



INVESTMENT UPDATE

June 2013

Summary Update

We are pleased to report that the fund had a good past financial year and for the past 12 months has returned a gross performance of 27.91% outperforming the All Ordinaries Accumulation Index by 7.24% and outperforming the Small Ordinaries Accumulation Index by 33.23%. For the nine years and eight months to 30th June 2013, Cadence Capital Fund has generated a gross performance of 17.46% per annum, outperforming the All Ordinaries Accumulation Index by 9.04% per annum.

The fund finished the month 79.73% net long compared to 86.10% net long in May 2013.

Fund NTA

Pre- Distribution unit price estimates as at 30th June 2013:

NTA (Post fees, Pre distribution))	\$1.82303
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Cadence Highlights

Cadence Capital Limited was **ranked by ASX*** as the **Number 1 Australian Equities Listed Investment Company** over 3 and 5 years in the LMI Quarterly Update as at 31st December 2012.

Cadence Capital Limited was **ranked by Baillieu Holst** as the **No. 1 Listed Investment Company** over both 3 and 5 years in their Listed Investment Company Sector Report dated 31st January 2013.

Cadence Capital Limited was a finalist at the 2012 Australian Hedge Fund Awards in the Best Long Short and Absolute Return Fund category.

All of these reports are available on our home page at www.cadencecapital.com.au

* Source: ASX website – Market Update on Management Funds section, LMI Quarterly Update as at 31 December 2012



Fund Performance

Performance* to 30th June 2013	CCF**	All Ords	Outperformance
1 Month	-2.73%	-2.62%	-0.11%
1 Year	27.91%	20.67%	+7.24%
2 Years	35.75%	12.17%	+23.58%
3 Years	145.19%	25.83%	+119.36%
4 Years	209.87%	43.16%	+166.71%
5 Years	107.15%	11.46%	+95.69%
7 Years	117.25%	27.63%	+89.62%
Inception to date accumulated return (116 months)	373.79%	118.38%	+255.41%
Annualised return since inception (116 months)	17.46%	8.42%	+9.04%

* Gross Performance before Management and Performance Fees

** Adjusted to include material franking credit of 26.7 cents received from RHG dividend during May 2011

Top Portfolio Positions

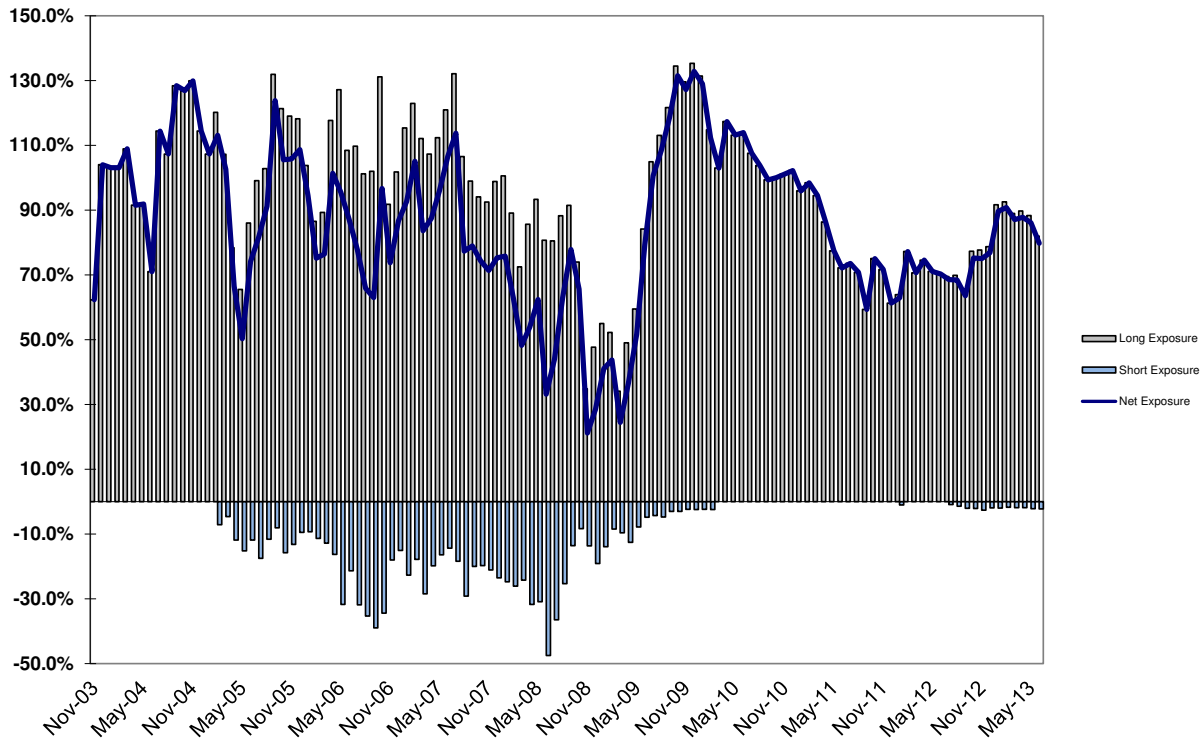
ASX Code	Position	Direction	Holding
RHG	RHG Ltd	Long	16.9%
MMS	McMillan Shakespeare Ltd	Long	9.0%
MQG	Macquarie Group Limited	Long	8.6%
FXL	Flexigroup Ltd	Long	8.0%
ANZ	Australia & New Zealand Banking Group	Long	6.7%
NAB	National Australia Bank Ltd	Long	6.3%
RFG	Retail Food Group	Long	4.7%
RKN	Reckon Ltd	Long	4.1%
BSL	Bluescope Steel Ltd	Long	2.9%
BVA	Bravura Solutions Ltd	Long	2.8%
IIN	IInet Limited	Long	2.5%
OZL	Oz Minerals Ltd	Short	2.3%
QBE	QBE Insurance Group Ltd	Long	1.9%
Top Portfolio Holdings			76.63%



Portfolio Sector Analysis

Sector	Long	Short	Net
Banks	29.95%		29.95%
Diversified Financials	19.51%		19.51%
Commercial & Professional Services	9.48%		9.48%
Software & Services	7.82%		7.82%
Consumer Services	4.73%		4.73%
Materials	4.02%	2.27%	1.75%
Telecommunication Services	2.45%		2.45%
Insurance	1.94%		1.94%
Real Estate	0.93%		0.93%
Energy	0.69%		0.69%
Transportation	0.32%		0.32%
Utilities	0.13%		0.13%
Capital Goods	0.02%		0.02%
Exposure	82.00%	2.27%	79.73%
Cash on Hand			20.27%

Portfolio Exposure





Cadence News

Cadence in the press

Cadence has been quoted in the press earlier this month with positive references to two of our largest shareholdings, RHG Limited and Macquarie Group Ltd. Karl Siegling has also been profiled by the Australian Financial Review's Jake Mitchell, 'Siegling's Cadence'. We would highly recommend that you visit the 'News and Views' section of our website at www.cadencecapital.com.au to view these articles:

- Siegling's Cadence (AFR 8 July 2013)
- 'End of an era' with RHG on brink of Resimac takeover (AFR 9 July 2013)
- Macquarie long-term looking attractive (AFR 8 July 2013)
- Pepper Australia enters RHG race (AFR 11 July 2013)
- Rival Bid in RHG Pursuit (The Australian 11 July 2013)

Year-end Webcast

Cadence Capital Limited (ASX Code CDM.AX) will be announcing its results and sending out the year end Quarterly Webcast later this month. This webcast will give an update on the fund's performance and stock markets in general, for the past financial year. This will be followed by a discussion on the outlook for the coming financial year.

Disclaimer

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