

## Ryder Capital delivers 29.8% increase in pre-tax NTA, strong growth of 70.8% in total comprehensive income after tax to \$10.8m and declares a final 2.0 cent fully franked dividend

Ryder Capital Limited (Ryder or Company) [ASX: RYD] today announces continued strong investment performance resulting in total comprehensive income after tax of \$10.8m for the twelve months to 30 June 2018. Pre-tax net tangible assets (NTA) per share increased by 29.8%\* to \$1.5653 during the period.

Strong investment performance drove growth in the Company's pre-tax net assets from \$44.7m to \$62.9m, an increase of \$18.2m. NTA per share growth of 29.8% was enhanced by the operation of the Company's share buyback where 836,989 units were purchased on market during the period at an average price of \$1.15, a total outlay of \$962,681.

The Company intends to selectively continue the operation of the share buyback where it is accretive on a fully diluted basis.

Directors are pleased to announce a final 2.0 cent per share fully franked dividend\*\* payable on 19 October 2018 with an ex-date of 4 October 2018. A notice will be sent to all optionholders shortly setting out the process for exercising options into ordinary fully paid Ryder shares including the last date funds must be received to be entitled to the final dividend.

Directors are committed to paying a steady stream of fully franked dividends provided the Company's investment returns, available cash and franking account allow for the fulfilment of this objective.

Ryder's investment performance measured by the movement in pre-tax NTA per share remains strong, materially outperforming its hurdle over all time frames since the IPO (September 2015). Set out below is the Company's undiluted pre-tax NTA performance<sup>(1)(3)</sup> across short and more medium term time frames including Inception to Date (ITD)<sup>(2)</sup>:

	3 Months (%)	6 Months (%)	1 Year (%)	ITD (%)	Since Inception <sup>(2)</sup> (% per annum)
<b>Gross Portfolio Performance</b>	8.39	5.43	42.12	84.28	24.69
<b>Pre-tax undiluted NTA Return<sup>(3)</sup></b>	6.40	3.98	32.68	62.53	19.16
<b>Pre-tax NTA Return<sup>(1)</sup></b>	4.24	1.69	29.83	58.98	18.21
<b>Hurdle (RBA Cash Rate + 4.25% Return)</b>	1.40	2.81	5.75	17.16	5.88
<b>Excess Return</b> Pre-tax NTA Return <sup>(1)</sup> - (RBA Cash Rate + 4.25%)	2.84	-1.12	24.09	41.82	12.33

1. Unaudited investment performance less all costs of operating Ryder Capital Ltd including investment management and performance fees including the dilutionary impact of options exercised to date but ignoring the dilutionary impact of unexercised outstanding RYDO options.

2. Inception To Date (ITD). Inception Date is 22 September 2015.

3. Pre-tax NTA return adjusted for exercised \$1.25 RYDO options.

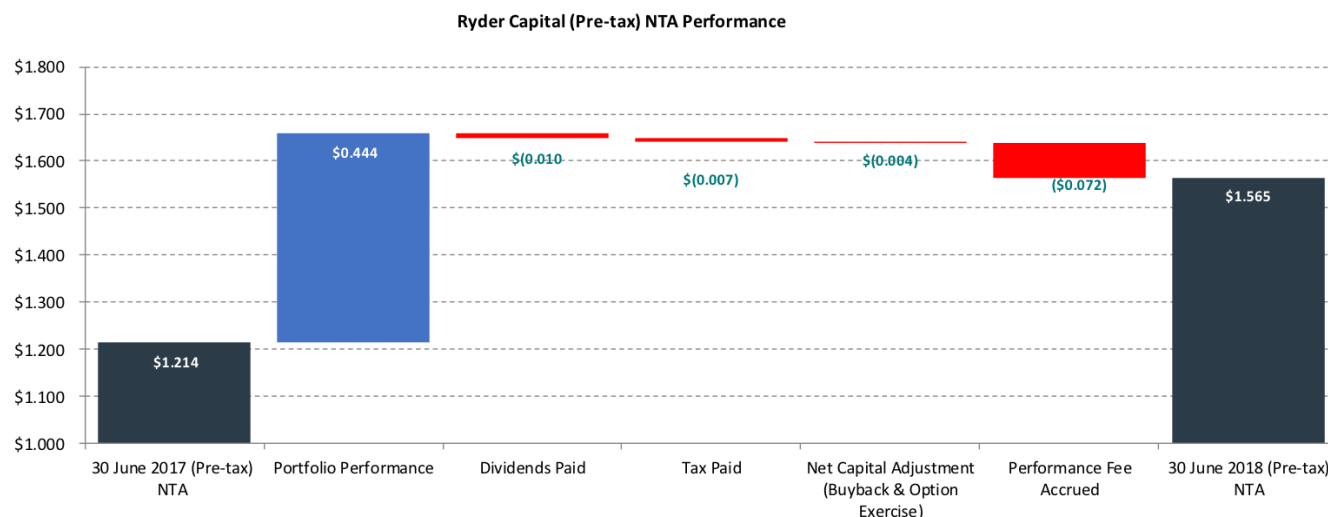
\*Unaudited investment performance less all costs of operating Ryder Capital Ltd including investment management and performance fees including the dilutionary impact of options exercised to date but ignoring the dilutionary impact of unexercised outstanding RYDO options.

\*\* In declaring the 2.0 cent per share fully franked interim dividend Directors have provided for the exercise of 100% of all outstanding options (RYDO) in its total dividend payment capacity calculations.

## Portfolio Performance

Investment performance during FY2018 was strong with gross portfolio performance of 42.12% which was materially ahead of the Company's performance benchmark and more broadly, ahead of all ASX equity market indices gross returns.

Cash holdings ended 30 June 2018 at 17.6% and are likely to increase as a result of capital inflows from the exercise of RYDO options.



## Outlook

Global growth has to date not been accompanied by an equivalent pickup in wages and inflation generally, leading to improved corporate earnings both offshore and domestically, helping to support equity markets generally. This cannot last forever, and the one constant of change will in time resurface. Together with the current state of cyclically heightened asset prices, including equities, finding attractive investment opportunities has become more difficult.

Tactically, we are mindful of the current goldilocks environment and accordingly we are targeting higher cash weightings of 20%+ to ensure we can capitalise on any market volatility and accompanying value and/or mispriced opportunities. To be clear we are not forecasting any downturn and do not profess to have any special ability here, just that the risks have increased, and we should be more than less prepared.

The portfolio is in overall good health with several high conviction investments likely to underpin another solid year of returns absent any macro environment shocks to asset prices.

### Peter Constable

Chairman & Chief Investment Officer

For more information visit [www.rydercapital.com.au](http://www.rydercapital.com.au) or contact: [enquiries@rydercapital.com.au](mailto:enquiries@rydercapital.com.au)

## About Ryder Capital Limited

Ryder Capital Limited (Company) was listed in September 2015 and is managed by Ryder Investment Management Pty Limited (Manager) a Sydney based boutique fund manager pursuing a high conviction value driven investment strategy specialising in small to mid-cap Australasian equities. The Managers approach is differentiated by investing for the medium to longer term, being aligned as significant shareholders in the Company and being focused on generating strong absolute returns first and foremost. A key foundation of the Managers success to date has been to minimise mistakes, ignore the crowd and back their judgement.