

# Dunedin Smaller Companies Investment Trust PLC

DNDL

## Morningstar Peer Group Classification

UK Smaller Companies

### Investment Objective

To achieve long-term growth from a portfolio of smaller companies in the UK.

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

	18 May 2018	12 m High	Low
Price	289.00	291.00	226.25
Fair Cum NAV	338.70		
Fair Ex NAV	334.79		
Par Cum NAV	338.83		
Par Ex NAV	333.33	333.78	279.29
Fair Cum Discount	-14.97		
Fair Ex Discount	-13.98		
Par Cum Discount	-15.00		
Par Ex Discount	-13.30	-11.78	-20.78
Peer Group Discount	-9.23		
Z-Statistic <sup>2</sup>	1.32		

### Last Actual NAVs (GBX) as at 17 May 2018

Fair Cum NAV	337.56
Fair Ex NAV	333.65
Par Cum NAV	337.69
Par Ex NAV	333.78

### Key Data

Domicile	UK
Launch Date	12 Feb 1959
Financial Year-end	31 Oct
Exchange	London (LSE)
Next AGM	Feb 2019
NAV Frequency	Daily
Dividend Frequency	Semi-annual
Total Assets (GBP)	165.5m
Net Assets (GBP)	159.5m
Shares Outstanding	47,857,317
Gross Gearing <sup>3</sup>	104
Net Gearing <sup>4</sup>	102
Average Daily Shares Traded (1yr)	0.029m
Average Daily Value Traded (1yr)	0.075m
Total Expense Ratio <sup>5</sup> (2017)	0.77%
Market Capitalisation (GBP)	138.3m
Net Dividend Yield <sup>6</sup>	2.21%

### Dividend Policy

The fund intends to pay semi-annual dividends

### Year-on-Year Dividend Growth % (financial year 31 Oct)

2018	2017	2016	2015	2014
0.00	3.90	2.50	14.29	1.94

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

1 year	2 years	3 years	4 years	5 years
0.00	1.93	2.12	5.04	4.41

### Directors

James Barnes (Chairman), Alexa Henderson, Chris Thomson, Norman Yarrow

**Fund Manager:** Ed Beal (17 Jan 2006)

### Aberdeen Asset Management

40 Princes Street, Edinburgh, UK, EH2 2BY

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

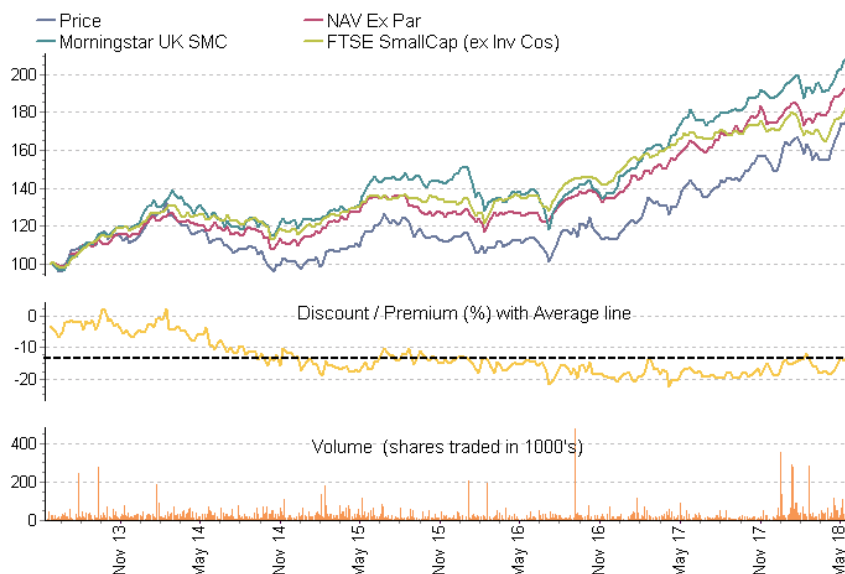
**Website:** www.dunedinsmaller.co.uk

**Stockbroker:** Cantor Fitzgerald Europe

### Management Fee Summary

Management fee is 0.40% p.a. of Net Assets. Performance fee is 0.1% p.a. (up to a maximum of 0.5%) of adjusted gross assets for every 1% by which the Company's NAV performance outperforms the capital performance of the FTSE SmallCap Index (ex-investment companies).

## 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	+10.98	+7.43	+13.29	+22.87	+6.70	+49.86	+74.15
NAV	+2.97	+9.25	+10.83	+18.90	+6.08	+44.13	+90.24
Peer Group (Price)	+6.31	+7.87	+10.07	+18.22	+7.23	+48.70	+109.57
Peer Group (NAV)	+4.66	+8.71	+9.91	+15.32	+5.69	+47.44	+100.22
Benchmark	+4.98	+7.36	+7.57	+9.16	+3.74	+36.28	+82.90

Peer Group: Morningstar IT UK SMC P

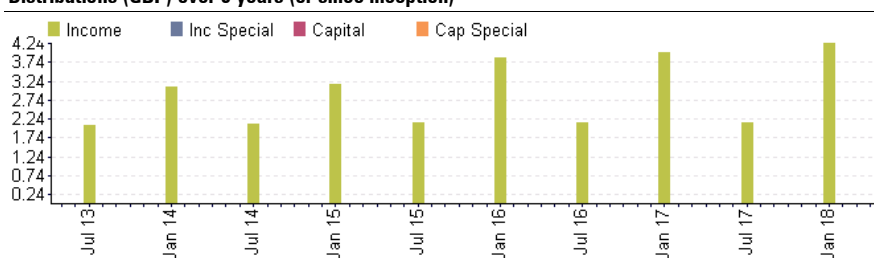
Morningstar Benchmark: FTSE SmallCap (ex Inv Cos)

Fund distributions reinvested on ex-dividend date<sup>8</sup>

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



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



## Latest Dividend History (GBP)

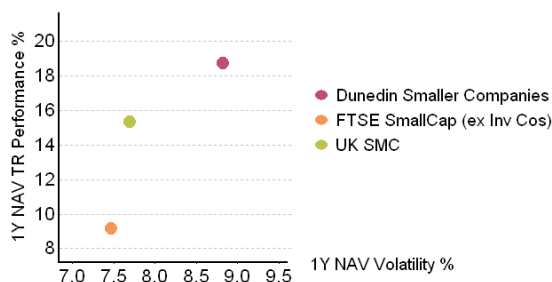
Type	Dividend	Declared Date	Ex Div Date	Record Date	Payment Date	Financial Year
Income	4.240	22 Dec 17	18 Jan 18	19 Jan 18	16 Feb 18	2017
Income	2.150	16 Jun 17	06 Jul 17	07 Jul 17	28 Jul 17	2017
Income	4.000	16 Dec 16	12 Jan 17	13 Jan 17	10 Feb 17	2016
Income	2.150	20 Jun 16	07 Jul 16	08 Jul 16	29 Jul 16	2016
Income	3.850	14 Dec 15	14 Jan 16	15 Jan 16	12 Feb 16	2015
Income	2.150	15 Jun 15	02 Jul 15	03 Jul 15	24 Jul 15	2015

## Initial Public Offering

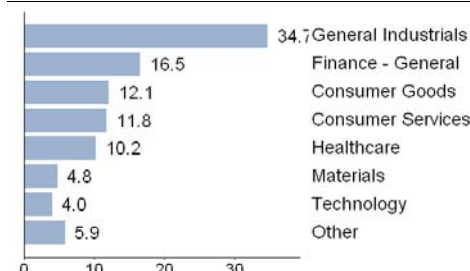
on 12 Feb 1959

## Dunedin Smaller Companies Investment Trust PLC

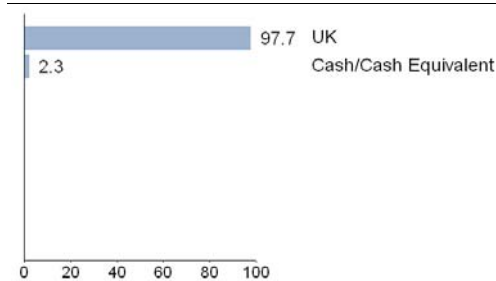
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Risk & Return<sup>9</sup>

## Sector Breakdown (%)



## Geographic Breakdown (%)

Largest Holdings (% Portfolio<sup>10</sup>) as at 31 Mar 2018

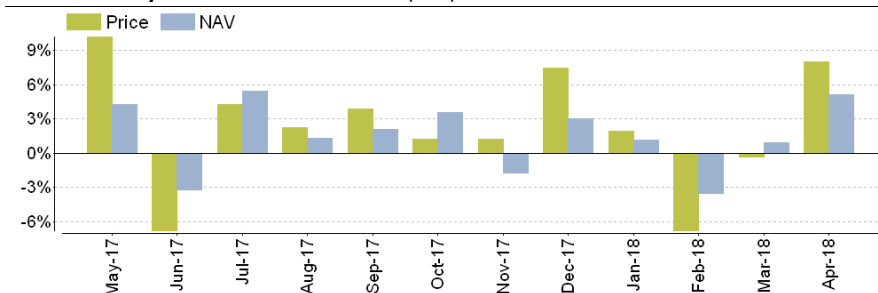
Dechra Pharmaceuticals	4.6%
Fenner Plc	4.3%
XP Power	4.2%
Smart Metering Systems PLC	4.0%
DiscoverIE Group	3.8%
Euromoney Institutional Investor	3.8%
Burford Capital Ord	3.7%
Robert Walters	3.5%
Victrex PLC	3.2%
Cairn Homes PLC	3.1%
<b>Total</b>	<b>38.1%</b>

## Capital Structure

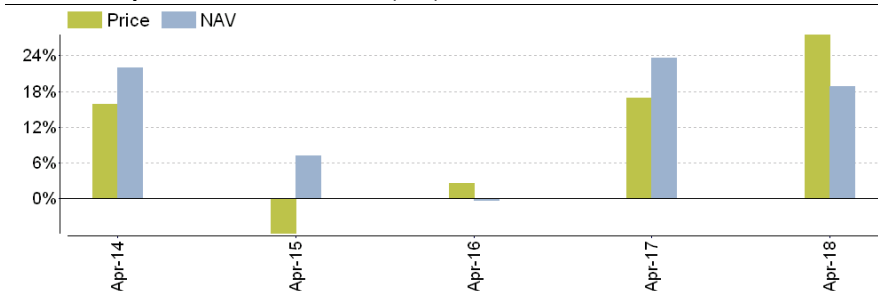
Number of Shares	Share Type
47,857,317	Ord 5p

Loan CCY	£m	Redemption	Coupon
GBP	5.0	-	-
GBP	1.0	-	-

## 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>	0.09	0.04	1.01	0.34	0.19
Beta (NAV) <sup>12</sup>	0.50	0.74	0.90	0.88	0.88
R-squared (NAV) <sup>13</sup>	0.25	0.43	0.76	0.74	0.77
Sharpe (NAV) <sup>14</sup>	4.34	2.11	1.64	1.19	1.26
Price Volatility <sup>15</sup>	25	27	22	22	20
NAV Volatility <sup>15</sup>	9	10	9	11	11
Benchmark Volatility <sup>15</sup>	8	9	7	10	9
Peer Group Price Volatility <sup>15</sup>	9	11	9	14	13
Peer Group NAV Volatility <sup>15</sup>	7	8	8	11	10

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

Period	Price	NAV	Peer Price	Peer NAV	Benchmark
2017	+6.70	+6.08	+7.23	+5.69	+3.74
2016	+36.98	+29.16	+31.28	+27.21	+15.61
2015	+3.01	+8.63	-2.25	+7.41	+12.54
2014	+13.68	+12.59	+23.05	+16.06	+12.99
2013	-14.14	-4.96	-4.58	-1.11	-2.68
2012	+30.38	+39.38	+54.62	+43.43	+43.86
Since FTSE 2009 Low (13 Mar 09)	+502.76	+455.99	+564.15	+496.24	+405.25
Since Sub-Prime (20 Nov 07)	+228.17	+215.97	+235.08	+211.96	+126.14
Since FTSE 2007 Peak (13 Oct 07)	+203.75	+178.14	+202.51	+180.93	+100.89

## Wind-up Provisions/Buy Back Policy

The Company has an unlimited life.

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.