

# Aberdeen New Dawn Investment Trust PLC

Annual Report and Accounts  
30 April 2012

2012



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## Annual Report

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**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action you should take, you are recommended to seek your own independent financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom or, if not, from another appropriately authorised financial adviser.**

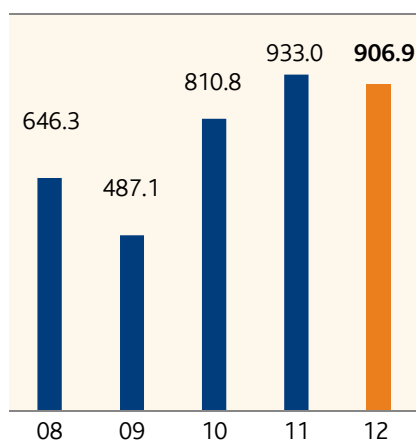
**If you have sold or otherwise transferred all your Ordinary shares in Aberdeen New Dawn Investment Trust PLC, please forward this document, together with the accompanying documents immediately to the purchaser or transferee, or to the stockbroker, bank or agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.**

## Financial Highlights

|                              | 2012   | 2011   |
|------------------------------|--------|--------|
| Share price total return     | -6.4%  | +23.0% |
| Net asset value total return | -1.5%  | +16.5% |
| Benchmark total return       | -7.7%  | +11.8% |
| Dividend per share           | 16.50p | 12.50p |

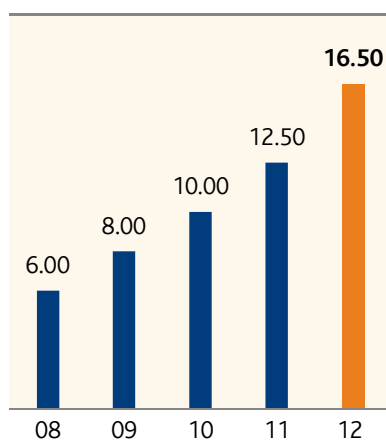
### Net asset value per share

At 30 April – pence



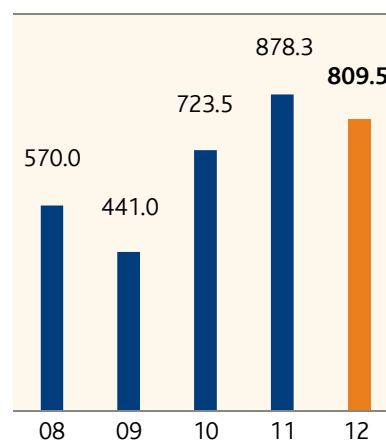
### Dividends per share

pence



### Mid-market price per share

At 30 April – pence



## Financial Calendar

|                |  |
|----------------|--|
| 2 July 2012    | Announcement of results for year ended 30 April 2012                                   |
| 22 August 2012 | Annual General Meeting   |
| 24 August 2012 | Final dividend payable for year ended 30 April 2012                                    |
| December 2012  | Announcement of half-yearly financial report for the six months ending 31 October 2012 |

# Corporate Summary

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## The Company

The Company is an investment trust and its shares are listed on the London Stock Exchange. The Company is a member of the Association of Investment Companies.

## Investment Objective

The investment objective of the Company is to provide shareholders with a high level of capital growth through equity investment in the Asia Pacific countries ex Japan.

## Investment Policy

The Company's assets are invested in a diversified portfolio of securities in quoted companies spread across a range of industries and economies in the Asia Pacific region excluding Japan. Investments may also be made through collective investment schemes and in companies traded on stock markets outside the Asia Pacific investment region provided that over 75 per cent. of their consolidated revenue is earned from trading in the investment region or they hold more than 75 per cent. of their consolidated net assets in the Asia Pacific investment region.

The Board is responsible for determining the gearing strategy for the Company. Gearing is used selectively to leverage the Company's portfolio in order to enhance returns where and to the extent this is considered appropriate to do so. At the year end there was potential gearing of 8 per cent. which compares with a current maximum limit set by the Board of 25 per cent.. Borrowings are short term and particular care is taken to ensure that any bank covenants permit maximum flexibility of investment policy.

In addition, it is the investment policy of the Company to invest no more than 15 per cent. of its gross assets in other listed investment companies (including listed investment trusts). As at 30 April 2012, 3.6 per cent. of the Company's portfolio was invested in investment companies.

## Achieving the Investment Policy

The Directors are responsible for determining the investment policy and the investment objective of the Company. Day to day management of the Company's assets has been delegated to Aberdeen Asset Management Asia Limited ("AAM Asia", the "Investment Manager" or the "Manager"). The Manager invests in a diversified range of companies throughout the Asia Pacific investment region in accordance with the investment policy. The Manager follows a bottom-up investment process based on a disciplined evaluation of companies through direct visits by its fund managers. Stock selection is the major source of added value. No stock is bought without the fund managers having first met management. The Manager estimates a company's worth in two stages, quality then price. Quality is defined by reference to management, business focus, the balance sheet and corporate governance. Price is calculated by reference to key

financial ratios, the market, the peer group and business prospects. Top-down investment factors are secondary in the Manager's portfolio construction, with diversification rather than formal controls guiding stock and sector weights. Little attention is paid to market capitalisation. The Manager is authorised to invest up to 15 per cent. of the Company's gross assets in any single stock, calculated at the time an investment is made.

A detailed description of the investment process and risk controls employed by the Manager is disclosed on page 16. A comprehensive analysis of the Company's portfolio is disclosed on pages 10 to 12 including a description of the ten largest investments, the full investment portfolio by value, sector/geographical analysis and currency/market performance. At the year end the Company's portfolio consisted of 48 holdings.

## Benchmark

The Company compares its performance to the currency-adjusted MSCI AC Asia Pacific ex Japan Index.

## Investment Manager

The Company has an Investment Management Agreement (the "Agreement" with Aberdeen Asset Management Asia Limited ("AAM" or "AAM Asia") for the provision of management services, which is terminable by either party on 12 months' notice to the other.

Under the Agreement, the management fee is calculated monthly in arrears at 1% on an annual basis of the net asset value of the Company valued monthly, excluding funds managed by the Aberdeen group of companies. See Note 3 to the Financial Statements on page 38 for further details.

The Directors review the terms of the Agreement on an annual basis and have confirmed that, due to the investment skills, experience of the Manager and its long-term relative performance, in their opinion the continuing appointment of AAM Asia, on the terms agreed, is in the interests of shareholders as a whole.

## Capital Structure

At 30 April 2012 the Company had a capital structure comprising 24,909,402 Ordinary shares of 25p (with a further 477,731 shares being held in treasury at that date).

The Company also had total bank borrowings, at 30 April 2012, equivalent to approximately £17,664,000 which rank for repayment ahead of any capital return to shareholders. These were drawn as follows: HKD154,100,000 (equivalent to approximately £12,233,000), USD4,760,000 (equivalent to approximately £2,931,000) and £2,500,000.

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## Total Assets and Net Asset Value

The Company had total assets\* of £243.6 million and a net asset value of 906.9 pence per Ordinary share at 30 April 2012. \* see definition on page 52.

## Websites

[www.newdawn-trust.co.uk](http://www.newdawn-trust.co.uk)  
[www.aberdeen-asset.com](http://www.aberdeen-asset.com)

## Company Secretary

Aberdeen Asset Management PLC  
Bow Bells House  
1 Bread Street  
London  
EC4M 9HH

Email: [company.secretary@invtrusts.co.uk](mailto:company.secretary@invtrusts.co.uk)

## Customer Services

Freephone: 0500 00 00 40  
(open Monday – Friday, 9am – 5pm)

Email: [inv.trusts@aberdeen-asset.com](mailto:inv.trusts@aberdeen-asset.com)

## Principal Risk Factors

Investment in Asia-Pacific securities or those of companies that derive significant revenue or profit from the Asia-Pacific region involves a greater degree of risk than that usually associated with investment in the securities in major securities markets, including the risk of social, economic or political instability, which may have an adverse effect on economic returns or restrict investment opportunities. Details of the risks associated with the Company are disclosed in the Business Review contained within the Directors' Report on pages 20 and 21.

The Company currently utilises gearing in the form of bank borrowings (see 'Capital Structure' above and note 11 to the Financial Statements on page 42). Gearing magnifies the effect of market movements on the net asset value of the Company.

## Duration

The Company does not have a fixed life. However, under the Articles of Association, if in the 12 weeks preceding the Company's financial year end (30 April) the Ordinary shares have been trading, on average, at a discount in excess of 15% to the underlying net asset value over the same period, notice will be given of a special resolution to be proposed at the following Annual General Meeting that the Company be put into voluntary liquidation. In the 12 weeks to 30 April 2012 the average discount to underlying net asset value of the Ordinary shares was 8.4%, therefore no special resolution will be put to the Company's shareholders.

## Share Dealing/ISA Status

Shares in Aberdeen New Dawn Investment Trust PLC can be bought in the open market through a stockbroker. They can also be purchased through the Aberdeen savings scheme and are fully qualifying for inclusion within tax efficient ISA wrappers (see page 50).

# Chairman's Statement

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**Alan Henderson**  
Chairman

## Background

In what was a volatile period for global stockmarkets, I am pleased to report that your Company performed relatively well. While the net asset value fell marginally by 1.5% to 906.92p for the year to 30 April 2012, and the share price declined 6.4% to 809.50p (both on a total return basis), these figures nonetheless compare positively with the benchmark MSCI AC Asia Pacific ex-Japan Index, which saw a larger decline of 7.7%.

The principal reason for the outperformance against the benchmark was good stock selection as the conservative investment strategy pursued by your Manager – one that is based on intensive proprietary research to identify quality companies – stood the portfolio in good stead. A detailed analysis of performance is set out in the Manager's Review on pages 6 and 7.

## Revenue and Dividend

Revenue returns from the portfolio during the year were very strong. As a result of this, and in compliance with investment trust rules which require the Company to distribute at least 85% of its income from securities, we are proposing to raise the dividend this year to 16.50p, an increase of 32% on last year's level. If approved by shareholders at the Annual General Meeting, the final dividend will be paid on 24 August 2012 to Ordinary shareholders on the register on 3 August 2012. Next year, the Board anticipates splitting the dividend into an interim and a final payment. The amount of the interim dividend will be confirmed at the time of the Company's interim results. Shareholders should be aware that, as in previous years, the level of future dividends will depend on future receipts from the portfolio.

## Overview

The year under review was a challenging period for equities as Europe's crisis and global economic uncertainty hung over financial markets. Last summer was especially turbulent, with Asian stockmarkets falling by more than 20% in August and September. Although early 2012 saw a return of risk appetite, markets have turned down again at the time of writing. Not only are Europe's debt troubles back in the headlines, but China's economic slowdown and the weak US recovery have also triggered fresh concerns over the fragility of the global recovery.

China's decelerating economy, in particular, is being widely watched. Lower growth reflects both weaker exports along with policy tightening to curb inflation and contain property bubbles in some cities. Still, China's growth rate continues to stand out from that of the developed world as well as its other Asian neighbours. There are vital questions to be asked about the quality and sustainability of that rapid growth,

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however. For instance, China's banks, in your Manager's view, are storing up trouble for later.

Much attention has also been paid to India's lower growth. The global slowdown has hurt external demand but India's economic downturn has been largely of its own making. High interest rates to contain stubborn inflation have taken their toll. Politics has been another stumbling block. A series of corruption scandals compounded the coalition government's indecision that led to the backpedalling on several proposed reforms.

Elsewhere in Asia, economies continued to grow, albeit at more modest rates. In common with China and India, the slowdown was largely a result of fading external demand alongside government policy to cool inflation. However, price pressures subsided as the period progressed, allowing central banks to loosen monetary policy to support growth. Australia, Indonesia and Thailand, for example, lowered interest rates. China reduced the amount of cash that banks must hold as reserves. India, despite its sticky inflation, cut rates too. Unfortunately, that alone will not restore an economy crippled by political paralysis and a hostile investment environment.

Political tensions were also high in China ahead of the country's transfer of power this October; hitherto high-flying politician Bo Xilai was abruptly and publicly removed from his post as Chongqing party chief. On a more optimistic note, elections across the region were relatively calm. Thailand witnessed a peaceful change of government following Yingluck Shinawatra's landslide win; her government was then tested by the country's worst flooding in 50 years. In Taiwan, incumbent Ma Ying-jeou was re-elected as president, while ruling parties in Korea and Singapore were voted back to power. Meanwhile, Myanmar appeared to be making tentative steps towards opening up its economy following opposition leader Aung San Suu Kyi's historic parliamentary victory.

## Annual General Meeting

As special business at the Annual General Meeting ("AGM") we are proposing to renew the authority to allot up to 10% of the Company's issued share capital without pre-emption rights applying, and the authority to buy in shares, and either hold them in treasury for future resale (at net asset value or above) or cancel them. We have not bought back any shares or issued any new shares during the year under review, however, your Board believes that it is appropriate to retain maximum flexibility in this regard. Accordingly the Board encourages shareholders to vote in favour of these resolutions.

The AGM of the Company will be held on Wednesday 22 August 2012 at 12.00 pm in London, and your Board looks

forward to meeting as many shareholders as possible at both the AGM and the subsequent lunch.

## Board

Following a comprehensive search process undertaken by a search firm on the Board's behalf, Heather Manners was appointed to the Board on 1 May 2012. Heather is Chief Investment Officer at Prusik Investment Management and, prior to that, was Head of Asia and Emerging Markets at Henderson Global Investors. She has over 20 years' experience of investment management. Heather's biographical details are shown on page 18, and she will be standing for election at the forthcoming AGM. I will be standing down as Chairman of the Company at the AGM, and retiring from the Board on 31 December 2012. David Shearer, the current Deputy Chairman, will succeed me as Chairman. Richard Hills will become Senior Independent Director and John Lorimer will become Chairman of the Audit Committee at that time.

## Outlook

There is reason for caution in the near term. Europe's crisis is not over; the underlying imbalances as well as weaknesses of economies and banking systems have yet to be resolved. At the same time, the US economic recovery remains tenuous. Asia cannot be insulated from these problems. For one, many countries in the region are still reliant on exports to the US and Europe. Foreign investors also tend to flee local financial markets when risk aversion rises.

That said, Asia's economic outlook, underpinned by firm fundamentals, remains promising. Governments have largely maintained fiscal discipline, while corporate and household finances are equally robust. According to the IMF, Asia is still the world's fastest-growing region; it should expand at around 6% this year and about 6.5% in 2013. In the longer term, an emerging middle class is expected to drive the shift away from export dependence towards domestic consumption. Overall, we believe that the region's prospects are still encouraging and that the potential for long-term returns remains very strong.

## Alan Henderson

Chairman  
2 July 2012



# Manager's Review

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Asian equities experienced a turbulent year under review with market sentiment unsettled by global events. However, it was Europe's debt problems that caused financial markets to lurch sharply. New setbacks kept emerging each time the crisis appeared to be on the brink of a solution. At first, an escalation of the Continent's fiscal woes weighed on markets. Then a downgrade of the US sovereign credit rating, following domestic political wrangling over the debt ceiling, unnerved investors. After a brief recovery, Asian equities suffered another sell-off as lacklustre economic indicators reinforced worries that global growth was stalling.

At the start of 2012, markets rebounded thanks to the European Central Bank's liquidity injections, which soothed contagion fears. A pick-up in the US economy and the Federal Reserve's commitment to maintaining a loose monetary policy provided further impetus. For Asia, most central banks also kept their monetary stance accommodative to boost slowing economies, although a spike in global oil prices renewed inflation fears. By March, however, risk aversion returned amid growing uncertainty in Europe and fresh fears over a Chinese hard landing. The region's growth, too, had slowed markedly while the US recovery proved less robust than expected.

By the end of the reporting period, most Asian markets finished down. India was the key laggard, as noted by the Chairman. Concerns over the nation's fiscal health, stubborn inflation and policy paralysis weighed on Indian equities. While the domestic environment remains challenging, the portfolio maintains a significant exposure to India given that many companies continue to do well and offer good long-term growth prospects. China and Hong Kong also underperformed. Cooling growth, which prompted Beijing to downgrade its official forecast to the lowest since 2004 and shift the economic model to one focused on consumption, affected both equity markets. In Australia, the mining boom that has helped the country outperform nearly every advanced economy since the financial crisis created a two-speed economy. Although businesses in mineral rich states prospered, those in non-resources sectors such as retail and manufacturing struggled with the strong Australian dollar and subdued private consumption. In Singapore, shares were dragged lower by external macroeconomic events. But there were exceptions to the general downtrend. The Philippines benefited from a recovery in domestic economy and tight fiscal discipline. Thai equities recovered quickly following last year's floods. Political stability stemming from the Yingluck administration's rise last July coupled with government reconstruction plans and generally positive corporate earnings buoyed investor sentiment.

## Portfolio Review

The portfolio outperformed the benchmark MSCI AC Asia Pacific ex Japan, largely thanks to good stock selection,

particularly in Southeast Asia where the equity markets in Thailand, Singapore and the Philippines outperformed their counterparts elsewhere in Asia.

The portfolio's defensive regional holdings, such as those in the telecoms and consumer staples sectors, proved resilient amid the market weakness in the second half of 2011. In Taiwan, both Taiwan Mobile and TSMC outperformed, thanks to their solid balance sheets and good dividend yields; TSMC was also buoyed by expectations of better demand in 2012. In Hong Kong, conglomerates Jardine Strategic and Swire Pacific's underlying businesses underpinned their gains. Notably, Jardine's Indonesian unit, Astra International, enjoyed another record year with good growth across its businesses, while Swire's property division continued to do well on the back of positive rental reversion and high occupancy. Meanwhile, ASM Pacific Technology's stock price was lifted by record turnover in 2011 and a stable outlook for 2012.

Also helping performance was our choice of stock in Korea, where Samsung Electronics bucked the downtrend. The company's operating profits were boosted by the sale of its hard disk drive unit and the robust performance of its handset business. It plans to invest 25 trillion won (equivalent to £13.6 billion), the bulk of which will go towards capital spending in its semiconductor and display businesses. The portfolio's Chinese holdings, China Mobile and PetroChina, also did well. China Mobile's results met expectations, as profits rose amid declining margins. Its robust balance sheet should support future network development. The higher oil price supported PetroChina. The mainland government is also implementing price reform that will boost its downstream business.

Despite the weak market in India, the portfolio's exposure via the Aberdeen Global - Indian Equity Fund proved beneficial, as it outperformed the local benchmark. The Fund's performance was driven by core holdings, Godrej Consumer Products, Hero MotoCorp, Hindustan Unilever and cement-related companies, Grasim and Ultratech, all of which outperformed the local index.

Elsewhere, holding Ayala Land benefited performance. The Philippine property developer's market segmentation strategy bore fruit as evidenced by its record annual profits. The company is upbeat about the future and significantly boosted its capital expenditure programme for 2012. In Singapore, healthy earnings results buoyed SingTel and ST Engineering. SingTel's results met expectations, with a steady domestic business and contributions from regional associates supporting net profits; its subsidiary Optus was boosted by the Australian dollar's strength. ST Engineering's marine and aerospace divisions underscored its good performance; the group generated healthy operating cashflow and ended the



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quarter with a robust order book. Other contributions came from the portfolio's holdings in Indonesia and those with indirect exposure there. Unilever Indonesia delivered upbeat growth with improved margins. UK-listed plantation company MP Evans rallied on the back of healthy palm oil prices and good production volumes in Indonesia.

In contrast, the Australian holdings, QBE Insurance and Rio Tinto, and Hong Kong property developer Sun Hung Kai (SHK) underperformed and deserve special mention. QBE was faced with higher catastrophe claims last year, which resulted in a cut in dividends and a capital raising exercise. Given that these events were outside its control and are not, in our view, a reflection of poor management, we remain supportive of the company. Natural disasters also affected Rio's output and the mining company's share price was depressed by concerns over China's slowing growth. News that three of SHK's directors are being investigated for alleged corruption undermined the company's share price. With investigations still pending, we will continue to monitor developments closely.

In terms of portfolio activity, we introduced Singapore-headquartered conglomerate Keppel Corp, which is well-placed in a sector that is undergoing structural growth, given oil and gas investments worldwide. As we built up the position in Keppel, we sold down the small holdings in Korean department store operator Shinsegae and industrial gas supplier Linde Pakistan. We also took profit from more defensive stocks such as those in the telecoms and consumer staples sectors, and used the proceeds to add to holdings which remained fundamentally robust but fared less well during the market volatility. These included positions in the financials and property sectors.

## Outlook

Looking ahead, Asian stockmarkets remain vulnerable to the same external headwinds that had troubled investors earlier. There is still no end in sight to Europe's debt crisis. Greece's position in the single currency looks increasingly shaky while the Spanish banking crunch has intensified worries over the threat of contagion to other parts of the periphery. Across the Atlantic, the US economy may be growing, but it remains hamstrung by still high unemployment and a fragile housing market. The fiscal outlook there is muddled by political gridlock and uncertainty ahead of the November presidential election. In Asia, attention will remain focused on China meeting its official forecast of 7.5% growth as sluggish foreign demand and a government-induced property slowdown weigh on the domestic economy; a shortfall in GDP growth there could exacerbate fears of a broader slowdown in the region.

Despite the challenging times ahead, we remain optimistic about Asia's longer term prospects, given its steady

fundamentals. The region is financially sound, while overall growth is still expected to outpace the developed world. And, barring a continued rise in oil prices, slowing growth should help ease inflationary pressures. On the corporate front, earnings growth could remain subdued in view of uncertain market conditions, but valuations are now presenting good opportunities in the region.

## Aberdeen Asset Management Asia Limited

2 July 2012

# Results

## Financial Highlights

|  | 30 April 2012 | 30 April 2011 | % change |
|--|---------------|---------------|----------|
| Total assets (see definition on page 52)                                     | £243,572,000  | £243,824,000  | -0.1     |
| Total equity shareholders' funds (net assets)                                | £225,908,000  | £232,406,000  | -2.8     |
| Share price (mid market)   | 809.50p       | 878.25p       | -7.8     |
| Net asset value per share  | 906.92p       | 933.01p       | -2.8     |
| Discount to net asset value  | 10.7%         | 5.9%          |          |
| MSCI AC Asia Pacific ex Japan Index (currency adjusted, capital gains basis) | 508.30        | 567.86        | -10.5    |
| Potential gearing (see definition on page 52)                                | 1.08          | 1.05          |          |
| <b>Dividend and earnings</b>   |               |               |          |
| Revenue return per share <sup>A</sup>  | 19.86p        | 15.86p        | +25.2    |
| Proposed final dividend per share <sup>B</sup>                               | 16.50p        | 12.50p        | +32.0    |
| Dividend cover   | 1.20          | 1.27          |          |
| Revenue reserves <sup>C</sup>  | £11,427,000   | £9,595,000    |          |
| <b>Operating costs</b>   |               |               |          |
| Total expense ratio <sup>D</sup>   | 1.05%         | 1.03%         |          |

<sup>A</sup> Measures the total earnings for the year divided by the weighted average number of Ordinary shares in issue (see Income Statement).

<sup>B</sup> The figures for dividends still reflect the years in which they were earned (see note 7 on page 40) and have not been restated.

<sup>C</sup> Prior to payment of proposed final dividend.

<sup>D</sup> Calculated in accordance with AIC guidelines ie ongoing annual costs divided by average net assets over the year.

## Performance (total return)

|   | 1 year return<br>% | 3 year return<br>% | 5 year return<br>% |
|---|--------------------|--------------------|--------------------|
| Share price   | -6.4               | +91.5              | +67.9              |
| Net asset value   | -1.5               | +93.5              | +75.3              |
| MSCI AC Asia Pacific ex Japan Index (currency adjusted) | -7.7               | +55.8              | +47.9              |

## Dividends

|                     | Rate   | xd date       | Record date   | Payment date   |
|---------------------|--------|---------------|---------------|----------------|
| Proposed final 2012 | 16.50p | 1 August 2012 | 3 August 2012 | 24 August 2012 |
| Final 2011          | 12.50p | 3 August 2011 | 5 August 2011 | 26 August 2011 |

## Ten Year Financial Record

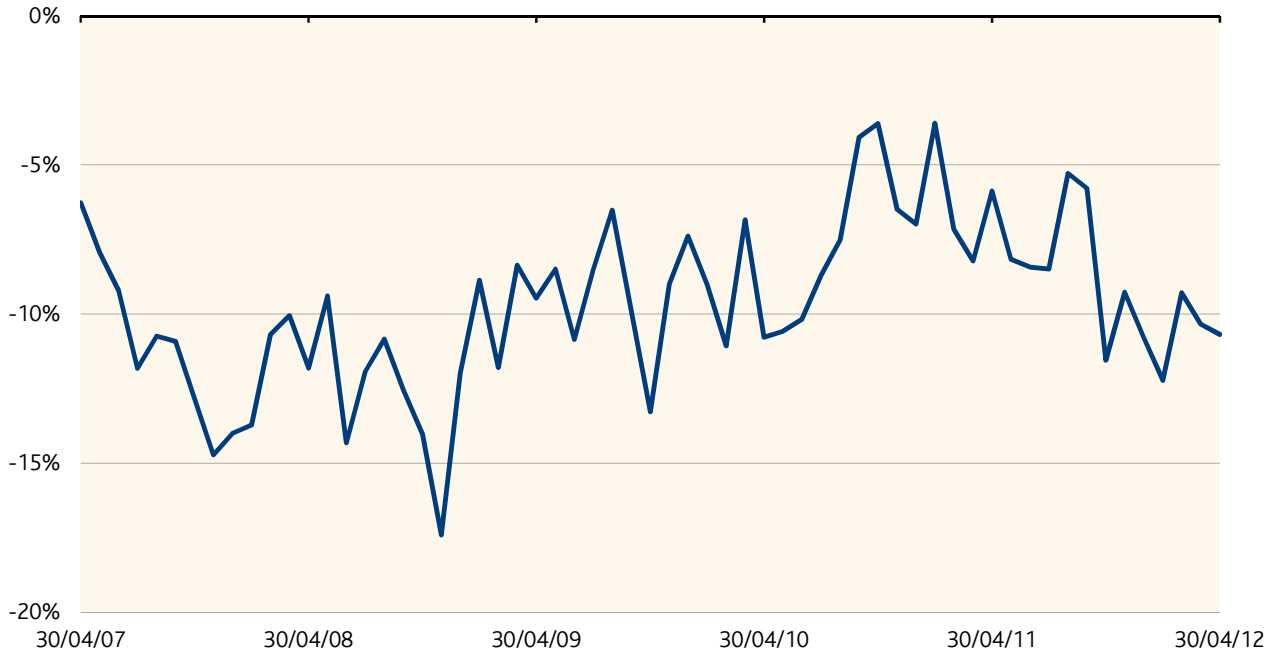
| Year to 30 April                          | 2003          | 2004          | 2005          | 2006           | 2007           | 2008           | 2009           | 2010           | 2011           | 2012           |
|---|---------------|---------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Total revenue (£'000)                     | 2,447         | 2,404         | 3,188         | 3,345          | 4,027          | 4,301          | 4,734          | 4,372          | 5,752          | 6,799          |
| <b>Per share (p)</b>                      |               |               |               |                |                |                |                |                |                |                |
| Net revenue return                        | 5.10          | 4.83          | 6.84          | 6.58           | 7.63           | 8.14           | 10.48          | 11.87          | 15.86          | 19.86          |
| Total return                              | 48.01         | 103.41        | 30.35         | 175.78         | 50.04          | 101.51         | (153.19)       | 331.69         | 132.19         | (13.58)        |
| Net dividends paid/proposed <sup>A</sup>  | 3.80          | 3.80          | 5.00          | 5.00           | 5.55           | 6.00           | 8.00           | 10.00          | 12.50          | 16.50          |
| Net asset value per share                 | 201.66        | 301.27        | 330.42        | 503.83         | 548.87         | 646.31         | 487.12         | 810.81         | 933.01         | 906.92         |
| <b>Equity shareholders' funds (£'000)</b> | <b>46,920</b> | <b>70,097</b> | <b>77,341</b> | <b>127,907</b> | <b>139,342</b> | <b>160,993</b> | <b>121,339</b> | <b>201,969</b> | <b>232,406</b> | <b>225,908</b> |

<sup>A</sup> The figures for dividends have not been restated and still reflect the dividend for the years in which it was earned. The 2005 figure includes a 1.0p Special.

# Performance

## Share Price Premium/(Discount) to Net Asset Value

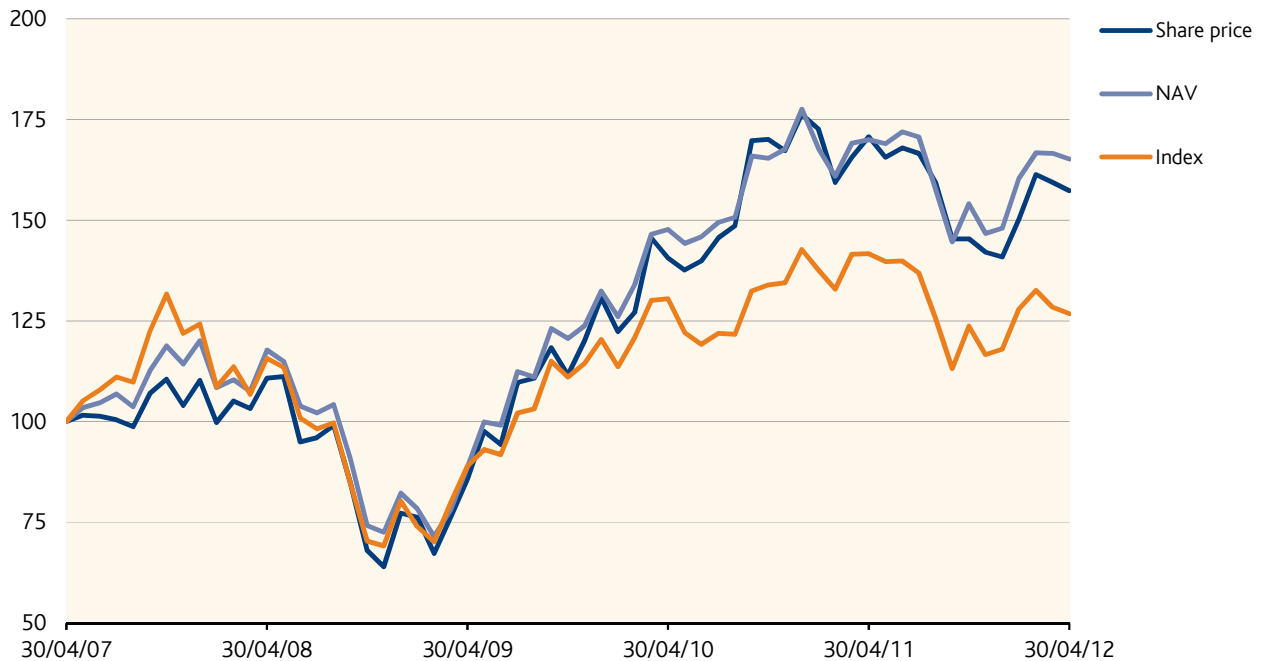
Five years to 30 April 2012



Source: Morningstar

## Capital Return of NAV and Share Price vs MSCI AC Asia Pacific ex Japan Index (sterling adjusted)

Five years to 30 April 2012 (rebased to 100 at 30 April 2007)



Source: Aberdeen Asset Management, Morningstar & Factset

# Investment Portfolio – Ten Largest Investments

As at 30 April 2012

| Company  | Industry                                 | Country     | Valuation<br>2012<br>£'000 | Total<br>assets <sup>B</sup><br>% | Valuation<br>2011<br>£'000 |
|--|--|-------------|----------------------------|-----------------------------------|----------------------------|
| <b>Aberdeen Global – Indian Equity Fund</b><br>A tax-efficient pooled India fund with a long-term investment approach managed by the same team managing the Company. There is no double-charging of management fees.   | Collective Investment Scheme             | India       | 25,716                     | 10.6                              | 32,113                     |
| <b>Samsung Electronics Pref</b><br>Asia's leading electronics firm that makes consumer electronics, semiconductors, telecom equipment and TFT LCD screens.   | Semiconductors & Semiconductor Equipment | South Korea | 11,930                     | 4.9                               | 9,471                      |
| <b>Jardine Strategic Holdings</b><br>A Singapore-listed conglomerate with interests across the region spanning property, hotels and consumer products.   | Industrial Conglomerates                 | Hong Kong   | 10,155                     | 4.2                               | 9,629                      |
| <b>Oversea-Chinese Banking Corporation</b><br>A well-run Singaporean bancassurance company seeking to generate additional value for shareholders by restructuring assets and via regional expansion.   | Commercial Banks                         | Singapore   | 10,063                     | 4.1                               | 10,143                     |
| <b>QBE Insurance Group</b><br>A leading Australian general insurance and reinsurance firm that is geographically diversified, and has a track record of generating good shareholder returns.   | Insurance                                | Australia   | 9,533                      | 3.9                               | 7,779                      |
| <b>Taiwan Semiconductor Manufacturing Company</b><br>The world's largest dedicated semiconductor foundry, it provides wafer manufacturing, wafer probing, assembly and testing, mask production and design services.   | Semiconductors & Semiconductor Equipment | Taiwan      | 9,450                      | 3.9                               | 7,923                      |
| <b>Rio Tinto – London listed</b><br>An Anglo-Australian mining company with a diverse portfolio of world-class interests in aluminium, copper, diamonds, gold, coal, iron ore and industrial metals.   | Metals & Mining                          | Australia   | 8,113                      | 3.3                               | 10,306                     |
| <b>Standard Chartered – London listed</b><br>A global emerging market focused lender which complements the other banking sector holdings, given its robust wholesale business and exposure to North Asia, where there is a paucity of quality large-cap banks. | Commercial Banks                         | UK          | 7,547                      | 3.1                               | 8,314                      |
| <b>United Overseas Bank</b><br>Singapore's second largest bank, primarily focused on SMEs and consumers, with its core market in Singapore and the balance predominantly in southeast Asia.  | Commercial Banks                         | Singapore   | 7,338                      | 3.0                               | 7,164                      |
| <b>Swire Pacific</b> <sup>A</sup><br>Hong Kong listed conglomerate, with interests in aviation (via Cathay Pacific), property, beverages, marine services and industrial activities.   | Real Estate Management & Development     | Hong Kong   | 7,171                      | 2.9                               | 8,299                      |
| <b>Top ten investments</b>   |  |             | <b>107,016</b>             | <b>43.9</b>                       |                            |

<sup>A</sup> Holding merges two equity holdings, split as follows: A shares £465,000 (2011 £nil) and B shares £6,706,000 (2011 £ 8,299,000).

# Investment Portfolio – Other Investments

As at 30 April 2012

| Company  | Industry   | Country     | Valuation<br>2012<br>£'000 | Total<br>assets <sup>B</sup><br>% | Valuation<br>2011<br>£'000 |
|--|--|-------------|----------------------------|-----------------------------------|----------------------------|
| PetroChina                                     | Oil, Gas & Consumable Fuels                      | China       | 6,768                      | 2.8                               | 6,223                      |
| Aberdeen Asian Smaller<br>Companies Inv. Trust | Investment/Unit Trusts                           | Other Asia  | 6,633                      | 2.7                               | 5,693                      |
| Ayala Land                                     | Real Estate Management &<br>Development          | Philippines | 6,228                      | 2.6                               | 4,599                      |
| Siam Cement – Foreign                          | Construction Materials                           | Thailand    | 6,085                      | 2.5                               | 6,407                      |
| Singapore Technologies<br>Engineering          | Aerospace & Defence                              | Singapore   | 5,992                      | 2.5                               | 6,161                      |
| HSBC Holdings                                  | Commercial Banks                                 | Hong Kong   | 5,988                      | 2.5                               | 1,849                      |
| BHP Billiton (London listing)                  | Metals & Mining                                  | Australia   | 5,884                      | 2.4                               | 6,059                      |
| PTT Exploration & Production –<br>Foreign      | Oil, Gas & Consumable Fuels                      | Thailand    | 5,739                      | 2.4                               | 5,999                      |
| City Developments                              | Real Estate Management &<br>Development          | Singapore   | 5,602                      | 2.3                               | 6,425                      |
| Singapore Telecommunication                    | Diversified<br>Telecommunication Services        | Singapore   | 5,495                      | 2.3                               | 6,865                      |
| Top twenty investments                         |  |             | <b>167,430</b>             | <b>68.9</b>                       |                            |
| China Mobile                                   | Wireless Telecommunication<br>Services           | China       | 4,742                      | 1.9                               | 3,822                      |
| AIA Group                                      | Insurance  | Hong Kong   | 4,607                      | 1.9                               | 3,816                      |
| Taiwan Mobile                                  | Wireless Telecommunication<br>Services           | Taiwan      | 4,449                      | 1.8                               | 3,845                      |
| ASM Pacific Technology                         | Semiconductors &<br>Semiconductor Equipment      | Hong Kong   | 4,413                      | 1.8                               | 4,267                      |
| Woolworths                                     | Food & Staples Retailing                         | Australia   | 3,772                      | 1.6                               | 3,947                      |
| Dairy Farm International                       | Food & Staples Retailing                         | Hong Kong   | 3,594                      | 1.5                               | 3,894                      |
| Hang Lung Group                                | Real Estate Management &<br>Development          | Hong Kong   | 3,398                      | 1.4                               | 3,552                      |
| CIMB Group Holdings                            | Commercial Banks                                 | Malaysia    | 3,369                      | 1.4                               | 3,709                      |
| Venture Corp                                   | Electronic Equipment<br>Instruments & Components | Singapore   | 2,996                      | 1.2                               | 3,307                      |
| Sun Hung Kai Properties                        | Real Estate Management &<br>Development          | Hong Kong   | 2,892                      | 1.2                               | 3,558                      |
| Top thirty investments                         |  |             | <b>205,662</b>             | <b>84.6</b>                       |                            |
| Unilever Indonesia                             | Household Products                               | Indonesia   | 2,803                      | 1.2                               | 2,607                      |
| M.P. Evans Group                               | Food Products                                    | Indonesia   | 2,789                      | 1.1                               | 2,483                      |
| Wing Hang Bank                                 | Commercial Banks                                 | Hong Kong   | 2,701                      | 1.1                               | 2,707                      |
| Swire Properties                               | Real Estate Management &<br>Development          | Hong Kong   | 2,643                      | 1.1                               | –                          |
| Keppel Corporation                             | Industrial Conglomerates                         | Singapore   | 2,429                      | 1.0                               | –                          |
| Public Bank Berhad (Alien mkt)                 | Commercial Banks                                 | Malaysia    | 2,401                      | 1.0                               | 2,283                      |
| Aitken Spence & Co.                            | Industrial Conglomerates                         | Sri Lanka   | 2,337                      | 1.0                               | 3,992                      |
| Li & Fung                                      | Distributors                                     | Hong Kong   | 2,277                      | 0.9                               | 1,418                      |
| Singapore Airlines                             | Airlines   | Singapore   | 2,236                      | 0.9                               | 2,899                      |
| John Keells Holdings                           | Industrial Conglomerates                         | Sri Lanka   | 2,228                      | 0.9                               | 1,398                      |
| Top forty investments                          |  |             | <b>230,506</b>             | <b>94.8</b>                       |                            |

## Investment Portfolio – Other Investments continued

| Company                         | Industry                             | Country     | Valuation<br>2012<br>£'000 | Total<br>assets <sup>B</sup><br>% | Valuation<br>2011<br>£'000 |
|---------------------------------|--------------------------------------|-------------|----------------------------|-----------------------------------|----------------------------|
| New India Inv. Trust            | Investment/Unit Trusts               | India       | 2,092                      | 0.8                               | 2,806                      |
| Hang Lung Properties            | Real Estate Management & Development | Hong Kong   | 1,932                      | 0.8                               | 2,248                      |
| E-Mart                          | Food & Staples Retailing             | South Korea | 1,741                      | 0.7                               | 2,432                      |
| BS Financial Group              | Commercial Banks                     | South Korea | 1,547                      | 0.6                               | 2,119                      |
| Dah Sing Financial              | Commercial Banks                     | Hong Kong   | 1,043                      | 0.4                               | 1,763                      |
| DFCC Bank                       | Commercial Banks                     | Sri Lanka   | 1,035                      | 0.4                               | 1,665                      |
| DGB Financial Group             | Commercial Banks                     | South Korea | 975                        | 0.4                               | 1,344                      |
| National Development Bank       | Commercial Banks                     | Sri Lanka   | 530                        | 0.2                               | 811                        |
| Total investments               |                                      |             | <b>241,401</b>             | <b>99.1</b>                       |                            |
| Net current assets <sup>A</sup> |                                      |             | <b>2,171</b>               | <b>0.9</b>                        |                            |
| <b>Total assets<sup>B</sup></b> |                                      |             | <b>243,572</b>             | <b>100.0</b>                      |                            |

<sup>A</sup> Excluding bank loan of £17,664,000.

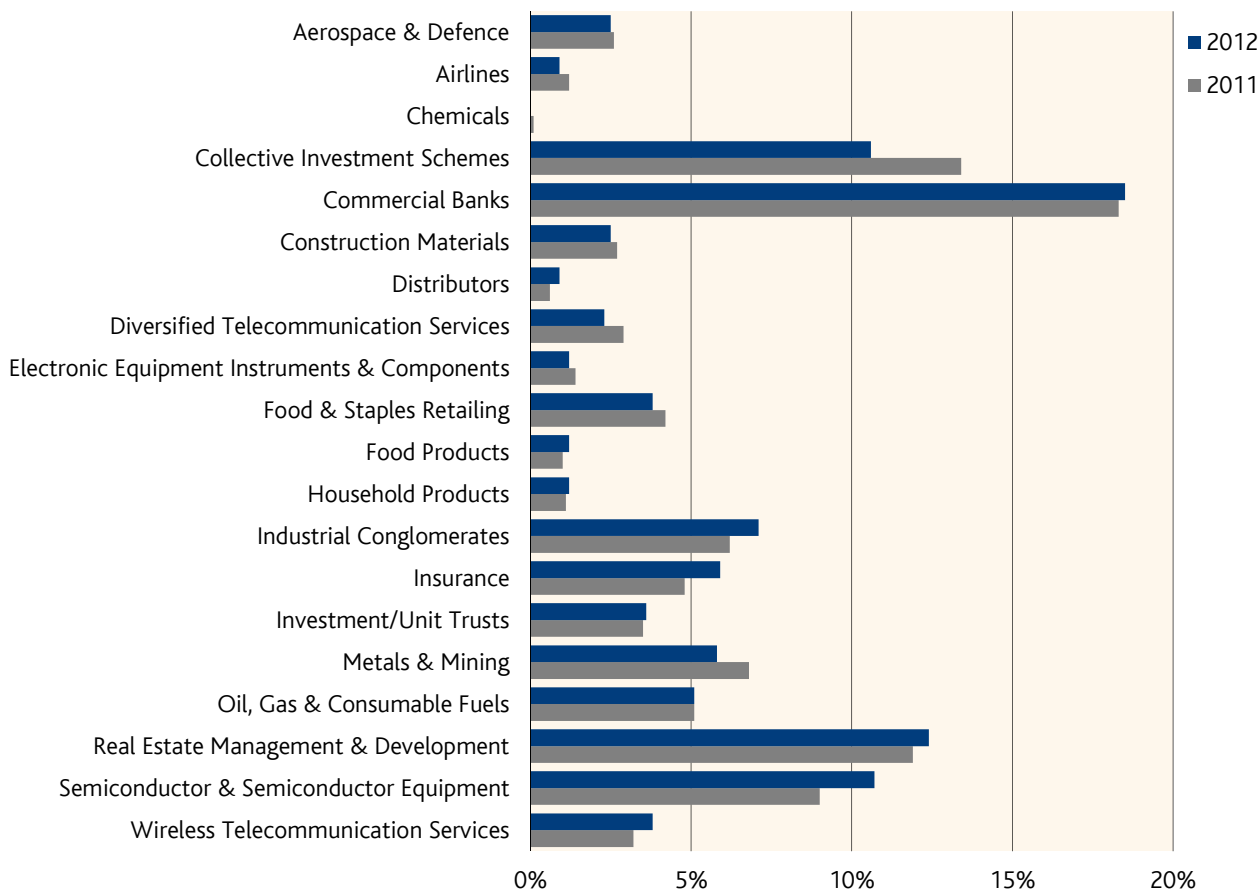
<sup>B</sup> As defined on page 52.

Note: Unless otherwise stated, foreign stock is held and all investments are equity holdings.

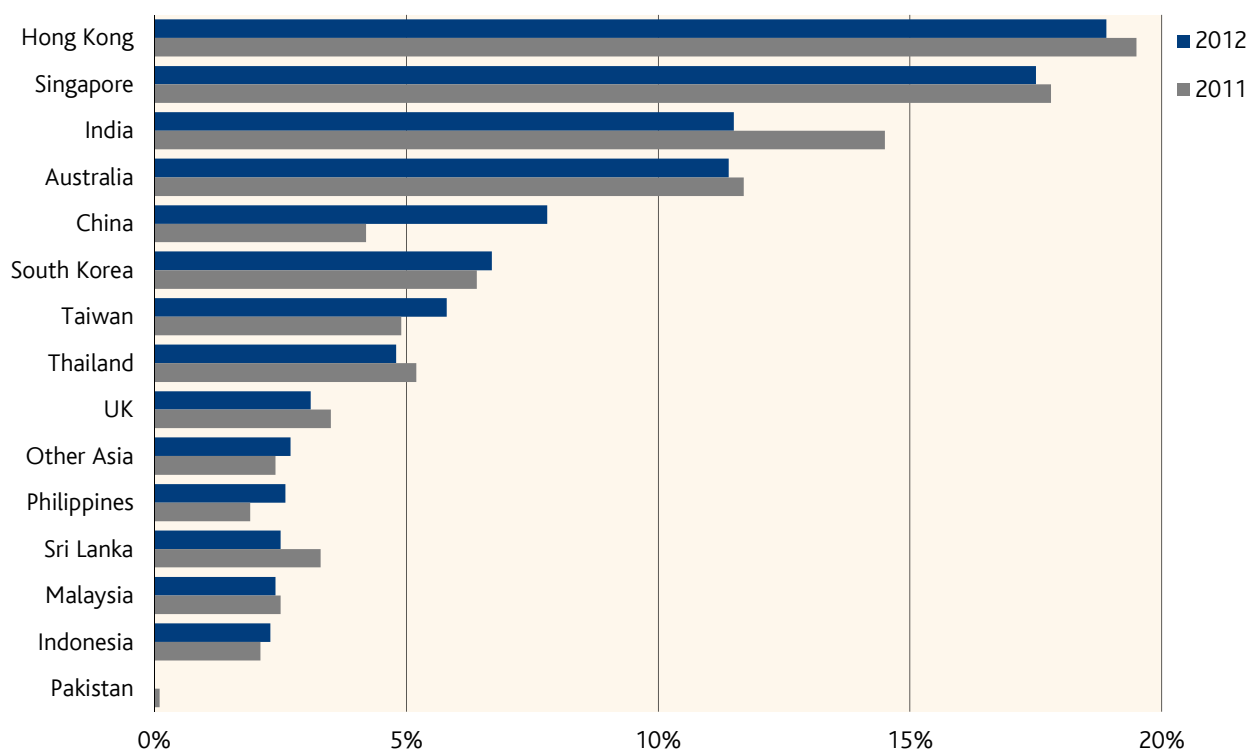
# Sector/Geographical Analysis

As at 30 April 2012

## Sector Breakdown



## Geographic Breakdown

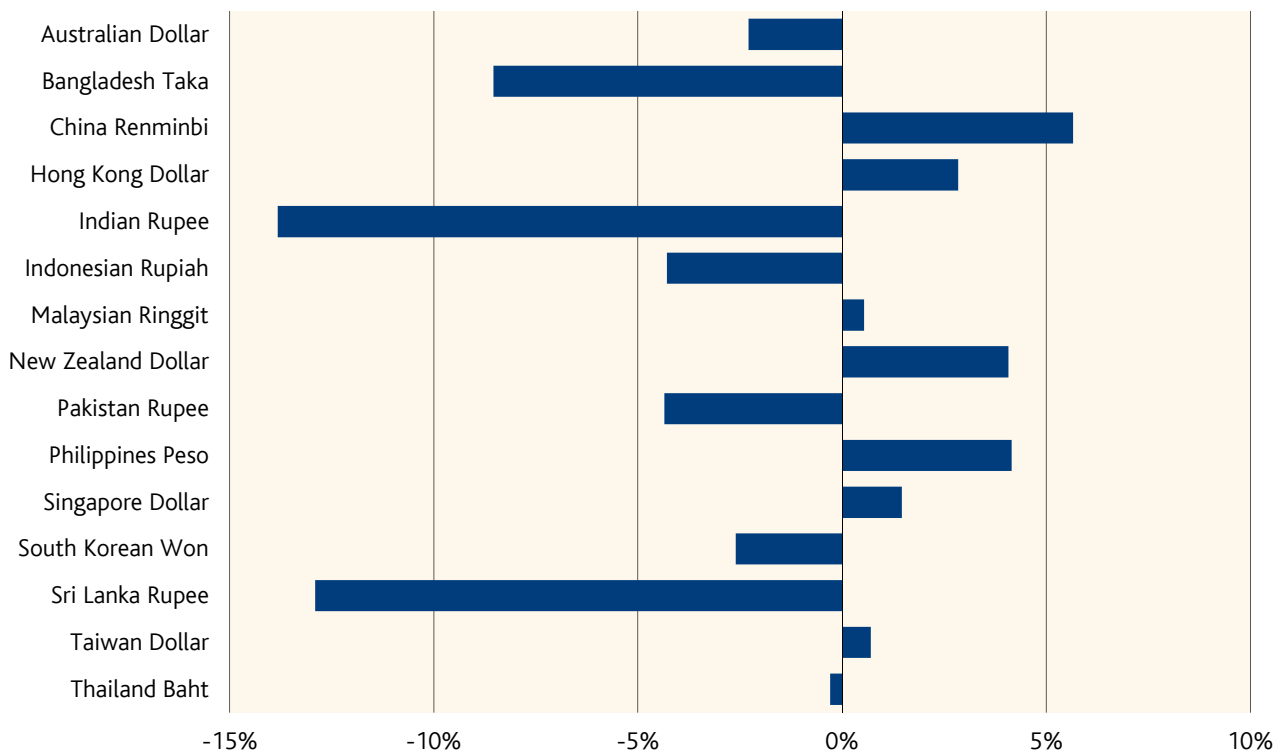




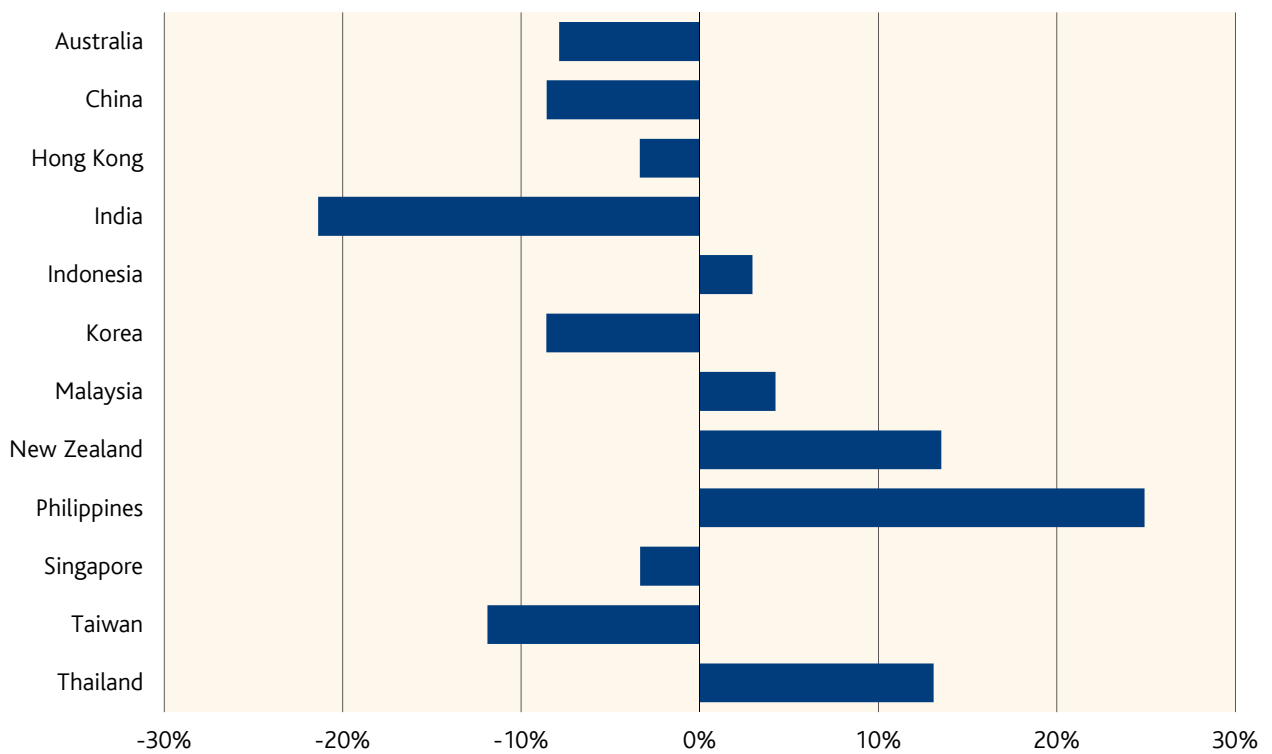
# Currency/Market Performance

Year to 30 April 2012

## Currency Returns (£)



## MSCI Country Index Total Returns (£)



# Information about the Manager

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## Aberdeen New Dawn Investment Trust PLC

Aberdeen Asset Management Asia Limited ("AAM Asia") is the Manager of the Company. AAM Asia is based in Singapore and is a wholly-owned subsidiary and the Asia Pacific headquarters of Aberdeen Asset Management PLC (the "Aberdeen Group"), a publicly-quoted company on the London Stock Exchange.

Worldwide, the Aberdeen Group manages a combined £182.8 billion (as at 30 April 2012) in assets for a range of clients, including individuals and institutions, through mutual and segregated funds.

AAM Asia have been the Aberdeen Group's principal managers of Asia-Pacific assets since 1992, and employed

390 staff across the region at 30 April 2012. Total funds in the region, which are also managed from Bangkok, Kuala Lumpur, Sydney and Tokyo, are over £62 billion as at 30 April 2012.

The Aberdeen Group has its headquarters in Aberdeen with its main investment centres in Bangkok, Budapest, Edinburgh, Glasgow, Hong Kong, Jersey, Kuala Lumpur, London, Paris, Philadelphia, Singapore, Sydney and Tokyo.

The Aberdeen Group manages 38 investment companies and other closed-ended funds representing £8.9 billion under management at 30 April 2012. They adhere closely to the Group's investment style which is that of fundamental investors, with an emphasis on company visits and original research.

## The Investment Team Senior Managers



### Hugh Young

Managing Director

BA in Politics from Exeter University. Started investment career in 1980. In charge of AAM Asia's Far East funds since 1985. Based in Singapore.



### Flavia Cheong

Investment Director

Masters in Economics from University of Auckland. Previously with Investment Company of the People's Republic of China and Development Bank of Singapore. Started investment career in 1987. Joined AAM Asia in 1996. Based in Singapore.



### Andrew Gillan

Senior Investment Manager

MA Joint Honours in French and European History from University of Edinburgh. Joined Aberdeen in September 2000 and transferred to AAM Asia in November 2001. Based in Singapore.



### Nicholas Yeo,

Director and Head of Equities.

Chartered Financial Analyst, BA (Hons) from Manchester University, and MSc from Warwick Business School. Joined Aberdeen in 2000 and now heads the equity desk in Hong Kong.



### Adrian Lim

Senior Investment Manager

Chartered Financial Analyst, B.Acc from Nanyang Technological University (Singapore). Joined Aberdeen in 2000. Previously he was an associate director at Arthur Andersen advising clients on mergers & acquisitions in South East Asia. Based in Singapore.



### Chou Chong

Investment Director

Chartered Financial Analyst and Double Masters in Accounting & Finance and Information Systems from the London School of Economics. Joined AAM Asia in 1994. Based in Singapore.

# The Investment Process

## Philosophy and Style

The Investment Manager's view is that markets are not always efficient. We believe that superior investment returns are therefore attainable by identifying good companies cheaply, defined in terms of the fundamentals that in our opinion drive share prices over the long term. We undertake substantial due diligence before initiating any investment including company visits in order to assure ourselves of the quality of the prospective investment. We are then careful not to pay too high a price when making the investment. Subsequent to that investment we then keep in close touch with the company, aiming to meet management at least twice a year. Given our long-term fundamental investment philosophy, one would not expect much change in the companies in which we invest. We do, however, take opportunities offered to us by what we see as anomalous price movements within stock markets to either top up or top slice positions, which typically accounts for the bulk of the activity within the portfolio during the period under review.

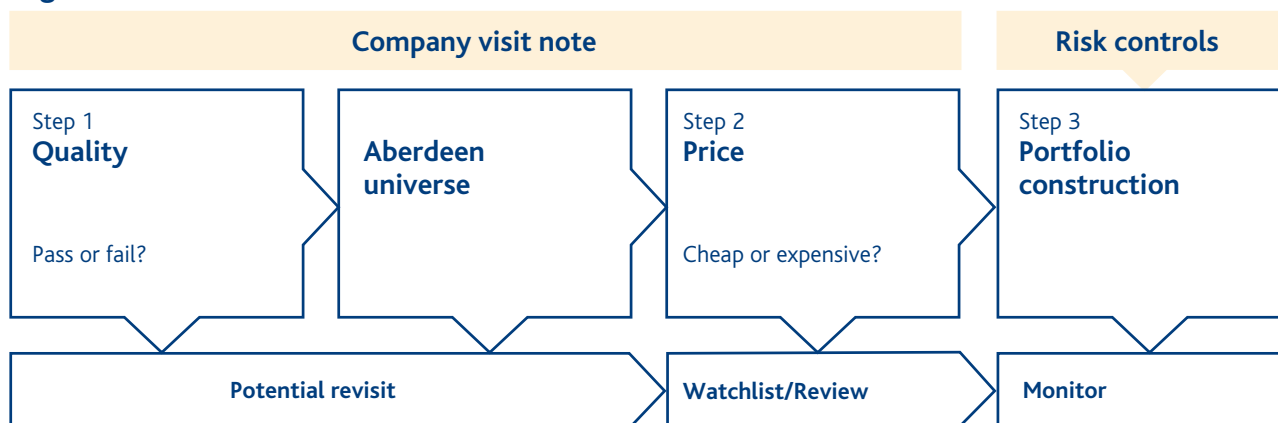
AAM Asia is based in Singapore. Founded in 1992, the office is run by Hugh Young, the founding managing director, who oversees a team of nine portfolio managers in Singapore who act as generalists, cross-covering the region. In addition, AAM Asia has offices in Bangkok, Hong Kong, Kuala Lumpur, Sydney and Tokyo.

## Risk Controls

We seek to minimise risk by our in-depth research which underpins the focused portfolio of the Company. We do not view divergence from a benchmark as risk – we regard security price risk as investment in poorly-run and/or expensive companies. In fact, where risk parameters are expressed in benchmark relative terms, asset – including sector – allocation constitutes a significant constraint on stock selection.

Aberdeen's performance and investment risk unit independently monitors portfolio positions, and reports monthly. As well as attributing performance it also produces statistical analysis, which is used by the Manager primarily to check the portfolio is behaving as expected, not as a predictive tool.

## Regional Teams



# Your Board of Directors

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The Directors, all of whom are non-executive, and the majority of whom are independent of the Manager, supervise the management of Aberdeen New Dawn Investment Trust PLC and represent the interests of shareholders.



## Alan Henderson

**Status:** Independent Non-Executive Chairman

**Length of service:** 21 years, appointed a Director on 21 March 1991

**Experience:** formerly a Managing Director of Henderson Administration, Chairman of Aberdeen New Thai Investment Trust PLC, Chairman Ranger Oil (UK) Ltd, Chairman Forum Energy PLC and a Director of Ranger Oil Ltd and ADT Ltd.

**Committee membership:** Management Engagement Committee and Nomination Committee

**Remuneration 2011/2012:** £30,000 per annum

**All other public company**

**directorships:** Public Service Properties Investment Limited and Global Energy Development PLC

**Employment by the Manager:** None

**Other connections with Trust or**

**Manager:** None

**Shared Directorships with any other Trust Directors:** None

**Shareholding in Company:** 1,137 Ordinary shares



## Nicholas George

**Status:** Independent Non-Executive Director

**Length of service:** 2 years, appointed a Director on 1 January 2010

**Experience:** formerly a director of Robert Fleming Securities Limited, regional managing director at JP Morgan Securities Asia and managing director at HSBC Securities. In 2003, he co-founded KGR Capital, which was sold in 2008 to LGT Capital Partners.

**Committee membership:** Audit Committee, Management Engagement Committee and Nomination Committee

**Remuneration 2011/2012 :** £22,000 per annum

**All other public company**

**directorships:** GK Goh Holdings Limited, EuNetworks Limited and Millennium & Copthorne Hotels plc

**Employment by the Manager:** None

**Other connections with Trust or**

**Manager:** None

**Shared Directorships with any other Trust Directors:** None

**Shareholding in Company:** 3,500 Ordinary shares



## Richard Hills

**Status:** Independent Non-Executive Director

**Length of service:** 13 years, appointed a Director on 19 March 1999

**Experience:** formerly a director of Henderson Administration Ltd and a member of its investment policy committee. He was the administration director of the Institute for Quantitative Research and a founder director of FairFX, the pre-paid currency card provider. Currently Head of Risk at Argyll Investment Services Ltd and a non-executive director of Cinven Limited and the Aztec Group Limited.

**Committee membership:** Audit Committee, Management Engagement Committee and Nomination Committee

**Remuneration 2011/2012:** £22,000 per annum

**All other public company**

**directorships:** Henderson Global Trust PLC and JPMorgan Income & Capital Trust plc

**Employment by the Manager:** None

**Other connections with Trust or**

**Manager:** None

**Shared Directorships with any other Trust Directors:** None

**Shareholding in Company:** 5,000 Ordinary shares

## Your Board of Directors continued

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### John Lorimer

**Status:** Independent Non-Executive Director

**Length of service:** 2 years, appointed a Director on 1 January 2010

**Experience:** held a number of management positions in Citigroup prior to joining Standard Chartered Bank where he was group head of finance and latterly group head of compliance and regulatory risk. He is a trustee of the Charities Aid Foundation and chairman of CAF Bank Limited. He is a non executive director of BUPA and Thomson Online Benefits.

**Committee membership:** Audit Committee, Management Engagement Committee and Nomination Committee

**Remuneration 2011/2012:** £22,000 per annum

**All other public company**

**directorships:** International Personal Finance plc

**Employment by the Manager:** None

**Other connections with Trust or**

**Manager:** None

**Shared Directorships with any other**

**Trust Directors:** None

**Shareholding in Company:** 2,500

Ordinary shares



### Heather Manners

**Status:** Non-Executive Director

**Length of service:** Appointed a Director on 1 May 2012

**Experience:** Chief Investment Officer at Prusik Investment Management. Prior to that, she was Head of Asia and Emerging Markets at Henderson Global Investors.

**Committee membership:** Audit Committee, Management Engagement Committee and Nomination Committee

**Remuneration 2011/2012:** Nil (Fees are £22,000 per annum with effect from appointment on 1 May 2012.)

**All other public company**

**directorships:** Prusik Asia Fund PLC, Prusik Asia Smaller Companies Fund and Prusik Asian Equity Income Fund

**Employment by the Manager:** None

**Other connections with Trust or**

**Manager:** None

**Shared Directorships with any other**

**Trust Directors:** None

**Shareholding in Company:** None



### David Shearer

**Status:** Independent Non-Executive Deputy Chairman and Audit Committee Chairman

**Length of service:** 5 years, appointed a Director on 1 January 2007

**Experience:** a board level strategic advisor and turnaround specialist, he is chairman of Mouchel Group plc, and was previously chairman of Crest Nicholson PLC and a non-executive director of City Inn Limited, where he led the successful restructuring of these respective businesses. He is senior independent director of Martin Currie (Holdings) Limited.

**Committee membership:** Audit Committee, Management Engagement Committee and Nomination Committee

**Remuneration 2011/2012:** £25,000 per annum

**All other public company**

**directorships:** STV Group plc, Mithras Investment Trust PLC and Renold plc

**Employment by the Manager:** None

**Other connections with Trust or**

**Manager:** None

**Shared Directorships with any other**

**Trust Directors:** None

**Shareholding in Company:** 2,500

Ordinary shares



## Hugh Young

**Status:** Non-Executive Director

**Length of service:** 23 years, appointed a Director on 2 May 1989

**Experience:** was an investment manager with Fidelity International and MGM Assurance prior to joining what is now Aberdeen Asset Managers Limited in December 1985. He is managing director of Aberdeen Asset Management Asia Limited, responsible for all the Aberdeen Group's investments in Asia.

**Committee membership:** Nomination Committee

**Remuneration 2011/2012:** £22,000 per annum

**All other public company**

**directorships:** Aberdeen Asset Management PLC, Aberdeen New Thai Investment Trust PLC, Aberdeen Australia Equity Fund Inc., Aberdeen Asia-Pacific Income Investment Company Limited and Aberdeen Asian Income Fund Limited

**Employment by the Manager:**

Managing Director of Aberdeen Asset Management Asia Limited

**Other connections with Trust or**

**Manager:** None

**Shared Directorships with any other**

**Trust Directors:** None

**Shareholding in Company:** 14,158

Ordinary shares

# Directors' Report

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The Directors present their Report and the audited financial statements for the year ended 30 April 2012.

## Business Review

### Principal Activity

The business of the Company is that of an investment trust investing in the Asia Pacific region. The objective of the Company is set out on page 2 of this Annual Report.

Together with the rest of the Annual Report and Financial Statements, including the Chairman's Statement on pages 4 and 5 and the Manager's Review on pages 6 and 7, this business review is intended to provide shareholders with the information and measures that the Directors use to assess, direct and oversee the Manager in the management of the Company's portfolio.

### Status

The Company is registered as a public limited company and is an investment company as defined by Section 833 of the Companies Act 2006. The Company is a member of the Association of Investment Companies ("AIC").

The Company has been approved by HM Revenue & Customs ("HMRC") as an investment trust for the purposes of Section 1158 of the Corporation Tax Act 2010 ("CTA") for the year ended 30 April 2011. The Directors are of the opinion, under advice, that the Company has conducted its affairs for the year ended 30 April 2012 so as to be able to continue to obtain approval as an investment trust under Section 1158 of CTA for that year.

The Company intends to manage its affairs so as to be a qualifying investment for inclusion in the stocks and shares component of an Individual Savings Account ("ISA") and it is the Directors' intention that the Company should continue to qualify.

### Monitoring Performance – Key Performance Indicators

At each Board meeting, the Directors review a number of performance measures to assess the Company's success in achieving its objectives. The Key Performance Indicators for the Company as identified by the Board include NAV performance, share price performance and benchmark performance and further details of these returns are provided on page 8.

### Future Trends

The region's economies have high rates of growth, strong trade and fiscal surpluses and rapidly developing capital markets. Nevertheless the past has demonstrated regional risks and the Chairman sets out in his Statement on pages 4 and 5 the Board's considered view of the future.

## Principal Risks and Uncertainties

The Board regularly reviews major strategic risks and sets out delegated controls designed to manage those risks.

Aside from the risks associated with investment in Asia, the key risks related to investment strategy, including inappropriate asset allocation or gearing, are managed through a defined investment policy, specific guidelines and restrictions and by the process of oversight at each Board meeting as outlined above. Further detail on the Company's Investment Policy and the Manager's approach to risk diversification may be found on page 16. Operational disruption, accounting and legal risks are also covered at least annually and regulatory compliance is reviewed at each Board meeting.

The major risks associated with the Company are:

- Resource risk: like most other investment trusts, the Company has no employees. The Company therefore relies on services provided by third parties, including, in particular, the Manager, to whom responsibility for the management of the Company's portfolio has been delegated under an investment management agreement (the "Agreement") further details of which are set out on page 2. The terms of the Agreement cover the necessary duties and conditions expected of the Manager. The Board reviews the performance of the Manager on a regular basis, and their compliance with the Agreement formally on an annual basis.
- Investment and market risk: the Board continually monitors the investment policy of the Company, taking account of stockmarket factors, and reviews the Company's performance compared to its benchmark index. Further details on other risks relating to the Company's investment activities, including market price, interest rate, liquidity and foreign currency risks, are disclosed in Note 18 to the Financial Statements on pages 44 to 48.
- Gearing risk: the Company currently uses gearing in the form of bank borrowings equivalent to approximately £17,664,000, under its loan facility of £30,000,000. As at 30 April 2012, these were drawn as follows: HKD154,100,000 (equivalent to approximately £12,233,000), USD4,760,000 (equivalent to approximately £2,931,000) and £2,500,000.
- Regulatory risk: the Company operates in a complex regulatory environment and faces a number of regulatory risks. Serious breaches of applicable regulations could lead to a number of detrimental outcomes and reputational damage. The Audit Committee monitors compliance with regulations by reviewing internal control reports from the Manager.



The particular risks of investment in Asia include:

- greater risk of social, political and economic instability; the small size of the markets for securities of emerging markets issuers and associated low volumes of trading give rise to price volatility and a lack of liquidity;
- certain national policies which may restrict the investment opportunities available in respect of a fund, including restrictions on investing in issuers or industries deemed sensitive to national interests; changes in taxation laws and/or rates which may affect the value of the Company's investments;
- the absence in some markets of developed legal structures governing private or foreign investment and private property leading to supervision and regulation; and changes in government which may have an adverse effect on economic reform. Companies in the Asia-Pacific region are not, in all cases, subject to the equivalent accounting, auditing and financial standards of those in the United Kingdom; and
- currency fluctuations which may affect the value of the Company's investments and the income derived therefrom.

## Share Capital

At 30 April 2012 the Company had a capital structure comprising 24,909,402 Ordinary shares of 25p (with a further 477,731 shares being held in treasury at that date). Each Ordinary shareholder is entitled to one vote on a show of hands and, on a poll, to one vote for every share held.

## Results and Dividends

Details of the Company's results and proposed final dividend are shown on page 8 of this Report.

## Directors

The Directors, who, with the exception of Ms Manners, held office throughout the year under review, are shown on pages 17 to 19, together with their biographical details and their interests in the Ordinary shares of the Company. Ms Manners was appointed a Director on 1 May 2012 and is, therefore, required to stand for election by shareholders at the forthcoming Annual General Meeting ("AGM"). The Company has announced that Mr Henderson will step down as Chairman with effect from the forthcoming AGM, and will retire from the Board on 31 December 2012. He will be succeeded as Chairman by Mr Shearer, the current Deputy Chairman.

The Articles of Association require that one third of the Directors retire by rotation at each AGM, and that any Director who has been in office for three years or more since their election or re-election also retires by rotation at the next AGM. Under the terms of the AIC Code of Corporate Governance, non-executive directors may serve longer than

nine years but it is recommended that in such cases they stand for annual re-election. The Board has therefore decided that each Director who has served on the Board for more than nine years will stand for annual re-election. Accordingly, Messrs Henderson and Hills will retire and offer themselves for re-election at the AGM. Mr Young is a representative of the Manager and is therefore deemed to be a non-independent Director and he has also served more than nine years on the Board. Mr Young will therefore also retire and offer himself for re-election at the AGM. Mr Shearer is also required to offer himself for re-election in order to meet the requirement that one third of eligible Directors retire by rotation and offer themselves for re-election each year. The election of Ms Manners and the respective re-elections of Mr Henderson, Mr Hills, Mr Young and Mr Shearer, whose biographies appear on pages 17 to 19, were considered and approved by the Board. The reasons for the Board's recommendations for their re-election are set out on page 27, in the Statement of Corporate Governance.

## Directors' Interests

The interests of the Directors in office at the end of the year in the share capital of the Company were as follows:

|                 | 30 April 2012   | 1 May 2011      |
|-----------------|-----------------|-----------------|
|                 | Ordinary shares | Ordinary shares |
| Alan Henderson  | 1,137           | 1,000           |
| Nicholas George | 3,500           | 3,500           |
| Richard Hills   | 5,000           | 5,000           |
| John Lorimer    | 2,500           | 1,500           |
| David Shearer   | 2,500           | 2,500           |
| Hugh Young      | 14,158          | 14,158          |

The above interests were otherwise unchanged at the date of this Report.

No Director has a service contract with the Company. The Directors' interests in contractual arrangements with the Company are as shown in note 17 to the financial statements. No other Directors were interested in contracts with the Company.

## Directors' Insurances and Indemnities

The Company's Articles of Association indemnify each of the Directors out of the assets of the Company against any liabilities incurred by them as a Director of the Company in defending proceedings, or in connection with any application to the Court in which relief is granted. Directors' & Officers' liability insurance cover has been maintained throughout the year at the expense of the Company. The Directors have been granted qualifying indemnity provisions by the Company which are currently in force.

## Annual General Meeting

The Notice of Annual General Meeting is at pages 53 to 55 of this Report. Resolutions relating to the following items of special business will be proposed at the forthcoming Annual General Meeting:

### Authority to Allot Shares

Ordinary Resolution No. 10 in the Notice of Annual General Meeting will renew the authority to allot the unissued share capital up to an aggregate nominal amount of £622,735 (equivalent to 2,490,940 Ordinary shares, or 10% of the Company's existing issued share capital on 2 July 2012).

### Limited Disapplication of Pre-emption Provisions

Special Resolution No. 11 will give the Directors power to allot Ordinary shares and sell shares held in treasury (see below), without first being required to offer those shares to shareholders, at a price not less than the undiluted net asset value per share at the allotment. The authorisation is limited to:-

- a) the issue of shares otherwise than as described in (b) up to an aggregate nominal value of £622,735 (equivalent to 10% of the Ordinary shares in issue at the date of this Report); and
- b) the allotment of shares in connection with an offer to all holders of Ordinary shares in proportion to their holdings in the Company.

This authority will last until the conclusion of the Annual General Meeting held in 2013 or, if earlier, 31 October 2013 (unless previously varied, revoked or extended).

The Company may hold such shares "in treasury" and then sell them at a later date for cash rather than simply cancelling them. Such sales are required to be on a pre-emptive, pro rata, basis to existing shareholders, unless shareholders agree by special resolution to disapply such pre-emption rights. Accordingly, in addition to giving the Directors power to allot unissued Ordinary share capital on a non pre-emptive basis, Resolution No. 11 will also give the Directors power to sell Ordinary shares held in treasury on a non pre-emptive basis, subject always in both cases to the limitations noted above. Pursuant to this power, Ordinary shares would only be issued for cash and treasury shares would only be sold for cash at a price not less than the net asset value per share. (Treasury shares are explained in more detail under the heading "Share Repurchases" below.)

### Share Repurchases

Special Resolution No. 12 will be proposed to authorise the Company to make market purchases of its own Ordinary shares. The Company may do either of the following in respect of its own Ordinary shares which it buys back and does not immediately cancel but, instead, holds "in treasury":-

- a) sell such shares (or any of them) for cash (or its equivalent); or
- b) ultimately cancel the shares (or any of them).

The Directors intend to continue to take advantage of this flexibility. No dividends will be paid on treasury shares, and no voting rights attach to them. The maximum aggregate number of Ordinary shares which may be purchased pursuant to the authority shall be 14.99% of the issued Ordinary share capital of the Company as at the date of the passing of the resolution (approximately 3.7 million Ordinary shares). The minimum price which may be paid for an Ordinary share shall be 25p (exclusive of expenses). The maximum price (exclusive of expenses) which may be paid for the shares shall be the higher of:

- a) 5% above the average of the market value of the Ordinary shares (as derived from the Daily Official List of the London Stock Exchange) for the shares for the five business days immediately preceding the date of purchase; and
- b) the higher of the price of the last independent trade and the highest current independent bid on the main market for the Ordinary shares.

This authority, if conferred, will only be exercised if to do so would result in an increase in net asset value per Ordinary share for the remaining shareholders, and if it is in the best interests of shareholders generally. This authority will last until the conclusion of the Annual General Meeting of the Company to be held in 2013 (unless previously revoked, varied or renewed by the Company in general meeting).

The Board intends actively to continue to repurchase Ordinary shares when it is appropriate to do so, in accordance with its current authority to repurchase. It is therefore possible that the issued share capital of the Company may change between the date of this document and the Annual General Meeting and therefore the authority sought will be in respect of 14.99% of the issued share capital as at the date of the Annual General Meeting rather than the date of this document.

If Resolutions 10, 11 and 12 are passed, then an announcement will be made on the date of the Annual General Meeting which will detail the exact number of Ordinary shares to which each of these authorities relates.

## Substantial Interests

At 30 April 2012 and at the date of this Report, the following were registered, or had notified the Company, as being interested in 3% or more of the Company's Ordinary share capital:

| Shareholder   | Number of shares held | % held |
|---|-----------------------|--------|
| Funds managed by Rathbone Investment Management Limited | 2,255,265             | 9.0    |
| Aberdeen Investment Trust Share Plans (non-beneficial)  | 1,951,082             | 7.8    |
| Clients of Smith & Williamson                           | 1,282,479             | 5.2    |
| Williams de Broe  | 1,192,066             | 4.8    |
| Cheviot Asset Management                                | 1,175,334             | 4.7    |
| Derbyshire County Council                               | 1,145,000             | 4.6    |
| Charles Stanley   | 1,071,568             | 4.3    |
| Legal & General Investment Management                   | 860,573               | 3.5    |
| Citi Quilter  | 810,247               | 3.3    |

## Electronic Communications

The Company's Articles of Association to allow shareholders to elect to receive communications from the Company and to allow voting in electronic format. If shareholders would like to receive future communications in electronic format they should contact the Company's registrar, Equiniti, whose contact details are provided on page 56. If shareholders wish to continue to receive Annual Reports and other communications in hard copy format only they need take no further action.

## Going Concern

The Company's assets consist substantially of equity shares in companies listed on recognised stock exchanges and in most circumstances are realisable within a short timescale. The Board has set limits for borrowing and regularly reviews cash flow projections and compliance with banking covenants. The Company's Directors believe, after making enquiries, that the Company has adequate resources to continue its operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the accounts.

## Independent Auditor

Our auditor, KPMG Audit Plc, has indicated their willingness to remain in office. The Directors will place a resolution before the Annual General Meeting to re-appoint KPMG Audit Plc as independent auditor for the ensuing year, and to authorise the Directors to determine their remuneration.

The respective responsibilities of the Directors and the Auditor in connection with the financial statements are set out on pages 30 and 32.

Each Director confirms that, so far as he is aware, there is no relevant audit information of which the Company's auditor is unaware, and he has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information. Additionally, there are no important events since the year end.

## Creditor Payment Policy

It is the policy of the Company to settle all investment transactions in accordance with the terms and conditions of the relevant markets in which it operates. All other expenses are paid on a timely basis in the ordinary course of business. The Directors do not consider any creditors to represent trade creditors.

## Additional Information

The following further information is disclosed in accordance with The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008:

- The Company's capital structure is summarised on page 2;
- Ordinary shareholders are entitled to receive notice of, and to attend and speak at, an Annual General Meeting of the Company. On a show of hands, every member present or represented and voting has one vote and on a poll every member present or represented and voting has one vote for every share of which that member is a holder.
- Details of the substantial shareholders in the Company are listed opposite;
- The rules concerning the appointment and replacement of Directors are contained in the Company's Articles of Association and are summarised on page 21;
- Amendment of the Company's Articles of Association and powers to issue or buy back the Company's shares require a special resolution to be passed by shareholders;
- There are no restrictions concerning the transfer of securities in the Company; no special rights with regard to control attached to securities; no agreements between holders of securities regarding their transfer known to the Company; no agreements which the Company is party to that might affect its control following a takeover bid;
- There are no agreements between the Company and its Directors concerning compensation for loss of office.

## Political and Charitable Donations

The Company makes no political donations or expenditures or donations for charitable purposes and, in common with most investment trusts, has no employees.

## Directors' Report continued

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### Company Registration Number

02377879

By order of the Board

**Aberdeen Asset Management PLC**

Secretary

Bow Bells House

1 Bread Street

London, EC4M 9HH

2 July 2012

# Statement of Corporate Governance

The Company is committed to high standards of corporate governance and the Board is accordingly accountable to the Company's shareholders for good governance and this statement describes how the Company applies the principles identified in the UK Corporate Governance Code ("the Governance Code") published in June 2010, which is available on the Financial Reporting Council's website: [www.frc.org.uk](http://www.frc.org.uk). The Association of Investment Companies has also published a Code of Corporate Governance for Investment Trusts ("AIC Code"), which is available on the AIC's website: [www.theaic.co.uk](http://www.theaic.co.uk). The AIC Code forms a comprehensive guide to best practice in certain areas of governance where the specific characteristics of investment trusts suggests alternative approaches to those set out in the Governance Code that may be preferable. There is a certain amount of overlap with the Governance Code, although the focus of attention is on the points of difference.

The Company has complied throughout the accounting period with the Governance Code and the recommendations of the AIC Code and the relevant provisions of the Governance Code, except as set out below.

The Governance Code includes provisions relating to:

- the role of the chief executive;
- executive directors' remuneration;
- the need for an internal audit function

For the reasons set out in the Preface and the Comply or Explain section in the Governance Code, the Board considers these provisions are not relevant to the position of the Company, being an externally-managed investment company.

## The Board

The Board currently consists of a non-executive Chairman and six non-executive Directors. All Directors, with the exception of Mr Young, are considered by the Board to be independent of the Investment Manager ("AAM Asia") and free of any material relationship with the Investment Manager. Mr Young is a Director of the Investment Manager and, as such, is not considered to be independent. Mr Young submits himself for annual re-election as a Director. Each Director has the requisite high level and range of business and financial experience which enables the Board to provide clear and effective leadership and proper stewardship of the Company. The Board considers that the post of chief executive officer is not relevant for an investment trust company as this role has effectively been delegated to the Manager, under the terms of the investment management agreement. Mr Shearer is Deputy Chairman and in this capacity acts as a senior independent director, to whom any concerns can be conveyed by the other Directors. The Board takes the view that independence is not of itself compromised by length of tenure on the Board and that

experience can add significantly to the Board's strength. The Board is satisfied that Mr Hills and Mr Henderson who, having each served on the Board for more than nine years must stand for annual re-election, are independent in character and effective Directors. The Board therefore recommends that shareholders support the re-election of Mr Henderson and Mr Hills. The Board also supports the re-election of Mr Young, who retires in accordance with the AIC Code and, being eligible, offers himself for re-election.

The Board considers that there is a balance of skills and experience within the Board relevant to the leadership and direction of the Company and that all Directors contribute effectively.

During the year ended 30 April 2012 the Board met six times. In addition, there were three Audit & Risk Committee meetings, one Management Engagement Committee meeting and three Nomination Committee meetings. Between meetings, the Board maintains regular contact with the Manager.

Directors have attended Board and Committee meetings during the year ended 30 April 2012 as shown in the table below (with their eligibility to attend the relevant meeting in brackets).

| Director *       | Board Meetings | Audit & Risk and Management Engagement Committee Meetings | Nomination Committee Meetings |
|------------------|----------------|---|-------------------------------|
| Alan Henderson** | 6 (6)          | 4 (4)   | 3 (3)                         |
| Nicholas George  | 6 (6)          | 4 (4)   | 3 (3)                         |
| Richard Hills    | 6 (6)          | 4 (4)   | 3 (3)                         |
| John Lorimer     | 5 (6)          | 3 (4)   | 3 (3)                         |
| David Shearer    | 6 (6)          | 4 (4)   | 3 (3)                         |
| Hugh Young***    | 4 (6)          | 2(3)  | 2 (3)                         |

\* Ms Manners was appointed as Director on 1 May 2012 and did not therefore attend any Board or Committee meetings during the year ended 30 April 2012.

\*\* Mr Henderson is not a member of the Audit Committee

\*\*\* Mr Young is not a member of the Audit & Risk and Management Engagement Committees

The Board has a schedule of matters reserved to it for decision, and the requirement for Board approval on these matters is communicated directly to the senior staff of the Investment Manager. Such matters include strategy, borrowings, treasury and dividend policy. Full and timely information is provided to the Board to enable the Directors

# Statement of Corporate Governance continued

to function effectively and to discharge their responsibilities. The Board also reviews the financial statements, performance and revenue budgets.

The Board has a procedure in place to deal with a situation where a Director has a conflict of interest, as required by the regime introduced by the Companies Act 2006. As part of this process, the Directors prepare a list of other positions held and all other conflict situations that may need authorising either in relation to the Director concerned or his/her connected persons. The Board considers each Director's situation and decides whether to approve any conflict, taking into consideration what is in the best interests of the Company and whether the Director's ability to act in accordance with his or her wider duties is affected.

Each Director is required to notify the Company Secretary of any potential or actual conflict situations which will require authorising by the Board. Authorisations given by the Board will be reviewed at each Board meeting.

There is an agreed procedure for Directors to take independent professional advice if necessary and at the Company's expense. This is in addition to the access which every Director has to the advice and services of the Company Secretary, Aberdeen Asset Management PLC, which is responsible to the Board for ensuring that Board procedures are followed and that applicable rules and regulations are complied with.

## Board Committees

### Audit Committee

The Audit Committee operates within clearly defined terms of reference and comprises five independent Directors, Mr Shearer, Mr George, Mr Hills, Mr Lorimer and Ms Manners. The Committee is chaired by Mr Shearer, whom the Board consider to have recent relevant financial experience derived from his qualifications and business experience. The Terms of Reference of the Committee are disclosed on the Company's website and further copies are available, on request, from the Company Secretary. In summary the Audit Committee's main functions during the year have been:

- to review and monitor the internal control systems and risk management systems (including review of non financial risks) on which the Company is reliant;
- to consider whether there is a need for the Company to have its own internal audit function;
- to monitor the integrity of the interim and annual financial statements of the Company by reviewing, and challenging where necessary, the actions and judgements of the Investment Manager and Administrator;
- to meet with the external auditor to review their proposed audit programme of work and the findings of the auditor.

The Board shall also use this as an opportunity to assess the effectiveness of the audit process;

- to develop and implement policy on the engagement of the external auditor to supply non-audit services. (During the year under review, no fees were paid to the auditor in respect of non-audit services (2011 – £1,000). The Board will review any future fees in the light of the requirement to maintain the auditor's independence.);
- to review a statement from the Manager detailing the arrangements in place within AAM whereby AAM staff may, in confidence, escalate concerns about possible improprieties in matters of financial reporting or other matters;
- to make recommendations in relation to the appointment of the external auditor and to approve the remuneration and terms of engagement of the external auditor; and,
- to monitor and review the external auditor's independence, objectivity, effectiveness, resources and qualification.

The Committee considers KPMG Audit Plc, the Company's auditor, to be independent of the Company.

### Management Engagement Committee

The Board has appointed a Management Engagement Committee which comprises six independent Directors: Mr Shearer (Chairman), Mr George, Mr Henderson, Mr Hills, Mr Lorimer and Ms Manners. The Terms of Reference of the Committee are disclosed on the Company's website and further copies are available, on request, from the Company Secretary. The Committee reviews the performance of the Investment Manager and the investment management and secretarial agreement and compliance with its terms. The terms and conditions of the Investment Manager's appointment, including an evaluation of performance and fees, are reviewed by the Committee at least once a year. The Board remains satisfied that the continuing appointment of the Investment Manager on the terms agreed is in the interests of shareholders as a whole. The key factors taken into account in reaching this decision are the long-term performance of the portfolio and the investment skills, experience and commitment of the Investment Manager. The Investment Management Agreement is terminable on not less than one year's notice.

### Nomination Committee

Appointments to the Board of Directors are considered by the Nomination Committee which comprises the entire Board and whose Chairman is Mr George. The Terms of Reference of the Committee are disclosed on the Company's website and further copies are available, on request, from the Company Secretary. Possible new Directors are identified against the requirements of the Company's business and the need to have a balanced Board. For new appointments, a description of the required role is prepared and nominations for Directors sought in the appropriate industry sector. If



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required, external search consultants may be used to ensure that a wide range of candidates are considered.

The Committee also ensures that appropriate induction is arranged by the Manager for a newly-appointed Director. This involves induction meetings which cover details about the Company, its Manager, legal responsibilities and investment trust industry matters.

A Director appointed during the year is required, under the provisions of the Company's Articles of Association, to retire and seek election by shareholders at the next Annual General Meeting. The Articles of Association require that one third of the Directors retire by rotation at each Annual General Meeting. The Board, however, has decided that in accordance with developments in corporate governance, each Director who has served for more than nine years will stand for annual re-election.

The Board continues to manage actively its succession plans in accordance with the Governance Code. It also conducts, on an annual basis, an appraisal of the Chairman of the Board as well as a performance evaluation of the Board as a whole and the Directors individually (including assessment of training requirements) to ensure that the Directors have devoted sufficient time and contributed adequately to the work of the Board and Committees, and to consider each Directors' independence. During the year, the Board used an external consultant to carry out an evaluation of the Board's performance. The external consultant held individual meetings with each Director, with the consultant's report on the outcome being discussed with the Chairman of the Board and the Board as a whole. The Board and Committee have also reviewed the Chairman's and Directors' other commitments and are satisfied that the Chairman and other Directors are capable of devoting sufficient time to the Company and contribute to the effective running of the Company.

The Committee recommended to the Board, with the relevant Directors abstaining, the nominations for the election at the forthcoming Annual General Meeting of Ms Manners, and for the re-election of Messrs Henderson, Hills Young and Shearer, and shareholders are encouraged to support the relevant AGM resolutions.

### Remuneration Committee

Under the UK Listing Authority's Listing Rules, where an investment trust has only non-executive directors, the Code principles relating to directors' remuneration do not apply. No Remuneration Committee has been appointed by the Board on the basis that the Company has no executive directors or employees. All matters that would otherwise be the responsibility of a Remuneration Committee are dealt

with by the full Board. No Director is involved in deciding his or her own remuneration.

The remuneration of the Directors has been set in order to attract individuals of a calibre appropriate to the future development of the Company. The Company's policy on Directors' remuneration, together with details of the remuneration of each Director, is detailed in the Directors' Remuneration Report on page 31.

### Internal Control

The Board is ultimately responsible for the Company's system of internal control and for reviewing its effectiveness. Following publication of the Financial Reporting Council's "Internal Control: Revised Guidance for Directors on the Combined Code" (the FRC Guidance), the Board confirms that there is an ongoing process for identifying, evaluating and managing the significant risks faced by the Company. This process has been in place for the year under review and up to the date of approval of this Annual Report and Accounts, and is regularly reviewed by the Board and accords with the FRC Guidance. The Board has reviewed the effectiveness of the system of internal control. In particular, it has reviewed and updated the process for identifying and evaluating the significant risks affecting the Company and policies by which these risks are managed.

The significant risks faced by the Company are as follows:

- financial;
- operational; and
- compliance.

The key components designed to provide effective internal control are outlined below:

- the Investment Manager prepares forecasts and management accounts which allow the Board to assess the Company's activities and review its performance;
- the Board and Investment Manager have agreed clearly defined investment criteria, specified levels of authority and exposure limits. Reports on these issues, including performance statistics and investment valuations, are regularly submitted to the Board and there are meetings with the Investment Manager as appropriate;
- as a matter of course the Investment Manager's compliance department continually reviews the Investment Manager's operations; and,
- written agreements are in place which specifically define the roles and responsibilities of the Investment Manager and other third party service providers.

The Board has considered the need for an internal audit function but, because of the compliance and internal control systems in place at the Investment Manager, has decided to place reliance on the Investment Manager's systems and



## Statement of Corporate Governance continued

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internal audit procedures. At its June 2012 meeting, the Audit Committee carried out an annual assessment of internal controls for the year ended 30 April 2012 by considering documentation from the Investment Manager, including the internal audit and compliance functions and taking account of events since 30 April 2012. The results of the assessment were then reported to the Board at the next Board meeting.

Internal control systems are designed to meet the Company's particular needs and the risks to which it is exposed. Accordingly, the internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and by their nature can only provide reasonable and not absolute assurance against mis-statement and loss.

### Relations with Shareholders

The Directors place a great deal of importance on communication with shareholders. The Manager has an annual programme of meetings with institutional shareholders and reports back to the Board on these meetings.

The Company has adopted a nominee code, which ensures that, when shares in Aberdeen New Dawn Investment Trust are held in the name of nominee companies and notification has been received in advance, nominee companies will be provided with copies of shareholder communications for distribution to their investors. Nominee investors may attend and speak at general meetings.

Participants in the Manager's share Plan and ISA, whose shares are held in the nominee name of the plan administrator, are given the opportunity to vote by means of a Letter of Direction enclosed with the Annual Report. When forwarded to the plan administrator, the voting instructions given in the Letter of Direction will in turn be reflected in the proxy votes lodged by the plan administrator.

The Annual Report and Accounts are widely distributed to other parties who have an interest in the Company's performance. Shareholders and investors may obtain up to date information on the Company through the Investment Manager's freephone information service and the Company's website. The Company responds to letters from shareholders on a wide range of issues.

The Notice of the Annual General Meeting included within the Annual Report and Accounts is sent out at least 20 working days in advance of the meeting. All shareholders have the opportunity to put questions to the Board or Manager, either formally at the Company's Annual General Meeting or at the subsequent buffet luncheon for

shareholders. The Company Secretary is available to answer general shareholder queries at any time throughout the year.

### Proxy Voting and Stewardship

The Financial Reporting Council ('FRC') published "the UK Stewardship Code" for institutional shareholders on 2 July 2010. The purpose of the UK Stewardship Code is to enhance the quality of engagement between institutional investors and companies to help improve long-term returns to shareholders and assist institutional investors with the efficient exercise of their governance responsibilities. The FRC is encouraging institutional investors to make a statement of their commitment to the Code.

The Board has delegated responsibility for actively monitoring the activities of portfolio companies to the Manager. The Board has reviewed and accepts the Manager's Corporate Governance Principles (the "Principles"), which may be found on the Manager's website, at <http://www.aberdeen-asset.com/aam.nsf/AboutUs/governancestewardship>. These Principles set out the Manager's framework on corporate governance, proxy voting and shareholder engagement in relation to the companies in which the Manager has invested or is considering investing. The Board has also reviewed the Manager's Disclosure Response to the UK Stewardship Code, which appears on the Manager's website, at the web-address given above.

The Manager is responsible for reviewing, on a regular basis, the annual reports, circulars and other publications produced by the portfolio company and for attending company meetings. The Manager, in the absence of explicit instruction from the Board, is empowered to use discretion in the exercise of the Company's voting rights.

The Board recognises and supports the Manager's policy of active engagement with investee companies and the voting of all of the shares held by the Company. The Board receives from the Manager regular reports on the exercise by the Manager of the Company's voting rights and discusses with the Manager any issues arising. It is the Board's view that having an active voting policy and a process for the monitoring by the Board of the Manager's exercise of those votes, especially in relation to controversial issues, aids the efficient exercise of the Company's governance responsibilities.

### Socially Responsible Investment Policy

The Board is aware of its duty to act in the interests of the Company. The Board acknowledges that there are risks associated with investment in companies which fail to conduct business in a socially responsible manner. The Manager considers social, environmental and ethical factors

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which may affect the performance or value of the Company's investments. The Directors, through the Company's Manager, encourage companies in which investments are made to adhere to best practice in the area of Corporate Governance including social, environmental and ethical matters where applicable. They believe that this can best be achieved by entering into a dialogue with company management to encourage them, where necessary, to improve their policies in this area. The Company's ultimate objective however is to deliver superior investment return for its shareholders. Accordingly, whilst the Manager will seek to favour companies which pursue best practice in the above areas, this must not be to the detriment of the return on the investment portfolio.

By order of the Board  
**Aberdeen Asset Management PLC**  
Secretary, Edinburgh  
2 July 2012

# Statement of Directors' Responsibilities

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The Directors are responsible for preparing the Annual Report and Accounts in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that complies with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors confirm that to the best of their knowledge:

- the financial statements, prepared in accordance with the applicable accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company; and
- the Directors' Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that the Company faces.

For Aberdeen New Dawn Investment Trust PLC

**Alan Henderson**

Chairman

2 July 2012

# Directors' Remuneration Report

This Report is prepared in accordance with Sections 420 to 422 of the Companies Act 2006. An ordinary resolution to receive and adopt the Directors' Remuneration Report will be proposed at the Annual General Meeting. As the Board of Directors is comprised solely of non-executive Directors, it is exempt under the Listing Rules from appointing a Remuneration Committee. The determination of the Directors' fees is a matter dealt with by the whole Board. This Report has been divided into separate sections for unaudited and audited information.

## Unaudited Information

### Remuneration Policy

The Company's Articles of Association limit the aggregate fees payable to the Board of Directors to a total of £200,000 per annum. Subject to this overall limit, it is the Company's policy to determine the level of Directors' fees having regard to the level of fees payable to non-executive directors in the industry generally, the role that individual Directors fulfil in respect of Board and Committee responsibilities and the time committed to the Company's affairs. It is intended that this policy will continue for the year to 30 April 2013 and subsequent years. During the year ended 30 April 2012, the Directors received fees as follows: Chairman £30,000; Deputy Chairman £25,000; and for each other Director £22,000. No element of the Directors' remuneration is performance related.

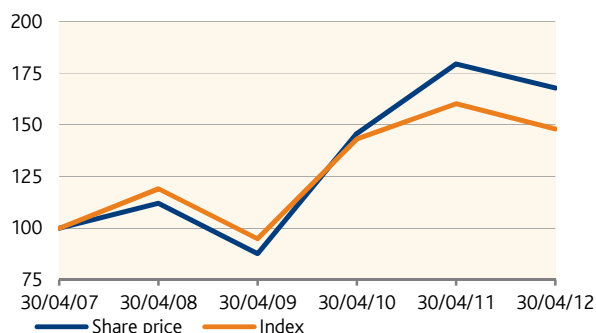
During the year the Remuneration Committee carried out a review of Directors' fees and decided that they would remain at their current levels. Directors' fees were last increased with effect from 1 September 2010.

None of the Directors has a service contract with the Company. The Company's Articles of Association ("Articles") require that one third of the Directors retire by rotation at the Annual General Meeting. The Directors' interests in contractual arrangements with the Company are shown in note 17 to the financial statements. No other Directors were interested in contracts with the Company during the period, or subsequently. Directors' & Officers' liability insurance cover is maintained by the Company, and is neither a benefit in kind nor does it form part of the Directors' remuneration. The Company's Articles indemnify each of the Directors out of the assets of the Company against any liability incurred by them as a Director in defending proceedings or in connection with any application to the Court in which relief is granted and separate deeds of indemnity exist in this regard between the Company and each Director.

No Director past or present has any entitlement to pensions, and the Company has not awarded any share options or long-term performance incentives to any of the Directors.

## Company Performance

The following graph illustrates the total shareholder return for a holding in the Company's shares as compared to the MSCI AC Asia Pacific ex Japan (currency adjusted) Index for the five year period to 30 April 2012 (rebased to 100 at 30 April 2007). Given the Company's investment objective this is the most appropriate index against which to measure the Company's performance.



## Audited Information

### Directors' Emoluments

The Directors who served in the year received the following fees:

| Director                  | 2012<br>£'000 | 2011<br>£'000 |
|---------------------------|---------------|---------------|
| Alan Henderson (Chairman) | 30            | 29            |
| Richard Bradley*          | -             | 6             |
| Nicholas George           | 22            | 21            |
| Richard Hills             | 22            | 21            |
| John Lorimer              | 22            | 21            |
| David Shearer             | 25            | 23            |
| Hugh Young                | 22            | 21            |
| <b>Total</b>              | <b>143</b>    | <b>142</b>    |

\* Retired from the Board on 25 August 2010

Ms Manners was appointed as a Director on 1 May 2012, and receives fees of £22,000 per annum. The amounts paid by the Company to the Directors were for services as non-executive Directors.

### Sums Paid to Third Parties

Of the fees disclosed above £44,000 (2011 – £42,000) was payable to third parties in respect of making available the services of Directors. Of these fees, £22,000 was in respect of Mr Young and assigned to Aberdeen Asset Management PLC, and £22,000 was in respect of Mr Hills and assigned to Argyll Investment Services Limited.

By order of the Board  
**Aberdeen Asset Management PLC**  
Secretary  
2 July 2012

# Independent Auditor's Report to the Members of Aberdeen New Dawn Investment Trust PLC

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We have audited the financial statements of Aberdeen New Dawn Investment Trust PLC for the year ended 30 April 2012 set out on pages 33 to 48. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

## Respective Responsibilities of Directors and Auditor

As explained more fully in the Statement of Directors' Responsibilities set out on page 30, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

## Scope of the Audit of the Financial Statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

## Opinion on Financial Statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 April 2012 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Opinion on Other Matters Prescribed by the Companies Act 2006

In our opinion:

- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006; and
- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the information given in the Statement of Corporate Governance set out on pages 25 to 29 with respect to internal control and risk management systems in relation to financial reporting processes and about share capital structures is consistent with the financial statements.

## Matters on Which We Are Required to Report by Exception

We have nothing to report in respect of the following:

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- a Corporate Governance Statement has not been prepared by the Company.

Under the Listing Rules we are required to review:

- the Directors' statement, set out on page 23, in relation to going concern; and
- the part of the Corporate Governance Statement on pages 25 to 29 relating to the Company's compliance with the nine provisions of the UK Corporate Governance Code specified for our review; and
- certain elements of the report to shareholders by the Board on Directors' remuneration.

## Gareth Horner (Senior Statutory Auditor)

for and on behalf of KPMG Audit Plc, Statutory Auditor

*Chartered Accountants*  
Edinburgh  
2 July 2012

# Income Statement

|  | Notes    | Year ended 30 April 2012 |                  |                | Year ended 30 April 2011 |                  |                |
|--|----------|--------------------------|------------------|----------------|--------------------------|------------------|----------------|
|  |          | Revenue<br>£'000         | Capital<br>£'000 | Total<br>£'000 | Revenue<br>£'000         | Capital<br>£'000 | Total<br>£'000 |
| (Losses)/gains on investments held at fair value through profit or loss    | 9        | –                        | (7,168)          | (7,168)        | –                        | 28,879           | 28,879         |
| Income   | 2        | 6,799                    | –                | 6,799          | 5,752                    | –                | 5,752          |
| Investment management fee  | 3        | (800)                    | (800)            | (1,600)        | (781)                    | (781)            | (1,562)        |
| Administrative expenses  | 4        | (688)                    | –                | (688)          | (708)                    | –                | (708)          |
| Exchange (losses)/gains  |          | –                        | (230)            | (230)          | –                        | 948              | 948            |
| <b>Net return on ordinary activities before finance costs and taxation</b> |          | <b>5,311</b>             | <b>(8,198)</b>   | <b>(2,887)</b> | <b>4,263</b>             | <b>29,046</b>    | <b>33,309</b>  |
| Interest payable and similar charges                                       | 5        | (132)                    | (132)            | (264)          | (69)                     | (69)             | (138)          |
| <b>Return on ordinary activities before taxation</b>                       |          | <b>5,179</b>             | <b>(8,330)</b>   | <b>(3,151)</b> | <b>4,194</b>             | <b>28,977</b>    | <b>33,171</b>  |
| Taxation   | 6        | (233)                    | –                | (233)          | (243)                    | –                | (243)          |
| <b>Return on ordinary activities after taxation</b>                        |          | <b>4,946</b>             | <b>(8,330)</b>   | <b>(3,384)</b> | <b>3,951</b>             | <b>28,977</b>    | <b>32,928</b>  |
| <b>Return per Ordinary share (pence)</b>                                   | <b>8</b> | <b>19.86</b>             | <b>(33.44)</b>   | <b>(13.58)</b> | <b>15.86</b>             | <b>116.33</b>    | <b>132.19</b>  |

The total column of this statement represents the profit and loss account of the Company.

A Statement of Total Recognised Gains and Losses has not been prepared as all gains and losses are recognised in the Income Statement.

All revenue and capital items are derived from continuing operations.

The accompanying notes are an integral part of the financial statements.

# Balance Sheet

|   | Notes | As at<br>30 April 2012<br>£'000 | As at<br>30 April 2011<br>£'000 |
|---|-------|---------------------------------|---------------------------------|
| <b>Non-current assets</b>                             |       |                                 |                                 |
| Investments at fair value through profit or loss      | 9     | 241,401                         | 240,382                         |
| <b>Current assets</b>                                 |       |                                 |                                 |
| Loans and receivables                                 | 10    | 1,244                           | 958                             |
| Cash at bank and in hand                              |       | 1,356                           | 2,982                           |
|   |       | 2,600                           | 3,940                           |
| <b>Creditors: amounts falling due within one year</b> |       |                                 |                                 |
| Loans   | 11    | (17,664)                        | (11,418)                        |
| Other creditors                                       |       | (429)                           | (498)                           |
|   |       | (18,093)                        | (11,916)                        |
| <b>Net current liabilities</b>                        |       | (15,493)                        | (7,976)                         |
| <b>Net assets</b>                                     |       | <b>225,908</b>                  | <b>232,406</b>                  |
| <b>Share capital and reserves</b>                     |       |                                 |                                 |
| Called-up share capital                               | 12    | 6,347                           | 6,347                           |
| Share premium account                                 |       | 17,955                          | 17,955                          |
| Special reserve                                       |       | 11,617                          | 11,617                          |
| Capital redemption reserve                            |       | 10,207                          | 10,207                          |
| Capital reserve                                       | 13    | 168,355                         | 176,685                         |
| Revenue reserve                                       |       | 11,427                          | 9,595                           |
| <b>Equity shareholders' funds</b>                     |       | <b>225,908</b>                  | <b>232,406</b>                  |
| <b>Net asset value per Ordinary share (pence)</b>     | 14    | <b>906.92</b>                   | <b>933.01</b>                   |

The financial statements were approved by the Board of Directors and authorised for issue on 2 July 2012 and were signed on its behalf by :

**Alan Henderson**

Chairman

The accompanying notes are an integral part of the financial statements.



## Reconciliation of Movements in Shareholders' Funds

### For the year ended 30 April 2012

|   | Share<br>capital<br>£'000 | Share<br>premium<br>account<br>£'000 | Special<br>reserve<br>£'000 | Capital<br>redemption<br>reserve<br>£'000 | Capital<br>reserve<br>£'000 | Revenue<br>reserve<br>£'000 | Total<br>£'000 |
|---|---------------------------|--------------------------------------|-----------------------------|---|-----------------------------|-----------------------------|----------------|
| Balance at 30 April 2011                        | 6,347                     | 17,955                               | 11,617                      | 10,207                                    | 176,685                     | 9,595                       | 232,406        |
| Return on ordinary activities<br>after taxation | –                         | –                                    | –                           | –   | (8,330)                     | 4,946                       | (3,384)        |
| Dividend paid (see note 7)                      | –                         | –                                    | –                           | –   | –                           | (3,114)                     | (3,114)        |
| <b>Balance at 30 April 2012</b>                 | <b>6,347</b>              | <b>17,955</b>                        | <b>11,617</b>               | <b>10,207</b>                             | <b>168,355</b>              | <b>11,427</b>               | <b>225,908</b> |

### For the year ended 30 April 2011

|   | Share<br>capital<br>£'000 | Share<br>premium<br>account<br>£'000 | Special<br>reserve<br>£'000 | Capital<br>redemption<br>reserve<br>£'000 | Capital<br>reserve<br>£'000 | Revenue<br>reserve<br>£'000 | Total<br>£'000 |
|---|---------------------------|--------------------------------------|-----------------------------|---|-----------------------------|-----------------------------|----------------|
| Balance at 30 April 2010                        | 6,347                     | 17,955                               | 11,617                      | 10,207                                    | 147,708                     | 8,135                       | 201,969        |
| Return on ordinary activities<br>after taxation | –                         | –                                    | –                           | –   | 28,977                      | 3,951                       | 32,928         |
| Dividend paid (see note 7)                      | –                         | –                                    | –                           | –   | –                           | (2,491)                     | (2,491)        |
| <b>Balance at 30 April 2011</b>                 | <b>6,347</b>              | <b>17,955</b>                        | <b>11,617</b>               | <b>10,207</b>                             | <b>176,685</b>              | <b>9,595</b>                | <b>232,406</b> |

The revenue reserve represents the amount of the Company's reserves distributable by way of dividend.

The accompanying notes are an integral part of the financial statements.

# Cash Flow Statement

|   | Notes | Year ended<br>30 April 2012 |                 | Year ended<br>30 April 2011 |                |
|---|-------|-----------------------------|-----------------|-----------------------------|----------------|
|   |       | £'000                       | £'000           | £'000                       | £'000          |
| <b>Net cash inflow from operating activities</b>                | 15    |                             | 3,211           |                             | 2,575          |
| <b>Servicing of finance</b>                                     |       |                             |                 |                             |                |
| Bank and loan interest paid                                     |       |                             | (264)           |                             | (138)          |
| <b>Taxation</b>   |       |                             |                 |                             |                |
| Net tax paid  |       |                             | (233)           |                             | (243)          |
| <b>Financial investment</b>                                     |       |                             |                 |                             |                |
| Purchases of investments  |       | (15,310)                    |                 | (13,165)                    |                |
| Sales of investments  |       | 8,068                       |                 | 11,170                      |                |
| <b>Net cash outflow from financial investment</b>               |       |                             | (7,242)         |                             | (1,995)        |
| <b>Equity dividend paid</b>                                     |       |                             | (3,114)         |                             | (2,491)        |
| <b>Net cash outflow before financing</b>                        |       |                             | (7,642)         |                             | (2,292)        |
| <b>Financing</b>  |       |                             |                 |                             |                |
| Loans drawdown  |       |                             | 6,766           |                             | 1,500          |
| <b>Net cash inflow from financing</b>                           |       |                             | 6,766           |                             | 1,500          |
| <b>Decrease in cash</b>   | 16    |                             | <b>(876)</b>    |                             | <b>(792)</b>   |
| <b>Reconciliation of net cash flow to movements in net debt</b> |       |                             |                 |                             |                |
| Decrease in cash as above                                       |       |                             | (876)           |                             | (792)          |
| Drawdown of loan  |       |                             | (6,766)         |                             | (1,500)        |
| Exchange movements  |       |                             | (230)           |                             | 948            |
| <b>Movement in net debt in the year</b>                         |       |                             | (7,872)         |                             | (1,344)        |
| Opening net debt  |       |                             | (8,436)         |                             | (7,092)        |
| <b>Closing net debt</b>   | 16    |                             | <b>(16,308)</b> |                             | <b>(8,436)</b> |

The accompanying notes are an integral part of the financial statements.

## 1. Accounting policies

### (a) Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified to include the revaluation of investments and in accordance with the applicable UK Accounting Standards and with the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts'. They have also been prepared on the assumption that approval as an investment trust will continue to be granted. The financial statements have been prepared on a going concern basis. The Directors believe this is appropriate for the reasons outlined in the Directors' Report on page 23.

The financial statements, and the net asset value per share figures, have been prepared in accordance with UK Generally Accepted Accounting Practice ('UK GAAP').

### (b) Valuation of investments

Listed investments have been designated upon initial recognition as fair value through profit or loss. Investments are recognised and de-recognised on the trade date at cost. Subsequent to initial recognition, investments are valued at fair value which for listed investments is deemed to be bid market prices. Gains and losses arising from changes in fair value are included as a capital item in the Income Statement and are ultimately recognised in the capital reserve.

### (c) Income

Dividends (other than special dividends), including taxes deducted at source, are included in revenue by reference to the date on which the investment is quoted ex-dividend. Special dividends are reviewed on a case-by-case basis and may be credited to capital, if circumstances dictate. Dividends receivable on equity shares where no ex-dividend date is quoted are brought into account when the Company's right to receive payment is established. Fixed returns on non-equity shares are recognised on a time apportioned basis so as to reflect the effective yield on shares. Other returns on non-equity shares are recognised when the right to return is established. Where the Company has elected to receive its dividends in the form of additional shares rather than cash, the amount of the cash dividend is recognised as income. Any excess in the value of the shares received over the amount of the cash dividend is recognised in capital reserves. Interest receivable on bank balances is dealt with on an accruals basis.

### (d) Expenses

All expenses are accounted for on an accruals basis. Expenses are charged through the revenue column of the Income Statement except as follows:

- expenses directly relating to the acquisition or disposal of an investment, in which case, they are added to the cost of the investment or deducted from the sale proceeds. Such transaction costs are disclosed in accordance with the SORP. These expenses are charged to the capital column of the Income Statement and are separately identified and disclosed in note 9; and
- the Company charges 50% of investment management fees and finance costs to the capital column of the Income Statement, in accordance with the Board's expected long term return in the form of capital gains and income respectively from the investment portfolio of the Company.

### (e) Deferred taxation

Deferred taxation is provided on all timing differences, that have originated but not reversed at the Balance Sheet date, where transactions or events that result in an obligation to pay more or a right to pay less tax in future have occurred at the Balance Sheet date, measured on an undiscounted basis and based on enacted tax rates. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted. Timing differences are differences arising between the Company's taxable profits and its results as stated in the accounts which are capable of reversal in one or more subsequent periods. Due to the Company's status as an investment trust company, and the intention to continue to meet the conditions required to obtain approval for the foreseeable future, the Company has not provided deferred tax on any capital gains and losses arising on the revaluation or disposal of investments.

## Notes to the Financial Statements continued

**(f) Capital reserves**

Gains and losses on realisation of investments and changes in fair values of investments which are readily convertible to cash, without accepting adverse terms, are transferred to the capital reserve.

**(g) Foreign currencies**

Assets and liabilities in foreign currencies are translated at the rates of exchange ruling on the Balance Sheet date. Transactions involving foreign currencies are converted at the rate ruling on the date of the transaction. Gains and losses on the realisation of foreign currencies are recognised in the Income Statement and are then transferred to the realised capital reserve.

**(h) Dividends payable**

Final dividends are dealt with in the period in which they are paid.

| 2. <b>Income</b>               | 2012<br>£'000 | 2011<br>£'000 |
|--------------------------------|---------------|---------------|
| <b>Income from investments</b> |               |               |
| UK dividend income             | 957           | 667           |
| Overseas dividends             | 4,930         | 4,349         |
| Scrip dividends                | 907           | 720           |
|                                | 6,794         | 5,736         |
| <b>Other income</b>            |               |               |
| Deposit interest               | 5             | 5             |
| Underwriting commission        | –             | 11            |
|                                | 5             | 16            |
| <b>Total income</b>            | <b>6,799</b>  | <b>5,752</b>  |

| 3. <b>Investment management fee</b> | Revenue<br>£'000 | 2012<br>Capital Total<br>£'000 £'000 |       | Revenue<br>£'000 | 2011<br>Capital Total<br>£'000 £'000 |       |
|-------------------------------------|------------------|--------------------------------------|-------|------------------|--------------------------------------|-------|
| Investment management fee           | 800              | 800                                  | 1,600 | 781              | 781                                  | 1,562 |

The Company has an agreement with Aberdeen Asset Management Asia Limited ('AAM Asia') for the provision of management services.

During the year the management fee was payable monthly in arrears and was based on an annual amount of 1% of the net asset value of the Company valued monthly, with the following provisions for commonly managed funds:

- The Company's investments in Aberdeen Global – Indian Equity Fund, Aberdeen Asian Smaller Companies Investment Trust and New India Investment Trust are excluded from the calculation of the investment management fee. The total value of such commonly managed funds, on a mid basis (basis on which management fee is calculated), at the year end was £34,441,000 (2011 – £40,612,000).
- From 1 May 2010, the Company receives a rebate from the Manager for the amount of fees in excess of 1% of net assets charged by the Manager for that commonly managed fund.

The balance due to AAM Asia at the year end was £284,000 (2011 – £277,000).

The agreement is terminable on one year's notice.

|  | 2012<br>£'000 | 2011<br>£'000 |
|--|---------------|---------------|
| <b>4. Administrative expenses</b>  |               |               |
| Share Plan marketing contribution  | 159           | 125           |
| Directors' fees  | 143           | 142           |
| Safe custody fees  | 84            | 184           |
| Auditor's remuneration:  |               |               |
| • fees payable to the Company's auditor for the audit of the Company's annual accounts       | 15            | 15            |
| • fees payable to the Company's auditor for the review of the Company's half yearly accounts | 4             | 4             |
| • fees payable to the Company's auditor for taxation services                                | –             | 1             |
| Other administration expenses  | 283           | 237           |
|  | <b>688</b>    | <b>708</b>    |

The Company has an agreement with Aberdeen Asset Managers Limited ('AAM') for the provision of marketing services in relation to the Company's participation in the Aberdeen Investment Trust Share Plan and ISA. The total fees paid and payable under the agreement were £159,000 (2011 – £125,000) and the sum due to AAM at the year end was £14,000 (2011 – £23,000).

No pension contributions were made in respect of any of the Directors.

The Company does not have any employees.

|  | 2012             |                  |                | 2011             |                  |                |
|--|------------------|------------------|----------------|------------------|------------------|----------------|
|  | Revenue<br>£'000 | Capital<br>£'000 | Total<br>£'000 | Revenue<br>£'000 | Capital<br>£'000 | Total<br>£'000 |
| <b>5. Interest payable and similar charges</b> |                  |                  |                |                  |                  |                |
| On bank loans and overdrafts                   | 132              | 132              | 264            | 69               | 69               | 138            |

|  | 2012             |                  |                | 2011             |                  |                |
|--|------------------|------------------|----------------|------------------|------------------|----------------|
|  | Revenue<br>£'000 | Capital<br>£'000 | Total<br>£'000 | Revenue<br>£'000 | Capital<br>£'000 | Total<br>£'000 |
| <b>6. Taxation</b>                         |                  |                  |                |                  |                  |                |
| <b>(a) Analysis of charge for the year</b> |                  |                  |                |                  |                  |                |
| Overseas tax                               | 238              | –                | 238            | 243              | –                | 243            |
| Overseas tax reclaimable                   | (5)              | –                | (5)            | –                | –                | –              |
| <b>Current tax charge for the year</b>     | <b>233</b>       | <b>–</b>         | <b>233</b>     | <b>243</b>       | <b>–</b>         | <b>243</b>     |

**(b) Factors affecting the tax charge for the year**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK.

## Notes to the Financial Statements continued

|   | Revenue<br>£'000 | 2012<br>Capital<br>£'000 | Total<br>£'000 | Revenue<br>£'000 | 2011<br>Capital<br>£'000 | Total<br>£'000 |
|---|------------------|--------------------------|----------------|------------------|--------------------------|----------------|
| Net profit on ordinary activities before taxation                       | 5,179            | (8,330)                  | (3,151)        | 4,194            | 28,977                   | 33,171         |
| Corporation tax at effective rate of 25.83% (2011 – 27.83%)             | 1,338            | (2,153)                  | (815)          | 1,167            | 8,064                    | 9,231          |
| Effects of:   |                  |                          |                |                  |                          |                |
| Non-taxable UK dividend income  | (247)            | –                        | (247)          | (186)            | –                        | (186)          |
| Non-taxable scrip dividends   | (234)            | –                        | (234)          | (200)            | –                        | (200)          |
| Non-taxable overseas dividends  | (1,035)          | –                        | (1,035)        | (1,020)          | –                        | (1,020)        |
| Accrued income not taxable  | (238)            | –                        | (238)          | (190)            | –                        | (190)          |
| Overseas tax suffered   | 233              | –                        | 233            | 243              | –                        | 243            |
| Surplus management expenses and loan relationship deficits not relieved | 416              | 242                      | 658            | 429              | 237                      | 666            |
| Non-taxable exchange losses/(gains)                                     | –                | 59                       | 59             | –                | (264)                    | (264)          |
| Non-taxable realised losses/(gains) on investments                      | –                | 1,852                    | 1,852          | –                | (8,037)                  | (8,037)        |
| <b>Current tax charge</b>   | <b>233</b>       | <b>–</b>                 | <b>233</b>     | <b>243</b>       | <b>–</b>                 | <b>243</b>     |

### (c) Provision for deferred taxation

No provision for deferred taxation has been made in the current year or in the prior year.

The Company has not provided for deferred tax on capital gains or losses arising on the revaluation or disposal of investments as it is exempt from tax on these items because of its status as an investment trust company.

### (d) Factors that may affect future tax charges

The Company has not recognised a deferred tax asset £1,346,000 (2011 – £802,000) arising as a result of excess management expenses and non-trade loan relationship deficits. These expenses will only be utilised if the Company has profits chargeable to corporation tax in the future.

| 7. Dividends   | 2012<br>£'000 | 2011<br>£'000 |
|--|---------------|---------------|
| Amounts recognised as distributions to equity holders in the period: |               |               |
| Final dividend for 2011 – 12.50p (2010 – 10.00p)                     | <b>3,114</b>  | <b>2,491</b>  |

The proposed final dividend for 2012 is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements.

The table below sets out the final dividend proposed in respect of the financial year, which is the basis on which the requirements of Section 1158 of the Corporation Tax Act 2010 are considered. The revenue available for distribution by way of dividend for the year is £4,946,000 (2011 – £3,951,000).

|   | 2012<br>£'000 | 2011<br>£'000 |
|---|---------------|---------------|
| Proposed final dividend for 2012 – 16.50p (2011 – 12.50p) | <b>4,110</b>  | <b>3,114</b>  |

| 8. Return per Ordinary share   | 2012              |                | 2011              |               |
|--|-------------------|----------------|-------------------|---------------|
|  | £'000             | p              | £'000             | p             |
| Revenue return   | 4,946             | 19.86          | 3,951             | 15.86         |
| Capital return   | (8,330)           | (33.44)        | 28,977            | 116.33        |
| <b>Total return</b>  | <b>(3,384)</b>    | <b>(13.58)</b> | <b>32,928</b>     | <b>132.19</b> |
| <b>Weighted average number of Ordinary shares in issue<sup>A</sup></b> | <b>24,909,402</b> |                | <b>24,909,402</b> |               |

<sup>A</sup> Calculated excluding shares held in treasury.

| 9. Investments                                     | Listed overseas<br>£'000 | Listed in UK<br>£'000 | Total<br>£'000 |
|--|--------------------------|-----------------------|----------------|
| Fair value through profit or loss:                 |                          |                       |                |
| Opening book cost                                  | 82,182                   | 18,557                | 100,739        |
| Opening fair value gains on investments held       | 123,739                  | 15,904                | 139,643        |
| Opening valuation                                  | 205,921                  | 34,461                | 240,382        |
| Movements in the year:                             |                          |                       |                |
| Purchases at cost                                  | 15,245                   | 1,010                 | 16,255         |
| Sales – proceeds                                   | (7,791)                  | (277)                 | (8,068)        |
| Sales – realised gains                             | 5,110                    | 107                   | 5,217          |
| Current year fair value losses on investments held | (10,143)                 | (2,242)               | (12,385)       |
| <b>Closing valuation</b>                           | <b>208,342</b>           | <b>33,059</b>         | <b>241,401</b> |
| Closing book cost                                  |                          |                       |                |
| Closing book cost                                  | 94,746                   | 19,397                | 114,143        |
| Closing fair value gains on investments held       | 113,596                  | 13,662                | 127,258        |
|  | <b>208,342</b>           | <b>33,059</b>         | <b>241,401</b> |

|   | 2012<br>£'000  | 2011<br>£'000  |
|---|----------------|----------------|
| Investments listed on an overseas investment exchange | 208,342        | 205,921        |
| Investments listed on the UK investment exchange      | 33,059         | 34,461         |
|   | <b>241,401</b> | <b>240,382</b> |

| <b>Gains on investments held at fair value through profit or loss</b> | 2012<br>£'000  | 2011<br>£'000 |
|---|----------------|---------------|
| Realised gains on sales   | 5,217          | 7,894         |
| (Decrease)/increase in fair value gains on investments held           | (12,385)       | 20,985        |
|   | <b>(7,168)</b> | <b>28,879</b> |

#### Transaction costs

During the year expenses were incurred in acquiring or disposing of investments classified as fair value through profit or loss. These have been expensed through capital and are included within (losses)/gains on investments held at fair value through profit or loss in the Income Statement. The total costs were as follows:

|           | 2012<br>£'000 | 2011<br>£'000 |
|-----------|---------------|---------------|
| Purchases | 48            | 45            |
| Sales     | 14            | 32            |
|           | <b>62</b>     | <b>77</b>     |

## Notes to the Financial Statements continued

|                                  | 2012<br>£'000 | 2011<br>£'000 |
|----------------------------------|---------------|---------------|
| <b>10. Loans and receivables</b> |               |               |
| Prepayments and accrued income   | 1,218         | 950           |
| Other loans and receivables      | 26            | 8             |
|                                  | <b>1,244</b>  | <b>958</b>    |

|   | 2012<br>£'000 | 2011<br>£'000 |
|---|---------------|---------------|
| <b>11. Creditors: amounts falling due within one year</b> |               |               |
| <b>(a) Loans</b>  |               |               |
| Foreign currency loans                                    | 15,164        | 9,918         |
| Sterling loans  | 2,500         | 1,500         |
|   | <b>17,664</b> | <b>11,418</b> |

At the year end HK\$154,100,000 (2011 – HK\$128,500,000), equivalent to £12,233,000 (2011 – £9,918,000), US\$4,760,000 (2011 – US\$nil), equivalent to £2,931,000 (2011 – £nil) and £2,500,000 (2011 – £1,500,000), was drawn down from the £30,000,000 facility with The Royal Bank of Scotland at an interest rate of 1.65%, 1.59% and 2.05% respectively, with a maturity date of 8 May 2012.

At the date of signing of this report HK\$154,100,000, US\$8,680,000 and £2,500,000 was drawn down to 9 July 2012 at interest rates of 1.65%, 1.59% and 2.03% respectively.

The terms of the bank loan with The Royal Bank of Scotland state that:

- the consolidated net tangible assets of the Company must be not less than £125 million at all times; and
- the ratio of gross borrowings to adjusted assets must be less than 25% at all times (adjusted assets are total gross assets less (i) the value in excess of 10% of total gross assets invested in the largest single security or asset; and (ii) the value in excess of 60% of total gross assets invested in the top twenty largest investments; and (iii) the value of all unlisted investments).

The Company has met this covenant throughout the period and up to the date of this Report.

|                        | 2012<br>£'000 | 2011<br>£'000 |
|------------------------|---------------|---------------|
| <b>(b) Other</b>       |               |               |
| Amounts due to brokers | 38            | –             |
| Other creditors        | 391           | 498           |
|                        | <b>429</b>    | <b>498</b>    |

|  | 2012<br>£'000 | 2011<br>£'000 |
|--|---------------|---------------|
| <b>12. Called-up share capital</b>                         |               |               |
| <b>Allotted, called up and fully paid:</b>                 |               |               |
| 24,909,402 (2011 – 24,909,402) Ordinary shares of 25p each | 6,227         | 6,227         |
| <b>Held in treasury:</b>                                   |               |               |
| 477,731 (2011 – 477,731) Ordinary shares of 25p each       | 120           | 120           |
|  | <b>6,347</b>  | <b>6,347</b>  |

Shares held in treasury represent 1.92% of the Company's total issued share capital at 30 April 2012.

The investment objective of the Company is to provide shareholders with a high level of capital growth through equity investment in the Asia Pacific countries ex Japan.



The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The Board monitors and reviews the broad structure of the Company's capital on an ongoing basis. This review includes:

- the planned level of gearing which takes account of the Investment Manager's views on the market;
- the level of equity shares in issue; and
- the extent to which revenue in excess of that which is required to be distributed should be retained.

The Company's objectives, policies and processes for managing capital are unchanged from the preceding accounting period.

The Company does not have any externally imposed capital requirements.

|                              | 2012<br>£'000  | 2011<br>£'000  |
|------------------------------|----------------|----------------|
| <b>13. Capital reserve</b>   |                |                |
| At 1 May                     | 176,685        | 147,708        |
| Movement in fair value gains | (7,168)        | 28,879         |
| Foreign exchange movement    | (230)          | 948            |
| Expenses taken to capital    | (932)          | (850)          |
| <b>At 30 April</b>           | <b>168,355</b> | <b>176,685</b> |

The capital reserve includes investment holding gains amounting to £127,258,000 (2011 – £139,643,000), as disclosed in note 9.

#### 14. Net asset value per share

The net asset value per share and the net asset values attributable to Ordinary shareholders at the year end calculated in accordance with the Articles of Association were as follows:

|  | 2012       | 2011       |
|--|------------|------------|
| Net assets attributable (£'000)  | 225,908    | 232,406    |
| Number of Ordinary shares in issue (excluding shares held in treasury) | 24,909,402 | 24,909,402 |
| Net asset value per share (p)  | 906.92     | 933.01     |

|   | 2012<br>£'000 | 2011<br>£'000 |
|---|---------------|---------------|
| <b>15. Reconciliation of net return on ordinary activities before finance costs and taxation to net cash inflow from operating activities</b> |               |               |
| Net return on ordinary activities before finance costs and taxation   | (2,887)       | 33,309        |
| Adjustment for:   |               |               |
| Losses/(gains) on investments held at fair value through profit or loss   | 7,168         | (28,879)      |
| Exchange losses/(gains) charged to capital  | 230           | (948)         |
| Increase in accrued income  | (268)         | (300)         |
| (Increase)/decrease in other debtors  | (18)          | 6             |
| (Decrease)/increase in other creditors  | (107)         | 107           |
| Scrip dividends included in investment income   | (907)         | (720)         |
| <b>Net cash inflow from operating activities</b>  | <b>3,211</b>  | <b>2,575</b>  |

## Notes to the Financial Statements continued

|  | 1 May<br>2011<br>£'000 | Cash<br>flow<br>£'000 | Exchange<br>movements<br>£'000 | 30 April<br>2012<br>£'000 |
|--|------------------------|-----------------------|--------------------------------|---------------------------|
| <b>16. Analysis of changes in net debt</b> |                        |                       |                                |                           |
| Cash at bank                               | 2,982                  | (876)                 | (750)                          | 1,356                     |
| Debts falling due within one year          | (11,418)               | (6,766)               | 520                            | (17,664)                  |
| <b>Net debt</b>                            | <b>(8,436)</b>         | <b>(7,642)</b>        | <b>(230)</b>                   | <b>(16,308)</b>           |

### 17. Related party disclosures

Mr H Young is a director of AAM Asia. AAM Asia has an agreement to provide management services and AAM has an agreement to provide marketing services to the Company, the terms of which are outlined in notes 3 and 4 respectively.

During the course of the year, the Company has held investments in other funds managed by the same Manager. These holdings are disclosed in note 3.

### 18. Financial instruments

#### Risk management

The Company's financial instruments comprise securities and other investments, cash balances, loans and debtors and creditors that arise directly from its operations; for example, in respect of sales and purchases awaiting settlement, and debtors for accrued income.

The Manager has a dedicated investment management process, which ensures that the investment policy explained on page 2 is followed. Stock selection procedures are in place based on the active portfolio management and identification of stocks. The portfolio is reviewed on a periodic basis by a Senior Investment Manager and also by the Manager's Investment Committee.

The Company's Manager has an independent investment risk department for reviewing the investment risk parameters of the Company's portfolio on a regular basis. The department reports to the Manager's performance review committee which is chaired by the Manager's chief investment officer. The department's responsibility is to review and monitor ex-ante (predicted) portfolio risk and style characteristics using best practice, industry standard multi-factor models.

Additionally, the Manager's Compliance department continually monitors the Company's investment and borrowing powers and reports to the Manager's risk management committee.

The main financial risks that the Company faces from its financial instruments are market price risk (comprising interest rate risk, currency risk and other price risk), liquidity risk and credit risk.

The Board regularly reviews and agrees policies for managing each of these risks. The Manager's policies for managing these risks are summarised below and have been applied throughout the year. The numerical disclosures exclude short-term debtors and creditors.

#### Market price risk

The fair value of, or future cash flows from a financial instrument held by the Company may fluctuate because of changes in market prices. This market risk comprises three elements – interest rate risk, foreign currency risk and other price risk.

#### Interest rate risk

Interest rate movements may affect:

- the level of income receivable on cash deposits; and
- interest payable on the Company's variable rate borrowings.

The possible effects on fair value and cash flows that could arise as a result of changes in interest rates are taken into

account when making investment and borrowing decisions.

### Interest risk profile

The interest rate risk profile of the portfolio of the Company's financial assets and liabilities, excluding equity holdings which are all non-interest bearing, at the Balance Sheet date was as follows:

|                         | Weighted average<br>period for which<br>rate is fixed<br>Years | Weighted<br>average<br>interest rate<br>% | Fixed<br>rate<br>£'000 | Floating<br>rate<br>£'000 |
|-------------------------|--|---|------------------------|---------------------------|
| <b>At 30 April 2012</b> |  |   |                        |                           |
| <b>Assets</b>           |  |   |                        |                           |
| Sterling                | –  | 0.43                                      | –                      | 718                       |
| Taiwan Dollar           | –  | –   | –                      | 25                        |
| US Dollar               | –  | 0.01                                      | –                      | 613                       |
|                         | <b>n/a</b>   | <b>n/a</b>                                | <b>–</b>               | <b>1,356</b>              |
| <b>Liabilities</b>      |  |   |                        |                           |
| Bank loan – Sterling    | 0.09   | 2.05                                      | 2,500                  | –                         |
| Bank loan – HK Dollar   | 0.09   | 1.65                                      | 12,233                 | –                         |
| Bank loan – US Dollar   | 0.07   | 1.59                                      | 2,931                  | –                         |
|                         | <b>n/a</b>   | <b>n/a</b>                                | <b>17,664</b>          | <b>–</b>                  |
| <b>At 30 April 2011</b> |  |   |                        |                           |
| <b>Assets</b>           |  |   |                        |                           |
| Australian Dollar       | –  | 0.50                                      | –                      | 85                        |
| Sterling                | –  | 0.25                                      | –                      | 2,664                     |
| Sri Lankan Rupee        | –  | –   | –                      | 16                        |
| Taiwan Dollar           | –  | –   | –                      | 104                       |
| Thailand Baht           | –  | –   | –                      | 113                       |
|                         | <b>n/a</b>   | <b>n/a</b>                                | <b>–</b>               | <b>2,982</b>              |
| <b>Liabilities</b>      |  |   |                        |                           |
| Bank loan – Sterling    | 0.25   | 1.52                                      | 1,500                  | –                         |
| Bank loan – HK Dollar   | 0.25   | 0.99                                      | 9,918                  | –                         |
|                         | <b>n/a</b>   | <b>n/a</b>                                | <b>11,418</b>          | <b>–</b>                  |

The weighted average interest rate is based on the current yield of each asset, weighted by its market value. The weighted average interest rate on bank loans is based on the interest rate payable, weighted by the total value of the loans. The maturity date of the Company's loan is shown in note 11.

The floating rate assets consist of cash deposits on call earning interest at prevailing market rates.

The Company's equity portfolio and short-term debtors and creditors (excluding bank loans) have been excluded from the above tables.

### Interest rate sensitivity

Movements in interest rates would not significantly affect net assets attributable to the Company's shareholders and total profit.

## Notes to the Financial Statements continued

### Foreign currency risk

All of the Company's investment portfolio is invested in overseas securities and the Balance Sheet, therefore, can be significantly affected by movements in foreign exchange rates. It is not the Company's policy to hedge this risk on a continuing basis but the Company may, from time to time, match specific overseas investment with foreign currency borrowings. The Company's borrowings, as detailed in note 11, are also in foreign currency.

The revenue account is subject to currency fluctuation arising on dividends paid in foreign currencies. The Company does not hedge this currency risk.

Foreign currency exposure by currency of denomination:

|                   | 30 April 2012  |                 |                | 30 April 2011  |                |                |
|-------------------|----------------|-----------------|----------------|----------------|----------------|----------------|
|                   | Overseas       | Net             | Total          | Overseas       | Net            | Total          |
|                   | investments    | monetary        | currency       | investments    | monetary       | currency       |
|                   | £'000          | assets          | exposure       | £'000          | assets         | exposure       |
|                   | £'000          | £'000           | £'000          | £'000          | £'000          | £'000          |
| Australian Dollar | 13,305         | –               | 13,305         | 11,726         | 85             | 11,811         |
| Hong Kong Dollar  | 50,574         | (12,233)        | 38,341         | 43,523         | (9,918)        | 33,605         |
| Indonesian Rupiah | 2,803          | –               | 2,803          | 2,607          | –              | 2,607          |
| Korean Won        | 16,192         | –               | 16,192         | 15,367         | –              | 15,367         |
| Malaysian Ringgit | 5,770          | –               | 5,770          | 5,992          | –              | 5,992          |
| Pakistan Rupee    | –              | –               | –              | 269            | –              | 269            |
| Philippine Peso   | 6,228          | –               | 6,228          | 4,599          | –              | 4,599          |
| Singapore Dollar  | 42,151         | –               | 42,151         | 42,964         | –              | 42,964         |
| Sri Lankan Rupee  | 6,130          | –               | 6,130          | 7,866          | 16             | 7,882          |
| Sterling          | 58,775         | (1,782)         | 56,993         | 67,772         | 1,164          | 68,936         |
| Taiwanese Dollar  | 13,900         | 25              | 13,925         | 11,767         | 104            | 11,871         |
| Thailand Baht     | 11,824         | –               | 11,824         | 12,407         | 113            | 12,520         |
| US Dollar         | 13,749         | (2,318)         | 11,431         | 13,523         | –              | 13,523         |
| <b>Total</b>      | <b>241,401</b> | <b>(16,308)</b> | <b>225,093</b> | <b>240,382</b> | <b>(8,436)</b> | <b>231,946</b> |

### Foreign currency sensitivity

The following table details the Company's sensitivity to a 10% increase and decrease in sterling against the foreign currencies in which the Company has exposure. The sensitivity analysis includes foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates.

|                   | 2012          | 2011          |
|-------------------|---------------|---------------|
|                   | £'000         | £'000         |
| Australian Dollar | 1,331         | 1,181         |
| Hong Kong Dollar  | 3,834         | 3,361         |
| Indonesian Rupiah | 280           | 261           |
| Korean Won        | 1,619         | 1,537         |
| Malaysian Ringgit | 577           | 599           |
| Pakistan Rupee    | –             | 27            |
| Philippine Peso   | 623           | 460           |
| Singapore Dollar  | 4,215         | 4,296         |
| Sri Lankan Rupee  | 613           | 788           |
| Taiwanese Dollar  | 1,393         | 1,187         |
| Thailand Baht     | 1,182         | 1,252         |
| US Dollar         | 1,143         | 1,352         |
|                   | <b>16,810</b> | <b>16,301</b> |

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### **Other price risk**

Other price risks (ie changes in market prices other than those arising from interest rate or currency risk) may affect the value of the quoted investments.

It is the Board's policy to hold an appropriate spread of investments in the portfolio in order to reduce the risk arising from factors specific to a particular country or sector. Both the allocation of assets and the stock selection process, as detailed on page 16, act to reduce market risk. The Manager actively monitors market prices throughout the year and reports to the Board, which meets regularly in order to review investment strategy. The investments held by the Company are listed on various stock exchanges worldwide.

### **Other price risk sensitivity**

If market prices at the Balance Sheet date had been 10% higher or lower while all other variables remained constant, the return attributable to Ordinary shareholders for the year ended 30 April 2012 would have increased/(decreased) by £24,140,000 (2011 increased/(decreased) by £24,038,000) and equity reserves would have increased/(decreased) by the same amount.

### **Liquidity risk**

This is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities.

The Board imposes borrowing limits to ensure gearing levels are appropriate to market conditions and reviews these on a regular basis. Borrowings comprise a revolving multi-currency credit facility. The Board has imposed a maximum gearing level, measured on the most stringent basis of calculation after netting off cash equivalents, of 25%. Details of borrowings at 30 April 2012 are shown in note 11.

Liquidity risk is not considered to be significant as the Company's assets comprise mainly readily realisable securities, which can be sold to meet funding commitments if necessary. Short-term flexibility is achieved through the use of the loan facility, details of which can be found in note 11. Under the terms of the loan facility, the Manager provides the lender with loan covenant reports on a monthly basis, to provide the lender with assurance that the terms of the facility are not being breached. The Manager will also review the credit rating of a lender on a regular basis. Details of the Board's policy on gearing are shown in the interest rate risk section of this note.

### **Liquidity risk exposure**

At 30 April 2012 and 30 April 2011 the Company's bank loan, amounting to £17,664,000 and £11,418,000 respectively, was due for repayment or roll-over within two months of the year end.

### **Credit risk**

This is the risk of failure of the counterparty to a transaction to discharge its obligations under that transaction that could result in the Company suffering a loss.

The risk is not considered to be significant, and is actively managed as follows:

- investment transactions are carried out with a large number of brokers, whose credit-standing is reviewed periodically by the Investment Manager, and limits are set on the amount that may be due from any one broker;
- cash is held only with reputable banks with high quality external credit enhancements.

### **Credit risk exposure**

In summary, compared to the amounts in the Balance Sheet, the maximum exposure to credit risk at 30 April was as follows:

## Notes to the Financial Statements continued

|  | 2012                   |                           | 2011                   |                           |
|--|------------------------|---------------------------|------------------------|---------------------------|
|  | Balance Sheet<br>£'000 | Maximum exposure<br>£'000 | Balance Sheet<br>£'000 | Maximum exposure<br>£'000 |
| <b>Non-current assets</b>                        |                        |                           |                        |                           |
| Investments at fair value through profit or loss | 241,401                | 241,401                   | 240,382                | 240,382                   |
| <b>Current assets</b>                            |                        |                           |                        |                           |
| Loans and receivables                            | 1,244                  | 1,244                     | 958                    | 958                       |
| Cash at bank and in hand                         | 1,356                  | 1,356                     | 2,982                  | 2,982                     |
|  | <b>244,001</b>         | <b>244,001</b>            | <b>244,322</b>         | <b>244,322</b>            |

None of the Company's financial assets is past due or impaired.

### Fair values of financial assets and financial liabilities

For the HK\$ loan, the fair value of borrowings has been calculated at £12,244,000 as at 30 April 2012 (2011 – £9,928,000) compared to an accounts value in the financial statements of £12,233,000 (2011 – £9,918,000) (note 11). For the US\$ loan, the fair value of borrowings has been calculated at £2,933,000 as at 30 April 2012 (2011 – £nil) compared to an accounts value in the financial statements of £2,931,000 (2011 – £nil) (note 11). For the GBP loan, the fair value of borrowings has been calculated at £2,503,000 as at 30 April 2012 (2011 – £1,503,000) compared to an accounts value in the financial statements of £2,500,000 (2011 – £1,500,000) (note 11). The fair value of each loan is determined by aggregating the expected future cash flows for that loan discounted at a rate comprising the borrower's margin plus an average of market rates applicable to loans of a similar period of time and currency. All other assets and liabilities of the Company are included in the Balance Sheet at fair value.

### 19. Fair value hierarchy

FRS 29 'Financial Instruments: Disclosures' requires an entity to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (ie as prices) or indirectly (ie derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

All of the Company's investments are in quoted equities (2011 – same) actively traded on recognised stock exchanges, with their fair value being determined by reference to their quoted bid prices at the reporting date. The total value of the investments (2012 – £241,401,000; 2011 – £240,382,000) have therefore been deemed as Level 1.

# Marketing Strategy

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Aberdeen New Dawn Investment Trust PLC contributes to the marketing programme run by the Aberdeen Group on behalf of a number of investment trusts under its management. Under this agreement the Company's contribution is matched by AAM. This contribution, which is reviewed annually, amounts to £160,000 for the calendar year 2012.

The purpose of the programme is to communicate effectively with existing shareholders and gain more new shareholders, thus improving liquidity and thereby enhancing the value and rating of the Company's shares.

These aims can be met in several ways:

## Investor Relations Programme

AAM runs an investor relations programme to existing and prospective institutional investors in investment trusts. Each month institutional investors and prospects receive a Manager's report on your Company that includes detailed performance analysis.

## Newsletter

The 'Bulletin' newsletter, an informed commentary on markets and investment trusts managed by AAM, is distributed free of charge.

## Public Relations

AAM undertakes to brief journalists, write regularly through placed articles and ensure Company results and any corporate activity are brought to public attention.

## Shareholder Services

AAM runs an investment help desk for retail enquirers and investors. Enquirers or investors will be sent any relevant literature on request and have queries answered immediately.

The Marketing Programme is under the direction of AAM's Group Head of Marketing, who has considerable experience in the marketing and communications of investment products. He is supported by a team of marketing professionals.

## Internet

Aberdeen New Dawn Investment Trust PLC has its own dedicated website: [www.newdawn-trust.co.uk](http://www.newdawn-trust.co.uk). This allows web users to access information on the Company's share price performance, capital structure, stock exchange announcements and monthly reports. The site is continuously being evaluated for improvement.

It is intended that ongoing programme activities in these various fields, both proactive and supportive, will assist the Company to increase and maintain its shareholder base, improve liquidity and sustain ratings.

The Company is committed to a close monitoring of the Marketing Programme. Aberdeen's Group Head of Marketing reports to the Board and provides a written summary quarterly.

If you have any questions about your Company, the Manager or performance, please telephone the AAM Customer Services Department (direct private investors) on 0500 00 00 40. Alternatively, internet users may email AAM at [inv.trusts@aberdeen-asset.com](mailto:inv.trusts@aberdeen-asset.com) or write to AAM at:

Aberdeen Investment Trusts  
PO Box 11020  
Chelmsford  
Essex  
CM99 2DB.

# How to Invest in Aberdeen New Dawn Investment Trust PLC

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## Direct

Investors can buy and sell shares in Aberdeen New Dawn Investment Trust PLC directly through a stockbroker or indirectly through a lawyer, accountant or other professional adviser. Alternatively shares can be bought directly from Aberdeen through the Investment Plan for Children, Investment Trust Share Plan and Investment Trust Individual Savings Account ('ISA').

## Aberdeen's Investment Plan for Children

Aberdeen Asset Managers ("AAM") runs an Investment Plan for Children (the "Children's Plan") which covers a number of investment companies under its management including Aberdeen New Dawn Investment Trust PLC. Anyone can invest in the Children's Plan, including parents, grandparents and family friends. All investments are free of dealing charges on the initial purchase of shares, although investors will suffer the bid-offer spread, which can, on some occasions, be a significant amount. Lump sum investments start at £150 per trust, while regular savers may invest from £30 per month. Investors simply pay Government Stamp Duty (currently 0.5%) on entry. Selling costs are £10 + VAT. There is no restriction on how long an investor need invest in the Children's Plan, and regular savers can stop or suspend participation by instructing AAM in writing at any time. In common with other schemes of this type, all investments are held in nominee accounts.

## Aberdeen Investment Trust Share Plan

AAM runs a Share Plan (the "Plan") through which shares in Aberdeen New Dawn Investment Trust PLC can be purchased. There are no dealing charges on the initial purchase of shares, although investors will suffer the bid-offer spread, which can, on some occasions, be a significant amount. Lump sum investments start at £250, while regular savers may invest from £100 per month. Investors simply pay Government Stamp Duty (currently 0.5%) on entry. Selling costs are £10 + VAT. There is no restriction on how long an investor need invest in a Plan, and regular savers can stop or suspend participation by instructing AAM in writing at any time. In common with other schemes of this type, all investments are held in nominee accounts. Investors have full voting and other rights of share ownership.

## Aberdeen Investment Trust ISA

An investment of up to £11,280 in Aberdeen New Dawn Investment Trust PLC can be made through the Aberdeen Investment Trust ISA in the tax year 2012/2013.

There are no brokerage or initial charges for the ISA, although investors will suffer the bid-offer spread, which can, on some occasions, be a significant amount. Investors only pay Government Stamp Duty (currently 0.5%) on purchases. Selling costs are £15 + VAT.

The annual ISA administration charge is £24 + VAT, calculated annually and deducted on 31 March (or the last business day in March) either by direct debit or, if there is no valid direct debit mandate in place, from the available cash in the Plan prior to the distribution or reinvestment of any income, or, where there is insufficient cash in the Plan, from the sale of investments held in the Plan. Under current legislation, investments in ISAs can grow free of capital gains tax.

## ISA Transfer

You can choose to transfer previous tax year investments to us which can be invested in Aberdeen New Dawn Investment Trust PLC while retaining your ISA wrapper. The minimum lump sum for an ISA transfer is £1,000 and is subject to a minimum per investment trust of £250.

## Note

Please remember that past performance is not a guide to the future. Stock market and currency movements may cause the value of shares and the income from them to fall as well as rise and investors may not get back the amount they originally invested.

As with all equity investments, the value of investment trusts purchased will immediately be reduced by the difference between the buying and selling prices of the shares, the market maker's spread.

Investors should further bear in mind that the value of any tax relief will depend on the individual circumstances of the investor and that tax rates and reliefs, as well as the tax treatment of ISAs may be changed by future legislation.

## Literature Request Service

For literature and application forms for AAM's investment trust products, go online at [www.invtrusts.co.uk](http://www.invtrusts.co.uk) or please contact:

Telephone: 0500 00 40 00  
Email: [aam@lit-request.com](mailto:aam@lit-request.com)

## Keeping You Informed

The Company's share price appears under the heading 'Investment Companies' in the Financial Times.

For internet users, detailed data on Aberdeen New Dawn Investment Trust PLC including price, performance information and a monthly fact sheet is available from the Trust's website ([www.newdawn-trust.co.uk](http://www.newdawn-trust.co.uk)) and the TrustNet website ([www.trustnet.co.uk](http://www.trustnet.co.uk)). Alternatively you can call 0500 00 00 40 for trust information.



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## Contact

For any administrative queries relating to the Investment Plan for Children, Share Plan, ISA or ISA Transfer please contact:

Aberdeen Investment Trusts  
PO Box 11020  
Chelmsford  
Essex  
CM99 2DB  
Telephone: 0500 00 00 40

Alternatively, if you have an administrative query relating to a certificated holding, please contact the Registrar, as follows

## Registrar

Equiniti Limited  
Aspect House  
Spencer Road  
Lancing  
West Sussex BN99 6DA

## Shareholder helpline numbers:

Tel. 0871 384 2504  
Fax 0871 384 2100  
Shareview enquiry line: 0871 384 2020  
Textel/hard of hearing line: 0871 384 2255

(Calls to the above Equiniti numbers will be charged at 8p per minute from a BT landline. Other telephony providers' costs may vary. Lines open 8.30am to 5.30pm, Monday to Friday.)

Callers from overseas please call the Equiniti overseas helpline on +44 (0)121 415 7047.

Issued by Aberdeen Asset Managers Limited which is authorised and regulated by the Financial Services Authority in the UK.

# Glossary of Terms and Definitions

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## **Actual Gearing**

Total assets (as below) less all cash and fixed interest assets (excluding convertibles) divided by shareholders' funds.

## **Asset Cover**

The value of a company's net assets available to repay a certain security. Asset cover is usually expressed as a multiple and calculated by dividing the net assets available by the amount required to repay the specific security.

## **Discount**

The amount by which the market price per share of an investment trust is lower than the net asset value per share. The discount is normally expressed as a percentage of the net asset value per share.

## **Dividend Cover**

Earnings per share divided by dividends per share expressed as a ratio.

## **Dividend Yield**

The annual dividend expressed as a percentage of the share price.

## **Net Asset Value**

The value of total assets less liabilities. Liabilities for this purpose included current and long-term liabilities. The net asset value divided by the number of shares in issue produces the net asset value per share.

## **Potential Gearing**

Total assets including all debt being used for investment purposes divided by shareholders' funds.

## **Premium**

The amount by which the market price per share of an investment trust exceeds the net asset value per share. The premium is normally expressed as a percentage of the net asset value per share.

## **Price/Earnings Ratio**

The ratio is calculated by dividing the middle-market price per share by the earnings per share. The calculation assumes no change in earnings but in practice the multiple reflects the stock market's view of a company's prospects and profit growth potential.

## **Prior Charges**

The name given to all borrowings including debentures, loan and short term loans and overdrafts that are to be used for investment purposes, reciprocal foreign currency loans, currency facilities to the extent that they are drawn down, index-linked securities, and all types of preference or preferred capital and the income shares of split capital trusts, irrespective of the time until repayment.

## **Total Assets**

Total assets less current liabilities (before deducting prior charges as defined above).

## **Total Expense Ratio**

Ratio of expenses as percentage of average shareholders' funds calculated as per the industry standard Lipper Fitzrovia method.

## **Total Return**

Total return involves reinvesting the net dividend in the month that the share price goes up. The NAV total return involves investing the same net dividend in the NAV of the trust on the date to which that dividend was earned, eg quarter end, half year or year end date.

## **Winding-up Date**

The date specified in the Articles of Association for winding-up a company.

# Notice of Annual General Meeting

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Notice is hereby given that the twenty-third Annual General Meeting of Aberdeen New Dawn Investment Trust PLC will be held at Bow Bells House, 1 Bread Street, London EC4M 9HH, at 12.00 noon on Wednesday, 22 August 2012 for the following purposes:

## Ordinary Business

As ordinary business, to consider and, if thought fit, pass the following Resolutions which will be proposed as Ordinary Resolutions:

1. To receive the Directors' Report and financial statements for the year ended 30 April 2012, together with the auditor's report thereon.
2. To receive and adopt the Directors' Remuneration Report.
3. To approve the payment of a final dividend of 16.50 pence per Ordinary share.
4. To elect Ms H C S Manners as a Director.
5. To re-elect Mr A B Henderson as a Director.
6. To re-elect Mr D J B Shearer as a Director.
7. To re-elect Mr R J Hills as a Director.
8. To re-elect Mr H Young as a Director.
9. To re-appoint KPMG Audit Plc as independent auditor and to authorise the Directors to agree their remuneration.

## Special Business

As special business to consider and, if thought fit, pass the following Resolutions, in the case of Resolution 10, as an Ordinary Resolutions, and in the case of Resolutions 11 and 12, as Special Resolutions.

10. THAT, in substitution for any existing authority under Section 551 of the Companies Act 2006 (the "Act"), but without prejudice to the exercise of any such authority prior to the date of this resolution, the Directors of the Company be generally and unconditionally authorised for the purposes of the Act to allot Ordinary shares of 25p each in the Company ("shares") and to grant rights ("relevant rights") to subscribe for or convert any security into shares in the Company up to an aggregate nominal amount of £622,735, such authorisation to expire at the earlier of the conclusion of the next Annual General Meeting of the Company to be held in 2013 or 31 October 2013 unless previously renewed, revoked or varied by the Company in general meeting, save that the Company may at any time before the expiry of this authorisation make an offer which would or might require shares to be allotted or relevant rights to be granted after the expiry of this authorisation and the Directors of the Company may allot shares or grant relevant rights in pursuance of any such offer or agreement as if the authorisation conferred hereby had not expired.
11. THAT, subject to the passing of the Resolution numbered 10 set out in the notice of this meeting ("Section 551 Resolution") and in substitution for any existing authority under Sections 570 and 573 of the Companies Act 2006 (the "Act") but without prejudice to the exercise of any such authority prior to the date of this resolution, the Directors of the Company be empowered pursuant to sections 570 and 573 of the Act to allot equity securities (within the meaning of Section 560 of the Act) either pursuant to the authorisation conferred by the Section 551 Resolution or by way of a sale of treasury shares, in each case for cash as if Section 561(1) of the Act did not apply to such allotment or sale, provided that this power shall be limited to:
  - a) the allotment of equity securities (otherwise than pursuant to sub-paragraph (b) below) up to an aggregate nominal amount of £622,735 at a price not less than the undiluted net asset value per share at allotment, as determined by the Directors of the Company; and
  - b) the allotment of equity securities at a price not less than the undiluted net asset value per share at allotment, as determined by the Directors of the Company in connection with an offer to (a) all holders of such Ordinary shares of 25p each in the capital of the Company in proportion (as nearly as may be) to the respective numbers of Ordinary shares held by them and (b) to holders of other equity securities as required by the rights of those securities (but subject to such exclusions, limits or restrictions or other arrangements as the Directors of the Company may consider necessary or appropriate to deal with treasury shares, fractional entitlements, record

## Notice of Annual General Meeting continued

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dates or legal, regulatory or practical problems in or under the laws of, or requirements of, any regulatory body of any stock exchange in any territory or otherwise howsoever); and

such power shall expire at the earlier of the conclusion of the next Annual General Meeting of the Company to be held in 2013 or 31 October 2013, but so that this power shall enable the Company to make offers or agreements before such expiry which would or might require equity securities to be allotted after such expiry and the Directors of the Company may allot equity securities in pursuance of any such offer or agreement as if such expiry had not occurred.

12. THAT the Company be and is hereby generally and, subject as hereinafter appears, unconditionally authorised, in accordance with Section 701 of the Companies Act 2006 (the "Act"), to make market purchases (within the meaning of Section 693(4) of the Act) of fully paid Ordinary shares of 25p each in the capital of the Company ("Ordinary shares") and to cancel or hold in treasury such shares, provided that:—
- a) the maximum aggregate number of Ordinary shares hereby authorised to be purchased shall be an aggregate of 3,733,919 Ordinary shares or, if different, the number representing 14.99% of the issued Ordinary share capital of the Company as at the date of the passing of this resolution;
  - b) the minimum price which may be paid for an Ordinary share shall be 25p (exclusive of expenses);
  - c) the maximum price (exclusive of expenses) which may be paid for an Ordinary share shall be the higher of:
    - (i) 5% above the average of the market values of the Ordinary shares (as derived from the Daily Official List of the London Stock Exchange) for the Ordinary shares for the five business days immediately preceding the date of purchase; and
    - (ii) the higher of the price of the last independent trade in Ordinary shares and the highest current independent bid for Ordinary shares on the London Stock Exchange; and
  - d) unless previously varied, revoked or renewed, the authority hereby conferred shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2013, save that the Company may, at any time prior to such expiry, enter into a contract or contracts to purchase Ordinary shares under such authority which will or might be completed or executed wholly or partly after the expiration of such authority and may make a purchase of Ordinary shares pursuant to any such contract or contracts.

Bow Bells House  
1 Bread Street  
London, EC4M 9HH  
17 July 2012

By order of the Board  
**Aberdeen Asset Management PLC**  
Secretary

### Notes:

1. Information about the meeting, including information required by section 311A of the Companies Act 2006, is available from the Company's website, [www.newdawn-trust.co.uk](http://www.newdawn-trust.co.uk).
2. A member entitled to attend, speak and vote is entitled to appoint one or more proxies to attend, speak and vote instead of him. A proxy need not be a member of the Company. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise the rights attached to any one share. A form of proxy and reply-paid envelope are enclosed.
3. Forms of proxy and the power of attorney or other authority, if any, under which they are signed or a notarially certified copy of that power of attorney or authority, should be sent to the address noted on the form of proxy so as to arrive not less than 48 hours (excluding non-working days) before the time fixed for the meeting. The return of a completed proxy form or other instrument of proxy will not prevent you attending the meeting and voting in person if you wish to do so. A member present in person or by proxy shall have one vote on a show of hands and on a poll every member present in person or by proxy shall have one vote for every Ordinary share of which they are a holder. As a member, you have the right to put questions at the meeting relating to the business being dealt with at the meeting.
4. In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, to have the right to attend and vote at the meeting referred to above a member must first have his or her name entered in the Company's register of members by not later than 6.00 pm on the day occurring two working days before the date of the meeting (or in the event that the meeting be adjourned on the register of members by not later than 6.00 pm on the day occurring two working days before the date of the adjourned meeting). Changes to entries on that register after that time (or, in the event that the meeting is adjourned, on the register of members later than 6.00 pm on the day occurring two working days before the date of any adjourned meeting) shall be disregarded in determining the rights of any member to attend and vote at the meeting referred to above.

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5. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by utilising the procedures described in the CREST Manual which can be viewed at [www.euroclear.com/CREST](http://www.euroclear.com/CREST). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
  6. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ("EUI") specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID RA19) no later than 48 hours (excluding non-working days) before the time of the meeting or any adjournment. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
  7. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
  8. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
  9. A person to whom this notice is sent who is nominated under Section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") does not have the right to appoint a proxy. A Nominated Person may, however, have specific rights to instruct the member who granted them information rights as to how that member exercises their right to appoint a proxy.
  10. No Director has a service contract with the Company. Copies of the Directors' letters of appointment are available for inspection at the Company's registered office and for 15 minutes prior to, and at, the meeting.
  11. The Register of Directors' Interests kept by the Company in accordance with Section 809 of the Companies Act 2006 will be open for inspection at the meeting.
  12. It is possible that, pursuant to requests made by members of the Company under Section 527 of the Companies Act 2006, the Company may be required to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the meeting; or (ii) any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with Section 437 of the Companies Act 2006. The Company may not require the members requesting any such website publication to pay its expenses in complying with Sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under Section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the meeting includes any statement that the Company has been required under Section 527 of the Companies Act 2006 to publish on a website.
  13. As at 2 July 2012, the latest practicable date prior to publication of this document, the Company had 24,909,402 Ordinary shares in issue with a total of 24,909,402 voting rights.
  14. Any person holding 3% of the total voting rights in the Company who appoints a person other than the Chairman as his proxy will need to ensure that both he and such third party complies with their respective disclosure obligations under the Disclosure and Transparency Rules.
  15. There are special arrangements for holders of shares through the Share Plan and Investment Trust ISA. These are explained in the 'Letter of Direction' which such holders will have received with this report.
  16. Under section 319A of the Companies Act 2006, the Company must answer any question relating to the business being dealt with at the meeting put by a member attending the meeting unless: (i) answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; (ii) the answer has already been given on a website in the form of an answer to a question; or (iii) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
  17. Shareholders are advised that, unless otherwise stated, any telephone number, website or e-mail address which may be set out in this notice of Annual General Meeting or in any related documents (including the proxy form) is not to be used for the purposes of serving information or documents on, or otherwise communicating with, the Company for any purposes other than those expressly stated.
  18. Except as provided above, members who have general queries about the meeting should use the following means of communication (no other methods of communication will be accepted): Tel. 0871 384 2504. (Calls to this number will be charged at 8p per minute from a BT landline. Other telephony providers' costs may vary.) Overseas shareholders please call: +44 (0) 121 415 7047. Lines open 8.30am to 5.30pm, Monday to Friday.

# Corporate Information

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## Directors

Alan Henderson, Chairman  
David Shearer, Deputy Chairman  
Nicholas George  
Richard Hills  
John Lorimer  
Heather Manners  
Hugh Young

## Manager

Aberdeen Asset Management Asia Limited  
21 Church Street  
#01-01 Capital Square Two  
Singapore 049480

## Registered Office

Aberdeen Asset Management PLC  
Bow Bells House, 1 Bread Street,  
London EC4M 9HH

Registered in England & Wales No. 02377879

## Points of Contact

### Manager

Customer Services Department: 0500 00 00 40  
(open Monday - Friday, 9am - 5pm)  
Email: [inv.trusts@aberdeen-asset.com](mailto:inv.trusts@aberdeen-asset.com)

### Secretary

Aberdeen Asset Management PLC  
Customer Services Department: 0500 00 00 40  
(open Monday - Friday, 9am - 5pm)  
Email: [inv.trusts@aberdeen-asset.com](mailto:inv.trusts@aberdeen-asset.com)

## Registrars

Equiniti Limited  
Aspect House  
Spencer Road  
Lancing  
West Sussex BN99 6DA

Shareholder helpline numbers:  
Tel. 0871 384 2504  
Shareview enquiry line: 0871 384 2020  
Textel/hard of hearing line: 0871 384 2255

***(Calls to the above Equiniti numbers will be charged at 8p per minute from a BT landline. Other telephony providers' costs may vary)***

Overseas shareholders please call:  
+44 (0) 121 415 7047.

Lines open 8.30am to 5.30pm, Monday to Friday.

## Bankers

Royal Bank of Scotland  
24 – 25 St Andrew Square  
Edinburgh EH2 1AF

Bank of Scotland  
Corporate Banking (Scotland)  
3-5 Albyn Place  
Aberdeen AB10 1PY

## Solicitors

Maclay Murray & Spens LLP  
One London Wall  
London EC2Y 5AB

## Independent Auditor

KPMG Audit Plc  
Chartered Accountants  
Saltire Court  
20 Castle Terrace  
Edinburgh EH1 2EG

## Website

[www.newdawn-trust.co.uk](http://www.newdawn-trust.co.uk)

# Your Company's History

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## Issued Share Capital at 30 April 2012

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24,909,402 Ordinary shares of 25p

## Capital History

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|----------------------------------|--|
| 12 May 1989                      | 15,000,000 Ordinary shares of 25p each placed at 100p with 3,000,000 Series A Warrants attaching, each conferring the right to subscribe for one Ordinary share of 25p at 95.88p.  |
| 1 November 1989                  | 15,000,000 Ordinary shares of 25p each issued with 3,000,000 Series B Warrants attaching, each conferring the right to subscribe for one Ordinary share of 25p at 135p in connection with a Placing and Offer to shareholders at 128p. |
| September 1991                   | 6,500 Ordinary shares issued following the exercise of 6,500 Series A Warrants.  |
| September 1993                   | 4,237 Ordinary shares issued following the exercise of 2,300 Series A Warrants and 1,937 Series B Warrants.  |
| 9 March 1994                     | 12,648,506 'C' shares of £1 each issued in connection with a Placing and Open Offer to shareholders at 250p.   |
| 15 August 1994                   | The 'C' shares were converted into 13,150,099 Ordinary shares of 25p and 2,629,676 Series C Warrants conferring the right to subscribe for one Ordinary share of 25p at 270p.  |
| September 1994 to September 1997 | A total of 3,259 Ordinary shares issued following the exercise of 1,700 Series A Warrants, 1,065 Series B Warrants and 494 Series C Warrants.  |
| April 1998 to January 1999       | 1,324,823 Series A Warrants and 490,000 Ordinary shares purchased in the market for cancellation.  |
| 19 March 1999                    | 8,638,536 Ordinary shares were issued when a Scheme of Arrangement to acquire certain assets of Aberdeen Emerging Asia Investment Trust Limited became effective.  |
| Year ended 30 April 1999         | 25,655,296 Ordinary shares and 921,596 Series A Warrants were purchased for cancellation.  |
| 6 August 1999                    | 10,000 Ordinary shares allotted following the conversion of 10,000 Series A Warrants.  |
| Year ended 30 April 2000         | 204,498 Series A Warrants, 755,110 Series B Warrants and 1,085,899 Ordinary shares purchased for cancellation.   |
| 8 August 2000                    | Final exercise date for all outstanding Warrants, being 14,625 Series A Warrants, 35,207 Series B Warrants and 2,629,162 Series C Warrants.  |
| Year ended 30 April 2001         | 487,086 Series A Warrants, 2,097,876 Series B Warrants and 1,425,000 Ordinary shares purchased for cancellation.   |
| Year ended 30 April 2002         | 25,000 Ordinary shares purchased for cancellation.   |
| Year ended 30 April 2005         | 140,000 new Ordinary shares issued for cash.   |
| Year ended 30 April 2006         | 1,980,000 new Ordinary shares issued for cash.   |
| Year ended 30 April 2008         | 477,731 Ordinary shares purchased for treasury.  |

