vanEyk Three Pillars

TO: COMPANY ANNOUNCEMENTS OFFICE

COMPANY: AUSTRALIAN SECURITIES EXCHANGE LIMITED

FROM: VAN EYK THREE PILLARS LIMITED

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Notification of Net Tangible Assets

We hereby provide notification of van Eyk Three Pillars Limited's net tangible asset backing per ordinary share as at the close of the last month.

Net Tangible Asset Backing per Ordinary Share	
Month End	August 2008
Gross Tangible Asset Backing* (prior to deferred tax)	$1.08
Less Net Deferred Tax	($0.01)
Net Tangible Asset Backing	**$1.07**

*This amount is net of any current tax liabilities.

Net tangible asset backing includes investments at current market value less associated selling costs and provision for tax at 30%.

Peter Roberts
Company Secretary

van Eyk Three Pillars Monthly Comment – August 2008

Market / Portfolio

The ASX 300 gained 4.0% over August, largely driven by across the board gains in the healthcare sector with most reporting solid results and providing investors a perceived defensive haven in the current climate, while the consumer discretionary sector gained support with some better than expected earnings reports and speculation of further interest rate cuts. Energy stocks also performed well as some very strong results were delivered on the back of continued strong oil, gas/LNG and thermal coal prices (and a weaker AUD), however all other sectors underperformed.

Market / Portfolio (continued)

The much anticipated FY08 reporting season concluded during the period and highlighted a continuation of the ‘two tier’ dynamic in the domestic economy. Resource producers, their contractors and suppliers reported observations of robust current and ongoing conditions, solid earnings growth and remain the dominant source of positive earnings outlook statements. Conversely, the property sector arguably epitomises the difficulties faced by many highly geared entities as significant write downs and rising debt costs expose the ‘Achilles Heel’ of some business models employed in various sectors over the past decade or so. In belated response, some managers have found religion and have decided that cash distributions to shareholders should actually come from sustainable sources (i.e. income in excess of outgoings).

We note that consensus forecasts for FY09 currently anticipate nearly 14% earnings growth which stands at odds to the circumspect outlooks given by most of the management teams during reporting season. This would exceed the 13% achieved in FY07 when economic conditions were much stronger and also stands in sharp contrast to the 2.3% just reported for FY08.

Best contributors to the portfolio for August:

- Bradken +0.56%
- Coffey International +0.41%
- IBA Healthcare +0.25%
- Ramsay Healthcare +0.17%

Worst contributors:

- Kingsgate -0.39%
- Cabcharge -0.30%
- Emerging Leaders -0.29%
- Austal -0.28%

The overall portfolio strategy remains well positioned for the current environment. The sector exposures maintain an overweight to healthcare, energy, diversified miners, and selected high quality industrials, in particular those leveraged to capital spending plus essential maintenance and other services in the infrastructure, resources and energy areas. The portfolio is neutral in the “Big Four” banks, and remains underweight financial, property, and consumer sectors.

At month end the portfolio held 3.0% cash.

	1 Month	12 Month	Inception *
VTP	5.42%	-10.96%	90.86%
ASX 300	4.04%	-14.51%	87.79%

*Annualised from inception Jan 28 2004.

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Outlook

After the market falls over recent months, aggregate valuations look quite reasonable and indeed in some areas there are bargains to be had, however, we see no immediate potential for the broader market to make significant gains in the face of considerable macro challenges, illustrated by a growing slew of soft economic data and fading confidence indicators. Soft data over the year from the Western economies is now being followed by increasing indications the slowdown is spreading to the BRIC's and other emerging countries and in Australia, the two tier economy faces mounting challenges as the highly indebted consumer has pulled back sharply and the market muses on the longevity of the resources / energy super cycle and the developed / emerging market decoupling thesis.

In Australia, the economic outlook is moderating rapidly and consensus earnings forecasts for FY 2009 are likely to soften further. The company reporting season provided relatively few surprises and arguably was a little better than widely expected, however, FY 2008 is now history and the market is becoming increasingly concerned over the macro outlook. Company outlook statements have become increasingly guarded and earnings visibility is becoming a sought after and valuable attribute.

Further interest rate cuts by the RBA and continued falls in the oil price are two key catalysts to restoring consumer and business confidence, however inflationary pressures remain and ongoing supply constraints are expected limit the falls in energy prices. In addition, deleveraging and balance sheet repair will be a key ongoing theme as the sheer scale of the world credit bubble will take some time to resolve.

We continue to expect an environment of continued volatility over a broad trading range, however reasonable valuations and strong dividend yields should help limit downside. In our view the environment is becoming more suitable for active stock selection, such that we aim to exploit ongoing volatility by focussing on our key criteria of quality, growth and valuation.

Top Ten Holdings

Company	Weight
BHP Billiton	14.2%
Rio Tinto	5.2%
Commonwealth Bank	5.1%
Origin Energy	5.1%
Westpac	4.0%
Bradken	3.8%
National Australia Bank	3.6%
Downer EDI	3.0%
ANZ Bank	2.8%
QBE Insurance	2.7%
	49.5%