



13 October 2016

Australian Governance Masters Index Fund Limited

ASX: AQF

NTA & Investment Update – 30 September 2016

At 30 September 2016, Australian Governance Masters Index Fund Limited (**Company**) was invested in 75 companies. The total investment value of the portfolio was \$51,755,166. 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 30 September 2016, the 75 shareholdings of the Company, at market value, were:

COMPANY	MARKET VALUE (\$)	WEIGHT (%)
COMMONWEALTH BANK OF AUSTRALIA	5,355,935	10.35%
WESTPAC BANKING CORPORATION	4,259,296	8.23%
AUST AND NZ BANKING GROUP	3,487,238	6.74%
NATIONAL AUSTRALIA BANK LTD	3,193,150	6.17%
BHP BILLITON LTD	3,098,489	5.99%
TELSTRA CORPORATION LTD	2,732,098	5.28%
WESFARMERS LTD	2,138,365	4.13%
CSL LTD	2,111,859	4.08%
WOOLWORTHS LTD	1,283,759	2.48%
MACQUARIE GROUP LTD	1,202,961	2.32%
SCENTRE GROUP	1,079,581	2.09%
TRANSURBAN GROUP	998,468	1.93%
RIO TINTO LTD	944,463	1.82%
WOODSIDE PETROLEUM LTD	894,547	1.73%
BRAMBLES LTD	816,018	1.58%
AMCOR LIMITED	756,955	1.46%
NEWCREST MINING LTD	730,761	1.41%
AMP LTD	673,733	1.30%
SYDNEY AIRPORT	672,528	1.30%
SUNCORP GROUP LTD	672,178	1.30%
INSURANCE AUSTRALIA GROUP LTD	573,765	1.11%
AGL ENERGY LTD	553,288	1.07%
SOUTH32 LTD	553,256	1.07%
QBE INSURANCE GROUP LTD	547,051	1.06%
STOCKLAND	488,233	0.94%
RAMSAY HEALTH CARE LTD	440,065	0.85%



COMPANY	MARKET VALUE (\$)	WEIGHT (%)
AURIZON HOLDINGS	416,068	0.80%
APA GROUP	409,590	0.79%
ARISTOCRAT LEISURE LTD	408,356	0.79%
ORIGIN ENERGY LTD	407,714	0.79%
ASX LTD	402,184	0.78%
SONIC HEALTHCARE LTD	392,350	0.76%
GPT GROUP	391,801	0.76%
JAMES HARDIE INDUSTRIES	388,681	0.75%
CALTEX AUSTRALIA LTD	385,381	0.74%
DEXUS PROPERTY GROUP	379,020	0.73%
MIRVAC GROUP	352,919	0.68%
COCHLEAR LTD	343,875	0.66%
LEND LEASE GROUP	321,235	0.62%
MEDIBANK PRIVATE LTD	294,654	0.57%
ORICA LTD	241,452	0.47%
COCA-COLA AMATIL LTD	233,587	0.45%
SEEK LTD	230,973	0.45%
TATTS GROUP LTD	229,990	0.44%
HEALTHSCOPE LTD	229,406	0.44%
COMPUTERSHARE LTD	226,710	0.44%
BORAL LTD	216,540	0.42%
BENDIGO AND ADELAIDE BANK	214,495	0.41%
INCITEC PIVOT LTD	203,855	0.39%
THE STAR ENTERTAINMENT GROUP LTD	202,784	0.39%
BLUESCOPE STEEL LTD	188,984	0.37%
BANK OF QUEENSLAND LTD	184,330	0.36%
TABCORP HOLDINGS LTD	177,577	0.34%
ORORA LTD	163,983	0.32%
VOCUS COMMUNICATIONS LTD	159,021	0.31%
JB HI-FI LTD	129,554	0.25%
CLYDESDALE BANK PLC	124,830	0.24%
MAGELLAN FINANCIAL GROUP LTD	121,712	0.24%
NORTHERN STAR RESOURCES LTD	120,666	0.23%
REA GROUP LTD	118,658	0.23%
TPG TELECOM LTD	116,103	0.22%
CARSALES.COM LTD	114,075	0.22%
OZ MINERALS LTD	113,252	0.22%
ILUKA RESOURCES LTD	113,199	0.22%
DULUXGROUP LTD	108,511	0.21%
ADELAIDE BRIGHTON LTD	106,257	0.21%
DOWNER EDI LTD	101,089	0.20%
HENDERSON GROUP	98,988	0.19%



COMPANY	MARKET VALUE (\$)	WEIGHT (%)
PERPETUAL LTD	95,128	0.18%
FLIGHT CENTRE TRAVEL GROUP LTD	88,549	0.17%
CSR LTD	80,599	0.16%
SIRTEX MEDICAL LTD	77,897	0.15%
NAVITAS LTD	68,715	0.13%
BLACKMORES LTD	63,420	0.12%
GRAINCORP LTD	61,842	0.12%
SUBTOTAL	\$50,678,595	97.92%
CASH	\$1,076,571	2.08%
TOTAL	\$51,755,166	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.