



# Plato Income Maximiser Limited (ASX:PL8)

Investment Update as at 31 March 2019

## Performance Update

As at 31 March 2019, the Company's investments delivered a total return of 16.2%<sup>4</sup> and the Company has distributed a yield of 8.4% (incl. franking) in the last 12mths compared to the S&P/ASX 200 Franking Credit Adjusted Daily Total Return Index (Tax-Exempt) ('Benchmark') return of 13.9%<sup>4</sup> and a yield of 6.0%<sup>4</sup>.

## Dividend Update

The Company aims to pay regular monthly dividends. The PL8 Board has declared three fully franked dividends of \$0.005 per share for April, May and June 2019 which translates to an 8.3% annualized gross yield<sup>4</sup> based on the PL8 share price on March 31, 2019. The PL8 board also resolved to pay a [special dividend](#) of \$0.01 per share with an indicative record date of 17<sup>th</sup> May 2019 (subject to final confirmation). The Board will consider increasing the special dividend at a later date having regard to the number of PL8O options exercised (which remain exercisable until 29 April 2019).

<sup>1</sup> Past performance is not a reliable indicator of future performance.  
Performance is quoted in AUD net of portfolio related fees, costs and taxes.  
<sup>2</sup> Distributed income including franking credits.  
<sup>3</sup> 0.82% p.a. inclusive of the net impact of GST and RITC.  
<sup>4</sup> Including franking credits.

## Portfolio performance<sup>1</sup>

Total return last 12mths: 16.2%<sup>4</sup>  
1 month – March 2019: 0.9%

Income<sup>2</sup> last 12mths: 8.4%  
1 month – March 2019: 0.7%

## Company Snapshot

ASX code   share price:	PL8	\$1.035
ASX code   option price:	PL8O	\$0.001
Market capitalisation:		\$307m
Inception date:		28 April 2017
Listing date:		5 May 2017
Options outstanding:		295,735,973
Options exercise price:		\$1.100
Options expire:		29 April 2019
Management fee:		0.80% p.a. <sup>3</sup>
Pre-tax NTA <sup>7</sup> :		\$1.071



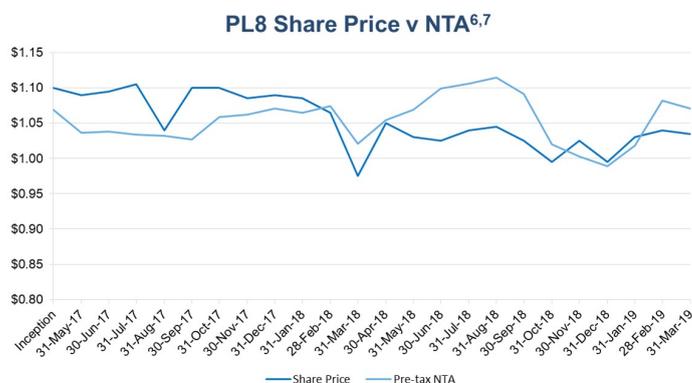
## Market Overview

The Australian market eked out a small gain in March to close out its best quarter since September 2009. The top performing industries of REITs, Communication Services and Consumer Staples were defensive in nature buoyed by the fall in the Australian 10yr bond yield from 2.1% to below 1.8% (hitting an all time low during the month). In contrast, Energy fell even as the oil price rallied and Banks also lagged given the reduction in bond yields.

The largest positive contributors to the Company's investments during the month were overweight positions in Rio Tinto which paid a large special dividend during the month, Woolworths which announced an off-market buyback on April 1 (see our [analysis](#)) and Wesfarmers. However, overweight positions in St Barbara which reported a disappointing outcome for one of its new mine technologies and Caltex underperformed and an underweight in Transurban detracted from relative performance. There has been a large increase in dividends paid during the quarter from the likes BHP, Rio Tinto, Fortescue, Wesfarmers, Woodside and Flight Centre. In addition, Caltex announced an off-market buyback.

PL8 has now paid out more income than the market over the past year and since inception, which is a good result as PL8 built up an income buffer from May to September 2017.

The Company's investments remain actively positioned to deliver superior income and franking whilst also being able to allocate to companies that are expected to provide solid capital returns.



Portfolio performance <sup>1</sup>	1 mth	3 mths	1 yr	Incept. p.a.
Total return <sup>4</sup>	0.9%	11.6%	16.2%	8.6%
Income <sup>5</sup>	0.7%	2.1%	8.4%	6.2%
Capital growth	0.2%	9.5%	7.8%	2.4%
Benchmark total return <sup>4</sup>	0.9%	11.6%	13.9%	8.6%
Excess total return <sup>4</sup>	0.0%	0.0%	2.3%	0.0%
Excess income <sup>5</sup>	-0.1%	0.2%	2.4%	0.1%
Excess franking <sup>5</sup>	0.0%	0.0%	0.9%	0.3%

<sup>4</sup> Including franking credits.

<sup>5</sup> Distributed income including franking credits.

## Net Tangible Assets (NTA)<sup>6</sup>

Pre-tax NTA <sup>7</sup>	\$1.071
Post-tax NTA <sup>8</sup>	\$1.096
Distributed Dividends since inception	\$0.087
Distributed Dividends (incl. franking)	\$0.124

<sup>6</sup> NTA calculations exclude the Deferred Tax Asset relating to capitalised costs deductions and carried forward tax losses of \$0.007. The Franking Account Balance (not reflected in NTA) is \$0.033 per share.

<sup>7</sup> Pre-tax NTA includes tax on realised gains or losses and other earnings, but excludes any provision for tax on unrealised gains or losses.

<sup>8</sup> Post-tax NTA includes tax on realised and unrealised gains or losses and other earnings.

Top 10 Holdings	Top 10 Yielding	Yield% p.a. <sup>4</sup>
ANZ	Wesfarmers	11.8
BHP Billiton	Whitehaven Coal	11.5
Commonwealth Bank	BHP Billiton	11.3
CSL	NAB	10.8
Macquarie Group	Rio Tinto	10.7
National Australia Bank	CSR	10.0
Rio Tinto	Westpac	8.3
Wesfarmers	ANZ	8.2
Westpac	Commonwealth Bank	7.9
Woolworths	Woodside Petroleum	7.8

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