

**MONTANARO**

**European Smaller Companies Trust plc**

Interim Report 2018

The investment objective of **Montanaro European Smaller Companies Trust plc** ('the Company') is to achieve capital growth by investing principally in Continental European quoted smaller companies.

The Company's benchmark index is the MSCI Europe SmallCap (ex UK) Index (in sterling terms).

The Company was launched in May 1981. Its current objective and investment policy were adopted in September 2006. Its Ordinary Shares are listed on the Main Market of the London Stock Exchange.

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# Highlights

for the six months ended 30 September 2018

## Results

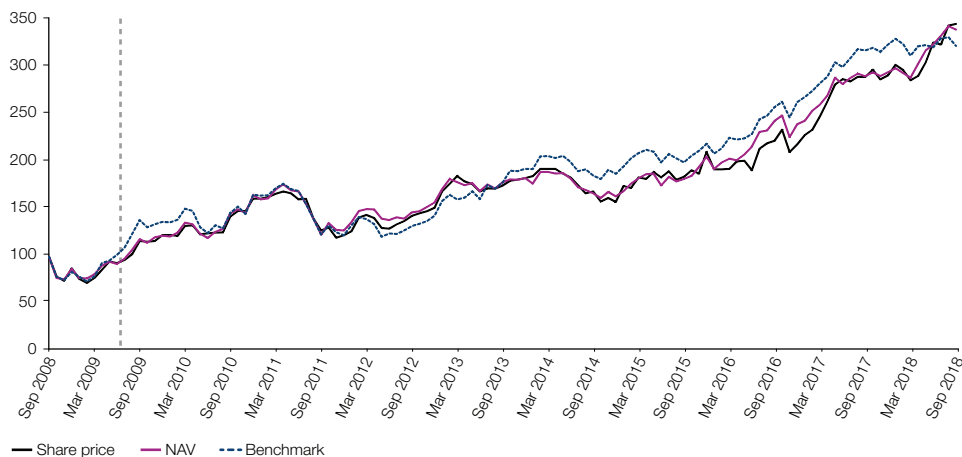
- > Net asset value ('NAV') per Ordinary Share +17.5%
- > Share price +20.6%
- > Benchmark index (capital return) +3.3%
- > Total assets +7.8% (£186.4 million)

	As at 30 September 2018	As at 31 March 2018
Net assets ('000s)	<b>£177,139</b>	£150,776
NAV per Ordinary Share	<b>1,058.6p</b>	901.1p
Ordinary Share Price	<b>965.0p</b>	800.0p
Discount <sup>(1)</sup>	<b>8.8%</b>	11.2%
Gearing <sup>(1)</sup>	<b>0.1%</b>	0.6%

<sup>(1)</sup> Refer to Alternative Performance Measures on page 14.

## NAV, Share Price and Benchmark Index 10 year performance graph

rebased to 100 at 30 September 2008



- - - From 5 September 2006, the benchmark was the MSCI Europe SmallCap Index. The benchmark was changed on 1 June 2009 to the MSCI Europe SmallCap (ex UK) Index in Sterling terms.

# Chairman's Statement

## Performance

The first six months of the fiscal year saw the MSCI Europe SmallCap (ex UK) Index (the "Benchmark") rise by 3.3% in Sterling terms. Despite this muted performance by European smaller companies as a whole, the NAV return of the Company was exceptionally strong, rising by 17.5%. Shareholders also benefitted from a narrowing of the discount from 11.2% to 8.8%. As a result, the share price of the Company rose by 20.6% during this period.

Since the period end, global equity markets have weakened and the shares of European smaller companies have been no exception to this, with the benchmark falling by 11.6% in sterling terms and the NAV of the Company by 12.8%.

## Earnings and Dividends

Revenue earnings per share for the period were 9.1p (2017: 10.0p). The Board has declared an unchanged interim dividend of 1.75p per Ordinary Share payable on 4 January 2019 to shareholders on the register on 7 December 2018.

## Borrowings

The Company refinanced its borrowings in mid-September and reduced the fixed level of debt from €25 million at an average cost of 2.11% per annum to €10 million at a lower rate of annual interest of 1.33% fixed for five years. In addition, the Company also entered into a five year revolving credit facility for €15 million, which has not been drawn down.

At the end of the period, the Company had gearing, net of cash, of 0.1% compared to 0.6% at 31 March 2018.

## The Board

After 26 years on the Board and 14 years as Chairman, Andy Irvine retired following the conclusion of the Annual General Meeting on 29 August 2018. I was honoured to accept the Board's invitation to become Chairman. Andy

has been a truly exceptional Chairman for the Company and its shareholders and I would like to thank him for his dedication and service.

Bruce Graham and Alex Hammond-Chambers also retired following the Annual General Meeting. I would also like to thank Bruce and Alex for their outstanding contribution, sound advice and commitment to the Company over many years.

## Outlook

Your portfolio consists of some of the highest quality, growing companies in Europe. The last six months have seen such companies significantly outperform relative to those at the lower quality, "value" end of the market, as uncertainties around global trade, economic growth and geopolitics have risen. While some of this outperformance has been driven by better than expected earnings growth, relative valuations have also widened. Given this, it would be unrealistic to expect the level of outperformance we have seen so far this year to continue at this pace.

Nevertheless, we believe that a focus on high quality, growing companies will continue to deliver strong absolute and relative returns for shareholders over the long term. While rising bond yields have already led to a degree of turbulence across world equity markets, the global economy is growing and companies, particularly the smaller more entrepreneurial ones, of the type the portfolio holds, continue to innovate. The companies in your portfolio are delivering high returns on capital while maintaining strong balance sheets and investing for the future. We sleep better at night knowing that your money is invested in solid businesses led by strong, highly experienced management teams.

## R M CURLING

Chairman  
29 November 2018

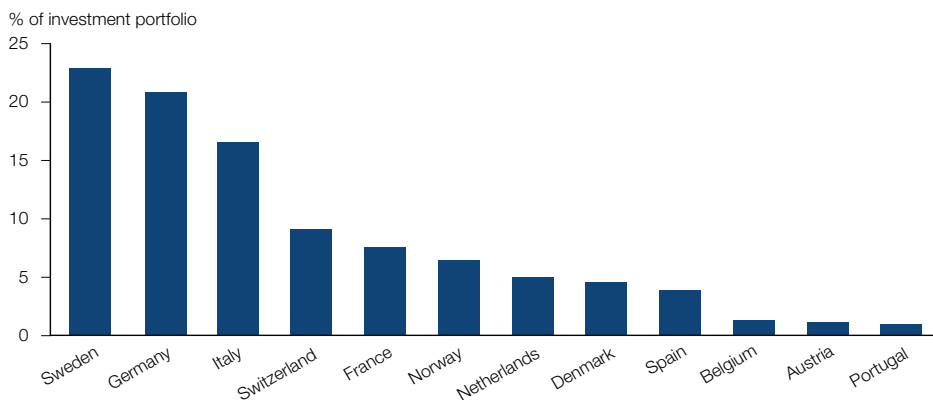
## Portfolio Summary

Twenty Largest Holdings  
as at 30 September 2018

Holding	Country	Value £'000	% of investment portfolio*	% of net assets
Startorius Stedim	France	6,306	3.6%	3.6%
MTU Aero Engines	Germany	6,067	3.4%	3.4%
IMCD	Netherlands	5,972	3.4%	3.4%
CTS Eventim	Germany	5,332	3.0%	3.0%
Cerved Information Solutions	Italy	4,921	2.8%	2.8%
Recordati	Italy	4,675	2.6%	2.6%
VZ Holdings	Switzerland	4,569	2.6%	2.6%
Rational	Germany	4,432	2.5%	2.5%
SimCorp	Denmark	4,320	2.4%	2.4%
Merlin Properties	Spain	4,161	2.3%	2.3%
Elekta	Sweden	4,141	2.3%	2.3%
Brembo	Italy	4,019	2.3%	2.3%
AAK	Sweden	3,986	2.2%	2.2%
Christian Hansen	Denmark	3,885	2.2%	2.2%
Belimo	Switzerland	3,666	2.1%	2.1%
Marr	Italy	3,594	2.0%	2.0%
Industria Macchine Automatiche	Italy	3,532	2.0%	2.0%
Avanza	Sweden	3,494	2.0%	2.0%
Burckhardt Compression	Switzerland	3,482	2.0%	2.0%
Orpea	France	3,462	1.9%	2.0%
<b>Twenty Largest Holdings</b>		<b>88,016</b>	<b>49.6%</b>	<b>49.7%</b>

\* Does not include cash of £8.4 million at 30 September 2018

## Geographical Analysis as at 30 September 2018



Source: Montanaro Asset Management Limited.

# Statement of Comprehensive Income (unaudited)

for the six months ended 30 September 2018

Notes	Six months to 30 September 2018			Six months to 30 September 2017			Year to 31 March 2018 (Audited)			
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	
<b>Gains on</b>										
	investments									
		held at fair value								
	-	26,539	26,539	-	15,791	15,791	-	15,962	15,962	
	Exchange gains/(losses)									
	-	34	34	-	(254)	(254)	-	(284)	(284)	
	-	26,573	26,573	-	15,537	15,537	-	15,678	15,678	
<b>Revenue</b>										
	3	2,363	-	2,363	2,485	-	2,485	3,094	-	3,094
	<b>Total income</b>									
	2,363	26,573	28,936	2,485	15,537	18,022	3,094	15,678	18,772	
<b>Expenditure</b>										
	4	(245)	(454)	(699)	(217)	(403)	(620)	(442)	(821)	(1,263)
	Other expenses									
	(336)	-	(336)	(311)	-	(311)	(667)	-	(667)	
	<b>Total expenditure</b>									
	(581)	(454)	(1,035)	(528)	(403)	(931)	(1,109)	(821)	(1,930)	
<b>Profit before finance costs and tax</b>										
	1,782	26,119	27,901	1,957	15,134	17,091	1,985	14,857	16,842	
	Finance costs									
	(84)	(155)	(239)	(91)	(168)	(259)	(179)	(333)	(512)	
	<b>Profit before tax</b>									
	1,698	25,964	27,662	1,866	14,966	16,832	1,806	14,524	16,330	
	Tax									
	(170)	-	(170)	(191)	-	(191)	(223)	-	(223)	
	<b>Total comprehensive income</b>									
	1,528	25,964	27,492	1,675	14,966	16,641	1,583	14,524	16,107	
	<b>Return per share</b>									
	5	9.1p	155.2p	164.3p	10.0p	89.4p	99.4p	9.5p	86.8p	96.3p

The total column of this statement represents the Company's Income Statement and Statement of Comprehensive Income, prepared in accordance with IFRS.

The supplementary revenue return and capital return columns are both prepared under guidance published by the Association of Investment Companies.

All revenue and capital items in the above statement derive from continuing operations.

No operations were acquired or discontinued during the period.

# Balance Sheet (unaudited)

as at 30 September 2018

	Notes	As at 30 September 2018 £'000	As at 30 September 2017 £'000	As at 31 March 2018 (Audited) £'000
<b>Non-current assets</b>				
Investments held at fair value through profit and loss	7	177,338	154,650	151,728
<b>Current assets</b>				
Trade and other receivables		638	585	578
Cash and cash equivalents		8,391	18,798	20,574
		9,029	19,383	21,152
<b>Total assets</b>		<b>186,367</b>	174,033	172,880
<b>Current liabilities</b>				
Trade and other payables		(341)	(434)	(201)
Interest-bearing bank loans	8	–	(21,996)	(21,903)
		(341)	(22,430)	(22,104)
<b>Non-current liabilities</b>				
Interest-bearing bank loans	8	(8,887)	–	–
<b>Total liabilities</b>		<b>(9,228)</b>	(22,430)	(22,104)
<b>Net assets</b>		<b>177,139</b>	151,603	150,776
<b>Capital and reserves</b>				
Called-up share capital		8,724	8,724	8,724
Share premium account		5,283	5,283	5,283
Capital redemption reserve		2,212	2,212	2,212
Capital reserve		156,880	131,358	130,916
Revenue reserve		4,040	4,026	3,641
<b>Shareholders' funds</b>		<b>177,139</b>	151,603	150,776
<b>Net asset value per share</b>	9	<b>1,058.6p</b>	906.0p	901.1p

## Statement of Changes in Equity (unaudited)

for the six months ended 30 September 2018

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 1 April 2018	8,724	5,283	2,212	130,916	3,641	150,776
Total comprehensive income	–	–	–	25,964	1,528	27,492
Dividends paid	–	–	–	–	(1,129)	(1,129)
<b>Balance at 30 September 2018</b>	<b>8,724</b>	<b>5,283</b>	<b>2,212</b>	<b>156,880</b>	<b>4,040</b>	<b>177,139</b>

for the six months ended 30 September 2017

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 1 April 2017	8,724	5,283	2,212	116,392	3,439	136,050
Total comprehensive income	–	–	–	14,966	1,675	16,641
Dividends paid	–	–	–	–	(1,088)	(1,088)
<b>Balance at 30 September 2017</b>	<b>8,724</b>	<b>5,283</b>	<b>2,212</b>	<b>131,358</b>	<b>4,026</b>	<b>151,603</b>

for the year ended 31 March 2018 (Audited)

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 1 April 2017	8,724	5,283	2,212	116,392	3,439	136,050
Total comprehensive income	–	–	–	14,524	1,583	16,107
Dividends paid	–	–	–	–	(1,381)	(1,381)
<b>Balance at 31 March 2018</b>	<b>8,724</b>	<b>5,283</b>	<b>2,212</b>	<b>130,916</b>	<b>3,641</b>	<b>150,776</b>



## Condensed Statement of Cash Flows (unaudited)

for the six months ended 30 September 2018

	Six months to 30 September 2018 £'000	Six months to 30 September 2017 £'000	Year to 31 March 2018 (Audited) £'000
Net cash inflow from operating activities	2,185	8,595	11,039
Cash outflow from financing activities	(14,784)	(1,331)	(1,859)
	(12,599)	7,264	9,180
Exchange gains	416	390	250
<b>(Decrease)/increase in cash and cash equivalents</b>	<b>(12,183)</b>	<b>7,654</b>	<b>9,430</b>
<b>Reconciliation of profit before finance costs and tax to net cash inflow from operating activities</b>			
Profit before finance costs and tax	27,901	17,091	16,842
Gains on investments held at fair value	(26,539)	(15,791)	(15,962)
Exchange (gains)/losses	(34)	254	284
Withholding tax	(232)	(303)	(325)
Purchases of investments	(22,550)	(19,925)	(26,404)
Sales of investments	23,479	27,099	36,627
Changes in working capital and other non-cash items	160	170	(23)
<b>Net cash inflow from operating activities</b>	<b>2,185</b>	<b>8,595</b>	<b>11,039</b>

## Statement of Principal Risks and Uncertainties

Most of the principal risks that could threaten the Company's objective, strategy, future returns and solvency are market related and comparable to those of other investment trusts investing primarily in quoted securities.

The principal risks faced by the Company are investment and strategic, gearing, financial, discount volatility, regulatory, operational and manager risks. These risks, and the way in which they are mitigated, are described in more detail under the heading Principal Risks and Uncertainties and Risk Mitigation within the Business Model and Strategy in the Company's Annual Report for the year ended 31 March 2018. The Company's principal risks and uncertainties have not changed materially since the date of that report and are not expected to change materially for the remaining six months of the Company's financial year.

## Directors' Responsibility Statement

in respect of the Interim Report

We confirm that to the best of our knowledge:

- the condensed set of financial statements has been prepared in accordance with IAS 34 'Interim Financial Reporting' and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company;
- the Chairman's Statement (constituting the Interim Management Report) includes a fair review of the information required by the Disclosure Guidance and Transparency Rules ('DTR') 4.2.7R, being an indication of important events that have occurred during the first six months of the financial year and their impact on the financial statements;
- the Statement of Principal Risks and Uncertainties shown above is a fair review of the information required by DTR 4.2.7R; and
- the Chairman's Statement together with the condensed set of financial statements include a fair review of the information required by DTR 4.2.8R, being related party transactions that have taken place in the first six months of the financial year and that have materially affected the financial position or performance of the Company during the period, and any changes in the related party transactions described in the last Annual Report that could do so.

On behalf of the Board,

**R M CURLING**

Director

29 November 2018

## Notes to the Accounts

- The condensed unaudited financial statements have been prepared in accordance with International Financial Reporting Standard ('IFRS') IAS 34 'Interim Financial Reporting' and the accounting policies set out in the statutory accounts of the Company for the year ended 31 March 2018. The condensed financial statements do not include all of the information required for a complete set of IFRS financial statements and should be read in conjunction with the financial statements of the Company for the year ended 31 March 2018, which were prepared under full IFRS requirements, to the extent that they have been adopted by the European Union.
- Earnings for the first six months should not be taken as a guide to the results for the full year.
- Income for the period is derived from:

	Six months to 30 September 2018 £'000	Six months to 30 September 2017 £'000	Year ended 31 March 2018 £'000
Overseas dividend income	<b>2,363</b>	2,485	3,094

- Management expenses:

	Six months to 30 September 2018			Six months to 30 September 2017			Year ended 31 March 2018		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Investment management fee	<b>236</b>	<b>438</b>	<b>674</b>	208	387	595	424	789	1,213
AIFM fee	<b>9</b>	<b>16</b>	<b>25</b>	9	16	25	18	32	50
	<b>245</b>	<b>454</b>	<b>699</b>	217	403	620	442	821	1,263

The Company's Investment Manager is Montanaro Asset Management Limited ('MAM'). MAM receives an investment management fee of 0.9% per annum of the Company's market capitalisation (payable monthly in arrears).

MAM is also entitled to a fee of £50,000 per annum for acting as the Company's AIFM.

- Earnings per Ordinary Share is based on a weighted average of 16,733,260 Ordinary Shares in issue during the period (year ended 31 March 2018: 16,733,260 and six months ended 30 September 2017: 16,733,260), excluding those shares bought back and held in treasury.

## Notes to the Accounts continued

6. The interim dividend relating to the year ending 31 March 2019 of 1.75p per Ordinary Share will be paid on 4 January 2019 to shareholders on the register on 7 December 2018. In accordance with IFRS, this dividend has not been recognised in these financial statements. The ex-dividend date for this payment is 6 December 2018.

A final dividend relating to the year ended 31 March 2018 of 6.75p per Ordinary Share was paid during the six months to 30 September 2018 and amounted to £1,129,000.

7. Investments at Fair Value Through Profit and Loss:

	30 September 2018 £'000	30 September 2017 £'000	31 March 2018 £'000
Opening book cost	93,523	89,157	89,157
Holding gains	58,205	56,832	56,832
Opening fair value	151,728	145,989	145,989
Purchases at cost	22,550	19,969	26,404
Sales – proceeds	(23,479)	(27,099)	(36,627)
– gains on sales	9,683	10,306	14,589
Holding gains	16,856	5,485	1,373
Closing fair value	177,338	154,650	151,728
Closing book cost	102,277	92,333	93,523
Holding gains	75,061	62,317	58,205
<b>Closing valuation</b>	<b>177,338</b>	154,650	151,728

8. Interest-Bearing Bank Loans:

	30 September 2018 £'000	30 September 2017 £'000	31 March 2018 £'000
Opening balance	21,903	21,335	21,335
Loan repaid during the period	(13,413)	–	–
Amortisation of set-up costs	15	17	34
Non-cash foreign currency movements	382	644	534
	<b>8,887</b>	21,996	21,903

The Company's fixed rate loan facilities totalling €25 million matured on 13 September 2018. The Company refinanced €10 million by entering into a five year secured loan at a fixed rate of 1.33% per annum with ING Bank N.V. This loan will mature on 13 September 2023. The Company's other fixed rate loan totalling €15 million was repaid. The Company has also entered into a five year revolving credit facility with ING, for €15 million.

## 8. (continued)

Under the bank covenants relating to these facilities, the Company is to ensure that at all times the total borrowings of the Company do not exceed 40% of the Adjusted Net Asset Value (as defined in the facility agreements) and that the Adjusted Net Asset Value does not fall below £45 million. The Company met all covenant conditions during the period.

The fair value of the fixed rate loans is show in note 10.

9. The net asset value per Ordinary Share is based on 16,733,260 Ordinary Shares in issue at the end of the period (31 March 2018: 16,733,260 and 30 September 2017: 16,733,260), excluding those shares bought back and held in treasury. As at 30 September 2018 there were 715,000 Ordinary Shares held in treasury (31 March 2018: 715,000 and 30 September 2017: 715,000).

10. The Company held the following categories of financial instruments at the period end:

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
<b>30 September 2018</b>				
Investments	177,338	–	–	177,338
Loans	–	(8,883)	–	(8,883)
<b>30 September 2017</b>				
Investments	154,650	–	–	154,650
Loans	–	(22,209)	–	(22,209)
<b>31 March 2018</b>				
Investments	151,728	–	–	151,728
Loans	–	(22,002)	–	(22,002)

The table above provides an analysis of financial instruments based on the fair value hierarchy described below and which reflects the reliability and significance of the information used to measure their fair value. The levels are determined by the lowest significant applicable input:

**Level 1** reflects financial instruments quoted in an active market.

**Level 2** reflects financial instruments whose fair value is evidenced by comparison with other observable current market transactions in the same instrument or based on a valuation technique whose variables include only observable market data.

**Level 3** reflects financial instruments whose fair value is determined in whole or in part using a valuation technique based on assumptions that are not supported by prices from observable market transactions in the same instrument and not based on available observable market data.

## Notes to the Accounts continued

### 10. (continued)

There were no transfers between levels during the period ended 30 September 2018 (year ended 31 March 2018 and period ended 30 September 2017: none).

Listed investments held (see note 7) are valued at fair value through profit or loss. For listed securities this is either bid price or the last traded price depending on the convention of the exchange on which the investment is listed. The fair value of the loans is calculated using a discounted cash flow technique based on relevant current interest rates compared to their value as stated on the Balance Sheet at amortised cost of £8,887,000 (31 March 2018: £21,903,000 and 30 September 2017: £21,996,000). The fair value of all other financial assets and liabilities is represented by their carrying value in the Balance Sheet shown on page 5.

Other aspects of the Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 31 March 2018.

### 11. Rates of exchange (to Sterling):

	30 September 2018	31 March 2018
Danish Krone	<b>8.37</b>	8.50
Euro	<b>1.12</b>	1.14
Norwegian Krone	<b>10.62</b>	11.01
Swedish Krona	<b>11.60</b>	11.75
Swiss Franc	<b>1.27</b>	1.34

12. The Board has considered the requirements of IFRS 8 '*Operating Segments*'. The Board is of the view that the Company is engaged in a single segment of business, of investing in European quoted smaller companies, and that therefore the Company has only a single operating segment. The Board of Directors, as a whole, has been identified as constituting the chief operating decision maker of the Company. The key measure of performance used by the Board to assess the Company's performance is the total return on the Company's net asset value, as calculated under IFRS, and therefore no reconciliation is required between the measure of profit or loss used by the Board and that contained in the financial statements.

### 13. Going Concern:

In assessing the going concern basis of accounting, the Directors have had regard to the guidance issued by the Financial Reporting Council and have undertaken a rigorous review of the Company's ability to continue as a going concern. They have considered the current cash position of the Company, the availability of the borrowing facilities to 13 September 2023, compliance with their covenants, the Company's other liabilities and forecast revenues. The Directors have also taken into account the Company's investment policy, which is subject to regular Board monitoring processes and is designed to ensure that the Company is invested mainly in liquid, listed securities. The Company retains title to all assets held by its custodian and has financial covenants, relating to its bank borrowings with which it complied during the period.

The Directors believe, in light of the controls and review processes noted above and bearing in mind the nature of the Company's business and assets and liabilities, that the Company has adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of the accounts. For this reason, they continue to adopt the going concern basis in preparing the accounts.

14. These are not statutory accounts in terms of Section 434 of the Companies Act 2006 and have not been audited or reviewed by the Company's Auditor. The information for the year ended 31 March 2018 has been extracted from the latest published financial statements and which have been filed with the Registrar of Companies. The auditor's report on those accounts was not qualified, did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying the report and did not contain statements under section 498 (2) or (3) of the Companies Act 2006. No statutory accounts in respect of any period after 31 March 2018 have been reported on by the Company's Auditor or delivered to the Registrar of Companies.

## Alternative Performance Measures (“APMs”)

The Company uses the following APMs:

### **Discount (or Premium)**

If the share price of an Investment Trust is less than its Net Asset Value per share, the shares are trading at a discount. If the share price is greater than the Net Asset Value per share, the shares are trading at a premium.

### **Gearing**

Unlike open-ended investment companies, Investment Trusts have the ability to borrow to invest. This term is used to describe the level of borrowings that an Investment Trust has undertaken, and is stated as a percentage of shareholders' funds. The higher the level of borrowings, the higher the gearing ratio. Gearing is calculated as total liabilities less current assets divided by net assets.



# Shareholder Information

## Dividends

Shareholders who wish to have dividends paid directly into a bank account rather than by cheque to their registered address can complete a Mandate Form for this purpose. Mandates can be obtained from Equiniti Limited on request at the address shown on page 16.

## Change of Address

Communications with shareholders are mailed to the address shown on the share register. In the event of a change of address or other amendment this should be notified to Equiniti Limited under the signature of the registered holder.

## Frequency of Net Asset Value ('NAV') Publication

The Company's NAV is released to the London Stock Exchange on a daily basis.

## ISA Status

The Company's shares are fully eligible for inclusion in ISAs.

## AIC

The Company is a member of the Association of Investment Companies ('AIC').

## Share Savings Scheme

UK residents can invest in the Company's shares through savings plans which are administered by Alliance Trust Savings Limited ('ATS'). ATS provides and administers a range of self-select investment plans, including tax-advantaged ISAs, JISAs and SIPP's, and First Steps, an investment plan for children. More information can be obtained by contacting ATS on **01382 573 737** or visiting **[www.alliancetrustsavings.co.uk](http://www.alliancetrustsavings.co.uk)**.

## Sources of Further Information

The Company's share price is listed in the Financial Times under Investment Companies, and in other newspapers. Information on the Company is also available on the Manager's website: **[www.montanaro.co.uk](http://www.montanaro.co.uk)**.

### **Warning to Shareholders – Beware of Share Fraud**

**Fraudsters use persuasive and high-pressure tactics to lure investors into scams. They may offer to sell shares that turn out to be worthless or non-existent, or to buy shares at an inflated price in return for an upfront payment.**

**If you are approached by fraudsters please tell the Financial Conduct Authority ('FCA') by using the share fraud reporting form at [www.fca.org.uk/scams](http://www.fca.org.uk/scams) where you can find out more about investment scams. You can also call the FCA Consumer Helpline on 0800 111 6768. If you have already paid money to share fraudsters you should contact Action Fraud on 0300 123 2040.**

## Directors and Advisers

### Directors

A R Irvine (retired 29 August 2018)  
 R M Curling (Chairman)  
 R B M Graham (retired 29 August 2018)  
 R A Hammond-Chambers  
 (retired 29 August 2018)  
 C A Roxburgh  
 M R Somerset Webb

### Investment Manager and Alternative Investment Fund Manager ('AIFM')

MONTANARO ASSET  
 MANAGEMENT LIMITED  
 53 Threadneedle Street  
 London EC2R 8AR  
 Tel: 020 7448 8600  
 Fax: 020 7448 8601  
[www.montanaro.co.uk](http://www.montanaro.co.uk)

### Company Secretary, Administrator and Registered Office

BMO INVESTMENT BUSINESS LIMITED\*  
 Quatermile 4  
 7a Nightingale Way  
 Edinburgh EH3 9EG  
 Tel: 020 7628 8000  
 Fax: 0131 225 2375

### Registrar

EQUINITI LIMITED  
 Aspect House  
 Spencer Road  
 Lancing  
 West Sussex BN99 6DA

Registrar's Shareholder Helpline  
 Tel: 0371 384 2030\*\*

Registrar's Broker Helpline  
 Tel: 0906 559 6025

\* F&C Investment Business Limited changed its name to BMO Investment Business Limited effective 31 October 2018.

\*\* Lines are open 8.30am to 5.30pm, Monday to Friday, excluding public holidays in England and Wales.

### Stockbroker

CENKOS SECURITIES PLC  
 6.7.8 Tokenhouse Yard  
 London EC2R 7AS

### Depository and Custodian

THE BANK OF NEW YORK MELLON  
 (INTERNATIONAL) LIMITED  
 One Canada Square  
 London E14 5AL

### Banker

ING BANK N.V. (LONDON BRANCH)  
 60 London Wall  
 London EC2M 5TQ

### Auditor

ERNST & YOUNG LLP  
 Atria One  
 144 Morrison Street  
 Edinburgh EH3 8EX

### Solicitor

DICKSON MINTO W.S.  
 16 Charlotte Square  
 Edinburgh EH2 4DF

### Montanaro European Smaller Companies Trust plc

Registered in Scotland No. SC074677

An investment company as defined under  
 Section 833 of the Companies Act 2006.



Montanaro European Smaller Companies Trust plc  
53 Threadneedle Street  
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Website: [www.montanaro.co.uk](http://www.montanaro.co.uk)