

US Smaller Companies Fund



April 2012



Robert Siddles
Fund Manager

Fund manager biography

Robert has over 25 years of industry experience and is Head of US Smaller Companies. He joined F&C in 2001 from Gartmore where he was Head of US Equities. Robert has a MA and DPhil from the University of Oxford and is a qualified Chartered Accountant.

Key details

Fund Type	OEIC
Sector	North American Smaller Companies
Benchmark	Russell 2000 TR Index
Average annual return	6.88%
Launch Date	01 Sep 1983
Fund Size	£38.75m
Currency	Sterling
Year End	31 Aug
Distribution Policy	Annually
Payment Dates	31 Oct
Front End Fee	5.00%
Management Fee	1.50% p.a.
Minimum Investment	£1,000.00
Net TER (Inc/Acc)	1.61% / n/a
Historic yield	0.00%
Fund Price(inc/acc)	1197.00p / n/a
Sedol : SC1 (inc)	B06PF58
ISIN : SC1 (inc)	GB00B06PF580
Price listed	Financial Times

The source of information is F&C unless otherwise stated. F&C and F&C logo, REO and the reo logo are registered trade marks of F&C Management Limited F&C INVESTMENTS and the F&C INVESTMENTS logo are trade marks of F&C Management Limited. © F&C Management Limited 2006.

Fund overview

The F&C US Smaller Companies Fund allows investors to participate in a portfolio consisting principally of securities traded on United States Stock Exchanges or NASDAQ. Investment policy is directed towards achieving long-term capital growth through investment in small and medium sized companies. The Fund typically looks for companies that generate free cashflow, solid returns, have a strong market position and where management have significant equity ownership.

The investment process comprises three stages: idea generation, stock selection and portfolio construction. It uses a risk-adverse approach because we believe it is the best way to achieve long-term returns from US Smaller Companies. The approach is active, long term and value-oriented. We favour companies with limited downside risk where we can make a long-term commitment and in particular we look at companies that generate excess cash flow. The Fund tends to have a lower than average PE ratio and lower volatility. We consider absolute as well as relative performance which contrasts with other small company investors that focus on popular companies in fast growing industries, where companies consume cash and their shares have high valuations and risk. The Portfolio is largely constructed through bottom-up analysis within defined sector parameters.

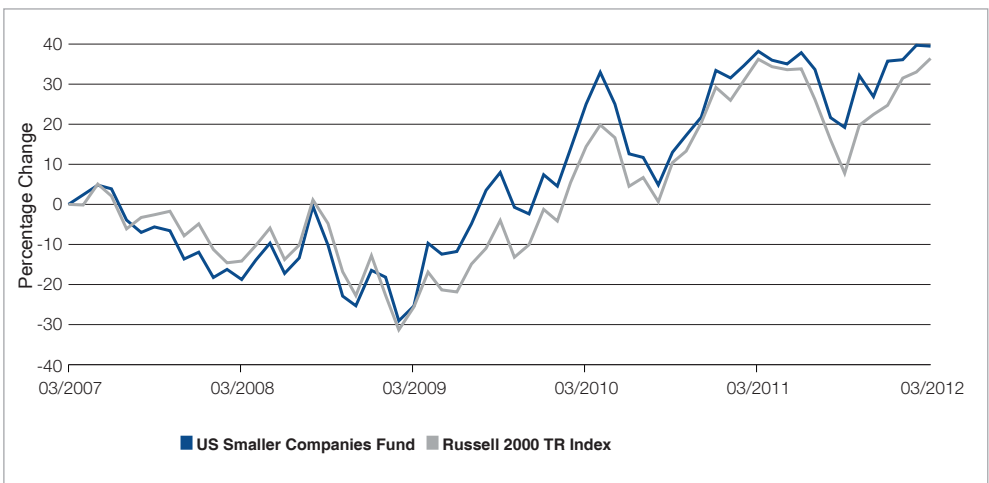
Standardised performance % as at 31.03.12

	2007/ 2008	2008/ 2009	2009/ 2010	2010/ 2011	2011/ 2012
Fund	-18.75	-8.13	67.50	10.53	0.93
Benchmark	-14.15	-13.34	53.80	19.04	0.14

Cumulative performance %

	1 Mth	YTD	1 Yr	3 Yrs	5 Yrs
Fund	-0.17	2.75	0.93	86.86	39.48
Benchmark	2.54	9.36	0.14	83.34	36.41

Fund Performance over 5 Years

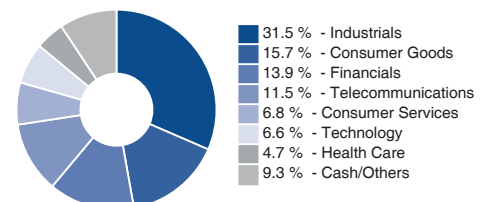


Past performance is not a guide to the future performance. Source: Lipper, percentage growth total return in Sterling, with no initial charges. For past performance data, updated quarterly, for the full range of F&C funds visit www.fandc.com

Top ten holdings

Holdings	%
iShares Russell 2000	3.59%
Conn's	3.17%
Airgas	2.80%
Americas Car-Mart	2.74%
SBA Communications	2.63%
Pool Corp	2.52%
Granite Const	2.42%
Mohawk Industries	2.36%
Microsemi Corp	2.35%
ACI Worldwide	2.24%
TOTAL	26.82%

Fund sector breakdown



All data as at 31.03.12. This factsheet is intended for Financial Advisers and existing investors only. Reference to investment activity is not intended as a recommendation of any investment action.

Issued and approved by F&C Fund Management Ltd. Authorised and regulated by the Financial Services Authority (FSA) Exchange House, Primrose Street, London EC2A 2NY. Registered in England No. 02170242. A registered company limited by shares.