

# Aberdeen Smaller Companies Income Trust PLC

**ASCI**
**Morningstar Peer Group Classification**

UK Equity &amp; Bond Income

**Investment Objective**

To provide a high and growing dividend and capital growth from a portfolio invested principally in the ordinary shares of small companies and UK fixed income securities.

**Valuation statistics (NAVs estimated<sup>1</sup>) GBX**

	21 Sep 2017	12 m High	Low
Price	259.75	260.50	189.50
Fair Cum NAV	313.45		
Fair Ex NAV	311.38		
Par Cum NAV	313.45		
Par Ex NAV	311.35	318.94	246.42
Fair Cum Discount	-17.13		
Fair Ex Discount	-16.58		
Par Cum Discount	-17.13		
Par Ex Discount	-16.57	-16.59	-24.99
Peer Group Discount	+0.58		
Z-Statistic <sup>2</sup>	2.18		

**Last Actual NAVs (GBX) as at 20 Sep 2017**

Fair Cum NAV	314.74
Fair Ex NAV	312.67
Par Cum NAV	314.74
Par Ex NAV	312.67

**Key Data**

Domicile	UK
Launch Date	28 Aug 1992
Financial Year-end	31 Dec
Exchange	London (LSE)
Next AGM	Apr 2018
NAV Frequency	Daily
Dividend Frequency	Quarterly
Total Assets (GBP)	75.8m
Net Assets (GBP)	68.8m
Shares Outstanding	22,109,765
Gross Gearing <sup>3</sup>	110
Net Gearing <sup>4</sup>	109
Average Daily Shares Traded (1yr)	0.027m
Average Daily Value Traded (1yr)	0.058m
Total Expense Ratio <sup>5</sup> (2016)	1.48%
Market Capitalisation (GBP)	57.4m
Net Dividend Yield <sup>6</sup>	2.69%

**Dividend Policy**

The fund intends to pay quarterly dividends

**Year-on-Year Dividend Growth % (financial year 31 Dec)**

2017	2016	2015	2014	2013
2.19	3.01	3.10	3.20	3.31

**Dividend Growth % (annualised on current financial year)<sup>7</sup>**

1 year	2 years	3 years	4 years	5 years
2.19	2.60	2.77	2.87	2.96

**Directors**

Robert Lister (Chairman), David Fletcher, Dagmar Kershaw, Barry Rose

**Fund Manager:** Jonathan Allison (31 Dec 2015)

**Aberdeen Asset Management**

40 Princes Street, Edinburgh, UK, EH2 2BY

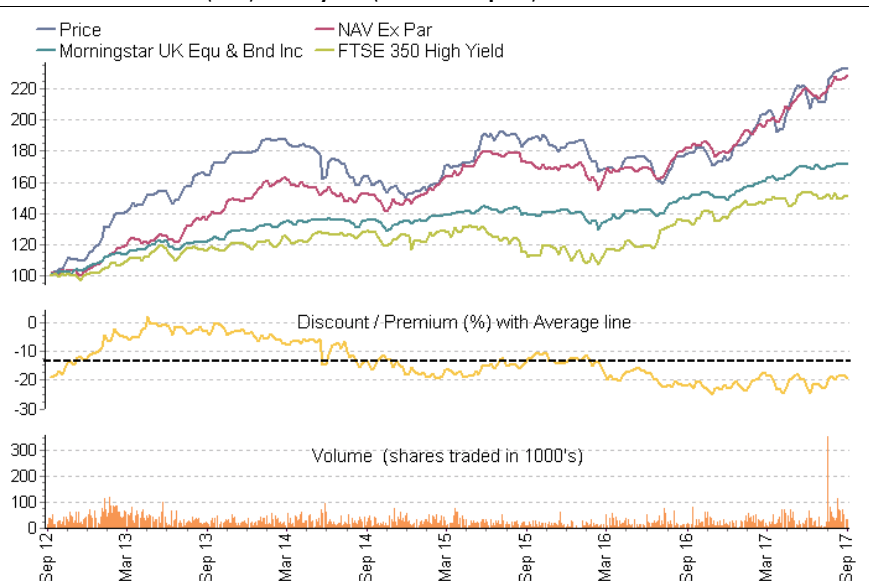
**Telephone:** +44 (0)131 528 4000

**Website:** www.aberdeensmallercompanies.co.uk

**Stockbroker:** Winterflood Securities Limited

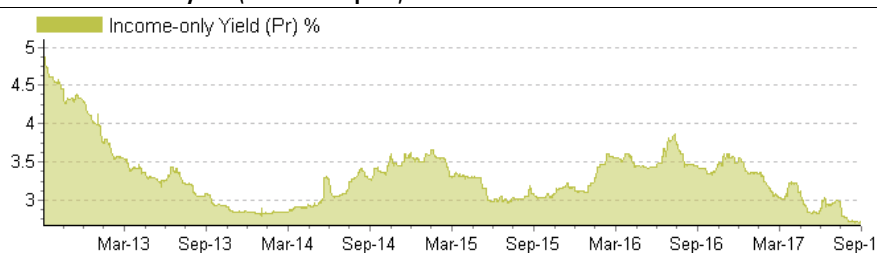
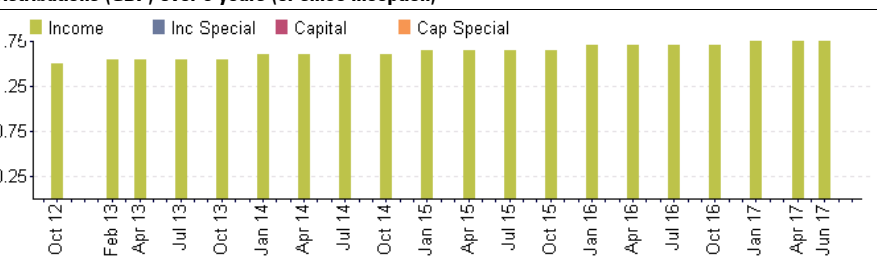
**Management Fee Summary**

The management fee is 0.75% per annum of adjusted gross assets. The asset basis for the fee calculation is net assets plus debt. The contract may be terminated by either the Company or the Manager on the expiry of six months written notice.

**Total Return Performance (GBP) over 5 years (or since inception)**

**Performance (Total Return %)<sup>8</sup> GBP**

	1 month	3 months	6 months	1 year	YTD	3 years	5 years
Price	+3.08	+12.33	+21.05	+31.57	+30.79	+50.68	+133.65
NAV	+0.05	+5.76	+13.62	+23.32	+21.47	+49.09	+124.54
Peer Group (Price)	+0.04	+0.39	+5.85	+13.06	+10.76	+25.27	+68.99
Peer Group (NAV)	-0.37	+0.38	+4.55	+12.63	+8.89	+26.99	+68.46
Benchmark	-0.34	-1.99	-0.60	+10.14	+2.69	+15.76	+47.38

Peer Group: Morningstar IT UK Equity & Bond Income P  
 Morningstar Benchmark: FTSE 350 High Yield  
 Fund distributions reinvested on ex-dividend date<sup>9</sup>

**Dividend Yields over 5 years (or since inception)**

**Distributions (GBP) over 5 years (or since inception)**

**Latest Dividend History (GBP)**

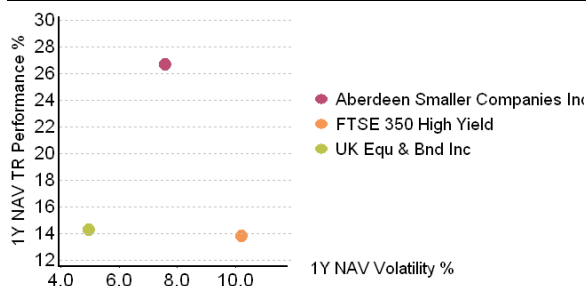
Type	Dividend	Declared Date	Ex Div Date	Record Date	Payment Date	Financial Year
Income	1.750	13 Jun 17	06 Jul 17	07 Jul 17	28 Jul 17	2017
Income	1.750	23 Mar 17	06 Apr 17	07 Apr 17	28 Apr 17	2017
Income	1.750	12 Dec 16	05 Jan 17	06 Jan 17	27 Jan 17	2016
Income	1.700	26 Sep 16	06 Oct 16	07 Oct 16	28 Oct 16	2016
Income	1.700	14 Jun 16	07 Jul 16	08 Jul 16	29 Jul 16	2016
Income	1.700	09 Mar 16	07 Apr 16	08 Apr 16	29 Apr 16	2016
Income	1.700	04 Dec 15	07 Jan 16	08 Jan 16	29 Jan 16	2015
Income	1.650	27 Aug 15	08 Oct 15	09 Oct 15	30 Oct 15	2015
Income	1.650	17 Jun 15	09 Jul 15	10 Jul 15	31 Jul 15	2015
Income	1.650	24 Mar 15	02 Apr 15	07 Apr 15	30 Apr 15	2015
Income	1.650	15 Dec 14	08 Jan 15	09 Jan 15	30 Jan 15	2014
Income	1.600	06 Oct 14	16 Oct 14	17 Oct 14	31 Oct 14	2014

**Initial Public Offering**

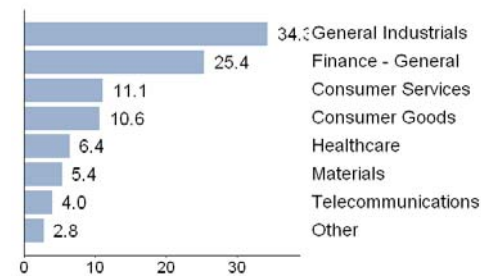
12,524,435 Ordinary shares at 1.00 GBP on 28 Aug 1992 raising 12.5m gross and 12.0m net of expenses

## Aberdeen Smaller Companies Income Trust PLC

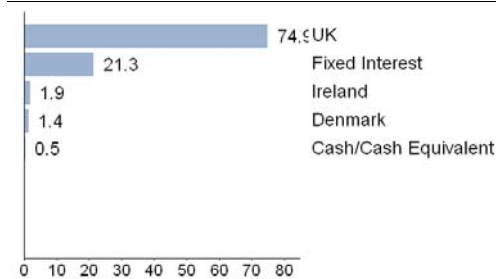
ASCI

Risk & Return<sup>9</sup>

## Sector Breakdown (%)



## Geographic Breakdown (%)

Largest Holdings (% Portfolio<sup>10</sup>) as at 31 Jul 2017

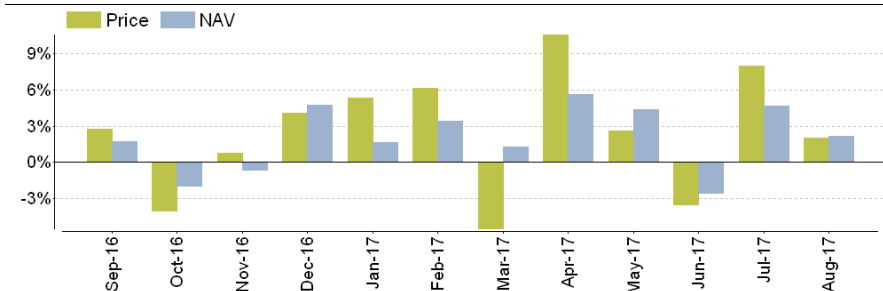
XP Power	3.9%
Morgan Sindall PLC	3.2%
Assura Group	3.1%
Berendsen	3.1%
Chesnara Plc	3.0%
Acal PLC	2.9%
EuroMoney Institutional Investor	2.6%
Oxford Instruments	2.5%
Elementis PLC	2.5%
Dechra Pharmaceuticals	2.4%
<b>Total</b>	<b>29.4%</b>

## Capital Structure

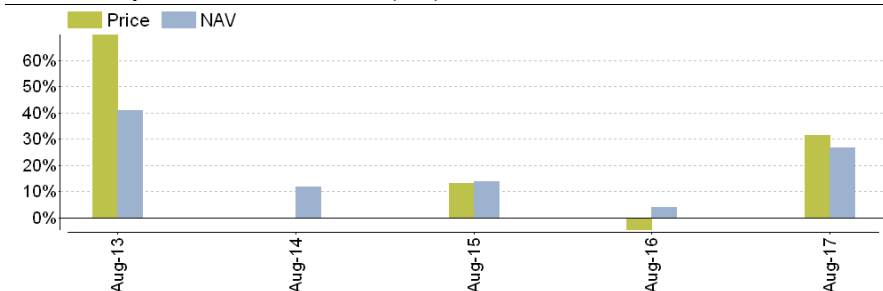
Number of Shares	Share Type
22,109,765	Ord 50p

Loan CCY	£m	Redemption	Coupon
GBP	2.0		1.559%
GBP	5.0		2.470%

## Discrete Monthly Price &amp; NAV Total Return % (GBP)



## Discrete Yearly Price &amp; NAV Total Return % (GBP)



## Risk &amp; Correlation

	3 months	6 months	1 year	3 years	5 years
Alpha (NAV) <sup>11</sup>	0.10	0.10	1.59	0.98	1.15
Beta (NAV) <sup>12</sup>	0.44	0.45	0.37	0.32	0.42
R-squared (NAV) <sup>13</sup>	0.27	0.31	0.14	0.12	0.18
Sharpe (NAV) <sup>14</sup>	2.90	3.24	2.52	1.27	1.64
Price Volatility <sup>15</sup>	11	13	12	11	10
NAV Volatility <sup>15</sup>	7	8	7	11	11
Benchmark Volatility <sup>15</sup>	9	9	10	16	14
Peer Group Price Volatility <sup>15</sup>	6	6	7	9	8
Peer Group NAV Volatility <sup>15</sup>	5	5	5	7	7

Additional Performance (Total Return<sup>8</sup>) GBX

Period	Price	NAV	Peer Price	Peer NAV	Benchmark
2016	+30.79	+21.47	+10.76	+8.89	+2.69
2015	+28.45	+31.42	+20.94	+20.62	+28.53
2014	+20.37	+13.44	+3.78	+6.04	-5.46
2013	-14.91	-2.11	+3.55	+3.81	+0.50
2012	+52.13	+45.35	+21.82	+20.94	+20.48
Since FTSE 2009 Low (13 Mar 09)	+50.68	+32.48	+24.07	+21.91	+8.24
Since Sub-Prime (20 Nov 07)	+593.33	+541.17	+272.15	+268.44	+176.22
Since FTSE 2007 Peak (13 Oct 07)	+115.47	+106.39	+106.77	+101.26	+60.55
	+89.79	+82.73	+91.11	+88.81	+47.41

## Wind-up Provisions/Buy Back Policy

The Company does not have a fixed life. However, the Company's articles of association require that an ordinary resolution is proposed at every fifth Annual General Meeting to allow the Company to continue as an investment trust for a further five year period. The present five year mandate expires in 2020 and a vote on continuation will therefore be proposed at the Annual General Meeting to be held in 2020.

1 **NAV Estimation** - Fair value of debt refers to the market price of the debt if it is traded or, if it is not traded, an estimation of its value calculated using points over gilt methodology.  
Cum Income NAVs include net revenue in the financial year to date. All estimates are fully diluted for the effects of warrants, convertibles or treasury shares. NAV estimations are created and maintained by Morningstar. For more detailed methodology document please contact FD.Support@morningstar.com

2 **Z-Statistic 1y** - Shows whether the fund's current discount is significantly higher or lower than the average over the past year, calculated as (Current Discount - Mean) / Std Dev

3 **Gross Gearing** - The ratio of estimated gross Assets to the Net Assets, expressed as a percentage

4 **Net Gearing** - The ratio of estimated Gross Assets minus cash and fixed interest to the Net Assets, expressed as a percentage. Cash and fixed interest represents not-equity exposure.

5 **Total Expense Ratio** - (Total Expenses - Performance Fees - Cost of Leverage - Tax - Restructuring Costs) / Average Net Assets

6 **Net Dividend Yield** - This is calculated by dividing the current financial years dividends (this will include prospective dividends) by the current price.

7 **Dividend Growth** - The annualised percentage growth in dividends. Based upon the current financial year, including any future estimates or forecasts.

8 **Performance** - Calculated using start and end period Share Prices or NAV Dividends are reinvested on the ex-dividend date at the prevailing Share Price or NAV.

9 **Risk & Return** - 1 Year ex income par NAV total return performance against 1 Year NAV volatility. Please see notes 8 and 15 for performance and volatility definitions respectively.

10 **Portfolio** - In order to calculate the portfolio value we deduct any holdings in cash only (Note that Fixed Interest is not included).

11 **Alpha** - The difference between the fund's average excess total return and the benchmark's average excess total return.

12 **Beta** - The sensitivity of the fund to broad market movements. A Beta of 0.5 would imply the fund will move by half as much as the index.

13 **R-squared** - A measure of correlation between the fund and index. A value of 0.8 means that 80% of the fund's NAV changes can be explained by changes in the index.

14 **Sharpe** - A risk-adjusted return measure, calculated by dividing the fund's average monthly excess total return over the risk-free rate by the standard deviation of those returns. The figure shown is the annualized Sharpe Ratio.

15 **Volatility** - The annualized standard deviation of the logged daily returns, adjusting for distributions from capital.