the world to enable the settlement of purchases and sales of investments and to conduct other normal banking transactions. All accounts are at call and the majority bears floating interest rates in the range of -1.00% to 1.90%. Information in relation to the registered schemes' exposures to interest rate risk is provided in Note 10.

(b) Non Cash Financing Activities

	International Fund		Unhedged Fund		Asia Fund		European Fund	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
During the year, the following distribution payments were reinvested in additional units	364,426	195,824	20,942	21,636	292,655	163,821	1,246	-

Note 13 Reconciliation of Net Profit/(Loss) to Net Cash Inflow from Operating Activities (continued)

(b) Non Cash Financing Activities (continued)

	Japan Fund		International Brands Fund		International Health Care Fund		International Technology Fund	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
During the year, the following distribution payments were reinvested in additional units	33,564	12,169	36,496	16,307	7,317	-	5,008	1,815

(c) Reconciliation of Net Cash from Operating Activities to Operating Profit

	International Fund		Unhedged Fund		Asia Fund		European Fund	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Net operating profit/(loss)	1,983,470	1,434,802	61,354	49,815	1,350,688	643,908	44,835	33,844
(Increase)/decrease in investments	(1,373,887)	(1,374,048)	(84,097)	(83,678)	(775,166)	(975,721)	(94,590)	(81,610)
(Increase)/decrease in exchange rates	(88,338)	35,417	(1,777)	692	(40,801)	9,379	(1,823)	45
(Increase)/decrease in settlements receivable	(1,169)	8,434	(9)	68	(23,524)	(314)	-	166
(Increase)/decrease in dividends and tax refund receivable	(1,431)	578	(45)	33	(513)	(1,200)	112	(131)
(Increase)/decrease in interest receivable	(166)	(21)	(5)	(14)	(134)	(30)	6	(50)
(Increase)/decrease in other receivables	766	(152)	(11)	(11)	(3,944)	(73)	(12)	(15)
Increase/(decrease) in settlements payable	(11,544)	(49,497)	4,340	(10,772)	(4,964)	3,612	-	(96)
Increase/(decrease) in management and administration fees payable	3,243	3,000	127	122	2,414	1,676	173	177
Increase/(decrease) in foreign capital gains tax payable	1,306	-	-	-	2,355	259	-	-
Increase/(decrease) in other payables	84	-	-	-	-	-	1	-
Net Cash Flows from operating activities	512,334	58,513	(20,123)	(43,745)	506,411	(318,504)	(51,298)	(47,670)

Note 13 Reconciliation of Net Profit/(Loss) to Net Cash Inflow from Operating Activities (continued)

(c) Reconciliation of Net Cash from Operating Activities to Operating Profit (continued)

	Japan Fund		International Brands Fund		International Health Care Fund		International Technology Fund	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Net operating profit/(loss)	171,334	54,284	203,468	112,141	35,294	13,664	12,884	9,399
(Increase)/decrease in investments	(163,283)	(60,549)	(16,652)	(178,080)	(28,711)	(31,128)	(11,294)	(21,902)
(Increase)/decrease in exchange rates	(5,426)	2,988	(19,612)	3,509	(742)	106	(861)	271
(Increase)/decrease in settlements receivable	139	169	(479)	1,815	747	(747)	-	-
(Increase)/decrease in dividends and tax refund receivable	(168)	(320)	574	(1,213)	(29)	(41)	(325)	18
(Increase)/decrease in interest receivable	(35)	5	136	5	(2)	(1)	(2)	(4)
(Increase)/decrease in other receivables	(20)	(5)	(579)	(33)	(6)	(4)	(2)	(2)
Increase/(decrease) in settlements payable	(1,278)	(7,821)	1,169	(12,730)	117	-	254	
Increase/(decrease) in management and administration fees payable	249	122	129	477	78	55	29	30
Increase/(decrease) in foreign capital gains tax payable	-	-	-	-	-	-	-	-
Increase/(decrease) in other payables	-	-	15	-	1	-	1	-
Net Cash Flows from operating activities	1,512	(11,127)	168,169	(74,109)	6,747	(18,096)	684	(12,190)

Note 14 Events Occurring after the Statements of Financial Position Date

No significant events have occurred since Statements of Financial Position date that would impact the financial position of the registered schemes as at 30 June 2015 and the results of the year ended on that date.

Note 15 Contingent Assets, Liabilities and Commitments

The registered schemes have no contingent assets, liabilities or commitments as at 30 June 2015 and 30 June 2014.

Statement of Net Asset Value
As at 30 June 2015

Reconciliation of Net Asset Value before unitholders' liability, in accordance with Australian Accounting Standards, to the Redemption Value*

	International Fund		Unhedged Fund			Asia Fund		European Fund	
	2015	2014	2015	2014	2015	2014	2015	2014	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Net assets attributable to unitholders per Statements of Financial Position	10,639,515	9,327,682	366,669	269,997	5,221,903	4,262,034	411,463	288,036	
Distributions paid and payable to unitholders	1,009,120	534,324	30,894	33,186	914,305	276,756	3,087	-	
Redemption cost of financial assets	(29,122)	(24,655)	(994)	(758)	(15,341)	(11,347)	(1,036)	(720)	
Net Asset Value for redemption purposes	11,619,513	9,837,351	396,569	302,425	6,120,867	4,527,443	413,514	287,316	
Redemption price	2.3269	2.0464	1.6587	1.5590	3.5589	2.9182	3.0548	2.6451	
	Japan Fund		International Brands Fund		International Health Care Fund		International Technology Fund		
	2015	2014	2015	2014	2015	2014	2015	2014	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Net assets attributable to unitholders per Statements of Financial Position	566,707	413,304	1,172,143	1,212,832	149,622	102,685	71,286	58,099	
Distributions paid and payable to unitholders	50,931	18,453	157,212	67,116	11,455	-	9,507	3,386	
Redemption cost of financial assets	(1,544)	(1,079)	(3,323)	(3,200)	(403)	(257)	(202)	(154)	
Net Asset Value for redemption purposes	616,094	430,678	1,326,032	1,276,748	160,674	102,428	80,591	61,331	
Redemption price	4.1935	3.1059	2.9359	2.6387	2.2722	1.6957	1.6599	1.4593	

* The day of the week that the reporting period ends will determine whether the above redemption price will be available for unitholders to sell their holdings.

Directors' Declaration
30 June 2015

In the Directors' opinion, the financial statements and notes of:

Platinum International Fund
Platinum Unhedged Fund
Platinum Asia Fund
Platinum European Fund
Platinum Japan Fund
Platinum International Brands Fund
Platinum International Health Care Fund
Platinum International Technology Fund (together the 'registered schemes') as set out on pages 6 to 60

- (a) are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
 - (ii) giving a true and fair view of the financial positions of the registered schemes as at 30 June 2015 and of their performances as represented by the results of their operations, changes in equity and their cash flows for the year ended on that date;
- (b) there are reasonable grounds to believe that the registered schemes will be able to pay their debts as and when they become due and payable; and
- (c) Note 2 (a) confirms that the financial statements comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

This declaration is made in accordance with a resolution of the Directors.

Kerr Neilson
Director

Sydney
24 August 2015



Independent auditor's report to the unitholders of

**Platinum International Fund;
Platinum Unhedged Fund;
Platinum Asia Fund;
Platinum European Fund;**

**Platinum Japan Fund;
Platinum International Brands Fund;
Platinum International Health Care Fund; and
Platinum International Technology Fund**

Report on the financial report

We have audited the accompanying financial report of the Platinum International Fund, the Platinum Unhedged Fund, the Platinum Asia Fund, the Platinum European Fund, the Platinum Japan Fund, the Platinum International Brands Fund, the Platinum International Health Care Fund, and the Platinum International Technology Fund (the Registered Schemes), which comprises the Statements of Financial Position as at 30 June 2015, the Statements of Comprehensive Income, Statements of Changes in Equity and Statements of Cash Flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the Directors' declaration.

Directors' responsibility for the financial report

The Directors of Platinum Investment Management Limited (the responsible entity) are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the Directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

PricewaterhouseCoopers, ABN 52 780 433 757

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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's opinion

In our opinion:

- (a) the financial report of the Platinum International Fund, the Platinum Unhedged Fund, the Platinum Asia Fund, the Platinum European Fund, the Platinum Japan Fund, the Platinum International Brands Fund, the Platinum International Health Care Fund, and the Platinum International Technology Fund is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the registered scheme's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*.



- (b) the registered scheme's financial report also complies with International Financial Reporting Standards as disclosed in Note 2.

PricewaterhouseCoopers

Joe Sheeran
Partner

Sydney
24 August 2015