Bell Global Equities Fund

Platform Class Fund Summary — Period Ending 28 February 2017

Bell
ASSET MANAGEMENT

Net Performance^

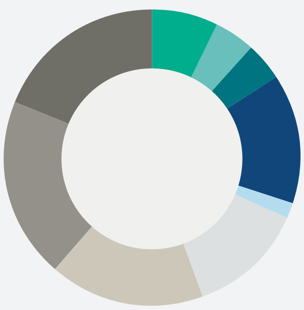
	Fund	Index*	Relative
1 Month	2.18%	1.44%	0.74%
3 Months	3.60%	3.47%	0.13%
6 Months	1.52%	5.24%	-3.72%
1 Year	4.84%	12.35%	-7.51%
3 Years (pa)^^	9.96%	10.78%	-0.82%
5 Years (pa)^^	16.46%	17.33%	-0.87%
Strategy Inception (pa)^^	6.81%	5.83%	0.98%
Strategy Inception - Total Return^^	154.4%	123.1%	31.3%

* Index is the MSCI World ex Australia in $A Unhedged with net dividends reinvested.

^ Inception date of the Platform Class is 7 May 2015. Returns are based on the Platform redemption price and are net of fees.

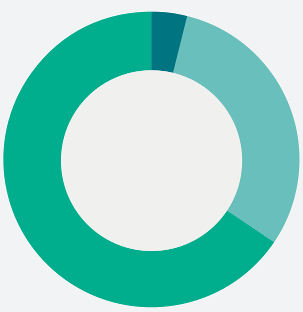
^^ The Bell Global Equities Fund - Platform Class has been operating since May 2015. To give a longer term view of our performance in the asset class, we have shown longer term returns for a representative global equities strategy managed by Bell Asset Management with an inception date of 1 Jan 2003. We have adjusted the returns to reflect fees representative of the Bell Global Equities Fund - Platform Class units.

Sector Exposure



Financials	7.4%
Materials	4.5%
Cash	4.1%
Consumer Staples	14.3%
Telecom Services	1.5%
Industrials	12.9%
Consumer Discretionary	16.9%
Information Technology	19.8%
Health Care	18.7%

Geographic Exposure



Cash	4.1%
Europe	30.4%
North America	65.5%

Top 10 Holdings

Company	Sector	Geography	Weight
Alphabet Inc	Information Technology	US	2.6%
Apple Inc	Information Technology	US	2.4%
Johnson & Johnson	Health Care	US	2.0%
Roche Holding AG	Health Care	CH	1.6%
Nike Inc	Consumer Discretionary	US	1.5%
Verizon Communications	Telecom Services	US	1.5%
Oracle Corp	Information Technology	US	1.5%
Cognizant Tech Solutions	Information Technology	US	1.4%
Starbucks Corp	Consumer Discretionary	US	1.4%
Unilever NV	Consumer Staples	NA	1.3%

Best & Worst Performers

Top 5 — Relative Contribution	
Unilever NV	0.14%
Cognizant Tech Solutions	0.10%
MSCI Inc	0.07%
Equifax Inc	0.06%
Colgate-Palmolve Co	0.05%

Bottom 5 — Relative Contribution	
Dun & Bradstreet Corp	-0.17%
Kroger Co	-0.11%
Deutsche Boerse AG	-0.11%
Parexel International Corp	-0.10%
Advance Auto Parts Inc	-0.09%

Investment Metrics

	Portfolio	Index	Relative
Risk			
Total Risk	11.9	11.3	
Number of Stocks	99	1,562	
Active Share	78.7		
Value			
P/E	17.7	16.6	107%
PEG Ratio	1.9	2.0	95%
EV/EBITDA	11.1	10	111%
Growth			
Sales Growth	2.4%	3.5%	69%
EPS Growth	4.5%	5.1%	88%
Quality			
Return on Equity	25.2	9.8	257%
Net Debt / Equity	0.6	1.6	38%

Bell Global Equities Fund

Commentary — Period Ending 28 February 2017

Bell
ASSET MANAGEMENT

Ned Bell CIO / Portfolio Manager

Adrian Martuccio Portfolio Manager

Fund Overview

Asset Allocation	Long Only Global Equities
Inception Date	3 December 2007
Fund Size	$31.1mn
Entry Unit Price	1.242
Index	MSCI World (ex Aus) Index

Performance

The bull market in global equities continued in February as the MSCI World Index ex Australia appreciated by 1.44%. Our portfolio appreciated by 2.18% over the month, outperforming by 0.74%. Having gone through a difficult period of relative performance in Q4 2016, we feel the outperformance we have delivered in the first two months of 2017 validates our conviction in our philosophy and process.

When we delve into the bigger market drivers in February, we would note that U.S. equities really led the charge as the S&P 500 appreciated by 2.5% (AUD terms). Asian equities posted modest gains while Europe stagnated and remained unchanged during the month.

On a sector level, we saw the early signs of a reversal in recent trends which have favoured the 'risk on' bet. The recent stronger performers - Energy & Materials, both declined by more than 2%, while the laggards of Q42016 - Consumer Staples & Health Care (which lagged by 8% in Q4), led markets higher, appreciating by 2.9% & 4.3% respectively.

Fund Commentary

While market action in January seemed to be dominated by all things Trump, February was a time to really focus on the earnings season in the U.S. & Europe. For the most part, it seemed to be a relatively upbeat earnings season in the U.S. and we were pleased with the overall performance of the companies in our portfolio. The tone coming from the European companies was arguably a little more apprehensive as the uncertainty around Brexit and upcoming elections in Europe looms.

We feel that equity markets have now reached a point where the Trump fuelled 'risk on' trade is starting to lose a little momentum. Investors are seemingly starting to take some profits in the deep cyclicals and rotate into the laggards. As an investor with a Quality at A Reasonable Price mantra, we have been adding to our positions in Health Care & Consumer Staples from November to January, when we recognised excellent value in selective names. The subsequent solid performance in these names we feel validates our conviction to stick to our process.

When we take a closer look at the performance attribution of our Core portfolio, we would make a couple of key points:

- Our relative sector allocation worked in our favour as we benefitted from our overweight position in Health care and underweight position in Energy.
- Our underweight in Asian equities also helped as they collectively lagged
- Our better performers were: Unilever, Cognizant, MSCI, Equifax and Colgate
- Our laggards were: Dun & Bradstreet, Kroger, Parexel, Advance Auto & Alimentation Couche-Tard

Portfolio Activity

Our portfolio activity during the month was dominated by adjusting existing positons. Without delving into the individual adjustments, we would note that we have been trying to reduce our relative valuation risk in the portfolio as a whole as market valuations continue to climb higher. The reality is that equity valuations have appreciated in the last few months, and hence a number of our stocks have crept closer to their target prices.

As such, we have opportunistically taken profits and reinvested in recent laggards that we feel come with a good relative value argument.

We did also make the decision to sell our entire position in Intuit for valuation reasons. Having followed the stock for some time, we opportunistically bought the stock for our Core portfolio in August 2015 after a weak period at $84-86 / share. Having subsequently appreciated to $127 / share, we could no longer justify further upside and hence we decided to sell the position. We will keep a close eye on Intuit and hopefully find an opportunity to reinvest at a lower level in the future.

Continued Over Page

Portfolio Changes

Purchases: Nil

Sales: Intuit Inc *(U.S/ Information Technology)*

Positioning and Outlook

As we have already alluded to, we feel that global equity markets are ripe to pivot from the seemingly over-enthusiastic 'risk on' trade to a 'reality check' where investors start focusing on actual corporate fundamentals and valuation risk.

We feel that our portfolio is extremely well positioned for this type of market scenario. By sticking to our approach and not jumping at shadows, in the early stages of 2017 we have delivered the portfolio outcomes we feel our investors would expect. To be clear, we feel this change in sentiment is still in its very early stages and will most likely play out over the course of 2017.

At a more general level, we would acknowledge that active management has been somewhat difficult in the last few months as markets have climbed higher with few signs of volatility or valuation concerns. Having said that, we feel that we will inevitably see volatility levels pick-up throughout the year as the European elections draw closer.

As active managers with a QARP approach and proven history of strong downside protection, we would expect markets to be more favourable to our approach throughout the course of 2017.

Key Features

Investment Objectives	Outperform the index* over rolling three year periods **Index is MSCI ex Australia*
Asset Allocation	Long only global equities, no gearing, no derivatives
Investment Style	Fundamental bottom up approach 'quality at a reasonable price'
Investment Highlights	• Global equity portfolio • 'Quality' focus - consistently high returning companies • Long-term horizon - typically 3-5 year holding periods • Benchmark agnostic • Diversified portfolio structure • Maximum cash position 5% • Fund inception 2007 (strategy inception 2003) • Highly experienced investment team
Benchmark	MSCI World (ex Australia) Index
Currency Exposure	Unhedged
Investment Timeframe	At least 5 years
Number of Holdings	90-110

Fund Terms

Fund Inception Date	December 2007
Product Structure	Wholesale Registered Managed Investment Scheme
Investment Manager	Bell Asset Management
Responsible Entity	Bell Asset Management
Custodian	National Australia Bank
Unit Pricing & Liquidity	Daily Published on www.bellasset.com.au & market data services Applications using application form attached to the PDS Redemptions typically paid out within 10 days
Indirect Cost Ratio	0.90% p.a
Buy / Sell Spread	+/-0.20%
Reporting	Transaction confirmations upon transacting, half yearly transaction and valuation statement, annual periodic statement, tax statement, distribution statement & Annual Financial Report
Income	Annual distribution of taxable income

Contact Details

Xanthe Virtue Head of Wholesale
Telephone: +61 2 9255 7281
Email: xvirtue@bellasset.com.au
www.bellasset.com.au