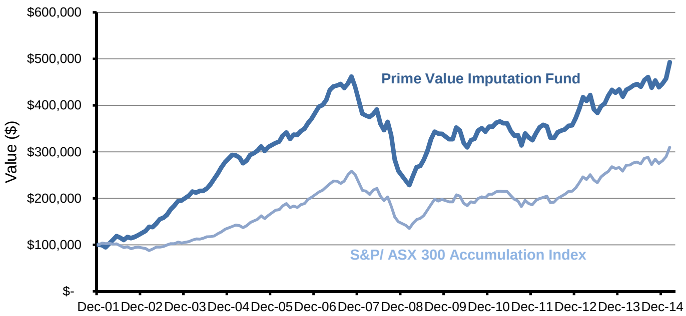
MONTHLY UPDATE FEBRUARY 2015

Prime Value Imputation Fund

Fund Performance

Annual Return (Class A Units)*	1 mth	3 mths	1 Yr	3 Yrs (pa)	5 Yrs (pa)	10 Yrs (pa)	Since Dec 01 (pa)
Growth Return	7.7%	11.4%	9.4%	7.7%	4.0%	0.4%	7.3%
Distribution Return		1.0%	4.3%	4.1%	4.3%	5.0%	5.5%
Total Return	7.7%	12.4%	13.7%	11.8%	8.3%	5.4%	12.8%
Distribution Return including franking credits**		**1.8%**	**6.5%**	**6.4%**	**6.6%**	**6.9%**	**7.6%**
Total Return including franking credits**	**7.7%**	**13.2%**	**15.9%**	**14.1%**	**10.6%**	**7.3%**	**14.9%**
S&P/ASX300 Accumulation Index	6.9%	12.6%	14.2%	15.8%	9.5%	8.1%	8.9%

Value of $100,000 invested since inception (20 Dec 2001 – 28 Feb 2015)



This graph shows how $100,000 invested at the Fund's Inception has increased to $493,000 (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 $309,600 over the same period. The returns exclude the benefits of imputation credits.

Manager's Commentary

February was a very strong month for global equity markets and the Australian share market was amongst the best performers up 6.9%. This extended the gains from December (+2%) and January (+3.2%), with the index seemingly closing in on the 6000 level by month-end. The Feb rate cut provided fresh impetus to the crowded yield trade (in particular the banks & utilities), as well as consumer discretionary stocks but it was the resource sectors which were the strongest performers for the month. This reflected a strong rebound in oil prices and some stabilisation in the iron ore price, while the results of the resource majors were also generally well received, reflecting the benefits of major cost-outs and in some cases capital management initiatives. Building materials companies also performed strongly during the month, again a combination of macro drivers and company-specific results.

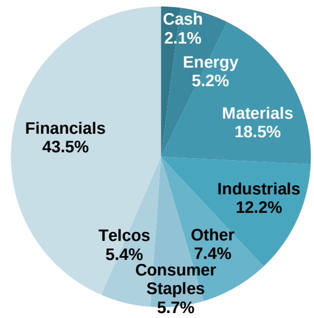
With overall reporting season results and outlook statements broadly in line with expectations, our view is that the current rally is as much a reflection of interest rate support than a fundamentally positive shift in earnings expectations (notwithstanding the generally positive impacts that should flow from lower oil prices and a weaker currency). With this in mind, we are getting more cautious at current market levels.

As we flagged last month, the reporting season typically provides us with numerous opportunities to refresh our portfolios given increased volatility around company results. While this is an ongoing process, a number of opportunistic positions were added during the month, for example JB Hi-Fi and travel insurer Cover-More. Pleasingly our long-term holdings were largely unscathed, reporting solid results consistent with our philosophy of minimising mistakes.

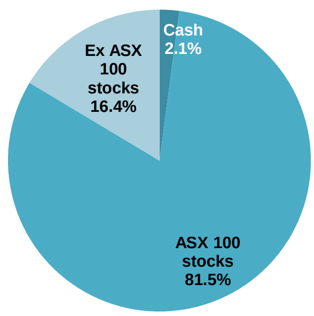
The Fund rose 7.7% in February, pushing one year return to close to 16% including franking benefit. In absolute terms, the Fund's major contributors to performance were Qube (up 26.9% on positive management outlook and collateral benefit of Japan Post acquiring Toll Holdings at good premium); BHP (up 15%); and Westpac (up 10.3%). The main detractor was Ardent Leisure (down 13.6% on a little less healthy results from their Health Club division) In relative terms, outperformance was driven by stock selection, with the overweight exposure to materials offset by the Fund's cash holdings and small overweight to REITs.

"Yield is attractive comparing to prevailing cash rate" forms part of management comments through this reporting period. We need to be reminded that in this record low interest rate environment, any small change in interest rate can have a magnified effect on market volatility. The Fund continues to seek out stocks with sustainable dividend yield (ideally fully franked) and potential capital growth.

Holdings by Sectors



Holdings by Market Cap



Top Five Holdings

ANZ	Financials
BHP Billiton	Materials
CBA	Financials
NAB	Financials
Telstra	Telecommunications

The portfolio is generally comprised of 25 - 45 stocks.

* Performance figures have been calculated in accordance with the Financial Services Council (FSC) standards. The returns are calculated after management fees but before performance fees which are charged against individual accounts. The returns exclude the benefits of franking 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.

** Returns grossed up for franking credits are estimates.

Investment Objectives

The Imputation Fund aims to provide regular tax-effective income, combined with competitive capital growth over the medium to long-term, by managing a portfolio of assets comprised mainly of Australian equities listed on any recognised Australian stock exchange.

Due to the tax benefits under the current dividend imputation regime, the Prime Value Imputation Fund will typically have a core position of Australian equities with an attractive level of franked dividends.

With its focus being the payment of high and tax-effective income, the Fund has made an average distribution return including franking credits of 7.7% pa since inception.

Investor Profile

The Prime Value Imputation Fund is appropriate for an investor seeking regular tax effective income that includes imputation credits, combined with competitive capital growth over the medium to long term. Investors should be 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, superannuation funds and not for profit organisations.

This Fund is particularly suitable for investors with zero and low marginal tax rates. These include investors in the superannuation system, both accumulation and pension phase, and charities. The portfolio's tax implications are considered when managing this Fund, however they are not the primary driver of investment returns.

Launch Date: 20 December 2001	Direct Investment (Class A)		Indirect Investment via IDPS or IDPS-Like Schemes (Class B)	
APIR Code	PVA0002AU (PVIF)		PVA0022AU (PVIF)	
Income Distributions	Quarterly		Quarterly	
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.[1]		1.23% p.a.[1,2]	
Performance Fee	20.5% p.a.[1] of performance (net of management fees and administration costs) above the agreed benchmark, subject to positive performance		20.5% p.a.[1] of performance (net of management fees and administration costs) above the agreed benchmark, subject to positive performance	
Contribution Fee	Nil[3]		N/A	
Withdrawal Fee	Nil		N/A	
Research Rating	Lonsec	Investment Grade	Lonsec	Investment Grade
Unit Prices @ 28 Feb 2015	Issue Price: Withdrawal Price:	$2.5592 $2.5398	Issue Price: Withdrawal Price:	$2.5588 $2.5394

1 Unless otherwise stated, all fees quoted are inclusive of GST and the relevant RITC.
2 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.
3 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.

For more information

PrimeValue®
Building Wealth Together

Call: 03 9098 8088 Email: info@primevalue.com.au Visit: www.primevalue.com.au