



May 16th, 2017

Company Update

The directors of the Morphic Ethical Equities Fund Ltd (the Company) are pleased to announce that the Company is now fully invested.

As at close of business on Thursday May 11th the Company's after tax net asset value (NAV) per share had reached \$1.094 compared to \$1.074 at the time of its listing on May 3rd.

At close of business on Tuesday May 16th the combined value of the Company's shares (MEC) and options (MECO) was \$1.123, compared to the \$1.10 offer price for the shares and options.

The ten largest positions in the Company's portfolio as at Thursday May 11th were:

Name	Country/Region	Business	Weighting	Positive Screen Stock
RURAL ELECTRIFICATION CORP	India	Specialist power sector financier	4.5%	✓
POWER GRID CORP OF INDIA	India	National Grid operator	3.7%	✓
D.G. KHAN CEMENT	Pakistan	Cement	3.2%	
ALSTOM	Europe	Rail transportation equipment and services	3.0%	✓
HCA HEALTHCARE INC	North America	Hospitals	2.9%	
FUND MANAGERS BASKET	Global	Fund management	-2.6%	
WELLS FARGO & CO	North America	Bank	-2.1%	
PING AN INSURANCE GROUP	China	Life, property and casualty insurance	2.1%	
PANALPINA WELTTRANSPORT	Europe	Global Freighter	-2.0%	
SES	Europe	Satellite Operator	1.9%	

Holdings shown in red and with negative weightings are short positions.

In accordance with the Company's Ethical Charter, the portfolio:

- excludes investments in companies with exposure to armaments, tobacco and alcohol, intensive farming and aquaculture, oil and gas extraction, coal and uranium mining, and rainforest and old growth logging.
- includes exposures exceeding 10% (as against the minimum 5% required) to businesses that are working to make the world a better place.

The Company's portfolio is not hedged back into Australian dollars.

The regular monthly announcement of the Company's NAV will be published in early June.

For any questions please contact Irene Kardasis at Morphic Asset Management on 02 9194 6707.

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