



PACIFIC  
WEALTH CREATORS

# RETURNS ANNOUNCEMENT

**25 April, 2011**

*Leading New Zealand private client funds manager, Pacific Wealth Creators Ltd, today announces the average portfolio return for the full year reporting period to 31 March 2011.*

**The average client portfolio return is 0.7%. This compares to the ASX200 index decrease of -0.8% over the same period. Clients pay no fee this year as the return is under the 4% benchmark.**

Year to	ASX200 <sup>***</sup>	Ave. Client Return*	Relative Result
Mar-04	18.4%	<b>33.7%</b>	15.3% outperform
Mar-05	20.3%	<b>6.1%</b>	-14.3% underperform
Mar-06	24.8%	<b>14.9%</b>	-9.9% underperform
Mar-07	16.9%	<b>12.7%</b>	-4.2% underperform
Mar-08	-10.7%	<b>-8.7%</b>	2.0% outperform
Mar-09	-33.1%	<b>-19.1%</b>	14.0% outperform
Mar-10	36.1%	<b>58.6%</b>	22.5% outperform
<b>Mar-11</b>	-0.8%	<b>0.7%</b>	<b>1.5% outperform</b>
<b>8yr Average</b>	9.0%	<b>12.4%</b>	<b>3.4% outperform</b>

It is pleasing to again meet our objective of outperforming the ASX200. Results would have been significantly better if it wasn't for weakness in some recent purchases and a weaker USD which impacted the translation of the US listed holdings back to the NZD portfolio reporting currency.

The latest result is off the back of an outstanding previous year return of 58.6% net of the performance fee.

No fees are due from clients this year. Pacific Wealth Creators Ltd only charges clients a performance fee if returns are over the 4% benchmark. This is a benefit of our unique service model. It is worthwhile pointing out if clients had incurred the

normal fixed costs imposed by most funds managers then the returns would have been negative and most likely would have underperformed the ASX200 index.

Importantly, the companies within the portfolios continue to perform well and are, without doubt, some of the best managed companies within their respective industries. This fact is much more relevant than what share prices and markets do within any particular year.

Finding investments (listed companies) that are run by competent, candid and unselfish CEO's these days is certainly a challenge. These three attributes are without doubt the exception rather than the norm now. The tertiary, business and remuneration environment seems to foster and favour the opposite attributes.

For this reason it is, as a funds manager and fellow investor whose money sits alongside clients, a real thrill to both identify and hold on to companies where these attributes are in place.

James Clague  
Funds Manager / Researcher

### **Pacific Wealth Creators Ltd at a Glance**

Established in 2000 by James Clague, Pacific Wealth Creators is a leading value-investment research house and manager of private client equity portfolios. Based in Auckland, New Zealand, we are perhaps the only investment management company with annual fees based solely on performance – growth must exceed 4% before any fees are incurred. It's what sets us apart from the rest, and it's why our client returns are some of the highest across the industry.

**Further Information:**  
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