

**Cadence Capital Limited (ASX: CDM)
Investment Update and NTA Report
May 2015**

Please click on the link below to view the May 2015 Investment Update and NTA Report,
or view the PDF attached.

[View the Cadence Capital Limited May 2015 Newsletter](#)



INVESTMENT UPDATE

MAY 2015

Cadence Capital Limited has performed well during the month of May 2015, returning a positive gross performance of 3.32% compared to an increase in the All Ordinaries Accumulation Index of 0.58% and an increase in the Small Ordinaries Accumulation Index of 2.35%. Over the past 12 months Cadence Capital Limited has returned a positive gross performance of 15.94% outperforming the All Ordinaries Accumulation Index by 5.82% and the Small Ordinaries Accumulation Index by 8.25%.

As at the 31st May 2015 the fund was holding 11% cash (89% invested).

Fund NTA

Net Tangible Assets as at 31st May 2015	Amount (\$)
Pre Tax NTA*	\$1.443
Post Tax NTA*	\$1.435
Share price (ASX Code: CDM)*	\$1.390
Option price (ASX Code: CDMO)*	\$0.008

*The NTA and Share prices are Ex the 5.0 cent fully franked Interim Dividend paid on 10th April 2015

Fund Performance

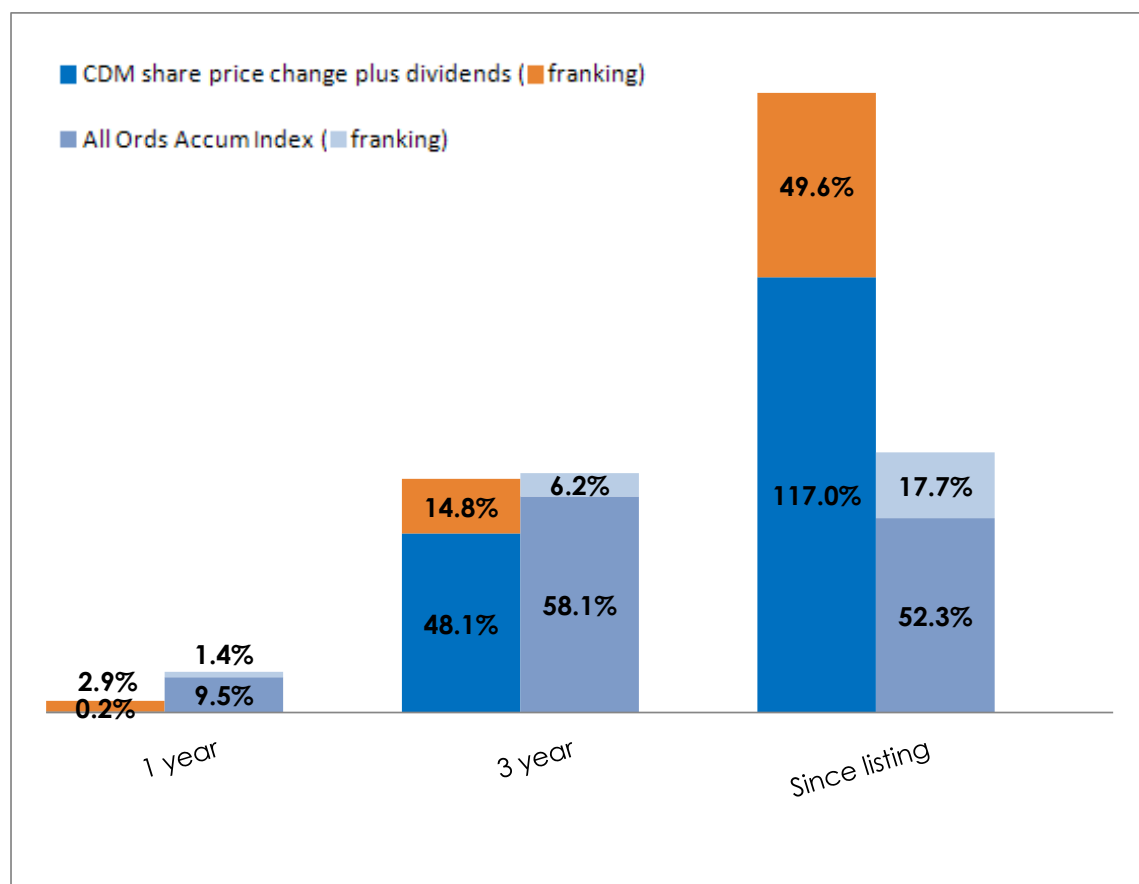
Performance* to 31st May 2015	CDM**	All Ords	Outperformance
1 Month	3.32%	0.58%	+2.74%
1 Year	15.94%	10.12%	+5.82%
2 Years	30.48%	27.96%	+2.52%
3 Years	64.47%	58.97%	+5.50%
4 Years	73.72%	43.88%	+29.84%
5 Years	209.45%	61.04%	+148.41%
8 Years	169.74%	28.63%	+141.11%
Since Inception (9.7 years)	426.53%	89.39%	+337.14%
Since Inception Annualised (9.7 years)	18.75%	6.83%	+11.92%

* Before Management and Performance Fees

**These numbers include the franking value of the substantial dividend from its RHG holding received in May 2011. As a result of this dividend, the Post Tax NTA of the fund increased by +8% during that month. The May 2011 performance of the fund was adjusted to reflect this Post-tax increase in NTA as this figure more accurately included the material fully franked dividends received from RHG during this month.



CDM Share Price and Option Returns plus Dividends & Franking



* CDM 1 year figures reflect the share price move from a premium to a discount to NTA

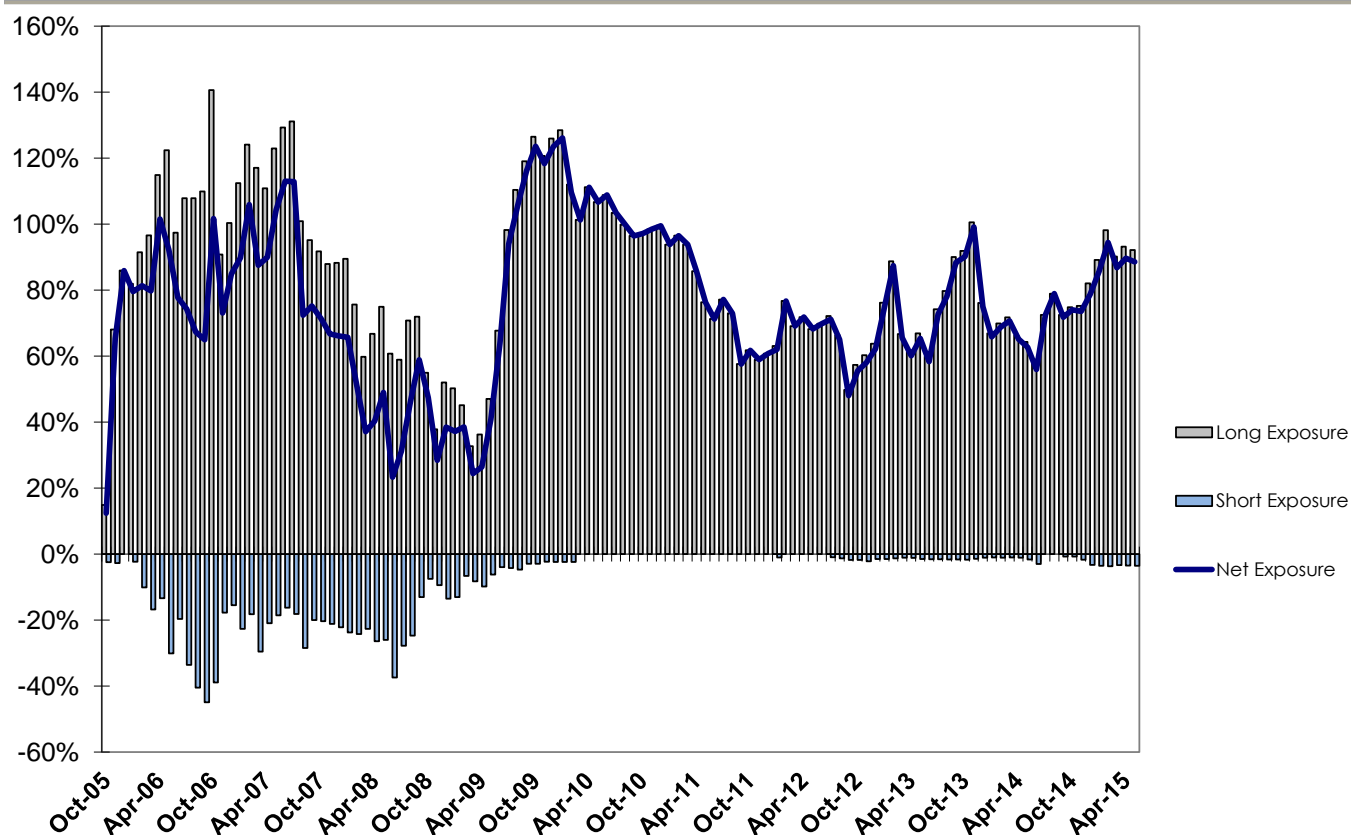
Fully Franked Dividends Declared Since Listing

Calendar Year	Interim	Final	Special	Total	Gross (Inc. Franking)
2007	2.0c	2.0c	2.0c	6.0c	8.6c
2008	2.5c	2.2*c	-	4.7c	5.8c
2009	-	2.0c	-	2.0c	2.9c
2010	2.0c	2.0c	-	4.0c	5.7c
2011	3.0c	3.0c	3.0c	9.0c	12.9c
2012	4.0c	4.0c	4.5c	12.5c	17.8c
2013	5.0c	5.0c	1.0c	11.0c	15.7c
2014	5.0c	5.0c	-	10.0c	14.3c
2015	5.0c	-	-	5.0c	7.1c
TOTAL	28.5c	25.2c	10.5c	64.2c	90.8c

* Off market equal access buy back



Historic Portfolio Exposure



Portfolio Sector Analysis

Sector	Long	Short	Net
Diversified Financials	21.56%		21.56%
Consumer, Non-cyclical	17.04%		17.04%
Banks	15.13%		15.13%
Financial	10.94%		10.94%
Consumer, Cyclical	6.73%		6.73%
Telecommunication Services	4.83%		4.83%
Consumer Services	4.38%		4.38%
Software & Services	4.36%		4.36%
Technology	2.59%		2.59%
Energy	1.35%		1.35%
Basic Materials	2.43%	1.30%	1.13%
Real Estate	0.37%		0.37%
Industrial	0.21%		0.21%
Materials	0.22%	2.27%	-2.05%
Exposure	92.14%	3.57%	88.57%

Cash on Hand

11.43%



Top Portfolio Positions

Code	Position	Direction	Currency	Holding
MQG	Macquarie Group Limited	Long	AUD	11.9%
HGG	Henderson Group Plc	Long	AUD	6.5%
LUX IM	Luxottica Group SPA	Long	EUR	6.3%
BOQ	Bank of Queensland Ltd	Long	AUD	5.1%
RFG	Retail Food Group	Long	AUD	4.7%
MA US	Mastercard Inc	Long	USD	4.4%
NAB	National Australia Bank Ltd	Long	AUD	4.1%
MLB	Melbourne IT Ltd	Long	AUD	4.1%
ANZ	Australia & New Zealand Banking Group	Long	AUD	3.8%
IIN	Iinet Limited	Long	AUD	3.5%
CBA	Commonwealth Bank of Australia	Long	AUD	3.4%
WBC	Westpac Banking Corp.	Long	AUD	3.2%
BEN	Bendigo and Adelaide Bank Limited	Long	AUD	3.1%
MNK US	Mallinckrodt Plc.	Long	USD	3.0%
GILD US	Gilead Sciences Inc	Long	USD	2.6%
RIO	Rio Tinto Ltd	Short	AUD	2.3%
V US	Visa Inc.	Long	AUD	2.0%
AIG US	American International Group	Long	USD	1.9%
FXL	Flexigroup Ltd	Long	AUD	1.8%
MQA	Macquarie Atlas Roads Group	Long	AUD	1.8%
Top Portfolio Holdings Gross Exposure				79.24%

Recent News Articles

In an article for the May 2015 ASX Investor Update Newsletter, Karl Siegling discusses why [a global approach is key to higher returns](#).

Livewire Markets published an article by Chris Garrard on [the highs and lows of Fortescue Metals \(FMG\)](#), a short position within the fund.

ShareCafe featured an article on the Cadence Investment Philosophy – [Cheap Stocks: How to buy \(and sell\) them](#).

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