

Interim Management Statement

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Dunedin Enterprise Inv Trust PLC

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

Dunedin Enterprise Investment Trust PLC presents its Interim Management Statement for the period ended 31 March 2013. This is the Company's first interim management statement for the financial year to 31 December 2013, as required by the FSA Disclosure and Transparency Rule 4.3.

1. Unaudited net asset value per share

The unaudited net asset value per share at 31 March 2013 was 531.3p. This represents a decrease of 0.3% from the level at 31 December 2012.

2. Share price and discount

The share price has increased by 0.2% from 412.38p to 413p in the quarter to 31 March 2013. This compares to an increase in the FTSE Small Cap Index of 10.6% over the same period.

Based upon the net asset value per share of 531.3p, the discount of the share price to the net asset value per share has decreased from 22.6% to 22.3% in the quarter. When cash is excluded from net assets then the discount increases to 31.2%.

The share price as at 16 May 2013 was 428.125p which represents a discount to net asset value per share at 31 March 2013 of 19.4%.

3. Balance Sheet

The unaudited balance sheet as at 31 March 2013 is noted below:-

	£'m
Investments:-	
Dunedin managed	76.8
Third party managed	19.7
Legacy technology funds	0.8
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	97.3
Cash and near cash	39.3
Other assets and liabilities	0.2
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Total net assets	136.8
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Net asset value per share (p)	531.3

Following the quarter end the investment in FSN Capital III LP ("FSN") was realised generating proceeds of €10.7m on 10 May 2013 and releasing Dunedin Enterprise from undrawn commitments of €1.5m. As at 31 March 2013 the investment in FSN has been valued at the realised proceeds.

4. Net asset value movements

The portfolio of investments has been re-valued at 31 March 2013. The decrease in net asset value in the quarter can be attributed to:-

- a decrease in the value of Dunedin Managed investments totalling £1.0m. Valuation uplifts at CitySprint (£1.2m), CGI (£0.9m) and Practice Plan (£0.5m) as a result of strong maintainable earnings and lower net external debt. This has been offset by lower maintainable earnings at three portfolio companies leading to a reduction in the valuations of Weldex (£1.3m), OSS (£1.0m) and Red Commerce (£0.7m),
- an increase in the valuation of European fund investments totalling £0.7m. This increase has been mainly generated from valuation increases from within the FSN Capital III portfolio, and
- other movements of -£0.2m.

5. Commitments

As at 31 March 2013 the Company has outstanding capital commitments to limited partnership funds of £82.5m (of which Dunedin managed funds constitute £65.8m). The Trust has cash and near cash balances of £39.3m at 31 March 2013. The Trust also has a revolving credit facility of £20m available until 31 August 2013.

Following the realisation of FSN outstanding capital commitments have been reduced to £81.3m and the cash balance increased to £48.4m.

6. Tender Offer and Dividends

In the quarter the Trust announced a Tender Offer for 2,631,575 shares at 475p per share (a discount of 10.8% to the net asset value at 31 December 2012). This equates to £12.5m being returned to shareholders and will bring the total returned to shareholders via tender offers since the new distribution policy was introduced by the Company to £33.6m. This means the Trust will have returned 21% of its net asset value since the time of introducing the policy in November 2011, in addition to dividends declared since then of £7.4m. Shareholders will vote on the tender offer on 17 May 2013.

The Board will make proposals to shareholders regarding the return of cash proceeds from the sale of FSN in due course.

If approved by shareholders at the AGM, a final dividend of 6.5p per share will be paid on 24 May 2013.

7. Outlook

The Manager is pursuing a number of new investment opportunities. The market for realisations is active and the Company is well placed to take advantage of this.

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

This information is provided by RNS
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