

# DIVERSIFIED UNITED INVESTMENT LIMITED

ABN 33 006 713 177

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AUSTRALIA

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7 May 2014

The General Manager  
Australian Securities Exchange Limited  
Company Announcements Office  
Exchange Centre  
20 Bond Street  
Sydney NSW 2000

Dear Sir,

## **NET ASSET BACKING**

The Directors advise that the unaudited net tangible asset backing of the Company's ordinary shares at 30 April 2014 was \$3.82 per share (31 March 2014 \$3.76 per share). The net asset backing calculation is based on investments at market value, is after the tax effect of realised gains and before estimated tax on net unrealised gains/losses.

Diversified United Investment Limited is a long term investor and does not intend disposing of its total portfolio. However, under current accounting standards the Company is required to provide for estimated tax on any net gains that would arise on such a theoretical disposal. After deducting this provision, the above figure would be \$3.28 (31 March 2014 \$3.24).

## **ASSET ALLOCATION – INTERNATIONAL EQUITIES**

For approximately the first 11 years following its listing in 1991 the Company held an allocation in international equities. The Board considers it is now an appropriate time to re-establish an allocation to international equities of up to 5% of the portfolio.

In making allocations to international equities the Board will, amongst other matters, take into consideration:

- The relative value of, and the outlook for, the Australian and international share markets;
- The value of the Australian dollar;
- The fees charged by international fund managers and Exchange Traded Funds;
- The ability of the company to continue to maintain and frank its dividends paid.

During April the Company made an investment of approximately \$5 million in each of Vanguard All-World Ex-US Shares Index ETF (VEU) and Vanguard US Total Market Shares Index ETF (VTS), in total representing 1.4% of the portfolio at 30 April 2014.

A list of the Company's top 25 investments is attached.

Yours sincerely,

A J Hancock  
Company Secretary

DIVERSIFIED UNITED INVESTMENT LIMITED

25 LARGEST SHAREHOLDINGS

AS AT 30 APRIL 2014

As at 30 April 2014 the twenty-five largest shareholdings of the company, at market values were:

<i>Company</i>	<i>Market Value \$'000</i>	<i>% of Market Value of Total Investments</i>
1. ANZ Banking Group Ltd	65,493	9.1%
2. Westpac Banking Corporation Ltd	63,216	8.8%
3. Commonwealth Bank of Australia Ltd	63,120	8.8%
4. BHP Billiton Ltd	60,400	8.4%
5. Woodside Petroleum Ltd	42,840	6.0%
6. National Australia Bank Ltd	42,360	5.9%
7. CSL Ltd	38,663	5.4%
8. Rio Tinto Ltd	33,935	4.7%
9. Woolworths Ltd	26,124	3.6%
10. Transurban Group	21,810	3.0%
11. Wesfarmers Ltd	18,981	2.6%
12. Origin Energy Ltd	16,837	2.3%
13. Washington H Soul Pattinson & Co Ltd	14,810	2.1%
14. Oil Search Ltd	13,335	1.9%
15. Westfield Group	13,140	1.8%
16. AMP Ltd	12,625	1.8%
17. QBE Insurance Group Ltd	12,159	1.7%
18. Mystate Ltd	11,960	1.7%
19. Asciano Ltd	10,820	1.5%
20. Computershare Ltd	9,880	1.4%
21. Perpetual Ltd	7,504	1.0%
22. Worley Parsons Ltd	6,724	0.9%
23. Brickworks Ltd	6,705	0.9%
24. BT Investment Management Ltd	6,700	0.9%
25. Brambles Ltd	6,601	0.9%
	626,742	87.1%
<b>Total Investments at Market Value, Short Term Receivables and Cash</b>	719,306	