

Monthly Fact Sheet 31 July 2015

Launch Date	12 May 1999
Net Assets	£35.47m*
Bank Debt	£ nil m
Dividend Yield	3.96%**

	Zero Dividend Preference Shares	Ordinary Shares
Share Price (price per share)	125.13p	180.00p
NAV (price per share)	118.57p	210.72p*
Share Capital	8,500,000***	16,550,000

* includes unaudited revenue reserve to 31.07.15

**calculation excludes special dividend

***redeemed at 136.70p - 08.01.2018

Fund Managers



David Horner

qualified as a chartered accountant in 1984 with Touche Ross & Co before joining 3i Corporate Finance Limited in 1986 where he was a manager giving corporate finance advice. In May 1993 he joined Strand Partners Limited, and was appointed a director in January 1994,

where he carried out a range of corporate finance assignments identifying, structuring and managing investments in quoted and unquoted companies. In June 1997 he left to set up Chelverton Asset Management Limited and, in May 1999, he launched the Small Companies Dividend Trust, which he still co-manages. He has also co-managed the Chelverton UK Equity Income Fund since launch.



David Taylor began his career as an analyst in the research department at Wedd Durlacher and moved into fund management in 1987 with the Merchant Navy Officers Pension Fund. He joined Gartmore Investment Limited in 1991, during this time, he ran a combination of institutional funds and

investment trusts, namely the Clydesdale Investment Trust and London & Strathclyde Trust. In 1995, he moved to LGT to manage small cap retail funds and latterly spent nearly seven years as head of UK smaller companies at HSBC Asset Management. He joined Chelverton Asset Management in January 2006 and has co-managed the Chelverton UK Equity Income Fund since launch.

Small Companies Dividend Trust PLC

Investment Objective and Policy

The investment objective of the Company is to provide Ordinary shareholders with a high income and opportunity for capital growth.

The Trust's funds will be invested principally in companies with a market capitalisation of up to £500 million; a maximum of 20 per cent. of the Group's portfolio may be invested in companies without reference to their market capitalisation at the discretion of the Investment Manager. The Trust's portfolio will comprise companies listed on the Official List and companies admitted to trading on AIM. The Trust will not invest in preference shares, loan stock or notes, convertible securities or fixed interest securities or any similar securities convertible into shares. The Trust will not invest in other investment trusts or unquoted companies.

Monthly Manager Commentary

The last month was dominated by macro news. There was no GREXIT 'relief bounce' at home as the Greek situation was resolved as an acceptable outcome had already been priced into the market. The Chancellors budget was largely 'more of the same' although the introduction of the new living wage did have analysts focussing on the increased cost implications for a wide range of domestic earners. It was also noticeable that the noises coming from the Bank of England Governor were becoming more hawkish although we continue to believe that a rate rise is a story for next year rather than this one. At the sector level commodity prices continued to fall with knock on effects for oil and gas and mining stocks and a number of the large cap 'bond proxy' holdings performed well. The improving trend in corporate up-grades was negatively impacted by sterling strength as a wide range of overseas earners were downgraded on currency grounds. On the other hand the domestic economy, particularly the service sector, continues to perform well and consumer confidence remains high supported by evidence of real wage growth.

As the volume of company results picked up in the latter part of the month, the most positive contributors to performance included Dairy Crest and Games Workshop after good updates. Our largest holding, Avesco, continued its strong run after last month's interim figures. Stadium responded well to the acquisition of Stontronics, a UK power solutions company and Belvoir bought Newton Fallowell, a property sales and lettings business. On the downside, N.Brown fell and a warning from Premier Farnell led to underperformance alongside our other component companies, Acal and Electrocomponents. We started holdings in three new stocks, RPS an environmental consultancy, Cape, a service provider to the energy and natural resource sectors and Orchard Funding which provides fee funding solutions to accounting firms. We added to our positions in Mucklow and Shoezone and sold our remaining shares in Marshalls and Majestic.

Annual Returns % (GBP)

31/07/2015

	2015	2014	2013	2012	2011	2010
Share Price Ordinary Shares	15.67	-4.26	79.11	19.72	2.82	40.87
NAV	20.28	4.82	56.74	38.36	-10.04	48.63

Source: Chelverton Asset Management Limited and Morningstar.

Past performance is not a guide to future results.



Small Companies Dividend Trust PLC

Monthly Fact Sheet
31 July 2015

Directors

The Rt Hon. the Lord Lamont of Lerwick
Chairman

David Harris

William van Heesewijk

Howard Myles

Calendar

Year End	30 April
AGM	September
Dividends	July, October, January, April

Management Fee	1% pa.
Charge to Capital	Management Fee and Bank Interest (75% to Capital: 25% to Revenue)

Price Information

	ZDP	ORDS
Reuters	SDVZ.L	SDV.L
SEDOL	88fj5797	0661582

Market Makers	Canacord, Finncap, JP Morgan, Numis, Winterflood
----------------------	--

Contact Us

T	0207 222 8989
E	cam@chelvertonam.com
A	Chelverton Asset Management Limited 20 Ironmonger Lane London EC2V 8EP
W	www.chelvertonam.com

Top Twenty Holdings

Holding	Sector	% of portfolio
Avesco Group	Media	3.27%
T. Clarke	Construction	2.63%
Jarvis Securities	Financials	2.36%
Connect Group	Support Services	2.31%
The Alumasc Group	Industrials	2.30%
Dairy Crest Group	Consumer	2.27%
Kier Group	Construction	2.26%
Kcom Group	Telecommunications	2.12%
Braemar Shipping Services	Support Services	2.11%
Wilmington	Media	2.04%
Town Centre Securities	Property	2.03%
Acal	Industrials	2.00%
Marston's	Consumer	1.92%
DX Group	Support Services	1.90%
Games Workshop Group	Consumer	1.89%
Stadium Group	Industrials	1.86%
GVC Holdings	Technology	1.85%
Epwin Group	Construction	1.84%
N Brown Group	Consumer	1.79%
Macfarlane Group	Industrials	1.74%
Total		42.51%

Sector Breakdown

Sector	% of portfolio
Financials	22.62%
Support Services	14.75%
Consumer	13.99%
Industrials	13.12%
Construction	10.96%
Media	7.73%
Technology	6.57%
Property	5.47%
Telecommunications	2.12%
Healthcare	1.42%
Utility	1.24%
Total	100.00%

Market Cap Breakdown

	% of portfolio	No of stocks
> £500m	17.66%	13
£250m - £500m	18.64%	16
£100m - £250m	27.72%	19
£50m - £100m	15.71%	11
£0m - £50m	20.28%	14
Total	100.00	73

Source: Chelverton Asset Management Limited

Risk Factors

The value of investments and the income from them may go down as well as up and you may not get back your original investment. Investment trusts can borrow money to make additional investments on top of shareholders funds (gearing). If the value of these investments fall in value, gearing will magnify the negative impact on performance. Particular share classes may also be structurally geared by other share classes that have earlier entitlement to the Company's assets up to a predetermined limit. If an investment trust incorporates a large amount of gearing the value of its shares may be subject to sudden and large falls in value and you could get back nothing at all. Some split capital shares have higher risk characteristics than conventional equities which can result in capital erosion. An investor could lose all of their capital. Smaller companies are riskier and less liquid than larger companies which means their share price may be more volatile. Some of the annual management fee is currently charged to the capital of the Fund. Whilst this increases the yield, it will restrict the potential for capital growth. The level of yield may be subject to fluctuation and is not guaranteed. Net Asset Value ("NAV") performance is not the same as share price performance and investors may not realise returns the same as NAV performance.

Risk Rating of Shares

Zero Dividend Preference shares	Medium
Ordinary shares	High

The information contained in this document has been obtained from sources that Chelverton Asset Management ("CAM") considers to be reliable. However, CAM cannot guarantee the accuracy and completeness of the information provided, and therefore no investment decision should be based solely on this data. This document is issued by CAM, authorised and regulated by the Financial Conduct Authority (FCA). This document does not represent a recommendation by CAM to purchase shares in this Trust. We recommend private investors seek the services of a Financial Adviser.

SMALL COMPANIES DIVIDENT TRUST PLC IS REGISTERED IN ENGLAND. COMPANY NUMBER: 3749536