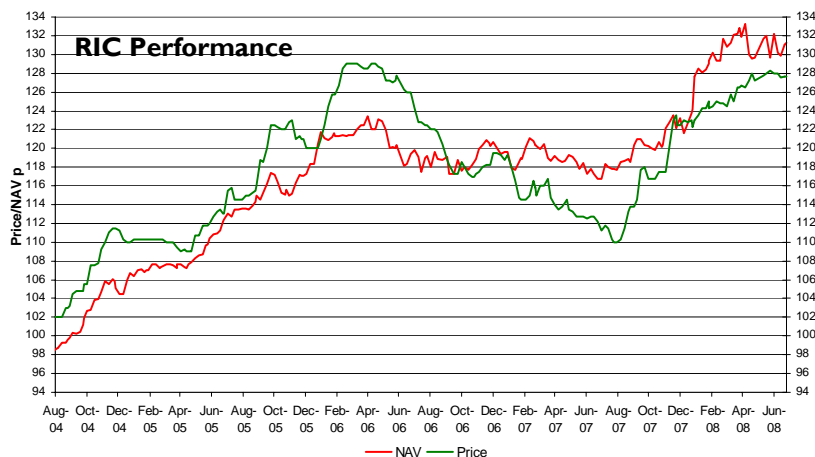




# RUFFER INVESTMENT COMPANY LIMITED

*An alternative to alternative asset management*

Share price	127.70p	30 Jun 2008
Net Asset Value (NAV)	131.30p	30 Jun 2008
Premium (Discount) to NAV	-2.7%	30 Jun 2008
Launch price	100.00p (8 July 04)	



Source: Ruffer LLP

## Performance since inception - RIC A Class

Total return (NAV)<sup>1</sup> +39.8%

## £ Statistics since inception

Standard Deviation<sup>2</sup> 1.32%

Sharpe ratio<sup>3</sup> 1.07

Maximum drawdown<sup>4</sup> -3.5%

1—Including 5.75p dividend; 2—Monthly data

3—Monthly data annualised; 4—Monthly data. Including 5.75p dividend

Source: Ruffer LLP

## Investment Objective

The principal objective of the Company is to achieve a positive total annual return, after all expenses, of at least twice the Bank of England base rate by investing in internationally listed or quoted equities or equity related securities (including convertibles) or bonds which are issued by corporate issuers, supra-nationals or government organisations.

## Investment Report

The valuation of the portfolio at the end of June was 131.3p per share, up by 1.2% on the end of May. It was down by 1.1% on the end March figure, which was a high point.

Year to date the portfolio has risen by 5.7%.

It was a difficult month in which to make money, and, unsurprisingly, the equities largely let the side down.

A sale of Unilever in the middle of the month helped a lot, as did our overweight position in Japan. Overall, Japan made a positive contribution to the result.

The UK equities were hit by Booker, Premier, BP and BT, all losing between £100,000 and £160,000 (between 0.09% and 0.14% in contribution). A timely sale of Invensys saved a similar result there. Kraft Foods was responsible for a 0.18% loss in the portfolio and Ericsson, not a big position, provided a negative contribution of 0.26%. Swisscom, on the other hand, is a big holding and a modest fall in its value resulted in a 0.17% setback.

For the rest it was onwards and upwards – in the case of gold, by about 0.6%, and index-linked by around half that. The Swiss bonds were perky.

Word has come back to the fund managers that readers of this investment review would prefer fewer jokes and more performance attribution, so this is an attempt to provide just that. I prefer providing the jokes.

## Ten largest holdings

30 Jun 2008

Stock	% of Fund
Austria Govt 3% 2009	10.5
UK Treasury I/L 1.25% 2017	9.9
US TIPS 2.375% 2025	6.3
Swiss Govt 1.75% 2009	5.5
Swiss Govt 4% 2028	5.5
UK Treasury 5% 2012	5.1
UK Treasury 4.25% 2011	5.0
Gold Bullion	3.9
Swisscom	3.5
Nippon Tel & Tel	2.7

## Five largest equity holdings

30 Jun 2008

Stock	% of Fund
Swisscom	3.5
Nippon Tel & Tel	2.7
BP	2.6
Newmont Mining	2.4
Central Japan Railway	2.3

Source: Ruffer LLP

## Percentage Growth in NAV to 30 June 2008

30 Jun 07 - 30 Jun 08	30 Jun 06 - 30 Jun 07	30 Jun 05 - 30 Jun 06	30 Jun 04 - 30 Jun 05	30 Jun 03 - 30 Jun 04
+14.7%	-2.3%	+6.4%	n/a	n/a

Source: Ruffer LLP

Past performance is not a guide to the future. The value of the shares and the income from them can go down as well as up and you may not get back the full amount originally invested. The value of overseas investments will be influenced by the rate of exchange.

Issued by Ruffer LLP, 80 Victoria Street, London SW1E 5JL. Authorised and regulated by the Financial Services Authority. © Ruffer LLP 2008.



## RUFFER INVESTMENT COMPANY

### Quarterly return history

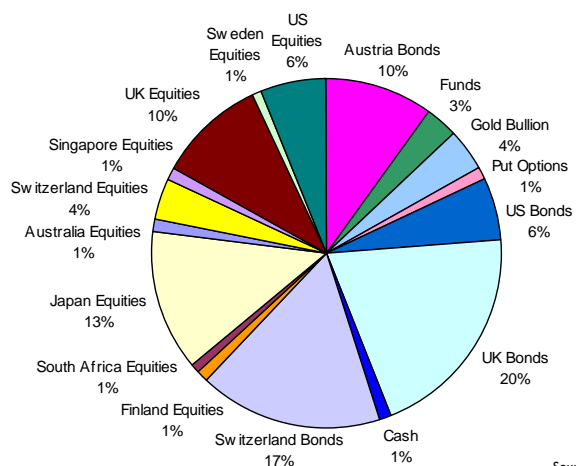
Date	30 Sep 04	31 Dec 04	31 Mar 05	30 Jun 05	30 Sep 05	30 Dec 05	31 Mar 06	30 Jun 06	30 Sep 06	31 Dec 06	31 Mar 07	30 Jun 07	30 Sep 07	31 Dec 07	31 Mar 08	30 Jun 08
NAV	101.2p	106.7p	107.2p*	112.2p	117.4p*	120.5p	122.5p*	119.4p	118.8p*	119.6p	118.7p*	116.7p	120.4p*	124.2p	132.8p*	131.30p
% Growth	+3.3%	+5.4%	+0.9%	+4.7%	+5.1%	+2.6%	+2.1%	-2.5%	-0.1%	+0.7%	+0.3%	-1.7%	+4.2%	+3.2%	+7.9%	-1.1%

\*Ex dividend 0.5p 30 Mar 05, 7 Sept 05, 31 Mar 06, 27 Sept 06, 1.25p 30 Mar 07, 28 Sept 07 and 31 Mar 08

Source: Ruffer LLP

### Geographical Allocation

30 Jun 2008



Source: Ruffer LLP

Notes: (i) The Company may invest up to 10% in other listed collective vehicles although in certain circumstances the Company may invest up to 15% in other listed collective vehicles (see Prospectus for details).

(ii) Currency risk actively managed within the Company.

### Company Structure

Guernsey domiciled limited company

### Share class

£ sterling denominated preference shares

### Listing

London Stock Exchange

### Settlement

CREST

### Wrap

ISA/PEP/SIPP qualifying

### Discount Management

Share buyback  
Discretionary redemption facility

### Investment Manager

Ruffer LLP

### Administrator

Northern Trust International Fund  
Administration Services (Guernsey) Limited

### Custodian

RBC Dexia Investor Services

### Ex dividend dates

March, September

### Pay dates

April, November

### Stock ticker

RICA LN

### ISIN Number

GB00B018C546

### Sedol Number

B018CS4

### Enquiries

Ruffer LLP  
80 Victoria Street  
London SW1E 5JL

Alexander Bruce Tel: 020 7963 8215

Fax: 020 7963 8175

Email: [abruce@ruffer.co.uk](mailto:abruce@ruffer.co.uk)

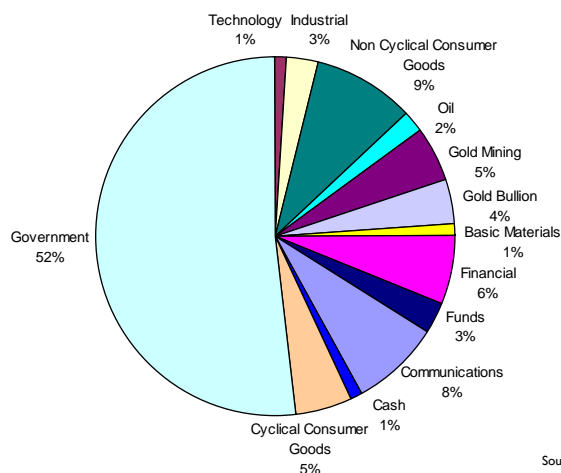
Web: [www.ruffer.co.uk](http://www.ruffer.co.uk)

### RUFFER LLP

Ruffer LLP manages funds exceeding £2.83bn on an absolute return basis, including over £777m in open-ended Ruffer funds.

### Asset Allocation

30 Jun 2008



Source: Ruffer LLP

### Sponsoring Broker

UBS Investment Bank  
1 Finsbury Avenue  
London EC2M 2PP

### Charges

Annual management charge 1.0% with no performance fee

### NAV Valuation Point

Weekly: Friday midnight  
Last business day of the month

### NAV

£117.0m (30 Jun 08)

### Shares in issue

89,129,703

### Market capitalisation

£113.8m (30 Jun 08)

### No. of holdings

38 equities, 10 bonds (30 Jun 08)

### Share price

Published in the Financial Times

### Market Makers

UBS Investment Bank  
Winterflood Securities  
Panmure Gordon  
ABN AMRO

### JONATHAN RUFFER, Chief Executive



Trained as a stockbroker and barrister before moving into private client investment management in 1980, with Dunbar Fund Managers. Formerly Chief Investment Officer of Rathbone Bros plc, in 2001 became an independent non-executive director of Electric and General Investment Trust PLC. He established Ruffer Investment Management Ltd in 1994, which transferred its investment business to Ruffer LLP in 2004.

### STEVE RUSSELL, Investment Director



Started as a research analyst at SLC Asset Management in 1987 where he became Head of Equities in charge of £5bn of equity funds. In 1999 he moved to HSBC Investment Bank as Head of UK and European Equity Strategy, before joining Ruffer LLP in September 2003. He became a non-executive director of JP Morgan Fleming Continental Investment Trust in 2005.

Past performance is not a guide to the future. The value of the shares and the income from them can go down as well as up and you may not get back the full amount originally invested. The value of overseas investments will be influenced by the rate of exchange.

Issued by Ruffer LLP, 80 Victoria Street, London SW1E 5JL. Authorised and regulated by the Financial Services Authority. © Ruffer LLP 2008.