

# Law Debenture

## Factsheet 30 November 2017

### Fair value of independent professional services business (IPS)

Performance data and trust statistics include the fair value of the IPS, which uplifted the NAV by 66.0p per share.

### 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

November was a weak month for the Trust; the net asset value (on a total return basis with debt at fair value) declined 1.9%. This compares to the FTSE All Share which fell 1.7% during the month.

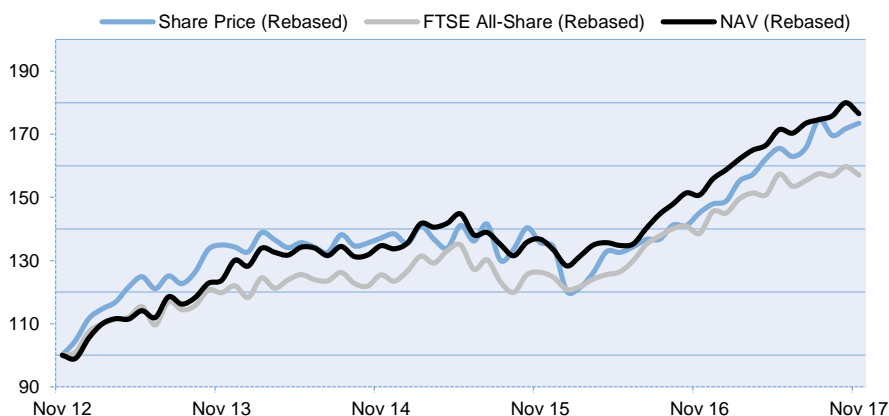
The largest (active) detractor from performance was aerospace components supplier, Senior. Senior shares have performed well year to date on the expectation that margins have troughed in both their aerospace and industrial divisions. The reason for the share price fall was that one of its peers, GKN, has come under margin pressure and this is casting some doubt as to whether Senior can increase its margins to the degree that some are expecting. The largest positive contributor to relative performance during the month was Becton Dickinson & Co., a medical technology company, which released a positive trading statement that exceeded market expectations and provided encouraging 2018 guidance.

We continue to gently rotate the portfolio away from higher valued areas of the market towards areas that are more defensive. We are undertaking this rotation slowly as at the moment it is those companies that have good earnings momentum and that are (often) higher valued that are performing well. In contrast value or recovery buying is not working, therefore we will continue to stick with our valuation disciplines but do so in small size. Examples of companies we have reduced include Marshalls.

*Performance over	1yr	3yrs	5yrs	10yrs
Share price (total return)	19.5%	26.5%	73.5%	145.7%
Net asset value (total return)	17.1%	31.1%	76.5%	138.2%
FTSE All-Share (total return)	13.4%	25.2%	57.1%	76.5%

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

### Performance (November 2012 = 100)



### \*Trust statistics

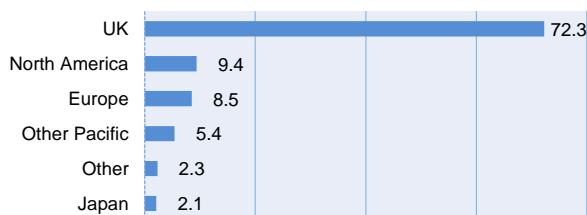
NAV (debt at fair value)			
NAV per ordinary share (cum income)	654.3p	Gross total assets	£914m
NAV per ordinary share (ex income)	641.7p	Group gearing – AIC (net)	2.0%
Share price (code LWDB)	603.5p	Yield	2.8%
Premium/(discount) (cum income)	-7.8%	Ongoing charges	0.43%

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

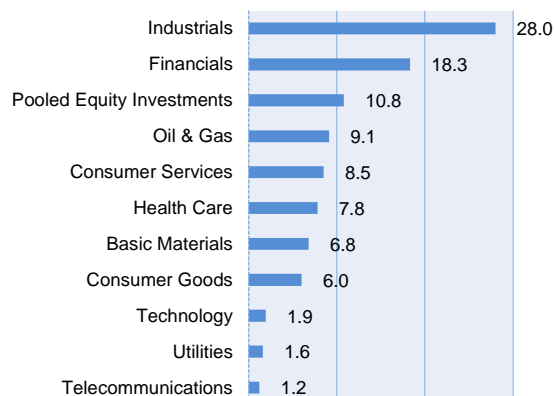
Please remember that past performance is not a guide to future performance. The value of an investment and the income from it can rise as well as fall as a result of market and currency fluctuations, and you may not get back the amount originally invested.

# Factsheet 30 November 2017

## Geographic breakdown (%)



## Sector Breakdown (%)



### Pooled Equity Investments include (%):

Baillie Gifford Pacific	2.2%
Stewart Investors Asia Pacific	2.2%
Templeton Emerging Markets Investment Trust	1.7%

### Top Ten Equity Holdings (excluding Pooled Equity Investments)

Royal Dutch Shell	4.2%	GKN	2.0%
HSBC	2.7%	Prudential	1.9%
BP	2.2%	GlaxoSmithKline	1.9%
Senior	2.1%	Rio Tinto	1.8%
Rolls Royce	2.0%	Relx	1.8%

### Trust information

Sector	Global Growth	Dividend payment	April, September
Benchmark	FTSE All-Share index	Last ex div date	10 August 2017
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 and professional services sectors. 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 professional 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, Cayman Islands, Channel Islands, Delaware, Dublin, Hong Kong, New York, and Sunderland.

### Contact Information

Tim Fullwood	
Chief Executive Officer	
Email: <a href="mailto:tim.fullwood@lawdeb.com">tim.fullwood@lawdeb.com</a>	
Tel: +44 (0) 207 606 5451	

#### 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.