

Dunedin Enterprise Investment Trust PLC (Company No SC52844) - Interim Management Statement

Dunedin Enterprise Investment Trust PLC ("Dunedin Enterprise") presents its Interim Management Statement for the quarter ended 30 September 2009. This is the Company's second interim management statement for the financial year ending 31 December 2009, as required by the FSA Disclosure and Transparency Rule 4.3.

1. Investment Objective

Dunedin Enterprise specialises in the provision of private equity finance. Private equity is medium to long term finance provided in return for an equity stake in established, potentially high growth private companies. The Company's investment objective is to achieve substantial long term capital growth in its assets through capital gains from its investments.

2. Unaudited net asset value per share

The unaudited net asset value per share at 30 September 2009 was 404.6p. This represents a fall of 0.9% from the level at 30 June 2009.

3. Share price and discount

The share price rose by 9.5% from 283p to 309.8p in the quarter to 30 September 2009. This compares to a rise in the FTSE Small Cap Index of 34.0% over the same period.

Based upon the net asset value per share of 404.6p, the discount of the share price to the net asset value per share decreased from 30.7% to 23.4% in the quarter. When cash is excluded from net assets then the discount increases to 48.8%.

The share price at the close of business on 13 November 2009 was 297p, which was 4.1% lower than at 30 September 2009. The share price of 297p represents a discount of 26.6% to the net asset value per share of 404.6p and when cash is excluded from net assets then the discount increases to 55.4%.

4. Balance Sheet

The balance sheet as at 30 September 2009 is noted below:-

	£m
Dunedin managed	31.4
Third party managed	6.8
Listed private equity	26.8
Legacy technology funds	<u>2.5</u>
Total investments	67.5
Cash and near cash	63.4
Other assets/liabilities	<u>(8.8)</u>
Total net assets	<u>122.1</u>
Net asset value per share (p)	404.6

5. Valuations

The portfolio of investments has been revalued at 30 September 2009. The most significant movements in net asset during the quarter were a result of:-

- an increase in the value of Euro listed private equity of £3.3m,
- a reduction in net assets caused by a movement in the value of the Euro hedge instrument of £3.7m,
- payment of the interim dividend -£0.2m, and
- other portfolio movements of -£0.5m.

6. Commitments

As at 30 September 2009 the Company has outstanding capital commitments to limited partnership funds of £112.5m. In addition to cash and near cash balances of £63.4m at 30 September 2009 the Company has listed private equity of £26.8m and an undrawn bank borrowing facility of £39m.

7. Hedging

The Company's hedging arrangements were closed out on 9 October 2009 and to date have not been replaced.

8. Outlook

The market remains challenging and our efforts remain focused on protecting value in the portfolio. There are however some encouraging signs of increased activity in new business opportunities.

For further information on Dunedin Enterprise please go to www.dunedin.com

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