

Law Debenture

Factsheet 31 January 2017

Fair value of independent fiduciary services business (IFS)

Performance data and trust statistics include the fair value of the IFS, which uplifted the NAV by 56.5p per share. The valuation will be reviewed as at 31 December 2016 and announced with the annual report at the end of February.

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 managers' comments



James Henderson

January was a good month for the Trust. The net asset value (on a cum income basis with debt at fair value) rose 1.9% relative to the FTSE All-Share index which fell 0.3%. Performance during the month benefitted from the fair value of the debt being revised down. Keeping debt at par the net asset value rose 1.3%.

While it remains early in terms of companies reporting their full year results, so far we have found trading updates encouraging across a broad range of sectors. Examples include Apple, Watkin Jones (which builds student accommodation) and oil services company Cape. In the case of Watkin Jones we added to the holding following the results as we are encouraged by the progress they are making, particularly on forward selling their student accommodation to provide good cash flow visibility.

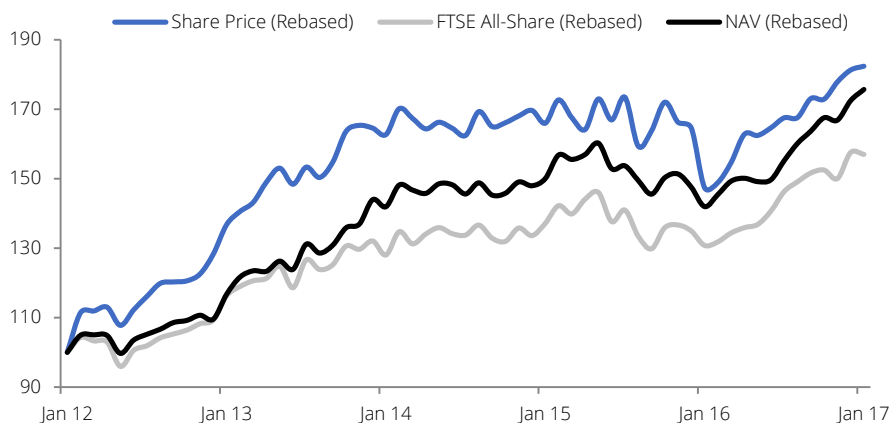
Among the largest detractors from performance was homewares retailer Dunelm, which has seen a deceleration in sales growth due to the tougher consumer environment in the UK.

During the month we continued to reduce holdings which have re-rated including Microsoft, Applied Materials, Weir Group and Cummins. We added to our existing holdings in Embraer, which designs and manufactures regional planes along with business and defence jets. Embraer has been a poor performer in recent years due to a weak business jet market but there continues to be strong demand for its small regional planes and they have recently begun embarking on a significant cost cutting program.

*Performance over	1yr	3yrs	5yrs	10yrs
Share price (total return)	23.7%	12.1%	82.4%	116.6%
Net asset value (total return)	23.8%	23.8%	75.7%	128.3%
FTSE All-Share (total return)	20.1%	22.6%	57.0%	71.7%

*Performance source: Morningstar (1 yr, 3 yrs & 5 yrs based on debt at fair value and including fair value of IFS businesses).

Performance (January 2012 = 100)



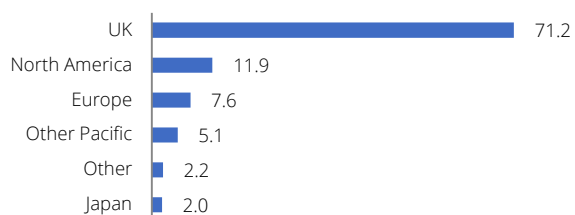
*Trust statistics

Gross total assets	£854m	NAV (debt at fair value)	
NAV (debt at par value)		NAV per ordinary share (cum income)	604.6p
NAV per ordinary share (cum income)	626.3p	NAV per ordinary share (ex income)	592.6p
NAV per ordinary share (ex income)	614.4p	Premium/(discount) (cum income)	-11.8%
Share price (code LWDB)	533.3p	Group gearing – AIC (net)	8.0%
Premium/(discount) (cum income)	-14.9%	Yield	3.0%
		Ongoing charges	0.45%

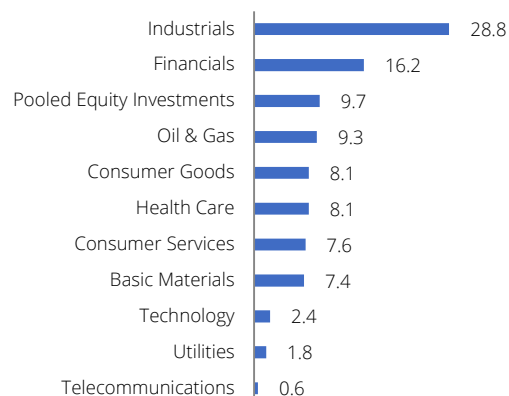
*Trust statistics are based on debt at fair value and including fair value of IFS business.

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.

Geographic breakdown (%)



Sector Breakdown (%)



Pooled Equity Investments include (%):

Baillie Gifford Pacific	2.1%
Stewart Investors Asia Pacific	2.0%
Templeton Emerging Markets Investment Trust	1.3%

Top Ten Equity Holdings (excluding Pooled Equity Investments)

Royal Dutch Shell	3.5%	GlaxoSmithKline	1.6%
Rio Tinto	2.6%	Senior	1.6%
HSBC	2.5%	Hill & Smith	1.6%
GKN	2.2%	Prudential	1.6%
BP	2.1%	Spectris	1.5%

Trust information

Sector	Global Growth	Dividend payment	April, September
Benchmark	FTSE All-Share index	Last ex div date	11 August 2016
Trust type	Conventional (Ords)	Management fee (based on NAV)	0.30%
Launch date	December 1889	Performance Fee	No
Financial year end	31 December		

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 six months' notice.

Secondly, we are a leading provider of independent fiduciary services. Our activities are corporate trusts, 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.

Contact Information

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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 nothing in this Factsheet is intended to be an inducement to buy, sell or hold our shares. This factsheet is not, and is not intended to be, a financial promotion.