



CAPITAL INVESTMENTS LIMITED

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***MFF Capital Investments Limited ('MFF')
Net Tangible Assets ('NTA') per share for September 2018***

Please find enclosed MFF's monthly NTA per share for September 2018.

***Geoffrey Stirton
Company Secretary***

Tuesday, October 2, 2018

MFF Capital Investments Limited ('MFF')
Net Tangible Assets ('NTA') per share for September 2018

MFF advises that its approximate monthly NTA per share as at 28 September 2018 was \$3.062 pre-tax, (\$2.762 pre-tax as at 30 June 2018) and \$2.564 after providing for tax¹. Figures are cum dividend (1.5 cents per share fully franked payable in November 2018).

Overall market prices for portfolio companies continued moderate advances, and we saw few changes in advantaged competitive positions. Portfolio activity remained limited. We continue to prefer to concentrate in business leading liquid holdings with advantaged competitive positions and above average profitable growth potential, as we have done in recent years whilst current cycles mature and pressure points ebb and flow. Thus, we continue to maintain significant portfolio exposures to economic, business and market risks. Of course these risks are greater than when market prices were lower and when the economic recoveries were earlier in their cycles, and we remain cautious with our portfolio investment choices and structures, as covered in recent NTA releases.

Despite equity prices returning to record levels, it is not obvious that equity markets are generally euphoric. Market participants continue to anticipate higher market volatility and many also anticipate broadening economic slowdowns. Cautionary tales are dominating discussions 10 years after the GFC. However debt markets continue to appear favourable for issuers with continuing strong issuance, (including sub and marginal investment grade issuance), attractive pricing and generous covenants. Defaults remain low and lead indicators of credit downturns apparently muted. Debt markets may precede equity markets at the start of downturns. Also, heavily promoted and apparently fraudulent ventures are apparent, and momentum is chasing hot sectors.

Holdings as at 28 September 2018 with a market value of 0.5% or more of the portfolio are shown in the table below (shown as a percentage of investment assets including net cash).

Holding	%
Visa	14.8
MasterCard	13.7
Home Depot	10.6
Bank of America	8.0
Alphabet	5.9
Lowe's	5.7
JP Morgan Chase	5.5
HCA Healthcare	4.2
Wells Fargo	3.7
Facebook	3.6
US Bancorp	3.4

Holding	%
CVS Health	3.0
Lloyds Banking Group	2.6
DBS Group	1.4
United Overseas Bank	1.4
S&P Global	1.3
Oversea - Chinese Banking	1.1
Coca Cola	1.1
Kraft Heinz	0.8
AECOM	0.8
Capitaland	0.7
Colgate-Palmolive	0.5

Net cash as a percentage of investment assets (plus net cash) was approximately 4.5% as at 28 September 2018. AUD net cash (including short term bank deposits) was 3.1%, GBP net debt 0.9%, USD net cash 2.4% and other currency borrowing/cash exposures were below 1% of investment assets as at 28 September 2018 (all approximate). Key currency rates for AUD as at 28 September 2018 were 0.7220 (USD), 0.6229 (EUR) and 0.5535 (GBP) compared with rates for the previous month which were 0.7232 (USD), 0.6216 (EUR) and 0.5564 (GBP).

Yours faithfully,



Chris Mackay
Portfolio Manager

Tuesday, October 2, 2018



¹ Net tax liabilities are current tax liabilities and deferred tax liabilities, less tax assets.

All figures are unaudited and approximate.

Important note

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