Trans Tasman Portfolio

December 2015

Performance Commentary
The Portfolio was up but trailed the benchmark, which once more pushed to new record highs. The principle drag on performance was Slater & Gordon which we had increased to a 2% position following an extensive research process. That research gave us strong conviction that the long term upside in this company merited a larger position in the Portfolio. During the month a story broke from the UK that spooked the market. The government outlined a proposal to change how soft tissue claims might be handled in the future. The proposal (and it must be remembered that it is just a proposal at this stage), if introduced, could have a negative impact on Slater & Gordon's UK business. Investor confidence had been significantly undermined before this, as discussed in our previous commentaries, this latest blow created a panic that led to hysteria. The share price fell over 75% in just two days. In our opinion this was a significant overreaction and we purchased more shares to maintain our 2% position. Our strong conviction based on deep research meant that we remained calm and took advantage of the hysteria. Already in the first few days of December, Slater & Gordon has recovered strongly and we expect that trend to continue.

Performance to 30 November 2015 (Gross of fees & incl ICs)

<table>
<thead>
<tr>
<th></th>
<th>Past Month</th>
<th>Past Quarter</th>
<th>Past Year</th>
<th>Since Inception (in %)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trans-Tasman Portfolio</td>
<td>0.58%</td>
<td>4.36%</td>
<td>10.10%</td>
<td>15.10%</td>
</tr>
<tr>
<td>S&amp;P/NZX50 Index including IC's</td>
<td>1.96%</td>
<td>-8.46%</td>
<td>13.91%</td>
<td>13.71%</td>
</tr>
<tr>
<td>Out/Under Performance</td>
<td>-1.38%</td>
<td>-3.58%</td>
<td>-3.81%</td>
<td>+1.38%</td>
</tr>
</tbody>
</table>

*Portfolio inception 1/7th January 2014

Equity Holdings by Category

- Deep Value 11%
- Mid Cap Grows 40%
- Moat 30%
- Value 19%

Largest Overweight Positions

- Vista Group International NZD 4.6%
- Wellcorn Group AUD 4.0%
- Corporate Travel Management AUD 2.3%
- Meridian Energy NZD 2.1%
- Trade Me Group NZD 2.1%
- Swick Mining Services AUD 2.1%
- Freightways NZD 2.1%
- Port of Tauranga NZD 2.1%
- Contact Energy NZD 2.1%
- Moa Mahon Holdings AUD 2.0%
- Slater & Gordon AUD 2.0%
- Boom Logistics AUD 1.9%
- Australian Vintage AUD 1.8%
- Touchcorp AUD 1.4%
- Scott Technology NZD 1.0%

Largest Underweight Positions

- Xerc NZD -2.1%
- Air New Zealand NZD -2.0%
- Precinct Properties NZD -1.8%
- Chorus NZD -1.7%
- Eboe Group NZD -1.7%
- Fisher & Paykel Healthcare NZD -1.7%
- Auckland International Airport NZD -1.5%
- Westpac Banking Corporation NZD -1.4%
- Fletcher Building NZD -1.3%
- Argosy Property NZD -1.3%
- Kiwi Property Group NZD -1.3%
- Summerson Group NZD -1.2%
- Nuplex Industries NZD -1.2%
- Vectr NZD -1.1%
- Stride Property NZD -1.1%

Fees
The Trans Tasman Portfolio is currently being run as an individually managed account with fees as agreed with each client.