

14 September 2017

ASX Limited
ASX Market Announcements Office
Exchange Centre
Level 6, 20 Bridge Street
SYDNEY NSW 2000

By e-Lodgement

Platinum Asset Management Limited – Successful Launch of Quoted Managed Funds Today

Platinum is very pleased to announce the successful launch today of its two new quoted managed funds on the Australian Securities Exchange (ASX). Trading volumes of around \$2.5 million were achieved on the opening day.

The two new funds are called the Platinum International Fund (Quoted Managed Hedge Fund) (ASX code: **PIXX**) and the Platinum Asia Fund (Quoted Managed Hedge Fund) (ASX code: **PAXX**). Platinum Investment Management Limited is the responsible entity of both PIXX and PAXX.

As previously announced, these funds represent an important new industry innovation for the ASX AQUA market due to their structure which feeds into Platinum's two flagship unlisted funds, the \$10 billion Platinum International Fund (PIF) and \$4 billion Platinum Asia Fund (PAF). In this way, Platinum is able to offer advisers, self-managed super funds and other investors access to an actively managed portfolio of global companies with one trade.

To ensure that PIXX and PAXX investors receive a similar experience to their fellow PIF and PAF unlisted fund investors going forward, Platinum will cover the establishment costs for these new feeder funds and also their ongoing operating costs¹. In this way, PIXX and PAXX investors will pay overall costs and charges similar to the PIF and PAF performance fee class investors.

Investment Performance update for PIF and PAF – August 2017

The underlying funds into which PIXX and PAXX will invest have enjoyed substantial long-term investment returns. The PIF has returned 12.8% per annum since inception (over 22 years ago), and the PAF has returned 15.2% per annum since inception (over 14 years ago)².

The underlying funds have also provided **high cash distributions over time**; the PIF delivering 9.5% per annum since inception, and the PAF delivering 7.7% per annum since inception³. This is in excess of distributions provided by many global equity products.

¹ With the exception of the agency market making fee, although Platinum will cover the fixed component of the agency market making fee for the first 12 months. Losses and gains from the market making activities will be borne by PIXX and PAXX.

² Investment returns are annualised to 31 August 2017 and have been calculated using PIF and PAF's daily unit prices (C Class Units) since inception (30 April 1995 for PIF, and 4 March 2003 for PAF). Returns represent the combined income and capital returns, are net of fees and costs (excluding the buy-sell spread), pre-tax and assume the reinvestment of distributions. PIF and PAF C Class Units do not have a performance fee component. The returns of PIXX and PAXX will vary from the returns of PIF and PAF C Class Units due to different fees, cash holdings and gains and losses on PIXX and PAXX's market making activities. Investors should be aware that historical performance is not a reliable indicator of future performance.

³ Annualised and calculated as at 30 June 2017 since inception.

Fund Performance As at 31 August 2017	Performance ²				Fund Size
	1 year %	5 year %	10 year %	Since Inception %	
Platinum International Fund (PIF)	18.0	17.8	8.0	12.8	\$10.22bn
MSCI ⁴	11.0	16.5	4.5	6.4	
Outperformance	+7.0	+1.3	+3.5	+6.4	
Platinum Asia Fund (PAF)	15.3	17.0	7.6	15.2	\$4.33bn
MSCI ⁴	18.3	14.9	4.6	10.5	
Outperformance	-3.00	+2.1	+3.0	+4.7	

About the Platinum Quoted Managed Funds

The Platinum quoted managed funds are registered managed investment schemes which are quoted on the ASX.

PIXX and PAXX have each commenced with 5 million units on issue, priced at \$5.00 per unit⁵. These funds are open ended and we expect the number of units on issue to grow over time.

PIXX invests in units in an underlying performance fee class of the \$10 billion Platinum International Fund. PAXX invests in units in an underlying performance fee class of the \$4 billion Platinum Asia Fund. These performance fee classes each charge a management fee of 1.1% p.a. plus a performance fee of 15% of any outperformance relative to the relevant underlying fund's nominated index^{4 6}.

Investors in the quoted managed funds will therefore generally receive investment returns and distributions from the quoted managed funds in much the same way as for performance fee class investors in the corresponding underlying funds.

In addition, Platinum has appointed an agent to act as a market maker for the new quoted managed funds. The market maker's role is to add liquidity during the ASX trading day to help ensure that the quoted managed funds do not trade at a significant discount to their respective net asset values, a problem that plagues closed end listed investment companies and trusts (LICs and LITs).

J Jefferies
 Company Secretary

⁴ The MSCI Index for PIF refers to the MSCI AC World Index in A\$. The MSCI Index for PAF refers to the MSCI AC Asia ex Japan Index in A\$. Neither MSCI Inc nor any other party involved in or related to compiling, computing or creating the Index data (contained in this PDS) makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of such data. Without limiting any of the foregoing, in no event shall MSCI Inc, any of its affiliates or any third party involved in or related to compiling, computing or creating the data will have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the Index data is permitted without the express written consent of MSCI Inc.

⁵ Platinum contributed \$33.7million across both funds by way of seed investment.

⁶ The management fee and performance fee are both stated inclusive of Australian GST less any expected reduced input tax credits.