



Half Year Report **10**  
JPMorgan Smaller Companies  
Investment Trust plc

Half Year Report & Accounts for the six months ended 31st January 2010

# Features

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### Objective

Capital growth from UK listed smaller companies.

### Investment Policies

- To provide capital appreciation for shareholders from a diversified portfolio of UK listed small companies, emphasising capital rather than income growth.
- To invest no more than 15% of its gross assets in other listed investment companies (including investment trusts).
- Liquidity and borrowings are managed with the aim of increasing returns to shareholders.

### Benchmark

The FTSE Small Cap Index (excluding investment trusts).

### Capital Structure

The Company had 19,553,550 ordinary shares of 25p each in issue 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 (capital plus income)

**+24.8%**

Return to shareholders<sup>1</sup>

**+26.7%**

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

**+19.6%**

Benchmark return<sup>3</sup>

## Financial Data

	<b>31st January 2010</b>	<b>31st July 2009</b>	<b>% change</b>
Shareholders' funds (£'000)	<b>88,700</b>	73,016	+21.5
Number of shares in issue	<b>19,553,550</b>	19,612,222	-0.3
Net asset value per share	<b>453.6p</b>	372.3p	+21.8
Share price	<b>353.0p</b>	289.0p	+22.1
Share price discount to net asset value	<b>22.3%</b>	22.4%	

A glossary of terms and definitions is provided on page 13.

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

<sup>2</sup>Source: J.P. Morgan.

<sup>3</sup>Source: FTSE. - The Company's benchmark is the FTSE Small Cap Index (excluding investment trusts) which is on a total return basis.

# Chairman's Statement



## Investment Performance

During the six months period to 31st January 2010, equities continued to recover very strongly since reaching the historic lows in mid-March 2009, as investors gained increased confidence in the stockmarkets. The rebound was particularly steep in the first half of the reporting period when the effects of the significant fiscal and monetary stimulus began to work towards economic stabilisation.

The Company produced a strong return of 24.8% for shareholders in the six months period. The total return on net assets was +26.7% compared with the FTSE Small Cap (excluding Investment Trusts) Index return of +19.6%. The Investment Managers' report gives a more detailed commentary about the markets and conditions experienced during this period and the outlook for the remainder of the financial year.

## Share Repurchases and Issues

In the six months to 31st January 2010 the Company has continued to use the authority given by shareholders to repurchase its shares in the market to help maintain an orderly market for the Company's shares, thereby reducing the volatility of the discount. During the half year, the Company repurchased a total of 58,672 ordinary shares for cancellation for a total consideration of £212,000 representing 0.3% of the issued share capital at the beginning of the year. The shares were repurchased at a discount of 22% and added approximately 0.3p per share to the net asset value for continuing shareholders. Since the period end, the Company has repurchased a further 363,202 ordinary shares for cancellation. The Company has not issued any ordinary shares during this period.

## Gearing and New Loan Facility

Gearing at 31st January 2010 was at 106%. A flexible loan facility of £8 million is currently in place with ING Bank N.V., which expires in April 2010. The Board has agreed the renewal of this facility, which can continue to be used tactically as investment opportunities present themselves, with the aim of enhancing returns. At the end of January 2010, £7 million had been drawn on the facility.

## VAT Recovery and Interest

Following the announcement in early 2009 that an agreement with JPMorgan on the recovery of past VAT had been executed, the Board took steps to recover VAT paid by the Company on management fees paid to River & Mercantile Investment Management during 1991 to 1995. The Board is pleased to report that a further payment of the VAT recovery and interest of £360,000 was received by the Company in February 2010.

## Outlook

The Board remains comfortable with the quality and positioning of the current portfolio. However, with an economic outlook which continues to be challenging particularly in the UK, gains are likely to be more modest in comparison with the first half. The Board supports the Investment Manager's philosophy of remaining focused on investing in stocks which are fast-growing, cheap and accompanied with good newsflow and fundamentals.

**Strone Macpherson**  
Chairman

24th March 2010

# Investment Managers' Report



Georgina Brittain

## Market Background

Stockmarkets continued to rebound in the first half of your financial year. The macro-economic data improved, aided by the Asia-Pacific region; it became clear that Europe and the US were coming out of recession, and in the fourth quarter the UK returned to modest GDP growth of 0.3%. Much-needed liquidity continued to be pumped into the system in the form of quantitative easing, and interest rates remained abnormally low around most of the world.

This led to increased investor confidence, but also increased confidence from management, who started to see inventory levels rise and activity levels increase – albeit from a very low base. This can be seen in the company results, which have generally turned more positive and enjoyed upward revisions to what were very downgraded expectations for 2009, although most remain cautious on the outlook.



Kent Kwan

## Portfolio Review

The market rally that began in Spring 2009 continued into the first half of this financial year. The FTSE Small Cap (ex Investment Trusts) Index continued its strong rebound, and was up 19.6% in the period, while your company outperformed this and produced 26.7% return on net assets.

The key contributor to this outperformance was stock selection. However, both sector selection and gearing were also notable contributors. Specific stocks which provided strong contribution included two real estate companies, Unite Group and Quintain, the aerospace company Senior as its earnings recovered and its debt was reduced, and International Personal Finance, a provider of small loans in Eastern Europe and Mexico. On the negative side were the holdings in Pace and Game Group. The latter has since been sold, but we believe the former is oversold and due a re-rating. Notable detractors from performance were two stocks not held, Northgate, following its equity raising, and Care UK, which had a bid approach.

As can be seen from the Portfolio Analysis on page 5, we have continued to make some substantial changes to the composition of your company since the year end in July 2009. The focus of these changes has been centred on stock selection, but within this we have increased our exposure to UK smaller companies that have non-UK earnings and further reduced our exposure to the consumer. The Industrials overweight has been significantly reduced as we sold out of a number of Construction & Materials stocks (this is now our largest sector underweight) and also reduced exposure to Electronics & Electricals and Industrial Transportation. The Financials weight has been increased, as we added to our Real Estate exposure. Technology has been a very successful sector for us and we increased the weighting here, and Basic Materials went from underweight to overweight by purchasing Anglo-Pacific and Gem Diamonds. Also notable is the move from overweight to underweight in Consumer Goods, as we sold a number of Food Producers. In addition, we significantly reduced our position in General Retailers after their strong run over the summer.

As stated above, stock selection remains key to our process. The investment process which underlies the fund remains in place. The methodology uses a quantitative screen which breaks down the individual stocks in the investible universe and ranks them according to four factors: value, earnings momentum, price momentum and

# Investment Managers' Report continued

growth. After fundamental research to check the data, the balance sheet and the market environment, we aim to construct the portfolio around stocks which demonstrate these tilts. This ensures not only that the portfolio is constructed around our underlying philosophy of fast-growing cheap stocks with good newsflow, but also aims to ensure that the portfolio has both growth and value signatures, which academic evidence has demonstrated to be the two long-term drivers of outperformance in the stockmarket. This quantitative approach is the starting point for the stock selection that is the bedrock of the portfolio; it is then overlaid by the fund managers' extensive knowledge of individual companies and their markets, and their own research efforts.

## **Market Outlook**

Despite recent gains in equity markets and a notable decline in volatility, investors remain nervous. Views on the outlook continue to be divided. While global growth is clearly recovering, China is so strong that interest rates have been increased, and the US macro environment is undoubtedly improving, the negative camp continues to focus on pedestrian recovery rates in European and UK GDP, inflation/deflation concerns, excessive debt levels in many Western economies (including the UK), and perceived sovereign credit risk.

A further key concern is the lack of credit availability. Banks are lending considerably less due to a desire to rebuild their balance sheets and regulatory pressures. It is very hard to see this position improving in the short term. A potential danger is that this in itself could lead us to a fall back into recession, the so-called 'double dip scenario'.

Given this confused economic backdrop, why then are we still positive on equities and positive on the smaller companies market? There are a number of reasons. First, Central Banks are aware of the risk of a double dip, and will introduce further quantitative easing if needed. In addition, this lack of credit is less of an issue for quoted companies, as they both can and have accessed the equity and corporate debt markets. Balance sheets have thus largely been repaired. This gives the quoted companies a competitive advantage against their private competitors, and should lead to market share gains. Furthermore, we are still finding niche growth companies, often with foreign exposure, which can continue to grow despite the economic backdrop. A further advantage is the decline in sterling. This is both a competitive advantage for a number of companies and is likely to lead to mergers and acquisitions activity. We prematurely forecast that this was likely to occur in 2009, but we strongly believe it is imminent, as companies that have weathered the storm of the last two years will look to take advantage of the opportunities and cheap valuations in the market.

**Georgina Brittain**

**Kent Kwan**

Investment Managers

24th March 2010

# Ten Largest Equity Investments

at 31st January 2010

Company	Sector	Valuation £'000	Total Assets % <sup>1</sup>
Intec	Technology	3,388	3.8
Delta	Industrials	2,570	2.9
Senior	Industrials	2,468	2.8
Quintain Estates & Development	Financials	2,137	2.4
ITE	Consumer Services	1,991	2.3
KCOM	Telecommunications	1,960	2.2
Yule Catto & Co	Basic Materials	1,873	2.1
Micro Focus	Technology	1,868	2.1
International Personal Finance	Financials	1,853	2.1
Fenner	Industrials	1,795	2.0
<b>Total<sup>2</sup></b>		<b>21,903</b>	<b>24.7</b>

<sup>1</sup>Based on total assets less current liabilities of £88.7m.

<sup>2</sup>At 31st July 2009, the value of the ten largest equity investments amounted to £17.5m representing 23.9% of total assets less current liabilities.

## Portfolio Analysis

Sector	31st January 2010		31st July 2009	
	Portfolio %	Benchmark %	Portfolio %	Benchmark %
Industrials	33.5	30.6	38.2	29.4
Financials	20.2	21.4	18.3	22.7
Technology	15.4	10.6	12.0	10.1
Consumer Services	13.5	15.5	13.3	15.1
Basic Materials	6.4	5.0	2.5	6.2
Consumer Goods	5.1	5.3	9.0	4.3
Health Care	4.6	8.2	6.2	8.1
Oil & Gas	3.7	1.4	6.2	2.6
Telecommunications	2.6	2.0	0.6	1.5
Utilities	0.8	–	0.7	–
Liquidity fund	0.8	–	1.8	–
Net current liabilities	(6.6)	–	(8.8)	–
<b>Total portfolio</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 £88.7m (31st July 2009: £73.0m).

# Income Statement

for the six months ended 31st January 2010

	(Unaudited) Six months ended 31st January 2010			(Unaudited) Six months ended 31st January 2009			(Audited) Year ended 31st July 2009		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
<b>Gains/(losses) on investments held at fair value through profit or loss</b>									
	–	16,818	16,818	–	(38,688)	(38,688)	–	(22,301)	(22,301)
Income from investments	881	–	881	1,226	–	1,226	2,403	–	2,403
Other interest receivable and similar income	170	–	170	145	–	145	176	–	176
<b>Gross return/(loss)</b>	<b>1,051</b>	<b>16,818</b>	<b>17,869</b>	<b>1,371</b>	<b>(38,688)</b>	<b>(37,317)</b>	<b>2,579</b>	<b>(22,301)</b>	<b>(19,722)</b>
Management fee	(185)	(185)	(370)	(168)	(168)	(336)	(299)	(299)	(598)
VAT recoverable on management fees	178	20	198	488	466	954	488	466	954
Other administrative expenses	(161)	–	(161)	(156)	–	(156)	(361)	–	(361)
<b>Net return/(loss) on ordinary activities before finance costs and taxation</b>	<b>883</b>	<b>16,653</b>	<b>17,536</b>	<b>1,535</b>	<b>(38,390)</b>	<b>(36,855)</b>	<b>2,407</b>	<b>(22,134)</b>	<b>(19,727)</b>
Finance costs	(39)	(39)	(78)	(93)	(93)	(186)	(141)	(141)	(282)
<b>Net return/(loss) on ordinary activities before taxation</b>	<b>844</b>	<b>16,614</b>	<b>17,458</b>	<b>1,442</b>	<b>(38,483)</b>	<b>(37,041)</b>	<b>2,266</b>	<b>(22,275)</b>	<b>(20,009)</b>
Taxation	(1)	–	(1)	(2)	–	(2)	(5)	–	(5)
<b>Net return/(loss) on ordinary activities after taxation</b>	<b>843</b>	<b>16,614</b>	<b>17,457</b>	<b>1,440</b>	<b>(38,483)</b>	<b>(37,043)</b>	<b>2,261</b>	<b>(22,275)</b>	<b>(20,014)</b>
<b>Return/(loss) per share</b> (note 4)	<b>4.30p</b>	<b>84.74p</b>	<b>89.04p</b>	<b>7.23p</b>	<b>(193.32)p</b>	<b>(186.09)p</b>	<b>11.43p</b>	<b>(112.61)p</b>	<b>(101.18)p</b>

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.

# Reconciliation of Movements in Shareholders' Funds

Six months ended 31st January 2010 (Unaudited)	Called up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
<b>At 31st July 2009</b>	4,903	18,360	1,763	45,564	2,426	<b>73,016</b>
Repurchase and cancellation of the Company's own shares	(15)	–	15	(212)	–	<b>(212)</b>
Net return on ordinary activities	–	–	–	16,614	843	<b>17,457</b>
Dividends appropriated in the period	–	–	–	–	(1,561)	<b>(1,561)</b>
<b>At 31st January 2010</b>	<b>4,888</b>	<b>18,360</b>	<b>1,778</b>	<b>61,966</b>	<b>1,708</b>	<b>88,700</b>

Six months ended 31st January 2009 (Unaudited)	Called up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
<b>At 31st July 2008</b>	5,006	18,360	1,660	68,853	2,156	<b>96,035</b>
Repurchase and cancellation of the Company's own shares	(90)	–	90	(868)	–	<b>(868)</b>
Net (loss)/return on ordinary activities	–	–	–	(38,483)	1,440	<b>(37,043)</b>
Dividends appropriated in the period	–	–	–	–	(1,991)	<b>(1,991)</b>
<b>At 31st January 2009</b>	<b>4,916</b>	<b>18,360</b>	<b>1,750</b>	<b>29,502</b>	<b>1,605</b>	<b>56,133</b>

Year ended 31st July 2009 (Audited)	Called up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
<b>At 31st July 2008</b>	5,006	18,360	1,660	68,853	2,156	<b>96,035</b>
Repurchase and cancellation of the Company's own shares	(103)	–	103	(1,014)	–	<b>(1,014)</b>
Net (loss)/return on ordinary activities	–	–	–	(22,275)	2,261	<b>(20,014)</b>
Dividends appropriated in the year	–	–	–	–	(1,991)	<b>(1,991)</b>
<b>At 31st July 2009</b>	<b>4,903</b>	<b>18,360</b>	<b>1,763</b>	<b>45,564</b>	<b>2,426</b>	<b>73,016</b>

# Balance Sheet

at 31st January 2010

	(Unaudited) 31st January 2010 £'000	(Unaudited) 31st January 2009 £'000	(Audited) 31st July 2009 £'000
<b>Fixed assets</b>			
Investments held at fair value through profit or loss	93,849	58,520	78,143
Investments in liquidity funds held at fair value through profit or loss	715	2,305	1,290
<b>Total investments</b>	<b>94,564</b>	60,825	79,433
<b>Current assets</b>			
Debtors	1,760	342	1,536
Cash and short term deposits	82	288	100
	<b>1,842</b>	630	1,636
<b>Creditors:</b> amounts falling due within one year	<b>(7,706)</b>	(5,322)	(8,053)
<b>Net current liabilities</b>	<b>(5,864)</b>	(4,692)	(6,417)
<b>Total assets less current liabilities</b>	<b>88,700</b>	56,133	73,016
<b>Total net assets</b>	<b>88,700</b>	56,133	73,016
<b>Capital and reserves</b>			
Called up share capital	4,888	4,916	4,903
Share premium	18,360	18,360	18,360
Capital redemption reserve	1,778	1,750	1,763
Capital reserves	61,966	29,502	45,564
Revenue reserve	1,708	1,605	2,426
<b>Shareholders' funds</b>	<b>88,700</b>	56,133	73,016
<b>Net asset value per share</b> (note 5)	<b>453.6p</b>	285.4p	372.3p

# Cash Flow Statement

for the six months ended 31st January 2010

	(Unaudited) Six months ended 31st January 2010 £'000	(Unaudited) Six months ended 31st January 2009 £'000	(Audited) Year ended 31st July 2009 £'000
<b>Net cash inflow from operating activities</b> (note 6)	<b>350</b>	1,956	2,569
<b>Net cash outflow from returns on investments and servicing of finance</b>	<b>(85)</b>	(214)	(303)
<b>Net cash inflow from capital expenditure and financial investment</b>	<b>1,546</b>	6,343	3,781
<b>Dividends paid</b>	<b>(1,561)</b>	(1,991)	(1,991)
<b>Net cash outflow from financing</b>	<b>(268)</b>	(5,905)	(4,055)
<b>(Decrease)/increase in cash for the period</b>	<b>(18)</b>	189	1
<b>Reconciliation of net cash flow to movement in net debt</b>			
Net cash movement	<b>(18)</b>	189	1
Net repayment of loans	–	5,000	3,000
Movement in net debt in the period	<b>(18)</b>	5,189	3,001
Net debt at the beginning of the period	<b>(6,900)</b>	(9,901)	(9,901)
<b>Net debt at the end of the period</b>	<b>(6,918)</b>	(4,712)	(6,900)
Represented by:			
Cash and short term deposits	<b>82</b>	288	100
Debt due within one year	<b>(7,000)</b>	(5,000)	(7,000)
<b>Net debt</b>	<b>(6,918)</b>	(4,712)	(6,900)

# Notes to the Accounts

for the six months ended 31st January 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 July 2009 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' issued 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 July 2009.

## 3. Dividends

	(Unaudited) Six months ended 31st January 2010 £'000	(Unaudited) Six months ended 31st January 2009 £'000	(Audited) Year ended 31st July 2009 £'000
Unclaimed dividends refunded to the Company <sup>1</sup>	(8)	–	–
Final dividend in respect of the year ended 31st July 2009 of 8.0p (2008: 7.0p)	1,569	1,400	1,400
Special dividend in respect of the year ended 31st July 2009 of 3.0p <sup>2</sup>	–	591	591
	1,561	1,991	1,991

<sup>1</sup>Represents dividends which remain unclaimed after a period of 12 years and thereby become the property of the Company.

<sup>2</sup>The Company paid a Special dividend of 3.0p in January 2009 representing the amount of VAT recovered and the associated interest taken to income.

No interim dividend has been declared in respect of the six months ended 31st January 2010 (2009: nil).

#### 4. Return/(loss) per share

	(Unaudited) Six months ended 31st January 2010 £'000	(Unaudited) Six months ended 31st January 2009 £'000	(Audited) Year ended 31st July 2009 £'000
Return/(loss) per share is based on the following:			
Revenue return	843	1,440	2,261
Capital return/(loss)	16,614	(38,483)	(22,275)
Total return/(loss)	17,457	(37,043)	(20,014)
Weighted average number of shares in issue:	19,605,452	19,906,185	19,780,588
Revenue return per share	4.30p	7.23p	11.43p
Capital return/(loss) per share	84.74p	(193.32)p	(112.61)p
Total return/(loss) per share	89.04p	(186.09)p	(101.18)p

#### 5. Net asset value per share

Net asset value per share is calculated by dividing shareholders' funds by the number of shares in issue at 31st January 2010 of 19,553,550 (31st January 2009: 19,665,222 and 31st July 2009: 19,612,222).

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

	(Unaudited) Six months ended 31st January 2010 £'000	(Unaudited) Six months ended 31st January 2009 £'000	(Audited) Year ended 31st July 2009 £'000
Net return/(loss) before finance cost and taxation	17,536	(36,855)	(19,727)
Add back capital (return)/loss before finance costs and taxation	(16,653)	38,390	22,134
Scrip dividends received as income	(10)	(8)	(37)
Decrease in accrued income	42	129	19
(Increase)/decrease in other debtors	(376)	8	3
(Decrease)/increase in accrued expenses	(23)	(4)	15
Tax on unfranked investment income	(1)	(2)	(5)
Expenses (charged)/credited to capital	(165)	298	167
<b>Net cash inflow from operating activities</b>	<b>350</b>	<b>1,956</b>	<b>2,569</b>

# 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 five 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 July 2009.

## 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 during the period.

## 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

**Strone Macpherson**  
Chairman

24th March 2010

# Glossary of Terms

## **Return to shareholders**

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

## **Return on net assets**

Total return on net asset value ('NAV') per share, on a bid value to bid value basis, assuming that all dividends paid out by the Company were reinvested, without transaction costs, in the shares of the Company at 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 total 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, without transaction costs, in 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**

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 July
Final results announced	October
Half year end	31st January
Half year results announced	March
Interim Management Statements announced	May/November
Dividend on ordinary shares paid	December
Annual General Meeting	November/December

## History

The Company was formed in June 1990 as River & Mercantile Smaller Companies Trust plc and raised £25 million by a public offer of shares. Its original policy was to invest in a diversified portfolio of investments in UK and foreign smaller companies. Its name was changed to The Fleming Smaller Companies Investment Trust plc in April 1996, and again in November 2002 to JPMorgan Fleming Smaller Companies Investment Trust plc. The Company adopted its present name in 2006.

## Directors

Strone Macpherson (Chairman)  
Ivo Coulson  
Richard Fitzalan Howard  
Michael Quicke  
Andrew Robson

## Company Numbers

Company registration number: 2515996  
London Stock Exchange code: 0741600  
Bloomberg code: JMI LN  
Reuters code: JMI.L

## 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 and the market price is quoted daily in the Financial Times, The Times, the Daily Telegraph, The Scotsman, The Independent and on the JPMorgan website at [www.jpmsmallercompanies.co.uk](http://www.jpmsmallercompanies.co.uk), where the share price is updated every fifteen minutes during trading hours.

## Website

[www.jpmsmallercompanies.co.uk](http://www.jpmsmallercompanies.co.uk)

## 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 Company 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 and administrative matters please contact Divya Amin.

## Registrars

Equiniti  
Reference 1139  
Aspect House  
Spencer Road  
Lancing  
West Sussex BN99 6DA  
Telephone number: 0871 384 2341

Notifications of changes of address and enquiries regarding share certificates or dividend cheques should be made in writing to the Registrars quoting reference 1139. 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

Deloitte LLP  
Stonecutter Court  
1 Stonecutter Street  
London EC4A 4TR

## Brokers

Winterflood Securities  
The Atrium Building  
Cannon Bridge  
25 Dowgate Hill  
London EC4R 2GA

## 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.

**aic**

The Association of  
Investment Companies

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JPMorgan Helpline  
Freephone 0800 20 40 20 or +44 (0)20 7742 9995

Your telephone call may be recorded for your security

[www.jpmsmallercompanies.co.uk](http://www.jpmsmallercompanies.co.uk)