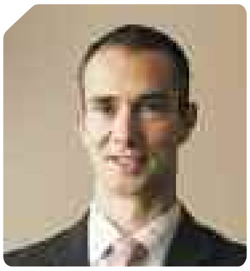
PLATINUM JAPAN FUND



Jacob Mitchell
Portfolio Manager

PORTFOLIO POSITION

Some of the themes/large positions contained in the current portfolio, measured on a gross long basis, include (position prior quarter):

Domestic related 42% (45%), including:

- 16% (12%) Defensive (eg, food, telecommunications, services).
- 12% (14%) Financials.
- 8% (10%) Real estate, retail.
- 1% (4%) Construction.

Export related 43% (41%), including:

- 15% (18%) Technology (including specialty materials) and machine tools.
- 14% (9%) Commodity/energy related.
- 9% (9%) Autos.
- 5% (5%) Global capital spending related.

Gross long stocks 85% (86%); short stocks 19% (16%); net stocks 66% (70%).

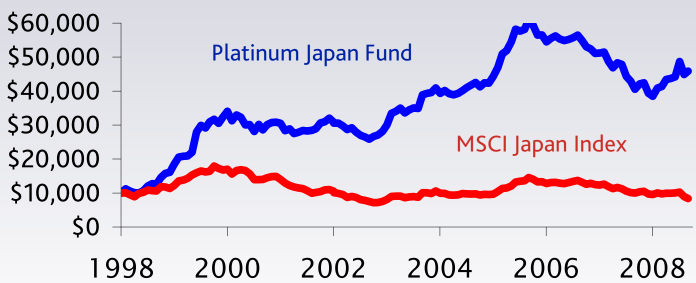
DISPOSITION OF ASSETS

REGION	MAR 2009	DEC 2008
JAPAN	79%	80%
KOREA	6%	6%
CASH	15%	14%
SHORTS	19%	16%

The Fund also has a 9.4% short position in Japanese Gov't Bonds.

Source: Platinum

VALUE OF $10,000 INVESTED SINCE INCEPTION
1 JULY 1998 TO 31 MARCH 2009



Source: Platinum and MSCI. Refer to Note 2, page 5.

PERFORMANCE AND CHANGES TO THE PORTFOLIO

Over the past 12 months the Fund rose 13%, outperforming the MSCI Japan Index (AUD) benchmark by 29%, and over the past quarter the Fund rose 4%, outperforming the benchmark by 20%. Over the past 12 months the benchmark fell 36% (yen) and 16% (A$), and over the past quarter 9% (yen) and 16% (A$).

It was clearly an eventful quarter for the Fund so we may spend more time in this report discussing what happened in contrast with the last report that focused predominantly on the outlook.

The 3.9% quarterly gain for the Fund comprised a:
- Long loss of 2.4%
- Short gain of 3.8%
- Cash and other gain of 2.5%

Another way of expressing the attribution is that in A$ terms, our average long fell roughly 3%, versus a 16% drop in the market, whilst our average short fell roughly 22% – that is, we were generally long and short the right stocks.

The major investments/ideas that made money this quarter included:

1. Shorts on over-valued "defensive" and/or domestic stocks eg. Shiseido, Terumo, Lawson, Kurita Water, East Japan Railroad. We closed out all these positions.

2. Readers of the December quarterly report will know that we had positioned the portfolio for yen weakness by selling defensives/domestics in favour of cyclicals/exporters – this proved timely, and our best performing stocks were auto, technology and capital equipment related - our suspicion that market participants were over-reacting to the extremely poor near-term economic data in their pricing of cyclicals has been confirmed.

3. Being underweight the yen based on our intuition that its strong run was ending as the Japanese trade surplus collapsed – we started the quarter with 66% in yen and ended with 45% (now 42%); over the quarter the yen fell 7% against the A$ and 8% against the U$. As the Korean won sold-off to a never before seen low against the yen (see chart over), we increased our won currency position from 6% to 17%. The logic for this currency bet was that the won had been unfairly caught up in the broad emerging market liquidity crisis. Much of the hysteria related to the challenges facing South Korean banks rolling short-term US$ based financing (and we took advantage of this specifically by adding to KB Financial at the lows). Simplistically, the consensus macro analysis failed to acknowledge that the country had entered this crisis in far better shape than when IMF "intervention" was required in 1998. This is most obviously evident in the size and resilience of its foreign currency reserves and trade surplus. Further, our analysis found that on both a purchasing power and real effective exchange rate basis, the won was extremely cheap relative to the yen. This soon proved a winning trade and by the end of the quarter the won had appreciated 11% from its low against the yen with the rate of appreciation accelerating.

The major investments/ideas that cost money this quarter were our domestic related holdings such as NTT Docomo, Yamato and Mitsubishi UFJ Financial – we remain committed to these positions.

The major changes in the composition of the long side of the portfolio include:

- Domestic exposure fell slightly from 45% to 42% as we continued to reduce our construction bet and sold most of the Aeon holding having lost patience with the management's feeble restructuring efforts. As the general market rotation out of defensives/domestics into cyclicals/exporters gained pace, long opportunities in domestic areas started to emerge. We have been building positions in areas such as mobile telecommunications. In future quarterly reports we will communicate more thoroughly the logic behind these positions.

- Our export exposure rose slightly from 41% to 43%; we have gradually reduced the technology and auto position, not because we think the stocks are overvalued, but rather, in some cases we think the earnings recovery will be far rockier than the market expects, and hence, there'll be cheaper re-entry points. Our aggregate increase in exposure has occurred in energy and "alternative" energy plays – this has the hallmarks of a mini bubble in the making.

- We continued to add to very cheap small-caps – we appreciate that many a career has been wasted waiting for the next Japanese small-cap bull market and, hence, we're hoping to avoid value traps by focusing energy on companies that offer an interesting secular growth story and that have demonstrated a willingness to payout excess capital to shareholders. We've had some early success with one of our small positions, USJ (Universal Studios Japan), being bid for by a Goldman Sach's led private equity consortium at close to a 50% premium to our entry price.

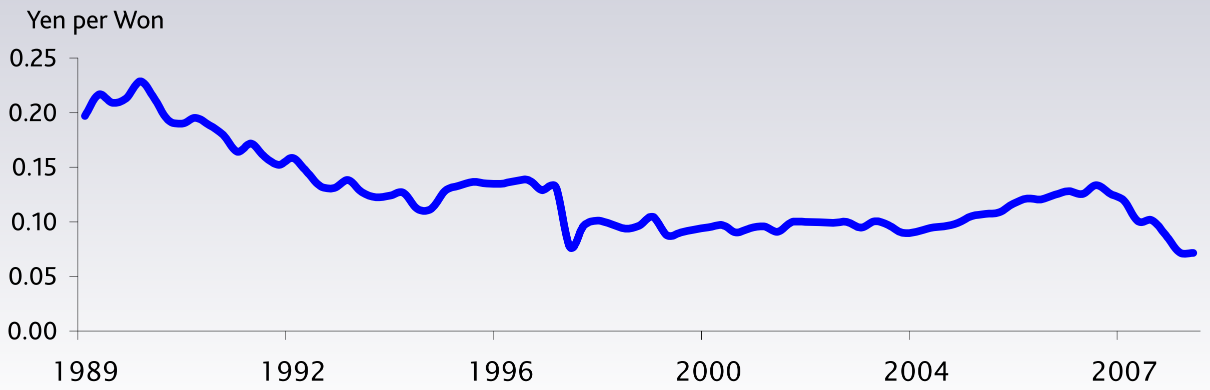
- Covering most of our consumer-related defensive shorts, replacing these with shorts on the utilities and private railroads. These have remained hiding places for domestic investors and are extremely overvalued.

OUTLOOK

The Japanese headlines remain quite sobering: year-on-year quarterly industrial production is currently falling at a rate of 30% versus an 11% fall in the US and an 18% fall in South Korea (in the great Depression US industrial production fell 53%, peak to trough 1929-1932). Many would love to kick Japan for being the sick man of Asia, if not the world – we would rather focus on the facts. Japan is experiencing a much sharper slow-down partly because the yen is overvalued against most currencies and especially against its key competitors in Asia, South Korea and Taiwan. The Japanese equity market is worth US$2.6tr, it's the second largest to the US – it remains relevant. Over Japan's 20 year bear market entire academic careers have been devoted to understanding the causes and possible cures – there is very little new information in the current discussion and we caution that the analysis of the West's market and economic woes may be just beginning.

The Japanese Prime Minister's advice to European leaders at the G20 summit to learn from Japan's "success" in dealing with a long period of deflation by increasing the size of its fiscal stimulus was stunning, given the blatant multi-decade failure of the Japanese policy. Possibly, the PM was confusing national

KOREAN WON/JAPANESE YEN EXCHANGE RATE



Source: Factset

interest with self-interest as the LDP's pork barrelling polices have been hugely successful in maintaining power over this period. With a general election looming, there remains a small chance that the current "crisis" will force the Japanese people to consider an alternative to the old guard that haunts both sides of Japanese politics, an alternative that may push through much needed domestic market liberalisation that favours domestic-led economic growth over the mercantilist model that has dominated for so long. We will monitor this closely as any domestic reform would open up significant new opportunities for the Fund.

Given the mechanistic nature of sell-side analysts, most are yet to factor yen depreciation into their export earnings and very few export sectors are afforded overweight ratings by the local broker community, which lends support to the idea that the rally may be sustained longer than many pundits predict. The Western world consumer is NOT about to recharge their consumption battery, however, many cyclical stocks became too cheap and are now in the process of repricing as an inventory rebuild gathers pace. Furthermore, there is a growing realisation that due to a combination of technology leadership and balance sheet strength, some Japanese companies will continue to gain market share in a capital constrained world; Toyota and Denso are obvious examples – even the profligate US Government can't bring itself to bailout the Big Three US automakers. This is good news for Japan and Asia generally and shows rare leadership by the US in maintaining some semblance of free trade in a world increasingly characterised by hyperactive policy making by national governments.

China and the emerging world have a far greater chance of leading the world out of this debt deflation cycle. Sceptical investors would argue that recent Chinese bank lending growth of over 20% only provides evidence that it remains an effective centrally planned economy rather than indicating economic vigour. (Please refer to the Platinum Asia Fund Quarterly Report on page 12 for more China discussion). The danger is that investors remain too focused on the train wreck of Western world markets and miss secular bull market moves in parts of the emerging world. We will continue to monitor China and the emerging world closely as a large part of our Japanese cyclical/export exposure is dependent on this long-term growth story remaining intact.

Since inception the Platinum Japan Fund has returned 15% pa versus a 1.6% pa fall in the MSCI Japan Index. We have demonstrated an ability to make money in both up and down markets.

NOTES

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

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

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

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

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

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

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

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

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

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

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

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

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The Platinum Trust Product Disclosure Statement No. 8 (PDS), is the current offer document for the Funds. You can obtain a copy of the PDS from Platinum's website, www.platinum.com.au, or by contacting Investor Services on 1300 726 700 (Australian investors only), 02 9255 7500 or 0800 700 726 (New Zealand investors only) or via invest@platinum.com.au.

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

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