

11 January, 2016

Portfolio outperforms and significant increase in dividends

Highlights

- Investment portfolio increased by 13.7% during 2015
- Fully franked interim dividend for FY2016 of 3.0 cents per share declared
- Total fully franked dividends for FY2016 of 6.0 cents per share anticipated
- Fully franked yield of 6.2%¹ based on expected FY2016 dividend payments

Global Value Fund Limited (ASX: GVF) ("GVF" or the "Company") announces a fully franked interim dividend for FY2016 of 3.0 cents per share. The Company also highlights that its investment portfolio continues to deliver strong returns.

Key dates

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|-------------------------|---------------|
| • Ex-dividend date | 7 April 2016 |
| • Dividend record date | 8 April 2016 |
| • Dividend payment date | 6 May 2016 |
| • Options expiry date | 17 March 2016 |

All options exercised on or before the options' expiry date will qualify for the interim fully franked dividend of 3.0 cents per share, and the anticipated final fully franked dividend for FY2016 of a further 3.0 cents per share.

Increased fully franked dividends

After declaring a 2.0 cent per share fully franked final dividend for FY2015, the Board has declared a 3.0 cent per share fully franked interim dividend for FY2016 and currently expects to declare total fully franked dividends for FY2016 of 6.0 cents per share, a 200% increase on FY2015. Based on the GVF closing share price on 8 January 2016 this equates to an expected 6.2% fully franked yield, or an 8.8% yield when grossed up for franking credits².

Investment portfolio performance

Over the past twelve months the Company's investment portfolio has returned 13.7%³ after all fees and expenses, significantly outperforming both global and domestic equity markets. The greatest contributor to returns has been the manager's discount capture strategy, which generated 11.3%³ (gross) over this period. Importantly the manager has been able to deliver this investment performance with a significantly lower realised volatility⁴ than an investment in either global or local equity markets.

By comparison during calendar 2015 share markets in the US and Europe rose by 1.4%⁵ and 10.7% respectively in local currency terms, while in Australia the ASX 200 index rose by 2.3%. In Australian dollar terms the MSCI All Country World Index rose by 9.5%.

¹ Based on 8 January share price of \$0.97

² Based on a tax rate of 30%

³ Source Metage Capital Limited

⁴ Realised volatility of returns is a commonly used metric to assess the underlying level of risk in investment returns.

⁵ All returns quoted are total returns, including both price and dividends.



Fully franked interim dividend for FY2016

Since the Company's IPO the Board has consistently stated its intention to pay a regular fully franked dividend so long as it remains prudent for the Company to do so. Given the continued strong performance of the investment portfolio the Board is pleased to declare a fully franked interim dividend for FY2016 of 3.0 cents per share. All shareholders recorded on the Company's register on the record date will be eligible for this 3.0 cent per share fully franked dividend.

The Company's outstanding options expire on 17 March 2016. Option holders who exercise their options on or before this day will also be entitled to receive the interim FY2016 fully franked dividend of 3.0 cents per share on all shares issued pursuant to their option exercise.

Final dividend intention for FY2016

The Board currently intends to declare a fully franked final dividend of 3.0 cents per share, consistent with the interim dividend, which would bring the full year fully franked dividend for FY2016 to 6.0 cents per share.

Any such final dividend declaration will be subject, at the relevant time, to the Company having sufficient profit reserves and franking credits, and the payment being within prudent business practices. Further details of the final dividend will be announced with the full year results due in August 2016. Shareholders should only rely on the official declaration at that time for confirmation of the amount, dates and level of franking for any full year dividend for FY2016.

Commentary

Company Chairman Jonathan Trollip said: "Given the continued strong investment performance by the manager, the Board considers that it is appropriate for the Company to increase its dividend payments. We understand how important fully franked dividends are for many of our shareholders, and the Board is pleased to be able to announce this level of fully franked dividend income so early in the Company's history".

Portfolio Manager Miles Staude said: "Compared to recent history, 2015 was a challenging time in global financial markets. A renewal of the Greek debt crisis and a dramatic correction in the Chinese equity market created significant market turbulence, while the prospect of the first interest rate increase by the US Fed in nine years weighed heavily on markets, particularly in the second half of the year. Against this backdrop it has been very pleasing to deliver the investment performance we have".

About GVF

The Global Value Fund (ASX: GVF) is a listed investment company that provides shareholders with the opportunity to invest globally through a portfolio of securities purchased at a discount to their underlying asset value. By capturing this discount for its investors the Manager aims to provide an alternative source of market outperformance compared to more common stock selection strategies.

The Manager is based in London and has considerable experience in finding international assets trading at a discount to their intrinsic worth, and in identifying or creating catalysts that will be used to unlock this value.

For more information visit www.globalvaluefund.com.au