

JPMorgan Russian Securities plc London Stock Exchange Announcement

Continuation Vote & Conditional Tender

Legal Entity Identifier: 549300II3MHI98ZLVH37

Information disclosed in accordance with Article 17 Market Abuse Regulation

The Board of JPMorgan Russian Securities plc (the 'Company') announces that, following consultation with the Company's large shareholders and its advisers, it plans to introduce, subject to the passing of a resolution in favour of the Company's continuation as an investment trust at the Company's annual general meeting on 7 March 2017, the following measure:

- An obligation on the Board to make a tender offer to shareholders for up to 20% of the outstanding share capital at NAV less costs and less a discount of 2 per cent if, over the next five years (from the start of the current financial year being 1st November 2016), the Company's net asset value total return in sterling on a cum income basis is below the total return of the benchmark in sterling terms over the 5-year period.

Any tender offer will also be conditional on shareholders approving the continuation vote in 2022. The Board believes this measure is in shareholders' interests as it further incentivises the manager to focus on long-term investment performance.

The Board also considered whether to include a discount related condition when proposing a tender offer but felt that the higher levels of volatility in Russia, both political & market related, meant that this measure was inappropriate. Given the current reliance that the Russian economy has on the oil price, the Board believes it would be hard to influence the discount if there was a global commodities slump, or significant geopolitical pressures affecting Russia. As the Board has stated in the past, the Board monitors discount movements closely and, subject to market conditions, the share repurchase authority will be used to assist in managing the imbalance between supply and demand when the discount widens for company-specific reasons.

The Board believes that the long term outlook for Russia remains favourable despite some near term challenges. Accordingly the Board will be recommending shareholders vote in favour of the continuation of the Company.

Further details will be included in the Company's Annual Report due to be published later in January.

Enquiries

James Glover / Paul Winship
J.P. Morgan Funds Ltd
02077424000

Will Rogers
Cenkos Securities plc
02073971920

4th January 2017

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014. Upon the publication of this announcement via Regulatory Information Service this inside information is now considered to be in the public domain.

END