

# DIVERSIFIED UNITED INVESTMENT LIMITED

ABN 33 006 713 177

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AUSTRALIA

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8 June 2017

The General Manager  
Australian Securities Exchange Limited  
Company Announcements Office  
Exchange Centre  
20 Bond Street  
Sydney NSW 2000

Dear Sir,

## **NET ASSET BACKING**

The Directors advise that the unaudited net tangible asset backing of the Company's ordinary shares at 31 May 2017 was \$4.00 per share (30 April 2017 \$4.12 per share). The net asset backing calculation is based on investments at market value, is after tax on net realised gains, before any future tax benefit of net realised losses and before estimated tax on net unrealised gains/losses.

Diversified United Investment Limited is a long term investor and does not intend disposing of its total portfolio. However, under current accounting standards the Company is required to provide for estimated tax on any net gains that would arise on such a theoretical disposal. After deducting this provision, the above figure would be \$3.47 (30 April 2017 \$3.55).

A list of the Company's top 25 investments is attached.

Directors have agreed to revise the target asset allocation to international equities from around 10% of the investment portfolio to the range of 10-15%. During the month an investment was made in the Vanguard FTSE Developed Europe ex UK ETF. At 31 May 2017 the allocation to international equities was 11.9%.

Yours sincerely,

A J Hancock  
Company Secretary

DIVERSIFIED UNITED INVESTMENT LIMITED

25 LARGEST SHAREHOLDINGS

AS AT 31 MAY 2017

As at 31 May 2017 the twenty-five largest shareholdings of the company, at market values were:

	<i>Market Value</i> <i>\$'000</i>	<i>%Market Value of</i> <i>Total Investments</i>
<b><i>Australian Equities</i></b>		
Commonwealth Bank of Australia Ltd	79,650	8.6%
CSL Ltd	73,049	7.9%
Westpac Banking Corporation Ltd	57,950	6.2%
ANZ Banking Group Ltd	56,020	6.0%
Transurban Group	49,280	5.3%
National Australia Bank Ltd	39,156	4.2%
Woodside Petroleum Ltd	32,150	3.5%
Rio Tinto Ltd	29,521	3.2%
BHP Billiton Ltd	28,680	3.1%
Wesfarmers Ltd	27,755	3.0%
Lend Lease Corporation	19,596	2.1%
Washington H Soul Pattinson & Co Ltd	19,426	2.1%
Sydney Airport	18,600	2.0%
Woolworths Ltd	18,235	1.9%
AMP Ltd	17,170	1.8%
Macquarie Atlas Roads Group	15,502	1.7%
Oil Search Ltd	14,220	1.5%
Suncorp Group Ltd	13,840	1.5%
Sonic Healthcare Ltd	11,580	1.2%
Origin Energy Ltd	11,550	1.2%
<i>Total Australian Equities in Top 25:</i>	632,930	68.0%
<b><i>International Equities</i></b>		
Vanguard All-World Ex-US Shares Index ETF	32,700	3.5%
Vanguard US Total Market Shares Index ETF	24,901	2.7%
Vanguard FTSE Developed European Ex UK Index ETF	14,860	1.6%
Vanguard Information Technology Index ETF	14,356	1.5%
iShares TR MSCI USA Min Vol Index ETF	13,085	1.4%
<i>Total International Equities in Top 25:</i>	99,902	10.7%
Total Top 25 Australian & International Equities	732,832	78.7%
<b>Total Investments at Market Value, Net Short Term Receivables and Cash</b>	930,940	

Notes: 1. At 31 May bank borrowings were \$95M, and cash and net short term receivables (included in the above figure) were \$30M.  
2. At 31 May 11.9% of the portfolio was invested in international equities through Exchange Traded Index Funds.