

JPMorgan Smaller Companies Investment Trust plc

Monthly Update as at 31 May 2017

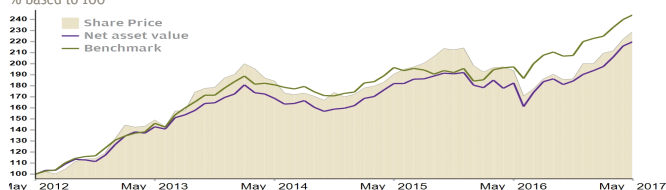
Overall Morningstar Rating™ (as at 31/05/17) ^A ★ ★ ★
Morningstar Category™ UK Small-Cap Equity

Management Commentary

The Company's share price outperformed the benchmark in May, while the net asset value performed in line. Key positive contributions came from Warpaint, a producer of value-orientated cosmetics and a recent initial public offering that we participated in. The company reported good results in the month, leading to a positive share price reaction. Victoria Plc, a leading UK carpet manufacturer, also benefited performance as shares continued to re-rate on the back of the ongoing industry consolidation. Not owning Lonmin, a platinum miner, also contributed positively as concerns grew over the company's balance sheet. OneSavings Bank was a key detractor after a private equity shareholder reduced its holding, causing some pressure on the share price.

CUMULATIVE PERFORMANCE ENDING MAY 2017

% based to 100



QUARTERLY ROLLING 12M ENDING MARCH 2017

%	2016/17	2015/16	2014/15	2013/14	2012/13
Share Price	7.7	9.4	-8.0	37.0	30.2
Net asset value ^B	11.2	8.8	-2.0	25.5	27.9
Benchmark	19.7	5.9	1.2	32.3	28.0

CUMULATIVE PERFORMANCE AS AT 31 MAY 2017

%	1 Y	3 Y	5 Y
Share price	18.5	24.5	129.4
Net asset value ^B	20.4	30.4	119.9
Benchmark	24.0	35.0	144.3

Past performance is not a guide to the future. J.P.Morgan/Morningstar. Net asset value performance data has been calculated on a NAV to NAV (using the cum income NAV with debt at fair) basis, including ongoing charges and any applicable fees, with any income reinvested, in GBP. Please note Benchmark Indices do not include fees or operating expenses and are not available for actual investment.

TOP 10 HOLDINGS AS AT 30 APRIL 2017

Holding	Sector	Weight
4IMPrint	Consumer Services	3.6%
McBride	Consumer Goods	3.0%
OneSavings Bank	Financials	2.9%
FDM	Technology	2.8%
Fevertree Drinks	Consumer Goods	2.8%
Fenner	Industrials	2.8%
JD Sports Fashion	Consumer Services	2.8%
Hill & Smith	Industrials	2.6%
Wincanton	Industrials	2.5%
Ricardo	Industrials	2.3%

INVESTMENT OBJECTIVE AND POLICY

Aims to provide capital growth from investing in UK smaller companies by outperformance of the FTSE Small Cap Index. The company will predominantly invest in quoted UK small companies from the FTSE Small Cap Index, although where appropriate, it may invest in similar sized UK companies listed on the Alternative Investment Market which is the London Stock Exchange market for smaller, growing companies. The company has the ability to use borrowing to gear the portfolio within the range of 10% net cash to 15% geared in normal market conditions.

KEY FACTS

Portfolio Manager(s)/Start date	Georgina Brittain (1998) Katen Patel (2014)
Dividends Paid	December
Benchmark	FTSE Small Cap (ex Inv Companies) (£)
Company Broker(s)	Winterflood Securities
Gross assets (as at 31/05/17)	GBP 225.5m
Share price (as at 31/05/17)	947.8p
Subscription share price	15.5p
Net asset value (NAV) (as at 31/05/17) ^B	1168.5p
Discount(-)/Premium	-18.9%
Total dividend for last financial year (per share)	11p
Financial year-end date	31 July
Prospective Dividend Yield ^C	1.9%
Potential gearing range	-10% to 15%
Actual gearing (as at 31/05/17) ^D	9.2%

COMPANY FEES & EXPENSES

Ongoing charges (comprises): ^E	1.19%
-Annual management fee	0.80% on gross assets upto £200m, 0.70% on gross assets over £200m
-Operating & administrative expenses	0.39%
Performance fee	No

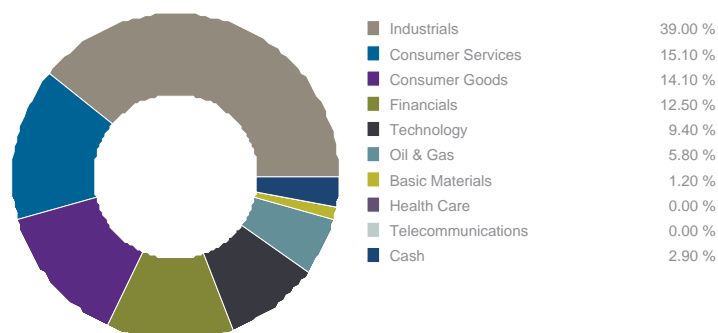
KEY RISKS

The value of investments and the income from them may fall as well as rise and investors may not get back the full amount invested. Please read the Risk Information, Explanatory Notes, Glossary of Terms and Important Information on the next page.

Any reference to companies/securities mentioned in this document is for information use only and should not be interpreted as investment advice or recommendation on those companies/securities. Any forecasts, figures, opinions, statements of financial market trends or investment techniques and strategies expressed are unless otherwise stated, J.P. Morgan Asset Management's own at the date of this document.

JPMorgan Smaller Companies Investment Trust plc

SECTOR BREAKDOWN AS AT 30 APRIL 2017 ^F



The Trust is an actively managed portfolio, holdings, sector weights, allocations and leverage, as applicable are subject to change at the discretion of the Investment Manager without notice.

COMPANY CODES

	Ordinary	Subscription
ISIN	GB0007416000	GB00BV7L8Z35
Sedol	0741600	BV7L8Z3
Bloomberg	JMI LN	JMIS LN
Reuters	JMI.L	-

GLOSSARY OF TERMS

BENCHMARK COMPARISON - Comparison of the Company's performance is made with the benchmark. The benchmark is a recognised index of stocks which should not be taken as wholly representative of the Company's investment universe. The Company's investment strategy does not follow or track this index and therefore there may be a degree of divergence between its performance and that of the Company.

CASH - Net current assets including investment in liquidity funds & treasury stocks (if held) and drawn revolving credit facilities (if any) with an original maturity of less than 1 year.

DISCOUNT / PREMIUM - If the share price of an investment company is lower than the net asset value (NAV) per share, the company is said to be trading at a discount. If the share price of an investment company is higher than the net asset value (NAV) per share, the company is said to be trading at a premium. The discount/premium is shown as a percentage of the NAV.

GEARING - Gearing represents the excess amount above shareholders' funds of total assets expressed as a percentage of the shareholders' funds. Total assets include total investments and net current assets/liabilities less cash/cash equivalents and excluding bank loans of less than one year. If the amount calculated is negative this is known as a 'net cash' position.

SECTOR / GEOGRAPHICAL BREAKDOWNS - These are expressed as a percentage of total portfolio and cash. Investments in liquidity funds will be shown as cash.

TOP 10 HOLDINGS - These are expressed as a percentage of total portfolio and cash. Investments in liquidity funds / treasury stocks will not be shown in the top 10 holdings.

CONVERSION OF SUBSCRIPTION SHARES

The company has subscription shares in issue which shareholders can choose to convert at a price of 915 pence on the last day of each month commencing 31 March 2015 and finishing 30 June 2017.

RISK INFORMATION

- External factors may cause an entire asset class to decline in value. Prices and values of all shares or all bonds could decline at the same time, or fluctuate in response to the performance of individual companies and general market conditions.
- This trust may utilise gearing (borrowing) which will exaggerate market movements both up and down.
- This trust may also invest in smaller companies which may increase its risk profile.
- The share price may trade at a discount to the Net Asset Value of the company.
- The single market in which the Trust primarily invests, in this case the UK, may be subject to particular political and economic risks and, as a result, the trust may be more volatile than more broadly diversified trusts.
- Companies listed on AIM tend to be smaller and early stage companies and may carry greater risks than an investment in a company with a full listing on the London Stock Exchange.

EXPLANATORY NOTES

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^BCum income only NAV with debt at par, diluted for treasury and/or subscription shares if applicable

^CSource: Morningstar. Prospective dividend yield is indicative and based on mid market prices, and include the declared and net prospective dividends for the current financial year.

^DGearing represents the excess amount above shareholders' funds of total investments (excluding liquidity fund holdings) expressed as a percentage of the shareholders' funds. If the amount calculated is negative, this is known as a "net cash" position.

^EOngoing charges are the management fee and all other operating expenses, excluding interest charges on any borrowing and any performance fee payable expressed as a percentage of the average daily net assets during the year. All figures are for the previous financial year.

^FNon-Benchmark holdings (where held) are classified in the appropriate sector/region. Cash is net current assets and holdings used as cash substitutes if applicable.

IMPORTANT INFORMATION

This factsheet is to provide you summary information about the Company and should not be taken as an advice or recommendation to buy or sell its shares. If you are not sure of suitability of our products for your investment needs, please contact a financial adviser. Please ensure reading important product documentation including Key Features and Terms and Conditions, Investor Disclosure Document and Annual Reports and Accounts.

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