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MEDIA RELEASE

Dawning of a new Epoch: \$1 billion FUM from retail and SMSF demand

The Grant Samuel Epoch Global Equity Shareholder Yield funds have surpassed the \$1 billion mark in assets under management, more than doubling in size over the past 12 months, says Mr Andrew McKinnon, chief executive officer of Grant Samuel Funds Management.

The funds are managed by the New York-based equity manager, Epoch Investment Partners, and are unique in the Australian market place, Mr McKinnon says.

Launched to institutional investors in October 2007 and to retail investors in May 2008, during the GFC, Grant Samuel has also raised over \$2 billion in institutional money for Epoch in Australia, bringing total funds under management from their three partners to \$5 billion.

Grant Samuel Epoch Global Equity Shareholder Yield Funds offer a globally diversified equity portfolio consisting primarily of listed global companies that have a history of attractive dividend yields and positive growth in free cash flow.

Mr William Priest, chief executive officer of Epoch and co-CIO says: "We believe the key to producing superior risk-adjusted returns is to focus on companies that are generating free cash flow and are run by management teams committed to deploying that free cash flow for the benefit of shareholders.

"This strategy identifies companies that return approximately 6 per cent of their market capitalisation to shareholders on a per annum basis in the form of cash dividends, share buybacks and debt reductions as well as possessing an annual underlying growth rate of free cash flow of at least three percent."

These distributions are characterised as "shareholder yield" in that they represent capital returned to shareholders, Mr Priest says.

Mr McKinnon says there is no other global equity fund on offer in Australia with such characteristics.

"The funds are attractive because they offer lower volatility than most equity products and distribute high levels of income. This has proven to be of great interest to SMSF investors who desire capital growth with substantial income as an investment objective."

The Grant Samuel Epoch Global Equity Shareholder Yield Funds provides income on a quarterly basis, which has great appeal to both superannuates and retirees drawing down a portion of their allocated pensions.

“About 20 per cent of the funds’ net cash-flows are from SMSF investors,” McKinnon says.

The \$1 billion FUM milestone follows Grant Samuel’s decision to open offices in Perth and Brisbane in 2013, significantly increasing its business development capabilities.

The Grant Samuel Epoch Global Equity Shareholder Yield fund is on the platforms of all the major banks and life insurers. It has an A rating from van Eyk Research, a Recommended rating from Lonsec and Zenith and a Bronze rating from Morningstar.

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Grant Samuel Funds Management (GSFM) was established in July 2007 and is a subsidiary of the Grant Samuel Group, and co-owned by the executives of GSFM.

Grant Samuel Group is an independent investment advisory house founded in 1988 and owned by its executives. GSFM specializes in marketing funds managed by high caliber local and international managers to Australian institutional and retail investors.

GSFM formed an alliance in October 2007 with New York based Epoch Investment Partners, Inc. to distribute Epoch’s investment products to Australian clients.

In May 2008, GSFM acquired an equity stake in Tribeca Investment Partners, a successful Australian boutique manager which has been investing clients’ funds since 1999.

In May 2011, GSFM formed a relationship with Payden & Rygel, a Los Angeles based independent investment management firm established in 1983, to distribute its global fixed income and absolute return strategies in the Australian market.

GSFM currently represents over \$5 billion funds under management (as of 30 November 2013).

For more information about GSFM please visit our website:

www.grantsamuelfunds.com.au

Epoch Investment Partners, Inc. (Epoch) is a New York-based U.S. and global equity investment manager. Epoch's investment approach is based on fundamental research, seeking companies that can grow free cash flow and allocate it intelligently for the benefit of shareholders. Epoch manages investment assets for retirement plans, mutual funds, endowments, foundations, and high net worth individuals.

Epoch is a wholly owned subsidiary of The Toronto-Dominion Bank as a result of a transaction that was completed on March 27, 2013. Epoch has US\$34.6 billion assets under management for clients around the world (as of 30 September 2013).

For more information about Epoch, please visit Epoch's website at www.eipny.com.

The PDS for the Fund may be obtained by contacting GSFM on (02) 9324 4356 or from www.gsfm.com.au. Before making an investment decision in relation to the Fund, investors should read and consider the PDS for the Fund.