



INVESTMENT UPDATE

November 2012

We are pleased to report that the fund has had a good start to the 2013 financial year and for the first five months ended 30th November 2012 the fund has had a gross performance of 14.43% outperforming the All Ordinaries Accumulation Index by 2.72% and the Small Ordinaries Accumulation Index by 8.42%.

During the month of November 2012, Cadence Capital Limited returned a gross performance of +0.44% compared to an increase in the All Ordinaries Accumulation Index of 0.27% and a decrease in the Small Ordinaries Accumulation Index of 2.43%. For the seven years and two months ended 30 November 2012, Cadence Capital Limited has generated a gross performance of 20.05% per annum, outperforming the All Ordinaries Accumulation Index by 15.95% per annum.

The fund finished the month 58.07% net long compared to 55.52% net long in October 2012.

Fund NTA

Net Tangible Assets as at 30 November	Amount (\$)
Pre Tax NTA*	\$1.334
Post Tax NTA*	\$1.360
Share price (ASX Code: CDM)**	\$1.420

*These NTA's are **post the 8.0c October 2012 fully franked final (4.0c) and special (4.0c) dividend**

The share price is **ex the 8.0c October 2012 fully franked final (4.0c) and special (4.0c) dividend

Fund Highlights

Cadence Capital Limited was **ranked by ASX*** as the Number 1 Australian Equities Listed Investment Company** over 3 and 5 years in the LMI Quarterly Update as at 30 September 2012.

Cadence Capital Limited was **ranked by E.L.&C. Baillieu as the No. 1 Listed Investment Company** over both 3 and 5 years in their Listed Investment Company Sector Report dated 22nd November 2012.

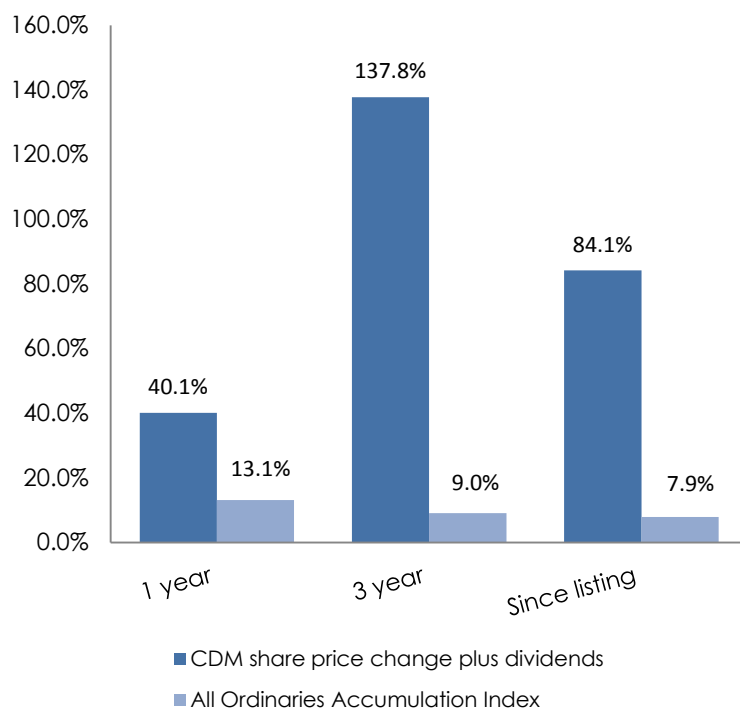
Cadence Capital Limited was recently a finalist at the 2012 Australian Hedge Fund Awards in the Best Long Short and Absolute Return Fund category.

All of these reports are available on our home page at www.cadencecapital.com.au

*** Source: ASX website – Market Update on Management Funds section, LMI Quarterly Update as at 30 September 2012



Share Price Return Including Dividends



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
TOTAL	13.5c	15.2c	9.5c	38.2c	53.7c

* Off market equal access buy back

** The 8.0 cent full year fully franked dividend, final (4.0 cent) and special (4.0 cent), was paid on the 29th October 2012.



Fund Performance

Performance* to 30th November 2012	CDM**	All Ords	Outperformance
1 Month	0.44%	0.27%	+0.17%
1 Year	16.77%	13.09%	+3.68%
2 Years	75.82%	5.63%	+70.19%
3 Years	101.09%	9.01%	+92.08%
4 Years	198.20%	46.62%	+151.58%
5 Years	100.02%	-14.59%	+114.61%
Since Inception (86 months)	270.49%	33.42%	+237.07%
Since Inception Annualised (86 months)	20.05%	4.10%	+15.95%

* Before Management and Performance Fees

**These numbers include the franking value of the substantial RHG dividend received in May 2011

In May 2011 the fund received a substantial fully franked dividend from its RHG holding. 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.

Top Portfolio Positions

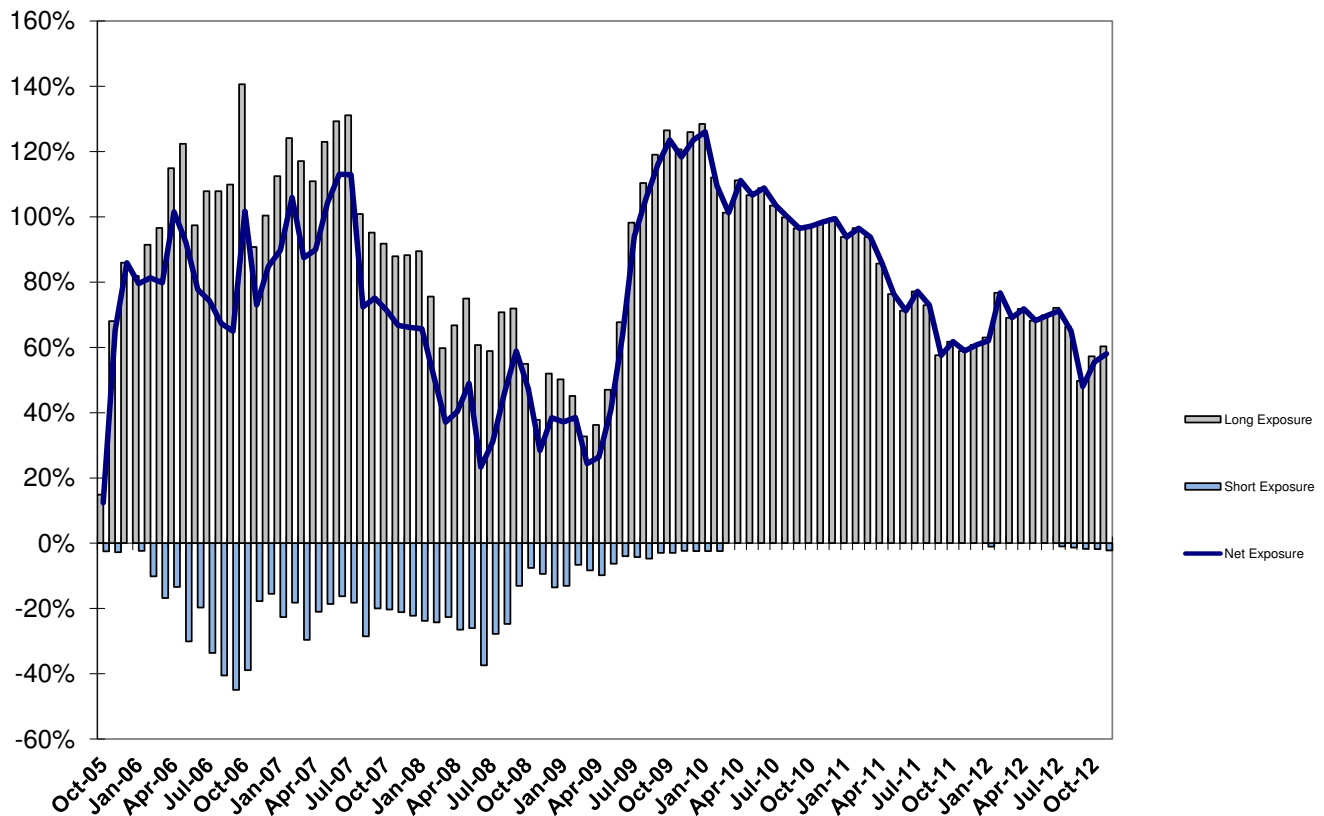
ASX Code	Position	Direction	Holding
RHG	RHG Ltd	Long	15.9%
MMS	McMillan Shakespeare Ltd	Long	5.6%
FXL	Flexigroup Ltd	Long	5.1%
MQG	Macquarie Group Limited	Long	4.7%
BVA	Bravura Solutions Ltd	Long	4.0%
ANZ	Australia & New Zealand Banking Group	Long	3.4%
NAB	National Australia Bank Ltd	Long	3.3%
RKN	Reckon Ltd	Long	3.2%
ARI	Arrium Ltd	Long	2.2%
RFG	Retail Food Group	Long	2.1%
CTP	Central Petroleum Ltd	Long	2.0%
OZL	Oz Minerals Ltd	Short	1.7%
MBN	Mirabela Nickel Ltd	Long	1.1%
BSL	Bluescope Steel Ltd	Long	1.1%
BTU	Bathurst Resources Ltd	Long	1.0%
Portfolio Holdings above 1%			56.34%



Portfolio Sector Analysis

Sector	Long	Short	Net
Banks	22.63%		22.63%
Diversified Financials	10.10%		10.10%
Software & Services	7.93%		7.93%
Materials	7.10%	2.22%	4.88%
Commercial & Professional Services	6.32%		6.32%
Energy	2.33%		2.33%
Consumer Services	2.09%		2.09%
Retailing	0.79%		0.79%
Real Estate	0.52%		0.52%
Health Care Equipment & Services	0.48%		0.48%
Capital Goods	0.01%		0.01%
Exposure	60.29%	2.22%	58.07%
Cash on Hand			41.93%

Portfolio Exposure





Cadence News

AGM Presentation Webcast

The webcast of the AGM presentation has been sent out to Investors and can be found in the 'News and Views' section of our website at www.cadencecapital.com.au. The presentation firstly gives an update on the fund's performance before updating investors on dividends and franking. This is then followed with an update of the markets and then finishes with the question and answer session.

Other News

We would like to once again recommend that you visit the 'News and Views' section of our website at www.cadencecapital.com.au as all past company webcasts, interviews and press articles involving Cadence can be found here.

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