



# LIC Premiums/Discounts to NTA

## 30 April, 2007

### What do NTAs mean for investors?

The value of the underlying investment portfolio held in an LIC on a per share basis is referred to as its Net Tangible Assets (NTA). The on-market price of an LIC relates to its NTA, but ultimately supply and demand may cause it to differ from the true value of the underlying portfolio. LICs, may therefore trade at a discount, premium or at par to its NTA.

However, investors need to be aware that on-market prices may differ from the NTA for a variety of reasons including current market sentiment, the past performance of the LIC and the future expectations for the fund. Also the amount of cash each LIC holds in its investment portfolio may affect the premium or discount to NTA and dilute performance returns.

		Size (\$mil)	Last	Pre-Tax	Prem/Disc%	Post-Tax	Prem/Disc%
		Mkt Cap	Price (\$)	NTA (\$)	Pre-tax NTA	NTA (\$)	Post Tax NTA
<b>Australian Shares</b>							
ALR	Aberdeen Leaders	109	1.92	2.03	-5.42	1.78	7.87
AMH	Amcil	115	0.69	0.78	-12.18	0.76	-9.87
ARG	Argo Investments	4415	8.00	8.07	-0.87	6.81	17.47
AFI	Australian Foundation	5384	5.61	5.80	-3.28	4.81	16.63
AOD**	Aurora Sandringham	56	9.78	9.79	-0.07	9.79	-0.07
ABW**	Aurora Buy Write Fund	18	11.56	12.10	-4.47	12.10	-4.47
AUI	Australian United Investment	707	8.26	9.09	-9.13	7.33	12.69
BKI	Brickworks Investment	302	1.44	1.71	-15.74	1.51	-4.82
CIN	Carlton Investments	560	21.10	24.58	-14.16	20.85	1.20
CYA	Century Australia	240	1.32	1.47	-10.54	1.37	-4.01
CHO	Choiseul Investments	499	6.12	6.65	-7.97	5.35	14.39
CAM	Clime Capital	49	1.31	1.38	-5.43	1.26	3.57
CTN	Contango MicroCap	134	1.80	1.95	-7.69	1.74	3.21
DJW	Djerriwarrh Investments	962	4.77	5.11	-6.65	4.53	5.30
DUI	Diversified United Investments	391	3.80	4.03	-5.71	3.31	14.80
ELI	Emerging Leaders Investments	39	1.09	1.36	-19.85	1.25	-12.80
FAT	Fat Prophets Australia	33	1.01	1.36	-26.00	1.34	-24.67
HIC	Huntley Investment	133	0.93	1.07	-13.36	0.95	-1.65
HIP	Hyperion Flagship Investments	34	2.00	2.12	-5.66	1.90	5.26
IBC	Ironbark Capital	81	0.62	0.70	-11.51	0.66	-7.38
MLT	Milton Corporation	1870	23.48	22.95	2.31	19.13	22.74
MIR	Mirrabooka Investments	248	2.12	2.47	-14.17	2.11	0.47
MMA	MMC Contrarian	256	1.00	1.03	-2.91	1.00	-0.40
PRV	Premium Investors	246	1.16	1.29	-10.36	1.23	-6.00
SYL	Sylvastate	65	5.60	6.11	-8.35	5.48	2.19
VTP	Van Eyk Three Pillars	103	1.29	1.51	-14.57	1.36	-5.15
WAB	Wallace Absolute Return	90	1.13	1.14	-1.31	1.12	0.38
WAM	WAM Capital	163	1.90	1.93	-1.81	1.78	6.46
WHF	Whitefield	286	4.74	5.35	-11.40	4.72	0.42
WIL	Wilson Investment Fund	137	1.15	1.38	-16.87	1.27	-9.68
WLS	Wilson Leaders	71	1.17	1.38	-15.76	1.30	-10.29
<b>International Shares</b>							
AGF	AMP Capital China Growth	330	1.18	1.35	-12.59	1.35	-12.59
BEL	Bentley International	16	0.40	0.50	-20.45	0.50	-20.45
GFL	Global Masters Fund	14	0.91	1.04	-12.58	1.03	-11.39
HHV	Hunter Hall Global Value	357	1.03	1.23	-16.27	1.17	-11.66
MFF	Magellan Flagship Fund	363	0.96	1.00	-4.00	1.00	-4.00
PET	Peters Macgregor Investments	26	0.98	1.16	-15.19	1.16	-15.19
PMC	Platinum Capital	264	2.13	1.68	26.63	1.62	31.34
TGG	Templeton Global Growth	217	1.51	1.55	-2.58	1.48	2.03
<b>Private Equity</b>							
CFI	Colonial Private Equity	107	0.79	0.82	-3.66	0.82	n/a
IPE	ING Private Equity Access	42	0.99	1.32	-25.38	1.21	-18.60
MPG	Macquarie Private Capital	96	0.89	1.06	-16.75	1.05	-15.95
SOE	Souls Private Equity	154	0.26	0.28	-7.14	0.28	-7.14
<b>Specialist</b>							
AYTCA	Adelaide Managed Funds	101	1.01	0.96	4.77	0.96	4.77
GMI	Global Mining Investments	236	1.50	1.88	-20.21	1.62	-7.41
IWI	International Wine Invest	37	1.61	1.78	-9.83	1.60	0.31
LRF**	LinQ Resources Fund	273	1.17	1.43	-18.53	1.43	-18.53
<b>Absolute Return Funds</b>							
AYF	Australian Enhanced Income	28	10.00	9.96	0.43	9.96	0.43
CDM	Cadence Capital	32	1.20	1.33	-9.88	1.25	-4.17
EBI	Everest Babcock & Brown Alt.	225	3.61	4.50	-19.78	4.50	-19.78
GLC	GoldLink GrowthPlus	11	0.35	0.60	-41.37	0.60	-41.37
GLI	GoldLink IncomePlus	52	0.41	-	n/a	-	n/a
HAP	HFA Accelerator Plus	209	1.12	1.43	-21.68	1.34	-16.29
HHY	Hastings High Yield Fund	180	2.02	1.91	5.76	1.91	5.76
KAT	Katana Capital	33	1.04	1.15	-9.88	1.09	-4.85
MWG	Macquarie Winton Global	58	0.92	1.00	-8.60	1.00	-8.60
TJN	Trojan Equity	51	1.16	1.37	-15.57	1.30	-10.63
VBP	van Eyk Blueprint Alternatives	37	10.18	10.17	0.05	10.17	0.05
<b>Sector Average</b>					-9.25		-1.54
<b>Weighted Sector Average*</b>					-4.65		10.69

\*Weighted average takes into account the size of each LIC, rather than treating them equally. Note: Absolute Return Fund premium/discounts to NTA are not included in this calculation.

\*\*As these entities employ a unit trust structure, current and deferred income tax is not brought to account in calculating their NTA. To make an after tax comparison of NTA between a company structure and a unit trust, the impact of tax needs to be taken into account. ASX recommends that appropriate advice be sought in this regard from an accredited adviser