



AUSTRALIAN MASTERS  
CORPORATE BOND  
FUND No 5 LIMITED

25 November 2015

**AMCBF5 CHAIRMAN'S ADDRESS**

Wednesday, 25 November 2015, 3.15pm

Welcome to the Annual General Meeting for the Australian Masters Corporate Bond Fund No 5 Limited (AMCBF5 or the Company) for the financial year ended 30 June 2015 (FY15).

**Chairman's Address –**

AMCBF5 was launched in February 2010 and by the end of 2015 all of its remaining investments are expected to have matured. The final two bonds mature in late December 2015 and will be returned to shareholders in early 2016 subject to approval after which time it is expected, subject to a future shareholder meeting and shareholder approval, the Fund will be wound up.

AMCBF5 paid \$2.33 in dividends during FY15 totalling \$3.17 including franking and returned \$52.95 of capital (fourth, fifth and sixth capital returns) to shareholders.

AMCBF5 will pay its next distribution of \$0.88 and is also scheduled to pay its seventh capital return of \$9.67 per share in November 2015. AMCBF5 is scheduled to pay a final capital return of \$8.75 in February 2016, subject to Shareholder approval at this AGM, and may at or around this time, also pay a dividend from the remaining net funds in the Company.

A number of investments have matured since the last AGM, with capital being returned to Shareholders. Such matured investments include, Sydney Airport Finance, CFS Retail Property, Stockland Trust Group, Mirvac Group, Santos Limited and Envestra Limited. The remaining Australia Pacific Airports bonds held within the portfolio of AMCBF5 are scheduled to mature on 14 December 2015.

Following the maturity of AMCBF5's last remaining bonds and the return of all capital to Shareholders it is the intention of the Board to put to Shareholders a resolution, at a future General Meeting, to wind up the company. The company intends, prior to winding up, to pay out any remaining net funds (cash, net of estimated wind up costs) as a dividend.

AMCBF5 continues to be listed on the Australian Securities Exchange (ASX), trading under the ASX ticker code, AKY. During the wind up process, the company will be delisted from the ASX.



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Lastly, I would like to draw your attention to the yield of Australian Corporate Bond market over the past 10 years, and in particular over the life of AMCBF series of Funds, 2008 to present. As you can see, compared with prior years, the past 2 years have been characterised by persistent low yields, consistent across fixed income markets globally, and has meant opportunities for fixed income investment remain limited. This low rate environment continues to be fuelled by ongoing global stimulus programs and low rates of expansion of the global economy. In line with offshore central banks, the RBA has maintained an accommodative stance over the past 12 months, cutting rates by 0.25% in February and again in May, taking the target rate to a historic low of 2.00%.

If there are questions in relation to the above, we will now pause to take questions.

Thank you for your time. That concludes the chairman's address.