

Aberdeen European Smaller Companies Equity Fund

I Acc

Performance Data and Analytics to 31 July 2019



Objectives and investment policy

Objective: To increase the value of the shareholder's investment over the long term (capital growth).

Investment policy: The Fund invests 70% or more of its total net assets in equities from European smaller companies. These companies are generally those valued at less than €5 billion at the time of investment.

The Fund's equity investments can include equities and equity related securities that are issued by companies that are incorporated, or generate a significant part of their earnings, in Europe.

Performance (%)

	1 month	3 months	6 months	1 year	Annualised		
					3 years	5 years	Launch
Fund	0.23	7.87	18.84	6.19	17.98	13.79	12.63
Benchmark	1.08	3.10	10.32	-2.25	10.28	10.74	13.74
Difference	-0.85	4.77	8.52	8.44	7.69	3.05	-1.12
Sector average	2.04	4.28	12.43	-2.80	10.92	12.27	14.00
Sector ranking	13/14	2/14	1/14	1/14	1/13	5/12	10/12
Quartile	4	1	1	1	1	2	4

Discrete annual returns (%) - year ended 31/07

	2019	2018	2017	2016	2015
Fund	6.19	20.08	28.77	8.17	7.44

Calendar year performance (%)

	Year to date	2018	2017	2016	2015
Fund	29.17	-5.11	21.58	17.96	8.17
Benchmark	16.15	-13.09	22.34	19.14	15.61
Difference	13.02	7.98	-0.76	-1.18	-7.44
Sector average	18.87	-14.45	25.82	16.27	19.53
Sector ranking	1/14	1/13	11/14	5/14	13/13
Quartile	1	1	3	2	4

Performance Data: Share Class I Acc

Source: Lipper. Basis: Total return, NAV to NAV, net of annual charges, UK Net Income Reinvested.

These figures are gross of an initial charge: to the extent that this is paid, it will reduce performance from that shown.

The comparator shown may be used for risk monitoring and portfolio construction purposes, as well as to provide a performance comparator; it is not an integral part of the Objective and Investment Policy for the fund and should not be considered as such.

Past performance is not a guide to future results.

Fund manager's report

Pan-European small-cap equities rose modestly in July, amid mixed economic data and strong suggestions that the European Central Bank (ECB) was on the cusp of launching a new monetary stimulus programme to boost the Eurozone economy. Estimates suggest growth in the Eurozone halved in the second quarter, rising just 0.2%. The economies of Germany and Italy failed to grow at all as a result of the global industrial downturn. Data from France and Spain was also worse than expected, reinforcing calls for the ECB to take action. In the UK, Boris Johnson officially replaced Theresa May as the UK prime minister. Mr Johnson was adamant that the UK will leave the European Union on the 31 October deadline – with or without an exit deal. Brexit uncertainty caused the pound to fall to a two-year low against the dollar. On a positive note, the UK economy expanded by 0.3% in May, and industrial production was up 1.4% from April, an increase of 0.9% from a year ago.

In July, we introduced UK-listed private markets business Intermediate Capital into the portfolio. The business is benefiting from a structural increase in asset allocation into private markets, which helps increase its assets under management. This is occurring faster-than-expected by the market. The operating margin in the business is also improving ahead of expectations, due to the high operational gearing in the business model. We reduced our position in New Work (formerly, Xing) following a strong run in its share price. The business continues to grow well, as demand from corporate customers for Xing products remains robust due to the imbalance between supply and demand for skilled workers in the German market.

Top ten holdings

	Sector	%
AVEVA Group PLC	Information Technology	6.4
Interparfums SA	Consumer Staples	4.8
Amplifon SpA	Healthcare	4.1
Nemetschek SE	Information Technology	4.0
Dechra Pharmaceuticals PLC	Healthcare	3.3
DO & CO AG	Consumer Discretionary	3.3
New Work SE	Communication Services	3.3
Tecan Group AG	Healthcare	3.1
GRENKE AG	Financials	2.7
Victrix PLC	Materials	2.7
Total		37.7

Total number of holdings 47

Country breakdown

	%
United Kingdom	26.6
Germany	17.9
Switzerland	11.5
Italy	11.3
Sweden	10.2
France	6.9
Austria	6.8
United States	1.9
Denmark	0.9
Norway	0.6
Cash	5.4
Total	100.0

Sector breakdown

	%
Healthcare	20.1
Information Technology	18.5
Industrials	16.5
Financials	12.8
Consumer Discretionary	7.1
Consumer Staples	6.1
Communication Services	5.7
Other	7.8
Cash	5.4
Total	100.0

Key information

Benchmark ^a	EMIX SMALLER EUROPE
Sector	IA European Smaller Companies
Fund size	£ 65.2 m
Date of launch	1 October 2012 ^a
Investment team	Smaller Companies Equity
Fund advisory company	Aberdeen Asset Managers Limited
Historic Yield	0.77% (I Acc)

^a Prior to 31/10/09 the benchmark was HSBC Smaller Companies Europe ex UK.

Risk factors should be read in conjunction with all warnings and comments given in the prospectus for the fund. Please visit the attached link to our Jargon Buster which contains a glossary of terms used in this document > <http://glossary.aberdeen-asset.com/jargonbuster/>

www.aberdeenstandard.co.uk

Aberdeen European Smaller Companies Equity Fund

Fund risk statistics		
	3 years	5 years
Annualised Standard Deviation of Fund	12.60	12.05
Annualised Standard Deviation of Index	10.95	10.62
Beta	1.04	1.01
Sharpe Ratio	1.61	1.11
Annualised Tracking Error	5.27	5.47
Annualised Information Ratio	1.43	0.74
R-Squared	0.83	0.79

Source: Aberdeen Standard Investments, Total Return, Gross of Fees, BPSS, Datastream.

Please note that risk analytics figures are calculated on gross returns whereas the performance figures are based on net asset value (NAV) returns. In addition, the risk analytics figures lag the performance figures by a month.

Codes (I Acc)	
SEDOL	B0XWN58
ISIN	GB00B0XWN580
BLOOMBERG	ABESC12 LN
REUTERS	LP68179401
VALOREN	2516546

Additional information	
Fund type	OEIC
Domicile	United Kingdom
Currency	GBP
Registered for sale	Please refer to www.aberdeenstandard.com
Minimum investment	£500,000
Charges	Current initial 0.00%
Ongoing Charges Figure (OCF) ^c	0.87%
Price as at 31/07/19	225.33p
Deal closing time	12.00 noon (UK)
Daily valuation point	12.00 noon (UK)

Source: Simulated Ongoing charges Aberdeen Standard Investments as at 1 December 2018.

^cThe Ongoing Charge Figure (OCF), is the overall cost shown as a percentage of the value of the assets of the Funds. It is made up of the Annual Management Charge (AMC) of 0.75% and other charges. It does not include any initial charges or the cost of buying and selling stocks for the Funds. The Ongoing Charges figure can help you compare the annual operating expenses of different Funds.

Important information

Risk factors you should consider before investing:

- The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested.
- Exchange rates: The Fund may have holdings which are denominated in different currencies and may be affected by movements in exchange rates. Consequently, the value of the Fund's investments and the income from them may rise or fall in line with exchange rates.
- Smaller Companies: Shares of smaller companies may be more difficult to buy and sell than those of larger companies. This means that the Investment Manager may not be able to buy and sell at the best time or may suffer losses. This could reduce your returns.
- A full list of risks applicable to this Fund can be found in the Prospectus.

Other important information:

The Fund is a sub-fund of Aberdeen Investment Funds ICVC, an authorised open-ended investment company (OEIC). The Authorised Corporate Director is Aberdeen Standard Fund Managers Limited. Nothing herein constitutes investment, legal, tax or other advice and is not to be relied upon in making an investment or other decision. No recommendation is made, positive or otherwise, regarding individual securities mentioned. This is not an invitation to subscribe for shares in the Fund and is by way of information only. Subscriptions will only be received and shares issued on the basis of the current Prospectus, relevant Key Investor Information Document (KIID) and Supplementary Information Document (SID) for the Fund. These can be obtained free of charge from Aberdeen Standard Fund Managers Limited, PO Box 9029, Chelmsford, CM99 2WJ.

Aberdeen Standard Investments is a brand of the investment businesses of Aberdeen Asset Management and Standard Life Investments.

Issued by Aberdeen Asset Managers Limited which is authorised and regulated by the Financial Conduct Authority in the United Kingdom.

Broker desk 0800 592 487
Customer services 0345 300 2890
Dealing 0800 833 580

All sources (unless indicated): Aberdeen Standard Investments
31 July 2019.

www.aberdeenstandard.co.uk