

# Plato Income Maximiser Limited (ASX:PL8)

## INVESTMENT UPDATE AS AT 31 MAY 2019

### Performance Update

As at 31 May 2019, the Company's investments delivered a total return of 14.3%<sup>4</sup> and the Company has distributed a yield of 12.3% (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 12.9%<sup>4</sup> and a yield of 6.0%<sup>4</sup>.

### 12mth Dividend Yield Reaches 12%

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 8.0% annualised gross yield<sup>4</sup> based on the PL8 share price on May 31, 2019. The PL8 board also increased the special dividend to \$0.03 per share with a record date of 17th May 2019. This takes the total 12 month dividend yield including the special dividend to 12.0% (incl. franking).

### Portfolio Performance <sup>1</sup>

Total return last 12mths:	14.3% <sup>4</sup>
1 month – May 2019:	1.8%
Income <sup>2</sup> last 12mths:	12.3%
1 month – May 2019:	4.6%

### Company Snapshot

ASX code   share price:	PL8   \$1.070
Market capitalisation:	\$318m
Inception date:	28 April 2017
Listing date:	5 May 2017
Management fee:	0.80% p.a. <sup>3</sup>
Pre-tax NTA <sup>7</sup> :	\$1.073

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

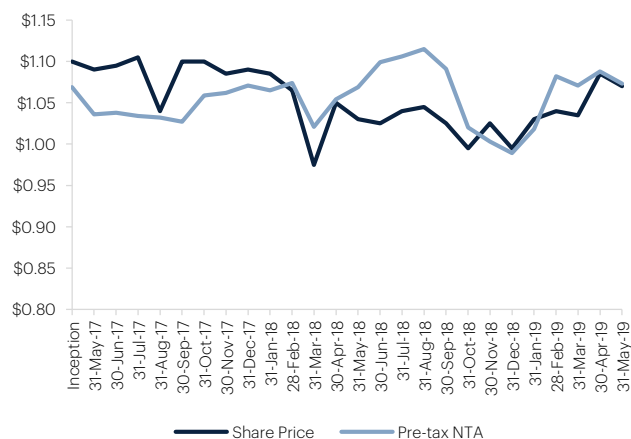
## Market Overview

The Australian market continued its rally in May, rising 2.0% despite global markets falling strongly on concerns about the US-China trade war. This was due to a more optimistic market outcome following the unexpected re-election of the coalition government which, along with potential RBA cuts and an easing in lending standards from APRA, sparked a rally in banking and other companies with an exposure to the Australian property market. The re-election of the Coalition was good news for retirees who receive franking credit refunds as the Coalition's policy is to maintain the current system. However, Australia's 10-year bond yield fell 33bps to 1.46% in May to the lowest level in Australia's history putting further pressure on the income an investor can receive from cash and fixed income investments.

The largest positive contributors to the Company's investments during the month were overweight positions in CSR and Aristocrat Leisure which announced a strong result as well as underweight positions in Treasury Wines and BlueScope Steel which is suffering as steel margins contract. However, overweight positions in Macquarie whose forecast earnings guidance was lower than the market anticipated, Cimic and QBE Insurance underperformed.

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.

PL8 Share Price v NTA<sup>6,7</sup>



PORTFOLIO PERFORMANCE <sup>1</sup>	1 MTH	3 MTHS	1 YR	INCEPT. P.A.
Total return <sup>4</sup>	1.8%	4.9%	14.3%	10.0%
Income <sup>5</sup>	4.6%	6.0%	12.3%	8.3%
Capital growth	-2.8%	-1.1%	2.0%	1.7%
Benchmark total return <sup>4</sup>	2.0%	5.4%	12.9%	10.2%
Excess total return <sup>4</sup>	-0.2%	-0.5%	1.4%	-0.2%
Excess income <sup>5</sup>	3.8%	4.4%	6.3%	2.2%
Excess franking <sup>5</sup>	1.1%	1.3%	2.0%	0.9%

<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>	\$1.073
Post-tax NTA <sup>8</sup>	\$1.085
Distributed Dividends since inception	\$0.127
Distributed Dividends (incl. franking)	\$0.181

<sup>6</sup> NTA calculations exclude the Deferred Tax Asset relating to capitalised costs deductions and carried forward tax losses of \$0.008. The Franking Account Balance (not reflected in NTA) is \$0.016 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>2</sup>
ANZ	Fortescue Metals	18.1
BHP Billiton	Whitehaven Coal	12.0
Commonwealth Bank	BHP Billiton	11.6
CSL	Wesfarmers	11.0
Macquarie Group	Rio Tinto	10.8
National Australia Bank	NAB	9.8
Rio Tinto	Westpac	9.8
Wesfarmers	CSR	8.6
Westpac	ANZ	8.2
Woolworths	Woodside Petroleum	8.1