

The Law Debenture Corporation p.l.c. Interim Management Statement for the nine months ended 30 September 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

The interim dividend for 2012 of 4.5p was paid on 13 September 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 | 08 August 2012 |
| Management fee (based on NAV) | 0.30% |
| Performance fee | No |
| Total expense ratio (TER) | 0.49% |

Trust statistics at 30 September 2012

| | |
|---|--------|
| Gross total assets | £472m |
| NAV per ordinary share (cum income) | 367.8p |
| NAV per ordinary share (ex income) | 361.5p |
| Share price (code LWDB) | 398.4p |
| Premium/(discount) (cum income) | 8.3% |
| Group gearing – AIC (net) | 106% |
| Group gearing – excluding fixed interest (net) | 100% |
| Yield | 3.5% |

| Performance to 30 September 2012 | 9mths | 1yr | 3yrs | 5yrs | 10yrs |
|---|--------------|------------|-------------|-------------|--------------|
| Share price (total return) | 23.7% | 20.3% | 61.8% | 34.0% | 211.3% |
| Net asset value (total return) | 14.8% | 22.7% | 47.5% | 31.0% | 226.0% |
| FTSE All-Share (total return) | 8.2% | 17.2% | 26.1% | 8.7% | 135.7% |

Geographic breakdown at 30 September 2012

| | |
|---------------------------------------|-------|
| UK | 68.3% |
| North America | 7.7% |
| UK Gilts | 7.5% |
| Europe | 6.9% |
| Other Pacific | 6.9% |
| Japan | 2.7% |
| OEICs included above: | |
| Henderson Asia Pacific Capital Growth | 2.4% |
| Henderson Japan Capital Growth | 2.4% |
| Baillie Gifford Pacific | 2.1% |
| First State Asia Pacific | 2.0% |

Sector breakdown at 30 September 2012

| | |
|---------------------------|-------|
| Industrials | 22.5% |
| Financials | 11.4% |
| Consumer Goods | 11.1% |
| Oil & Gas | 10.2% |
| Pooled Equity Investments | 10.2% |
| Health Care | 7.9% |
| UK Gilts | 7.5% |
| Consumer Services | 6.3% |
| Utilities | 4.4% |
| Basic Materials | 3.9% |
| Technology | 2.6% |
| Telecommunications | 2.0% |

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

Top Ten Equity Holdings (excluding OEICs and Gilts) at 30 September 2012 as a percentage of the portfolio

| | | | |
|-------------------|------|--------------|------|
| Senior | 3.5% | Amlin | 1.9% |
| BP | 2.5% | Smith (DS) | 1.8% |
| Royal Dutch Shell | 2.4% | HSBC | 1.6% |
| GlaxoSmithKline | 2.3% | Interserve | 1.5% |
| GKN | 2.1% | Hill & Smith | 1.5% |

Contacts

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