

RIT Capital Partners plc

Results for the half year ended 30 June 2018

RIT Capital Partners plc today published its results for the half year ended 30 June 2018.

Financial Highlights:

- Total net assets at 30 June 2018 reached £2.9 billion
- Growth in net assets of £92 million (before distributions) for the period
- Net asset value (NAV) total return of 3.2% for the period
- NAV per share 1,882 pence at 30 June 2018
- Market value of the Company now exceeds £3.2 billion

Performance Highlights:

- Cautious portfolio positioning with an emphasis on capital preservation
- Returns achieved with prudent net quoted equity exposure, averaging 47% over the period
- Strong contribution from the Private Investments portfolio
- Single stocks and equity hedge funds performed ahead of the relevant market index
- Continued steady returns from Absolute Return and Credit portfolio

Dividends:

- Dividend paid in April of 16.5 pence per share
- The Board has declared a dividend of 16.5 pence per share for October
- This represents an increase of 3.1% over the previous year's dividend

Summary:

- Over the last five years, net assets have grown by over £1 billion (before dividends)
- Over the same five-year period, the share price total return was 96%
- Since inception, RIT has now participated in 75% of market upside but only 39% of market declines
- Over the same period, total shareholder return has compounded at 12.6% per annum compared to the MSCI ACWI of 7.0%
- £10,000 invested in RIT at inception in 1988 would be worth £350,000 today compared to the same amount invested in the MSCI ACWI which would be worth £76,000

Commenting, Lord Rothschild, Chairman of RIT Capital Partners plc, said:

"Your Company's net asset value at the end of June had risen to 1,882 pence per share. This represents a total return, including the 16.5 pence interim dividend, of 3.2% for the half year. Over the same period, your Company's share price increased by 6.2% on a total return basis, resulting in the market value of the Company exceeding £3.2 billion.

During a volatile six months for markets, we maintained our cautious approach, with a net quoted equity exposure averaging 47%...

Many of the world's economies have enjoyed a broad-based acceleration not seen since the aftermath of the financial crisis of 2008, with as many as 120 countries seeing stronger growth last year. Advanced economies and the corporate sector continue to do well, particularly in the US with full employment, growth of around 2%, and with its corporate sector likely to show profit growth in excess of 20% in the second quarter of the year. Emerging markets in Asia, including China and India, are expected to grow strongly at around 6.5% in 2018/19.

However, we continue to believe that this is not an appropriate time to add to risk. Current stock market valuations remain high by historical standards, inflated by years of low interest rates and the policy of quantitative easing which is now coming to an end.

The cycle is in its tenth positive year, the longest on record. We are now seeing some areas of weaker growth emerge; indeed the IMF has recently predicted some slowdown. The problems confronting the Eurozone are of concern – both political and economic – given the potentially destructive levels of debt in a number of countries. The likelihood of trade wars has increased tension and the impact on equities has been marked... Problems are likely to continue in emerging markets, compounded by rising interest rates and the US Fed's monetary policy which has drained global dollar liquidity...

The resolution of these problems in this unpredictable era will surely be difficult. In 9/11 and in the 2008 financial crisis, the powers of the world worked together with a common approach. Co-operation today is proving much more difficult. This puts at risk the post-war economic and security order.”

Please click here to view the Company's Half-Yearly Financial Report:

<http://www.rns-pdf.londonstockexchange.com/rns/9782W 1-2018-8-6.pdf>

ENQUIRIES:

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About RIT Capital Partners plc:

RIT Capital Partners plc is an investment company listed on the London Stock Exchange. Its net assets have grown from £280 million on listing to over £2.9 billion today. It is chaired by Lord Rothschild, whose family interests retain a significant holding. www.ritcap.com