

Half Year Report 2010

JPMorgan European Smaller Companies Trust plc

(formerly JPMorgan European Fledgeling Investment Trust plc)

Half Year Report & Accounts for the six months ended 30th September 2010

# Features

## Contents

### About the Company

- 1 Half Year Performance
- 2 Chairman's Statement
- 4 Investment Managers' Report

### Investment Review

- 5 Twenty Largest Equity Investments
- 6 Portfolio Analyses

### Accounts

- 7 Income Statement
- 8 Reconciliation of Movements in Shareholders' Funds
- 9 Balance Sheet
- 10 Cash Flow Statement
- 11 Notes to the Accounts
- 13 Interim Management Report

### Shareholder Information

- 14 Glossary of Terms and Definitions
- 17 Information about the Company

## Objective

Capital growth from smaller European companies (excluding the United Kingdom).

## Investment Policies

- To invest in a diversified portfolio of smaller companies in Europe, excluding the United Kingdom.
- To manage liquidity and borrowings to increase potential returns to shareholders. The Board's current policy is to be between 80% and 120% invested.
- To emphasise capital growth rather than income. Therefore shareholders should not expect a dividend on a regular basis.
- To invest no more than 15% of gross assets in other UK listed investment companies (including investment trusts).

## Risk

It should be noted that the Company invests in the shares of smaller companies, which tend to be more volatile than those of larger companies. The Company also employs gearing to generate greater returns. The Company's shares should therefore be regarded as carrying greater than average risk.

## Benchmark

HSBC Smaller European Companies (ex UK) Total Return Index in sterling terms.

## Capital Structure

At the period end there were 44,178,739 ordinary shares of 25p each in issue. No shares were held in Treasury at the period end.

## Management Company

The Company employs JPMorgan Asset Management (UK) Limited ('JPMAM' or the 'Manager') to manage its assets.

# Half Year Performance

Total Returns (includes dividends reinvested)

**+0.5%**

Return to shareholders<sup>1</sup>

**+0.2%**

Return on net assets<sup>2</sup>

**-3.0%**

Benchmark return<sup>3</sup>

## Financial Data

	<b>30th September 2010</b>	31st March 2010	% change
Shareholders' funds (£'000)	<b>397,789</b>	415,882	-4.4
Number of shares in issue <sup>4</sup>	<b>44,178,739</b>	47,084,653	-6.2
Net asset value per share	<b>900.4p</b>	907.6p	-0.8
Net asset value per share assuming reissue of Treasury shares <sup>2</sup>	<b>900.4p</b>	904.6p	-0.5
Share price	<b>735.0p</b>	735.0p	0.0
Share price discount to net asset value per share	<b>18.4%</b>	18.7%	

A glossary of terms and definitions is provided on page 14.

<sup>1</sup>Source: Morningstar.

<sup>2</sup>Source: J.P. Morgan. Net asset value assuming any shares held in Treasury were reissued in accordance with the Board's policy on the reissuance of Treasury shares.

<sup>3</sup>Source: HSBC. The Company's benchmark is the HSBC Smaller European Companies (ex UK) Total Return Index in sterling terms.

<sup>4</sup>As at 30th September 2010 there were no shares held in Treasury (31st March 2010: 1,263,547).

# Chairman's Statement



## **Performance**

The first six months of the Company's financial year have witnessed volatile equity markets. The principal concern in the Eurozone was the sovereign debt crisis in southern Europe, triggering weakness in the Euro in the first part of the six month period.

For the six months to 30th September 2010, the Company produced a total return on net assets of +0.2%. This compares with the return of -3.0% from the benchmark index, the HSBC Smaller European Companies (ex UK) Index. The return to shareholders over the period was +0.5% as the discount on the Company's shares narrowed slightly over the period from 18.7% as at 31st March 2010 to 18.4% as at 30th September 2010.

It is pleasing to report outperformance of the benchmark index over the first half of the financial year. In their report, the Investment Managers provide some insight into the key factors impacting performance during the half year. I would again emphasise that the Board assesses the performance of our Managers over the longer term which shows that the Company's net asset value and share price have outperformed the benchmark over one, three and five years to 30th September 2010.

## **Revenue and Dividend**

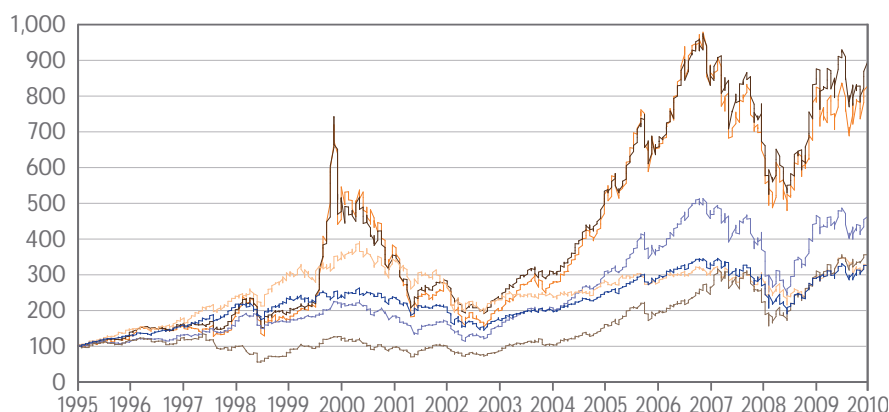
Revenue return after tax for the six months to 30th September 2010 was £3.5 million, a little higher than the revenue generated in the corresponding period in 2009 (£3.3 million), reflecting a recovery in corporate earnings.

## **Share Buybacks and Discount**

In the six months to 30th September 2010 the Company bought back a total of 1,388,000 shares, representing 3.0% of the shares in issue on 31st March 2010. All of the shares previously held in Treasury, a total 1,947,914, were cancelled on 8th July, following the Board's decision to withdraw from the AGM the resolution seeking authority to reissue shares from Treasury at a discount to net asset value, in response to views expressed by major shareholders. Despite these actions, the discount of the Company's share price to net asset value has remained wide over the period, ranging from 14.4% to 22.2% and averaging 18.4%. It is currently standing at 16.1%, despite the Company's outperformance.

The Board believes that this relatively high level of discount reflects the cyclical nature of investment inflows into smaller European companies as an asset class. At present, other asset classes, such as emerging markets, are in favour with investors and European equities are currently out of favour. However, shareholders should note that over a fifteen year period, since the investment management team began managing the portfolio, smaller European companies as an asset class have outperformed all of the other major equity asset classes. This is clearly shown in the graph below which also includes the performance of your Company over the same period, showing that we have outperformed not only our own benchmark but also the other major equity indices both in terms of net asset value and share price - despite the discount.

Long Term Returns vs. Global Indices (to 30th September 2010)



**The Company and its asset class has outperformed all major indices over the long term.**

All series are rebased to 100 as at 31st January 1995, in GBP. All indices include reinvested dividends. JPMESCT NAV is net of fees.

Source: Datastream.

- JPMorgan European Smaller Companies Trust Share Price.
- JPMorgan European Smaller Companies Trust NAV.
- HSBC Smaller European Companies (ex UK) Index.
- S&P 500 Index.
- MSCI Emerging Markets Index.
- FTSE All Share Index.

Whilst the current high level of discount is clearly out of tune with your Company's performance, and your Board does not believe it will persist indefinitely, it is not complacent and continues to work at ways to reduce the discount. In particular, since the summer there has been a significant marketing of the investment opportunity the Company provides which the Board expects to bear fruit in the form of increased investor appetite. In addition, we continue our programme of buying in the Company's shares to help address any short term imbalances in demand.

#### **Board of Directors**

On 1st September 2010, Carolan Dobson was appointed to the Board. She has a wealth of investment experience, having previously been head of pan-European equities at Abbey Asset Managers and a main board director of Murray Johnstone and is currently chairman of QinetiQ Pension Fund, a trustee of Avon Pension Fund, a non-executive director of Shires Smaller Companies plc and member of the Competition Commission and Chairman of the Finance and Regulation Group.

#### **Outlook**

Despite the ongoing turbulence in the Eurozone due to continuing concerns over the high levels of sovereign debt, the Company's Investment Managers continue to see opportunities for European companies, particularly those that export to the emerging economies and the Board remains confident of their ability to generate positive returns for shareholders through superior stock selection.

**Elisabeth Airey**  
Chairman

26th November 2010

# Investment Managers' Report



Jim Campbell



Francesco Conte

## Review

In the first half of the Company's financial year, equity markets experienced high levels of volatility. Markets initially panicked over the fate of the Euro as it became apparent that countries such as Greece, Ireland and Portugal would struggle with the financing of their budget deficits. In the period to early July, the small cap index fell by 17%. Much of this fall was currency related as the Euro/sterling exchange rate fell by approximately 8% in the same period. By mid July the weakened Euro was providing a substantial competitive boost to German industrial exports and as this became apparent, the stock markets and the Euro recovered strongly, retracing most of the lost ground by the end of the period. In the six months to the end of September 2010, the large company MSCI World Europe (ex UK) Index declined by 2.5% in sterling terms while the benchmark HSBC Smaller European Companies (ex UK) Index fell by 3.0%. The return on net assets was +0.2%.

## Portfolio

Stock selection accounted for all of the outperformance. The best performing stocks in the six months included the Dutch composite manufacturer Ten Cate, which benefited from strong markets in aerospace, defence and artificial football pitches; German luxury goods company Hugo Boss, as it benefited from new management enacting a plan of cost cutting while accelerating its store opening programme especially in China; Belgian steel cord manufacturer Bekaert, as it continues to benefit from Chinese tyre demand; Swiss floor covering company Forbo, as it benefited from recovery in demand; and Swedish TV broadcaster Modern Times Group as it benefits from improved advertising trends.

Broadly the portfolio has three pillars: defensive stable growth, structural growth and emerging market growth. Defensive stable growth includes spirit companies Campari and Remy Cointreau, chocolate producer Barry Callebaut, nursing home operator Orpea, cardiac specialist Sorin, food ingredient manufacturer Christian Hansen, radiation equipment company Elekta and discount eyewear retailer Fielmann. Structural growth companies include luxury goods companies Bulgari and Hugo Boss, digital cinema projector producer Barco, bookmaker Paddy Power which has a significant online presence, online luxury retailer Yoox, and airfreight company Panalpina. Emerging market growth comprises companies benefiting from strong exposure to emerging markets. This includes consumer goods companies such as Bic, the manufacturer of pens, lighters, and shavers, Seb, a producer of small domestic electrical appliances, Dufry the largest duty free operator in Latin America, Frigoglass a manufacturer of promotional fridges for Coca Cola, as well as other drinks companies and Outotec, a producer of mining equipment, Andritz, a plant engineering firm and Fuchs Petrolub, a manufacturer of industrial lubricants.

## Outlook

Due in large part to Germany's industrial prowess, economic recovery in Europe has been much stronger than economists had expected. Europe's ability to manufacture products that rapidly growing emerging economies need is impressive, whether it be high end cars, luxury goods, consumer products, state of the art capital goods needed in manufacturing processes or infrastructure products such as aeroplanes, trains and power plants. So while European domestic demand is set to remain subdued due to Europe's policy of cutting deficits, exports should continue to bolster growth. Within this framework we are able to find many attractive opportunities.

**Jim Campbell**  
**Francesco Conte**  
Investment Managers

26th November 2010

# Twenty Largest Equity Investments

at 30th September 2010

Company	Country	Valuation £'000	% <sup>1</sup>
Sorin	Italy	7,733	1.9
Koninklijke Ten Cate	Netherlands	7,494	1.9
Prosegur Compañía Seguridad	Spain	7,468	1.9
Konecranes	Finland	7,425	1.9
Elisa	Finland	7,338	1.8
Outotec	Finland	7,284	1.8
Axel Springer	Germany	7,231	1.8
Kesko 'B'	Finland	7,193	1.8
ProSiebenSat. 1 Media	Germany	7,170	1.8
Chr. Hansen	Denmark	7,103	1.8
NCC	Sweden	7,084	1.8
Pohjola Bank	Finland	7,067	1.8
DSV	Denmark	7,066	1.8
Fuchs Petrolub	Germany	7,047	1.8
Modern Times Group	Sweden	7,030	1.8
Kemira	Finland	7,016	1.8
Barry Callebaut	Switzerland	7,004	1.8
YOOX	Italy	6,995	1.7
YIT	Finland	6,952	1.7
Andritz	Austria	6,945	1.7
<b>Total</b>		<b>143,645</b>	<b>36.1</b>

<sup>1</sup>Based on total assets less current liabilities of £397.8m.

At 31st March 2010, the value of the twenty largest equity investments amounted to £127.7m representing 30.7% of total assets less current liabilities.

# Portfolio Analyses

Geographical	at 30th September 2010		at 31st March 2010	
	Portfolio %	Benchmark %	Portfolio %	Benchmark %
Germany	16.6	13.1	12.2	13.1
Finland	14.6	5.9	8.1	5.7
Switzerland	12.8	10.8	15.0	10.8
France	12.1	11.3	8.1	11.5
Italy	12.0	12.9	10.3	13.1
Sweden	8.2	9.4	6.5	8.6
Netherlands	7.8	5.0	12.9	4.8
Denmark	5.6	3.2	2.6	3.3
Belgium	4.4	3.5	7.8	4.1
Spain	3.4	8.0	5.2	6.7
Austria	2.8	3.7	1.9	3.7
Ireland	1.6	2.3	1.8	2.3
Greece	1.3	2.8	1.0	3.5
Norway	0.2	6.3	5.3	6.4
Portugal	—	1.6	0.3	1.9
Luxembourg	—	0.2	1.2	0.5
Total equities	103.4	100.0	100.2	100.0
Liquidity fund	0.2	—	3.1	—
Net current liabilities	(3.6)	—	(3.3)	—
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Based on total assets less current liabilities of £397.8m (31st March 2010: £415.9m).

Sector	at 30th September 2010		at 31st March 2010	
	Portfolio %	Benchmark %	Portfolio %	Benchmark %
Industrials	28.9	24.0	29.6	26.2
Consumer Discretionary	27.8	15.7	27.5	15.5
Consumer Staples	14.9	6.2	6.3	6.0
Health Care	9.0	8.8	6.8	7.9
Financials	8.3	20.9	5.3	20.1
Materials	7.0	8.0	7.6	8.8
Information Technology	4.4	8.1	10.1	6.6
Telecommunication Services	1.8	0.7	0.3	1.1
Utilities	1.1	1.8	—	2.0
Energy	0.2	5.8	6.7	5.8
Total equities	103.4	100.0	100.2	100.0
Liquidity fund	0.2	—	3.1	—
Net current liabilities	(3.6)	—	(3.3)	—
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Based on total assets less current liabilities of £397.8m (31st March 2010: £415.9m).



# Income Statement

for the six months ended 30th September 2010

	<b>(Unaudited)</b> <b>Six months ended</b> <b>30th September 2010</b>			<b>(Unaudited)</b> <b>Six months ended</b> <b>30th September 2009</b>			<b>(Audited)</b> <b>Year ended</b> <b>31st March 2010</b>		
	<b>Revenue</b> <b>£'000</b>	<b>Capital</b> <b>£'000</b>	<b>Total</b> <b>£'000</b>	<b>Revenue</b> <b>£'000</b>	<b>Capital</b> <b>£'000</b>	<b>Total</b> <b>£'000</b>	<b>Revenue</b> <b>£'000</b>	<b>Capital</b> <b>£'000</b>	<b>Total</b> <b>£'000</b>
<b>(Losses)/gains on investments held at fair value through profit or loss</b>									
Net foreign currency (losses)/gains	–	<b>(8,720)</b>	<b>(8,720)</b>	–	120,718	120,718	–	151,221	151,221
Income from investments	–	<b>(379)</b>	<b>(379)</b>	–	(1,365)	(1,365)	–	996	996
Other interest receivable and similar income	<b>6,484</b>	–	<b>6,484</b>	6,348	–	6,348	8,116	–	8,116
	<b>194</b>	–	<b>194</b>	27	–	27	315	–	315
<b>Gross return/(loss)</b>	<b>6,678</b>	<b>(9,099)</b>	<b>(2,421)</b>	6,375	119,353	125,728	8,431	152,217	160,648
Management fee	<b>(1,980)</b>	–	<b>(1,980)</b>	(1,617)	–	(1,617)	(3,627)	–	(3,627)
Other administrative expenses	<b>(283)</b>	–	<b>(283)</b>	(267)	–	(267)	(612)	–	(612)
<b>Net return/(loss) on ordinary activities before finance costs and taxation</b>	<b>4,415</b>	<b>(9,099)</b>	<b>(4,684)</b>	4,491	119,353	123,844	4,192	152,217	156,409
Finance costs	<b>(322)</b>	–	<b>(322)</b>	(521)	–	(521)	(1,250)	–	(1,250)
<b>Net return/(loss) on ordinary activities before taxation</b>	<b>4,093</b>	<b>(9,099)</b>	<b>(5,006)</b>	3,970	119,353	123,323	2,942	152,217	155,159
Taxation	<b>(581)</b>	–	<b>(581)</b>	(640)	–	(640)	(775)	–	(775)
<b>Net return/(loss) on ordinary activities after taxation</b>	<b>3,512</b>	<b>(9,099)</b>	<b>(5,587)</b>	3,330	119,353	122,683	2,167	152,217	154,384
<b>Return/(loss) per share</b> (note 3)	<b>7.80p</b>	<b>(20.20)p</b>	<b>(12.40)p</b>	7.08p	253.61p	260.69p	4.63p	325.04p	329.67p

All revenue and capital items in the above statement derive from continuing operations. No operations were acquired or discontinued in the period.

The 'Total' column of this statement is the profit and loss account of the Company and the 'Revenue' and 'Capital' columns represent supplementary information prepared under guidance issued by The Association of Investment Companies. The Total column represents all the information that is required to be disclosed in a Statement of Total Recognised Gains and Losses ('STRGL'). For this reason a STRGL has not been presented.



# Balance Sheet

at 30th September 2010

	(Unaudited) 30th September 2010 £'000	(Unaudited) 30th September 2009 £'000	(Audited) 31st March 2010 £'000
<b>Fixed assets</b>			
Investments held at fair value through profit or loss	411,406	442,681	416,678
Investments in liquidity funds held at fair value through profit or loss	693	–	12,934
Total investments	412,099	442,681	429,612
<b>Current assets</b>			
Debtors	13,593	10,448	14,153
Cash and short term deposits	183	5,850	236
Derivative financial instruments: forward currency contract held at fair value through profit or loss	8	–	18
	13,784	16,298	14,407
<b>Creditors:</b> amounts falling due within one year	(28,088)	(66,342)	(28,137)
Derivative financial instrument: forward currency contract held at fair value through profit or loss	(6)	–	–
<b>Net current liabilities</b>	(14,310)	(50,044)	(13,730)
<b>Total assets less current liabilities</b>	397,789	392,637	415,882
<b>Total net assets</b>	397,789	392,637	415,882
<b>Capital and reserves</b>			
Called up share capital	11,044	12,178	11,771
Share premium	1,312	1,312	1,312
Capital redemption reserve	4,592	3,458	3,865
Capital reserves	376,946	372,776	397,184
Revenue reserve	3,895	2,913	1,750
<b>Shareholders' funds</b>	397,789	392,637	415,882
<b>Net asset value per share</b> (note 4)	900.4p	834.3p	907.6p

# Cash Flow Statement

for the six months ended 30th September 2010

	(Unaudited) Six months ended 30th September 2010 £'000	(Unaudited) Six months ended 30th September 2009 £'000	(Audited) Year ended 31st March 2010 £'000
<b>Net cash inflow from operating activities</b> (note 5)	<b>3,782</b>	4,005	2,676
Net cash outflow from returns on investments and servicing of finance	<b>(330)</b>	(468)	(1,230)
Tax recovered	<b>177</b>	268	450
Net cash inflow/(outflow) from capital expenditure and financial investment	<b>6,280</b>	(49,942)	(11,691)
Dividend paid	<b>(1,367)</b>	–	–
Net cash (outflow)/inflow from financing	<b>(7,985)</b>	48,140	4,881
<b>Increase/(decrease) in cash for the period</b>	<b>557</b>	2,003	(4,914)
<b>Reconciliation of net cash flow to movement in net funds/debt</b>			
Net cash movement	<b>557</b>	2,003	(4,914)
Net loans drawn down in the period	<b>(3,947)</b>	(50,266)	(12,857)
Exchange movements	<b>(610)</b>	198	978
Movement in net funds/debt in the period	<b>(4,000)</b>	(48,065)	(16,793)
Net (debt)/funds at the beginning of the period	<b>(13,144)</b>	3,649	3,649
<b>Net debt at the end of the period</b>	<b>(17,144)</b>	(44,416)	(13,144)
<b>Represented by:</b>			
Cash and short term deposits	<b>183</b>	5,850	236
Debt falling due within one year	<b>(17,327)</b>	(50,266)	(13,380)
<b>Net debt at the end of the period</b>	<b>(17,144)</b>	(44,416)	(13,144)

# Notes to the Accounts

for the six months ended 30th September 2010

## 1. Financial statements

The information contained within the financial statements in this half year report has not been audited or reviewed by the Company's auditors. The figures and financial information for the year ended 31st March 2010 are extracted from the latest published accounts of the Company and do not constitute statutory accounts for that year. Those accounts have been delivered to the Registrar of Companies and included the report of the auditors which was unqualified and did not contain a statement under either Section 498(2) or 498(3) of the Companies Act 2006.

## 2. Accounting policies

The accounts have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice ('UK GAAP') and with the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' issued by the Association of Investment Companies in January 2009.

All of the Company's operations are of a continuing nature.

The accounting policies applied to these half year accounts are consistent with those applied in the accounts for the year ended 31st March 2010.

## 3. Return/(loss) per share

	<b>(Unaudited) Six months ended 30th September 2010 £'000</b>	<b>(Unaudited) Six months ended 30th September 2009 £'000</b>	<b>(Audited) Year ended 31st March 2010 £'000</b>
Return/(loss) per share is based on the following:			
Revenue return	<b>3,512</b>	3,330	2,167
Capital (loss)/return	<b>(9,099)</b>	119,353	152,217
Total (loss)/return	<b>(5,587)</b>	122,683	154,384
Weighted average number of shares in issue	<b>45,036,035</b>	47,060,579	46,829,499
Revenue return per share	<b>7.80p</b>	7.08p	4.63p
Capital (loss)/return per share	<b>(20.20)p</b>	253.61p	325.04p
Total (loss)/return per share	<b>(12.40)p</b>	260.69p	329.67p

## 4. Net asset value per share

The net asset value per share is calculated by dividing shareholders' funds by the number of shares in issue at 30th September 2010 of 44,178,739 (30th September 2009: 47,059,653 and 31st March 2010: 45,821,106 shares, excluding shares held in Treasury).

# Notes to the Accounts continued

## 5. Reconciliation of total (loss)/return on ordinary activities before finance costs and taxation to net cash inflow from operating activities

	<b>(Unaudited)</b> <b>Six months ended</b> <b>30th September 2010</b> <b>£'000</b>	(Unaudited) Six months ended 30th September 2009 £'000	(Audited) Year ended 31st March 2010 £'000
Total (loss)/return on ordinary activities before finance costs and taxation	<b>(4,684)</b>	123,844	156,409
Capital loss/(return) before finance costs and taxation	<b>9,099</b>	(119,353)	(152,217)
Scrip dividends received as income	<b>(365)</b>	(478)	(478)
Decrease in accrued income	<b>709</b>	843	9
Decrease/(increase) in other debtors	<b>30</b>	28	(17)
(Decrease)/increase in accrued expenses	<b>(44)</b>	7	3
Overseas withholding tax	<b>(963)</b>	(886)	(1,033)
Net cash inflow from operating activities	<b>3,782</b>	4,005	2,676

# Interim Management Report

The Company is required to make the following disclosures in its half year report:

## **Principal risks and uncertainties**

The principal risks and uncertainties faced by the Company fall into the following broad categories: Investment and strategy; accounting, legal and regulatory; corporate governance and shareholder relations; operational and financial. Information on each of these areas is given in the Business Review within the Annual Report and Accounts for the year ended 31st March 2010.

## **Related parties transactions**

During the first six months of the current financial year, no transactions with related parties have taken place which have materially affected the financial position or the performance of the Company.

## **Directors' responsibilities**

The Board of Directors confirms that, to the best of its knowledge:

- (i) the condensed set of financial statements contained within the half yearly financial report has been prepared in accordance with the Accounting Standards Board's Statement 'Half-Yearly Financial Reports'; and
- (ii) the interim management report includes a fair review of the information required by 4.2.7R and 4.2.8R of the UK Listing Authority Disclosure and Transparency Rules.

For and on behalf of the Board

**Elisabeth Airey**

Chairman

26th November 2010

# Glossary of Terms and Definitions

## **Return to shareholders**

Total return to the shareholders on a mid-market price to mid-market price basis, assuming that all dividends received were reinvested, without transaction costs, into the shares of the Company at the time the shares were quoted ex-dividend.

## **Return on net assets**

Increase or decrease in the net asset value ('NAV') per share over the period, calculated on a bid value basis, assuming all shares held in Treasury were reissued in accordance with the Board's policy on the reissuance of Treasury shares and assuming that all dividends paid out by the Company were reinvested, without transaction costs, into the NAV per share at the time the shares were quoted ex-dividend.

In accordance with industry practice, dividends payable which have been declared but which are unpaid at the balance sheet date are deducted from the NAV when calculating the return on net assets.

## **Benchmark return**

Total return on the benchmark, on a mid-market value to mid-market value basis, assuming that all dividends received were reinvested into the shares of the underlying companies at the time the shares were quoted ex-dividend.

The benchmark is a recognised index of stocks which should not be taken as wholly representative of the Company's investment universe. The Company's investment strategy does not follow or 'track' this index and consequently, there may be some divergence between the Company's performance and that of the benchmark.

## **Share price discount/premium to net asset value ('NAV') per share**

If the share price of an investment company is lower than the NAV per share, the shares are said to be trading at a discount. The discount is shown as a percentage of the NAV. The opposite of a discount is a premium. It is more common for an investment company's shares to trade at a discount than at a premium.



# Information about the Company

## Financial Calendar

Financial year end	31st March
Final results announced	June
Half year end	30th September
Half year results announced	November
Interim Management Statements announced	January/July
Annual General Meeting	July

## History

On 24th April 1990, the Company acquired the undertaking and assets of Fleming European Fledgeling Fund Limited (the 'Fund') in exchange for the issue of its shares and warrants. The Fund was an open-ended, unquoted investment company based in Jersey and formed in June 1987 with the same objectives and investment policies as the Company.

The Company adopted its present name in July 2010.

## Directors

Elisabeth Airey (Chairman)  
Anthony Davidson  
Carolyn Dobson  
Paul Manduca  
Federico Marescotti  
Michael Wrobel

## Company Numbers

Company registration number: 2431143  
London Stock Exchange number: 0341969  
ISIN: GBO003419693  
Bloomberg code: JEF LN

## Market Information

The Company's net asset value ('NAV') is published daily, via the London Stock Exchange. The Company's shares are listed on the London Stock Exchange. The market price is shown daily in the Financial Times, The Times, The Daily Telegraph, The Scotsman, The Independent and on the JPMorgan Internet site at [www.jpmeuropeansmallercompanies.co.uk](http://www.jpmeuropeansmallercompanies.co.uk), where the share price is updated every fifteen minutes during trading hours.

## Share Transactions

The Company's shares may be dealt in directly through a stockbroker or professional adviser acting on an investor's behalf. They may also be purchased and held through the J.P. Morgan Investment Account, J.P. Morgan ISA and J.P. Morgan SIPP. These products are all available on the online wealth manager service, J.P. Morgan WealthManager+ available at [www.jpmorganwealthmanagerplus.co.uk](http://www.jpmorganwealthmanagerplus.co.uk)

## Manager and Secretary

JPMorgan Asset Management (UK) Limited

## Company's Registered Office

Finsbury Dials  
20 Finsbury Street  
London EC2Y 9AQ  
Telephone: 020 7742 6000

For company secretarial issues and administrative matters, please contact Jonathan Latter.

## Registrars

Equiniti  
Reference 1083  
Aspect House  
Spencer Road  
Lancing  
West Sussex BN99 6DA  
Telephone number: 0871 384 2325

Notifications of changes of address and enquiries regarding share certificates or dividend cheques should be made in writing to the Registrar quoting reference 1083.

Registered shareholders can obtain further details on individual holdings on the internet by visiting [www.shareview.co.uk](http://www.shareview.co.uk)

## Independent Auditors

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Hay's Galleria  
1 Hay's Lane  
London SE1 2RD

## Brokers

Cenkos Securities plc  
6.7.8 Tokenhouse Yard  
London EC2R 7AS

## Savings Product Administrators

For queries on the J.P. Morgan Investment Account, J.P. Morgan ISA and J.P. Morgan SIPP, see contact details on the back cover of this report.



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