

Invesco Perpetual UK Smaller Companies Investment Trust plc

As at 31 March 2012



Investment objective

Invesco Perpetual UK Smaller Companies Investment Trust plc aims to achieve long-term total return for its shareholders via an investment vehicle which gives access to a broad cross section of small to medium sized UK quoted companies. Further details of the investment trust's Asset Allocation and Risk Diversification Policy can be found in the Report of the Directors contained within the investment trust's Annual Financial Report.

Key facts

Ticker	IPU/LON
Total Gross Assets	£142.4m
Ordinary Shares:	
Mid Market Price	211.5p
Capital Net Asset Value	251.8p
Cum-Income NAV	256.4p
Discount to Cum-Income NAV	17.5%
Total Dividend	4.3p
Dividend Yield	2.0%
Gross Gearing ²	4%
TER	0.9% (31-Jan-11)

This investment trust is also subject to performance fees; please refer to the latest Annual Financial Report for details.

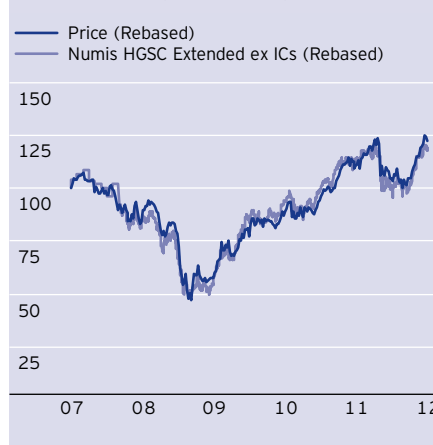
² 'Gross Gearing' reflects borrowings' drawn down. A nil gearing percentage or 'nil' means that the Company has no gearing.

The Manager may use gearing to take advantage of anticipated market strength, or special situations. The Company has authority to borrow up to a maximum of 30% of net asset value or £25 million, whichever is the lesser. Currently the Company has an uncommitted overdraft facility of up to £20 million or 30% of net assets, whichever is the lesser.

Financial calendar

Year End	31 January
Annual Financial Report published	March/April
Half-Yearly Financial Report published	September
Interim Management Statements	May and November
Ordinary Share Dividends:	
Final Paid	May
Interim Paid	October
Annual General Meeting	May
Ratings: Best Invest Rating	★★★

Ordinary share price 5-year performance¹



Sector breakdown

Sector	%
Industrials	37.7
Technology	11.9
Financials	11.3
Consumer Services	9.0
Healthcare	8.8
Basic Materials	8.4
Oil & Gas	7.1
Consumer Goods	4.8
Telecommunications	1.0

Ordinary share price & NAV cumulative performance¹

	% growth				
	6 months	1 Year	3 Years	5 Years	10 Years
Share Price	16.9	12.7	111.3	22.5	184.5
Net Asset Value	17.0	7.3	104.3	20.1	168.3
Numis HGSC Extended ex ICs Index	19.6	5.6	114.9	18.7	166.5

Rolling 12-month NAV performance¹

	% growth				
	31.03.07	31.03.08	31.03.09	31.03.10	31.03.11
Net Asset Value	31.03.08	31.03.09	31.03.10	31.03.11	31.03.12
	-9.8	-34.9	58.1	20.5	7.3

Standardised rolling 12-month performance

	% growth				
	31.03.07	31.03.08	31.03.09	31.03.10	31.03.11
Ordinary Share Price	31.03.08	31.03.09	31.03.10	31.03.11	31.03.12
	-14.9	-31.9	54.8	21.2	12.7

Past performance is not a guide to future returns. The standardised past performance information is updated on a quarterly basis. Should you require up-to-date past performance information this is available on our website: www.invescoperpetual.co.uk/investmenttrusts or by contacting us.

Top 10 holdings

Company	% portfolio
Synergy Healthcare	3.3
Fenner	2.7
Babcock International	2.5
Dechra Pharmaceuticals	2.3
Diploma	2.0
RPC	1.7
Filtrona	1.7
RPS	1.6
Elementis	1.6
Micro Focus	1.6
Total	21.0

Performance figures in this leaflet have been calculated using bid to bid market values, on a sterling basis, inclusive of net reinvested income to 31 March 2012. Graph figures are at the end of the relevant month unless otherwise stated. Standardised past performance figures are as at 31 March 2012. Source Morningstar.

¹ All performance figures should be viewed in conjunction with the standardised rolling 12-month performance table. Source: Invesco Perpetual unless otherwise stated.

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Manager's report

Market commentary

The UK smaller companies sector registered further gains over the month with investor appetite for riskier assets continuing to dominate sentiment as it had done for much of the quarter. The lack of mining shares also helped smaller companies outperform relative to the UK's broader index of shares. The HGSC (ex IT) index added 1.63% for March.

The firmer trend in UK small company shares was in contrast to UK macroeconomic data which painted a picture of a weakening UK economy. Perhaps most prominent was news of a downward revision to UK fourth quarter growth in 2011. The revised 0.3% contraction in the economy (from a provisional 0.2%) revealed business investment, industrial production and services output all falling. The weaker data came hard on the heels of UK retail sales figures for February which showed a fall of 0.8% to be double analysts' estimates. Meanwhile, the Nationwide housing index registered its biggest fall in house prices for over two years.

Investment trust strategy

Against a backdrop of continuing low economic growth, we believe that it is appropriate for the fund to remain invested in quality companies with proven management skills and strong balance sheets. Companies which we think have the ability to generate superior margins, through specialist product offerings and high barriers to entry for their industries, are also prominent across our fund.

Additionally, we would expect companies which can help the government reduce expenditure, such as selective outsourcing firms, to do well. While we continue to be overweight relative to the benchmark in industrials, we are marginally increasing our exposure to good quality consumer stocks. We also remain overweight relative to the benchmark in the technology and healthcare sectors.

Investment trust history and structure

Invesco Perpetual UK Smaller Companies Investment Trust plc was launched in March 1988, and was formerly known as Berry Starquest plc. Perpetual took over the management of the investment trust on 1 March 1994. On 13 June 2002, following shareholder resolution, the investment trust's name changed to Invesco Perpetual UK Smaller Companies Investment Trust plc.

1,949,945 ordinary shares have been repurchased since 31 March 2011. The current number of ordinary shares in issue is 53,209,084.

The investment trust is authorised to buy up to 14.99% of its Ordinary Shares.

The Directors also obtained shareholder approval to authorise the allotment of up to 5% of the Company's issued share capital.

These authorities are renewed yearly to assist in discount control management. The current authorities were approved by shareholders at the 2011 AGM.

Shares in the investment trust are listed on the London Stock Exchange.

The investment trust is managed by Richard Smith and Jonathan Brown.

Important information

This factsheet has been approved for issue by Invesco Asset Management Limited, its Manager and Company Secretary.

The value of investments and any income will fluctuate (this may partly be as a result of exchange rate fluctuations) and investors may not get back the full amount invested. Current tax levels and reliefs may change. Depending on individual circumstances, this may affect investment returns. Past performance is not a guide to future returns. The market price of shares in investment trusts may not reflect their underlying net asset value.

As the Invesco Perpetual UK Smaller Companies Investment Trust plc is a smaller companies investment trust, investors should be prepared to accept a higher degree of risk than for a investment trust with a broader investment mandate.

50% of the annual management charge, finance costs and any performance-related fees which become payable will be deducted from the investment trust's capital, which may boost income but constrain or erode long-term capital growth.

When making an investment in an investment trust you are buying shares in a company that is listed on a stock exchange. The price of the shares will be determined by supply and demand. Consequently, the share price of an investment trust may be higher or lower than the underlying net asset value of the investments in its portfolio and there can be no certainty that there will be liquidity in the shares.

The information contained in this factsheet is selective and does not constitute an offer, or an invitation to subscribe for, or purchase, any securities. This document does not form part of any prospectus and application for shares should be considered only on the basis of a full prospectus.

Where Invesco Perpetual has expressed views and opinions, these may change.

Telephone calls may be recorded.

Detailed information on our investment trusts is available from the office of the Manager, Invesco Asset Management Limited. Authorised and regulated by the Financial Services Authority.

Further information

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www.invescoperpetual.co.uk/investmenttrusts

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