



Ranger Fund

June 2014

Fund Strategy

The Ranger Fund is a high conviction portfolio of New Zealand and Australian listed companies. The Fund's objective is to provide equity-like returns over the long run while minimising exposure to extreme sharemarket fluctuations. During periods of market stress, the Fund will seek to preserve capital by holding significant amounts of cash and bonds, shorting individual shares, selling index futures contracts and/or buying index put options. The Fund will not be levered or net short.

Performance to 31 May 2014 (net of fees)

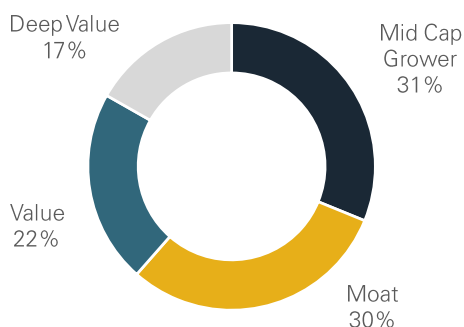
	Past Month	Past Quarter	Since Inception*
Ranger Fund	-0.75%	1.53%	2.05%
NZ Official Cash Rate plus 5%	0.66%	1.91%	2.64%
Over/Under Performance	-1.41%	-0.38%	-0.59%

*Fund inception 24th January 2014

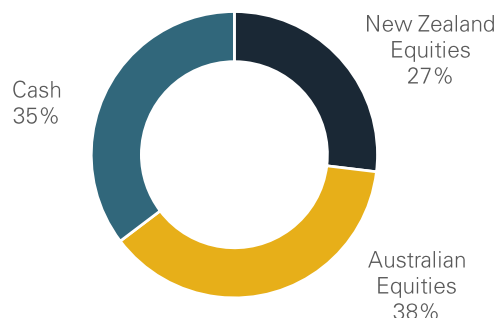
Performance Commentary

During the month of May the Ranger Fund benefited from positive performance by Paperlinx, Swick Mining Services, Wellcom and Tower. However, the performance of the Fund was hindered by positions in Boom Logistics, Trade Me, Genesis Energy and Emeco Holdings. The exposure to Paperlinx is now being taken through ordinary shares and preference shares.

Equity Holdings by Category



Holdings by Country



Holdings

Wellcom Group	AUD	7.5%
Genesis Energy	NZD	7.5%
Boom Logistics	AUD	5.2%
Swick Mining Services	AUD	5.0%
Contact Energy	NZD	5.0%
Corporate Travel Management	AUD	5.0%
Trade Me	NZD	4.6%
Emeco Holdings	AUD	4.6%
Paperlinx	AUD	4.1%
Paperlinx SPS Trust	AUD	2.8%
A2 Milk Company	NZD	2.6%
Sky Network Television	NZD	2.5%
Guinness Peat Group	NZD	2.5%
Australian Vintage	AUD	2.5%
Tower	NZD	2.1%
Cash & Short Term Notes		35.3%

Portfolio Characteristics

Dividend Yield	3.7%
Price/Earnings ratio	24.9x
Price/Free Cash Flow ratio	23.6x
Price/Book Value ratio	0.97
Return on Equity	1.9%
Earnings Growth	16.8%
Gearing	38.5%

Fees

1.05% capped management fee plus a performance fee equal to 15% of any returns above the performance hurdle. The performance hurdle is the New Zealand Official cash rate plus 5%. A perpetual High Water Mark applies to the performance hurdle. No entry or exit fees are currently charged.

