



14 July 2017

## June 2017 – AUMA & Investment performance update

HFA Holdings Limited provides the following update on Assets Under Management and Advice (AUMA):

| Quarter ended 30 June 2017                      |                       |                      |                      |                                    |
|---|-----------------------|----------------------|----------------------|------------------------------------|
| USD   | 31 March 2017<br>AUMA | Net flows            | Performance          | 30 June 2017<br>AUMA<br>(Estimate) |
|   |                       | Note 1               | Note 2 & 3           | Note 3                             |
| Lighthouse Commingled Funds                     | USD 4.47 bn           | USD 0.00 bn          | ↓ USD 0.03 bn        | <b>USD 4.44 bn</b>                 |
| Lighthouse Single Investor Customised Solutions | USD 5.01 bn           | ↓ USD 0.08 bn        | ↑ USD 0.10 bn        | <b>USD 5.03 bn</b>                 |
| <b>Total AUMA</b>                               | <b>USD 9.48 bn</b>    | <b>↓ USD 0.08 bn</b> | <b>↑ USD 0.07 bn</b> | <b>USD 9.47 bn</b>                 |

**1** Net flows includes monies received by Lighthouse for applications effective 1 July 2017, and accordingly excludes monies received by Lighthouse which were effective 1 April 2017. This convention in relation to the reporting of net flows and AUMA has been consistently applied by the HFA Group in January 2008.

**2** Performance includes investment performance, market movements, the impacts of foreign exchange on non-USD denominated AUMA and distributions (if any).

**3** 30 June 2017 AUMA is estimated and is based on performance estimates which may be subject to revision near the 20th business day of the month and upon final audit. AUMA excludes a non-discretionary long-only managed account structured for a single investor. AUMA may include transfers from other Lighthouse Funds that occurred on the first day of the following month.

| Year ended 30 June 2017                         |                      |                      |                      |                                    |
|---|----------------------|----------------------|----------------------|------------------------------------|
| USD   | 30 June 2016<br>AUMA | Net flows            | Performance          | 30 June 2017<br>AUMA<br>(Estimate) |
|   |                      | Note 1               | Note 2 & 3           | Note 3                             |
| Lighthouse Commingled Funds                     | USD 4.58 bn          | ↓ USD 0.33 bn        | ↑ USD 0.19 bn        | <b>USD 4.44 bn</b>                 |
| Lighthouse Single Investor Customised Solutions | USD 3.80 bn          | ↑ USD 1.00 bn        | ↑ USD 0.23 bn        | <b>USD 5.03 bn</b>                 |
| <b>Total AUMA</b>                               | <b>USD 8.38 bn</b>   | <b>↑ USD 0.67 bn</b> | <b>↑ USD 0.42 bn</b> | <b>USD 9.47 bn</b>                 |

**1** Net flows includes monies received by Lighthouse for applications effective 1 July 2017, and accordingly excludes monies received by Lighthouse which were effective 1 July 2016. This convention in relation to the reporting of net flows and AUMA has been consistently applied by the HFA Group in January 2008.

**2** Performance includes investment performance, market movements, the impacts of foreign exchange on non-USD denominated AUMA and distributions (if any).

**3** 30 June 2017 AUMA is estimated and is based on performance estimates which may be subject to revision near the 20th business day of the month and upon final audit. AUMA excludes a non-discretionary long-only managed account structured for a single investor. AUMA may include transfers from other Lighthouse Funds that occurred on the first day of the following month.

## Commentary

The year ended 30 June 2017 has been productive for the HFA Group in terms of AUMA growth, with assets increasing over the year by 13% to USD 9.47 billion.

The March 2017 quarter was particularly strong, driven by customised mandate wins from a Middle East client and a Japanese client.

The net flow numbers for the 2017 year include a \$0.31bn client transfer from a commingled fund to a customised client account which occurred during the September 2016 quarter.

## June 2017 performance estimates for select Lighthouse Commingled Funds

| Lighthouse Commingled Fund                        | June 2017 | Calendar year -to-date | 3 year | 5 year | 3 year volatility |
|---|-----------|------------------------|--------|--------|-------------------|
| Lighthouse Diversified Fund Limited Class A       | 0.30%     | 2.21%                  | 3.06%  | 5.70%  | 2.74%             |
| Lighthouse Global Long/Short Fund Limited Class A | 0.00%     | 1.85%                  | 3.84%  | 7.22%  | 3.74%             |

| Markets  | June 2017 | Calendar year -to-date | 3 year | 5 year | 3 year volatility |
|--|-----------|------------------------|--------|--------|-------------------|
| S&P 500 TR Index   | 0.62%     | 9.35%                  | 9.63%  | 14.64% | 10.35%            |
| MSCI AC World Daily TR Gross USD                           | 0.50%     | 11.82%                 | 5.40%  | 11.15% | 10.79%            |
| Barclays US Agg Gov/Credit Total Return Value Unhedged USD | 0.03%     | 2.66%                  | 2.62%  | 2.29%  | 3.42%             |
| 91-Day Treasury Bill                                       | 0.08%     | 0.31%                  | 0.23%  | 0.17%  | 0.08%             |
| Hedge Fund Research HFRX Global Hedge Fund Index           | 0.21%     | 2.55%                  | -0.35% | 1.91%  | 3.72%             |

Performance may vary among different share classes or series within a Fund. Past performance is not indicative of future results.

This document has been prepared by HFA Holdings Limited (HFA) for release to the Australian Securities Exchange and is not intended for distribution to, or use by, any person in any jurisdiction where such distribution or use is prohibited by law or regulation. This information is neither an offer to sell nor a solicitation of an offer to purchase any securities. Such an offer will only be made to qualified purchasers by means of a confidential private placement memorandum or related subscription documents.

June 2017 returns for the Lighthouse Funds, and consequently, the other figures appearing in this document that include these returns in their computation, are estimated and subject to revision near the 20<sup>th</sup> business day of the month and upon final audit. The performance data represents the returns for each of the respective Lighthouse Funds, or any related predecessor Fund, net of all fees and expenses, including reinvestment of earnings. Results include reinvestment of all income and capital gains. Performance shown for periods over one year has been annualised. 2017 Performance is not audited and is subject to revision. The performance data for the selected Class A shares of the above Lighthouse Funds is presented as a representative proxy for the two main investment strategies of AUMA invested in Lighthouse Funds. Returns may vary between different Funds of a similar strategy, as well as between share classes or series within the same Fund.

The indices included are unmanaged and have no fees or expenses. An investment cannot be made directly in an index. The Lighthouse Funds consist of securities which vary significantly to those in the indices. Accordingly, comparing results shown to those of such indices may be of limited use.

**S&P 500 TR Index:** This index includes 500 leading companies in leading industries of the US economy. Although the S&P500® focuses on the large-cap segment of the market, with approximately 75% of coverage of US equities, it is also an ideal proxy for the total market. S&P 500 is part of a series of S&P US indices that can be used as building blocks for portfolio construction.

**MSCI AC World Daily TR Gross USD:** A free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. The MSCI ACWI consists of 45 country indices comprising 24 developed and 21 emerging market country indices.

**Barclays US Agg Gov/Credit Total Return Value Unhedged USD:** An unmanaged market-weighted index, comprised of government and investment grade corporate debt instruments with maturities of one year or greater.

**91-Day Treasury Bill:** A short-term debt obligation backed by the US government with a maturity of 91 days. T-bills are sold in denominations of USD1,000 up to a maximum purchase of USD5 million and commonly have maturities of one month (28 days), three months (91 days), six months (182 days), or 1 year (364 days).

**Hedge Fund Research HFRX Global Hedge Fund Index:** This HFRX Global Hedge Fund Index is designed to be representative of the overall composition of the hedge fund universe. It is comprised of all eligible hedge fund strategies; including but not limited to convertible arbitrage, distressed securities, equity hedge, equity market neutral, event driven, macro, merger arbitrage, and relative value arbitrage. The strategies are asset weighted based on the distribution of assets in the hedge fund industry.

Amber Stoney  
Chief Financial Officer & Company Secretary  
07 3218 6200