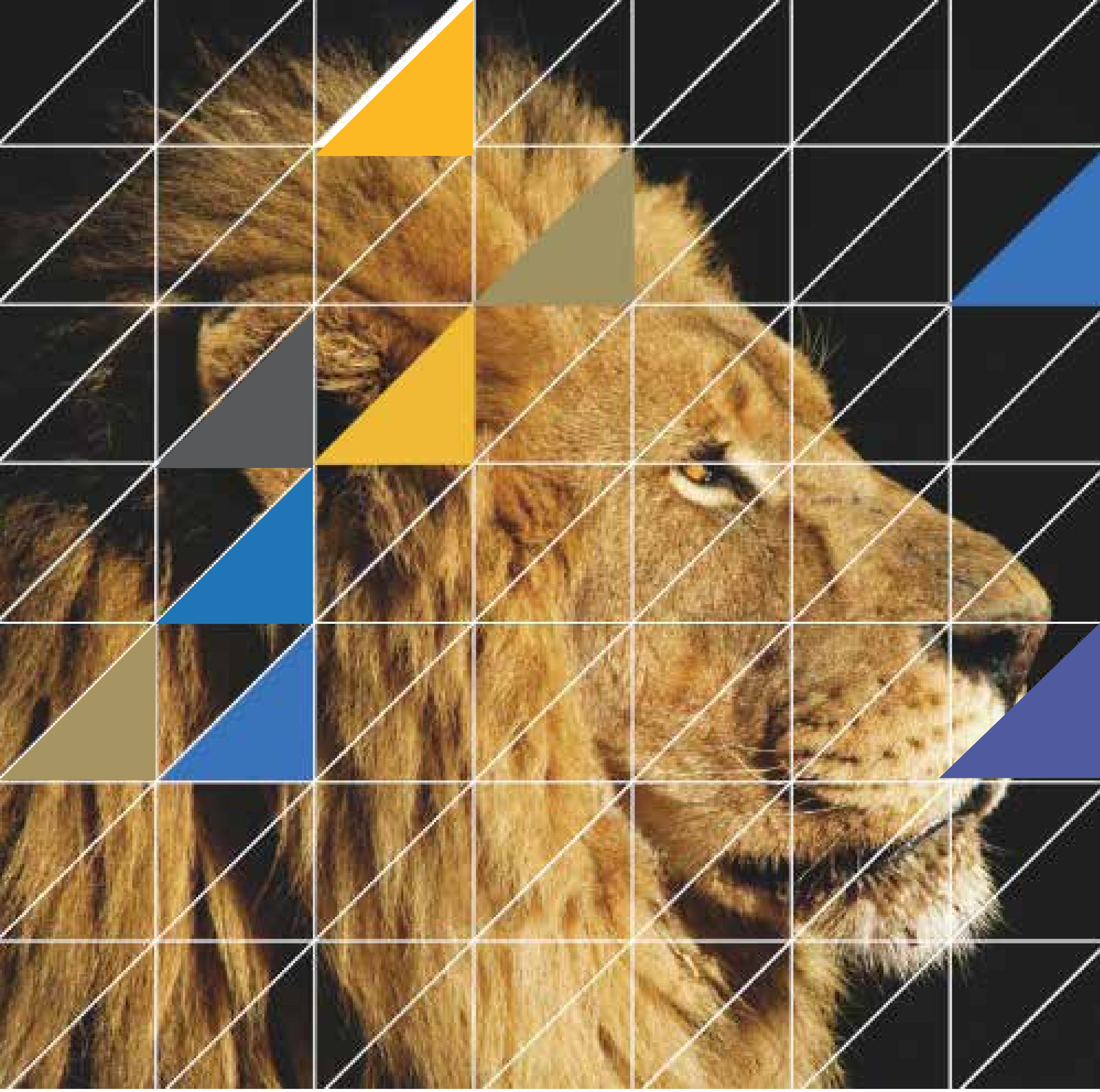

QUARTERLY REPORT

SEPTEMBER 2015

PM CAPITAL Global Companies Fund
ARSN 092 434 618, APIR Code PMC0100AU

PM CAPITAL Asian Companies Fund
ARSN 130 588 439, APIR Code PMC0002AU

PM CAPITAL Australian Companies Fund
ARSN 092 434 467, APIR Code PMC0101AU

PM CAPITAL Enhanced Yield Fund
ARSN 099 581 558, APIR Code: PMC0103AU

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Zenith / Professional Planner

International Equities (Alternative Strategies) Fund of the Year 2015

PM CAPITAL Global Companies Fund

PM CAPITAL was honoured to receive this year's Zenith/Professional Planner International Equities (Alternative Strategies) Fund Award for 2015.

We were also delighted to be awarded the Australian Fund Manager Foundation Global Equity Manager of the Year for 2015.

While we do not strive for external accolades, the recognition of the strength of our investment philosophy and process through difficult financial markets over the last few years, is appreciated.

Thank you to the financial advisers that continue to recommend PM CAPITAL to their clients, we greatly appreciate your support.

Fund Overview

Fund Description						
Fund	**Asset Class**	**Inception Date**	**Suggested Time frame**	**Fund FUM**	**Total Return Since Inception***	
Global Companies	Global Equities	28 October 1998	7 Years +	$296 million	**Fund** **326.8%**	MSCI AC World Net (AUD) 83.3%
Asian Companies	Asian Equities (ex Japan)	1 July 2008	7 Years +	$15 million	**Fund** **214.6%**	MSCI AC Asia ex Japan Net (AUD) 62.8%
Australian Companies	Australian Equities	20 January 2000	7 Years +	$33 million	**Fund** **387.0%**	S&P/ASX Accum. 200 211.6%
Enhanced Yield	Yield Securities	1 March 2002	2 Years +	$381 million	**Fund** **127.2%**	RBA Cash Rate 84.2%

* Past performance is not a reliable indicator of future performance. See page 8 for Important Information. Detailed performance figures for other periods can be found on pages 4, 5, 6, and 7 for each Fund within this report.

Quarterly Market Overview Video

Click the above photo or visit our website for the September 2015 Quarterly Report Investment Overview video by Paul Moore (05:09 mins).

Paul Moore,
Chief Investment Officer

Global Companies Fund

Investment Performance*	Inception Date	Exit Price	3 Months	6 Months	1 Year	3 Years pa	5 Years pa	Since Inception pa	Total Return
Global Companies Fund	**10/1998**	**2.3454**	**-1.6%**	**1.8%**	**22.8%**	**30.9%**	**18.1%**	**9.0%**	**326.8%**
MSCI World Net Total Return Index (AUD)			0.2%	-0.1%	18.3%	23.8%	15.5%	3.6%	83.3%

Portfolio's Invested Position	
Long Exposure	115.9%
Short Exposure	-11.8%
Net Equity Exposure	**104.1%**
Debt Securities	11.2%
Cash	-15.3%
Total Exposure	**100.00%**

Long Equity Composition (sector and stock examples)	
Financials - Lloyds Bank, Barclays, Bank of America	36.7%
Services - Google Inc, CME Group Inc	24.8%
Property - Realogy, Howard Hughes, MDC Holdings	18.0%
Beverages - Heineken Holdings, Anheuser-Busch Inbev	10.7%
Diversified Financials - ING Groep	9.6%
Technology - Oracle	4.2%
Gaming- SJM Holding Ltd	3.4%
Other - PM Capital Asian Companies Fund Ltd	8.5%
Total Long Equity Exposure	**115.9%**

The performance this quarter was negatively impacted by the repercussions across the global equity markets from the slowing Chinese economy, including our recently acquired positions in Macau gaming and Spanish regional banking franchises. However, performance was assisted by the continued depreciation in the Australian Dollar (AUD) and the share price appreciation in Google.

The quarter was a tale of two halves. Prior to the Chinese central bank introducing measures to try and alleviate their slowing economy by announcing a widening of their currency band, effectively depreciating their currency and cutting their interest rates on the 17th of August, the global equity markets were at their highs. Post China's somewhat panicked devaluation (the largest yuan depreciation in two decades), global equity market volatility has increased to a five year high and the Chinese equity market is down 40% from its 2015 peak. At the recent G-20 meeting the Japanese Finance minister Taro Aso said that Zhou Xiaochuan, governor of Chinese central bank, inferred that the bubble in his country had "burst".

Regular readers would be aware that we have had a negative view on the China economy and commodities for many years now, as most recently stated in our June 2015 quarterly report, "Near term volatility in commodities could increase as they have fallen significantly within a short time period, but unless something changes on the supply side we will continue to remain out of the sector, as we have been for the last four years and for the foreseeable future".

During the quarter the US Federal Reserve continued to indicate that they would be raising interest rates by the end of 2015, which is in stark contrast to the actions of other international central banks. The below quotes from the two leading world central bankers sum up their positions best and were delivered one day apart.

"I anticipate that it will likely be appropriate to raise the target range for the federal funds rate sometime later this year and to continue boosting short term rates at a gradual pace thereafter as the labour market improves further and inflation moves back to our 2% objective", said Yellen

"The asset purchase program has sufficient inbuilt flexibility. We will adjust its size, composition and duration as appropriate, if more monetary policy impulse should be necessary… Should some downward risks weaken the inflation outlook over the medium term more fundamentally than we project at present, we would not hesitate to act", said Draghi

As can be gleaned from these comments and the additional recent Chinese actions, you have a divergent world with the United States on a path to normalisation of interest rates and the rest of the world continuing their easy money policies, thus creating uncertainty and increased volatility especially in currency markets. We continue to maintain currency exposures that are predominately in US Dollars. During the quarter we took advantage of the weakening Australian Dollar to convert the previous 6.6% British Pound position back into Australian Dollars.

We saw further proposed consolidation in the global brewing industry this quarter with the world's largest brewer Anheuser Busch Inbev (ABI) informing SABMiller (SAB) that it intends to make a proposal to acquire SABMiller. While the structure of a recommended transaction is unknown, it is likely that Altria (27% owner of SAB) and the Santo Domingo family (13% owner) would for tax purposes prefer shares for their ownership stake. However, to be attractive to other shareholders and to comply with UK takeover panel rules, which insist on shareholders being treated equally, any proposal would likely have to be a mix of cash and shares, or a full paper offer with a buy-back after. ABI has significant debt capacity at current interest rates. ABI should be able to fund the transaction at an average 4% interest coupon, which along with cost synergies should result in a deal that is highly accretive to ABI earnings.

Barclays one of our financial positions replaced their Chief Executive Officer (CEO) following a disagreement with the board on the scale of the bank's cost cutting and speed of implementation. John McFarlane who had previously been Barclays chairman since January 2015 will assume the executive roles until a new chief executive is appointed.

We have a high regard for Mr McFarlane since his days as CEO of ANZ, where he turned around its financial performance following the Asian crisis and we have little doubt he will be able to do the same at Barclay over the longer term. He has an owner operator ethos and believes in maintaining low cost to income operations and returning excess capital to shareholders. It was pleasing to see that his first cost cutting measure was not to renew Barclay's sponsorship of the Premier League. With Barclays trading at 0.75x Book Value and a current year PE of 8x we believe the valuation is undemanding and continue to hold this business even though near term it could be buffeted due to sentiment related to its commodity advisory business.

In summary, we continue to believe that owning a share of a business is more compelling than cash even though volatility in markets may continue near term, thus entering a stage in the equity market that is best suited to selective stock picking instead of broader market exposure.

Ashley Pittard, Global Portfolio Manager

* Past performance is not a reliable indicator of future performance.
See page 8 for Important Information.

Asian Companies Fund

Investment Performance*	Inception Date	Exit Price	3 Months	6 Months	1 Year	3 Years pa	5 Years pa	Since Inception pa	Total Return
Asian Companies Fund	**07/2008**	**1.6178**	**-6.0%**	**-4.1%**	**6.5%**	**19.3%**	**10.9%**	**17.1%**	**214.6%**
MSCI AC Asia ex Japan Net Total Return Index (AUD)			-9.2%	-9.2%	9.2%	13.9%	7.1%	7.0%	62.8%

Long Equity Composition (sector and stock examples)	
Gaming - Donaco International, MGM China	19.6%
Consumer - Carlsberg Malaysia, Guinness Anchor	17.4%
Internet - Baidu, 51Job Inc., Zhaopin Ltd	17.0%
Technology- PAX Global	6.9%
Infrastructure - Sinopec Kantons Holdings	6.4%
Financials - HSBC	5.7%
Healthcare - Mindray Medical	3.7%
Commodities - Turquoise Hill Resources	3.6%
Other	1.2%
Cash	18.5%
Total Exposure	**100.0%**

Regional equity markets experienced their biggest quarterly declines since the September quarter of 2011. With China remaining the dominant focused of investors' attention the continued deterioration in economic indicators during the quarter as well as a sharp correction of the A-Share market set the foundation for the significant sell off. Consistent weakness in China's economic data points, such as the PMI Index, suggest the Government's efforts to stimulate the economy have yet to yield results and this reality has slowly eroded the initial optimism these measures received from investors when announced. Secondly the unconventional measures used by the Chinese Government to halt the sharp declines in the local A-Share market coupled with the People's Bank of China's (PBOC) unexpected decision to allow the Yuan to depreciate in August led investors to question the severity of China's economic slowdown and its wider implications.

Broadly speaking the Fund's holdings were unable to avoid the wider sell off in the short term, despite many displaying very solid long term fundamentals. Fund performance however, did benefit in a relative sense given the limited exposure to sectors directly linked to an economic slowdown in China, particularly commodities and financials. Performance was also buffered by our significant cash holdings, the invested position stood at 62% at the beginning of the quarter. Key detractors to performance included Turquoise Hill Resources which sold off with the decline in the copper prices as well as Sinopec Kantons despite their announcement of a very solid first half result.

Positive contributors to performance included iProperty Group, Lotte Confectionary and recently added PAX Global. The stand out performer was iProperty Group which advanced after REA Group increased their shareholding from 19.8% to 22.7%, this led to an increased focus on the long term ownership structure of the iProperty Group assets. The company's strong performance continued into the current quarter after management announced another strong quarterly cash flow result for September (+67% y/y) and the acquisition of Prakard.com in Thailand which solidifies the Group's leadership in that market. The Fund also continued to benefit from exposure to the US and HK Dollars as weak economic data in China led to another sharp correction in the Australian Dollar.

While policy moves such as Reserve Rate Requirement cuts and the Yuan depreciation are undoubtedly welcome, in isolation they are unlikely to solve China's problems. The central problem China faces is that it can no longer rely on the same tried and true method of simulating their economy i.e. large scale fixed asset investment. Six years on from the Global Financial Crisis, China, sits in a vastly different position to what it did in 2009. Structurally the domestic banking system is no longer in a position to aggressively extend credit to support a major stimulus program. In today's environment Chinese banks are also more focused on dealing with a non-performing loans cycle generated by the last lending binge than new lending. Secondly demand is soft, both in the manufacturing sector and the property market. The corporate sector is markedly more leveraged than it was five years ago and excess capacity across numerous manufacturing sectors has resulted in significant PPI deflation. Further capital expenditure will only exasperate this situation and drive returns lower. In the residential property market, despite rolling twelve month residential starts declining around 15% in 2015, inventories continue to rise. New starts are currently 85% higher than levels prior to the financial crisis and need to decline further to allow inventory levels to be absorbed.

Despite concerns around China short term we maintain a bullish long term view on the region. We are undoubtedly witnessing the arrival of the consumer across the region; however this economic migration is going to be a multi-decade transition which will undoubtedly have teething problems along the way as economic transformation is never easy. This transition presents a tremendous opportunity for investors, but a long term approach is vital to success. The heightened level of volatility in markets today creates an ideal environment for us and our bottom up fundamental research approach to uncover new opportunities. Rather than looking at Asia as one homogenous region we view it as a group of unique and disparate economic jurisdictions and continue to look for individual business and sectors that are benefiting from positive structural change. Consequently over the quarter we took the opportunity to increase a number of our existing positions and also initiated positions in Las Vegas Sands (Gaming) and PAX Global (Global payment business) taking the invested position from 62% to 82%.

Kevin Bertoli, *Asian Portfolio Manager*

* Past performance is not a reliable indicator of future performance. See page 8 for Important Information.

Australian Companies Fund

Investment Performance*	Inception Date	Exit Price	3 Months	6 Months	1 Year	3 Years pa	5 Years pa	Since Inception pa	Total Return
Australian Companies Fund	**01/2000**	**1.6844**	**-4.2%**	**-5.2%**	**6.9%**	**15.1%**	**10.3%**	**10.6%**	**387.0%**
S&P / ASX 200 Accum. Index			-6.6%	-12.7%	-0.7%	9.4%	6.5%	7.5%	211.6%

Portfolio's Invested Position	
Long Exposure	97.8%
Short Exposure	0.0%
Net Equity Exposure	**97.8%**
Debt Securities	18.6%
Cash	-16.4%
Total Exposure	**100.00%**

Long Equity Composition (sector and stock examples)	
Banks - ANZ, NAB, Lloyds, Bank of Ireland	36.7%
Property - Asia Pacific Data Centre	19.9%
Media - PMP Limited	9.1%
Gaming - Donaco International, SJM Holdings	8.7%
Technology - NEXTDC	7.8%
Insurance - QBE Insurance	5.0%
Consumer - JB Hi-Fi	4.0%
Other - Intercontinental Exchange Inc	6.6%
Total Long Equity Exposure	**97.8%**

The first quarter of FY16 was another tough quarter for the Australian share market. The macro uncertainty that resulted in a negative performance in the previous quarter continued and the S&P/ ASX 200 Accumulation Index fell 6.6%. The key area of focus remains centred around developments in China and the rate of slowdown in the Chinese economy. My colleague Kevin Bertoli has made several interesting observations in his latest quarterly update for the Asian Companies Fund in regards to this. The key takeaway for the domestic market is the expectation that volatility may well remain higher in the near term.

Domestic market volatility as measured by the VIX Index[1], increased to a 3 year high peaking at 28% in August vs an average of ~16% over the last 3 years. The last time the VIX Index was at similar levels was in July 2011. In that quarter, the S&P/ ASX 200 Accumulation Index fell 11.6%. The rise in volatility was a global phenomenon with the VIX Index in US and Europe also rising similarly.

Looking at the Australian market and economy, our views have not changed. We continue to see a slowdown in growth in the economy. However, the pace of this slow down remains steady as the structural factors that drove the economy over last 10 years, namely resources and energy related capex spending, roll off. We believe this structural change is well understood and will continue to mean that the growth rates in the domestic economy will be lower than previous years. We believe the rise in equity market volatility over the last quarter is a symptom of poor global sentiment rather than a precursor to a potential collapse in the domestic economy.

In the current low growth environment, there is now an even greater emphasis for investors to look through stock market volatility and focus on underlying industry structures and stock fundamentals to find investment opportunities.

We continue to see resources and energy stocks as challenged despite the 24% fall in energy and 10% fall in mining stocks over the last quarter. There has been no top down change in supply-demand dynamics. We believe volume growth has peaked and there is no new incremental demand from China. Consequently, as a result of the significant supply growth over previous years, we see no reason for commodity and energy prices to rise above current spot levels. In fact, we believe the risk is more on the downside rather than up. Even after assuming marginally higher commodity prices than current spot levels, BHP and RIO are trading on 20x+ forward earnings, which still puts them at the high end of their historic valuation range. Therefore, we continue to believe that resources and energy sectors remain too expensive to begin investing in.

On the other hand, domestic bank stocks fell 8 – 15% during the quarter. This share price fall was accompanied by consensus EPS reductions because the major banks (excluding Westpac) undertook capital raisings to meet the higher risk weighted asset guidelines set by APRA. The combination of lower share prices and lower EPS estimates has meant that bank valuations have reduced between 10 – 20% over the quarter and on a relative basis the domestic banks have become a more attractive proposition. The key risk for banks is the potential for deterioration in credit costs in the current anaemic macro environment. Although this risk is not insignificant, we believe the banks are in a position to pass through higher credit costs to customers via higher interest rates. This would enable the domestic banks to support their high dividend payout ratios in a low credit growth environment whilst remaining well capitalised. Correspondingly, we increased our position in the domestic banks over the last quarter.

Looking outside these two major sectors, Industrial stocks have had a poor earnings season with consensus downgrades outpacing upgrades. This has resulted in industrial stocks falling in a similar manner to the banks. On a relative basis, valuations in Industrials, Healthcare, Media and Consumer space are becoming more attractive. We believe investment opportunities in these segments are beginning to emerge.

We expect macro rather than stock specific factors to continue to drive market returns in the near term. This means that patience will likely be rewarded as we can benefit from the market not recognising positive stock specific factors which may provide buying opportunities. However this also requires courage to stomach near term volatility. Our focus remains on looking past the near term uncertainty to identify long term investments for our investors.

Uday Cheruvu, *Australian Portfolio Manager*

* Past performance is not a reliable indicator of future performance. See page 8 for Important Information. [1] Real-time volatility index that provides understanding into investor sentiment. For more information on VIX Index, see www.asx.com.au

Enhanced Yield Fund

Investment Performance*	Inception Date	Exit Price	3 Months	6 Months	1 Year	3 Years pa	5 Years pa	Since Inception pa	Total Return
Enhanced Yield Fund	**03/2002**	**1.1004**	**-0.7%**	**-0.2%**	**1.2%**	**3.9%**	**4.6%**	**6.2%**	**127.2%**
RBA Cash Rate			0.5%	1.0%	2.3%	2.6%	3.3%	4.6%	84.2%

Yield Security Maturity Profile	
0-1 year	52.6%
1-2 years	13.3%
2-3 years	2.9%
3-4 years	4.5%
4 years +	26.7%

Duration	
Interest Rate	0.15 Years^
Average Term to Maturity	2.76 Years^

Regional Allocation	
Australia	77.4%
UK	11.7%
Europe	4.9%
US	4.3%
Asia	1.7%

		Av Yield	Av Spread to RBA
Cash	43.2%	2.53%^	0.53%^
Corporate Bonds	35.5%	4.94%^	2.94%^
Fixed	0%		
Floating	100%		
Hybrids	17.9%	5.45%^	3.45%^
Fixed	0%		
Floating	100%		
Equity Income Strategies	3.4%		
Total Exposure			

^ These numbers are an estimate and are provided as a guide only.

Asset markets in general weakened considerably from July to September, and credit markets were no exception. Whilst the Funds large cash balance did afford us considerable protection, the portfolio was not totally immune to the sharp moves, and thus posted a small negative return.

Over the near to medium term however, we genuinely believe that this re-pricing of credit risk goes some way towards creating the attractive valuation environment that we have been looking for, where we can deploy some of the substantial cash balance that we have been patiently sitting on.

In terms of market drivers over the quarter, China and the US took centre stage. Successive rate cuts by the Chinese central bank signalled to the world that China may indeed be further down the well than many had thought, and that they are now being forced to use numerous forms of stimulatory policy to get onto a firmer economic footing.

In the face of this, The US Federal Reserve signalled that it expects to raise interest rates by early 2016 at the latest, and the market has started to show some concern with regard to the impact that higher US rates may have on a slowing global growth backdrop.

Locally, the RBA left the cash rate on hold at it's all time low of 2%. Whilst the commodity sector continues to struggle, other parts of the economy (such as housing and other non-commodity related export sectors) have been buoyed by lower rates and the lower Australian dollar. Hence we think that the decision as to whether or not to cut rates further in Australia is now more finely balanced.

Portfolio Activity

Early in the quarter we sold down a number of our property exposures after their spreads had contracted materially from where we purchased them. Later in the quarter, this capital was recycled into opportunities that were created by the sharp move wider in spreads. The positioning changes are outlined in the table below:

Sold the last of Bunnings	Senior secured debt	8 year	0.5% at ~Bills +170bp
Sold Deutsche Annington	Senior debt	2 year	1.5% at ~Bills +175bp
Sold Mirvac	Senior debt	1 year	1% at ~Bills +100bp
Bought 1% Crown	Sub debt	3 year	~ Bills +475bp
Bought 1% CBA	Sub debt (EUR)	6.5 year	~ Bills +360bp
Bought 0.5% ANZ	Hybrid	1 year	~ Bills +375bp

Outlook

We expect the volatility in capital markets to continue in the coming months, as the long awaited start to the cycle of higher interest rates in the US becomes a reality, and the ability of Chinese policy makers to address the imbalances within their economy is tested further.

The fund is in an excellent position in that it has considerable further capital available to take advantage of the weakening environment for credit spreads, and we expect to further invest this capital in the months ahead. The fund is also well positioned for the imminent rise in US interest rates.

One thing that I would reiterate to all investors is that returns do not come in a straight line. Thus, in an environment such as the current one, expect to see monthly returns move around more than usual. Longer term however, we think that we will look back on the current environment as an excellent opportunity to invest capital in yield assets, and are confident that the fund will comfortably meet its return objectives over the medium to longer term.

Jarod Dawson, *Yield Portfolio Manager*

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IMPORTANT INFORMATION

This Quarterly Report is issued by PM CAPITAL Limited (ABN 69 083 644 731, AFSL No. 230222) as responsible entity for the:
PM CAPITAL Global Companies Fund (ARSN 092 434 618),
PM CAPITAL Asian Companies Fund (ARSN 130 588 439),
PM CAPITAL Australian Companies Fund (ARSN 092 434 467), and
PM CAPITAL Enhanced Yield Fund (ARSN 099 581 558)
the 'Fund', or collectively the 'Funds' as the context requires.

The Quarterly Report contains summary information only to provide an insight into how and why we make our investment decisions. This information is subject to change without notice, and does not constitute advice or a recommendation (including on any specific security or other investment position mentioned herein).

The Quarterly Report does not take into account the objectives, financial situation or needs of any investor which should be considered before investing. Investors should consider a copy of the current Product Disclosure Statement ('PDS') which is available from us, and seek their own financial advice prior to making a decision to invest. The PDS explains how the Funds' Net Asset Value is calculated. Returns are calculated from exit price to exit price (inclusive of the reinvestment of distributions) for the period from inception to 30 June 2015 and represent the combined income and capital return. The investment objective is expressed after the deduction of fees and before taxation. The objective is not a forecast, and is only an indication of what the investment strategy aims to achieve over the medium to long term. While we aim to achieve the objective, the objective and returns may not be achieved and are not guaranteed. Past performance is not a reliable guide to future performance and the capital and income of any investment may go down as well as up due to various factors, including market forces.

The Index for the Global Companies Fund is the MSCI World Net Total Return Index in Australian dollars, net dividends reinvested. The Index for the Asian Companies Fund is the MSCI AC Asia ex Japan Net Total Return Index in Australian dollars, net dividends reinvested. See www.msci.com for further information on the MSCI indices. The Index for the Australian Companies Fund is the S&P/ASX 200 Accumulation Index. See www.asx.com.au for further information. The Index for the Enhanced Yield Fund is RBA Cash Rate. See www.rba.gov.au for further information.

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