

DIVERSIFIED UNITED INVESTMENT LIMITED

ABN 33 006 713 177

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AUSTRALIA

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7 September 2017

The General Manager
Australian Securities Exchange Limited
Company Announcements Office
Exchange Centre
20 Bond Street
Sydney NSW 2000

Dear Sir,

NET ASSET BACKING

The Directors advise that the unaudited net tangible asset backing of the Company's ordinary shares at 31 August 2017 was \$3.93 per share after provision for the final dividend of 8.0 cents per share (31 July 2017 \$3.98 per share before provision for the final dividend). The net asset backing calculation is based on investments at market value, is after tax on net realised gains, before any future tax benefit of net realised losses and before estimated tax on net unrealised gains/losses.

Diversified United Investment Limited is a long term investor and does not intend disposing of its total portfolio. However, under current accounting standards the Company is required to provide for estimated tax on any net gains that would arise on such a theoretical disposal. After deducting this provision, the above figure would be \$3.41 (31 July 2017 \$3.46).

A list of the Company's top 25 investments is attached.

Yours sincerely,

A J Hancock
Company Secretary

DIVERSIFIED UNITED INVESTMENT LIMITED

25 LARGEST SHAREHOLDINGS

AS AT 31 AUGUST 2017

As at 31 August 2017 the twenty-five largest shareholdings of the company, at market values were:

	<i>Market Value</i> <i>\$'000</i>	<i>%Market Value of</i> <i>Total Investments</i>
<i>Australian Equities</i>		
Commonwealth Bank of Australia Ltd	75,800	8.1%
CSL Ltd	72,614	7.8%
Westpac Banking Corporation Ltd	59,413	6.4%
ANZ Banking Group Ltd	58,800	6.3%
Transurban Group	48,640	5.2%
National Australia Bank Ltd	45,300	4.9%
BHP Billiton Ltd	32,856	3.5%
Rio Tinto Ltd	31,885	3.4%
Woodside Petroleum Ltd	28,830	3.1%
Wesfarmers Ltd	27,703	3.0%
Lend Lease Corporation	19,896	2.1%
Washington H Soul Pattinson & Co Ltd	19,470	2.1%
Sydney Airport	18,500	2.0%
Woolworths Ltd	18,200	2.0%
AMP Ltd	17,340	1.9%
Macquarie Atlas Roads Group	15,052	1.6%
Oil Search Ltd	13,420	1.4%
Suncorp Group Ltd	13,030	1.4%
Origin Energy Ltd	11,475	1.2%
Perpetual Ltd	10,988	1.2%
<i>Total Australian Equities in Top 25:</i>	639,212	68.6%
<i>International Equities</i>		
Vanguard All-World Ex-US Shares Index ETF	31,708	3.4%
Vanguard US Total Market Shares Index ETF	23,900	2.6%
Vanguard FTSE Developed European Ex UK Index ETF	14,218	1.5%
Vanguard Information Technology Index ETF	14,130	1.5%
iShares TR MSCI USA Min Vol Index ETF	12,521	1.3%
<i>Total International Equities in Top 25:</i>	96,477	10.3%
Total Top 25 Australian & International Equities	735,689	78.9%
Total Investments at Market Value, Net Short Term Receivables and Cash	932,669	

Notes: 1. At 31 August bank borrowings were \$95M, and cash and net short term receivables (included in the above figure) were \$35M.
2. At 31 August 11.4% of the portfolio was invested in international equities through Exchange Traded Index Funds.