

Platinum International Fund[®] ARSN 089 528 307
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

For the Financial Year ended 30 June 2005

Platinum International Fund
Platinum Asia Fund
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Financial Report – For the Financial Year ended 30 June 2005

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Responsible Entity Report

The Directors of Platinum Asset Management[®] Limited ABN 25 063 565 006 AFSL 221935, the responsible entity of the Platinum International 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 financial year ended 30 June 2005.

Principal Activities

During the year, the registered schemes continued to invest funds in accordance with the Product Disclosure Statement (PDS) and their respective Constitutions.

Directors of the Responsible Entity

The directors of Platinum Asset Management Limited during the whole of the financial year and up to the date of this report were:

K Neilson
 A Clifford
 M Halstead

Significant Changes in the State of Affairs

There were no significant changes to the state of affairs of the registered schemes during the year, other than those changes identified in the financial statements for the year ended 30 June 2005.

Review of Operations

The registered schemes maintain their individual investment strategies in listed equities, unlisted equities, equity and index derivatives and currency contracts.

Results

The performance of the registered schemes, as represented by the results of their operations for the financial year ended 30 June 2005, were as follows:

	International Fund		Asia Fund		European Fund		Japan Fund		International Brands Fund		International Health Care Fund		International Technology Fund	
	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$	2004 \$	2005 \$'000	2004 \$'000
Net Operating Profit/(Loss)	144,310	302,914	58,142	4,299	8,990	16,254	7,890	30,854	14,706	10,706	(754,653)	(32,058)	(5,468)	9,299

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Responsible Entity Report (cont)

Results (cont)

	International Fund		Asia Fund		European Fund		Japan Fund		International Brands Fund		International Health Care Fund		International Technology Fund	
	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$	2004 \$	2005 \$'000	2004 \$'000
Distribution Paid and Payable	322,062	190,504	59,455	6,695	11,137	8,994	6,478	7,429	13,253	8,275	47,988	54,548	140	2,709
Distribution (cents per unit)	9.85	7.54	17.93	4.27	10.95	10.99	5.31	8.17	12.17	11.69	0.53	1.86	0.27	4.46

The redemption prices of the registered schemes at 30 June are as follows:

	International Fund		Asia Fund		European Fund		Japan Fund		International Brands Fund		International Health Care Fund		International Technology Fund	
	2005 \$	2004 \$	2005 \$	2004 \$	2005 \$	2004 \$	2005 \$	2004 \$	2005 \$	2004 \$	2005 \$	2004 \$	2005 \$	2004 \$
Redemption Price – (cum-distribution)	1.8204	1.9266	2.0115	1.4096	1.9573	1.9971	2.1041	2.1146	1.7743	1.5804	0.9304	1.0691	0.8534	1.0461

Matters subsequent to the end of the financial year

Except as disclosed in the financial report, no other matter or circumstance has arisen since 30 June 2005 that has significantly affected or may significantly affect:

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

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Responsible Entity Report (cont)

The responsible entity is required to prepare financial statements using Australian Standards that are equivalent to International Financial Reporting Standards (“AIFRS”) from 1 July 2005. The responsible entity has a formal plan to implement the transition to AIFRS. This plan covers the key areas of the transition including:

- (i) the impact on transactions entered into by the responsible entity on behalf of the Funds and how these in turn affect unit pricing;
- (ii) any financial reporting accounting policy changes;
- (iii) any related IT systems changes; and
- (iv) communication of implications to unitholders.

Likely Developments and Expected Results of Operations

The registered schemes will continue to pursue their investment objectives so as to increase their net asset value.

Indemnification and Insurance of Officers and Auditors

No insurance premiums are paid for out of the assets of the registered schemes in regards to insurance cover provided to either the Manager or the Auditor of the registered schemes. So 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 and its associates 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 to the Directors of the responsible entity during the year.

Value of Assets

	International Fund		Asia Fund		European Fund		Japan Fund		International Brands Fund		International Health Care Fund		International Technology Fund	
	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$	2004 \$	2005 \$'000	2004 \$'000
Value of registered schemes’ assets	5,661,601	4,380,868	585,366	223,860	181,493	147,347	250,596	182,530	171,059	102,632	9,837,033	2,967,942	44,734	62,041

The value of the registered schemes’ assets are derived using the basis set out in Note 1 to the financial statements.

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Responsible Entity Report (cont)

Units on Issue

The movement in units on issue in the registered schemes during the year has been disclosed in Note 5 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 Class Order 98/0100 issued by the Australian Securities & Investments Commission relating to the “rounding off” of amounts in the financial report. Amounts in the financial report have been rounded to the nearest thousand dollars in accordance with that Class Order, unless otherwise indicated.

Auditors’ independence declaration

A copy of the auditors’ independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 6.

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

M Halstead
Director

Sydney
25 August 2005

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Audit Independence Declaration

As lead auditor for the audit of Platinum International 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”), for the year ended 30 June 2005, I declare that to the best of my knowledge and belief, the only contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
 - b) any applicable code of professional conduct in relation to the audit;
- are as set out below.

On 18 May 2005, one partner of my firm reported owning during the year immaterial investments in the Platinum International Fund. The investments were sold by the partner within two business days of reporting the holding to the firm. I report that this matter has been resolved, and in doing so do not believe this matter has impacted my objectivity and impartiality for the purpose of this audit.

This declaration is in respect of the registered schemes during the period.

AJ Loveridge
Partner
PricewaterhouseCoopers

Sydney
25 August 2005

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Statements of Financial Performance

For the year ended 30 June 2005

	Notes	International Fund		Asia Fund		European Fund		Japan Fund		International Brands Fund		International Health Care Fund		International Technology Fund	
		2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$	2004 \$	2005 \$'000	2004 \$'000
Investment income															
Dividends	1(c)	82,120	51,499	8,454	2,882	3,317	2,329	2,765	1,011	2,208	1,559	45,666	11,537	676	304
Interest	1(c)	25,145	14,294	2,469	596	1,294	671	965	465	580	239	52,239	22,119	187	197
Net realised gains/(losses) on sale of securities/derivatives		144,718	30,264	48,548	6,470	9,417	3,881	10,278	29,072	12,508	4,514	(52,776)	17,244	1,197	5,784
Net realised foreign exchange gains/(losses) on hedging transactions		6,848	60,340	4,440	(1,341)	(2,015)	3,361	(4,187)	(276)	(432)	1,491	40,781	(126)	(2,001)	84
Net unrealised gains/(losses) on revaluation of monetary assets		1,592	(92,476)	447	(38)	1,418	(3,719)	1,645	(2,041)	1,198	(2,858)	(111,567)	1,857	38	(1,584)
Reversal of prior period's provision for permanent diminution in the value of investments		43,380	345,336	2,188	-	3,165	15,146	-	4,588	967	8,325	83,321	-	4,006	9,358
Provision for permanent diminution in the value of investments		(67,999)	(43,380)	(1,658)	(2,188)	(4,506)	(3,165)	-	-	-	(967)	(701,781)	(83,321)	(8,680)	(4,006)
Total investment income from ordinary activity		235,804	365,877	64,888	6,381	12,090	18,504	11,466	32,819	17,029	12,303	(644,117)	(30,690)	(4,577)	10,137
Expenses															
Management fee		76,645	53,342	5,677	1,766	2,434	1,813	3,089	1,746	1,902	1,309	97,345	-	763	744
Administration fee		5,387	3,810	406	126	174	129	221	125	136	93	6,953	-	54	53
Withholding tax on foreign dividends	1(c)	9,406	5,651	663	175	488	300	262	87	285	188	6,148	-	75	34
Other		56	160	-	15	4	8	4	7	-	7	90	1,368	(1)	7
Total expenses from ordinary activity		91,494	62,963	6,746	2,082	3,100	2,250	3,576	1,965	2,323	1,597	110,536	1,368	891	838
Net operating income from ordinary activity		144,310	302,914	58,142	4,299	8,990	16,254	7,890	30,854	14,706	10,706	(754,653)	(32,058)	(5,468)	9,299

The above statements of financial performance should be read in conjunction with the accompanying notes.

Distribution

Net operating income from ordinary activity	144,310	302,914	58,142	4,299	8,990	16,254	7,890	30,854	14,706	10,706	(754,653)	(32,058)	(5,468)	9,299
Amounts transferred from/(to) reserves	177,752	(112,410)	1,313	2,396	2,147	(7,260)	(1,412)	(23,425)	(1,453)	(2,431)	802,641	86,606	5,608	(6,590)
Distributions paid and payable to unitholders	322,062	190,504	59,455	6,695	11,137	8,994	6,478	7,429	13,253	8,275	47,988	54,548	140	2,709

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Statements of Financial Position

As at 30 June 2005

	Notes	International Fund		Asia Fund		European Fund		Japan Fund		International Brands Fund		International Health Care Fund		International Technology Fund	
		30 June 2005 \$'000	30 June 2004 \$'000	30 June 2005 \$'000	30 June 2004 \$'000	30 June 2005 \$	30 June 2004 \$	30 June 2005 \$'000	30 June 2004 \$'000						
Assets															
Investments	4	5,645,227	4,365,497	583,610	223,102	181,167	146,868	248,264	182,143	170,644	102,212	9,818,305	2,964,523	44,679	62,006
Current Assets															
Receivables	7	16,374	15,371	1,756	758	326	479	2,332	387	415	420	18,728	3,419	55	35
Total Current Assets		16,374	15,371	1,756	758	326	479	2,332	387	415	420	18,728	3,419	55	35
Total Assets		5,661,601	4,380,868	585,366	223,860	181,493	147,347	250,596	182,530	171,059	102,632	9,837,033	2,967,942	44,734	62,041
Liabilities															
Other Liabilities															
Unitholders' distribution payable	6	322,062	190,504	59,455	6,695	11,137	8,994	6,478	7,429	13,253	8,275	47,988	54,548	140	2,709
Creditors and accrued expenses	8	7,980	32,641	802	1,674	235	3,862	4,502	230	231	137	1,850,148	-	312	2,209
Total Liabilities		330,042	223,145	60,257	8,369	11,372	12,856	10,980	7,659	13,484	8,412	1,898,136	54,548	452	4,918
Net Assets		5,331,559	4,157,723	525,109	215,491	170,121	134,491	239,616	174,871	157,575	94,220	7,938,897	2,913,394	44,282	57,123
Unitholders' Equity															
Unitholders' Funds	5	5,659,603	4,308,015	528,774	217,843	176,165	138,388	238,374	175,041	159,830	97,928	8,828,144	3,000,000	58,887	66,120
Reserves	10	(328,044)	(150,292)	(3,665)	(2,352)	(6,044)	(3,897)	1,242	(170)	(2,255)	(3,708)	(889,247)	(86,606)	(14,605)	(8,997)
Total Unitholders' Equity		5,331,559	4,157,723	525,109	215,491	170,121	134,491	239,616	174,871	157,575	94,220	7,938,897	2,913,394	44,282	57,123

The above statements of financial position should be read in conjunction with the accompanying notes.

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Statements of Cash Flows

For the year ended 30 June 2005

	International Fund		Asia Fund		European Fund		Japan Fund		International Brands Fund		International Health Care Fund		International Technology Fund	
	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$	2004 \$	2005 \$'000	2004 \$'000
Cash Flows from Operating Activities														
Interest received	25,085	13,765	2,023	591	1,318	588	944	427	541	235	43,248	20,893	183	187
Dividends received	81,571	46,707	7,968	2,067	3,434	2,041	2,709	916	2,057	1,293	40,595	9,346	662	255
Registered schemes' fees paid	(80,603)	(54,150)	(5,550)	(1,630)	(2,569)	(1,869)	(3,227)	(1,733)	(1,944)	(1,356)	(92,493)	-	(836)	(719)
Other expenses paid	219	(910)	(102)	(57)	6	(40)	3	(48)	(12)	(16)	(1,337)	(1,369)	(1)	(2)
Cash paid for purchase of investments	(4,314,927)	(4,148,172)	(628,850)	(334,255)	(147,006)	(207,173)	(362,919)	(391,114)	(156,743)	(122,060)	(9,394,967)	(4,282,319)	(52,603)	(82,371)
Cash proceeds from sale of investments	3,091,102	3,090,926	446,338	164,576	123,904	195,298	277,756	357,528	113,855	104,721	3,906,431	1,720,005	62,361	74,050
Net cash inflow/(outflow) from operating activities	(1,197,553)	(1,051,834)	(178,173)	(168,708)	(20,913)	(11,155)	(84,734)	(34,024)	(42,246)	(17,183)	(5,498,523)	(2,533,444)	9,766	(8,600)
Cash Flows from Financing Activities														
Proceeds received from units issued	2,138,392	1,905,169	349,324	231,589	73,362	56,911	103,245	107,651	84,590	48,059	9,041,662	3,000,000	15,856	30,742
Cash paid for units redeemed	(786,804)	(441,525)	(38,393)	(21,921)	(35,585)	(26,392)	(39,912)	(18,568)	(22,688)	(24,497)	(1,375,176)	-	(23,089)	(13,500)
Distributions paid	(190,504)	(131,911)	(6,695)	(55)	(8,994)	(2,215)	(7,429)	(6,261)	(8,275)	(3,935)	(54,548)	-	(2,709)	(3,579)
Net cash inflow/(outflow) from financing activities	1,161,084	1,331,733	304,236	209,613	28,783	28,304	55,904	82,822	53,627	19,627	7,611,938	3,000,000	(9,942)	13,663
Net Increase/(Decrease) in Cash Held	(36,469)	279,899	126,063	40,905	7,870	17,149	(28,830)	48,798	11,381	2,444	2,113,415	466,556	(176)	5,063
Cash at beginning of the financial period	768,944	489,407	41,982	1,459	35,731	18,262	62,173	11,423	21,991	19,703	469,150	-	14,171	9,360
Effects of exchange rate changes on cash	(26,648)	(362)	263	(382)	(1,777)	320	380	1,952	(1,002)	(156)	(24,436)	2,594	(825)	(252)
Cash at the End of the Financial Period	705,827	768,944	168,308	41,982	41,824	35,731	33,723	62,173	32,370	21,991	2,558,129	469,150	13,170	14,171

The above statements of cash flows should be read in conjunction with the accompanying notes.

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Notes to the Financial Statements

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Note 1 Summary of Significant Accounting Policies

This financial report covers the Platinum International 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 Asset Management Limited ABN 25 063 565 006 AFSL 221935 is the responsible entity of the registered schemes. The responsible entity’s registered office is Level 4, 55 Harrington Street, Sydney, NSW 2000.

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

These general purpose financial reports have been prepared in accordance with the requirements of the registered schemes’ Constitution, Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Consensus Views and the *Corporations Act 2001* in Australia. They are prepared in accordance with the historical cost convention, except for certain assets, as noted, that are at valuation. The accounting policies are consistent with those of the previous year. Comparative information is reclassified where appropriate to enhance comparability.

(a) Investments

(i) Classification

Investments have not been classified in the Statement of Financial Position as current or non-current. In the opinion of the Directors, having regard to the nature of the business conducted by the registered schemes, the period of investment is not known at the time of purchase.

(ii) Valuation

Investments are valued at cost, with the exception of monetary items that are stated at net market value. Where, in the opinion of Directors, there has been a permanent diminution in the value of an investment, the carrying amount of such an investment is written down to its net fair value.

Exchange traded investments’ net fair value is determined from the quoted market price less an estimate for realisation costs. Unlisted investments’, including monetary items, net fair value is determined from alternative pricing sources in ‘Over The Counter’ markets or by manager’s valuations less estimates for realisation costs.

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Note 1 Summary of Significant Accounting Policies (cont)

(b) Derivatives

(i) Currency hedges

Realised and unrealised gains or losses are brought to account in determining the result for the year. Currency positions are disclosed in note 9.

(ii) Other Derivatives

All other derivatives are valued at cost. Where, in the opinion of Directors, there has been a permanent diminution in the value of a derivative, the carrying amount of such a derivative is written down to its recoverable amount. Derivative positions are disclosed in note 9.

(c) Investment Income and Expenses

Investment income and expenses are brought to account on an accruals basis. Dividend income is brought to account as income on the ex-date applicable to each investment. Changes in the net market value of monetary assets are recognised as revenues or expenses in the Statement of Financial Performance in the year the changes occur. The dividend withholding tax paid has been shown as an expense.

(d) Cash

Refer to Note 14.

(e) Distributions

In accordance with each registered schemes' Constitution, each registered scheme fully distributes its distributable income to unitholders by cash or reinvestment. Distributable income is determined by reference to the taxable income of the registered scheme. The distributions are paid before the end of July each year.

(f) Transfers (To)/From Unitholders' Equity

Non-distributable income is transferred directly to unitholders' equity and may consist of unrealised changes in the net market value of securities, accrued income not yet assessable, expenses provided or accrued for which are not yet deductible, net capital losses and tax free or tax deferred income. Net capital gains on the realisation of any investments (including any adjustments for tax deferred income previously taken directly to unitholders' equity) and accrued income not yet assessable will be included in the determination of distributable income in the same year it becomes assessable for tax.

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Note 1 Summary of Significant Accounting Policies (cont)

(g) Foreign Currency Transactions

Transactions denominated in foreign currencies are translated into Australian currency at the rates of exchange ruling on the date of the transaction. All realised exchange gains and losses are taken to account in the period they arise.

Foreign currency assets and liabilities existing at balance date are translated at the rate current at balance date. Resulting exchange differences are brought to account in determining investment income for the year.

(h) Receivables

Receivables may include amounts for dividends, interest and securities sold where settlement has not yet occurred. Dividends are accrued when the right to receive payment is established. Interest is accrued at the reporting date from the last time of payment. Amounts are generally received within 30 days of being recorded as receivables.

(i) Accounts Payable

Payable amounts represent liabilities for amounts owing by each of the registered schemes at year end. The amounts are secured and are usually paid within 30 days of recognition.

(j) Application and Redemptions

Application 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.

(k) Goods and Services Tax (GST)

The GST paid on the costs of various services provided to the responsible entity by third parties, such as investment Management fees, have been passed onto the registered schemes. The registered schemes qualify for Reduced Input Tax Credits (RITCs) at a rate of 75%. Investment Management fees have been recognised in the Statement of Financial Performance net of the amount of GST recoverable from the Australian Taxation Office (ATO). The net of GST recoverable from the ATO is included in receivables in the Statement of Financial Position. Cash flows relating to GST are included in the Statement of Cash Flows on a gross basis.

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Notes to the Financial Statements

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Note 2 Auditors' Remuneration

	International Fund		Asia Fund		European Fund		Japan Fund		International Brands Fund		International Health Care Fund		International Technology Fund	
	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Auditing and review of financial reports	42,898	38,109	8,277	5,953	19,103	18,474	17,626	16,395	12,966	12,953	5,711	2,000	14,315	14,316
Auditing the Compliance Plan	6,200	8,225	1,200	1,325	5,500	2,650	5,500	5,125	2,750	2,675	1,200	1,100	2,750	2,600
Taxation services - Compliance	38,747	74,508	20,537	35,610	13,737	24,584	15,458	24,860	9,535	20,250	3,804	3,000	10,119	19,825
Other advisory services – GST	10,177	-	2,131	-	816	-	980	-	770	-	59	-	439	-
	98,022	120,842	32,145	42,888	39,156	45,708	39,564	46,380	26,021	35,878	10,774	6,100	27,623	36,741

In 2005 Auditors' Remuneration was paid by the responsible entity and reimbursed by the registered schemes.

Note 3 Taxation

Under current 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 the unitholders.

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Note 4 Investments

	International Fund				Asia Fund			
	30 June 2005 \$'000 Net Fair Value	30 June 2005 \$'000 Cost/Carrying Value	30 June 2004 \$'000 Net Fair Value	30 June 2004 \$'000 Cost/Carrying Value	30 June 2005 \$'000 Net Fair Value	30 June 2005 \$'000 Cost/Carrying Value	30 June 2004 \$'000 Net Fair Value	30 June 2004 \$'000 Cost/Carrying Value
Listed and unlisted securities	5,266,524	5,023,825	4,144,365	3,658,180	499,594	416,960	180,208	183,190
Less: securities written down to net fair value	-	(67,999)	-	(43,380)	-	(1,658)	-	(2,188)
	5,266,524	4,955,826	4,144,365	3,614,800	499,594	415,302	180,208	181,002
Cash and cash equivalents	705,827	705,827	768,944	768,944	168,308	168,308	41,982	41,982
Currency hedges	(16,426)	(16,426)	(18,247)	(18,247)	-	-	118	118
	5,955,925	5,645,227	4,895,062	4,365,497	667,902	583,610	222,308	223,102

	European Fund				Japan Fund			
	30 June 2005 \$'000 Net Fair Value	30 June 2005 \$'000 Cost/Carrying Value	30 June 2004 \$'000 Net Fair Value	30 June 2004 \$'000 Cost/Carrying Value	30 June 2005 \$'000 Net Fair Value	30 June 2005 \$'000 Cost/Carrying Value	30 June 2004 \$'000 Net Fair Value	30 June 2004 \$'000 Cost/Carrying Value
Listed and unlisted securities	157,422	143,619	133,210	116,012	223,548	212,179	130,529	119,962
Less: securities written down to net fair value	-	(4,506)	-	(3,165)	-	-	-	-
	157,422	139,113	133,210	112,847	223,548	212,179	130,529	119,962
Cash and cash equivalents	41,824	41,824	35,731	35,731	33,723	33,723	62,173	62,173
Currency hedges	230	230	(1,710)	(1,710)	2,362	2,362	8	8
	199,476	181,167	167,231	146,868	259,633	248,264	192,710	182,143

Note 4 Investments (cont)

	International Brands Fund				International Health Care Fund			
	30 June 2005 \$'000 Net Fair	30 June 2005 \$'000 Cost/Carrying	30 June 2004 \$'000 Net Fair	30 June 2004 \$'000 Cost/Carrying	30 June 2005 \$ Net Fair	30 June 2005 \$ Cost/Carrying	30 June 2004 \$ Net Fair	30 June 2004 \$ Cost/Carrying

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	Value	Value	Value	Value	Value	Value	Value	Value
Listed and unlisted securities	160,497	137,640	90,912	82,258	7,840,063	8,071,721	2,703,130	2,583,810
Less: securities written down to net fair value	-	-	-	(967)	-	(701,781)	-	(83,321)
	<u>160,497</u>	<u>137,640</u>	<u>90,912</u>	<u>81,291</u>	<u>7,840,063</u>	<u>7,369,940</u>	<u>2,703,130</u>	<u>2,500,489</u>
Cash and cash equivalents	32,370	32,370	21,991	21,991	2,558,129	2,558,129	469,150	469,150
Currency hedges	634	634	(1,070)	(1,070)	(109,764)	(109,764)	(5,116)	(5,116)
	<u>193,501</u>	<u>170,644</u>	<u>111,833</u>	<u>102,212</u>	<u>10,288,428</u>	<u>9,818,305</u>	<u>3,167,164</u>	<u>2,964,523</u>

	International Technology Fund			
	30 June 2005 \$'000	30 June 2005 \$'000	30 June 2004 \$'000	30 June 2004 \$'000
	Net Fair Value	Cost/Carrying Value	Net Fair Value	Cost/Carrying Value
Listed and unlisted securities	32,010	40,308	52,359	52,448
Less: securities written down to net fair value	-	(8,680)	-	(4,006)
	<u>32,010</u>	<u>31,628</u>	<u>52,359</u>	<u>48,442</u>
Cash and cash equivalents	13,170	13,170	14,171	14,171
Currency hedges	(119)	(119)	(607)	(607)
	<u>45,061</u>	<u>44,679</u>	<u>65,923</u>	<u>62,006</u>

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Note 4 Investments (cont)

Non-monetary investments are stated at cost. Where a decrease in the value of an investment below cost is considered permanent, such an investment is stated at its recoverable value being its net fair value. The decrease in value is disclosed above as 'securities written down to net fair value'.

Certain investments noted above, which are carried at cost value, have a lower net fair value. Investment markets are in a continuous state of flux, changing the net fair value of the registered schemes' investments, sometimes to below original cost. The registered schemes are long term investors and short term fluctuations in the net fair value of investments are not taken to account, other than if they represent a permanent diminution in value.

Exchange traded investments' net fair value is determined from the quoted market price less an estimate for realisation costs. Unlisted investments', including monetary items, net fair value is determined from alternative pricing sources in 'Over The Counter' markets or by managers' valuations less estimates for realisation costs.

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Note 5 Unitholders' Funds

Movements in number of units and unitholders' funds during the year ended were as follows:

	International Fund		Asia Fund		European Fund		Japan Fund		International Brands Fund		International Health Care Fund		International Technology Fund	
	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$	2004 \$	2005 \$'000	2004 \$'000
Unitholders' funds at the start of the period	4,308,015	2,844,371	217,843	8,175	138,388	107,869	175,041	85,958	97,928	74,366	3,000,000	-	66,120	48,878
Applications during the period	2,138,392	1,905,169	349,324	231,589	73,362	56,911	103,245	107,651	84,590	48,059	9,041,662	3,000,000	15,856	30,742
Redemptions during the period	(786,804)	(441,525)	(38,393)	(21,921)	(35,585)	(26,392)	(39,912)	(18,568)	(22,688)	(24,497)	(3,213,518)	-	(23,089)	(13,500)
Unitholders' funds at the end of the period	5,659,603	4,308,015	528,774	217,843	176,165	138,388	238,374	175,041	159,830	97,928	8,828,144	3,000,000	58,887	66,120
	Units	Units	Units	Units	Units	Units	Units	Units	Units	Units	Units	Units	Units	Units
Number of units on issue at the start of the period	2,525,345	1,690,770	156,661	7,936	81,835	64,782	90,979	42,814	70,762	54,222	2,958,275	-	60,781	41,976
Number of units issued during the period	1,175,999	1,084,443	196,870	163,845	38,823	31,871	50,808	58,321	52,525	33,568	9,558,349	2,958,275	17,405	32,494
Number of units redeemed during the period	(433,207)	(249,868)	(21,851)	(15,120)	(18,956)	(14,818)	(19,733)	(10,156)	(14,403)	(17,028)	(3,450,345)	-	(25,820)	(13,689)
Number of units on issue at the end of the period	3,268,137	2,525,345	331,680	156,661	101,702	81,835	122,054	90,979	108,884	70,762	9,066,279	2,958,275	52,366	60,781

As stipulated within the registered schemes' Constitutions, each unit represents a right to an individual share and does not extend to a right to the underlying assets of the scheme.

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Note 6 Distributions Paid and Payable

International Fund		Asia Fund		European Fund		Japan Fund		International Brands Fund		International Health Care Fund		International Technology Fund	
2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$	2004 \$	2005 \$'000	2004 \$'000

a) Timing of distributions

The distributions were paid/payable as follows:

30 June 2005 final payable	322,062	190,504	59,455	6,695	11,137	8,994	6,478	7,429	13,253	8,275	47,988	54,548	140	2,709
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Note 7 Receivables

International Fund		Asia Fund		European Fund		Japan Fund		International Brands Fund		International Health Care Fund		International Technology Fund	
2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$	2004 \$	2005 \$'000	2004 \$'000

Unsettled trades	9,356	8,687	-	36	-	2	2,163	288	-	207	-	-	-	-
Dividends receivable	2,919	1,693	1,157	671	50	32	73	17	254	72	5,297	1,527	28	14
Interest receivable	1,372	1,312	454	8	89	113	64	43	62	23	10,218	1,227	20	16
Dividend tax refund receivable	1,976	2,653	-	-	163	298	-	-	76	107	1,966	665	1	1
Other receivables	751	1,026	145	43	24	34	32	39	23	11	1,247	-	6	4
	16,374	15,371	1,756	758	326	479	2,332	387	415	420	18,728	3,419	55	35

Proceeds on sale of investments are usually received between two and five days after trade date. Interest is usually received within three days of becoming due and receivable and dividends are usually received within approximately 30 days of the ex-dividend date.

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Note 8 Creditors and Accrued Expenses

	International Fund		Asia Fund		European Fund		Japan Fund		International Brands Fund		International HealthCare Fund		International Technology Fund	
	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$	2004 \$	2005 \$'000	2004 \$'000
Unsettled trades	658	26,748	-	1,405	-	3,666	4,189	-	-	-	-	-	253	2,131
Payable to unit holders	-	-	-	-	-	-	-	-	-	-	1,838,343	-	-	-
Accrued expenses	7,322	5,893	802	269	235	196	313	230	231	137	11,805	-	59	78
	7,980	32,641	802	1,674	235	3,862	4,502	230	231	137	1,850,148	-	312	2,209

Payables on purchase of investments are usually paid between two and five days after trade date.

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Note 9 Risk Management

It is the registered schemes' investment objective to seek long term capital growth through value investing internationally in businesses and companies. The registered schemes may also invest in fixed interest investments, although this is not a primary investment objective. The registered schemes' investments are subject to price which includes currency, interest rate, market, credit and liquidity risks.

The registered schemes' primary risks are related to the investment activities undertaken on its behalf by the responsible entity. The registered schemes have a policy of not borrowing money, other than on a short term basis for settlement, trading and like purposes. Derivatives are utilised for risk management purposes and to take opportunities to increase returns. However, the underlying value of derivatives held by a registered scheme may not exceed 100% of the net asset value of that scheme.

(a) Investments at Net Fair Value and Derivatives Exposure

International Fund	Asia Fund		European Fund		Japan Fund				
	Physical \$'000	Net Exposure \$'000	Physical \$'000	Net Exposure \$'000	Physical \$'000	Net Exposure \$'000			
Japan	1,855,811	1,855,811	-	-	-	-	Japan	184,806	184,806
Other Asia	651,331	651,331	497,785	471,397	-	-	Other Asia	38,748	38,748
Australia	17,563	(62,485)	-	-	-	-	Australia	-	-
Europe - Euro	1,333,960	1,333,960	-	-	123,938	110,814	Europe - Euro	-	-
Europe - Other	342,324	316,972	-	-	31,909	21,508	Europe - Other	-	-
North America	1,046,311	(632,244)	2,420	2,420	1,848	1,848	North America	-	-
South America	200	-	-	-	-	-	South America	-	-
South Africa	43,748	43,748	-	-	-	-	South Africa	-	-
	5,291,248	3,507,293	500,205	473,817	157,695	134,170		223,554	223,554
Cash and accruals	664,677	2,448,632	167,697	194,085	41,781	65,306	Cash and accruals	36,079	36,079
Total	5,955,925	5,955,925	667,902	667,902	199,476	199,476	Total	259,633	259,633

Futures & Options Notional Amounts 30 June 2005	(1,749,049)	(25,467)	(23,375)	-
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Futures & Options Notional Amounts 30 June 2004	(1,463,919)	(3,360)	(16,799)	57
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Note 9 Risk Management (cont)

International Brands Fund

	Physical	Net Exposure
	\$'000	\$'000
Japan	46,700	46,700
Other Asia	51,591	47,728
Europe - Euro	44,670	39,734
Europe - Other	8,953	8,953
North America	8,921	(351)
South America	-	-
	<u>160,835</u>	<u>142,764</u>
Cash and accruals	<u>32,666</u>	<u>50,737</u>
Total	<u>193,501</u>	<u>193,501</u>

International Health Care Fund

	Physical	Net Exposure
	\$	\$
Japan	201,597	201,597
Other Asia	234,001	234,001
Europe - Euro	1,012,191	1,012,191
Europe - Other	1,090,905	1,090,905
North America	5,296,124	5,196,222
South America	-	-
	<u>7,834,818</u>	<u>7,734,916</u>
Cash and accruals	<u>2,453,610</u>	<u>2,553,512</u>
Total	<u>10,288,428</u>	<u>10,288,428</u>

International Technology Fund

	Physical	Net Exposure
	\$'000	\$'000
Japan	8,648	8,648
Other Asia	9,242	9,242
Europe - Euro	2,739	2,739
Europe - Other	2,955	2,955
North America	8,395	6,195
South America	-	-
	<u>31,979</u>	<u>29,779</u>
Cash and accruals	<u>13,082</u>	<u>15,282</u>
Total	<u>45,061</u>	<u>45,061</u>

Futures & Options Notional Amounts 30 June 2005	(17,753)	(102,696)	(2,218)
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Futures & Options Notional Amounts 30 June 2004	(21,205)	-	(3,395)
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Note 9 Risk Management (cont)

The “Physical” column shows the location of the investments.

The “Net Exposure” column represents an approximation of each registered scheme’s exposure to movements in the markets. This is calculated by making two adjustments to the “physical” position. The first is to subtract from the physical position, the principal notional amount of any short (sold) and add any long (bought) derivative positions in shares and shares index futures. For example, if 5% of the Portfolio for 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. The second adjustment is for options held to buy shares (bought calls). A call option with the premium representing 0.5% of the Portfolio to buy shares in Toyota worth, say 3% of the Portfolio would require an additional 2.5% to be added to the Japanese exposure (thus determining underlying exposure).

The registered schemes use Exchange Traded and Over The Counter Options, where the maximum potential loss is paid up-front by way of a premium. There is little credit risk attached to these instruments, as they are traded on recognised exchanges or with high credit rating counterparties.

b) Credit Risk

The registered schemes are exposed to credit-related losses in the event of non-performance by counterparties to financial instruments. They do not expect any counterparties to fail to meet their obligations given their high credit ratings. Where appropriate, the registered schemes utilise master netting agreements.

On-Balance Sheet Financial Instruments

The credit risk on financial assets of the registered schemes, which has been recognised in the Statement of Financial Performance, other than investments in equities and unlisted unit trusts, is generally the carrying amount.

Off-Balance Sheet Financial Instruments

For deliverable off-balance sheet financial instruments, including derivatives, credit risk arises from the potential failure of counterparties to meet their obligations under the respective contracts at maturity.

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Note 9 Risk Management (cont)

(c) Foreign Exchange Risk

The international investment activities of the registered schemes expose them to currency risk – the possibility of losing money owing to changes in foreign currency exchange rates. Forward currency hedging contracts are utilised as part of the management of this risk.

Currency exposure at market value:

International Fund

2005	Physical \$'000	Bought \$'000	Sold \$'000	Net Exposure \$'000
Japan	1,862,355	472,556	(9,400)	2,325,511
Other Asia	673,351	-	-	673,351
Australia	327,966	1,010,268	(461,624)	876,610
Europe – Euro	1,364,143	-	(137,951)	1,226,192
Europe – Other	350,846	-	(87,573)	263,273
North America	1,333,316	220,353	(1,006,629)	547,040
South America	200	-	-	200
South Africa	43,748	-	-	43,748
Total	5,955,925	1,703,177	(1,703,177)	5,955,925

2004	Physical \$'000	Bought \$'000	Sold \$'000	Net Exposure \$'000
Japan	1,490,983	184,683	(291,880)	1,383,786
Other Asia	519,736	-	-	519,736
Australia	337,938	1,015,012	(124)	1,352,826
Europe – Euro	1,213,235	-	(142,103)	1,071,132
Europe – Other	279,969	-	(27,090)	252,879
North America	1,052,475	-	(738,498)	313,977
South America	726	-	-	726
Total	4,895,062	1,199,695	(1,199,695)	4,895,062

Asia Fund

	Physical \$'000	Bought \$'000	Sold \$'000	Net Exposure \$'000
Japan	-	-	-	-
Other Asia	523,289	-	-	523,289
Australia	113,116	-	-	113,116
Europe – Euro	-	-	-	-
Europe – Other	-	-	-	-
North America	31,497	-	-	31,497
South America	-	-	-	-
South Africa	-	-	-	-
Total	667,902	-	-	667,902

	Physical \$'000	Bought \$'000	Sold \$'000	Net Exposure \$'000
Japan	-	-	-	-
Other Asia	168,804	-	-	168,804
Australia	487	56,382	-	56,869
Europe – Euro	-	-	-	-
Europe – Other	-	-	-	-
North America	53,017	-	(56,382)	(3,365)
South America	-	-	-	-
Total	222,308	56,382	(56,382)	222,308

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Note 9 Risk Management (cont)

European Fund

2005	Physical \$'000	Bought \$'000	Sold \$'000	Net Exposure \$'000
Japan	-	-	-	-
Other Asia	-	-	-	-
Australia	26,350	9,481	(9,251)	26,580
Europe - Euro	126,100	6,847	(7,042)	125,905
Europe - Other	43,139	2,404	(2,439)	43,104
North America	3,887	-	-	3,887
Total	199,476	18,732	(18,732)	199,476

2004	Physical \$'000	Bought \$'000	Sold \$'000	Net Exposure \$'000
Japan	-	-	-	-
Other Asia	-	-	-	-
Australia	23,356	32,772	-	56,128
Europe - Euro	106,023	-	(23,822)	82,201
Europe - Other	33,355	-	(8,950)	24,405
North America	4,497	-	-	4,497
Total	167,231	32,772	(32,772)	167,231

Japan Fund

	Physical \$'000	Bought \$'000	Sold \$'000	Net Exposure \$'000
Japan	197,952	-	(45,386)	152,566
Other Asia	38,728	2,200	(2,200)	38,728
Australia	15,246	4,200	(12,200)	7,246
Europe - Euro	-	-	-	-
Europe - Other	-	-	-	-
North America	7,707	53,386	-	61,093
Total	259,633	59,786	(59,786)	259,633

	Physical \$'000	Bought \$'000	Sold \$'000	Net Exposure \$'000
Japan	143,442	-	-	143,442
Other Asia	20,918	-	-	20,918
Australia	13,528	2,172	-	15,700
Europe - Euro	-	-	-	-
Europe - Other	-	-	-	-
North America	14,822	-	(2,172)	12,650
Total	192,710	2,172	(2,172)	192,710

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Note 9 Risk Management (cont)

International Brands Fund

2005	Physical \$'000	Bought \$'000	Sold \$'000	Net Exposure \$'000
Japan	47,150	8,278	(1,394)	54,034
Other Asia	53,303	-	-	53,303
Australia	14,796	14,472	(4,201)	25,067
Europe - Euro	48,710	-	(10,651)	38,059
Europe - Other	9,240	-	(6,504)	2,736
North America	20,302	-	-	20,302
Total	193,501	22,750	(22,750)	193,501

2004	Physical \$'000	Bought \$'000	Sold \$'000	Net Exposure \$'000
Japan	23,416	3,260	(7,678)	18,998
Other Asia	23,767	-	-	23,767
Australia	476	30,635	-	31,111
Europe - Euro	35,221	-	(10,580)	24,641
Europe - Other	18,121	-	(10,579)	7,542
America	10,832	5,481	(10,539)	5,774
Total	111,833	39,376	(39,376)	111,833

International Health Care Fund

	Physical \$	Bought \$	Sold \$	Net Exposure \$
Japan	176,904	2,009,851	-	2,186,755
Other Asia	234,002	-	-	234,002
Australia	2,462,700	998,929	-	3,461,629
Europe - Euro	1,020,288	333,286	-	1,353,574
Europe - Other	1,090,905	-	-	1,090,905
North America	5,303,629	-	(3,342,066)	1,961,563
Total	10,288,428	3,342,066	(3,342,066)	10,288,428

	Physical \$	Bought \$	Sold \$	Net Exposure \$
Japan	229,129	261,302	-	490,431
Other Asia	91,256	-	-	91,256
Australia	281,001	518,564	-	799,565
Europe - Euro	323,469	323,146	-	646,615
Europe - Other	467,128	-	-	467,128
America	1,775,181	-	(1,103,012)	672,169
Total	3,167,164	1,103,012	(1,103,012)	3,167,164

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Note 9 Risk Management (cont)

International Technology Fund

2005	Physical \$'000	Bought \$'000	Sold \$'000	Net Exposure \$'000
Japan	10,734	3,653	(2,484)	11,903
Other Asia	10,859	-	-	10,859
Australia	3,962	3,500	-	7,462
Europe - Euro	2,740	-	-	2,740
Europe - Other	3,687	1,148	-	4,835
North America	13,079	2,484	(8,301)	7,262
Total	45,061	10,785	(10,785)	45,061

2004	Physical \$'000	Bought \$'000	Sold \$'000	Net Exposure \$'000
Japan	14,045	2,594	-	16,639
Other Asia	8,418	-	-	8,418
Australia	1,302	10,339	(2,595)	9,046
Europe - Euro	15,392	-	-	15,392
Europe - Other	3,651	2,079	(3,141)	2,589
America	23,115	-	(9,276)	13,839
Total	65,923	15,012	(15,012)	65,923

The above tables categorise the investments in the Portfolios into the geographic region of their operations.

Forward foreign currency contracts and options on forward currency contracts are adjusted against the "Physical" column to arrive at a net exposure to each currency grouping. The registered schemes generally utilise short dated (90 day maturities) currency agreements with high credit rating counterparties. The existing currency hedging positions' maturity dates range from 15 to 49 days.

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Note 9 Risk Management (cont)

(d) Interest Rate Risk

The registered schemes are exposed to interest rate risks – the possibility of losing money owing to changes in interest rates and, more particularly for the registered schemes, the effect that changes in interest rates have on currency and stock market prices – and manages these as noted above for foreign exchange risk and below for market risk.

The registered schemes have no fixed interest investments, or derivatives thereon, at balance date.

(e) Market Risk

Market risk is the risk that the value of the registered schemes investment portfolios will fluctuate as a result of changes in market prices. Each scheme aims to manage its risk through its overall investment strategy. Market risk analysis is conducted regularly on a total portfolio basis, which includes the effect of derivatives.

(f) Liquidity Risk

Liquidity risk is the risk that the registered schemes will experience difficulty in either realising assets or otherwise raising sufficient funds to satisfy commitments associated with financial instruments. Cash flow risk is the risk that the future cash flows derived from holding financial instruments will fluctuate. The risk management guidelines adopted are designed to minimise liquidity and cash flow 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.

(g) Net Fair Value of Financial Assets and Financial Liabilities

The net fair value of financial assets and financial liabilities and derivative financial instruments is included in Note 4. This approximates their carrying amounts. Refer to note 1(a) and 1(b)(ii) for information on the accounting policies applied to investments and derivatives.

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Note 10 Reserves

	International Fund		Asia Fund		European Fund		Japan Fund		International Brands Fund		International Health Care Fund		International Technology Fund	
	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$	2004 \$	2005 \$'000	2004 \$'000
Foreign Currency Reserve														
Balance at beginning of the period	(21,974)	70,502	(22)	16	(1,663)	2,056	751	2,792	(682)	2,176	1,857	-	(127)	1,457
Amounts transferred (to)/from distributions	1,592	(92,476)	447	(38)	1,418	(3,719)	1,645	(2,041)	1,198	(2,858)	(111,567)	1,857	38	(1,584)
	<u>(20,382)</u>	<u>(21,974)</u>	<u>425</u>	<u>(22)</u>	<u>(245)</u>	<u>(1,663)</u>	<u>2,396</u>	<u>751</u>	<u>516</u>	<u>(682)</u>	<u>(109,710)</u>	<u>1,857</u>	<u>(89)</u>	<u>(127)</u>
Tax Equalisation Reserve														
Balance at beginning of the period	(128,318)	(333,204)	(2,330)	28	(2,234)	(13,213)	(921)	(26,387)	(3,026)	(8,315)	(88,463)	-	(8,870)	(17,044)
Amounts transferred (to)/from distributions	(179,344)	204,886	(1,760)	(2,358)	(3,565)	10,979	(233)	25,466	255	5,289	(691,074)	(88,463)	(5,646)	8,174
	<u>(307,662)</u>	<u>(128,318)</u>	<u>(4,090)</u>	<u>(2,330)</u>	<u>(5,799)</u>	<u>(2,234)</u>	<u>(1,154)</u>	<u>(921)</u>	<u>(2,771)</u>	<u>(3,026)</u>	<u>(779,537)</u>	<u>(88,463)</u>	<u>(14,516)</u>	<u>(8,870)</u>
	<u>(328,044)</u>	<u>(150,292)</u>	<u>(3,665)</u>	<u>(2,352)</u>	<u>(6,044)</u>	<u>(3,897)</u>	<u>1,242</u>	<u>(170)</u>	<u>(2,255)</u>	<u>(3,708)</u>	<u>(889,247)</u>	<u>(86,606)</u>	<u>(14,605)</u>	<u>(8,997)</u>

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Note 11 Director and Executive Disclosures

Directors

The following persons were Directors of Platinum Asset Management Limited during the whole of the financial year and up to the date of this report:

K Neilson
A Clifford
M Halstead

There are no employees who hold an executive position within Platinum Asset Management Limited.

Directors' Remuneration

The Directors (K Neilson, A Clifford and M Halstead) are all employees of Platinum Asset Management Limited, and are not remunerated by the registered schemes. Accounting Standard 1046 requires remuneration made available indirectly to Directors by personally-related entities be disclosed. Platinum Asset Management Limited is a personally-related entity of the three Directors. The standard deems some portion of the remuneration paid by Platinum Asset Management Limited to its employees to be in relation to managing the affairs of the registered schemes. Platinum Asset Management Limited has not made any determination as to what proportion of its employees' remuneration relates to the registered schemes.

Platinum Asset Management Limited paid: K Neilson a salary of \$250,000 (2004:\$200,000) and superannuation of \$11,584 (2004:\$11,002); A Clifford a salary of \$200,000 (2004:\$170,000), a bonus of nil (2004:\$200,000) and superannuation of \$11,584 (2004:\$11,002); M Halstead a salary of \$200,000 (2004:\$170,000), a bonus of nil (2004:\$200,000) and superannuation of \$11,584 (2004:\$11,002).

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Note 11 Directors and Executive disclosures (cont)

Directors' Equity Holdings and Transactions

All related party transactions are conducted on normal commercial terms and conditions.

AASB 1046 requires disclosure of units held directly, indirectly or beneficially by each Director and their personally related entities. This means that the following tables include units that are not owned by the Directors.

K Neilson

Registered Scheme	Number of units held at 1 July 2004	Number of units acquired	Number of units disposed	Number of units held at 30 June 2005
Platinum International Fund	9,694,241.46	609,599.21	-	10,303,840.67
Platinum Asia Fund	2,072,141.91	624,164.21	-	2,696,306.12
Platinum European Fund	2,525,250.76	157,191.44	-	2,682,442.20
Platinum Japan Fund	4,270,129.90	133,298.61	-	4,403,428.51
Platinum International Brands Fund	792,315.46	62,619.64	-	854,935.10
Platinum International Health Care Fund	2,975,678.04	11,848.14	(1,964,041.26)	1,023,484.92
Platinum International Technology Fund	1,108,522.04	9,337.98	-	1,117,860.02

A Clifford

Registered Scheme	Number of units held at 1 July 2004	Number of units acquired	Number of units disposed	Number of units held at 30 June 2005
Platinum International Fund	16,330.47	-	(16,330.47)	-
Platinum Asia Fund	26,783.97	2,613.13	-	29,397.10
Platinum European Fund	-	-	-	-
Platinum Japan Fund	254,037.92	1,099.88	(85,228.50)	169,909.30
Platinum International Brands Fund	-	-	-	-
Platinum International Health Care Fund	1,964,041.26	-	(1,964,041.26)	-
Platinum International Technology Fund	83,794.20	-	-	83,794.20

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Notes to the Financial Statements

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Note 11 Directors and Executive disclosures (cont)

Directors' Equity Holdings and Transactions (cont)

M Halstead

Registered Scheme	Number of units held at 1 July 2004	Number of units acquired	Number of units disposed	Number of units held at 30 June 2005
Platinum International Fund	597,513.58	34,455.94	-	631,620.72
Platinum Asia Fund	171,378.22	125,436.54	-	296,814.76
Platinum European Fund	178,108.30	52,225.54	-	229,936.84
Platinum Japan Fund	134,284.53	209,603.52	-	343,888.05
Platinum International Brands Fund	141,112.66	39,534.37	-	180,647.03
Platinum International Health Care Fund	1,964,041.26	-	(1,964,041.26)	-
Platinum International Technology Fund	53,285.61	-	(53,285.61)	-

Service Agreements

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

Related parties

Disclosures relating to management fees payable to Platinum Asset Management Limited, a personally related entity are set out in note 12.

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Note 12 Related Parties

Responsible Entity

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

Directors

Disclosures relating to Directors are set out in note 11.

Responsible Entity's and Manager's Fees

	International Fund		Asia Fund		European Fund		Japan Fund		International Brands Fund		International Health Care Fund		International Technology Fund	
	2005 \$	2004 \$	2005 \$	2004 \$	2005 \$	2004 \$	2005 \$	2004 \$	2005 \$	2004 \$	2005 \$	2004 \$	2005 \$	2004 \$
Fees for the year paid by the registered schemes to the responsible entity	76,645,028	53,341,828	5,677,217	1,766,326	2,433,950	1,812,924	3,088,747	1,746,171	1,902,077	1,308,677	97,345	-	762,813	744,053
Aggregate amounts payable to responsible entity at reporting date	6,832,126	5,499,508	748,356	251,639	219,163	183,305	286,549	214,715	215,341	127,077	10,984	-	52,238	72,535

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Note 13 Segment Information

Business segment

The registered schemes operate solely in the business of investment management within Australia.

Geographical exposures

While the registered schemes operate from Australia only (the geographical segment), they have investment exposures in different countries. The geographic locations (as defined by location of operations) of those exposures are outlined below.

International Fund		Asia Ex	Euro		North	South		Australia	Total
2005	Japan	Japan	Europe	Other Europe	America	America	Africa	\$'000	\$'000
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Segment Revenue	65,797	82,044	34,642	154,657	(129,639)	743	724	26,836	235,804
Segment Result	64,462	80,342	30,237	153,613	(130,558)	742	723	(55,251)	144,310
Segment Assets	1,806,531	559,446	1,303,959	280,761	1,304,134	202	43,873	362,695	5,661,601
Segment Liabilities	-	2,233	3	-	(6,263)	-	-	334,069	330,042
2004									
Segment Revenue	185,125	61,457	151,345	14,715	(54,162)	(217)	-	7,614	365,877
Segment Result	184,307	60,665	148,201	14,285	(54,615)	(217)	-	(49,712)	302,914
Segment Assets	1,251,044	578,723	1,014,563	243,308	849,520	385	44,132	399,193	4,380,868
Segment Liabilities	-	-	22,626	4,125	(4,688)	-	-	201,084	223,147

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Note 13 Segment Information (cont)

Asia Fund	Asia Ex	Euro	Other Europe	North America	Australia	Total
2005	Japan	Europe	\$'000	\$'000	\$'000	\$'000
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Segment Revenue	45,879	-	-	16,783	2,226	64,888
Segment Result	45,222	-	-	16,776	(3,856)	58,142
Segment Assets	441,965	-	-	29,084	114,317	585,366
Segment Liabilities	(1,405)	-	-	-	61,662	60,257
2004						
Segment Revenue	7,985	-	-	(706)	(898)	6,381
Segment Result	7,818	-	-	(716)	(2,803)	4,299
Segment Assets	201,546	-	-	21,628	686	223,860
Segment Liabilities	-	-	-	-	8,369	8,369
European Fund						
2005						
Segment Revenue	-	8,911	3,087	(1,089)	1,181	12,090
Segment Result	-	8,591	2,919	(1,090)	(1,430)	8,990
Segment Assets	-	111,825	38,980	3,957	26,731	181,493
Segment Liabilities	-	615	(615)	-	11,372	11,372
2004						
Segment Revenue	-	11,464	6,373	85	582	18,504
Segment Result	-	11,221	6,316	85	(1,368)	16,254
Segment Assets	-	94,844	25,381	3,657	23,465	147,347
Segment Liabilities	-	3,112	554	-	9,190	12,856

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Note 13 Segment Information (cont)

Japan Fund 2005	Japan \$'000	Asia Ex Japan \$'000	Euro Europe \$'000	Other Europe \$'000	North America \$'000	Australia \$'000	Total \$'000
Segment Revenue	6,575	4,696	-	-	(678)	873	11,466
Segment Result	6,439	4,572	-	-	(680)	(2,441)	7,890
Segment Assets	196,208	31,479	-	-	7,570	15,339	250,596
Segment Liabilities	3,674	1,191	-	-	(676)	6,791	10,980
2004							
Segment Revenue	29,136	(4,605)	-	-	7,830	458	32,819
Segment Result	29,083	(4,639)	-	-	7,830	(1,420)	30,854
Segment Assets	133,596	20,200	-	-	14,823	13,911	182,530
Segment Liabilities	-	-	-	-	-	7,659	7,659
International Brands Fund 2005							
Segment Revenue	661	10,685	3,514	814	455	900	17,029
Segment Result	637	10,597	3,407	773	430	(1,138)	14,706
Segment Assets	48,635	36,517	43,690	7,604	19,413	15,200	171,059
Segment Liabilities	-	-	-	-	-	13,484	13,484
2004							
Segment Revenue	5,700	1,129	7,011	(565)	(1,138)	166	12,303
Segment Result	5,686	1,077	6,937	(610)	(1,141)	(1,243)	10,706
Segment Assets	21,320	25,281	31,612	16,021	7,538	860	102,632
Segment Liabilities	-	-	-	-	-	8,412	8,412

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Note 13 Segment Information (cont)

International Health Care Fund							
2005	Japan	Asia Ex	Euro	Other Europe	North America	Australia	Total
	\$	Japan	Europe	\$	\$	\$	\$
		\$	\$				
Segment Revenue	(104,248)	5,613	(20,209)	(23,512)	(553,435)	51,674	(644,117)
Segment Result	(104,426)	4,849	(21,232)	(25,333)	(555,798)	(52,713)	(754,653)
Segment Assets	152,320	134,969	966,413	948,291	5,166,153	2,468,887	9,837,033
Segment Liabilities	-	-	-	-	-	1,898,136	1,898,136
2004							
Segment Revenue	45,961	2,808	28,199	7,220	(136,950)	22,072	(30,690)
Segment Result	45,903	2,398	27,862	6,469	(136,762)	22,072	(32,058)
Segment Assets	214,758	87,288	480,447	264,147	1,639,095	282,207	2,967,942
Segment Liabilities	-	-	-	-	-	54,548	54,548
International Technology Fund							
2005	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Segment Revenue	(2,012)	1,342	469	(106)	(4,357)	87	(4,577)
Segment Result	(2,021)	1,297	467	(109)	(4,374)	(728)	(5,468)
Segment Assets	10,264	9,995	3,178	3,932	13,409	3,956	44,734
Segment Liabilities	-	251	2	-	-	199	452
2004							
Segment Revenue	2,812	995	2,925	280	3,008	117	10,137
Segment Result	2,806	970	2,922	280	3,007	(686)	9,299
Segment Assets	13,331	11,008	13,927	2,858	19,570	1,347	62,041
Segment Liabilities	-	-	1,629	-	502	2,787	4,918

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Note 14 Reconciliation of Net Operating Income to Net Cash Inflow from Operating Activities

(a) Reconciliation of Cash

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

	International Fund		Asia Fund		European Fund		Japan Fund		International Brands Fund		International Health Care Fund		International Technology Fund	
	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$	2004 \$	2005 \$'000	2004 \$'000
Cash and cash equivalents (refer note 4)	705,827	768,944	168,308	41,982	41,824	35,731	33,723	62,173	32,370	21,991	2,558,129	469,150	13,170	14,171

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 bear floating interest rates in the range of 2.25% to 3.50%.

International and Australian deposits at call bear floating interest rates in the range of 0.50% to 5.00%.

(b) Non Cash Financing and Investing Activities

	International Fund		Asia Fund		European Fund		Japan Fund		International Brands Fund		International Health Care Fund		International Technology Fund	
	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$	2004 \$	2005 \$'000	2004 \$'000
During the year, the following distribution payments were satisfied by the issue of units under the distribution reinvestment plan	67,097	46,808	3,743	46	4,913	1,246	5,484	5,091	3,348	1,970	18,333	-	1,391	1,937

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Note 14 Reconciliation of Net Operating Income to Net Cash Inflow from Operating Activities (cont)

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

	International Fund		Asia Fund		European Fund		Japan Fund		International Brands Fund		International Health Care Fund		International Technology Fund	
	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$	2004 \$	2005 \$'000	2004 \$'000
Operating profit	144,310	302,914	58,142	4,299	8,990	16,254	7,890	30,854	14,706	10,706	(754,653)	(32,058)	(5,468)	9,299
(Increase)/decrease in investments	(1,367,466)	(1,087,153)	(233,652)	(176,334)	(29,547)	(18,555)	(94,571)	(59,039)	(57,086)	(20,399)	(5,383,262)	(2,578,694)	11,652	(14,929)
Decrease/(increase) in settlements receivable	(669)	13,941	36	185	2	(2)	(1,875)	2,458	207	(207)	-	-	-	-
Increase/(decrease) in settlements payable	(26,090)	17,475	(1,405)	998	(3,666)	3,478	4,189	(1,805)	-	(37)	-	-	(1,878)	2,073
Decrease/(increase) in exchange rates	26,648	362	(263)	382	1,777	(320)	(380)	(1,952)	1,002	156	24,436	(2,594)	825	252
Decrease/(increase) in dividends receivable	(549)	859	(486)	(640)	117	12	(56)	(8)	(151)	(78)	(5,071)	(2,192)	(14)	(15)
(Increase)/decrease in interest receivable	(60)	(529)	(446)	(5)	24	(83)	(21)	(39)	(39)	(4)	(8,991)	(1,227)	(4)	(10)
Increase/(decrease) in accrued expenses	1,429	2,696	533	261	39	52	83	117	94	33	11,805	-	(19)	78
(Increase)/decrease in other receivables	275	(443)	(102)	(42)	10	(11)	7	(22)	(12)	5	(1,247)	-	(2)	4
Investment writedown	24,619	(301,956)	(530)	2,188	1,341	(11,980)	-	(4,588)	(967)	(7,358)	618,460	83,321	4,674	(5,352)
Cash Flows from operating activities	(1,197,553)	(1,051,834)	(178,173)	(168,708)	(20,913)	(11,155)	(84,734)	(34,024)	(42,246)	(17,183)	(5,498,523)	(2,533,444)	9,766	(8,600)

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Note 15 Events Occurring after the Reporting Date

No significant events have occurred since balance date which would impact the financial position of the registered schemes as at 30 June 2005 and the results of the year ended on that date.

Note 16 Contingent Liabilities and Commitments

The registered schemes have no contingent liabilities or commitments.

Note 17 International Financial Reporting Standards (IFRS)

The Australian Accounting Standards Board (AASB) is adopting IFRS for application to reporting periods beginning on or after 1 January 2005. The AASB has issued Australian equivalents to IFRS and the Urgent Issues Group has issued interpretations corresponding to IASB interpretations originated by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee. These Australian equivalents to IFRS are referred to hereafter as AIFRS. The adoption of AIFRS will be first reflected in the registered schemes' financial statements for the half year ended 31 December 2005 and the year ending 30 June 2006.

To comply with AIFRS for the first time, the registered schemes will be required to restate its comparative financial statements to reflect the application of AIFRS to that comparative period. Most adjustments required on transition to AIFRS will be made, retrospectively, against opening retained earnings as at 1 July 2004.

The Investment Manager, Platinum Asset Management Ltd, has established a project team to manage the transition of the registered schemes to AIFRS, including training staff and implementation of any necessary system and process changes. The project team considers that it is on schedule to finalise adoption of AIFRS within the required timeframe. To date the project team has analysed the Australian equivalents to AIFRS and has identified a number of accounting policy changes that will be required. In some cases choices of accounting policies are available, including elective exemptions under Accounting Standards AASB 1: *First-time Adoption of Australian Equivalents to International Financial Reporting Standards*. These choices have been analysed to determine the most appropriate accounting policies for the registered schemes.

The known or reliably estimable impacts on the financial report for the year ended 30 June 2005 had it been prepared using AIFRS are set out below. The expected financial effects of adopting AIFRS are shown for each line item in the Statements of Financial Performance and Statements of Financial Position, with descriptions of the differences. No material differences are expected in relation to the Statement of Cash Flows.

Although the adjustments disclosed in this note are based on management's best knowledge of expected standards and interpretations, and current facts and circumstances, these may change. For example, amended or additional standards or interpretations may be issued by the AASB and the IASB. Therefore, until the registered schemes prepares its first full AIFRS financial statements, the possibility cannot be excluded that the accompanying disclosures may have to be adjusted.

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Note 17 International Financial Reporting Standards (IFRS) (cont)

Statements of Financial Performance

For the year ended 30 June 2005

Notes	International Fund			Asia Fund			European Fund			Japan Fund		
	Existing GAAP \$'000	Effect of Change \$'000	AIFRS \$'000									
Investment income												
Dividends	82,120	-	82,120	8,454	-	8,454	3,317	-	3,317	2,765	-	2,765
Interest	25,145	-	25,145	2,469	-	2,469	1,294	-	1,294	965	-	965
Net gains/(losses) on securities/derivatives	(a) 144,718	(215,663)	(70,945)	48,548	86,136	134,684	9,417	(3,320)	6,097	10,278	859	11,137
Net foreign exchange gains/(losses) on hedging transactions	(a) 6,848	1,592	8,440	4,440	447	4,887	(2,015)	1,418	(597)	(4,187)	1,645	(2,542)
Net unrealised gains/(losses) on revaluation of monetary assets	1,592	(1,592)	-	447	(447)	-	1,418	(1,418)	-	1,645	(1,645)	-
Reversal of prior period's provision for permanent diminution in the value of investments	(a) 43,380	(43,380)	-	2,188	(2,188)	-	3,165	(3,165)	-	-	-	-
Provision for permanent diminution in the value of investments	(a) (67,999)	67,999	-	(1,658)	1,658	-	(4,506)	4,506	-	-	-	-
Total investment income from ordinary activity	235,804	(191,044)	44,760	64,888	85,606	150,494	12,090	(1,979)	10,111	11,466	859	12,325
Expenses												
Operating expenses	91,494	-	91,494	6,746	-	6,746	3,100	-	3,100	3,576	-	3,576
Transaction costs	(b) -	5,975	5,975	-	1,277	1,277	-	165	165	-	501	501
Total expenses from ordinary activity	91,494	5,975	97,469	6,746	1,277	8,023	3,100	165	3,265	3,576	501	4,077
Net operating income from ordinary activity	144,310	(197,019)	(52,709)	58,142	84,329	142,471	8,990	(2,144)	6,846	7,890	358	8,248
Financing costs												
Increase/(decrease) in net assets attributable to unitholders	(d) -	374,771	374,771	-	(83,016)	(83,016)	-	4,291	4,291	-	(1,770)	(1,770)
Distributions paid and payable to unitholders	(d) -	322,062	322,062	-	59,455	59,455	-	11,137	11,137	-	6,478	6,478
Net Profit	144,310	(144,310)	-	58,142	(58,142)	-	8,990	(8,990)	-	7,890	(7,890)	-
Amounts transferred from/to reserves	177,752	(177,752)	-	1,313	(1,313)	-	2,147	(2,147)	-	(1,412)	1,412	-
Distributions paid and payable to unitholders	322,062	(322,062)	-	59,455	(59,455)	-	11,137	(11,137)	-	6,478	(6,478)	-

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Note 17 International Financial Reporting Standards (IFRS) (cont)

Statements of Financial Performance

For the year ended 30 June 2005

Notes	International Brands Fund			International Health Care Fund			International Technology Fund		
	Existing GAAP \$'000	Effect of Change \$'000	AIFRS \$'000	Existing GAAP \$	Effect of Change \$	AIFRS \$	Existing GAAP \$'000	Effect of Change \$'000	AIFRS \$'000
Investment income									
Dividends	2,208	-	2,208	45,666	-	45,666	676	-	676
Interest	580	-	580	52,239	-	52,239	187	-	187
Net gains/(losses) on securities/derivatives	(a) 12,508	14,509	27,017	(52,776)	(346,640)	(399,416)	1,197	(7,438)	(6,241)
Net foreign exchange gains/(losses) on hedging transactions	(a) (432)	1,198	766	40,781	(111,567)	(70,786)	(2,001)	38	(1,963)
Net unrealised gains/(losses) on revaluation of monetary assets	1,198	(1,198)	-	(111,567)	111,567	-	38	(38)	-
Reversal of prior period's provision for permanent diminution in the value of investments	(a) 967	(967)	-	83,321	(83,321)	-	4,006	(4,006)	-
Provision for permanent diminution in the value of investments	(a) -	-	-	(701,781)	701,781	-	(8,680)	8,680	-
Total investment income from ordinary activity	17,029	13,542	30,571	(644,117)	271,820	(372,297)	(4,577)	(2,764)	(7,341)
Expenses									
Operating expenses	2,323	-	2,323	110,536	-	110,536	891	-	891
Transaction costs	(b) -	208	208	-	14,733	14,733	-	49	49
Total expenses from ordinary activity	2,323	208	2,531	110,536	14,733	125,269	891	49	940
Net operating income from ordinary activity	14,706	13,334	28,040	(754,653)	257,087	(497,566)	(5,468)	(2,813)	(8,281)
Financing costs									
Increase/(decrease) in net assets attributable to unitholders	(d) -	(14,787)	(14,787)	-	545,554	545,554	-	8,421	8,421
Distributions paid and payable to unitholders	(d) -	13,253	13,253	-	47,988	47,988	-	140	140
Net Profit	14,706	(14,706)	-	(754,653)	754,653	-	(5,468)	5,468	-
Amounts transferred from/to reserves	(1,453)	1,453	-	802,641	(802,641)	-	5,608	(5,608)	-
Distributions paid and payable to unitholders	13,253	(13,253)	-	47,988	(47,988)	-	140	(140)	-

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Note 17 International Financial Reporting Standards (IFRS) (cont)

Statements of Financial Position

As at 30 June 2005

Notes	International Fund			Asia Fund			European Fund			Japan Fund			
	Existing GAAP \$'000	Effect of Change \$'000	AIFRS \$'000	Existing GAAP \$'000	Effect of Change \$'000	AIFRS \$'000	Existing GAAP \$'000	Effect of Change \$'000	AIFRS \$'000	Existing GAAP \$'000	Effect of Change \$'000	AIFRS \$'000	
Assets													
Investments	(a),(b)	5,645,227	299,907	5,945,134	583,610	82,523	666,133	181,167	17,881	199,048	248,264	10,842	259,106
Current Assets													
Receivables		16,374	-	16,374	1,756	-	1,756	326	-	326	2,332	-	2,332
Total Current Assets		16,374	-	16,374	1,756	-	1,756	326	-	326	2,332	-	2,332
Total Assets		5,661,601	299,907	5,961,508	585,366	82,523	667,889	181,493	17,881	199,374	250,596	10,842	261,438
Liabilities													
Other Liabilities													
Unitholders' distribution payable		322,062	-	322,062	59,455	-	59,455	11,137	-	11,137	6,478	-	6,478
Creditors and accrued expenses		7,980	-	7,980	802	-	802	235	-	235	4,502	-	4,502
Re-classification of unitholders' equity	(c)	-	5,631,466	5,631,466	-	607,632	607,632	-	188,002	188,002	-	250,458	250,458
Total Liabilities		330,042	5,631,466	5,961,508	60,257	607,632	667,889	11,372	188,002	199,374	10,980	250,458	261,438
Net assets attributable to unitholders		5,331,559	(5,331,559)	-	525,109	(525,109)	-	170,121	(170,121)	-	239,616	(239,616)	-
Unitholders' Equity													
Unitholders' Funds		5,659,603	(5,659,603)	-	528,774	(528,774)	-	176,165	(176,165)	-	238,374	(238,374)	-
Reserves		(328,044)	328,044	-	(3,665)	3,665	-	(6,044)	6,044	-	1,242	(1,242)	-
Total Unitholders' Equity	(c)	5,331,559	(5,331,559)	-	525,109	(525,109)	-	170,121	(170,121)	-	239,616	(239,616)	-

Statement of changes in equity

In accordance with AASB 132 unitholders' equity is classified as a liability and accordingly the registered schemes have no equity for financial purposes.

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Note 17 International Financial Reporting Standards (IFRS) (cont)

Statements of Financial Position

As at 30 June 2005

Notes	International Brands Fund			International Health Care Fund			International Technology Fund			
	Existing GAAP \$'000	Effect of Change \$'000	AIFRS \$'000	Existing GAAP \$	Effect of Change \$	AIFRS \$	Existing GAAP \$'000	Effect of Change \$'000	AIFRS \$'000	
Assets										
Investments	(a),(b)	170,644	22,459	193,103	9,818,305	452,512	10,270,817	44,679	272	44,951
Current Assets										
Receivables		415	-	415	18,728	-	18,728	55	-	55
Total Current Assets		415	-	415	18,728	-	18,728	55	-	55
Total Assets		171,059	22,459	193,518	9,837,033	452,512	10,289,545	44,734	272	45,006
Liabilities										
Other Liabilities										
Unitholders' distribution payable		13,253	-	13,253	47,988	-	47,988	140	-	140
Creditors and accrued expenses		231	-	231	1,850,148	-	1,850,148	312	-	312
Re-classification of unitholders' equity	(c)	-	180,034	180,034	-	8,391,409	8,391,409	-	44,554	44,554
Total Liabilities		13,484	180,034	193,518	1,898,136	8,391,409	10,289,545	452	44,554	45,006
Net assets attributable to unitholders		157,575	(157,575)	-	7,938,897	(7,938,897)	-	44,282	(44,282)	-
Unitholders' Equity										
Unitholders' Funds		159,830	(159,830)	-	8,828,144	(8,828,144)	-	58,887	(58,887)	-
Reserves		(2,255)	2,255	-	(889,247)	889,247	-	(14,605)	14,605	-
Total Unitholders' Equity	(c)	157,575	(157,575)	-	7,938,897	(7,938,897)	-	44,282	(44,282)	-

Statement of changes in equity

In accordance with AASB 132 unitholders' equity is classified as a liability and accordingly the registered schemes have no equity for financial purposes.

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Note 17 International Financial Reporting Standards (IFRS) (cont)

Under AASB 1, the Directors' of the responsible entity have elected not to apply the requirements of AASB 132: *Financial Instruments: Disclosure and Presentation* and AASB 139: *Financial Instruments Recognition and Measurement* in the first comparative year under AIFRS. Under this election, first time adoption of these standards will be delayed until 1 July 2005. The reconciliation provided is for information purposes to satisfy the requirements of AASB 1047: *Disclosing the Impacts of Adopting Australian Equivalents to International Financial Reporting Standards* which requires the disclosure of the financial impact of adopting Australian Equivalents to International Financial Reporting Standards on the Statements of Financial Performance and Position as though the exemptions available under AASB 1 were not applied.

Notes Explaining the Impacts on the Statements of Financial Performance and Statements of Financial Position

When the 30 June 2006 annual report is prepared the exemptions available in accordance with AASB 1 will be adopted. As a result, the comparable balances will reflect the balances of the "Existing GAAP" column.

(a) Investments

Under AASB 139, investments will be classified as "trading securities" and be recognised in the Statement of Financial Position at fair value. During the period, changes in fair value for trading securities will be recognised in the Statement of Financial Performance. The fair value of investments in securities will be measured at bid price and will exclude disposal costs.

Investments and other derivatives are currently valued at historical cost unless it has been determined that there has been a permanent diminution in the value of an investment in which case, the carrying amount is written down to net market value or "last sale" price with an allowance for disposal costs. Transactions costs are included in the gain or loss on sale of trading securities. Investments in monetary items and currency hedges are currently stated at net market value or "last sale" price with an allowance for disposal costs. If the policy required by AASB 139 had been applied during the year ended 30 June 2005 the following would have resulted:

	International Fund \$'000	Asia Fund \$'000	European Fund \$'000	Japan Fund \$'000	International Brands Fund \$'000	International Health Care Fund \$	International Technology Fund \$'000
An increase/(decrease) in net gain/(loss) on equities and derivatives from the revaluation during the year	(215,663)	86,136	(3,320)	859	14,509	(346,640)	(7,438)
An increase/(decrease) in opening reserves from the revaluation of equities and derivatives	453,546	(3,994)	16,860	10,484	8,158	112,104	(921)
An increase in opening reserves from the reversal of the provision of permanent diminution	43,380	2,188	3,165	-	967	83,321	4,006
A decrease in permanent diminution	67,999	1,658	4,506	-	-	701,781	8,680

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Note 17 International Financial Reporting Standards (IFRS) (cont)

(b) 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 should be expensed as incurred in the Statement of Financial Performance. This differs from the current treatment where incremental transaction costs on acquisition of trading securities are included within initial measurement costs. The impact during the year ended 30 June 2005 is shown in the table below. On transition to AIFRS this change will not impact net assets attributable to unitholders.

	International Fund	Asia Fund	European Fund	Japan Fund	International Brands Fund	International Health Care Fund	International Technology Fund
	\$'000	\$'000	\$'000	\$'000	\$'000	\$	\$'000
Recognition of transaction costs expense	5,975	1,277	165	501	208	14,733	49

(c) Financial liabilities

Units on issue give the unitholder a right to redemption at fair value and are therefore considered a liability rather than equity from 1 July 2005. The liability must be measured at the value of the amount which would be redeemable as at reporting date and would not be disclosed as unitholders' funds.

(d) Finance costs

As unitholders' funds are classed as debt under AIFRS, it will be necessary to recognise "increase/(decrease) in net assets" attributable to unitholders in the Statement of Financial Performance as a finance cost. In future periods, the Statement of Financial Performance of the schemes will disclose a nil net profit.

This differs from the current treatment where the net profit for the year is disclosed as available for distribution to unitholders, however, there is no impact to net assets attributable to unitholders.

(e) Foreign exchange

The measurement currency of the registered schemes as determined in accordance with AASB 121: *The Effects of Changes in Foreign Rates* will be the Australian dollar because this is the currency that reflects the economic substance of the underlying events and is the currency of the primary economic environments to which the registered schemes are exposed. The financial statements will continue to be presented in Australian dollars (the "presentation currency"). Since the measurement and presentation currency are both Australian dollars there will be no impact on net assets attributable to unitholders.

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Note 17 International Financial Reporting Standards (IFRS) (cont)

(f) Consolidation

In accordance with AASB 127: *Consolidated and Separate Financial Statements*, unit trusts will be required to consolidate their holdings in controlled unit trusts. Consolidation will need to occur at each level of the structure. Unit holdings in controlled unit trusts are currently valued at the redemption price (which will not change under AIFRS). Under consolidation, the total investments held by the controlled unit trust will be included directly in the controlling trust and outside equity interests will be disclosed. Given the nature of the investments of each of the registered schemes, no consolidation is currently required.

The value of net assets attributable to unitholders will not differ significantly from current accounting treatment under Australian GAAP.

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Directors' Declaration

The directors of the responsible entity declare that the financial statements and notes set out on pages 7 to 46:

- (a) comply with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
- (b) give a true and fair view of the registered schemes' financial positions as at 30 June 2005 and of their performance as represented by the results of their operations and their cash flows for the year ended on that date.

In the directors' opinion:

- (c) the financial statements and notes are in accordance with the *Corporations Act 2001*; and
- (d) 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.

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

M Halstead
Director

Sydney
25 August 2005

Independent Audit Report to the Unitholders of

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Matters relating to the electronic presentation of the audited financial report

This audit report relates to the financial report of Platinum International Fund, Platinum Asia Fund, Platinum European Fund, Platinum Japan Fund, Platinum International Brands Fund, Platinum International Health Care Fund, and Platinum International Technology Fund (together the “registered schemes”) for the year ended 30 June 2005 included on the registered schemes’ web site. The registered schemes’ directors are responsible for the integrity of the Platinum web site. We have not been engaged to report on the integrity of this web site. The audit report refers only to the financial report identified below. It does not provide an opinion on any other information which may have been hyperlinked to/from the financial report. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

Audit opinion

In our opinion, the financial report of the registered schemes covered by this report for the financial year ended 30 June 2005:

- gives a true and fair view, as required by the *Corporations Act 2001* in Australia, of the financial position of the registered schemes as at 30 June 2005, and of their performance for the year ended on that date, and
- is presented in accordance with the *Corporations Act 2001*, Accounting Standards and other mandatory financial reporting requirements in Australia, and the *Corporations Regulations 2001*.

This opinion must be read in conjunction with the rest of our audit report.

Scope

The financial report and directors’ responsibility

The financial report comprises the Statements of Financial Position, Statements of Financial Performance, Statements of Cash Flows, accompanying notes to the financial statements, and the Directors’ Declaration for the registered schemes, for the year ended 30 June 2005.

The directors of Platinum Asset Management (“the responsible entity”) are responsible for the preparation and true and fair presentation of the financial report in accordance with the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

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Audit opinion (cont)

Audit approach

We conducted an independent audit in order to express an opinion to the unitholders of the registered schemes. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected. For further explanation of an audit, visit our web-site <http://www.pwc.com/au/financialstatementaudit>.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001*, Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the registered schemes' financial position, and its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

Our procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the financial report.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

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Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the *Corporations Act 2001*.

PricewaterhouseCoopers
Chartered Accountants

A J Loveridge
Partner

Sydney
25 August 2005