

Equities >3% at 30 April 2018	(%)
Tesco	11.1
Lloyds Banking Group	10.0
Sports Direct	8.9
GlaxoSmithKline	8.9
Randall & Quilter	7.6
Bellway	6.2
Vesuvius	5.9
Morrisons	5.1
Hornby	4.5
Redrow	4.1
easyJet	3.4
Dignity	3.4
JD Wetherspoon	3.3
Others <3% (2)	4.0
Cash Position	13.6

The NAV was up 6.3% and the market was up 6.4%.

The latest Aurora Annual Report has recently been published. It can be read [here](#). If you have any questions about the report, please email Tristan Chapple at [tristan@pamp.co.uk](mailto:tristan@pamp.co.uk)

During April, Tesco released some pleasing annual results, suggesting the business is making good progress. In the UK, profit margins are improving, sales are increasing and, importantly, they sold more food than the year before. Although Tesco sells a wide range of products, food retailing is very important because it influences how customers perceive the entire business. A very useful measure of customer perception is something called the “net promoter score” (often abbreviated to “NPS”). An NPS score is derived by asking consumers (in this case, Tesco shoppers): “Based on your visit, how likely is it that you would recommend Tesco to a friend or colleague?” The lowest possible score is -100 (everyone hates you – these are called “detractors”) and the highest possible is +100 (everyone loves you – these are “promoters”). The overall “net promoter score” is calculated by subtracting the number of “detractors” from the number of “promoters” - the higher the score, the better. Tesco’s score in 2015 was 38.7. This month they reported that it has risen to 53.7. This is a substantial improvement in customer’s perception of Tesco. Trading also improved in Tesco’s central European and Asian divisions. Tesco Bank has more active customers than last year and there was strong growth in its lending business. Debt at Tesco has fallen from over £5bn in 2016 to £2.6bn in 2018. CEO, Dave Lewis, reiterated his expectation that operating margins will continue to rise, to 3.5% - 4% by 2020. Although the results are good, there is more to be done and the best way to continue monitoring Tesco’s progress will be by spending time in their stores, putting ourselves in the shoes of the customer.



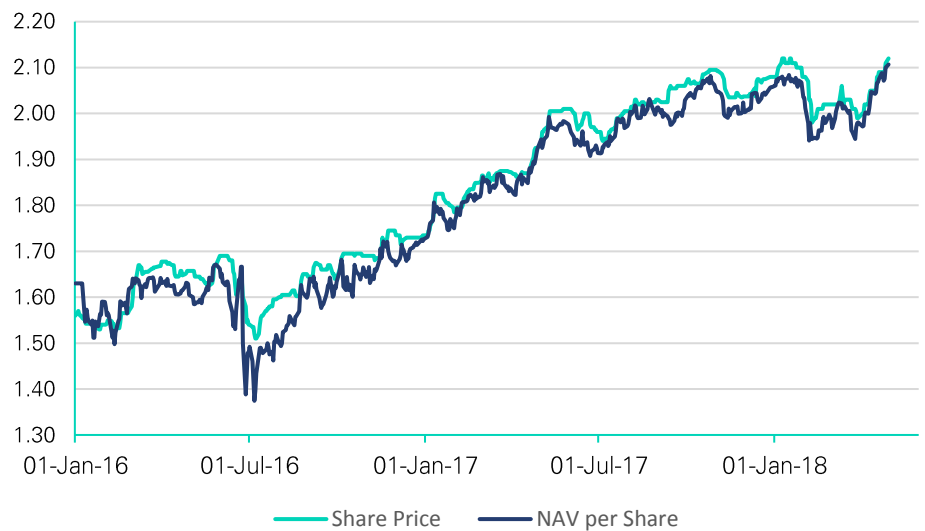
## Aurora Track Record

Performance	NAV Return %	Share Price Return % **	All-Share Index % **	Relative NAV to ASX %
2018 (to 30 April)	2.3	1.9	-0.9	3.2
2017	20.4*	21.2*	13.1	6.5
2016	6.6*	12.0	16.8	-5.2
2015	-2.3	4.3	0.9	-3.2
2014	-11.3	-10.6	1.2	-12.5
2013	3.6	14.2	20.8	-17.2

\*Following an internal review these figures were amended in June 2018.

\*\* Share price return with dividends reinvested; All Share Index returns with dividends reinvested.

## Aurora Share Price & NAV per Share – 30 April 2018



**Trust Performance**  
The appointment of Phoenix Asset Management Partners (“PAMP”) as Aurora’s investment manager came into effect in January 2016.

Aurora shares are eligible to be invested in an ISA. Neither the Aurora Investment Trust nor Phoenix Asset Management Partners run such a scheme. You should consult a financial adviser regarding a suitable self-select ISA provider.



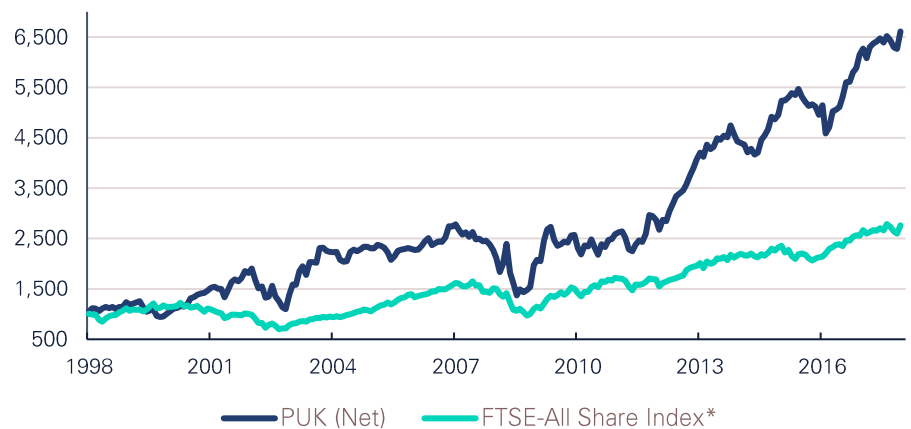
## Phoenix UK Fund Track Record

Fund Performance (%)	Gross Return	Net Return	FTSE All-Share Index*	Relative NAV to ASX
Cumulative Since Inception*	998.7	562.6	186.3	376.3
Since Inception Annualised*	12.7	9.9	5.4	4.5

\*Since May 1998

The investment strategy of the Aurora Investment Trust is the same as that of the Phoenix UK Fund.

## Phoenix UK Fund Value of £1,000 invested at launch to 30 Apr 2018



\* Data from 30 April 1998, All-Share Index Returns with dividends reinvested

### Investment Objective

We seek to achieve long-term returns by investing in UK-listed equities using a value-based philosophy inspired by the teachings of Warren Buffett, Charlie Munger, Benjamin Graham and Phillip Fisher. Our approach, combined with thorough research, invests in high quality businesses run by honest and competent management purchased at prices that, even with low expectations, will deliver excellent returns.

### Contact

[Phoenix Asset Management Partners Ltd](#)  
64 – 66 Glentham Road London SW13 9JJ  
Tel: +44 (0) 208 600 0100  
Fund Manager since 28 January 2016

**Portfolio Manager:** Gary Channon

**Listing:** London Stock Exchange

**Inception Date:** 13 March 1997

**ISIN:** GB0000633262

**Bloomberg:** ARR

### Fees

**Management:** None

**Performance:** One third of returns in excess of the market

### Regulatory Notice:

Aurora Investment Trust Plc ("the Trust") is a UK investment trust listed on the London Stock Exchange. Past performance is no guarantee of future performance. The value of investments and any income from them may go down as well as up and investors may not get back the amount invested. There can be no assurance that the Company's investment objective will be achieved and investment results may vary substantially over time. This document is for information purposes only and does not constitute an offer or invitation to purchase shares in the Trust. Shares in an investment trust are traded on a stock market and the share price will fluctuate in accordance with supply and demand and may not reflect the underlying net asset value of the shares. This document is issued and approved by Phoenix Asset Management Partners Limited which is authorised and regulated by the Financial Conduct Authority.