



13 January 2016

Australian Governance Masters Index Fund Limited

ASX: AQF

NTA & Investment Update – 31 December 2015

At 31 December 2015, Australian Governance Masters Index Fund Limited (**Company**) was invested in 76 companies. The total investment value of the portfolio was \$56,011,966. The unaudited, estimated pre-tax net tangible asset (**NTA**) value of the Company was \$1.84 per Share.

The Company is a long-term equity investor and does not intend to dispose of its total portfolio. If estimated tax at 30% on gains were to be recognised, the NTA value after tax would be \$1.76 per Share.

At 31 December 2015, the 76 shareholdings of the Company, at market value, were:

COMPANY	MARKET VALUE (\$)	WEIGHT (%)
COMMONWEALTH BANK OF AUSTRALIA	7,081,200	12.64%
WESTPAC BANKING CORPORATION	5,407,355	9.65%
AUST AND NZ BANKING GROUP	3,894,978	6.95%
NATIONAL AUSTRALIA BANK LTD	3,845,487	6.87%
TELSTRA CORPORATION LTD	3,325,793	5.94%
BHP BILLITON LTD	2,780,820	4.96%
CSL LTD	2,373,477	4.24%
WESFARMERS LTD	2,268,286	4.05%
WOOLWORTHS LTD	1,505,011	2.69%
MACQUARIE GROUP LTD	1,338,556	2.39%
TRANSURBAN GROUP	1,056,517	1.89%
WOODSIDE PETROLEUM LTD	986,992	1.76%
RIO TINTO LTD	919,908	1.64%
BRAMBLES LTD	877,249	1.57%
AMP LTD	836,179	1.49%
QBE INSURANCE GROUP LTD	833,408	1.49%
AMCOR LIMITED	768,741	1.37%
SUNCORP GROUP LTD	757,475	1.35%
SYDNEY AIRPORT	682,352	1.22%
INSURANCE AUSTRALIA GROUP LTD	655,480	1.17%
AGL ENERGY LTD	590,167	1.05%
CALTEX AUSTRALIA LTD	493,606	0.88%
APA GROUP	469,041	0.84%
STOCKLAND	467,039	0.83%



COMPANY	MARKET VALUE (\$)	WEIGHT (%)
RAMSAY HEALTH CARE LTD	424,693	0.76%
ASCIANO LTD	413,341	0.74%
GPT GROUP	409,053	0.73%
ASX LTD	398,572	0.71%
ORIGIN ENERGY LTD	397,550	0.71%
JAMES HARDIE INDUSTRIES	375,605	0.67%
LEND LEASE GROUP	366,724	0.65%
MIRVAC GROUP	350,729	0.63%
SONIC HEALTHCARE LTD	347,554	0.62%
INCITEC PIVOT LTD	321,726	0.57%
TATTS GROUP LTD	310,974	0.56%
ARISTOCRAT LEISURE LTD	289,688	0.52%
MEDIBANK PRIVATE LTD	287,145	0.51%
COMPUTERSHARE LTD	286,816	0.51%
ORICA LTD	279,853	0.50%
SOUTH32 LTD	274,838	0.49%
SANTOS LTD	268,508	0.48%
BENDIGO AND ADELAIDE BANK	262,553	0.47%
COCHLEAR LTD	261,985	0.47%
SEEK LTD	259,599	0.46%
BANK OF QUEENSLAND LTD	250,948	0.45%
COCA-COLA AMATIL LTD	240,944	0.43%
DUET GROUP	225,686	0.40%
HENDERSON GROUP	225,441	0.40%
HEALTHSCOPE LTD	223,621	0.40%
BORAL LTD	221,595	0.40%
THE STAR ENTERTAINMENT GROUP LTD	194,564	0.35%
TABCORP HOLDINGS LTD	190,991	0.34%
DOMINO'S PIZZA ENTERPRISES LTD	177,119	0.32%
MAGELLAN FINANCIAL GROUP LTD	166,818	0.30%
ANSELL LTD	159,632	0.28%
TPG TELECOM LTD	159,061	0.28%
ORORA LTD	131,780	0.24%
REA GROUP LTD	128,194	0.23%
ILUKA RESOURCES LTD	124,525	0.22%
DULUXGROUP LTD	122,859	0.22%
BLUESCOPE STEEL LTD	121,586	0.22%
CARSALES.COM LTD	120,760	0.22%
FLIGHT CENTRE TRAVEL GROUP LTD	112,370	0.20%
PERPETUAL LTD	109,954	0.20%



COMPANY	MARKET VALUE (\$)	WEIGHT (%)
RECALL HOLDINGS LTD	107,760	0.19%
SIRTEX MEDICAL LTD	106,893	0.19%
ADELAIDE BRIGHTON LTD	105,217	0.19%
JB HI-FI LTD	94,750	0.17%
GRAINCORP LTD	78,688	0.14%
DOWNER EDI LTD	78,149	0.14%
OZ MINERALS LTD	75,439	0.13%
CSR LTD	74,478	0.13%
NAVITAS LTD	71,292	0.13%
SIMS METAL MANAGEMENT LTD	60,106	0.11%
SPOTLESS GROUP HOLDINGS LTD	58,129	0.10%
WORLEYPARSONS LTD	50,615	0.09%
SUBTOTAL	\$55,172,589	98.50%
CASH	\$839,376	1.50%
TOTAL	\$56,011,966	100.00%

* Source: Walsh & Company Asset Management Pty Limited. Note some figures may not reconcile due to rounding. The historical performance of the Manager is not a guarantee of the future performance of the Portfolio or the Company.

The Company invests only in, what it considers to be, the best governed Australian companies within the S&P/ASX 100 Index, as ranked by the Company's corporate governance analysis and third party research. The Company pursues an index style of investing with an active corporate governance bias and expects to hold securities of approximately 75 to 85 Australian entities within the S&P/ASX 100 at any time.

The Company believes that boards and management that show relatively high levels of corporate governance tend to outperform companies with relatively lower levels of corporate governance over the long term. The Company also seeks to promote adherence to corporate governance best practice recommendations in its investments by voting in shareholder meetings.

The Company aims to achieve long-term capital appreciation, while reducing risk, preserving the capital of the Company and investing in a diversified portfolio of investments.