

# SANDON CAPITAL

Sandon Capital Investments Limited

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**12 December 2014**

**The Manager**

**ASX Market Announcements**

## **NTA as at 28 November 2014**

Net tangible assets per share for Sandon Capital Investments Limited (**SNC or the Company**) as at 28 November 2014 were:

Pre-tax: \$0.9945

Post-tax: \$0.9908

*Note: this month's NTA is after the payment of the 2.0 cents per share special dividend on 6 November 2014.*

## **Portfolio Performance**

<b>Gross Performance<sup>1</sup></b>	<b>1 Month</b>	<b>Financial YTD</b>	<b>Calendar YTD</b>	<b>Since inception</b>
SNC	1.1%	3.5%	6.2%	8.5%
Small Ordinaries Accumulation Index	-3.8%	-2.9%	-4.3%	0.9%
<b>Outperformance</b>	<b>+4.9%</b>	<b>+6.4%</b>	<b>+10.4%</b>	<b>+7.6%</b>

1. SNC and index performance figures are before all fees and expenses and before any taxes, except that SNC figures are after brokerage. SNC performance figures include the fully franked 2.0 cents per share special dividend paid in Nov 2014.

## **Manager's Investment Update**

The Company's NTA per share increased by 1% (on a pre-tax basis) in November (adjusted for the 2.0 cents per share special dividend that was paid November 2014).

During November, Coventry Group Ltd (CYG) announced that the long-awaited (and needed) separation of Chairman and CEO roles would occur on 1 January 2015. CYG also announced that the current executive chairman would resign from the Board at the end of January 2015. We see this departure as a significant positive step, which we believe should facilitate a comprehensive review of the company's current strategy. We expect to see further Board renewal during 2015.

We remain cautious about the global macro outlook, as market conditions remain fertile for sentiment to overshoot value (both up and down). The consequences of the significant macro factors at play globally are difficult to predict or quantify. That said, we see such conditions are ultimately ideal for the Company's activist investment approach.

SNC's cash levels at the end of the month stand at approximately 30.5%. This will increase with the approval of the Calliden Group Limited scheme of arrangement and the likely approval of the Crowe Horwath Australasia Limited scheme on 15 December 2014. Together these exits will bring cash levels to nearly 42% by the end of December.

We are focused on investment opportunities that have high levels of tangible (or easily saleable) assets, marketable securities or cash that can be purchased well below our assessment of their intrinsic value and whose prospects are somewhat independent of market and economic conditions, as we believe these offer the best risk-adjusted returns in the current environment.

## Communications

In addition to SNC's ASX disclosures, Sandon Capital has taken a step into the modern world and begun using two social media: [www.Livewiremarkets.com.au](http://www.Livewiremarkets.com.au) and Twitter. You can follow Sandon Capital on Twitter: @SandonCapital

If you have any questions regarding the Company or its investments, please call Gabriel Radzynski on 02 8014 1188. If you have questions regarding your shareholding, please contact Link, whose details appear below.

### Further information:

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### Share registry:

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