

Spire Copper Rock Capital Global Smaller Companies Fund

A SPIRE GLOBAL INVESTMENT SERIES FUND

Monthly Fact Sheet - May 2017



Fund Objective

To outperform the MSCI World Small Cap Index \$A on an annual basis and to outperform the same index by 2% to 3% p.a. over a full market cycle (e.g 5 - 7 years).

Fund Manager

Copper Rock Capital Partners LLC ("Copper Rock"), based in Boston, MA, was founded in 2005 and provides specialised global equity investment management solutions for investors throughout the world with a strong focus on small cap investing globally. Copper Rock had approximately \$5.1 billion (USD) in assets under management as at December 31, 2016.

Investment Philosophy and Approach

Copper Rock believes that small and mid-cap markets are inefficient and uses a blend of quantitative and fundamental analyses to identify companies with superior growth rates relative to their peers. The Global Small Cap strategy typically looks for resilient and defensible business models that are characterized by underlying unit growth, longer term market share gains (an evidence of competitive strength), high profitability, and significant internal cash generation. Distinguishing elements of the process are also the application of a routinely practiced and proven Sell Discipline and Alert List that provide risk control and are crucial in preserving alpha earned in the portfolio.

Ratings

Zenith Investment Partners – Recommended
Lonsec – Recommended

Fund Summary as at 31 May 2017

APIR Code	ETL0410AU
Exit Price	1.0495
Inception Date	1 July 2014
Companies in Portfolio	89
Total Management Fee	1.38%
Indirect Cost Ratio (ICR)	1.38%
Buy / Sell Spread	0.20% / 0.20%
Investment Manager	Copper Rock Capital Partners, LLC

Portfolio Management Team

Stephen Dexter	CIO, Lead Portfolio Manager
Denise Selden, CFA	Portfolio Manager
H. David Shea, CFA	Portfolio Manager
Responsible Entity	Equity Trustees Limited
Custodian	State Street Australia Limited

The information provided in this report should not be considered a recommendation to purchase or sell any particular security. There is no assurance that any security discussed will remain in portfolio at any time you receive this report or that securities sold have not been repurchased. The securities mentioned may represent only a small percentage of a portfolio's holdings. It should not be assumed that any of the holdings were or will prove to be profitable, or that the investment recommendations made in the future will be profitable or will equal the performance of the securities presented in this material. All securities recommendations within the preceding 12 months are available upon request.

Monthly Performance (gross %)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2017	-3.78	1.68	2.46	4.11	0.12							
2016	-3.99	-1.90	-0.37	0.98	8.09	-5.85	2.49	0.22	-1.27	-3.76	8.84	4.21
2015	3.20	6.55	4.51	-3.95	4.87	-1.63	5.34	-2.70	-1.92	2.18	-2.09	-2.29

Performance (%)

Performance %	1 mth	3 mths	6 mths	1 year	2 years	Incepti on pa>
Total (net)	0.00	6.41	8.10	7.33	2.33	10.77
Benchmark*	1.15	6.97	10.06	14.17	8.54	14.65
Active Return#	-1.15	-0.56	-1.96	-6.84	-6.21	-3.88
Distribution				11.78	11.31	7.61

*Benchmark – MSCI World Small Cap \$A

> Inception Date: 1 July 2014 # Based on net performance. The performance data has not been audited. Performance figures are audited on an annual basis. Source: State Street.

Top 10 Common Stock Holdings#*

Companies	% of Portfolio	Country
HILL-ROM HOLDINGS, INC.	2.0	USA
NEXITY	1.9	FRANCE
ESSENT GROUP, LTD.	1.7	USA
CHALLENGER LIMITED	1.6	AUSTRALIA
COLUMBIA BANKING SYSTEM, INC.	1.6	USA
LUMENTUM HOLDINGS, INC.	1.6	USA
WEBSTER FINANCIAL CORPORATION	1.6	USA
PHILIPS LIGHTING NV	1.5	NETHERLANDS
RYMAN HOSPITALITY PROPERTIES, INC.	1.5	USA
ALTRAN TECHNOLOGIES SA	1.5	FRANCE
TOTAL:	16.5%	

Portfolio Characteristics*

Characteristics	Fund	MSCI World Small Cap Index (USD)
Price / Cash Flow	11.7	10.5
P/E (Forward 1 Year)	16.6	18.5
LT EPS Growth	11.4	12.7
ROE	14.9	10.0
ROA	6.1	4.4
Operating Margin	14.7	16.9
Yield (%)	2.1	2.5
Price to Book	2.4	1.9
Weighted Average Market-Cap (US\$bil)	2.9	3.1
Number of Holdings	89	4,242
Active Share	97%	

* Data derived from a Copper Rock Global Small Cap representative account expressed in USD. Source: FactSet.

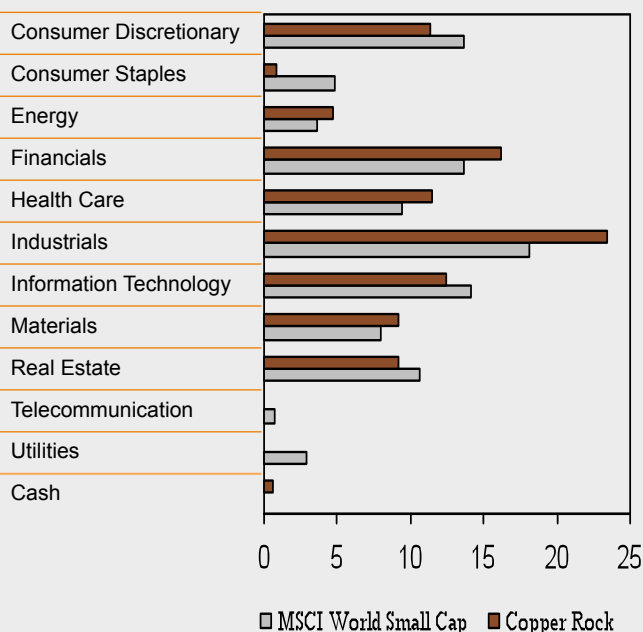
Spire Copper Rock Capital Global Smaller Companies Fund

A SPIRE GLOBAL INVESTMENT SERIES FUND

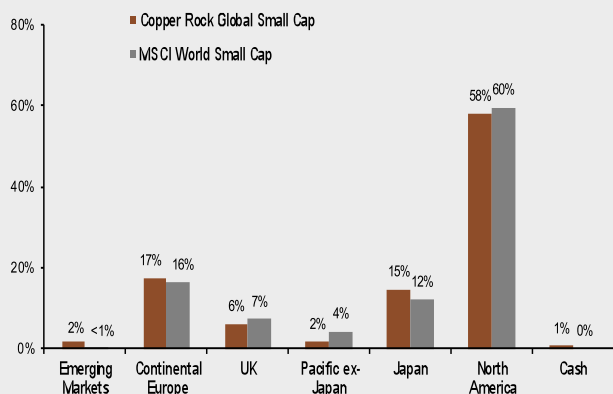
Monthly Fact Sheet - May 2017



Sector Exposure (%)*



Regional Allocation (%)*



* Data derived from a Copper Rock Global Small Cap representative account expressed in USD. Source: FactSet. Totals may not add to 100% due to rounding.

Market Commentary

In May, the Copper Rock Global Small Cap Composite returned +0.13% (AUD) versus the MSCI World Small Cap index which returned +1.15% (AUD).

In the month of May, there was broad positive stock selection across the portfolio in the Healthcare, Information Technology, Energy, Consumer Discretionary, and Consumer Staples sectors. Within Healthcare, GN Store Nord A/S, a maker of hearing aid devices and products based in Denmark, was a leading contributor in the month. Management reported good quarterly earnings results stemming from strong organic revenue growth in the Hearing and Audio segments and maintained positive guidance. The company expects good momentum with the launch of the LiNX 3D hearing aid.

There was some underperformance as cyclical sectors like Industrials, Materials, and Real Estate lagged in the month. Through May within the US, there has continued to be headwinds as higher quality stocks underperform lower quality stocks. Uncertainty over the timing of President Trump's infrastructure plan have weighed on these stocks through May. That has dissipated in non-US markets where stocks that are highly ranked with good earnings are outperforming or being rewarded on good earnings results. In May, for example, Insperty, Inc., a human resources and business solutions technology provider based in the US, declined after reporting mixed earnings results. Although Insperty, Inc. beat earnings expectations, operating expenses were higher than expected to which investors reacted negatively. Copper Rock believes the underperformance is short term as the company remains attractive for its long term fundamentals based off of strong client retention. Copper Rock continues to own the position in the portfolio.

At the end of May, the portfolio has an overweight position relative to the index in the Industrials, Financials, Healthcare, Materials, and Energy sectors. It has an underweight allocation relative to the index in the Consumer Staples, Utilities, Consumer Discretionary, Information Technology, Real Estate, and Telecommunication Services sectors. Regionally, the portfolio is overweight relative to the index in Japan and Continental Europe while maintaining an allocation of about 1.6% to Emerging Markets. The portfolio has an underweight allocation to the index in Pacific ex-Japan, the UK, and North America.

Contact

Spire Capital Pty Ltd
Level 14, 25 Bligh Street
Sydney NSW 2000
T: +61 2 9377 0755
www.spirecapital.com.au

Advisor Queries

Dale Holmes, Director
M: 0401 146 106
dale.holmes@spirecapital.com.au

Chris Niall
Senior Manager of Investor Relations
M: 0419 011 628
chris.niall@spirecapital.com.au

Spire Capital Pty Ltd ABN 21 141 096 120 AFSL No. 344365 ("Spire")

This document is issued by Spire and relates to Spire Copper Rock Capital Global Smaller Companies Fund ("Fund") (APIR Code ETL 0410AU) for which Spire is the Distributor. The Responsible Entity is Equity Trustees Limited ("EQT") (ABN 46 004 031 298) (AFSL 240975). The Investment Manager for the Fund is Copper Rock Capital Partners, LLC ("Copper Rock"). Copper Rock is exempt (ASIC class order exemption 03/1100) from the requirement to hold an Australian Financial Services Licence (AFSL) under the Corporations Act in respect of the financial services it provides to wholesale clients only in Australia. Copper Rock is regulated by the SEC under US laws which differ from Australian laws. Spire Capital Pty Ltd ("Spire") (ABN 21 141 096 120) (AFSL 344365) is licensed to provide general financial product advice in Australia to wholesale clients. Any information provided in this document by Copper Rock is to be considered as general information only and not as financial product advice. This material is for information purposes only. It is not an offer or a recommendation to purchase or sell any security and is not intended to substitute for the Fund's Product Disclosure Statement ("PDS") which outlines the risks involved and other relevant information. Please note that past investment performance is not a reliable indicator of future investment performance. This information has not been prepared taking into account your objectives, financial situation or needs. This document may contain information provided directly by third parties. To the maximum extent permitted by law, Spire excludes liability for material provided by third parties. This document is strictly confidential and is intended solely for the use of the person to whom it has been delivered. It may not be reproduced, distributed or published in whole or part, without the prior approval of Spire.