

## INVESTMENT UPDATE AND NTA – JUNE 2011

### FUND NTA

Cadence Capital Limited NTA estimates as at 30th June 2011:

Pre Tax NTA*	\$1.39703
Post Tax NTA*	\$1.45749

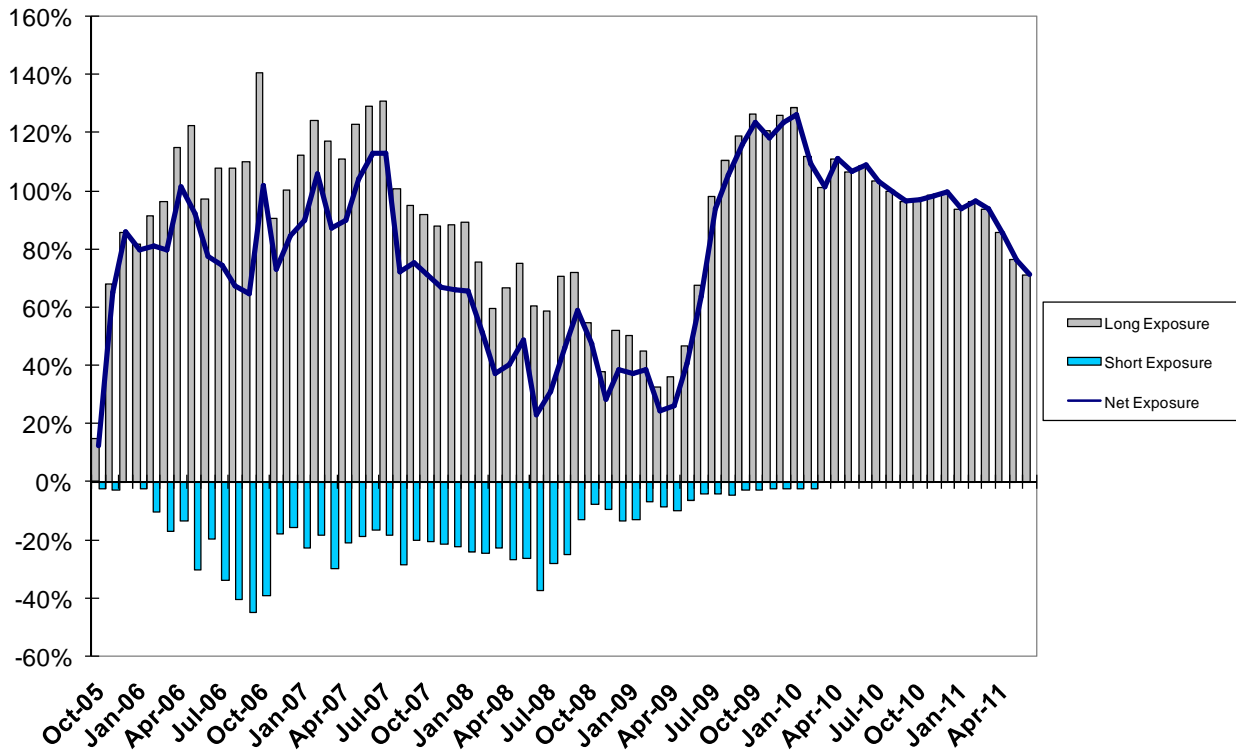
\* These NTA's are post a 3.0c fully franked dividend that was paid on 14<sup>th</sup> March 2011

### FUND PERFORMANCE\*

Performance to 30th June 2011	CDM	All Ords	Outperformance
1 Month	1.26%	-2.39%	
1 Year	82.00%	12.17%	+69.83%
2 Years	122.63%	27.63%	+95.00%
3 Years	88.28%	-0.64%	+88.92%
4 Years	54.78%	-12.68%	+67.46%
5 Years	130.67%	13.78%	+116.89%
Inception to date accumulated return (69 months)	206.91%	28.49%	+178.42%
Annualised return since inception (69 months)	21.53%	4.46%	+17.07%

\* Gross Performance: before Management and Performance Fees  
\*\* Percentage increase in Post Tax NTA for May 2011

### PORTFOLIO EXPOSURE ANALYSIS



## PORTFOLIO SECTOR ANALYSIS

Sector	Long	Short	Net
Banks	37.54%		37.54%
Software & Services	13.05%		13.05%
Materials	7.86%		7.86%
Commercial Services & Supplies	7.09%		7.09%
Diversified Financials	2.83%		2.83%
Telecommunication Services	0.90%		0.90%
Energy	0.85%		0.85%
Consumer Services	0.69%		0.69%
Technology Hardware & Equipment	0.43%		0.43%
<b>Exposure</b>	<b>71.23%</b>	<b>0.00%</b>	<b>71.23%</b>
<b>Cash on Hand</b>			<b>28.77%</b>

## TOP PORTFOLIO POSITIONS

ASX Code	Position	Direction	% Holding
RHG	RHG Ltd	Long	29.2%
MMS	McMillan Shakespeare Limited	Long	7.1%
RKN	Reckon Ltd	Long	7.0%
BVA	Bravura Solutions Ltd	Long	5.8%
ANZ	Australia & New Zealand Banking Group	Long	3.2%
NAB	National Australia Bank Ltd	Long	3.2%
FXL	Flexigroup Limited	Long	2.8%
RIO	Rio Tinto Ltd	Long	2.8%
FFF	Firstfolio Limited	Long	2.0%
BTU	Bathurst Resources Limited	Long	1.7%
AQG	Alacer Gold Corp.	Long	1.5%
<b>Portfolio Holdings &gt; 1%</b>			<b>66.2%</b>

## MARKET AND COMMENTARY

We are pleased to report that the fund has had a good financial year and for the twelve months ended 30<sup>th</sup> June 2011 the fund was up 82.00% (Gross) outperforming the All Ordinaries Accumulation Index by 69.83%. During the month of June, Cadence Capital Limited returned a gross performance of +1.26% compared to a decrease in the All Ordinaries Accumulation Index of -2.39% and a decrease in the Small Ordinaries Accumulation Index of -5.09%.

For the five years and nine months to 30<sup>th</sup> June 2011, Cadence Capital Limited has generated a gross performance of 21.53% per annum, outperforming the All Ordinaries Accumulation Index by 17.07% per annum.

The fund finished the month 71.23% long and with no shorts. The net long exposure for May 2011 was 76.31%.

## **CADENCE CAPITAL LIMITED NEWS**

Cadence Capital Limited will be releasing its fourth quarter webcast for the June 2011 financial year, later this month. Amongst other things it will give a review of the fund's performance over the past financial year. We would also like to draw your attention to the fact that over the past few months, Cadence Capital Limited has been quoted numerous times in the press. To read any of these articles or to watch any past webcasts please visit the 'News' section of the website at [www.cadencecapital.com.au](http://www.cadencecapital.com.au).

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