

Pacific Assets Trust plc



Investment Manager



Portfolio Manager: David Gait

Information as at 31 January 2013

www.pacific-assets.co.uk

Investment Objective and Benchmark Index

To achieve long term capital growth through investment in selected companies in the Asia Pacific region and the Indian sub-continent, but excluding Japan, Australia and New Zealand (the 'Asia Pacific Region'). Up to a maximum of 20 per cent of the Company's total assets (at the time of investment) may be invested in companies incorporated and/or listed outside the Asia Pacific Region but whose economic activities are predominantly within the Asia Pacific Region. The benchmark index is the MSCI All Country Asia ex Japan Index (total return; sterling adjusted).

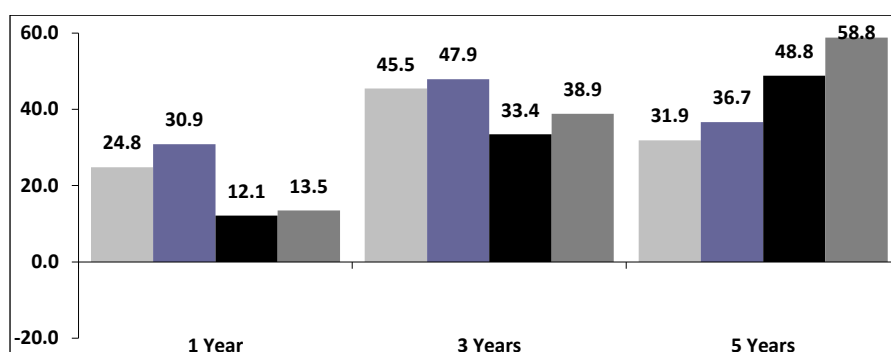
Cumulative Performance (%)

Trust: Pacific Assets Trust plc – NAV (ex income, total return)

Trust: Pacific Assets Trust plc – Share Price (total return)

Index: MSCI All Country Asia ex Japan (total return; £ adjusted)

Peergroup: Share Price (total return)



Discrete Performance – Calendar Years (%)

Percentage Growth	2008	2009	2010	2011	2012	YTD	First State*
NAV	-50.1	57.2	19.1	-13.3	27.2	4.6	34.5
Share Price	-47.9	62.3	19.1	-15.1	25.6	7.7	37.9
Index	-33.9	53.6	23.7	-16.4	17.3	4.3	21.5
Peergroup	-35.6	63.2	24.4	-15.2	15.6	5.6	27.0

Source: Morningstar. Past performance is not a guide to future performance. Peergroup performance basis: share price, percentage growth, bid to bid, net income reinvested in Sterling.

*Performance since First State was appointed as Investment Manager with effect from the 1st July 2010

Commentary

During January, the NAV was up 4.6%, the share price was up 7.7%, the index was up 4.3% and the Peergroup was up 5.6%.

Asia ex-Japan markets advanced in January, but underperformed global markets. The Philippines and Hong Kong outperformed, while South Korea and Malaysia lagged. At a sector level, Financials and Utilities gained the most, while Information Technology and Telecom Services underperformed. Manila Water Company rose as it delivered strong operational performance. Satyam Computer Services outperformed on the slow but steady restructuring of the business. On the negative side, AmorePacific Corp fell due to concerns about slowing sales growth. Public Bank fell on the back of concerns of slowing earnings growth.

Over the month we bought Dr. Reddy's Laboratories, a well-managed Indian generic drugs company with a growing international business. We also bought Standard Food Corp, a conservative, profitable franchise managed by its owner which is expanding its health foods business in Taiwan and China over time. No major positions were fully sold over the month. The Company remains defensively positioned and we are focused on companies with pricing power, strong sustainable cash flows and growing dividend yields.

Investment Manager Profile

First State Investment Management (UK) Limited was appointed as Investment Manager with effect from the 1st July 2010. First State is 100 per cent owned by the Commonwealth Bank of Australia and is headquartered in Edinburgh. Its Asia Pacific ex Japan/Global Emerging Markets team is responsible for the portfolio and has 21 investment professionals, a number of whom are located in the firm's offices in Hong Kong and Singapore. The First State team has specialised in Asian investment for 22 years and has built a highly creditable long term performance record managing a range of client portfolios including Scottish Oriental Smaller Companies Trust plc, an investment company which invests in smaller companies in the Asian Pacific region. First State has a disciplined research procedure which seeks to identify high quality companies.

Investment Policy

To invest in companies with the aim of generating long term growth for shareholders. The Company invests principally in listed equities but may invest in other securities, including preference shares, debt instruments, convertible securities and warrants. In addition, the Company may invest in open and closed-ended investment funds and companies, up to a limit of 10 per cent of total assets, or in some cases 15 per cent. The Company is able to invest in unlisted securities but these will be limited to those which are expected to be listed on a stock exchange or which cease to be listed and which may be appropriate to continue to hold. Risk is diversified by investing in different countries, sectors and stocks within the Asia Pacific region and the Indian sub-continent, excluding Japan, Australia and New Zealand. The Board has set a current limit for single investments of 7.5 per cent of total assets at the time of investment. The Company is not currently geared.

Pacific Assets Trust plc

Ten Largest Equity Holdings as at 31 January 2013 (% of total assets less current liabilities)

Name	Country	Total
Taiwan Semiconductor Manufacturing	Taiwan	5.7
Marico	India	5.3
Manila Water	Philippines	4.9
AmorePacific	South Korea	4.9
DBS Group	Singapore	4.2
Towngas China	Hong Kong	4.1
Satyam Computer Services	India	3.8
Singapore Telecommunications	Singapore	3.4
Public Bank	Malaysia	3.0
Kasikornbank	Thailand	2.9
Total		42.2

Portfolio Allocation as at 31 January 2013 (% of total assets less current liabilities)

India	18.6%
Singapore	14.8%
Taiwan	13.8%
South Korea	12.6%
Philippines	9.9%
Hong Kong	9.0%
Liquidity	7.3%
Malaysia	5.8%
Thailand	5.4%
China	1.8%
Indonesia	0.5%
Sri Lanka	0.2%
Bangladesh	0.2%
Japan	0.1%
Total:	100.0%

Source: All portfolio information sourced from Frostrow Capital LLP.

Standardised Discrete Performance (%)

Percentage Growth 12 Month Return	Jan 08- Jan 09	Jan 09- Jan 10	Jan 10- Jan 11	Jan 11- Jan 12	Jan 12- Jan 13
NAV	-42.2	56.8	21.4	-4.0	24.8
Share Price	-40.4	55.0	27.6	-11.5	30.9
Index	-27.7	54.2	26.4	-5.9	12.1
Peergroup	-27.9	58.4	30.8	-6.5	13.5

Source: Morningstar. Peergroup performance basis: share price, percentage growth, bid to bid, net income reinvested in Sterling.

Important Information

Pacific Assets Trust plc (the "Company") is a UK investment trust listed on the London Stock Exchange and is a member of the Association of Investment Companies. As this Company may implement a gearing policy investors should be aware that the share price movement may be more volatile than movements in the price of underlying investments. Past performance is not a guide to future performance. The value of investments and the income from them may fall as well as rise and is not guaranteed. An investor may not get back the original amount invested. Changes in the rates of exchange between currencies may cause the value of investments to fluctuate. Fluctuation may be particularly marked in the case of a higher volatility fund and the value of an investment may fall suddenly and substantially. Shares in companies in the Asia Pacific region can prove volatile and above average price movements can be expected. There can be no assurance that the Company's investment objective will be achieved and investment results may vary substantially over time. This document is for information purposes only and does not constitute an offer or invitation to purchase shares in the Company and has not been prepared in connection with any such offer or invitation. Investment trust share prices may not fully reflect underlying net asset values. There may be a difference between the prices at which you may purchase ("the offer price") or sell ("the bid price") a share on the stock market which is known as "bid-offer" or "dealing" spread. This is set by the market makers and varies from share to share. This spread typically averages 1-2% each way on the mid-market price (the price halfway between the bid and offer prices), and can fluctuate and at times be higher than average. Net Asset Value per share is calculated in accordance with the guidelines of the Association of Investment Companies in that income received by the Company in the period since the last annual accounts is excluded. Total net assets are stated inclusive of income received. Any opinions on individual stocks are those of the Company's Investment Manager and no reliance should be given on any such views. Any research in this document has been procured and may have been acted upon by First State Investment Management (UK) Limited ("First State") for its own purposes. The results are being made available to you only incidentally. The views expressed herein do not constitute investment or any other advice and are subject to change. They do not necessarily reflect the views of Frostrow Capital LLP and no assurances are made as to their accuracy.

www.pacific-assets.co.uk

Fast Facts as at 31 January 2013

Launch Date	1985
Annual Management Fee	0.75% of net assets <u>plus</u> 0.20% of market cap (payable by the Trust)
Performance Fee	The performance fee is 12.5% of that portion of the NAV outperformance over the MSCI All Country Asia ex Japan Index, which exceeds a 1.75% hurdle, measured over a rolling three year period. See Annual Report for more details
Year / Half Year	31 January / 31 July
Capital Structure	116,848,386 Ordinary Shares

Trust Characteristics

Number of Holdings	53
Total Assets (£m)	£187.6
Market Capitalisation (£m)	£172.4
Dividend	June
Current Net Yield	1.8%
Gearing (AIC basis)	0%
Share Price (p)	147.50
NAV (p) (ex income)	158.01
(Discount) / Premium	(6.7%)

Codes

Sedol – Shares	0667438
ISIN – Shares	GB0006674385
Bloomberg – Shares	PAC LN
Epic – Shares	PAC

How to Contact Us

Frostrow Capital LLP
25 Southampton Buildings, London, WC2A 1AL
Tel.: 0203 0084910
Fax: 0203 0438889
Website: www.frostrow.com

Grant Challis

Tel.: 0203 0084912
grant.challis@frostrow.com

This financial promotion is issued by Frostrow Capital LLP which is authorised and regulated by the Financial Services Authority ("FSA").

