



Phaunos Timber Fund Limited - PTF Final Results
Released 07:00 25-Apr-2017

RNS Number : 1531D
Phaunos Timber Fund Limited
25 April 2017

Phaunos Timber Fund Limited

("Phaunos" or the "Company")

25 April 2017

Audited Results for the Year Ended 31 December 2016

Phaunos Timber Fund Limited, the specialist authorised closed-ended timberland and timber-related fund, managed by Stafford Capital Partners Limited, today announces its audited results for the year ended 31 December 2016.

2016 Summary

- **Net profit of US\$18.3 million for the year** compared to a net loss of US\$10.5 million in the prior year
- Total net assets now stand at **US\$301.3 million**
- NAV per share increased from US\$0.49 as at 31 December 2015 to US\$0.55 as at 31 December 2016, **an increase of 12%**
- Timber and investment operating expenses decreased from US\$8.4 million in 2015 to US\$7.3 million in 2016, **a decrease of 13%**
- Revenue from timber operations and investment income decreased from US\$16.3 million for 2015 to US\$9.5 million for 2016. This **decrease of 42%** was a result of an exceptionally large one-off sale of standing timber from the Brazilian asset of Mata Mineira in 2015. As expected this one-off sale was not repeated in 2016. This was partially offset by increased dividends from Matariki.
- Asset sales totalling **US\$27.6 million** in 2016, consisting of US\$16.8 million from the partial sale of the Boardman Tree Farm (part of GreenWood Tree Farm Fund), US\$8.5 million from the sale of shares in Green Resources, and US\$2.3 million from the sale of the standing timber at the Brazilian teak estate Alto Jauru.
- Net cash inflows **increased** from US\$12.9 million as at 31 December 2015 to US\$16.0 million as at 31 December 2016, **an increase of 24%**
- Cash held has **increased** from US\$25.6 million as at 31 December 2015 to **US\$45.6 million** as at 31 December 2016

- **19.1 million shares repurchased** through the share buyback programme in 2016 at a weighted average price of US\$0.39 per share, adding 2.0 cents to the NAV per share
- The share price increased from US\$0.35 as at 31 December 2015 to US\$0.41 as at 31 December 2016, **an increase of 17%**
- Discount to NAV **reduced by 4%** from 29% as at 31 December 2015 to 25% as at 31 December 2016
- In addition to the interim dividend of 0.3 cents per share paid in December 2016, the Board is proposing a **final dividend of 1.6 cents per share**, amounting to a **total dividend of 1.9 cents per share** for the year

Commenting on the results, Sir Henry Studholme, Chairman of Phaunos Timber Fund Limited said:

"The Annual Report and Consolidated Financial Statements underline the continued progress and development which the Company has made over the year. Substantially all of the initial objectives set out by Stafford when they took over the management of the Company have been achieved with the portfolio rebalanced to contain primarily lower risk and higher yielding assets. The balance sheet is in a healthy position, and the Company is in a strong cash flow position. With the Company delivering a profit for the year, an interim dividend was paid to Shareholders, marking the first dividend payment since 2012. We now have a sound base so that looking forward, if Shareholders vote to continue the Company at the AGM we can commence the payment of regular dividends to Shareholders, and move to further diversify the portfolio towards investments in assets capable of generating both yield and capital growth."

The Company's Annual Report & Consolidated Financial Statements for the year ended 31 December 2016 can be accessed by clicking on the following link http://www.rns-pdf.londonstockexchange.com/rns/1531D_-2017-4-24.pdf or on the Company's website (www.phaunostimber.com) under 'Financial Reports' in the Investor Information section of the website.

Enquiries:

Stafford Capital Partners Limited (Manager)

Michael Goodfellow: +44 (0) 20 7535 4915

Media Enquiries:

Phoenix Financial PR

Gordon Puckey: +44 (0) 7799 767468

Winterflood Investment Trusts (Corporate Broker)

Joe Winkley: +44 (0) 20 3100 0301

Phaunos Timber Fund Limited (Chairman)

Sir Henry Studholme

info@phaunostimber.com

NOTES TO EDITORS

1. About Phaunos Timber Fund Limited

Established in 2006, Phaunos Timber Fund Limited ("PTF" or "the Company") invests in a concentrated, but diversified portfolio of timberland and timber-related investments. The Company seeks to provide Shareholders with attractive investment returns over the longer term, largely in the form of capital appreciation, but with some income.

PTF is a Guernsey-domiciled authorised closed-ended investment scheme, authorised by the Guernsey Financial Services Commission under section 8 of The Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended) and the Authorised Closed-ended Investment Schemes Rules 2008 made thereunder. The Company's ordinary shares are traded on the Main Market of the London Stock Exchange.

www.phaunostimber.com

2. About Stafford Capital Partners Limited

Established in 2000, Stafford Capital Partners ("Stafford") is a leading private markets investment group. It has specialist investment teams working across Real Assets, Private Equity and Credit, and with offices in Austin, Boston, Hanover, London, Sydney and Zurich, has a truly global presence. As at 31 March 2017, Stafford has more than US\$4.8 billion

under management and advice, with US\$2.3 billion in timberland investments. Stafford was appointed as the Manager of Phaunos on 1 July 2014. (www.staffordcp.com)

Stafford's timberland business provides fund management and advisory services to institutions seeking global timberland exposure; this is achieved through pooled investment vehicles and co-investment opportunities in transactions (which are sometimes larger than the capacity of the primary fund). Stafford's pooled funds offer globally diversified portfolios of timberland assets, and are actively managed to take advantage of developing market trends. Stafford presently manages timber investments in Australia, Brazil, Canada, Central America, Chile, New Zealand, the US and Uruguay.

Stafford Capital Partners is a member of the 'Principles for Responsible Investment' (PRI); these Principles are an internationally agreed upon framework, designed to help institutional investors to incorporate Environmental, Social and Governance (ESG) considerations into their investment decision-making and ownership practices. The PRI has acknowledged Stafford as having incorporated a solid framework for ESG considerations into its investment decision process.

The Company's ticker is PTF.

www.phaunostimber.com

This information is provided by RNS
The company news service from the London Stock Exchange

END