



Plato Income Maximiser Limited (ASX:PL8)

Investment Update as at 31 July 2018

Performance Update

As at 31 July 2018, the Company's investments delivered a total return of 15.0%⁴ and a yield of 6.1% (incl. Franking after portfolio related fees, costs and taxes) in the last 12mths compared to the S&P/ASX 200 Franking Credit Adjusted Daily Total Return Index (Tax-Exempt) ('Benchmark') return of 16.2%⁴ and a yield of 5.7%⁴.

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 July, August and September 2018 which translates to an 8.0% annualized gross yield⁴ based on the PL8 share price on July 31, 2018.

Portfolio performance¹

Total return last 12mths: 15.0%⁴

1 month – July 2018: 1.1%

Income² last 12mths: 6.1%

1 month – July 2018: 0.7%

Company Snapshot

ASX code share price:	PL8O \$1.040
ASX code option price:	PL8O \$0.001
Market capitalisation:	\$308m
Inception date:	28 April 2017
Listing date:	5 May 2017
Options outstanding:	295,917,055
Options exercise price:	\$1.100
Options expire:	29 April 2019
Management fee:	0.80% p.a. ³
Pre-tax NTA ⁷ :	\$1.106

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.



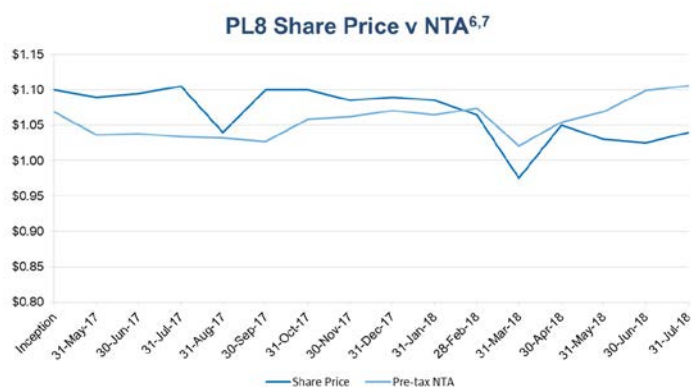
Market Overview

The Australian market rose again in July, with strong U.S. economic data off-setting continuing geopolitical tensions during the month. The Chinese government also loosened a key bank capital requirement to aid the Chinese economy in response to the US/China trade conflict. Domestically, Telecommunications was the best performing sector as Telstra rallied 8.4% with industrials also up 3.5%. In contrast, Utilities and IT stocks fell in sympathy with Facebook and Twitter which both fell strongly during the month.

The largest positive contributors to the Company's investments during the month were overweight positions in Cimic (which reported strong earnings and work-in-hand numbers) and Qantas in contrast to Rio Tinto and CSR which underperformed. Given the relatively high valuations for a number of growth stocks (PL8 is underweight this segment of the market), earnings disappointments could be punished more than normal in the upcoming reporting season.

PL8 built up an income buffer from May to September 2017 to enable a stable future income path, paying its first dividend in October 2017. We report distributed rather than accrued yield to reflect what investors have actually received, which results in a lower income number since inception. Accrued yield is equal to 8.4% p.a. since inception, compared to the index yield of 5.5% p.a. over the same period.

The Company's investments remains 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 ¹	1 mth	3 mths	1 yr	Incept. p.a.
Total return⁴	1.1%	6.5%	15.0%	9.1%
Income ⁵	0.7%	2.0%	6.1%	4.9%
Capital growth	0.4%	4.5%	8.9%	4.2%
Benchmark total return ⁴	1.4%	6.1%	16.2%	10.6%
Excess total return⁴	-0.3%	0.4%	-1.2%	-1.5%
Excess income⁵	0.7%	0.9%	0.4%	-0.6%
Excess franking⁵	0.2%	0.3%	0.3%	0.0%

⁴ Including franking credits.

⁵ Distributed income including franking credits.

Net Tangible Assets (NTA)⁶

Pre-tax NTA ⁷	\$1.106
Post-tax NTA ⁸	\$1.101
Distributed Dividends since inception	\$0.047
Distributed Dividends (incl. franking)	\$0.065

⁶ NTA calculations exclude the Deferred Tax Asset relating to capitalised costs deductions and carried forward tax losses of \$0.010. The Franking Account Balance (not reflected in NTA) is \$0.008 per share.

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

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

Top 10 Holdings	Top 10 Yielding	Yield% p.a. ⁴
BHP Billiton	Telstra	13.3
Commonwealth Bank	NAB	10.0
CSL	Westpac	9.1
Insurance Australia	Alumina	8.7
Macquarie Group	Bendigo and Adelaide Bank	8.4
Rio Tinto	Commonwealth Bank	8.2
Scentre	CSR	8.1
Wesfarmers	ANZ	7.8
Westpac	Metcash	7.1
Woodside Petroleum	Suncorp	7.0

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