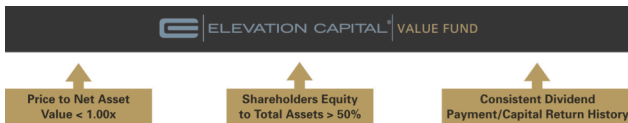


Description and Investment Strategy

The Value Fund is a PIE (Portfolio Investment Entity) which seeks to provide investors with long-term capital growth and income by directly investing in equities on a global basis, while at the same time adhering to a “Margin of Safety” investment philosophy. The strategy of the Value Fund is to primarily invest in equity securities (listed and unlisted) trading at a discount in relation to their net asset value, with low debt levels, and which have a history of paying dividends and/or returning capital to shareholders. Elevation Capital implements this approach by initially screening for securities based on the following basis:



Elevation Capital will then conduct a qualitative overlay to:

- Identify potential hidden assets on the balance sheet [e.g. real estate or investment assets at historic cost];
- Review / assess debt profile and contingent liabilities;
- Review industry consolidation history / data;
- Discount intangibles / goodwill where appropriate;
- Attempt to avoid poor management, whose interests are not aligned with shareholders.

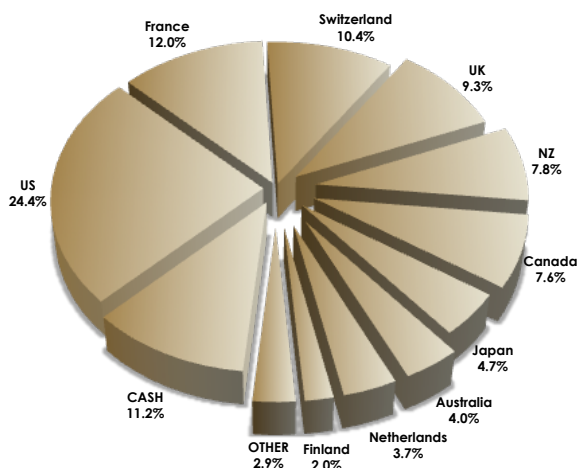
These steps allow Elevation Capital to arrive at what it expects to be a conservative appraisal of the underlying intrinsic value.

Elevation Capital's bottom-up, proprietary research may lead the Fund to investment opportunities in medium and smaller capitalization companies in out-of-favour or overlooked industries / sectors. The Fund invests long only and is indifferent to index compositions. Given our strict value discipline the Fund may hold a portion of assets in cash during periods when attractive investments cannot be found.

The Fund has the ability to hedge foreign currency exposures at Elevation Capital's discretion.

Please see separate risk disclosure statement on the next page for further important information.

Portfolio Composition – Market



Total Number of Securities: 61

Current Unit Price / Key Information

CURRENT UNIT PRICE	NZ\$ 1.1108
Application Price*	NZ\$ 1.1175
Redemption Price	NZ\$ 1.1108
Distribution	1.1cpu (Paid 31/3/12)
Yield**	0.98%
Number of Holdings	61
Number of Countries	13
FX Hedges	Nil
Fund Size	NZ\$ 13.24 mln
Units on Issue	11,915,393 units
Unlisted Investments	1.79% [NZ/US]
Inception Date	09 December 2008
Unit Pricing / Update	Monthly
Investor Letters	Quarterly
Investment Horizon	5 years+
Benchmark	MSCI World Value [NZD]+2%
Management Fee	1.25%
Performance Fee	20% of gains above benchmark
High-Water Mark	Yes
Portfolio Investment Entity (PIE)	Yes

*Buy Spread of 0.6% is paid to the Fund.

**Yield based on Application Price.

All Fees are detailed in the Investment Statement, Prospectus and Establishment Deed. All of which are available at www.elevationcapital.co.nz or on request free of charge from the Manager.

Portfolio Investment Returns

	VALUE FUND [NET]	MSCI World Value (NZD) Index + 2% [GROSS]
December 2012	+1.14%	+1.94%
Quarter	+2.85%	+3.86%
Financial YTD	-2.21%	+3.47%
2012	+2.20%	+7.89%
Last 12 months	+2.20%	+7.89%
Since Inception	+12.16%	+0.25%

Performance returns are calculated using exit price to exit price, net of taxes and ongoing fees, but excluding entry costs and any individual taxes. The performance quoted represents past performance, which does not guarantee future results.

The investment return and principal value of an investment in the Fund will fluctuate, so that an investor's units in the Fund, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted.

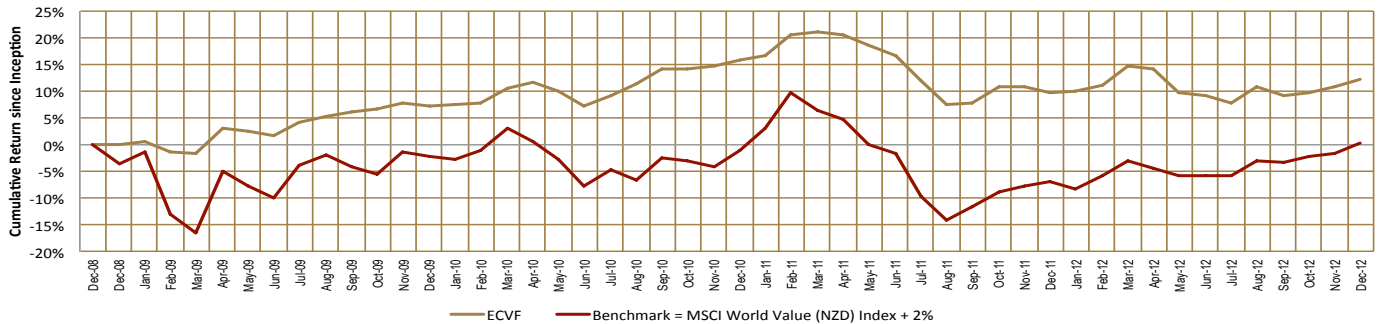
Top 10 Holdings

	Domicile	% of Portfolio
Vealls Limited - Capital Share	Australia	3.95
Smith & Nephew Plc	UK	2.96
Pargesa Holding SA - BR	Switzerland	2.90
Heineken Holdings NV	Netherlands	2.83
Nestle SA - Reg	Switzerland	2.80
Yahoo! Inc	US	2.68
Vivendi	France	2.60
Satara Co-Operative Group	NZ	2.59
Leucadia National Corp	US	2.39
Total SA	France	2.21



For more information, scan the image with a 'QR Reader' to visit our website: www.elevationcapital.co.nz

Fund Performance Since Inception



Portfolio Characteristics

Portfolio Turnover ¹	47.99%	Price-to-Book ²	1.12x	Dividend Yield ²	3.47%
Median Market Cap. ²	NZ\$ 7.444bln	Average Cash Balance ³	33.52%	Total Debt-to-Equity ²	0.59x
Weighted Market Cap. ²	NZ\$ 12.774bln	Top 15 Holdings	41%	Active Share ⁴	96%

¹ Based on trading activity for the period 1 January 2012 – 31 December 2012

² Source: Thomson Portfolio Analytics; based on listed equities only – excludes all unlisted equity investments held by the fund and Schweizerische Nationalbank in Switzerland.

³ Since Inception of the Fund – 9 December 2008

⁴ It is the proportion of security holdings in the Fund's composition that was different from the composition found in iShares MSCI Value Index ETF (as a proxy for the benchmark index).

Other Information

Fund Domicile	New Zealand
Investable Asset Classes	Global Equities & Cash
FX Hedging Instruments	Options and Forward Contracts
Leverage	Nil
Short Selling	Nil
Max Position Size	5.00%
Trustee	NZGT – The New Zealand Guardian Trust Company Limited
Auditors / Tax	KPMG
Fund Administrators	MMC Limited
Custodian	Public Trust
Entry Cost	0.60% ("buy spread" to cover the Fund's transaction costs)
Exit Cost	Nil
Trustee Fee*	0.10% pa of the Gross Asset Value of the Fund (min. fees apply)
Fund Administration Fee*	0.17% pa of the Gross Asset Value of the Fund (min. fees apply)
Custodial Fee*	0.025% pa up to NZ\$100mln of FUM (min. fees and sub-custodian fees apply)
Distribution Policy	Annually – March (at Manager's discretion)
Minimum Initial Investment	NZ\$ 5,000
Minimum Regular Contribution	NZ\$ 100
Regular Contribution Plan	Monthly/Quarterly/Annually
Redemption	Monthly (with 30 days' notice in writing)
Registered Financial Service Provider	Yes – Elevation Capital Management Limited ("the Manager")
FSP Number	FSP9601
Dispute Resolution Scheme	Insurance & Ombudsman Scheme (ISO).

* GST will be charged at 15% on 10% of the Management Fee, 10% of the Performance Fee, 75% of the Trustee Fee, and 100% of the Fund Administration and Custodial Fees.

** Christopher Swasbrook was appointed as a Commercial Director of Sataira Co-operative Group Limited on 24 June 2011.

Risk Disclosure Statement

The information contained in this report has been prepared solely for informational purposes. It is not an offer to buy or sell or a solicitation of an offer to buy or sell units in the Elevation Capital Value Fund, a recommendation of any security or to participate in any trading strategy. If any offer of units in the Elevation Capital Value Fund is made, it shall be pursuant to a definitive Investment Statement and Prospectus prepared by or on behalf of the Elevation Capital Value Fund. Any decision to invest in the Elevation Capital Value Fund should be made only after reviewing the definitive Investment Statement and Prospectus (available at www.elevationcapital.co.nz or by contacting Elevation Capital Management Limited, PO Box 911145, Victoria Street West, Auckland 1142, New Zealand), conducting such investigations as the investor deems necessary and consulting the investor's own investment, legal and tax advisors in order to make an independent determination of the suitability and consequences of an investment in the Elevation Capital Value Fund. All performance data, portfolio composition data and risk targets contained in this report are subject to revision by Elevation Capital Management Limited and are provided solely as a guide to current expectations. There can be no assurance that the Elevation Capital Value Fund will achieve any targets or that there will be any return on or of capital.

Elevation Capital Management Limited, its directors, employees and agents believe that the information herein is correct at the time of compilation; however they do not warrant the accuracy of the information. Save for any statutory liability which cannot be excluded, Elevation Capital Management Limited further disclaims all responsibility or liability for any loss or damage which may be suffered by any person relying on any information or any opinions, conclusions or recommendations contained herein whether that loss or damage is caused by any fault or negligence on the part of Elevation Capital Management Limited, or otherwise.

International investments involve special risks, including currency fluctuations, lower liquidity, different accounting methods, economic and political systems. These risks are typically greater in emerging markets. The Elevation Capital Value Fund may invest a significant portion of its assets in the stocks of small and medium-sized companies, which tend to be more volatile and less liquid than those of large companies, may have underperformed the stocks of larger companies during some periods and tend to have a shorter history of operations than larger companies. Potential investment risks are discussed in the Investment Statement and Prospectus.