

# The Law Debenture Corporation p.l.c.

## Factsheet - 30 June 2014

### Company history

From its origins in 1889, Law Debenture has diversified to become a group with a unique range of activities in the financial services sector. The group divides into two distinct complementary areas of business.

Firstly, we are a global investment trust, listed on the London Stock Exchange. Our portfolio of investments is managed by Henderson Global Investors Limited under a contract terminable by either side on 6 months' notice.

Secondly, we are a leading provider of independent fiduciary services. Our activities are corporate trusts, agency solutions, pension trusts, corporate services (including agent for service of process), governance services and whistle blowing services. We have offices in London, Sunderland, New York, Delaware, Hong Kong and the Channel Islands.

### Fund objective

Our objective is to achieve long term capital growth in real terms and steadily increasing income. The aim is to achieve a higher rate of total return than the FTSE All-Share Index through investing in a portfolio diversified both geographically and by industry.

### Fund manager's comments – James Henderson

June was a moderately weak month for the Trust along with the wider UK equity market. The ongoing rise of Sterling relative to the US Dollar is creating pressure on earnings growth for companies that are globally exposed, such as speciality chemicals firm Croda.

The oil price rose during the month as a result of heightened uncertainty in Iraq. Given the Trust's sizeable weighting in Industrials this is one of the key outlier risks that we are aware of and as such we continue to hold a reasonable (and growing) weight in oil companies such as BP. Over the long term we continue to favour Industrials given they are well positioned to benefit from global economic growth and remain extremely cash generative. Amongst the strongest contributors to performance was small scale gas-to-liquids firm Velocys, where confidence is growing that they will soon win their first commercial scale contract. One of the largest individual detractors was Irish oil exploration firm Providence Resources. The small-cap oil exploration sector continues to struggle to secure farm-outs as large oil firms scale back their capital expenditure.

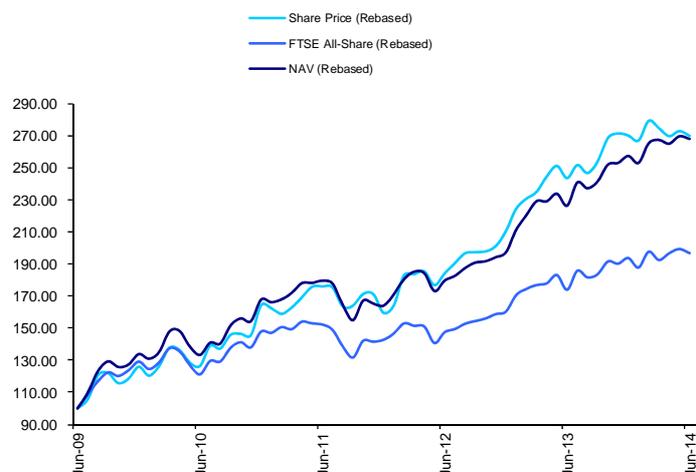
### Trust information

<b>Sector</b>	Global Growth
<b>Benchmark</b>	FTSE All-Share index
<b>Trust type</b>	Conventional (Ords)
<b>Launch date</b>	December 1889
<b>Financial year end</b>	31 December
<b>Dividend payment</b>	April, September
<b>Last ex div date</b>	19 March 2014
<b>Management fee (based on NAV)</b>	0.30%
<b>Performance fee</b>	No
<b>Ongoing charges</b>	0.47%

### Trust statistics

<b>Gross total assets</b>	£641m
<b>NAV per ordinary share (cum income)</b>	489.6p
<b>NAV per ordinary share (ex income)</b>	480.5p
<b>Share price (code LWDB)</b>	518.5p
<b>Premium/(discount) (cum income)</b>	5.9%
<b>NAV (debt at fair value)</b>	
<b>NAV per ordinary share (cum income)</b>	482.8p
<b>NAV per ordinary share (ex income)</b>	473.7p
<b>Group gearing – AIC (net)</b>	4%
<b>Group gearing – excluding fixed interest (net)</b>	5%
<b>Yield</b>	2.9%

### Performance (June 2009 = 100)



* Performance over	1yr	3yrs	5yrs	10yrs
Share price (total return)	10.9%	53.4%	169.8%	253.5%
Net asset value (total return)	18.0%	46.6%	162.0%	236.8%
FTSE All-Share (total return)	13.1%	29.2%	96.7%	128.8%

Please remember that past performance is not a guide to future performance. The value of an investment and the income from it can rise as well as fall as a result of market and currency fluctuations, and you may not get back the amount originally invested.

\* Performance source: Morningstar (1 yr, 3 yrs & 5 yrs based on debt at fair value)

### Geographic breakdown

UK	74.7%
North America	9.2%
Europe	6.4%
Other Pacific	5.9%
Japan	2.7%
Other	1.1%
OEICs included above:	
Henderson Japan Capital Growth	2.3%
Henderson Asia Pacific Capital Growth	2.1%
Baillie Gifford Pacific	2.0%
First State Asia Pacific	1.7%

### Sector breakdown

Industrials	24.6%
Financials	12.6%
Oil & Gas	11.2%
Pooled Equity Investments	11.0%
Consumer Goods	10.8%
Health Care	8.6%
Consumer Services	8.2%
Basic Materials	8.0%
Technology	2.4%
Utilities	2.1%
Telecommunications	0.5%

### Top Ten Equity Holdings (excluding OEICs)

BP	3.0%	GlaxoSmithKline	2.0%
GKN	2.7%	Amlin	1.9%
Senior	2.7%	HSBC	1.8%
Royal Dutch Shell	2.5%	Velocys	1.8%
Rio Tinto	2.2%	IP Group	1.3%

### Contact

Caroline Banzsky Managing Director Email: <a href="mailto:caroline.banzsky@lawdeb.com">caroline.banzsky@lawdeb.com</a> Tel: +44 (0)207 606 5451	Tim Fullwood Chief Financial Officer Email: <a href="mailto:tim.fullwood@lawdeb.com">tim.fullwood@lawdeb.com</a>
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### Important information

The Law Debenture Corporation p.l.c. currently conducts its affairs so that its ordinary shares are capable of being recommended by independent financial advisors to ordinary retail investors in accordance with relevant FCA rules. Our ordinary shares are, we consider, mainstream investment products because they are shares in an investment trust. The Corporation intends to continue conducting its affairs for the foreseeable future so that the ordinary shares can continue to be categorised as mainstream.

Tax assumptions may change if the law changes, and the value of tax relief will depend upon your individual circumstances. The views, information and data in this publication should not be deemed as a financial promotion or recommendation. The Law Debenture Corporation p.l.c. is not authorised to give financial advice and you are reminded that you have indicated your acceptance of the "Important Information" section of our website before accessing this Factsheet.