

## ASX RELEASE

### SEPTEMBER QUARTER UPDATE - CLIME INVESTMENT MANAGEMENT ("CIW")

The Board of CIW is pleased to update shareholders with developments for CIW in the September Quarter, 2014.

The key business indicators for shareholders in CIW include:

- a. the continuing growth in funds under management (FUM),
- b. the growth in subscribers in our joint venture "*StocksInValue*" and
- c. the financial returns from all operations including balance sheet investments.

Each of these are addressed below.

#### ***FUM***

The group's FUM has grown to approximately **\$610 million**. This represents an increase in FUM of \$20m (5%) since June 30, and \$90m (17%) over the 30 September 2013 balance.

Over the last 6 years (ended 30 September 2014) the Clime Australia Value Fund (CAVF) has achieved a net return of over 10.55% per annum or a cumulative 88.55%. These returns are broadly consistent with the returns across our range of portfolios.

FUM, as at 30 September, is split approximately as follows:

- 1. Clime Discrete Share Portfolio accounts - \$416 million,
- 2. Clime Capital Limited - \$96 million, and
- 3. Clime Australia Value Fund - \$53 million, and
- 4. Clime International Fund - \$45 million

#### ***StocksInValue (SIV)***

SIV is a joint venture with the Eureka Report and it completed its first 20 months of trading at 30 September. SIV cash revenue from member subscriptions has grown over that time.

Subscriber numbers also continue to grow and have reached a record of 2033 as at 30 September (1450 at commencement of joint venture).

SIV is specifically directed towards the fast growing self-directed superannuation market. It provides members with access to consistent and independent valuations of Australian shares. Significant product upgrades are scheduled in the next 3 months including the introduction of international stock valuations.

#### **Clime Investment Management Limited**

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***Balance Sheet***

At 30 September 2014, CIW retains net cash of nearly \$5 million which supports growth in the business. The company recently paid dividends of \$1.5 million fully franked.

CIW's significant investment in Jasco Holdings Limited was re-valued as at 30 June 2014. Over the next 12 months CIW expects to receive significant fully franked dividends from Jasco. These dividends represent the proceeds of sale of a major part of Jasco's business that was announced to shareholders in April this year.

***Clime International Fund***

The company is pleased with progress of the Clime International Fund (CIF). FUM has increased by \$7m in the quarter. The fund sub-manager, Sanlam Private Investments (UK) represented by Pieter Fourie, will be updating unit holders in a forthcoming national investor road-show. CIF utilizes Clime's investment data and valuation methodology. CIW seeded this fund with a \$1 million investment on its formation in March 2014.

***Clime Capital Limited (CAM)***

CIW maintains a substantial equity stake in CAM with its investment in ordinary and preference shares having a market value of approximately \$6 million.

***2014/15 Financial Progress***

The operating financial result for the business to date is ahead of last year.

The mark to market impact of our listed investments portfolio represents a modest decrement to the 30 June market values. The investment in CIF has lifted in value since 30 June.

A handwritten signature in black ink that reads 'Richard Proctor'.

**Richard Proctor**  
**Company Secretary**

For any enquiries concerning the update, please contact Richard Proctor (02) 8917 2142 or at [Richard@clime.com.au](mailto:Richard@clime.com.au).