

The Law Debenture Corporation p.l.c. Interim Management Statement for the three months ended 31 March 2012 (including subsidiaries)

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 6 months' notice.

Secondly, we are a leading provider of independent fiduciary services. Our activities are corporate trusts, treasury management and structured finance administration, pension trusts, corporate services (including agent for service of process) board effectiveness and whistle blowing services. We have offices in London, Sunderland, New York, Delaware, Hong Kong and the Channel Islands.

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.

Company Information

At the Annual General Meeting of the Company on 24 April 2012 all resolutions were passed. The final dividend for 2011 of 9.0p was paid on 27 April 2012. There are no other material events or transactions to report.

Trust information

Sector	Global Growth
Benchmark	FTSE All-Share index
Trust type	Conventional (Ords)
Launch date	December 1889
Financial year end	31 December
Dividend payment	April, September
Last ex div date	28 March 2012
Management fee (based on NAV)	0.30%
Performance fee	No
Total expense ratio (TER)	0.49%

Trust statistics at 31 March 2012

Gross total assets	£461m
NAV per ordinary share (cum income)	358.5p
NAV per ordinary share (ex income)	355.1p
Share price (code LWDB)	374.9p
Premium/(discount) (cum income)	4.6%
Group gearing – AIC (net)	107%
Group gearing – excluding fixed interest (net)	100%
Yield	3.7%

Performance to 31 March 2012

	3mths	1yr	3yrs	5yrs	10yrs
Share price (total return)	15.1%	12.7%	108.5%	24.7%	112.6%
Net asset value (total return)	10.5%	7.7%	105.9%	30.9%	124.1%
FTSE All-Share (total return)	6.1%	1.4%	67.9%	9.5%	65.5%

Geographic breakdown at 31 March 2012

UK	64.6%
UK Gilts	9.4%
North America	7.9%
Other Pacific	7.7%
Europe	7.4%
Japan	3.0%
OEICs included above:	
Henderson Japan Capital Growth	2.6%
Henderson Asia Pacific Capital Growth	2.4%
Baillie Gifford Pacific	2.0%
First State Asia Pacific	1.8%

Sector breakdown at 31 March 2012

Industrials	22.8%
Pooled Equity Investments	11.2%
Financials	10.9%
Consumer Goods	10.6%
Oil & Gas	9.5%
UK Gilts	9.4%
Health Care	7.5%
Consumer Services	5.6%
Utilities	4.3%
Basic Materials	3.9%
Technology	2.4%
Telecommunications	1.9%

The UK Gilts holdings are all less than 5 years to maturity.

Top Ten Equity Holdings (excluding OEICs and Gilts) at 31 March 2012 as a percentage of the portfolio

Senior	3.4%	IP Group	1.8%
BP	2.6%	Smith (DS)	1.7%
Royal Dutch Shell	2.4%	Rio Tinto	1.7%
GlaxoSmithKline	2.2%	Amlin	1.6%
GKN	2.0%	HSBC	1.5%

Contacts

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