

ASX RELEASE

MARCH QUARTER UPDATE - CLIME INVESTMENT MANAGEMENT ("CIW")

The Board of Clime Investment Management Limited (CIW) is pleased to update shareholders with developments in the March 2017 Quarter.

Funds under Management (FUM)

Gross balances as at 31 March were \$588 million:

FUM	31 March 2017
1. Clime Individually Managed Accounts	\$383 million
2. Clime Capital Limited	\$82 million
3. Managed Funds	\$123 million

Fund Performances

A key area of focus of Clime is alignment of our investment objectives with those of our customers. This ultimately comes down to helping our customers achieve security in their retirement. We do this by focusing on three key elements:

- Grow retirement savings
- Guard them along the way, and
- Generate meaningful income

The representative Australian Growth DSP model portfolio has delivered a total return of +9.4% for the Fiscal Year to 31st March (after fees). A feature of this return was the strong contribution made by each of the large, mid and small-cap sub-portfolios.

The representative Clime Australian Income DSP model has delivered a total return of +6.2% for the Fiscal Year to 31st March (after fees).

New Fund Launch (Clime Smaller Companies Fund)

Clime is pleased to announce the launch of a new small cap fund. The Clime Smaller Companies Fund seeks to deliver strong risk-adjusted returns by investing in a portfolio of high quality smaller Australian companies that are attractively priced.

Clime Investment Management Limited

Level 7, 1 Market Street, Sydney NSW 2000 Australia | PO Box Q1286, Queen Victoria Building, NSW 1230
ABN 37 067 185 899 P 02 8917 2100 F 02 8917 2155 W www.clime.com.au T @climeinvest

Clime Capital Limited (CAM)

CIW holds 5.5 million CAM shares which are valued at approximately \$5 million at current market prices.

CAM will shortly undertake the conversion of its listed converting preference shares (CAMPAs). This occurrence will greatly simplify the capital structure of CAM and reduce the need to pay dividends on these shares.

The CAM share price has performed strongly this FYTD, delivering a total return (including dividends) to CIW of approximately \$0.9 million.

Clime Advice

In late February CIW announced a strategic alliance with Futuro Group (a national independent dealer group). In recent months CIW has conducted preliminary work and client feedback prior to a decision to open a Brisbane Clime Advice office.

We are pleased to advise that the response of clients and interested parties alike has been exceptionally positive. Therefore CIW and Futuro are fast tracking the opening of the Brisbane office. Assuming success CIW expects to open a further 3 to 4 further offices in 2017/18 in major capital cities.

Clime Private

CIW shareholders have been allocated one share in Clime Private for each one CIW share held following approval of shareholders at the CIW AGM in October.

The distribution and effective decoupling of Jasco Holdings from CIW means that CIW has restructured to become a pure financial services company.

Clime Private has recently declared its first interim dividend of 0.15 cents per Clime Private share (fully franked).

At the date of this announcement CIW has approximately \$11 million of liquid capital, no debt and approximately \$590 million of funds under management. At the current share price of 50 cents per share CIW is capitalised at \$25 million or effectively \$15 million goodwill for its financial services business.

A handwritten signature in black ink, appearing to read 'John Abernethy'.

John Abernethy

Director

Dated 26 April, 2017

For any enquiries, please contact John Abernethy (02) 8917 2107 or by email to john@clime.com.au.