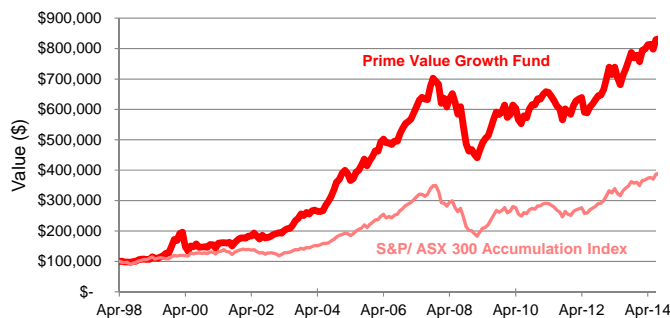


## Fund Performance

Annual Return (Class A Units)*	1 mth	3 mths	1 Yr	3 Yrs (pa)	5 Yrs (pa)	7 Yrs (pa)	10 Yrs (pa)	Since Apr 98 (pa)	Since Apr 98 (cumulative)
<b>Prime Value Growth Fund</b>	<b>0.2%</b>	<b>2.2%</b>	<b>13.3%</b>	<b>11.4%</b>	<b>8.0%</b>	<b>4.0%</b>	<b>10.8%</b>	<b>13.8%</b>	<b>731.8%</b>
S&P/ASX300 Accumulation Index	0.6%	3.6%	14.2%	14.0%	9.0%	2.8%	9.2%	8.6%	289.3%
Relative Performance To Benchmark	-0.4%	-1.4%	-0.9%	-2.6%	-1.0%	1.2%	1.6%	5.2%	442.5%
Approximate Annual Return (after Performance Fees)**			13.3%	11.4%	8.0%	3.8%	10.5%	12.7%	641.1%

## Value of \$100,000 invested since inception (10 Apr 1998 – 31 Aug 2014)



This graph shows how \$100,000 invested at the Fund's Inception has increased to \$831,800 (net of fees excluding performance fees). This compares very favourably with the return of the market, where a \$100,000 investment would have increased to \$389,300 over the same period. The returns exclude the benefits of imputation credits.

## Manager's Commentary

The Australian equity market underperformed global peers but still rose 0.6% in August. The rise in August builds on a strong performance from the Australian market in July. Global equity markets generally rose through August, with the MSCI World Index returning 2.2%, despite rising geopolitical tensions in Ukraine and Iraq and a deteriorating economic outlook in Europe.

US economic data continued to show a strengthening trend, 2Q GDP was revised up to 4.2% annual rate, manufacturing and housing data was better than expected, though consumer data disappointed. China's official PMI (Purchasing Managers Index) rose to higher-than-expected 51.7. However, lending activity dropped sharply. Eurozone economic data continued to soften which makes further easing by the ECB likely.

Our focus in August was on the corporate reporting season. A key theme to emerge were the continued focus on cost reduction to drive earnings growth. A number of companies introduced new initiatives on operating efficiencies but little by way of new investments. Overall corporate cash positions had improved and consequently resulted in stronger dividends for investors. We observe that this reporting season came on the back of a soft economic environment following the May Budget and expectations of a weaker Chinese economy. The outlook for FY15 should improve if business confidence rises, companies continue to raise productivity and evidence of the transition towards non-mining

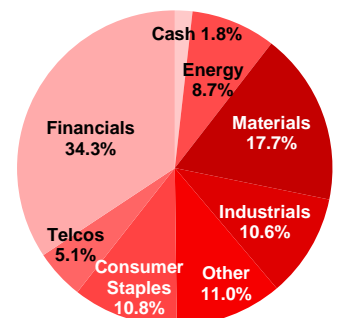
related sectors gain traction.

Healthcare (+6.6%) was the best performing sector due to stand-out performances of CSL and Ramsay Healthcare, while Telstra was a meaningful contributor to the Telecommunication sector (+4.3%). The Materials sector (-3.7%) moved lower towards the latter part of the month as the iron ore prices fell sharply and BHP disappointed market expectations on capital management.

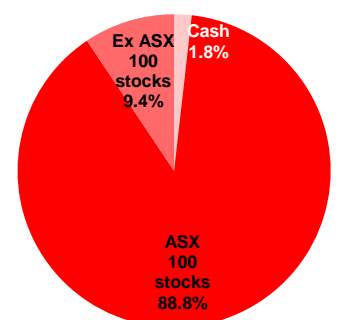
The Fund rose by 0.2% during August. From a sectoral contribution, the fund's overweight Energy and underweight Banks contributed positively to performance. This was partly offset by overweight weaker performing Consumer Staples and Materials.

At the stock level, Amcor (up 9.5%), Capitol Health (up 15.3%) and Suncorp (up 3.0%) contributed to Fund performance. Suncorp reported a strong improvement in underlying insurance margins and declared a special dividend. The positions which detracted from performance were BHP Billiton (down 5.2%), Commonwealth Bank (down 2.9%) and JB Hi-Fi (down 15.3%). Key focus of BHP's result was the proposed demerger of non-core assets which will be distributed via in-specie distribution to shareholders. However, market expectations of a share buyback from the company was not realised which compounded the fact that holders of BHP's UK listed shares sold down the shares as the proposed 'Newco' will not be listed on the LSE.

## Holdings by Sectors



## Holdings by Market Cap



## Top Five Holdings

ANZ	Financials
BHP	Materials
CBA	Financials
Telstra	Telcos
Wesfarmers	Consumer Staples

The portfolio is generally comprised of 25 - 45 stocks.

\* Performance figures have been calculated in accordance with the Financial Services Council (FSC). The returns are calculated after management fees but before performance fees which are charged against individual accounts. The returns exclude the benefits of imputation credits. No allowance has been made for taxation. Performance assumes the reinvestment of income distributions. Past performance is not necessarily an indicator of future performance.

\*\* Post-performance fee returns are an APPROXIMATION only. Performance fees are only payable where the return of the Fund exceeds the performance of the benchmark and the net return is positive.

## Investment Objectives

The Growth Fund aims to provide superior medium to long-term capital growth, with some income, by managing a portfolio of predominantly Australian equities listed on any recognised Australian Stock Exchange.

The Fund has achieved a positive return in 13 of the last 16 financial years and has outperformed its benchmark in 11 of the last 16 years. Most importantly, the Prime Value Growth Fund has preserved capital and outperformed strongly in negative years.

## Investor Profile

The Prime Value Growth Fund is appropriate for an investor seeking medium to long-term capital growth, who is prepared to accept some fluctuations in short-term returns. This type of investment is appropriate as a significant part of a properly diversified investment portfolio for individuals, companies, trusts and superannuation funds.

Launch Date: 10 April 1998	Direct Investment (Class A)		Indirect Investment via IDPS or IDPS-Like Schemes (Class B)	
APIR Code	PVA0001AU (PVGF)		PVA0011AU (PVGF)	
Income Distributions	Half-yearly		Half-yearly	
Benchmark	S&P / ASX 300 Accumulation Index		S&P / ASX 300 Accumulation Index	
Minimum Initial Investment	\$20,000		N/A	
Minimum Additional Investment	\$2,000		N/A	
Indirect Cost Ratio (ICR)	1.435% p.a. <sup>1</sup>		1.23% p.a. <sup>1,2</sup>	
Performance Fee	20.5% p.a. <sup>1</sup> of performance (net of management fees and administration costs) above the agreed benchmark, subject to positive performance		20.5% p.a. <sup>1</sup> of performance (net of management fees and administration costs) above the agreed benchmark, subject to positive performance	
Contribution Fee	Nil <sup>3</sup>		N/A	
Withdrawal Fee	Nil		N/A	
Research Rating	Lonsec Zenith	Investment Grade Approved	Lonsec Zenith	Investment Grade Approved
Unit Prices @ 31 Aug 2014	Issue Price:	\$3.3126	Issue Price:	\$3.2920
	Withdrawal Price:	\$3.2876	Withdrawal Price:	\$3.2670

<sup>1</sup> Unless otherwise stated, all fees quoted are inclusive of GST and the relevant RITC.

<sup>2</sup> Fees for indirect investments do not include the fees charged by the IDPS operator. The fund is available in the following platforms: Asgard, Ausmaq, Beacon, BT Wrap, First Wrap, IOOF Global One, Macquarie Wrap, netwealth, Premium Choice, Symetry, Wealthtrac.

<sup>3</sup> Up to 3% may be charged where a Direct Investor is introduced by an adviser to the Fund, as mutually agreed between the investor & adviser.

The information contained in this Fact Sheet is general in nature and has no regard to the specific investment objectives, financial or particular needs of any specific recipient. It is not intended to constitute investment advice or a personal securities recommendation. This document is not a Product Disclosure Statement (PDS) or an offer of units, and contains a brief overview of the investment only. Any prospective investor wishing to make an investment in the Prime Value Growth Fund must obtain and read the PDS dated 28 March 2013 (particularly the risk factors discussed) and complete an application form. Neither Prime Value Asset Management Limited nor its associates or directors, nor any other person, guarantees the success of the Prime Value Growth Fund, the repayment of capital or any particular rate of capital or income return, or makes any representation in relation to the personal taxation consequences of any investor's investment.

**For more information**



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