



UNAUDITED MONTHLY PORTFOLIO UPDATE¹: JULY 2016

	Investment return ²	Cost imposition ³	Net Return ⁴	NAV/share (cents)	Gross Exposure ⁵	Net Exposure ⁶
26 May 16 [†]				23.8		
30 Jun 16 ^{††}	-4.3%	-3.3%	-7.4%	22.0	301%	145%
31 July 16	17.1%	-1.2%	15.8%	25.5	316%	90%

† commencement date of portfolio †† audited- period from 26 May to 30 June 2016

The East 72 Holdings Limited (**E72**) portfolio produced an exceptional return of 17.1% during the month of July prior to costs; after fully accrued costs, the return was 15.8%. After strong run ups in all equity markets we have reduced exposures and are currently ~90% net exposed through short sales and index hedges.

Investment return:

The estimated major positive influences on investment return in the month of July 2016 were long positions in Cabcharge Limited (+24%), Prime Financial Group (+35%), St. James Place PLC (+18.0%) and KKR and Co LP (+15.7%). All of our short positions were net detractors from performance, as were our hedges to moderate exposure as markets advanced to their end-month highs.

Equity exposure as at 31 July 2016 (as percentage of month end shareholders funds):

Australian long exposures	70.6%	Overseas long exposures	132.3%	TOTAL	203.0%
Australian short exposures	-	Overseas short exposures	(60.9%)	TOTAL	(60.5%)
Australian index	(25.7%)	Overseas index	(26.4%)	TOTAL	(52.1%)
NET AUSTRALIAN	44.9%	NET OVERSEAS	45.4%	TOTAL	90.4%

For further information:

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¹ East 72 Holdings Limited (**E72**) provides monthly **unaudited** updates on its company performance and exposure supplemented by a more substantial quarterly note. Readers are referred to footnotes 2-6 explaining the derivation of the numbers. All returns are pre-tax unless stated otherwise. At the current level of net assets, cost imposition is estimated at 0.7% per month over the course of the full year and is fully accrued monthly according to the best estimates of management. Readers are explicitly referred to the disclaimer on page 2.

² Calculated as change in market value of all investments – cash and derivatives – after interest charges, dividends receivable, dividends and fees paid away divided by opening period net asset value and time weighted for equity raisings

³ Calculated as all accrued expenses for company administration (eg. listing fees, audit, registry) divided by opening period net asset value and time weighted for equity raisings

⁴ Calculated as 2 (above) minus 3 (above)

⁵ Calculated as total gross exposures being nominal exposure of all long and short positions (cash and derivative) divided by end month net asset value – assumes index 0 of 1

⁶ Calculated as nominal exposure of long positions minus nominal exposure of short positions – assumes index 0 of 1



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