

First Sentier Investors launches first funds under new brand

Media release

Wednesday, 2 October 2019: Leading global investment manager, First Sentier Investors (formerly known as Colonial First State Global Asset Management), today announced the launch of its first funds under its new brand – First Sentier Cash Fund, First Sentier Ex-20 Australian Share Fund and First Sentier Global Property Securities Fund.

First Sentier Investors has assets under management of \$222.7 billion (as at 30 June 2019), on behalf of an international client base that extends across Asia, Australasia, Europe and North America.

Last month, First Sentier Investors announced the rebrand of its business following the completion of its sale to Mitsubishi UFJ Trust and Banking Corporation, a wholly owned subsidiary of Mitsubishi UFJ Financial Group, Inc. (MUFG), from Commonwealth Bank of Australia.

First Sentier Cash Fund

The First Sentier Cash Fund aims to provide investors with a regular income stream from an actively-managed portfolio of money market securities with a low risk of capital loss.

Head of Short Term Investments & Global Credit Tony Togher brings over 30 years' investment experience to the management of the First Sentier Cash Fund, and he currently manages cash mandates exceeding \$42 billion¹ on behalf of institutional and wholesale investors.

The First Sentier Cash Fund aims to outperform the returns of Australian money markets over rolling three-year periods as measured by the Bloomberg AusBond Bank Bill Index before fees and taxes.

Mr Togher said: "With the Reserve Bank's cash rate at an all-time low, investors are looking for cash capabilities and products from experienced asset managers that are true to label and offer a regular income stream and cash characteristics such as low risk of capital loss over any time period.

"In the current environment, it has never been more important to understand that blending various short-term, money market instruments into low-risk portfolios can deliver steady income with the flexibility of daily liquidity. Unlike most term deposits, investments in cash funds can be withdrawn at any time without surrendering accrued interest."

First Sentier Ex-20 Australian Share Fund

The First Sentier Ex-20 Australian Share Fund targets Australian companies outside the S&P/ASX Top 20 Index that are growing strongly and generate superior returns on capital.

By tapping into the broader opportunity set of the S&P/ASX 300, the First Sentier Ex-20 Australian Share Fund aims to diversify away from the larger financials and resources companies that dominate the S&P/ASX Top 20 Index and focus on medium to small cap, quality Australian companies with solid balance sheets, strong earnings growth and high or improving returns on invested capital.

The First Sentier Ex-20 Australian Share Fund provides exposure to an investment approach that involves both deep industry analysis and detailed stock research to fully understand the drivers of both earnings growth and returns on invested capital, managed by First Sentier Investors' Head of

¹ As at 30 June 2019

Australian Equities Growth Dushko Bajic who leads one of the largest and most experienced teams in the domestic share market.

Established in 1989, the team manages over A\$11.8 billion² in funds under management, using an active investment approach. Mr Bajic said: “As we don’t invest in the financials and resources companies that dominate the top 20 stocks of the Australian share market, this portfolio can help diversify with top-heavy Australian share strategies.

“The two largest sectors in this portfolio are information technology and consumer discretionary. Sectors in which we are finding world class Australian companies that have extremely strong growth opportunities because they are competing effectively in the international market-place and winning against global giants.

“But this also requires an open mind to investing and a large enough team to explore the myriad of opportunities across the relatively under-researched small and mid-cap stocks. We do not take short cuts by ignoring stocks trading at a given valuation metric or because their businesses are too new or complex,” he added.

First Sentier Global Property Securities Fund

The First Sentier Global Property Securities Fund invests in an actively managed portfolio of 30 to 70 global listed property stocks, providing investors with exposure to a broad selection of property-related investment opportunities including commercial, retail, lodging and industrial property assets.

The First Sentier Global Property Securities Fund aims to outperform the FTSE EPRA/NAREIT Developed Index, hedged to Australian dollars, over rolling three-year periods before fees and taxes.

First Sentier’s Global Property Securities team is led by Stephen Hayes who brings over 20 years’ experience to the team.

Mr Hayes said: “With very low interest rates coinciding with low global unemployment levels, real estate fundamentals are expected to continue to provide returns over the medium term. The First Sentier Global Property Securities Fund provides investors with exposure to some of the world’s best real estate assets within urban locations in the major cities. We take a conviction-based approach to investing, and have a proven track record of delivering returns with very stable cash flows through the real estate cycle.”

The Trust Company (RE Services) Limited, a wholly-owned subsidiary of Perpetual Limited, acts as the responsible entity for the funds.

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About First Sentier Investors

First Sentier Investors (formerly known as Colonial First State Global Asset Management) manages A\$222.7 billion (as at 30 June 2019) in assets managed on behalf of institutional investors, pension funds, wholesale distributors, investment platforms, financial advisers and their clients worldwide.

² As at 30 June 2019

In August 2019, Mitsubishi UFJ Trust and Banking Corporation, a wholly-owned subsidiary of Mitsubishi UFJ Financial Group, Inc., acquired the business from the Commonwealth Bank of Australia. The business, known as First State Investments outside of Australia, operates as a standalone global investment management business, with offices across Europe, the US, and Asia Pacific regions.

With expertise across a range of asset classes and specialist investment sectors, our approach to investment is driven by a commitment to provide the best possible outcomes over the long term for our investors. To achieve this, we ensure our interests are aligned with our investors and uphold a culture of consistently acting in our clients' best interests.

www.firstsentierinvestors.com.au

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