



### Watershed International Share Portfolio

#### Investment Profile

A Professionally Managed Portfolio of International Shares

The Watershed International Share Portfolio is a separately managed account, or SMA, actively managed by Watershed Funds Management. SMAs are professionally managed portfolios of direct shares whereby the investor receives beneficial ownership of the underlying securities.

#### Investment Objective

The objective of the Watershed International Share Portfolio is to provide attractive investment returns over the medium and long-term while reducing the risk of permanent capital loss. The Portfolio consists of investments in high-quality global businesses whose shares are listed on major global stock exchanges. The Portfolio aims to outperform the MSCI World Index (excluding Australia) over a rolling three-year period by 2 - 3% per annum.

Key Portfolio Features	
<b>Inception</b>	4 January 2010
<b>Benchmark</b>	World Index (ex Aus)
<b>Authorised Investments</b>	Medium to Large Cap Listed International Shares
<b>Number of Stocks</b>	15-25
<b>Cash Allocation</b>	0-20%
<b>Management Fee</b>	0.66% (inc GST)
<b>Tracking Error</b>	5% to 11% per annum
<b>Investment Horizon</b>	At least 5 years

#### The Portfolio is designed for investors who...

- Seek long term capital growth & portfolio diversification
- Have a longer-term investment horizon of at least five years and accept the risk of price fluctuations.

#### Performance

Net Performance (%)	1m	3m	6m	1yr	3yr	5yr	7yr	10yr	Inception*
WFM International Share in A\$	1.44%	-0.09%	12.27%	22.06%	10.97%	13.77%	13.78%	14.31%	14.91%
MSCI World Index (ex Aus) in A\$	2.02%	1.67%	14.62%	21.69%	12.29%	13.80%	12.50%	12.99%	12.37%
Relative Performance in A\$	<b>-0.59%</b>	<b>-1.77%</b>	<b>-2.35%</b>	<b>0.36%</b>	<b>-1.32%</b>	<b>-0.04%</b>	<b>1.28%</b>	<b>1.31%</b>	<b>2.54%</b>

\*Inception since January 2010

**Performance Fee Disclosure** The table above sets out the investment performance returns (AFTER investment management fees, but BEFORE administration fees and taxes) for the portfolio. The performance returns have been calculated on a daily basis taking into account brokerage costs, and are accumulated for the period shown. Returns are shown as annualised if the period is over 1 year, or as total returns otherwise.

#### Portfolio Structure

No.	Company Name	NYSE Code
1	Microsoft	MSFT
2	Amazon	AMZN
3	JPMorgan Chase	JPM
4	Berkshire Hathaway	BRK-B
5	CostCo	COST

Sector Allocation	
<b>Financial</b>	27.04%
<b>Technology</b>	26.89%
<b>Industrial Goods</b>	1.18%
<b>Healthcare</b>	3.98%
<b>Consumer Discretionary</b>	13.45%
<b>Consumer Staples</b>	7.44%
<b>Cash</b>	20.02%
<b>TOTAL</b>	100.0%

