PLATINUM INTERNATIONAL BRANDS FUND

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PERFORMANCE

The Brands Fund declined in value by 4.5% in the quarter compared with a decline in the MSCI World Index of 10.4%. Over twelve months the Fund has fallen 12% while the benchmark declined 25.2%. The major detractors from performance have been the Fund's European holdings along with several Japanese investments.

The cash position of the Fund has been increasing during the quarter with the sale of holdings in Japanese stocks including the gaming companies Namco Bandai and Sony. Accordingly, the Fund's weighting towards Japan has declined from 15% to 10%.

The short interest positions held by the Fund have declined from 11% to 7%. The Fund continues with several short positions where the incongruence of relative valuations together with rising operational pressures suggest that even in a strong market rally these short positions will not be unduly expensive to maintain.

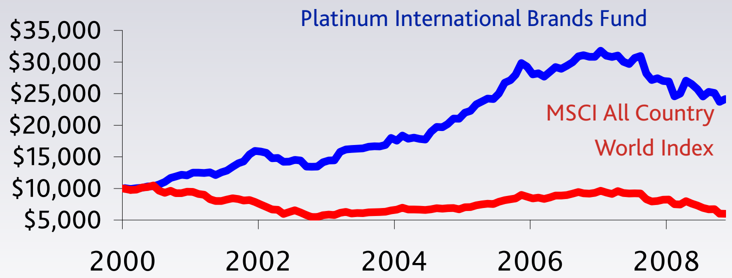
The short position in Reckitt Benckiser is being maintained, this was discussed in greater depth in the previous report. Less successful for the quarter has been the short position in Amazon which for the moment continues to defy its lofty valuations and participate in the recent rally.

DISPOSITION OF ASSETS

REGION	MAR 2009	DEC 2008
EUROPE	34%	37%
ASIA	22%	22%
JAPAN	10%	15%
NORTH AMERICA	6%	6%
SOUTH AMERICA	4%	2%
CASH	24%	18%
SHORTS	7%	11%

Source: Platinum

VALUE OF $10,000 INVESTED SINCE INCEPTION
18 MAY 2000 TO 31 MARCH 2009



Source: Platinum and MSCI. Refer to Note 2, page 4.

COMMENTARY

The headlines will continue to be of concern detailing the pressure of rising unemployment and the extent to which governments will go to defer or lessen the impact of the decline in economic activity. Branded goods companies and those associated with any degree of consumer discretionary spend are, perhaps rather obviously, being treated with a great deal of circumspection. Those that also carry a disproportionate amount of debt, especially if it needs refinancing, are subject to further scepticism.

The Brands Fund quarterly reports have for many years decried the over consumption and indebtedness of Western consumers, however, this has been in the context of the stock prices and our concerns over the sustainability of earnings. Given the decline in the market values of companies, the focus of both corporate management and market participants is now very much on the sustainability of earnings.

The volatility in the market will likely continue as participants grapple with obvious imbalances and contradictions. Interest rate reductions and the recapitalisation of the banking system do not necessarily lead to or ensure that consumers will maintain their prodigal spending, as the Japanese economy has shown over many years. The levels of indebtedness in the West and rising unemployment suggest a more frugal period ahead, or at least one of rebuilding the household balance sheet.

Many valuations of consumer stocks are reflecting these concerns with commentary on whether the consumer can or will sustain past levels of consumption.

Yet as an example of the contradictions, new vehicle sales in parts of Europe have shown significant increases. Registrations in Germany were up an outstanding 40% in March as government incentives of Eu2500 per vehicle, matched at times by the manufacturers, are used to scrap older vehicles in favour of more environmentally efficient vehicles. France has had a similar scheme with good effect. Clearly one can question the sustainability of these programs, however, in the meantime the auto stocks are responding. BMW for example is up 50% from its recent lows.

The Brands' Fund has had good success investing with a view to the operational strength and potential of a company's brands and where earnings are suppressed for transient reasons. The market's preferred shortcut measure, the P/E ratio, doesn't obviously highlight these companies. To commit to such investments does of course require a degree of patience and confidence that the earnings potential will be realised and ultimately be recognised by the market.

One example, the Hong Kong based jeweller Luk Fook, has over 440 retail outlets, predominantly in Hong Kong and mainland China. The stock has fallen to a valuation of less than book value and the company has negligible debt. The majority of the company's balance sheet is inventory, comprising gold and gems suggesting that there is little in the valuation for the earnings potential of this retail chain over the longer term. At 3.5x current earnings and a dividend yield of more than 8% it will be interesting to follow.

Another example of the Brands' Fund strategy is seen in Thailand, one of the few countries where Pepsi has the dominant market share position over Coke. Serm Suk is the Pepsi appointed franchisee for Thailand and generated 2008 revenues of US$550mn. The company is profitable despite the new product launch program and relatively high levels of expenditure to upgrade factories and warehouses. The market value of the company is quoted at less than US$70mn and that's without taking into consideration the US$30mn of cash on the balance sheet which supports a dividend yield of close to 10%. The Pepsi franchisee in the Philippines has also been added to the Fund at an attractive valuation and good dividend yield.

Certainly there are plenty of risks associated with these smaller companies and they form only a minor part of the portfolio, however, they serve to illustrate the opportunities when share prices have declined by 60% or more. Substantially larger companies such as Henkel or Adidas have suffered share price declines of 50% yet are also undertaking activities that will improve earnings over the longer term.

OUTLOOK

There are two areas of focus for the Fund in the near term; firstly, the valuations on offer for companies in Europe and secondly the potential for consumer companies to grow their businesses in Asia. The team recently visited several branded goods companies in India and were able to gain first hand a sense of the confidence that the management teams have in their businesses. The contrasting outlook and imbalances between the Eastern and Western consumer markets will likely see the Fund add to investments in India and more generally across Asia.

NOTES

1. The investment returns are calculated using the Fund's unit price and represent the combined income and capital return for the specific period. They are net of fees and costs (excluding the buy-sell spread and any investment performance fee payable), are pre-tax and assume the reinvestment of distributions. The investment returns shown are historical and no warranty can be given for future performance. You should be aware that past performance is not a reliable indicator of future performance. Due to the volatility of underlying assets of the Funds and other risk factors associated with investing, investment returns can be negative (particularly in the short-term).

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

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

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

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

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

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

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

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

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

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

The investment returns are calculated using the Fund's unit price. They are net of fees and costs (excluding the buy-sell spread and any investment performance fee payable), pre-tax and assume the reinvestment of distributions. It should be noted that Platinum does not invest by reference to the weightings of the Index. Underlying assets are chosen through Platinum's individual stock selection process and as a result holdings will vary considerably to the make-up of the Index. The Index is provided as a reference only.

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

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