

GCIT Investment Highlights

- Specialist Investment Manager with a proven track record of investment outperformance
- Target income return of RBA Cash +3.50% (net of fees)
- Monthly distributions
- Key objective of the Fund being capital preservation
- Portfolio diversification – Australian ABS market is a large but specialist component of Australian Fixed Income and is dominated by institutional investors.

Investment Objective

GCIT is an ASX Listed Trust providing Unitholders with exposure to the Australian securitised fixed income market, a large market (>A\$100 billion) which is dominated by institutional investors. The investment objective of GCIT is to generate attractive risk adjusted returns principally through monthly income distributions with a low risk of capital loss at a portfolio level. Investor's capital is not guaranteed.

GCIT Distribution

GCIT announced a 0.74 cents per unit distribution for the month of September 2018, representing an annualised distribution yield of 4.50%. As at 30 September 2018, the Core portfolio represented approximately 91% of the GCIT NAV and the total net running yield is approximately 5.24%, exceeding the Target return. This is likely to be reflected in the October distribution (payable in early November), delivering in excess of the Target return of RBA Cash +3.50% (5.00% net of fees).

Market and GCIT Investment Activity

Gryphon Capital continued to recycle the Liquidity portfolio into higher yielding RMBS and ABS (Core portfolio) as opportunities arose throughout the month, totalling approximately 19% of GCIT NAV. This now means GCIT is effectively almost fully ramped. Importantly the distribution for the month of October onwards (commencing with the distribution to be paid in early November) is expected to deliver in excess of the Target return of RBA Cash +3.50% (5.00% net of fees).

Gryphon Capital have delivered on all of its IPO targets including:

- Time taken to become invested in Core holdings consistent with the IPO target
- Monthly distributions
- Target return is expected to be achieved for the distribution payable in early November
- Portfolio construction and asset allocation is consistent with IPO target
- Credit rating distribution is more conservative than IPO target.

We are delivering more yield with less risk than the IPO targets.

Gryphon Presentations – Listed Investment Company Showcase

In October, Ashley Burtenshaw, Chief Investment Officer of Gryphon Capital Investments will be presenting at the Listed Investment Company Showcase outlining the diversification benefits of an investment in the Gryphon Capital Income Trust.

SAVE THE DATE:

Friday 5 October	Brisbane	Brisbane Convention & Exhibition Centre
Wednesday 10 October	Sydney	Wesley Conference Centre
Friday 12 October	Melbourne	Melbourne Convention & Exhibition Centre

Gryphon Capital takes an active approach to engaging and communicating with our investors and we look forward to catching up with you soon.

Fund Performance

30 September 18	1 Mth	3 Mth	6 Mth	1 Yr	Incep (Ann) ¹
Net Return (%)	0.39	0.95	-	-	3.34
RBA Cash Rate (%)	0.12	0.38	-	-	1.50
Distribution (%)	0.37	0.92	-	-	3.23
Distribution (¢/unit)	0.74	1.84	-	-	6.36

¹ Inception date – 21 May 2018

Note: Past performance is not a reliable indicator of future performance.

ABOUT THE MANAGER

Gryphon Capital Investments Pty Ltd ("Gryphon") is a specialist fixed income manager with significant experience in the Australian and Institutional fixed income markets. Gryphon manages individual segregated accounts on behalf of institutional investors and GCIT on behalf of wholesale and retail investors seeking opportunities in fixed income credit markets including RMBS and ABS. Gryphon currently manages funds in excess of \$1.9 billion.

GCIT SNAPSHOT

ASX Code	GCI
IPO Date	25 May 2018
Asset	Fixed Income, floating rate
ASX Price	\$1.97
NAV (Unit)	\$2.00
Market Cap	\$172.67m
Distributions	Monthly
Unit Pricing	Weekly

GCIT PORTFOLIO STATISTICS*

No. of Underlying Loans	42,462
Weighted Average Underlying Loan Balance	\$479,905
Weighted Average LVR	68%
Weighted Average Seasoning	23 months
Weighted Average Interest Rate	4.90%
Owner Occupied	63%
Interest Only	23%
90+ Days in Arrears as % of Loans	0.23%

* Please note that although the values in this Investment Report are accurate portfolio statistics, the return and performance of actual credit instruments invested in are assessed individually.

RESEARCH

BondAdviser

INDEPENDENT
INVESTMENT RESEARCH

Lonsec

Gryphon Capital Income Trust (GCIT)

ARSN 623 308 850

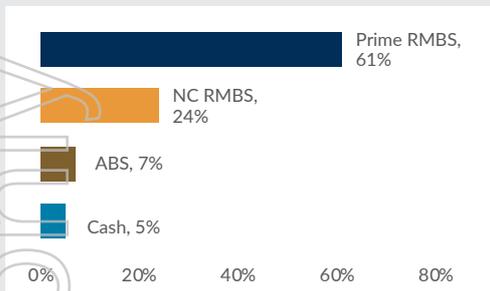
Investment Update as at 30 September 2018



GCIT Portfolio Construction¹

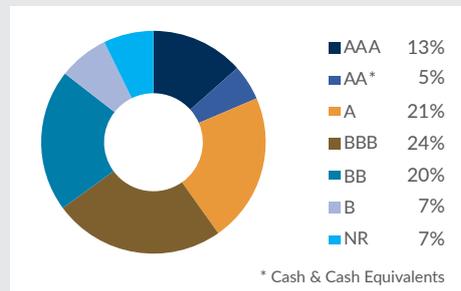
¹ Note as at 30 September 2018.

GCIT Sector Allocations²



² Excludes Manager Loan.

GCIT Rating Breakdown²



² Excludes Manager Loan.

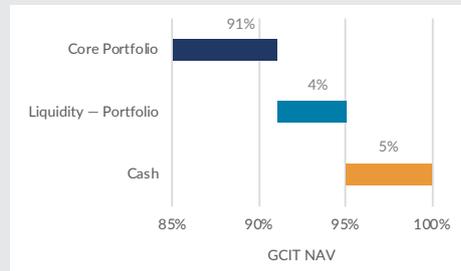
GCIT Characteristics³

Net Running Yield ⁴	5.24%
RBA Cash Rate	1.50%
Interest Rate Duration (yrs)	0.05 years
Credit Spread Duration (yrs)	2.4 years
Number of Bond Holdings	32
Number of Underlying Loans	42,462

³ Annualised.

⁴ The net cash income GCIT would earn over the next year based on existing core and liquidity portfolios and current market conditions if there were no changes to interest rates or GCIT portfolios. It is not an actual return.

Portfolio Investment Information



The AAA rated liquidity RMBS will be recycled into higher yielding RMBS and ABS as the Manager continues to invest in "core securities" for the GCIT portfolio. As described in the SPDS, Investors should also note it may take some time following listing of the Units until the Manager is able to construct the Portfolio (which may be up to six months) and before the target return can be expected to be achieved. Distributions to Unitholders in the initial six months are therefore expected to be lower than the target return.

GCIT PARTIES

Responsible Entity

One Managed Investment Funds Limited
ACN 117 400 987 AFSL 297042

Manager

Gryphon Capital Investments Pty Ltd
ACN 167 850 535 AFSL 454552

AVAILABLE PLATFORMS INCLUDE:

Asgard	BT Panorama
BT Wrap	First Wrap
HUB24	Macquarie Wrap
Mason Stevens	MLC
Navigator	Netwealth
North	

FURTHER INFORMATION AND ENQUIRIES

Gryphon Capital Income Trust
www.gcainvest.com/gcit/overview

General

Email info@gcainvest.com

Boardroom (Unit Registry)

Phone 1300 737 760

Email enquiries@boardroomlimited.com.au

Net Returns

(%)	Jan	Feb	Mar	Apr	May ⁵	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2018	-	-	-	-	0.01	0.23	0.25	0.31	0.39	-	-	-	1.19

⁵ Net return calculated from the Allotment date 21 May 2018 to 31 May 2018.

Distributions

(cents/Unit)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2018	-	-	-	-	-	0.46	0.48	0.62	0.74	-	-	-	2.30

Disclaimer: Gryphon Capital Investments Pty Ltd (ACN 167 850 535) (AFSL 454552) ("Gryphon") is the investment manager of the Gryphon Capital Income Trust (ARSN 623 308 850) ("GCIT"). One Managed Investment Funds Limited (ACN 117 400 987) (AFSL 297042) is the Responsible Entity of GCIT ("OMIFL"). The information contained in this document was not prepared by OMIFL but was prepared by other parties. While OMIFL has no reason to believe that the information is inaccurate, the truth or accuracy of the information contained therein cannot be warranted or guaranteed. Anyone reading this report must obtain and rely upon their own independent advice and inquiries. Investors should consider the Supplementary Product Disclosure Statement ("SPDS") issued by OMIFL before making any decision regarding GCIT. The SPDS contains important information about investing in GCIT and it is important investors obtain and read a copy of the SPDS before making a decision about whether to acquire, continue to hold or dispose of units in GCIT. You should also consult a licensed financial adviser before making an investment decision in relation to GCIT. A copy of the SPDS may be obtained from <https://www.oneinvestment.com.au/investors-public/gryphon-capital-income-trust> or <http://www.gcainvest.com/gcit/overview>. Gryphon believes that the information contained in this document is accurate when issued. Gryphon does not warrant that such information or advice is accurate, reliable, complete or up-to-date, and to the fullest extent permitted by law, disclaims all liability of Gryphon and its associates. This document should be regarded as general information only rather than advice. In preparing this document, Gryphon did not take into account the investment objectives, financial situation and particular needs of any individual person. The information contained in this document must not be copied or disclosed in whole or in part without the prior written consent of Gryphon, and Gryphon accept no liability whatsoever for the actions of third parties in this respect. It is presented for informational purposes only and is not to be construed as a solicitation or an offer or recommendation to buy or sell any securities. Any opinions expressed in this document may be subject to change. Gryphon is not obliged to update the information. The information must not be used by recipients as a substitute for the exercise of their own judgment and investigation. Neither Gryphon nor any of their directors, employees or agents accept any liability for any loss or damage arising out of the use of all or part of, or any omission, inadequacy or inaccuracy in, this document. OMIFL and Gryphon do not guarantee the performance of GCIT or the repayment of any investor's capital. To the extent permitted by law, neither OMIFL nor Gryphon, including their directors, senior executives, employees, consultants, advisers, officers or authorised representatives, are liable for any loss or damage arising as a result of reliance placed on the contents of this document. Gryphon only provides services to wholesale clients, as defined in Section 761G of the Corporations Act. Past performance is not indicative of future performance. Information in this document is current as at 30 September 2018.

