

The Fund is a Portfolio Investment Entity (PIE) that 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 trading at a discount in relation to their net asset value/intrinsic value\*, with low debt levels\*\*, and which have a consistent history of paying dividends and/or returning capital to shareholders.

\* Net Asset Value / Intrinsic Value – is also referred to as “Private Market Value”. Collectively we define them as the value an informed industrialist/acquirer would pay to purchase assets with similar characteristics. We measure Net Asset Value / Intrinsic Value or Private Market Value by scrutinising on and off balance sheet assets, liabilities and free cash flow. We also examine valuations and transactions in the public domain to formulate our view of possible future value.

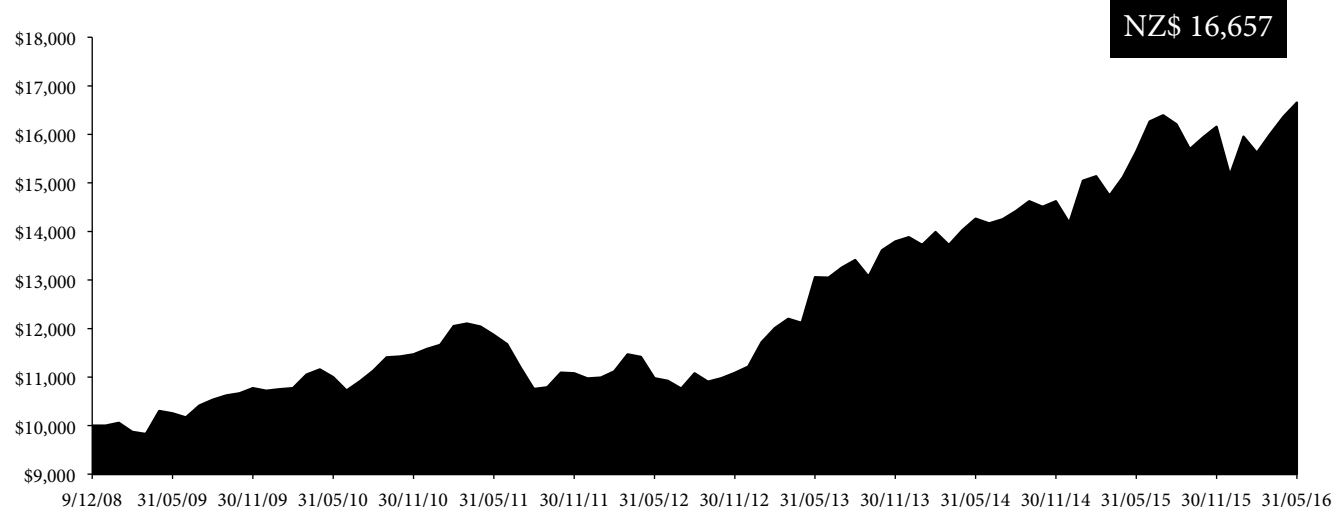
\*\* Low Debt Levels – can be assessed relative to tangible and/or intangible assets, free cash flow, the industry in which a company operates, or versus peers within an industry.

## KEY INFORMATION AS AT 31 MAY 2016

UNIT PRICE  
**NZ\$1.5072**

Application Price: NZ\$ 1.5072  
 Redemption Price: NZ\$ 1.5072  
 Fund Size: NZ\$ 24.67M  
 Domicile: New Zealand  
 Inception Date: 9 December 2008  
 FX Hedging: Nil (Unhedged)  
 Recommended Investment Timeframe: 5+ Years

## VALUE OF NZ\$ 10,000 INVESTED (INCLUDING DISTRIBUTIONS)



## PERFORMANCE & AVERAGE CASH BALANCE

Performance	1 Month	FYTD <sup>†</sup>	CYTD <sup>††</sup>	2 Years Annualised	3 Years Annualised	5 Years Annualised	7 Years Annualised	Since Inception Annualised
Value Fund Net <sup>*</sup> NZ\$	1.76%	4.03%	9.82%	8.06%	8.45%	7.01%	7.17%	7.06%
Value Fund Net <sup>*</sup> US\$ <sup>**</sup>	-1.54%	1.37%	8.53%	-3.54%	2.67%	2.88%	8.06%	9.56%
Average Cash Balance <sup>***</sup>	-	20.83%	16.49%	18.83%	20.78%	19.70%	24.53%	27.49%

All performance returns detailed above are calculated using exit price to exit price, net of taxes and ongoing fees, but excluding entry costs (if any) and any individual taxes. The returns include reinvestment of all distributions. 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.

### NZ Domiciled Investor Returns based on Prescribed Investor Rate (PIR):

0% PIR Return	1.82%	4.13%	9.97%	8.39%	8.75%	7.47%	n/a	7.50%
10.5% PIR Return	1.75%	4.03%	9.79%	7.93%	8.42%	7.11%	n/a	7.17%
17.5% PIR Return	1.71%	3.98%	9.70%	7.64%	8.18%	6.88%	n/a	6.99%
28%**** PIR Return	1.65%	3.90%	9.53%	7.18%	7.84%	6.52%	n/a	6.70%

<sup>\*</sup> Net of tax and net of all fees

<sup>\*\*</sup> USD performance numbers are calculated using spot FX rates (at month end) and are provided for informational purposes only. The Fund does not have a USD unit price at this time. (FX Rate Source: MMC Limited - Fund Administrator)

<sup>\*\*\*</sup> The average cash balance calculation is based on month end data from the Fund Administrator (MMC Limited) reports.

<sup>\*\*\*\*</sup> 28% is effective from 30 September 2010. Prior to that 30% from 31 March 2008 and 33% prior to that.

















<sup>†</sup> Financial year to date (FYTD) for year beginning - 1 April 2016

## DISTRIBUTIONS

	2016	2015	2014	2013	2012
Paid as at 31 March					
Cents Per Unit	3.55	3.50	2.625	2.50	1.10
Reinvestment Rate	71%	70%	62%	49%	43%

Annual Yield = 2.36%, based on current Application Price.

**FUND HOLDINGS**

Company	Domicile	% of Portfolio	Year First Purchased	Company	Domicile	% of Portfolio	Year First Purchased
 SCHOLASTIC		3.63%	2013	 DIAGEO		2.77%	2014
 COACH		3.54%	2015	 Givaudan <sup>®</sup>		2.70%	2015
 Time Warner		3.51%	2015	 RÉMY COINTREAU		2.49%	2014
 Mondelēz International		3.47%	2012	 SWATCH GROUP		2.38%	2014
 MSG NETWORKS		3.42%	2015	 HEINEKEN		2.26%	2013
 pental		3.42%	2014	 TODS		2.17%	2014
 P&G		3.40%	2015	 Nestlé		2.10%	2011
 Tribune Media		3.37%	2015	 SGS		1.98%	2015
 Discovery COMMUNICATIONS		3.34%	2015	 KERING		1.93%	2015
 Edgewell <sup>™</sup> PERSONAL CARE		3.33%	2015	 Chesapeake ENERGY		1.67%	2012
 starz		3.24%	2016	 Skyline Enterprises		1.23%	2009
 DeLaRue		3.17%	2015	 DUFRY		1.21%	2016
 Time Inc.		3.09%	2014	 Liberty ((SiriusXM)) Group		1.05%	2016
 VIACOM		3.03%	2014	 RICHEMONT		0.71%	2016
 Arcos Dorados		2.87%	2014	Cash		20.76%	
 TIFFANY & CO.		2.78%	2012				

The maximum position size permitted within the Fund is equivalent to 5.00% of Net Asset Value.

**PORTFOLIO DATA**

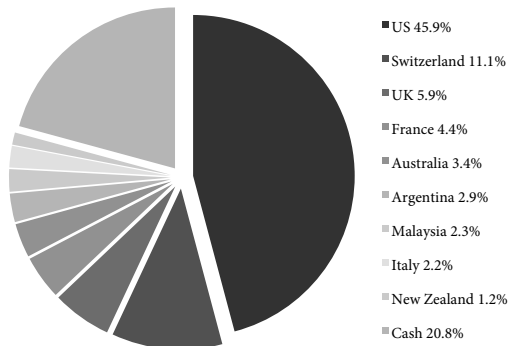
Number of Holdings	30	Number of Countries	9	Weighted Median Market Cap <sup>**</sup>	NZ\$ 6.1B	Average Portfolio Turnover Since Inception	32.15%*	Active Share <sup>**</sup>	97.9%***	Gross Dividend Yield <sup>**</sup>	2.39%	Total Debt-to-Equity <sup>**</sup>	0.78x
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\* Last 12 months = 47.24%

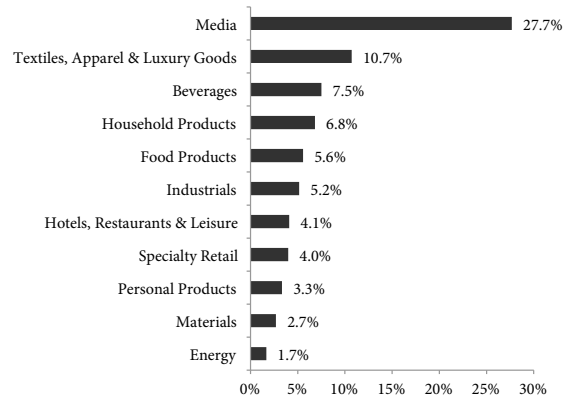
\*\* Source: Thomson Reuters Eikon

\*\*\* It is the proportion of security holdings in the Fund's composition that is different from the composition found in iShares MSCI ACWI ETF Fund (It is 97.5% vs iShares MSCI World UCITS ETF Fund).

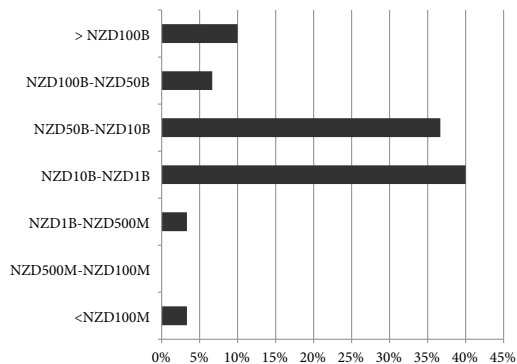
PORTFOLIO BY COUNTRY



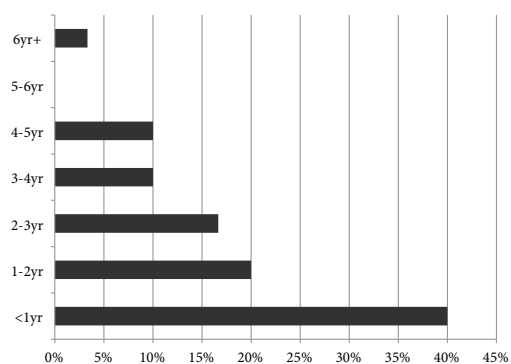
PORTFOLIO BY INDUSTRY



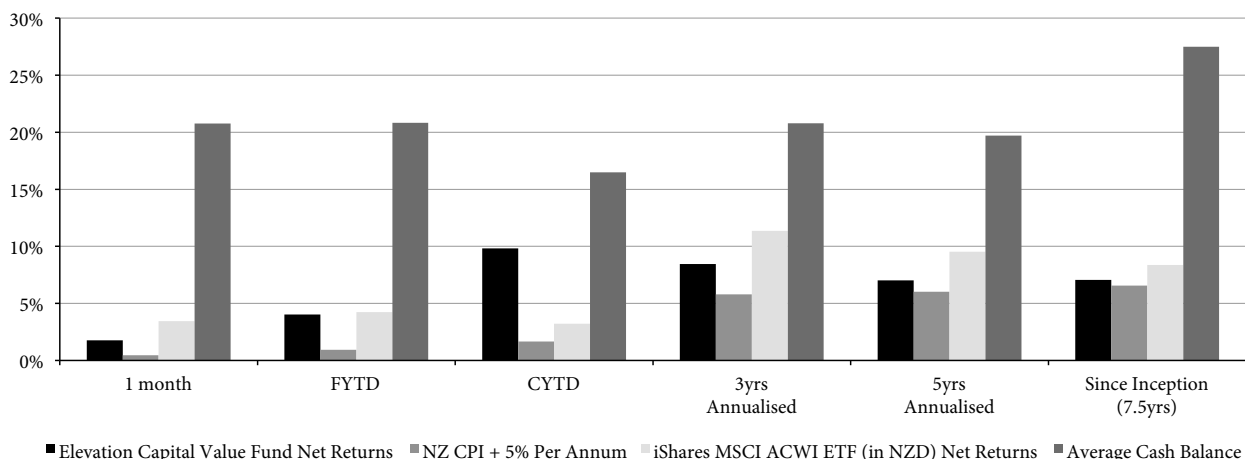
PORTFOLIO BY MARKET CAP



PORTFOLIO BY HOLDING PERIOD



FUND PERFORMANCE VS NZ CPI+5% PER ANNUM & iSHARES MSCI ACWI ETF FUND



For comparative purposes we have detailed two informational benchmarks we consider relevant to underlying (and prospective) investors in the Value Fund. These are NZ CPI + 5% per annum which we believe highlights to investors whether we are preserving and growing their real purchasing power overtime and the iShares MSCI All Country World Index (ACWI) Exchange Traded Fund (ETF) in NZD terms. We realise investors have a choice of investment managers and increasingly exchange traded funds (ETF's), and as such we publish these comparatives for your assessment purposes. It is important to consider that our portfolio does not track or follow any index (refer the Funds Active Share statistics on page 2), and we consistently operate with conservative cash levels. We would also highlight that these two informational benchmarks are not provided for performance fee calculations as there are no performance fees charged or payable within/by the Fund.

NZ CPI data source from Statistics NZ.  
 iShares MSCI ACWI ETF is an exchange traded fund (ETF) that aims to track the performance of the MSCI ACWI Index as closely as possible.  
 The performance numbers of iShares MSCI ACWI ETF (NZD) are calculated based on iShares MSCI ACWI ETF "NAV's" obtained from <http://www.ishares.com/us/products/239600/ishares-msci-acwi-etf> and adjusted for distributions, and converted to NZD based on month-end f/x rates used by Elevation Capital.  
 The average cash balance calculation is based on month end data from the Fund Administrator (MMC Limited) reports.



### TOTAL EXPENSE RATIO & FEES

Year Ending - 31 March	2016**	2015	2014	2013	2012
Average Funds Under Management	NZ\$ 20,643,504	NZ\$ 13,820,756	NZ\$ 11,626,062	NZ\$ 14,583,474	NZ\$ 11,818,561
Total Expense Ratio* (%)	1.98%	2.19%	2.04%	1.97%	1.89%
Total Management and Administration Charges	NZ\$ 409,772	NZ\$ 302,056	NZ\$ 237,727	NZ\$ 286,809	NZ\$ 222,971
- Manager's Basic Fee	NZ\$ 262,285	NZ\$ 175,616	NZ\$ 147,739	NZ\$ 185,309	NZ\$ 130,585
- Other Management & Administration Charges	NZ\$ 147,487	NZ\$ 126,440	NZ\$ 89,988	NZ\$ 101,500	NZ\$ 92,386
Performance-Based Fees	Nil	Nil	Nil	Nil	Nil

All Fees charged by Elevation Capital Management Limited, the Trustee and the Fund Administrator are detailed in the Investment Statement, Prospectus and Establishment Deed. All of which are available at [www.elevationcapital.co.nz](http://www.elevationcapital.co.nz) or on request free of charge from the Manager.

\* *Total Expense Ratio Definition:* Total Expense Ratio (TER) expresses the expense ratio for a fund or unit of a fund against the average NAV (of the fund or unit respectively) over a given period in the past. The TER should reflect the past record, and should not be an estimate for the present or future. In other words, the TER is the annual percentage reduction in investor returns that would result from operating costs if markets were to remain flat and the fund's portfolio were to be held and not traded during a period.

\*\* 2016 based on unaudited figures as at the date of this month-end summary.

### MANAGEMENT FEE SCALE

NAV of the Fund (NZ\$)	<\$25m	\$25m - \$30m	\$30m - \$35m	\$35m - \$40m	\$40m - \$45m	\$45m - \$50m	>\$50m
Management Fee (% pa of the Net Asset Value of the Fund)	1.25%	1.20%	1.15%	1.10%	1.05%	1.00%	0.95%

### ADDITIONAL INFORMATION

Trustee: NZGT

Administrator: MMC Limited

Custodian: Public Trust

Sub-Custodian: BNP Paribas

Auditor: KPMG

Tax Advisor: EY

Entry / Exit Fees: Nil

Performance Fees: Nil

Distribution Policy: Annually at Manager's Discretion

Minimum Initial Investment: NZ\$ 5,000

Minimum Regular Contribution: NZ\$ 100 (Monthly / Quarterly / Annually)

Redemption Terms: Monthly (with 1 business day notice)

Directors & Executives Holdings in Fund (incl. Associates)\* = 1,001,394 units / NZ\$ 1,509,301

Executives making monthly regular contributions\*: 4/4

\* As at 8 June 2016

### RISK DISCLOSURE STATEMENT

Elevation Capital Management Limited is a Registered Financial Service Provider in New Zealand in accordance with the Financial Service Providers (Registration and Disputes Resolution) Act 2008 -- FSP # 9601. Elevation Capital Management Limited does not provide personalised investment advisory services to the public. Nothing herein should be construed as a general advertisement of investment advisory services or a solicitation of prospective clients for investment advisory services. The information herein is intended solely to provide certain background information about the Elevation Capital Value Fund. 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 free of charge at [www.elevationcapital.co.nz](http://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. 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. These documents are both available free of charge on request or can be accessed at [www.elevationcapital.co.nz](http://www.elevationcapital.co.nz). All performance data, fee 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. Past performance is not an indication of future results.