Monthly NTA Statement

April 2017

Ellerston Asian
Investments Limited
ACN 606 683 729

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9th May 2017

Company Announcements Office
ASX Limited
Level 4, Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Ellerston Asian Investments Limited (**ASX: EAI**) advises the unaudited Net Tangible Asset backing (**NTA**) per share of the company as at 30 April 2017:

NTA per share	30 April 2017
NTA before tax	$1.0350
NTA after tax	$1.0261

The NTA is based on fully paid share capital of 113,703,182

The difference between the NTA before tax and the NTA after tax relates to the provision for deferred tax on set-up costs and tax on unrealised capital gains from the Company's Investment Portfolio.

On September 13 2016, EAI announced an on-market buy-back of up to 10% of its shares, commencing September 27 2016 and continuing for twelve months.

As at 30 April 2017, a total of 6,296,819 shares had been bought back.

The company's gross performance before tax for the month of April was 4.10%

Ian Kelly
Company Secretary

Important Note

Should investors have any questions or queries regarding the company, please contact our Investor Relations team on 02 9021 7797. All holding enquiries should be directed to our share registrar, Link Market Services on 1300 551 627 or EAI@linkmarketservices.com.au.

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Ellerston Asian Investments

Investment Update – April 2017

Commentary

EAI was up 4% during April on a gross basis and the pre-tax NTA increased from $0.9952 to $1.0350. The pre-tax NTA is now up approximately 8% over 2 months. Asian markets performed well during April in local currency terms and the Australian Dollar (AUD) also weakened against the USD, providing an additional boost to the NTA. We continued to buy back shares during the month.

The top contributors to absolute performance in April were Tencent and Samsung Electronics. These are two of our largest positions and both stocks are at or near all-time highs. Despite this strong performance, we continue to hold both stocks. Tencent is expected to post revenue growth of almost 40% and EPS growth of 27% this year. Samsung is expected to have exceptionally high growth in 2017 on account of the Galaxy S8 launch and continued strength in memory and display. The stock remains inexpensive at less than 9x PE and the company has multiple capital management initiatives (share buy back, cancellation of Treasury shares, rising dividend) which provide downside support.

The largest contributor to alpha during April was Prada. Prada is a global luxury stock that is listed in Hong Kong given the importance of Chinese consumers to Prada's growth and profitability. We bought Prada in late 2016 on the thesis of an improving luxury environment globally, self-help efforts by Prada management to revamp its collections and close underperforming stores and M&A. The stock is up (in AUD terms) approximately 33% since we bought in late 2016 and was up 14% in April.

From a country perspective, we continue to be overweight India and underweight Korea and Taiwan. We have added some exposure in Indonesia since the beginning of the year.

From a sector perspective, we now have stocks in all sectors. This higher level of diversification has helped performance and reduced volatility of returns. We remain overweight financials.

Cash levels are at less than 10% and FX remains hedged to the benchmark for all currencies with a weight of greater than 10%.

Key Information

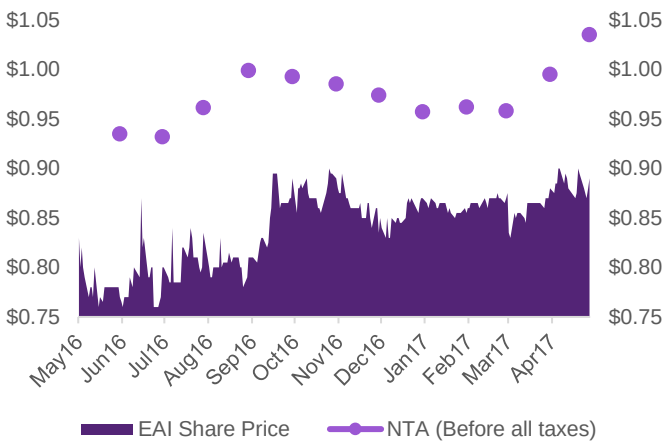
ASX Code: Shares	EAI
Listing date	15 September 2015
Share price at 28/4/2017	$0.89
NTA (before tax)	$1.04
NTA (after tax)	$1.03
EAI Market Capitalisation	$101.2m
ASX Code: Options	EAIO
Option price	$0.021
Exercise price	$1.00
Avg Management Fee	0.84% pa
Performance Fee	15%

Performance

Metric	EAI Gross	EAI Net *	Index
1 Month	4.1%	4.0%	4.2%
3 Months	7.9%	7.6%	10.4%
6 Months	5.7%	5.0%	11.5%
1 Year	17.4%	16.0%	20.7%
ITD	8.7%	6.6%	15.5%

*Before all taxes and after fees. Includes the effects of the share buyback.

EAI Share Price Vs NTA (Before all taxes)



Top 10 Holdings	%
SAMSUNG ELECTRONICS CO LTD	5.6
TSMC	5.2
TENCENT HOLDINGS LTD	5.0
HONG KONG EXCHANGES AND CLEARING	4.8
PING AN INSURANCE GROUP	4.0
AIA GROUP LTD	3.3
LARSEN AN TOUBRO LTD	3.2
LARGAN PRECISION CO LTW	3.2
CHINA PETROLEUM AND CHEMICAL	3.1
INDUSIND BANK LTD	2.9

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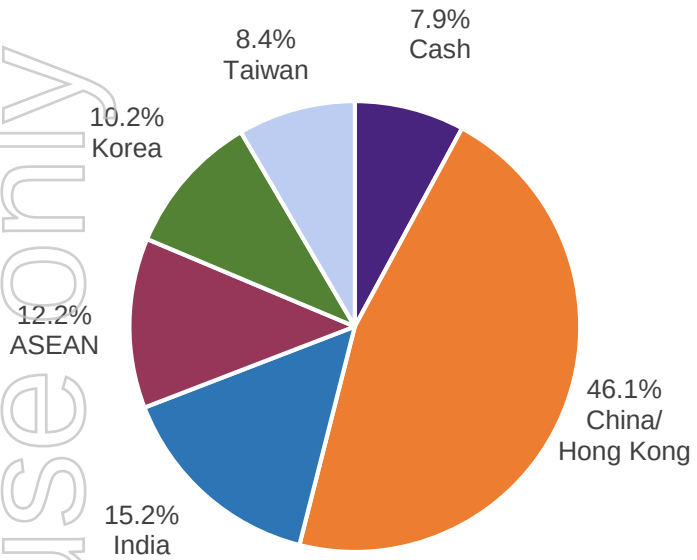
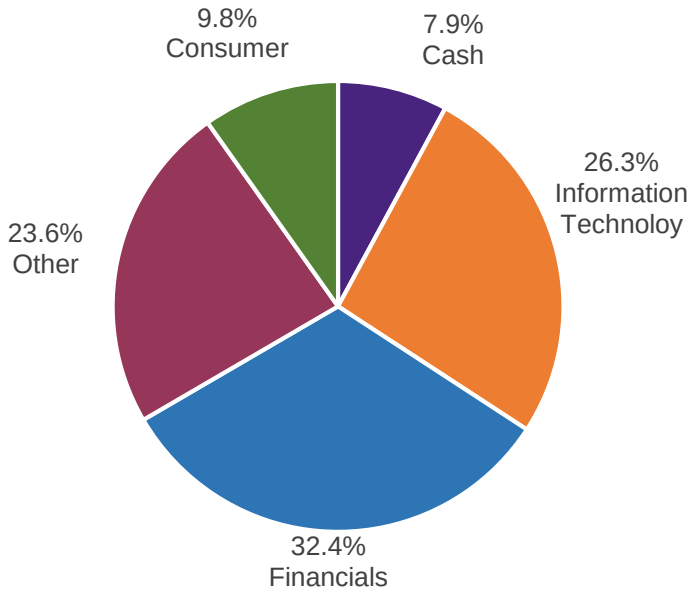
Geographical Exposure



Sector Allocation



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