

## Facts

Portfolio value	\$11.44 bn
Fund commenced	30 April 1995
Minimum investment	A\$20,000 or NZ\$25,000
Regular Investment Plan (min.)	A\$200 or NZ\$250 per mth/qtr
Income distribution date	Annual, 30 June
Unit valuation	Sydney Business Day
Unit prices	App - 2.1917    Red - 2.1807

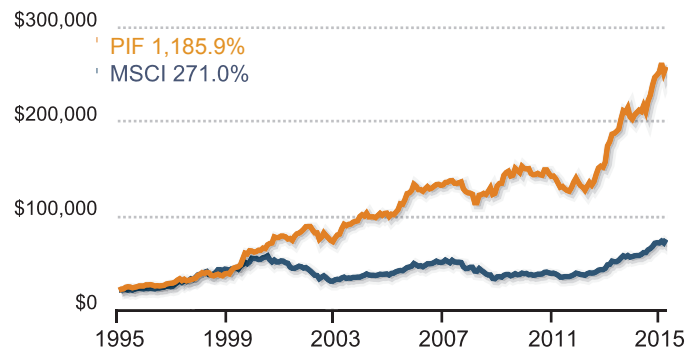
## Performance<sup>1</sup>

	FUND %	MSCI %
1 month	2.60	5.57
3 months	2.19	5.65
6 months	8.15	11.56
Calendar year to date	13.25	15.40
1 year	21.80	30.19
2 years (compound pa)	17.74	20.71
3 years (compound pa)	26.80	27.22
5 years (compound pa)	12.28	15.10
7 years (compound pa)	12.50	9.11
10 years (compound pa)	9.62	6.48
Since inception (compound pa)	13.44	6.69

## Fees

Entry fee	Nil
Exit fee	Nil
Management Expense Ratio/	1.54% per annum
Indirect Cost Ratio (MER/ICR)	(inclusive of investment & administration costs)
Brokerage paid	Nil
Buy/sell spread	0.5% total

## Performance graph<sup>2</sup>



## Invested positions<sup>3</sup>

	LONG %	NET %	CURRENCY %
Australia	0.5	0.5	2.2
Austria	0.6	0.6	
Brazil	0.2	0.2	0.2
Canada	1.2	1.2	1.3
China	7.7	7.7	2.6
China Ex PRC	13.5	13.5	
Hong Kong	1.0	1.0	10.4
France	4.3	4.3	
Germany	2.9	2.9	
Hungary	0.2	0.2	0.2
India	5.3	5.3	5.6
Italy	3.7	3.7	
Japan	10.9	10.9	0.8
Korea	6.3	6.3	2.7
Malaysia	0.7	0.7	0.7
Norway	0.7	0.7	3.4
Russia	1.5	1.5	
Singapore	0.2	0.2	0.3
Sweden	1.9	1.9	2.1
Switzerland	2.3	2.3	2.0
Thailand	0.3	0.3	0.3
United Kingdom	5.7	5.7	0.6
United States	19.5	11.7	59.5
	91.3	83.4	
Euro Currency			4.9
Cash	8.7	16.6	
Total	100.0	100.0	100.0

Long - 159 stocks, 7 swaps, 1 bond    Short - 2 stocks, 2 indices

## Top ten positions<sup>4</sup>

STOCK	COUNTRY	INDUSTRY	%
Google Inc	USA	Info Technology	3.3
Carnival Corp	UK	Cons Discretionary	3.0
Samsung Electronics Co Ltd	Korea	Info Technology	2.7
China Pacific A Share PN exp	China	Financials	2.6
Intel Corp	USA	Info Technology	2.5
Intesa Sanpaolo SpA	Italy	Financials	2.5
PICC Property & Casualty Co	China Ex PRC	Financials	2.3
AstraZeneca PLC	UK	Health Care	2.3
China Mobile Ltd HK	China Ex PRC	Telecom Services	2.3
Cisco Systems Inc	USA	Info Technology	2.1

## Industry breakdown<sup>3</sup>

SECTOR	LONG %	NET %
Info Technology	27.0	27.0
Financials	15.2	15.2
Cons Discretionary	13.7	13.7
Health Care	9.6	8.2
Industrials	9.3	9.3
Consumer Staples	5.2	5.2
Materials	3.4	3.4
Utilities	3.3	3.3
Energy	2.3	2.3
Telecom Services	2.3	2.3
Other*	0.0	(6.5)

\* Includes index short positions

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

2. The investment returns depicted in this graph are cumulative on A\$20,000 invested in the Fund since inception relative to the MSCI All Country World Net Index in A\$ (nb. the gross MSCI Index was used prior to 31 December 1998 as the net MSCI Index did not exist). The investment returns are calculated using the Fund's unit price. They are net of fees and costs (excluding the buy-sell spread and any investment performance fee payable), pre-tax and assume the reinvestment of distributions. It should be noted that Platinum does not invest by reference to the weightings of the Index. Underlying assets are chosen through Platinum's individual stock selection process and as a result holdings will vary considerably to the make-up of the Index. The Index is provided as a reference only.

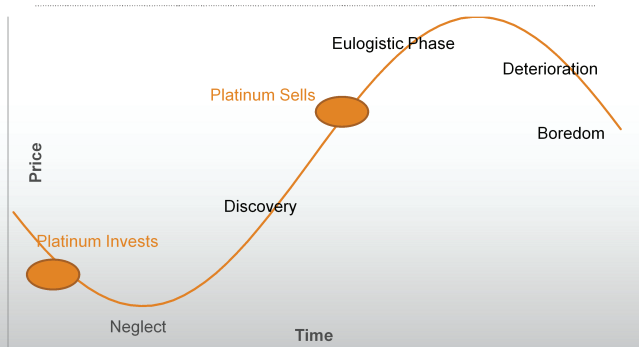
3. The "Long %" represents the exposure of physical holdings and long stock derivatives. The "Net %" represents the exposure of physical holdings and both long and short derivatives. The "Currency %" represents the currency exposure for the Fund's Portfolio, taking into account currency hedging.

4. Top Ten positions shows the Fund's top long share exposure positions. Long derivative exposures are included, however, short derivative exposures are not.

Platinum Investment Management Limited ABN 25 063 565 006 AFSL 221935, trading as Platinum Asset Management ("Platinum") is the responsible entity and issuer of units in the Platinum International Fund (the "Fund"). The Platinum Trust Product Disclosure Statement No. 9 and Supplementary PDS ("together PDS") provides details about the Fund. You can obtain a copy of the PDS from Platinum's website [www.platinum.com.au](http://www.platinum.com.au), or by contacting Investor Services on 1300 726 700 (Australian investors only), 0800 700 726 (New Zealand investors only), or 02 9255 7500, or via [invest@platinum.com.au](mailto:invest@platinum.com.au). Before making any investment decision you need to consider (with your financial adviser) your particular investment needs, objectives and financial circumstances. You should refer to the PDS when deciding to acquire, or continue to hold, units in the Fund.

DISCLAIMERS: Some numerical figures in this Fact Sheet have been subject to rounding adjustments. The information presented in this Fact Sheet is not intended to be advice. It has not been prepared taking into account any particular investor's or class of investor's investment objectives, financial situation or needs, and should not be used as the basis for making investment, financial or other decisions. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information. Platinum does not guarantee the repayment of capital, payment of income or the Fund's performance. Platinum is a member of the Platinum Group of companies.

### Platinum's approach



Source: Platinum



### Investment themes

- E-commerce, data, mobility
- Financial sector
- Emerging Consumer including Pharmaceuticals

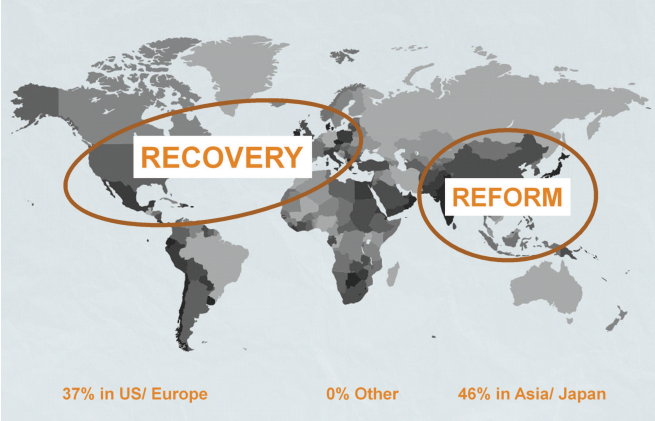
#### ASIA's REFORM

- China rebalancing
- Indian infrastructure
- Japan and Korea's corporate rejuvenation

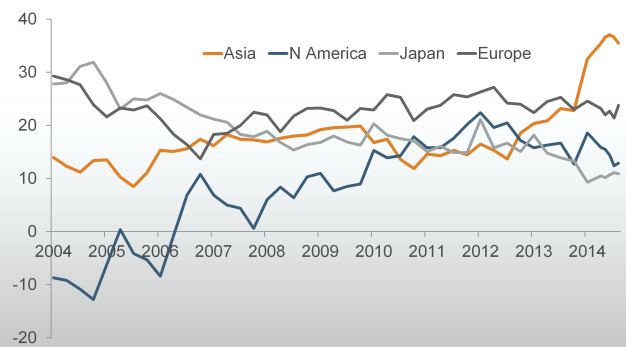
Source: Platinum



### Current Simple Framework



### Platinum International Fund: 10 years of exposure



Source: Platinum



## Market update and Commentary

Recent headlines resemble a history of civilisation with Greece and China at their heart. Recent Chinese ructions cost the fund 2% over June and July. Our stocks are in aggregate well above entry prices. Our companies were less exposed to speculation, margin debt, and avoided widespread suspensions, with one exception which saw a small holding suspended pending finalisation of an employee share trading program. Government interference was poor policy, but at current prices we are excited by the inexorable income growth and resultant outcomes for insurers, internet companies, and other consumer facing businesses.

Lack of dispersion (a range from high to low performing stocks) implies stock-pickers are being under-rewarded for effort compared with history. This is a function of distortions in the cost of money and should prove transient. Not being fully exposed is a cost in a rampant bull market, so to deliver market returns of 27% compound pa over the last three years is disappointing in one sense, but a credible outcome given our approach and well-above what one should expect going forward in absolute terms.

We fear Australia remains too dominant in most clients' portfolios, as the country faces a period of adjustment, and risks in the property market and hence the banks, are surely building. Given the lack of political will to reform, Australia looks more like non-Asian Emerging Markets we are avoiding. The currency should remain on a downward trend though we could see short-term bounces on any positive China news.

The US economy continues to recover but the bull market is mature. We see an improving labour market and beginning of a new mortgage cycle. While commentators have spent three years debating when rates rise, we question whether say 1% would really cause a deferment in borrowing. Rather we fear further extensions of free money and unintended consequences thereof; the excesses in the biotechnology sector today may be a case study for the side-effects. We remain enthusiastic about the US Dollar which dominates the portfolio, but currency and wages can retard earnings growth and we own little outside technology companies.

Europe is recovering, and house prices and car sales in Ireland, Italy and Spain (all of whom "took their medicine") suggest to us that the Greek saga was more exception than rule, and simply resulted from borrowing more than they could ever afford to pay back. (See 'The Journal', 1 July 2015). We own peripheral banks and pharmaceuticals in the region. Japan is making positive progress; companies are "behaving" better and exporters benefit from the lower Yen.

Asia dominates the portfolio; we cannot see why the key drivers are going to change – financial capital, social capital and globalisation, coupled with the new-found benefits of the internet and government reform agendas. Concerns about China slowing obscure areas of growth in the country; building infrastructure in India will continue creating economic growth, and Korea and Taiwan display technology leadership.

Most global investment managers still treat Asia as a sideshow. We view it as a key area of growth, with very substantial companies trading cheaply. It is the largest contributor to our returns over the last year. More detail on Asia is available in our Platinum Asia Fund commentary.