

9 March 2016

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Australian Securities Exchange
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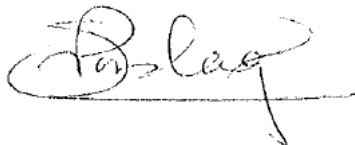
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**Djerriwarrh Investments Limited
Shareholder Information Meetings – Presentation**

Dear Sir / Madam

Please find attached the presentation being given to shareholders at the Shareholder Information Meetings being held in March 2016.

Yours faithfully,



Simon Pordage
Company Secretary



SHAREHOLDER MEETING MARCH 2016



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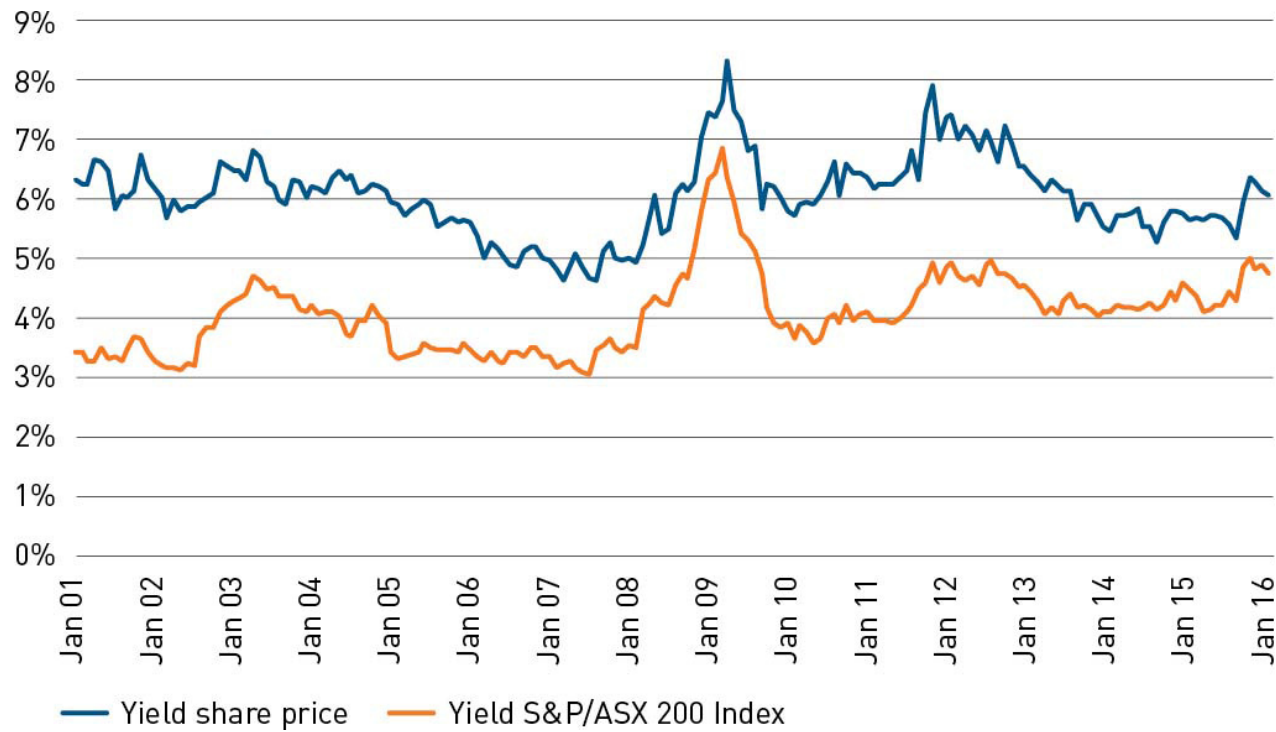
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HOW DJERRIWARRH INVESTS

Income and capital growth



DELIVERING A FULLY FRANKED DIVIDEND YIELD BETTER THAN THE MARKET



SHAREHOLDER MEETING MARCH 2016



HOW DIVIDEND IS GENERATED

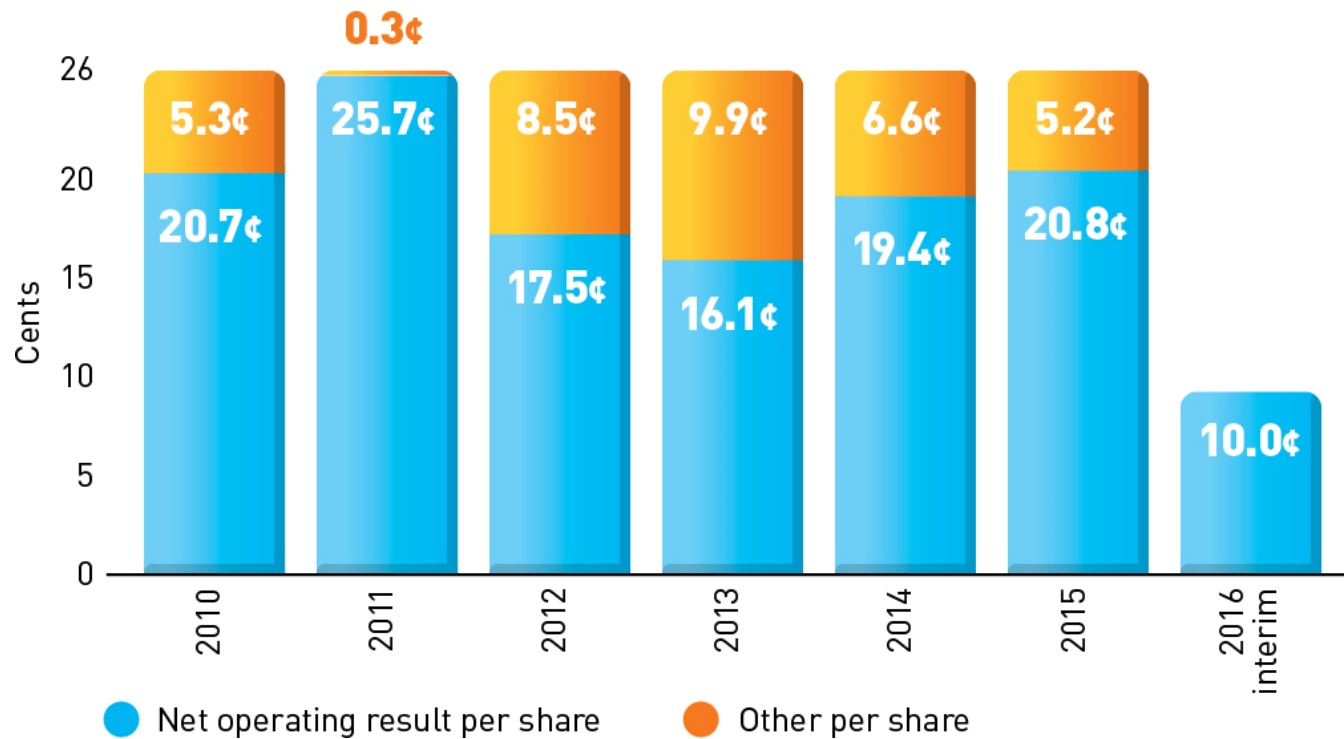
Objective is to generate and pay out franking credits:

- *Operating Earnings*

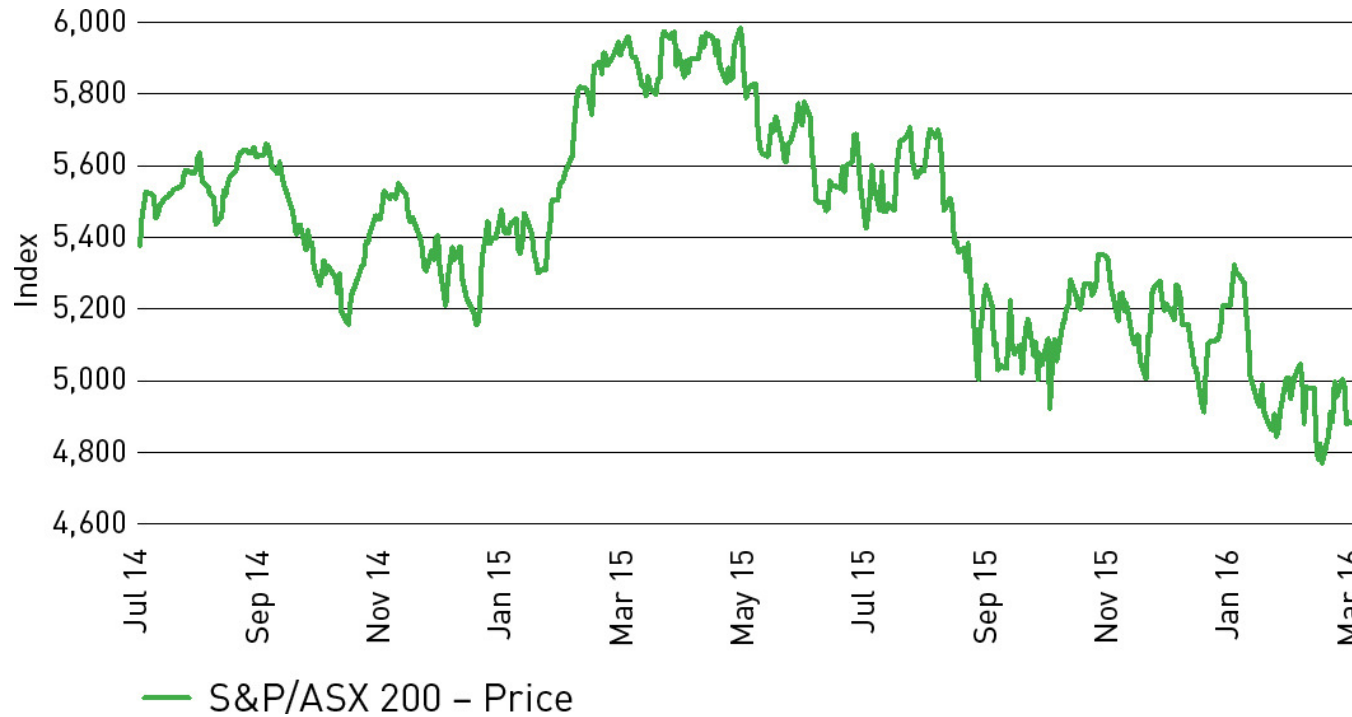
- Dividends received
- Options and trading portfolio income

- *Realised Gains*

RECENT HISTORY OF FUNDING THE DIVIDEND



MARKET HAS BEEN DOWN RECENTLY

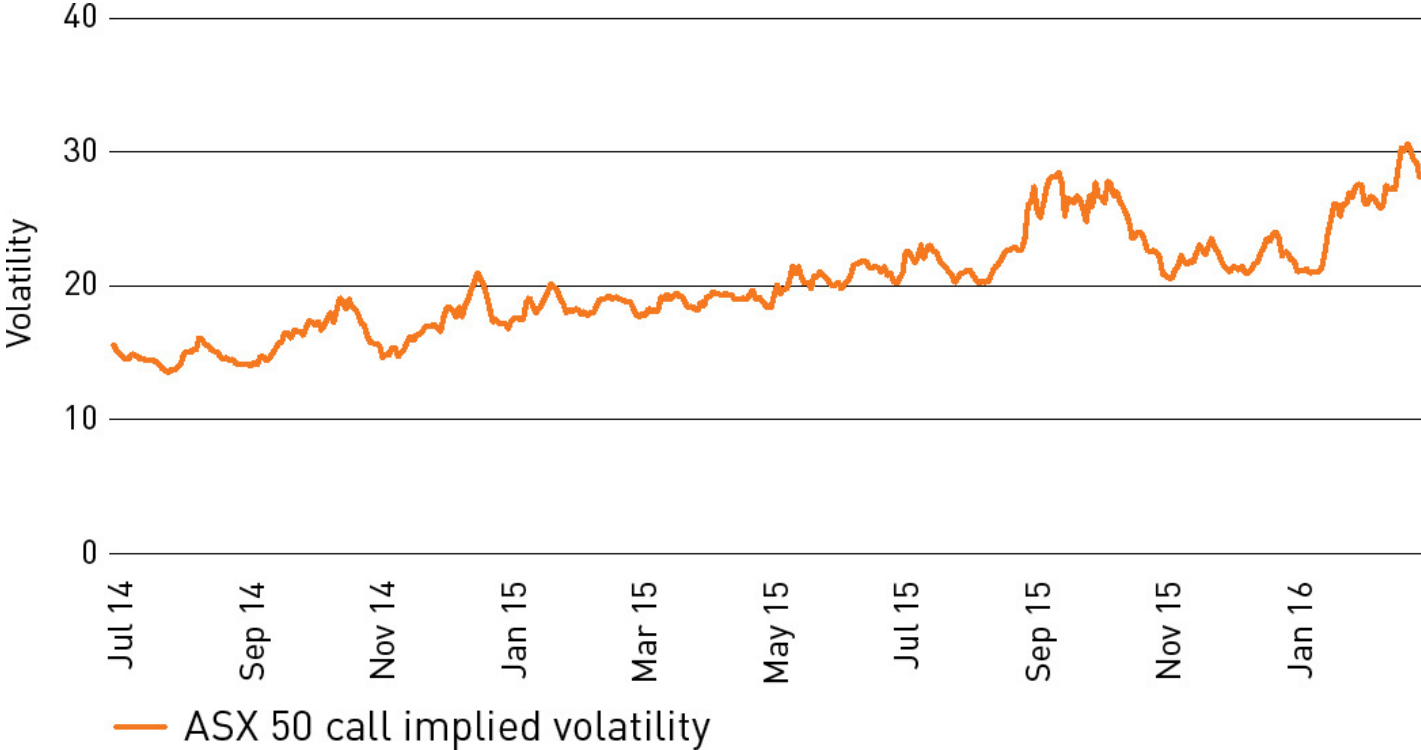


Source: FactSet.

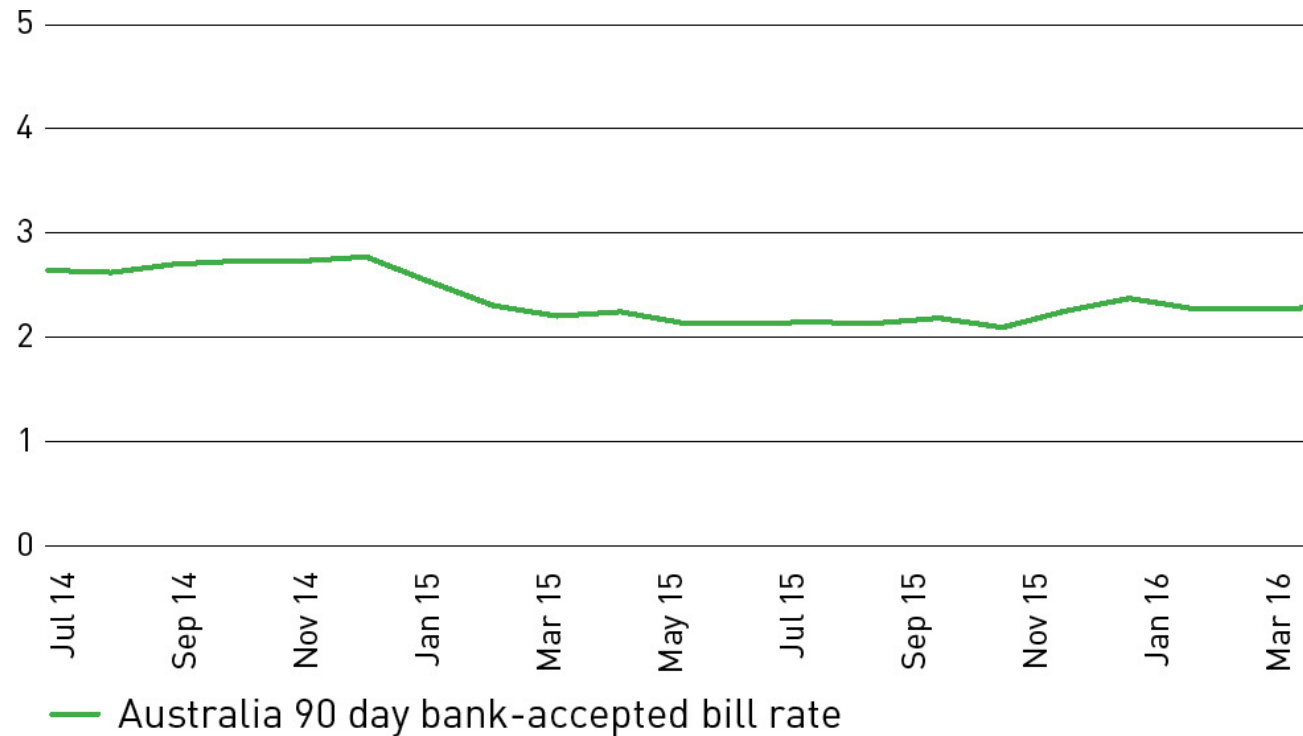
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BUT VOLATILITY HAS LIFTED



INTEREST RATES REMAIN LOW



Source: FactSet.

HALF-YEAR FINANCIAL SUMMARY

PROFIT FOR THE HALF-YEAR

\$21.1m

▲ Up 6.7% from 2014

FULLY FRANKED INTERIM DIVIDEND

10¢ Per share

Unchanged

NET OPERATING RESULT

\$25.6m

▲ Up 17.8% from 2014

MANAGEMENT EXPENSE RATIO

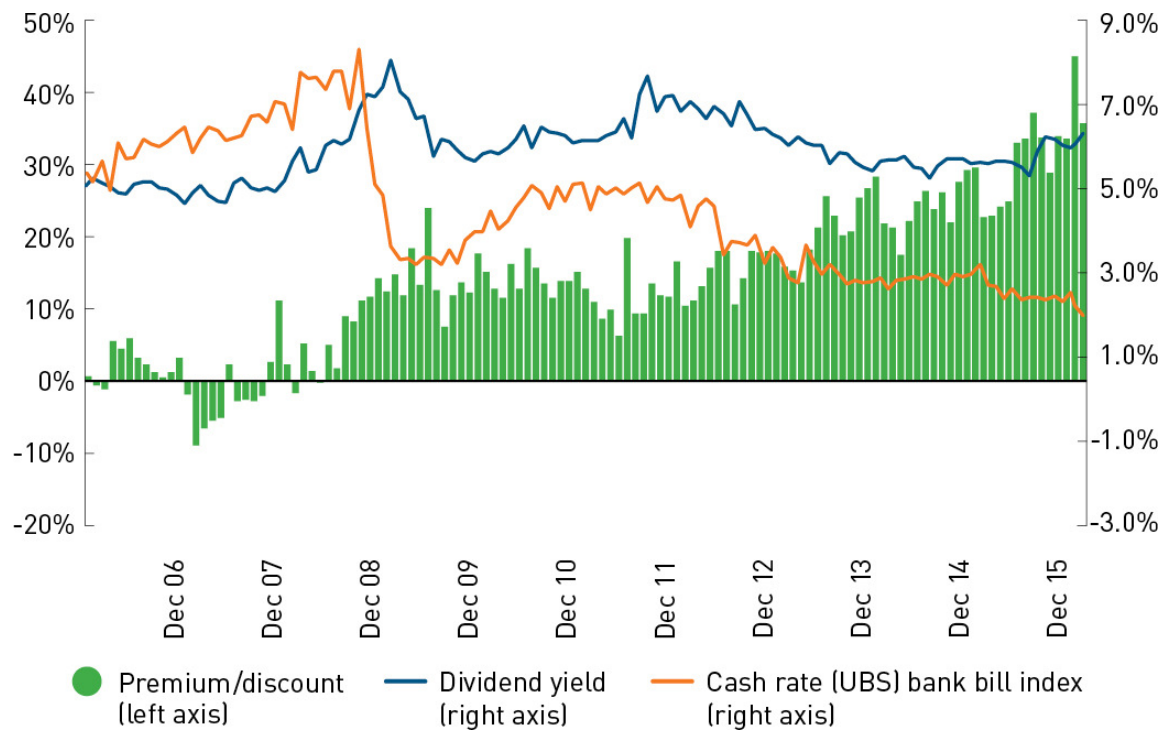
0.45% Annualised

0.42% in 2014

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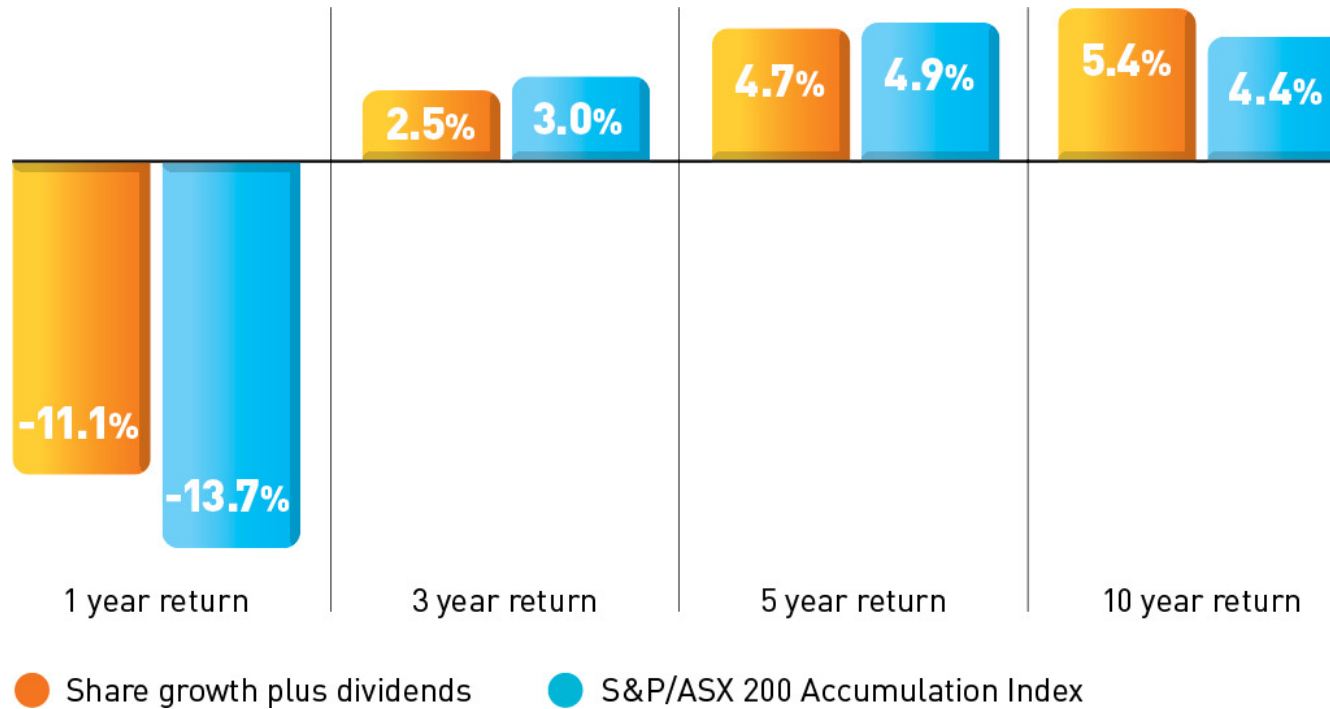
AS INTEREST RATES HAVE FALLEN THE SHARE PREMIUM HAS RISEN STRONGLY – SHARE PRICE PREMIUM/DISCOUNT



SHAREHOLDER MEETING MARCH 2016



SHARE PRICE RETURNS – PER ANNUM TO 29 FEBRUARY 2016



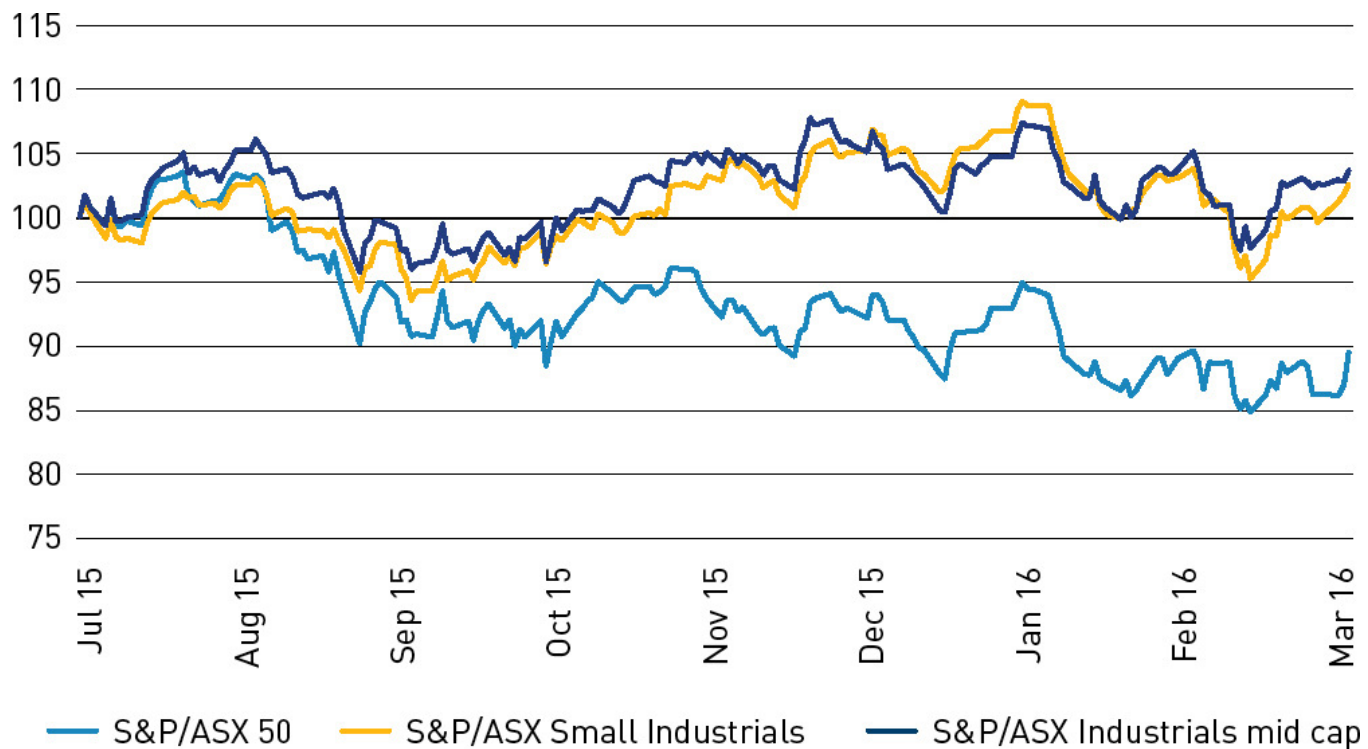


PORTFOLIO

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TOP 50 STOCKS HAVE SUBSTANTIALLY UNDERPERFORMED

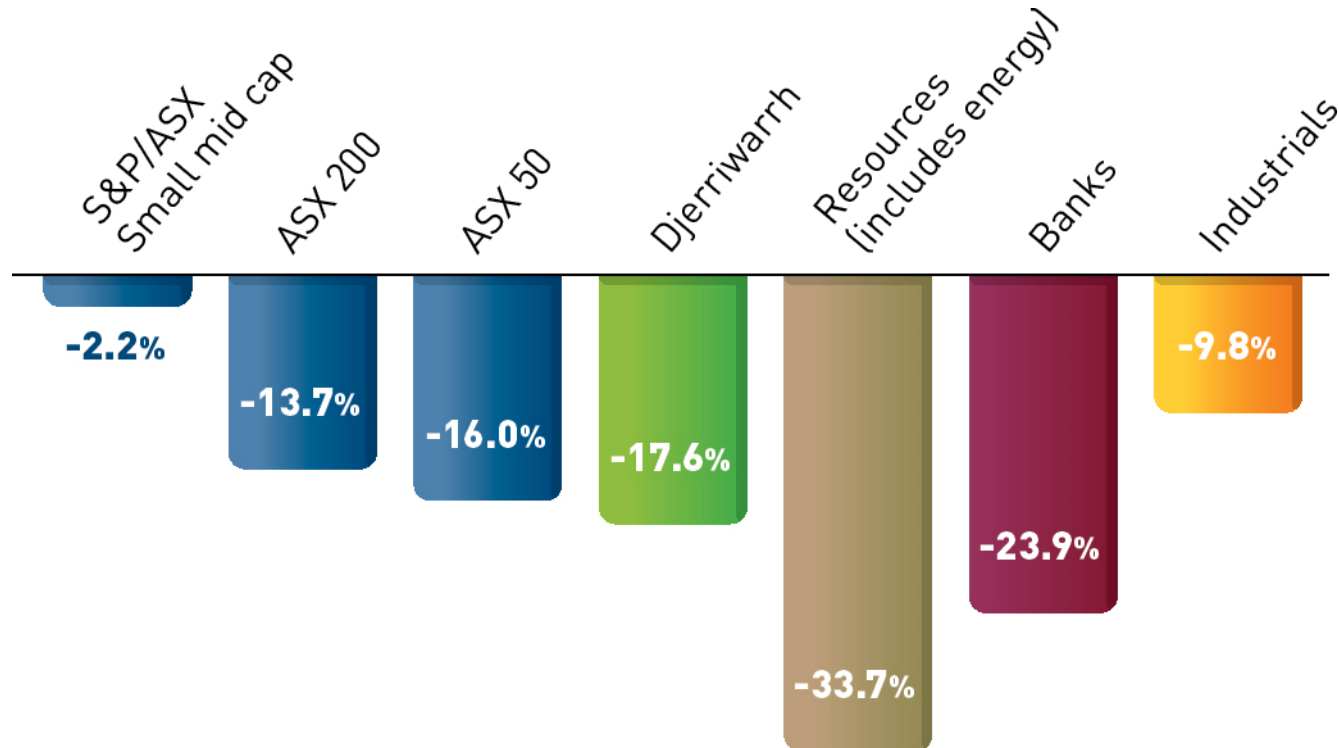


Source: FactSet.

SHAREHOLDER MEETING MARCH 2016



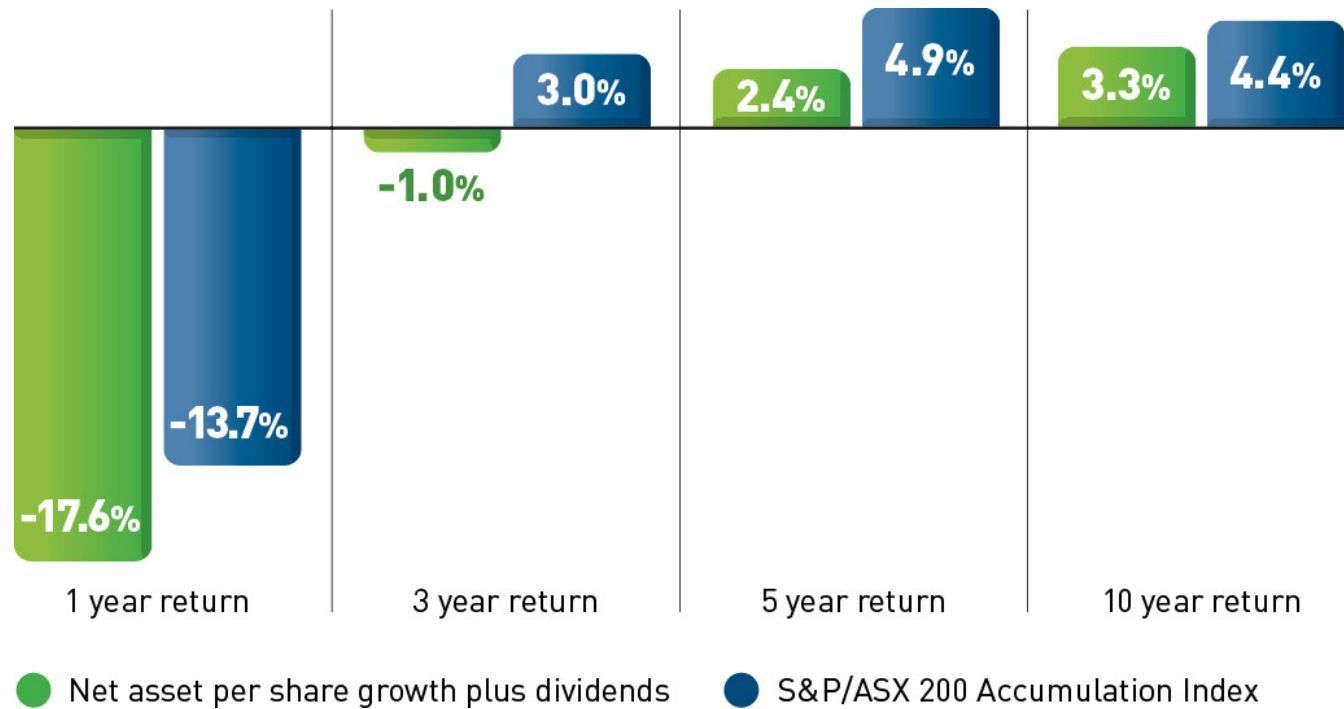
ONE YEAR RETURN OF DJERRIWARRH PORTFOLIO VERSUS DIFFERENT SECTORS OF THE MARKET – TO 29 FEBRUARY 2016



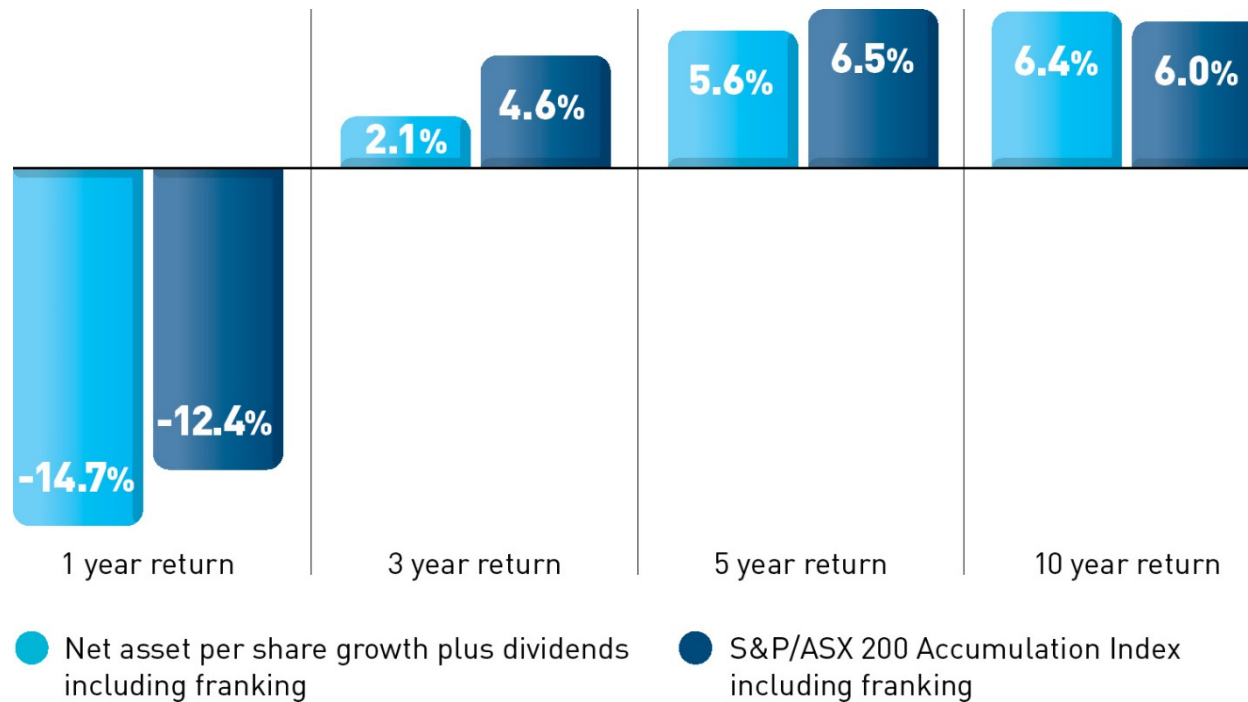
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SHORT TERM PORTFOLIO RETURNS IMPACTED BY ASX TOP 50 – PER ANNUM PERFORMANCE TO 29 FEBRUARY 2016



FRANKING CREDITS FROM THE HIGH YIELD ADD TO DJERRIWARRH'S RETURNS – PER ANNUM TO 29 FEBRUARY 2016



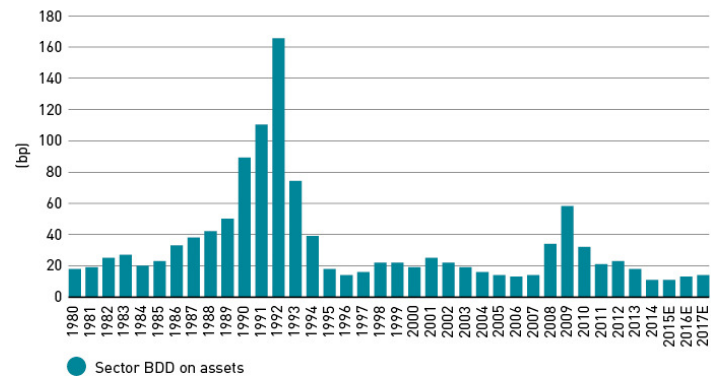
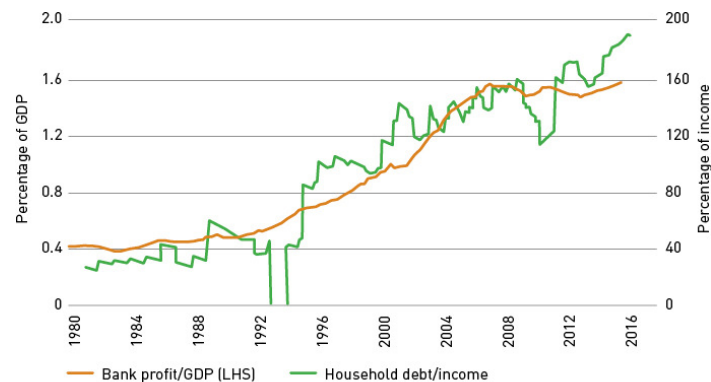
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INVESTMENT ACTIVITY WITHIN THE PORTFOLIO

- Further reduced resource and energy exposure.
- Lightened bank holdings.
- Selectively added further to existing mid and small company holdings in market weakness.
- Market volatility assisted the active management of option income and stock positions.
- Also kept option coverage between 40% to 50% of the portfolio.

BROADER ISSUES FOR THE BANKING SECTOR



- Increase in household gearing has driven bank balance sheet growth and revenue.
- This is likely to have reached a peak leaving growth more subdued.
- Bad debt charges remain at cyclical lows, well below even mid-cycle levels.
- Reductions in bad debts have driven a significant portion of earnings growth recently.

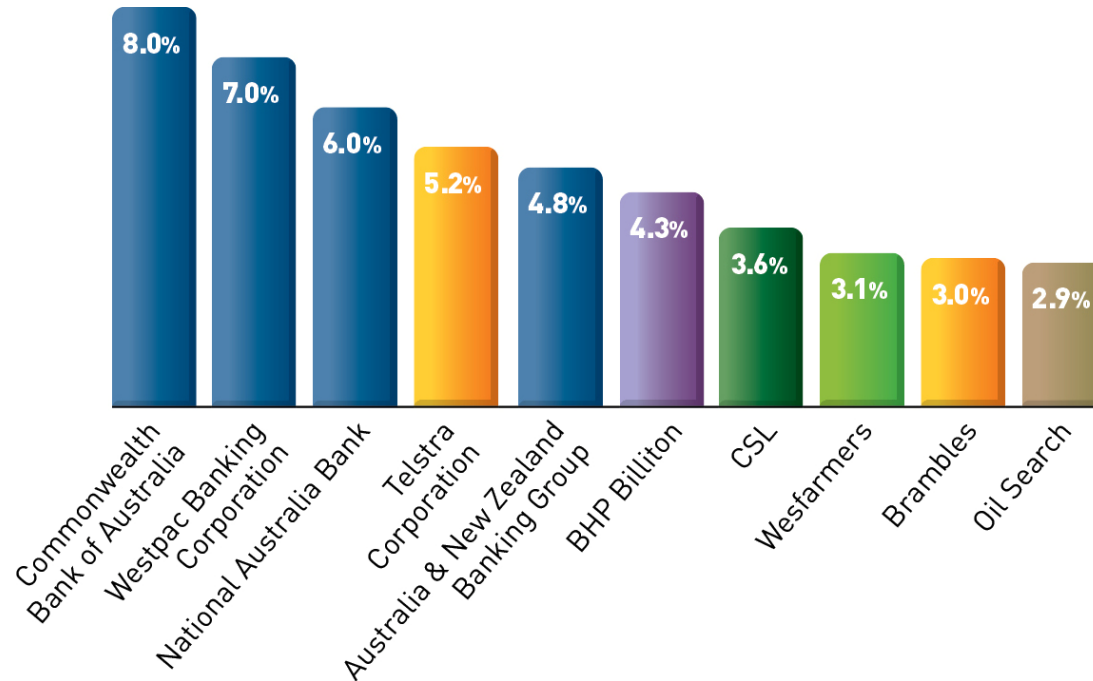
SOME RECENT ADDITIONS TO EXISTING HOLDINGS



RECENT SALES OF NOTE OTHER THAN RESOURCES AND BANKS

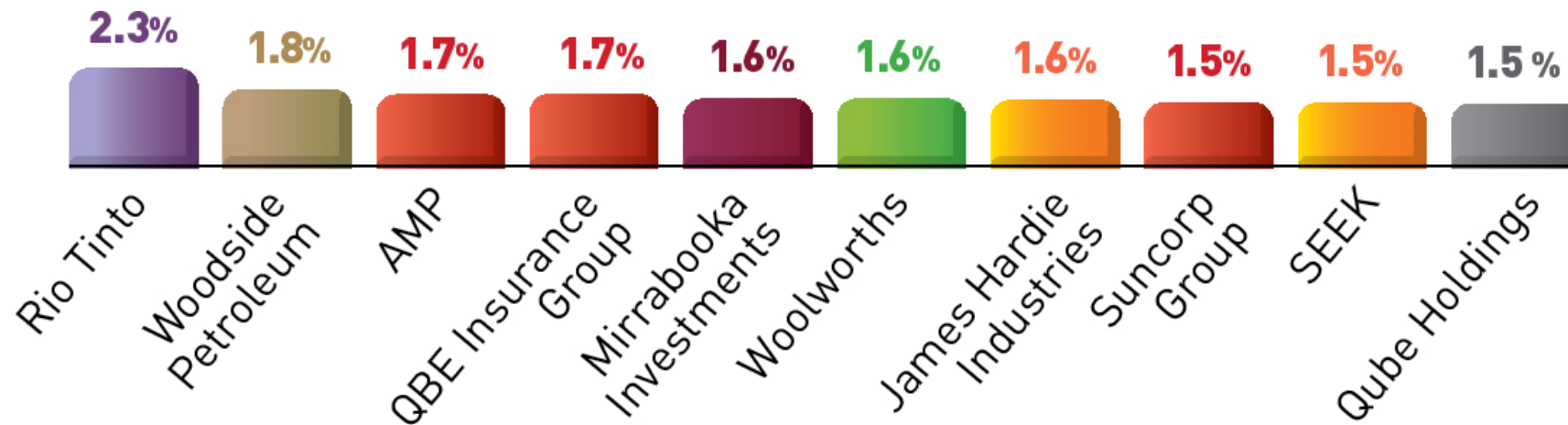
- AGL (exercised on call options)
- Veda Group (takeover)
- CSL (exercised on call options)

TOP 10 HOLDINGS* AT 29 FEBRUARY 2016 ARE 48% OF THE PORTFOLIO



* Options were outstanding against part of the holding.

NEXT 10 HOLDINGS* AT 29 FEBRUARY 2016 ARE 17% OF THE PORTFOLIO



* Options were outstanding against part of the holding other than Mirrabooka.

A professional office setting with two men in suits shaking hands in front of a large window. In the foreground, a tablet computer, a pen, and documents with charts are on a desk.

GOING FORWARD

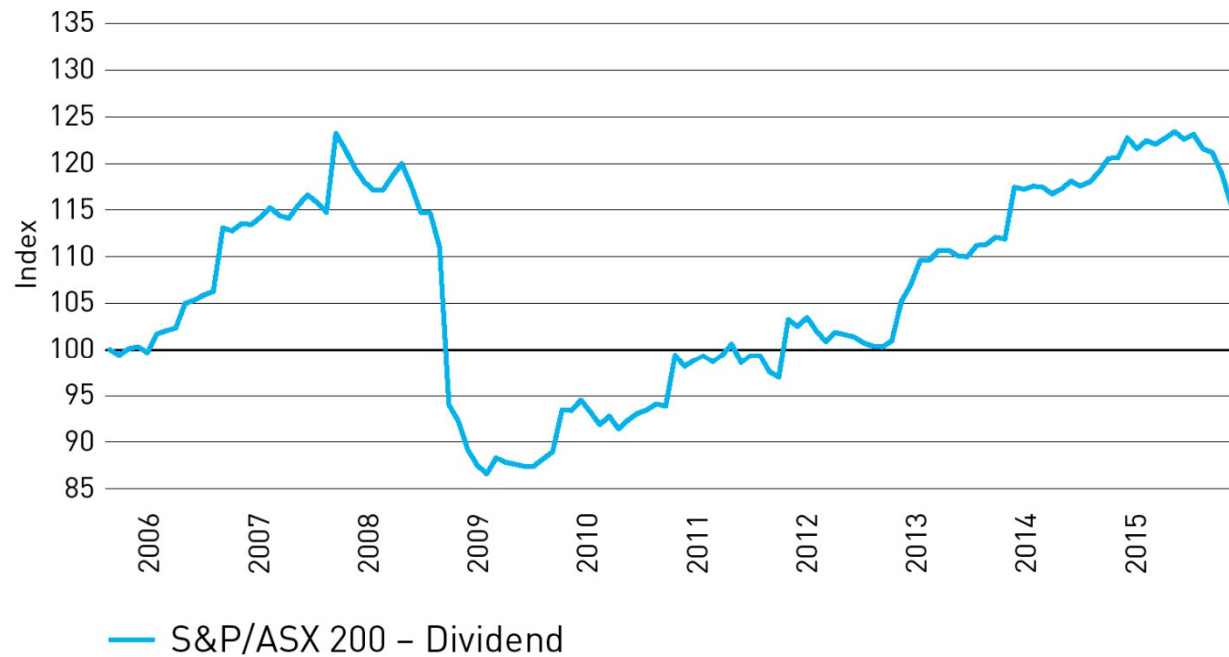
SHAREHOLDER MEETING MARCH 2016



OBSERVATIONS FROM RECENT COMPANY REPORTING SEASON

- Results generally better than expected.
- Dividends were mixed, with resources well down.
- Companies are delivering on cost control although seeing some signs of revenue growth.
- Outlook comments circumspect

EXPECTED DIVIDENDS UNDER PRESSURE – ONE YEAR MARKET CONSENSUS FORECASTS



Source: FactSet.

DIVIDEND TRENDS – SUMMARY

- Djerriwarrh's franked dividend is sourced from profit and realised capital gains.
- Some companies we invest in are reducing their dividends.
- Flat markets make it harder to generate capital gains.
- Our franking position is currently sound.
- Our objective is to maintain the dividend, however there are headwinds.

GOING FORWARD

- Elevated volatility expected to continue:
 - Outlook for growth in developed markets is mixed
 - Transition of China
 - US Fed
 - The politics of oil
- Households and public sector indebtedness creates risks
- Sustained low interest rate environment in Australia.
- Djerriwarrh likely to continue to focus on selective opportunities:
 - Writing call options into any market strength and high volatility
 - Smaller companies with capacity for capital and dividend growth

