

### Facts

Portfolio value	\$11.0 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 - 2.0822    Red - 2.0718

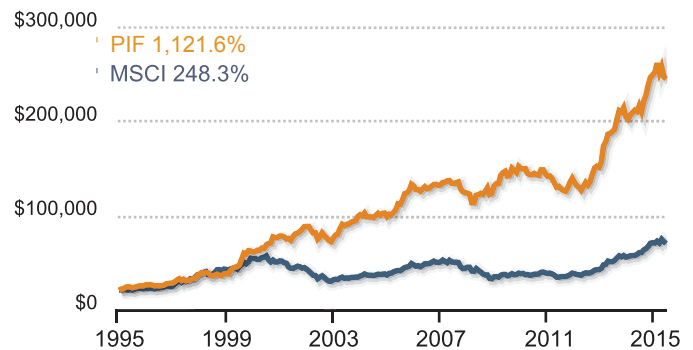
### Performance<sup>1</sup>

	FUND %	MSCI %
1 month	(0.92)	(2.70)
3 months	(2.52)	(0.90)
6 months	(1.70)	(1.15)
Calendar year to date	7.59	8.33
1 year	13.14	16.31
2 years (compound pa)	13.90	17.64
3 years (compound pa)	22.08	21.92
5 years (compound pa)	11.34	13.91
7 years (compound pa)	10.51	7.81
10 years (compound pa)	8.15	5.47
Since inception (compound pa)	13.04	6.30

### 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	1.9
Austria	0.5	0.5	
Brazil	0.1	0.1	0.1
Canada	1.2	1.2	1.3
China	6.4	6.4	(7.2)
China Ex PRC	12.1	12.1	
Hong Kong	0.9	0.9	7.3
France	4.0	4.0	
Germany	3.5	3.5	
Hungary	0.2	0.2	0.2
India	5.3	5.3	5.5
Italy	3.0	3.0	
Japan	9.1	7.5	2.9
Korea	6.2	6.2	1.7
Malaysia	0.6	0.6	0.6
Norway	0.7	0.7	3.7
Russia	1.1	1.1	
Singapore	0.2	0.2	0.4
Sweden	2.4	2.4	2.4
Switzerland	2.1	2.1	1.8
Thailand	0.3	0.3	0.3
United Kingdom	6.6	6.6	2.8
United States	19.7	9.1	76.9
	86.7	74.5	
China Renminbi Off Shore			(7.1)
Euro Currency			4.6
Cash	13.3	25.5	
Total	100.0	100.0	100.0

Long - 153 stocks, 4 swaps, 1 bond    Short - 1 stock, 4 indices

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

STOCK	COUNTRY	INDUSTRY	%
Alphabet Inc	USA	Info Technology	3.2
Carnival Corp	UK	Cons Discretionary	2.8
Samsung Electronics Co Ltd	Korea	Info Technology	2.7
Ericsson LM-B	Sweden	Info Technology	2.4
AstraZeneca PLC	UK	Health Care	2.4
China Pacific A Share PN exp	China	Financials	2.3
PICC Property & Casualty Co	China Ex PRC	Financials	2.1
Intesa Sanpaolo SpA	Italy	Financials	2.1
Tencent Holdings Ltd	China Ex PRC	Info Technology	2.0
Cisco Systems Inc	USA	Info Technology	1.9

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

SECTOR	LONG %	NET %
Info Technology	26.5	26.5
Financials	14.9	14.9
Cons Discretionary	11.3	11.3
Health Care	10.1	8.8
Industrials	8.4	8.4
Consumer Staples	4.5	4.5
Materials	3.3	3.3
Utilities	3.3	3.3
Energy	2.3	2.3
Telecom Services	2.1	2.1
Other*	0.0	(10.9)

\* 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.

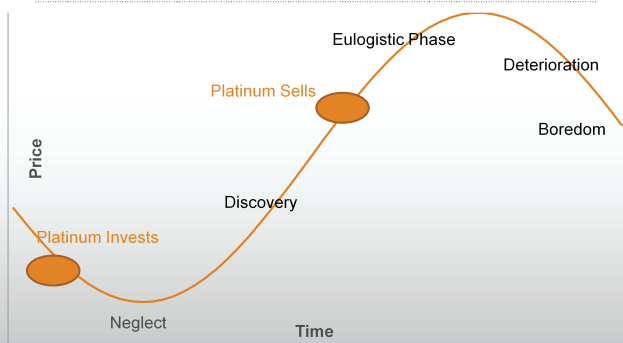
4. Top Ten positions shows the Fund's top long share exposure positions. Long derivative exposures are included, however, short derivative exposures are not.

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 Backdrop and Themes

#### MACRO BACKDROP

- Low growth world; high debt levels; distortion of free money
- Rapid change/ disruption driven by technology

#### GLOBAL THEMES

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

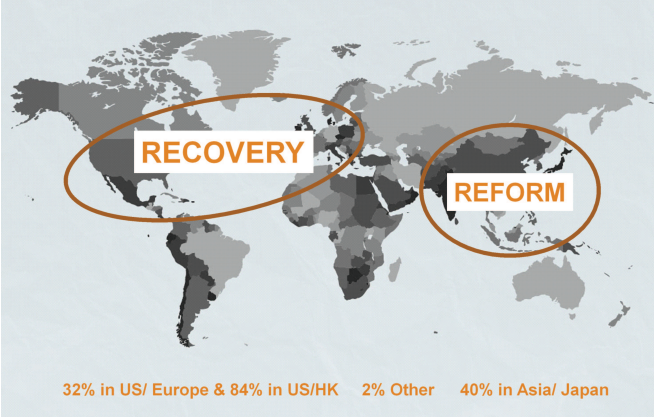
#### ASIA'S REFORM

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

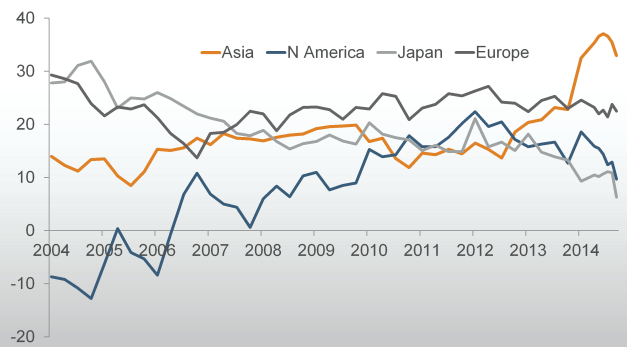
Source: Platinum



#### Current Simple Framework



### Platinum International Fund: 10 years of exposure



Source: Platinum



## Market update and Commentary

We have been proactive managing risk over the previous several months as complacency was apparent in markets. This was gradual at first and from July accelerated our selling and addition of short positions, bringing the net invested position down from 90% to close to 70%. Having taken advantage of the market dislocation to strengthen some of our positions, we further reduced the shorts in September and nibbled at stocks, finishing up at 74.5% net invested. Over the quarter, there was a greater realisation of the slow growth world we are in and negative headlines came to the fore. Many stocks were severely punished and there are now more realistic valuations after the sell-off.

Perhaps we could coin a new phrase – the BRATS – countries that were spoilt by the resources boom, and are yet to address the reform needed to look forward. Brazil, Russia, Australia, Turkey and South Africa, along with Energy and the Materials sectors have been hit hard; we have tended to avoid these markets and sectors. One might hope that leadership change in Australia brings forward the necessary reform debate by at least three years and leads to the bottom in the currency coming sooner, albeit likely still lower from here.

Outside the BRATS there remains little dispersion at country or sector level, which goes some way to explaining how our very different portfolio has delivered 8% YTD, as has the MSCI AC World Index. We expect stock-picking to provide greater rewards after years of cheap money have boosted the passive investor; we are concerned about the trend to ETF's as we are unconvinced they are optimal in downturns, with selling feeding on itself.

China has been front and centre of people's concerns and Kerr Neilson will address this in the quarterly report. In short, the transition from the biggest investment boom in history is unlikely to be smooth, but we take comfort in the valuations ascribed to what was once seen as a certainty, the emergence of the Chinese middle class. We like what we can own in the Chinese consumer sector: e-commerce, insurance, telco among these, and the possibility of looser policy is encouraging. Defending the exchange rate looks a flawed strategy and we now carry protection on our Chinese investments via a hedge on the currency. We continue to prefer the US dollar over all other units, but have softened our negative stances on the Euro and Yen. We would also like to see rates rise sooner than later in the US, as we have gone too long without a price for money, and do not believe a small step would derail the recovery but rather fear the distortions of inaction.

Year-to-date, it is our European holdings that have made the biggest contribution, led by pharma, Italian banks and Carnival Cruises, with our Chinese stocks still ahead for the nine months, despite the recent pain. Short-selling and currency management have both added value. At 30 September, the weighted median forward P/E of the long portion of the portfolio is 13x, which is reasonably attractive versus history.

The Platinum Trust Quarterly Report will be available on our website, [www.platinum.com.au](http://www.platinum.com.au), from 14 October and mailed out by month end.