

Temple Bar quarterly newsletter

Issue 22
October 2026



Dear investor,

Welcome to the latest issue of Temple Bar's quarterly newsletter.

To mark our centenary, the investment trust historian John Newlands has written a history of the trust. The full book will be available on our website in due course. Our latest feature article is a condensed account of some of the key events in the trust's first hundred years, told through the people who shaped it, including its founder Sir Alexander Roger, former chair Professor Roland Smith ('The Prof'), the trust's previous portfolio managers Chris Burvill and Alastair Mundy, and since 2020, current portfolio managers Ian Lance and Nick Purves of Redwheel.

For readers looking for an investment update, we also include a link to Ian and Nick's latest quarterly commentary covering the three months to 30 September 2026, and to a recent presentation from Nick at a Frostrow webinar. We also include a roundup of recent media coverage and information from the latest monthly factsheet.

Thank you for your continued support.

The Temple Bar team

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think Temple Bar.**

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The making of Temple Bar

To mark Temple Bar's centenary, the investment trust historian John Newlands has written a history of the trust. The full book will be available on our website in due course. What follows is a condensed account of some of the key events in the trust's first hundred years, told through the people who shaped it.

Sir Alexander Roger and the trust's telephonic roots

For its first 34 years, the trust was dominated by one man. Sir Alexander Roger, a self-made Aberdonian businessman, was already chairman of British Insulated Cables and The Automatic Telephone Manufacturing Company when the trust, originally called 'The Cable, Telephone and General Trust', was incorporated on 24 June 1926 – just weeks after the General Strike, during which he was called away by the government to take charge of the London docks.

A towering figure in the field of telephony, Roger foresaw the surging demand for automatic systems to replace manual telephone exchanges, at home and around the world. When Poland agreed in 1932 to convert its network, one of his companies supplied the cable, another installed the exchange equipment, and the trust financed the greater part of the deal. The pattern appears to have been repeated again and again.

This was all set against the uncompromising backdrop of the Great Depression. Yet the Wall Street Crash of 1929 had presented the young trust with as much of an opportunity as a threat – a key lesson of the crash and its aftermath was that the financial and business world needed more, and far better, communications.

Dividends continued without a break through the Second World War, but a change of direction came soon after. Clement Attlee's Labour government nationalised Cable & Wireless in 1947, and telephone exchanges overseas were starting to come under government ownership too. For a trust specialising in public utilities, this was an unhelpful development.

In response, and encouraged by tax changes that favoured dividends from shares over income from bonds, Roger set about reducing the trust's dependence on telephone exchanges and building, in its place, a diversified portfolio of UK-listed industrial shares. The shift was brought about by outside events, but it had a positive effect as the great post-war equity boom gathered pace.

A change of name, and ‘The Prof’

Roger retired in 1960 and was succeeded by his son, Alastair, who continued the move away from telephony. The last telephone operating company, in Jamaica, was sold in 1967, leaving the trust entirely invested in quoted securities under what was now a rather inappropriate name.

That same year, the trust moved its offices to Electra House, on Victoria Embankment. The Electra House Group provided secretarial and administrative services to a number of investment trusts, one of which was a very small vehicle, formed in 1931, called Temple Bar Investment Trust. In 1976, a deal was struck to combine the two, and on 19 August 1977, the older and larger trust took the smaller one’s name.

Professor Roland Smith had joined the board in 1975. Over his career, he chaired Harrods and House of Fraser, British Aerospace and, most famously, Manchester United. Known around the City as ‘The Prof’, he was chairman of Temple Bar from 1980 until 1999.



Professor Roland Smith – ‘The Prof’

One notable event of his chairmanship came in September 1992, when Barclays de Zoete Wedd, the owner of 5% of Temple Bar’s shares, made a hostile bid – not for the trust’s assets, but for the contract to manage them, then held by Guinness Flight. Smith fought hard, citing legal ambiguity and using his reputation as one of the UK’s most combative corporate heavyweights to persuade institutional shareholders to reject the deal.



Chris Burvill and the arrival of value

The bid failed. In its wake, and almost certainly because of it, Guinness Flight gave overall responsibility for the portfolio in 1993 to Chris Burvill, a 34-year-old recruited from Commercial Union specifically for the task. With hindsight, this was the point at which Temple Bar’s long association with the value investment style began.

Burvill set out his philosophy in an interview with The Times a few years later, in words that will sound familiar to shareholders today. He was looking, he said, for undervalued companies with a realistic chance of becoming more expensively rated.

“Isn’t everyone? Well actually, no. Many investors ignore cheap shares because they are worried about the current trading outlook. We try to look beyond that.”¹

— Chris Burvill

The internet bubble of the late 1990s brought the toughest of times for value managers. Yet as the boom surged and then collapsed, the trust outperformed the FTSE All-Share Index in each of the three years from 2000 to 2002.²



Alastair Mundy and the search for friendless stocks

In the second half of 2000, Alastair Mundy joined the team as Burvill’s assistant. Less than two years later, the board – not to mention Mundy himself – was surprised to learn that Burvill had been poached by Gartmore. Thrown in at the deep end, Mundy went on to manage Temple Bar for the next 18 years.

He came to be recognised as one of the UK’s most disciplined and uncompromising contrarian value investors, typically considering only stocks that had underperformed the market by at least 50% over the previous seven years. “We will continue our search for friendless stocks,” he wrote in 2004, “in the expectation that their popularity will increase over time.”³

Under Mundy, the trust went on to outperform over many years, growing in size and in standing as it did so. The global financial crisis – one of the most difficult market phases since the 1970s – interrupted that progress, but Temple Bar came through it well. By 2016, Trustnet was reporting that the trust had comfortably beaten both its benchmark and its peers under his management.⁴

The years after 2016 became more difficult for value investors, however, as capital, seemingly indifferent to valuation, continued to flow into growth stocks. Then came Covid.



Ian Lance, Nick Purves and a socially distanced beauty parade

The challenging market conditions that ensued as the pandemic swept across the world took their toll on the trust. In April 2020, Mundy was granted an extended leave of absence. He had, as the then chairman, Arthur Copple, later put it, “served your company with great dedication over very many years”.⁵

The board determined that it was time to act, and appointed Stanhope Capital to assist with a strategic review, not just of the trust’s management arrangements but also of its investment style.

With pandemic restrictions in place, most of the review’s meetings were held by video call. That summer, however, a shortlist of prospective managers, spanning a range of investment styles, was invited to present face to face – in the back garden of one of the directors, where social distancing could be observed. Ian Lance and Nick Purves of Redwheel were among them.

The board’s deliberations proved genuinely difficult. Beyond the boardroom, not everyone was persuaded that value remained the right answer, and it would have been considerably easier to follow the prevailing fashion. But the board took the view that the case for value investing remained robust, and that a period of underperformance, however painful, did not mean the discipline itself had failed.

Among the value managers it had considered, Lance and Purves were the standout choice. Having already worked together for nearly 15 years, they were appointed with effect from 30 October 2020 and swiftly set to work, seeking sound businesses whose shares they believed were, for one reason or another, modestly valued. Within days, news of a successful Covid vaccine heralded a major rally in value stocks. The timing was fortunate, perhaps. But in the years since, the trust has outperformed its benchmark, and the board’s decision to stick with value has been rewarded.⁶

A hundred years and counting

An article of this length cannot do justice to everyone who has played a role in Temple Bar’s history. Some fifty directors have served on the trust’s board over the past hundred years, and the full book finds room for them – as it does for episodes we have had to pass over, from the Kansas City undertaker who invented the automatic telephone exchange to the wartime annual report that shrank to a single folded sheet of paper.

John ends his history with the advantages the trust has enjoyed throughout – permanent capital, a closed-end structure, skilled active management and a watchful, independent board – and concludes that, with them, Temple Bar can survive and thrive for another hundred years and more. We hope that shareholders feel the same.

¹ Source: The Times, 22 June 2006

² Source: Temple Bar Annual Report, 2000-02

³ Source: Temple Bar Annual Report, 2003

⁴ Source: Trustnet, 15 January 2016

⁵ Source: Temple Bar Annual Report, 2020

⁶ Source: Temple Bar Annual Report, 2025

Other news

Awards

We are pleased to share the news that Temple Bar won 'Best PR Campaign' at The Association of Investment Companies (AIC) Shareholder Communication Awards 2026. The AIC praised Temple Bar for its effective 'Think Value Investing, Think Temple Bar' campaign, citing that "the clear and impactful campaign produced strong measurable results for the winner resulting in increased retail ownership across major investment platforms."



Meanwhile, the trust has also been shortlisted for two other industry awards in recent weeks.

Investment Week Investment Company of the Year Awards – 'UK Income' category

QuotedData Investors' Choice Awards - 'Best for long-term income' category



Half-year report 2026

Shareholders should already be aware that the trust's half-year report was released in August 2026. Please follow the QR code to find the latest chairman's statement, portfolio manager's report and much more...



Ageing well

"Temple Bar (TMPL) turned 100 earlier this year... The managers continue to take a contrarian approach, finding attractively valued stocks in a UK market that is cheap compared with peers. TMPL's portfolio is always changing. The managers are taking profits in financials, buying previously expensive consumer staples stocks, and looking at opportunities in IT services. This ongoing refresh supports the potential for future outperformance."

– QuotedData

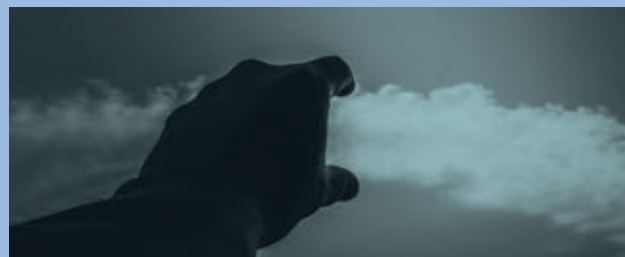


A new research note from QuotedData was published in August, exploring the ongoing attractions of the Temple Bar investment case as it marks its centenary year. Click on the QR code to read in full.



Frostrow webinar – September 2026

In September, Nick Purves provided an update on Temple Bar's progress at a webinar organised by Frostrow Capital.



Quarterly commentary – Q3 2026

Follow the QR code to find the latest commentary from the portfolio managers, covering market conditions and portfolio activity over the three months to the end of September 2026.



Positive media coverage of the trust has continued over the summer, with Ian and Nick's approach to value investing featured across a range of publications. A curated selection from this coverage is provided below.

TEMPLE BAR IN THE MEDIA

How to invest less in the US

– The Times

Where managers see risk and reward for the rest of the year

– Trustnet

How the top UK value funds differ

– Interactive Investor

James Carthew: The 'get rich quick' zeitgeist is hurting investors in the long run

– Citywire

Temple Bar investment trust: a new best-seller

– Fidelity

Temple Bar chair Charles Cade on boutiques and keeping activists at arm's length

– Investment Week

The top-performing investment trusts staging the quickest recovery

– Portfolio Adviser

Temple Bar: A century old bet on value investing

– The Armchair Trader

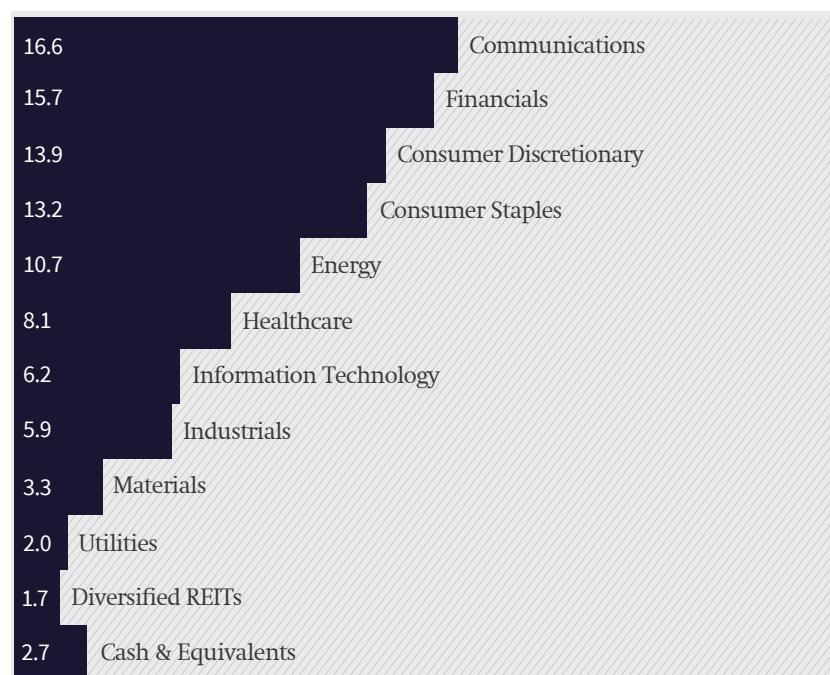
The Temple Bar portfolio

Data as at 30 September 2026



Top 10 equity holdings		(%)
WPP	Communications	4.9
Shell	Energy	4.8
BP	Energy	4.5
BT	Communications	4.3
NatWest	Financials	4.2
Marks & Spencer	Consumer Staples	4.2
ITV	Communications	3.6
Smith & Nephew	Healthcare	3.6
Aviva	Financials	3.6
Aberdeen	Financials	3.3
Total		41.0

Sector analysis (%)*



* Exposures expressed as a % of the gross assets (investments plus cash) of the Company.

Financial data

Gross Assets	£1,327.6m
Share price (p)	415.50
NAV (p) (cum income)*	412.21
Premium/(Discount), Cum income*	0.8%
Net yield (historical)	3.7%
Net yield (prospective)	3.8%
Net gearing*	2.0%

* Calculated with debt at fair value

Dividend history

Type	Amount (p)	XD date	Pay date
2nd interim – 2026	3.90	20.08.26	25.09.26
1st interim – 2026	3.90	28.05.26	26.06.26
4th interim – 2025	3.75	05.03.26	02.04.26
3rd interim – 2025	3.75	20.11.25	30.12.25

Performance (total return)

Past performance is not a guide to future performance. The value of investments and the income from them may fall as well as rise and is not guaranteed; an investor may receive back less than the original amount invested. This Company may not be appropriate for investors who plan to withdraw their money within the short to medium term.

Cumulative returns (%)

	Share price	NAV	FTSE All-Share
1 month	-1.2	-1.0	-1.9
3 months	7.4	7.8	2.4
3 year	99.4	85.7	53.9
5 year	139.5	115.3	68.2
10 year	180.0	151.6	118.4
Since 30.10.2020	276.5	240.7	123.7

Rolling 12 month returns (%)

	Share price	NAV	FTSE All-Share
30.09.25 - 30.09.26	21.1	21.2	16.8
30.09.24 - 30.09.25	40.0	29.1	16.2
30.09.23 - 30.09.24	17.6	18.7	13.4
30.09.22 - 30.09.23	22.8	23.1	13.8
30.09.21 - 30.09.22	-2.2	-5.8	-4.0

Performance, price and yield information is sourced from Frostrow Capital LLP.

Important information

Past performance is not a guide to the future. The price of investments and the income from them may fall as well as rise and investors may not get back the full amount invested. Forecasts and estimates are based upon subjective assumptions about circumstances and events that may not yet have taken place and may never do so.

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