



INVESTMENT UPDATE

FEBRUARY 2015

During the month of February 2015, Cadence Capital Limited returned a positive gross performance of 5.83% compared to an increase in the All Ordinaries Accumulation Index of 7.00% and an increase in the Small Ordinaries Accumulation Index 8.43%.

As at the 28 February 2015 the fund was holding 6% cash (94% invested).

Fund NTA

Net Tangible Assets as at 28th February 2015	Amount (\$)
Pre Tax NTA	\$1.464
Post Tax NTA	\$1.449
Share price (ASX Code: CDM)	\$1.450
Option price (ASX Code: CDMO)	\$0.023

CDM Interim Dividend

The Board declared a **5.0 cent per share fully franked interim dividend payable on 10th April 2015**. The Ex-Date for the dividend is 25th March 2015. The past year's dividends equated to an annualised yield of 7.0%* fully franked (10.0% grossed-up).

CDM shareholders are able to participate in the Dividend Re-Investment Plan ("DRP") at a 3% discount. The DRP Record Date is 30th March 2015.

CDM Options

If you are a CDM Option holder and would like to exercise your Options to receive the 5.0c interim dividend, please see the dates below to ensure you are a registered shareholder on dividend record date (27th March 2015):

BPay: Funds to be received by 26th March 2015.
Cheque: Cheques must be received by Boardroom Limited by 23rd March 2015

Please contact Boardroom Pty Limited on 1300 737 760 if you have any further questions.

* Based off the 31st December 2014 share price



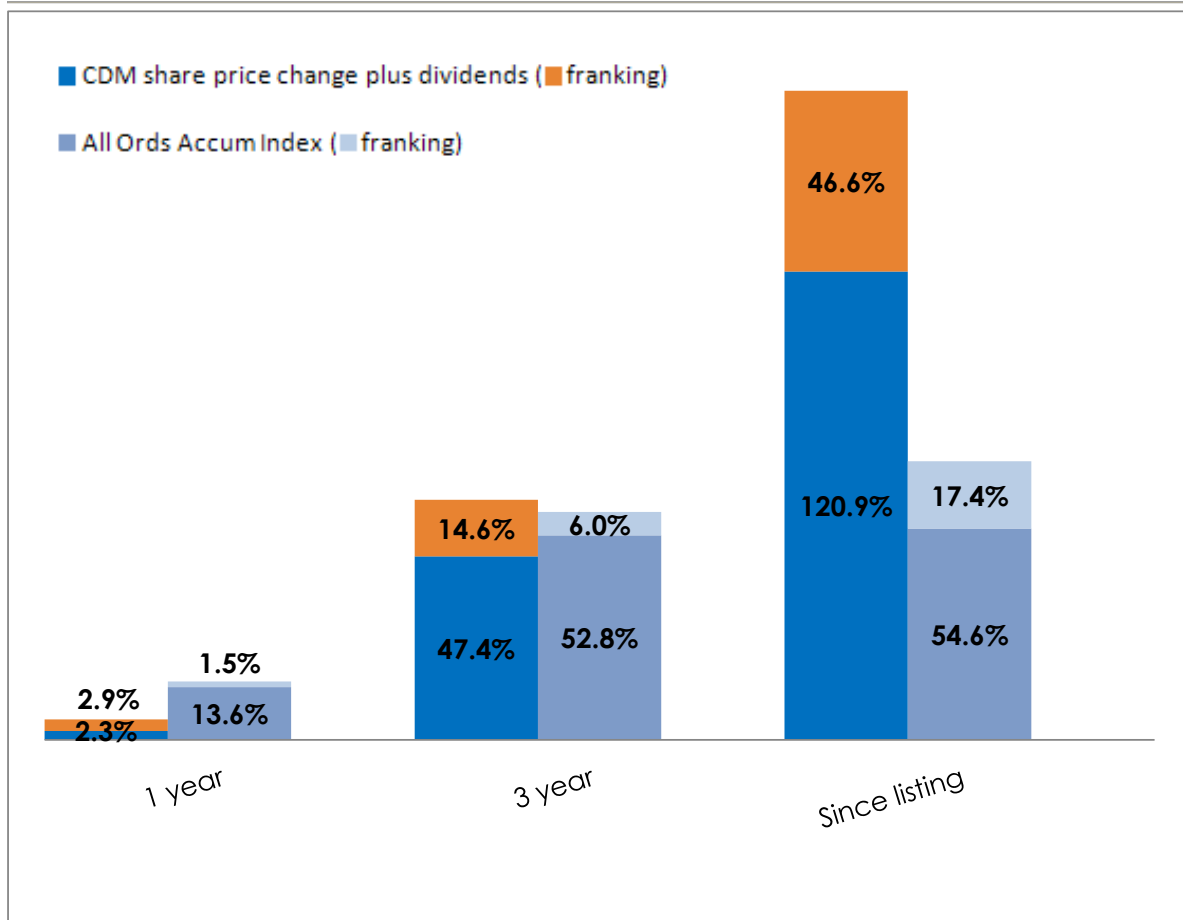
Fund Performance

Performance* to 28 February 2015	CDM**	All Ords	Outperformance
1 Month	5.83%	7.00%	-1.17%
1 Year	10.99%	13.57%	-2.58%
2 Years	24.96%	25.34%	-0.38%
3 Years	51.47%	52.77%	-1.30%
4 Years	83.77%	42.58%	+41.19%
5 Years	187.83%	57.13%	+130.70%
8 Years	181.59%	42.65%	+138.94%
Since Inception (9.4 years)	404.20%	91.16%	+313.04%
Since Inception Annualised (9.4 years)	18.74%	7.12%	11.62%

* Before Management and Performance Fees

**These numbers include the franking value of the substantial dividend from its RHG holding received in May 2011. As a result of this dividend, the Post Tax NTA of the fund increased by +8% during that month. The May 2011 performance of the fund was adjusted to reflect this Post-tax increase in NTA as this figure more accurately included the material fully franked dividends received from RHG during this month.

CDM Share Price and Option Returns plus Dividends & Franking



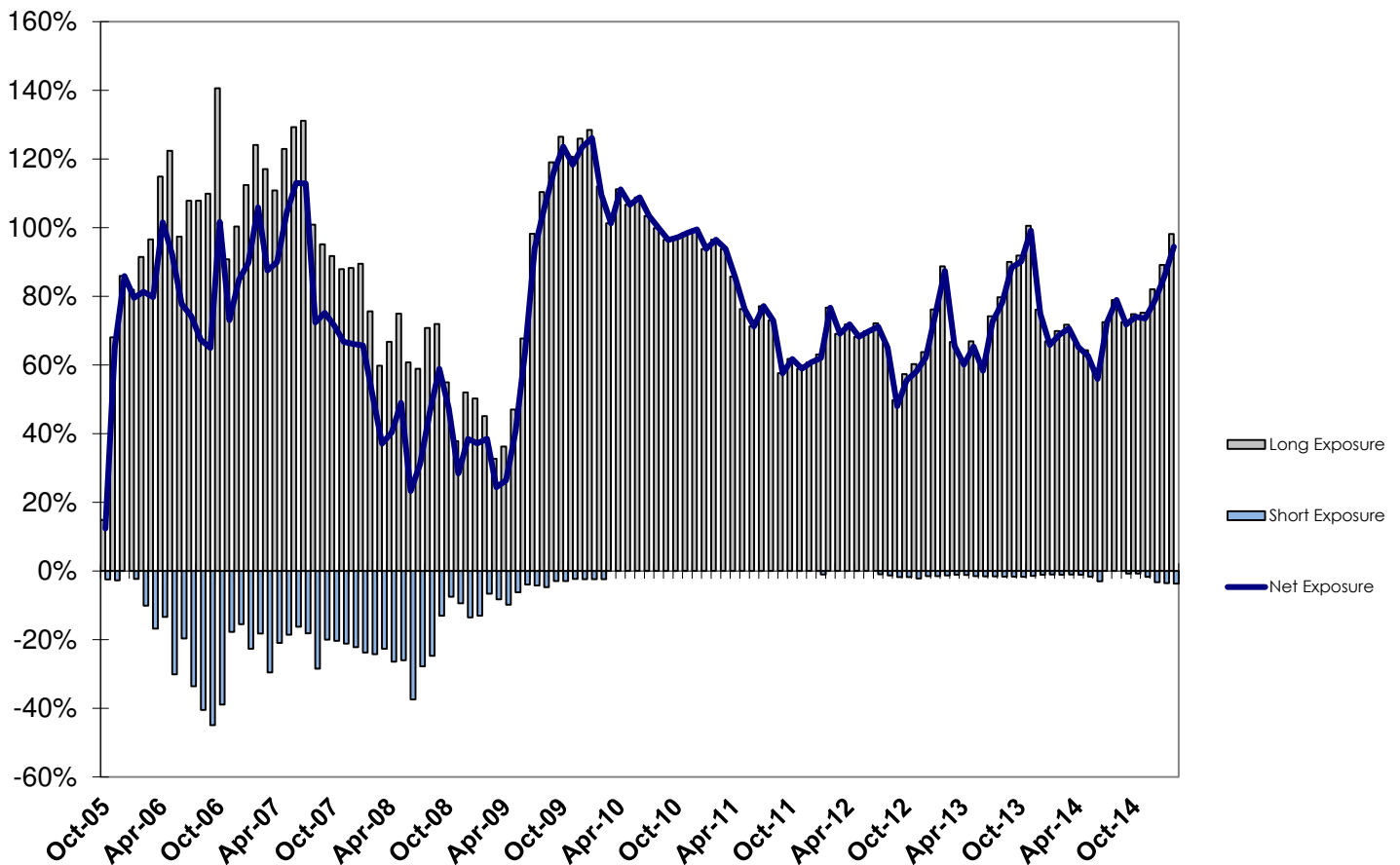


Fully Franked Dividends Declared Since Listing

Calendar Year	Interim	Final	Special	Total	Gross (Inc. Franking)
2007	2.0c	2.0c	2.0c	6.0c	8.6c
2008	2.5c	2.2*c	-	4.7c	5.8c
2009	-	2.0c	-	2.0c	2.9c
2010	2.0c	2.0c	-	4.0c	5.7c
2011	3.0c	3.0c	3.0c	9.0c	12.9c
2012	4.0c	4.0c	4.5c	12.5c	17.8c
2013	5.0c	5.0c	1.0c	11.0c	15.7c
2014	5.0c	5.0c	-	10.0c	14.3c
2015	5.0c	-	-	5.0c	7.1c
TOTAL	28.5c	25.2c	10.5c	64.2c	90.8c

* Off market equal access buy back

Historic Portfolio Exposure





Portfolio Sector Analysis

Sector	Long	Short	Net
Diversified Financials	20.31%		20.31%
Banks	17.53%		17.53%
Financial	15.67%		15.67%
Consumer, Non-cyclical	15.57%		15.57%
Consumer, Cyclical	6.19%		6.19%
Consumer Services	5.53%		5.53%
Telecommunication Services	4.89%		4.89%
Software & Services	4.38%		4.38%
Insurance	2.09%		2.09%
Energy	1.72%		1.72%
Technology	1.19%		1.19%
Transportation	0.93%		0.93%
Basic Materials	1.41%	1.49%	-0.08%
Materials	0.77%	2.22%	-1.45%
Exposure	98.18%	3.71%	94.46%
Cash on Hand			5.54%

Top Portfolio Positions

Code	Position	Direction	Currency	Holding
MQG	Macquarie Group Limited	Long	AUD	11.7%
LUX IM	Luxottica Group SPA	Long	EUR	6.2%
BOQ	Bank of Queensland Ltd	Long	AUD	5.9%
HGG	Henderson Group Plc	Long	AUD	5.7%
RFG	Retail Food Group	Long	AUD	5.5%
MA US	Mastercard Inc	Long	USD	4.9%
NAB	National Australia Bank Ltd	Long	AUD	4.6%
MLB	Melbourne IT Ltd	Long	AUD	4.4%
GILD US	Gilead Sciences Inc	Long	USD	4.2%
ANZ	Australia & New Zealand Banking Group	Long	AUD	4.2%
BEN	Bendigo and Adelaide Bank Limited	Long	AUD	3.5%
WBC	Westpac Banking Corp.	Long	AUD	3.1%
CBA	Commonwealth Bank of Australia	Long	AUD	2.8%
IIN	Iinet Limited	Long	AUD	2.5%
TLS	Telstra Corporation Limited	Long	AUD	2.4%
V US	Visa Inc.	Long	USD	2.3%
GMA	Genworth Mortgage Insurance Australia Ltd	Long	AUD	2.2%
RIO	Rio Tinto Ltd	Short	AUD	2.2%
MPL	Medibank Private Ltd	Long	AUD	2.2%
SUN	Suncorp Group Ltd	Long	AUD	2.1%
Top Portfolio Holdings Gross Exposure				82.82%



Recent News Articles

Cadence Capital Limited was recently quoted in the Australian Financial Review on Macquarie Bank Limited. "The stars are aligning," Karl Siegling said, of factors including a recovery in the US economy, a lower local currency and historically low interest rates. "This would have to be one of the best positioned stocks in the country." [Click here](#) to view the article.

Simon Bonouvrie was quoted in the Australian Financial Review on Genworth Mortgage Insurance Limited. [Click here](#) to view the article.

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