

Prime Value Opportunities Fund

Fund Update - June 2015



- Global events, particularly in Greece and China, dictated share market performance.
- Defensive sectors performed well in a volatile environment. Our focus on stock selection and capital preservation will drive fund performance.
- Asciano Limited, a core company of the Fund, received a non-binding takeover bid.

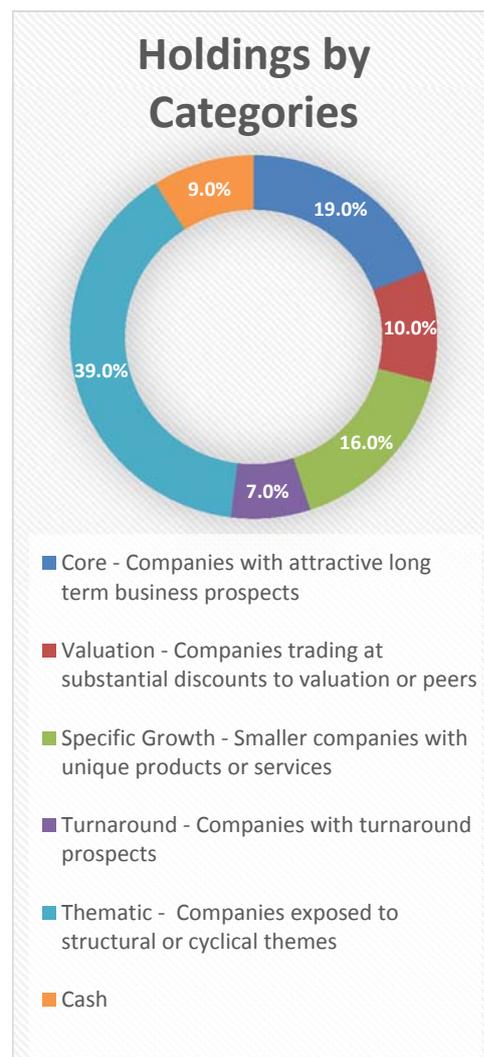
	Total return*	S&P/ASX300 Accumulation Index	Benchmark (8% pa)
Since inception (pa)	15.0%	12.3%	8.0%
2 Years (pa)	12.7%	11.3%	8.0%
1 Year (pa)	4.6%	5.6%	8.0%
3 Months	-4.8%	-6.5%	1.9%
1 Month	-4.3%	-5.3%	0.6%

* Fund returns are calculated net of management fees, assuming all distributions are re-invested. Performance figures have been calculated in accordance with the Financial Services Council (FSC). The returns are calculated before performance fees which are charged against individual accounts. The returns exclude the benefits of imputation credits. Past performance is not necessarily an indicator of future performance.

Monthly Performance	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	FYTD
FY 2013					1.8%	1.7%	4.3%	6.2%	-0.6%	4.0%	-2.2%	-1.7%	14.1%
FY 2014	4.4%	2.6%	4.4%	5.0%	-1.1%	1.5%	-1.9%	5.9%	0.2%	0.3%	0.3%	-1.4%	21.4%
FY 2015	2.5%	1.0%	-4.1%	3.1%	-1.9%	0.7%	1.5%	5.7%	1.4%	-1.0%	0.5%	-4.3%	4.6%

Top five holdings	Sector
Arcor Limited	Materials
BHP Billiton	Materials
Commonwealth Bank Australia	Financials
National Australia Bank	Financials
Ramsay Health Care	Health Care

Feature	Fund Facts
Portfolio Manager	ST Wong
Investment objective	To achieve superior absolute total returns by providing medium to long term capital growth without the constraints of a share market benchmark.
Benchmark	8% pa
Inception Date	5 November 2012
Cash	0 - 100%
International Exposure	0 - 20%
Distribution	Half-yearly
Recommended investment period	3 - 5 years +
Annualised Return	15.0%
Research Rating	Lonsec - Investment Grade Zenith - Approved

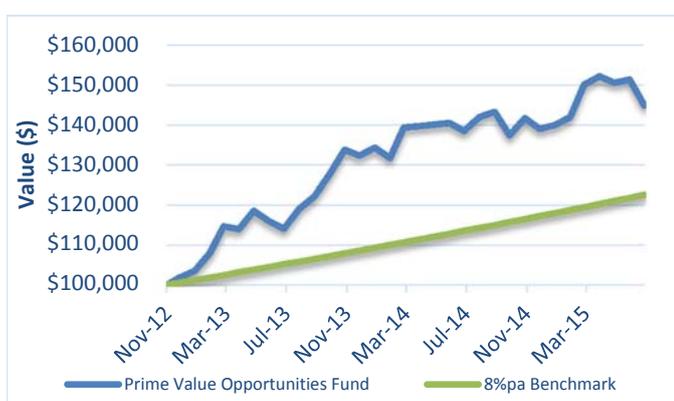


Market review

Global share markets sold-off heavily in June, weighed down by events in Greece and a plunge in the Chinese stock market. The Australian share market underperformed both developed and emerging markets, with the ASX 300 declining 5.3%. Adding to market volatility was a host of earnings downgrades.

Two themes dominated much of the market's performance in the 2015 financial year. Interest rates declined and share prices were driven up by investors seeking better returns. In the last quarter, Greek political and fiscal uncertainty coupled with fragile Chinese stock market sentiment were the main drivers.

Greece's inability to reach a conclusion to its debt obligations and the possibility of its exit from the Eurozone are significant events but are unlikely to have a long term negative effect on the global economy. Events surrounding China's stock market decline are affecting investor confidence although we make the observation that the Chinese stock market has a smaller role in the economy compared to developed economies.



This graph shows how \$100,000 invested at the Fund's Inception has increased to \$144,900 (net of fees excluding performance fees). This compares very favourably with the return of the benchmark, where a \$100,000 investment would have increased to \$122,600 over the same period. The returns exclude the benefits of imputation credits.

	Direct Investment (Class A)	Platform Investment (Class B)
APIR code	PVA0005AU	PVA0006AU
Minimum Investment	\$20,000	N/A
Issue price	\$1.4000	\$1.3754
Withdrawal price	\$1.3894	\$1.3650
Distribution (30/06/2015)	\$0.0349	\$0.0343
Indirect Cost Ratio (ICR)	0.95% pa	0.95% pa
Performance fee	15% ¹ pa	15% ¹ pa

¹ of performance (net of management fees) above the agreed benchmark, subject to a high water mark

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Fund review & Strategy

The Prime Value Opportunities Fund posted a return of 4.6% for the one year period to June 2015. The performance was achieved with an average cash position of approximately 10% and with lower volatility than that of the broader market.

Our focus on stock selection and capital preservation continued to drive Fund performance. Through a volatile period, we have maintained our discipline of seeking out businesses with strong business models and management. Performance in June was driven by Burson Group (up 9.0%), National Storage REIT (up 6.3%) and Sonic Healthcare (up 6.4%). Investments that were unfavourable for the Fund in June included IOOF (down 16.9%), Sydney Airport (down 12.5%) and Flight Centre (down 26.7%).

Asciano has received a non-binding takeover offer from a Canadian company, Brookfield Infrastructure Group (on 1 July 2015). We invested in Asciano earlier this year based on our assessment of the company's ability to extract value from its current asset base. A key conclusion made was Asciano is in a position to improve its profit margins significantly.

Top contributors (absolute)	Sector
Burson Group	Consumer Discretionary
National Storage REIT	Financials
Sonic Healthcare	Health Care

Top detractors (absolute)	Sector
IOOF Holdings	Financials
Sydney Airport	Industrials
Flight Centre	Consumer Discretionary

Platforms
Asgard, BT Wrap, Netwealth Investment Wrap, Netwealth Super Wrap

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