

## Facts

Portfolio value	\$11.05 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 - 2.1015    Red - 2.0910

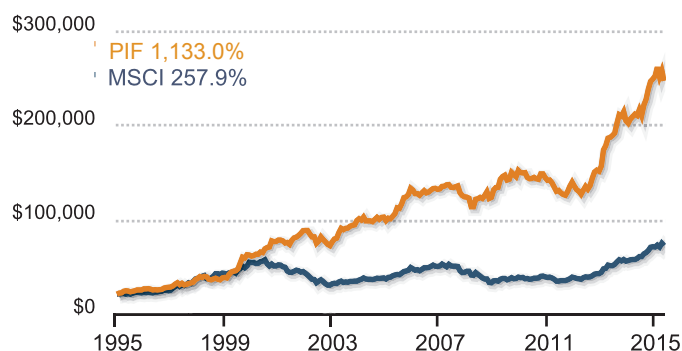
## Performance<sup>1</sup>

	FUND %	MSCI %
1 month	(4.11)	(3.52)
3 months	(5.50)	(0.95)
6 months	0.30	2.48
Calendar year to date	8.59	11.34
1 year	17.59	23.64
2 years (compound pa)	14.98	19.36
3 years (compound pa)	23.69	24.06
5 years (compound pa)	11.56	14.70
7 years (compound pa)	10.74	7.53
10 years (compound pa)	8.85	5.89
Since inception (compound pa)	13.15	6.47

## 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	4.1
Austria	0.5	0.5	
Brazil	0.1	0.1	0.1
Canada	1.4	1.4	1.5
China	7.5	7.5	(6.9)
China Ex PRC	12.5	12.5	
Hong Kong	0.8	0.8	7.6
France	3.9	3.9	
Germany	2.9	2.9	
Hungary	0.2	0.2	0.2
India	5.0	5.0	5.2
Italy	3.2	3.2	
Japan	10.0	6.3	3.9
Korea	6.1	6.1	1.6
Malaysia	0.6	0.6	0.6
Norway	0.7	0.7	3.6
Russia	1.4	1.4	
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	(1.1)
United Kingdom	5.6	5.5	2.1
United States	18.9	8.3	75.2
	86.2	71.8	
China Renminbi Off Shore			(6.9)
Euro Currency			4.9
Cash	13.8	28.2	
Total	100.0	100.0	100.0

Long - 152 stocks, 5 swaps, 1 bond    Short - 2 stocks, 3 indices

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

STOCK	COUNTRY	INDUSTRY	%
Google Inc	USA	Info Technology	3.4
Carnival Corp	UK	Cons Discretionary	2.8
China Pacific A Share PN exp	China	Financials	2.6
Samsung Electronics Co Ltd	Korea	Info Technology	2.6
AstraZeneca PLC	UK	Health Care	2.4
PICC Property & Casualty Co	China Ex PRC	Financials	2.2
Intesa Sanpaolo SpA	Italy	Financials	2.1
Toyota Industries Corp	Japan	Cons Discretionary	2.0
Tencent Holdings Ltd	China Ex PRC	Info Technology	1.9
Intel Corp	USA	Info Technology	1.9

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

SECTOR	LONG %	NET %
Info Technology	26.0	26.0
Financials	14.5	14.5
Cons Discretionary	12.3	12.3
Health Care	9.5	8.0
Industrials	8.9	8.9
Consumer Staples	4.6	4.6
Materials	3.4	3.4
Utilities	3.1	3.1
Energy	2.3	2.3
Telecom Services	1.6	1.6
Other*	0.0	(12.8)

\* 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.

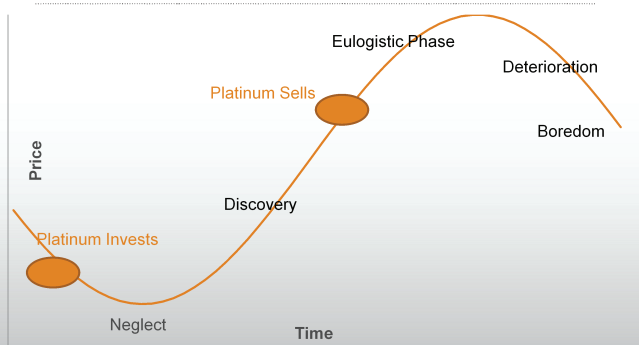
3. The "Long %" represents the exposure of physical holdings and long stock derivatives. The "Net %" represents the exposure of physical holdings and both long and short derivatives. The "Currency %" represents the currency exposure for the Fund's Portfolio, taking into account currency hedging.

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

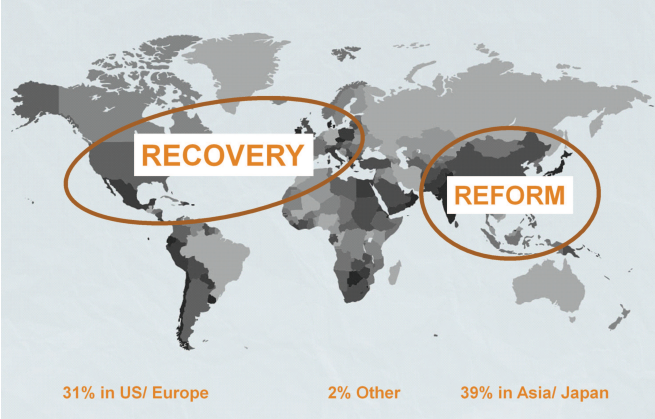
#### ASIA's REFORM

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

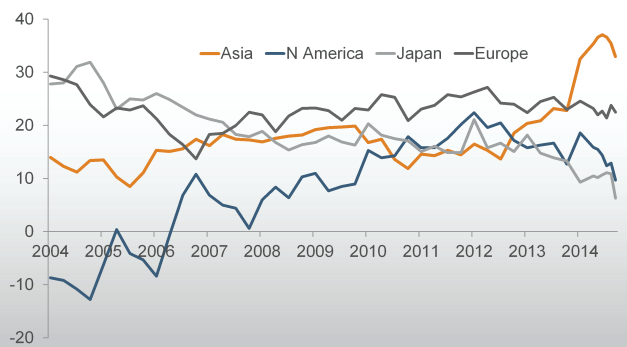
Source: Platinum



#### Current Simple Framework



### Platinum International Fund: 10 years of exposure



Source: Platinum



## Market update and Commentary

Markets were shaken out of what had become a pattern of complacency in August. Commentators always try to define cause and effect, but often what is most sensible is to retain a sense of perspective.

During the month we published two articles in The Journal in response to investor concerns: firstly, Joseph Lai, the portfolio manager of the Platinum Asia Fund discussed the Chinese currency and a reminder that the Chinese story is not a simple one nor will the path be smooth. Kerr Neilson, portfolio manager of the Platinum International Fund, followed up with a market update, focusing on the rapid repricing of slower growth and noted that attractive investment opportunities were being presented to us.

On Friday 21 August, the Platinum International Fund was running a net exposure of 72%, down from 90% as recently as June and was prepared for what has been dubbed as "Black Monday" (2015) to turn worse. Much of the discussion in the media has focused on China so it is important that we look at this in the context of this Fund.

At month end, while the Shanghai Composite is some 40% off its recent highs, one must remember that from an Australian investor's perspective, the Shanghai market is 100% above where it was only 15 months ago. Most of our Chinese positions were put in place in 2013-2014. In the 12 months to 31 May 2015, Chinese stocks contributed 10% to the Fund's returns and in the recent sell-off we gave back about 3.5% of this.

With around 20% of the Fund invested in China, our investment case is not based on the market, the economy or GDP forecasts but on a collection of companies based around the premise that middle class disposable incomes are growing and we can tap into relatively reliable and strong growth at cheap prices. Bearing in mind that the entry price is the best predictor of future returns, our Chinese holdings in the Fund have a weighted median P/E of 12.5x and are concentrated in insurance, e-commerce, beverages, appliances and telecommunication services.

The broader Fund is well-placed at 13.5x weighted median P/E on the long side and a net exposure of 72%. This contrasts with the Australian market trading on 14x and the US market on 16x. We remain concerned that Australian investors have too much exposure to their domestic market and it is increasingly clear our economy needs reform. Markets are forward looking and since the end of 2012, global markets have outperformed the local market by 52% so there is some recognition of our prospects by investment markets. The currency will likely continue to take the hit though the cacophony of the "race to the bottom" forecasts suggests most people are cognisant of this.

Over the last three months, the Fund lost 5.5% while world markets were down 1%. Hence the importance of highlighting how different our portfolio is from the World Index: almost 50% of the Fund is in Asia including Japan and on this portion we lost 5.6% over the quarter, with the balance of the Fund flat over the period. We are of the view that the Asian region offers a large portion of the opportunities available in world markets today and therefore see this as a temporary setback.