

AURORA INVESTMENT TRUST

February 2016



Share Price: £1.58

Net Asset Value: £1.62

Discount: 2.0%

Contact Details:

Phoenix Asset
Management Partners
Limited*
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*Fund Manager from 28
January 2016

Portfolio Manager:
Gary Channon

Listing:
London Stock Exchange

Inception Date:
13 March 1997

ISIN:
GB0000633262

Bloomberg:
ARR

Fee Information

Management Fee: None

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

During February the Trust was able to take advantage of share price weakness in three of our existing holdings. We increased the weight in Vesuvius to 5%, which has been trading at its lowest level for three years. Our view of Vesuvius remains very positive and we think they are proving their pricing power in what remain difficult markets. We also added to the holding in Sports Direct. The shares have halved in recent months, following a series of PR slip-ups and a minor profit warning in January. They have struggled to integrate an Austrian sports retailer acquired in 2013, and have been impacted by some recent weakness on the UK high street. We continue to think Sports Direct is one of the best run businesses we have come across and that the recent share price fall has been too great. We added 2%, taking the weight to 5%. Lastly, we increased the weight in Lloyds, who are emerging from the downturn as a highly profitable, conservatively run bank. They have strong market positions in UK consumer banking and residential lending and the recent fall in the share price has given us an opportunity to increase our holding. We have not changed our view that the business is currently very undervalued and so we added a further 2.5%.

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.

Trust Performance

The appointment of Phoenix Asset Management Partners (“PAMP”) came into effect on 28th January 2016. PAMP’s investment track record for its flagship Phoenix UK Fund can be viewed in the table and graph on the page 2. The investment strategy of the Aurora Investment Trust is the same as that of the Phoenix UK Fund.

	Performance	NAV Return	Share Price Return	All-Share Index*	Relative Share Price to ASX
Aurora Investment Trust Track Record	2016 YTD	4.6%	2.6%	-2.3%	4.9%

*The FTSE All Share Index used is with dividends reinvested

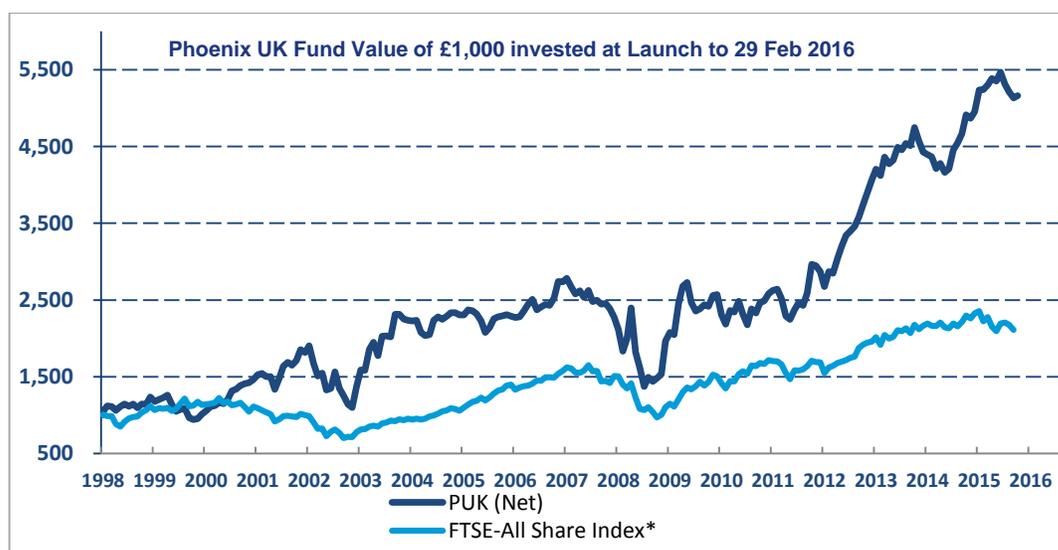
Top 10 Equities (29 Feb 2016)	%
Lloyds Banking Group	13.0%
Tesco	11.8%
Barratt Developments	9.2%
Bellway	6.5%
Morrisons	6.2%
GlaxoSmithKline	4.8%
JD Wetherspoon	4.7%
Sports Direct	4.6%
Vesuvius	4.1%
Diageo	4.0%
Cash Position	21.7%

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.



Phoenix UK Fund Performance History

	Fund Performance (%)	Net Return	Gross Return	All-Share Index*	Relative NAV to ASX
Track record of the Phoenix UK Fund	2016 YTD	-0.9	-0.7	-2.3	1.4
	2015	14.7	20.1	0.9	13.8
	2014	0.1	2.0	1.2	-1.1
	2013	31.3	40.5	20.9	10.4
	2012	42.2	48.3	12.5	29.7
	2011	1.9	3.0	-3.2	5.1
	Cumulative Since Inception (1998)	413.2	699.4	110.3	302.9
	Since Inception Annualised	9.6	12.3	4.28	5.3



*The FTSE All Share Index used is with dividends reinvested

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