

Trust Facts

Launch date: 1926

Wind-up date: None

Year end:
31 December

Dividends paid:
Quarterly in March, June,
September and December

AGM:
March

Benchmark:
FTSE All-Share

ISA status:
May be held in an ISA

Capital Structure:

Share class	No. in issue	Sedol
Ordinary	66,872,765	0882532

Debt:
9.875% Debenture Stock 2017 £25m
5.50% Debenture Stock 2021 £38m
4.05% Private Placement Loan 2028
£50m

Charges:
Ongoing charge: 0.49% (31.12.15)
Includes a management fee of 0.35%

Board of Directors:

John Reeve (Chairman)
Arthur Copple
Richard Jewson
June de Moller
Lesley Sherratt
David Webster

Auditors: Ernst & Young LLP

Investment Manager:
Investec Fund Managers Ltd

Registrars: Equiniti Ltd

Savings Scheme Administrator:
Equiniti Financial Services Ltd

Secretary:
Investec Asset Management Ltd

Stockbrokers: JPMorgan Cazenove

Depository & Custodian: HSBC Bank Plc

Trust Objective

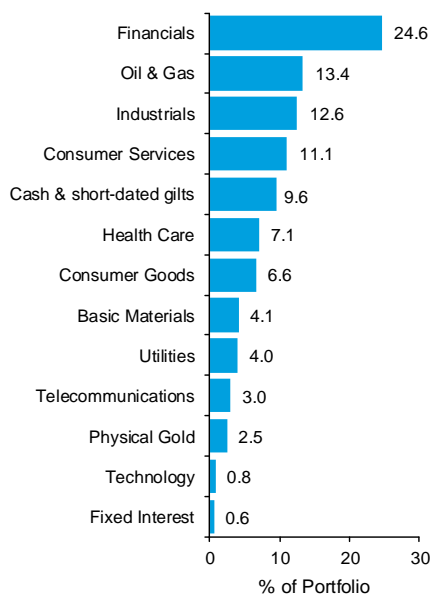
To provide growth in income and capital to achieve a long term total return greater than the benchmark FTSE All-Share Index, through investment primarily in UK securities. The Company's policy is to invest in a broad spread of securities with typically the majority of the portfolio selected from the constituents of the FTSE 350 Index.

Top Ten Equity Holdings (%)¹

HSBC Holdings Plc	7.8
GlaxoSmithKline Plc	7.1
BP Plc	7.0
Royal Dutch Shell Plc Class B	5.0
Grafton Group Plc	4.6
Lloyds Banking Group Plc	4.3
British American Tobacco Plc	4.0
Royal Bank of Scotland Group Plc	3.7
Direct Line Insurance Group Plc	3.1
BT Group Plc	3.0
Total	49.6

¹% of total assets, including cash

Sector Analysis



Financial Data

Total Assets (£m)	807.0
Share price (p)	1005.0
NAV (p) (ex income, debt at mkt)	1060.3
Premium/(Discount), Ex income (%)	(5.2)
NAV (p) (cum income, debt at mkt)	1076.2
Premium/(Discount), Cum income (%)	(6.6)
Historic net yield (%)	3.9

Dividend History

Type	Amount (p)	XD date	Pay date
Final	15.87	10-Mar-16	31-Mar-16
3rd interim	7.93	10-Dec-15	30-Dec-15
2nd interim	7.93	10-Sep-15	30-Sep-15
1st interim	7.93	11-Jun-15	30-Jun-15

Performance

Share Price % change

	Trust	FTSE All-Share ²
1 month	-4.5	-3.1
3 months	-6.9	-4.3
1 year	-14.3	-7.9
3 years	-6.8	1.5
5 years	13.0	9.6

²Capital return only

NAV total return % change

	Trust	FTSE All-Share ³
1 month	-3.4	-3.1
3 months	-4.3	-3.8
1 year	-6.7	-4.6
3 years	13.2	12.5
5 years	44.9	30.4

³Total return

Performance, Price and Yield information is sourced from Morningstar as at 31.01.16.

Past performance should not be taken as a guide to the future and dividend growth is not guaranteed. The value of your shares in Temple Bar and the income from them can fall as well as rise and you may lose money. This Trust may not be appropriate for investors who plan to withdraw their money within the short to medium term.

A portion (60%) of the Trust's management and financing expenses are charged to its capital account rather than to its income, which has the effect of increasing the Trust's income (which may be taxable) whilst reducing its capital to an equivalent extent. This could constrain future capital and income growth.

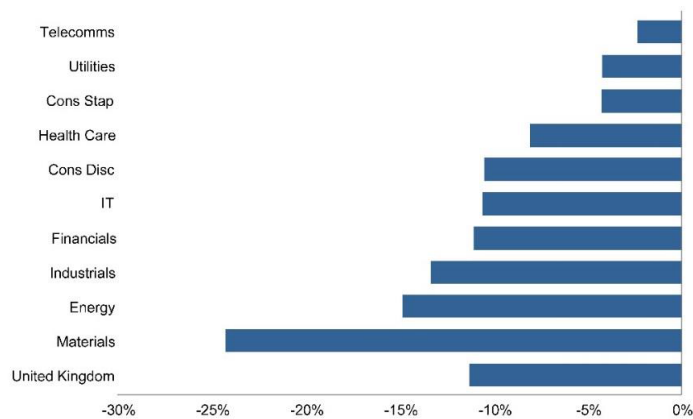
The effect of borrowings to finance the Trust's investments is to magnify the volatility of its price and potential capital gains and losses. We recommend that you seek independent financial advice to ensure this Trust is suitable for your investment needs.

Manager's Commentary

For those investors who use earnings upgrades as a comfort blanket, pickings are getting ever slimmer. With economic growth globally being downgraded, against the backdrop of mining and energy companies struggling against significant commodity price falls, and many financial stocks now reflecting a belief that interest rates will remain low for many years, there is little good news around.

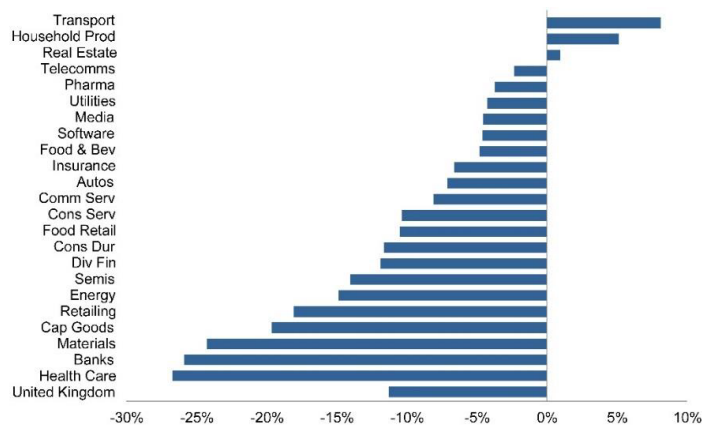
UK Sector Earnings Revisions

UK Sector N12M Earnings Revisions Ratio 3MA



Sources: MSCI, Morgan Stanley Research. Data as at 31 January 2016.

UK Industry Group N12M Earnings Revisions Ratio 3MA



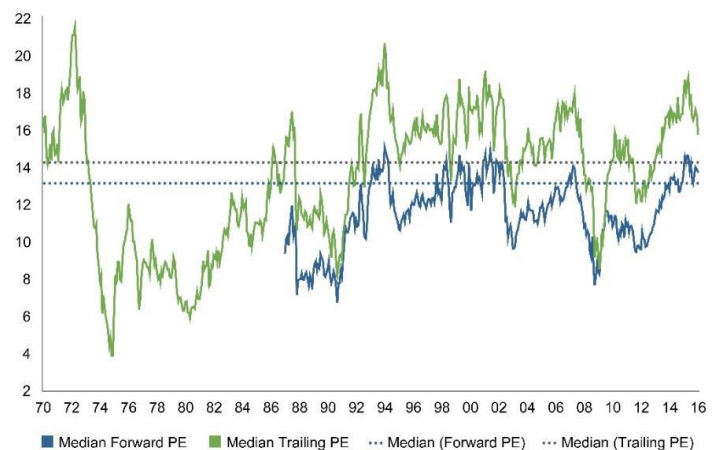
Sources: MSCI, IBES, Morgan Stanley Research. Data as at 31 January 2016.

And this has – finally – brought about a decline in valuations albeit – given the downgrades – with the median stock looking more attractive on trailing earnings (relative to its history) rather than forward earnings (relative to its history). We are undoubtedly seeing more performance dispersion and what started in the energy and materials space is beginning to spread. Bloomberg informs us that the median stock (excluding dividends) in the FTSE 350 (as it stands on the 8th of February) is up only marginally over the past 2 years and that the bottom 70 stocks are down by more than 25%. While this universe still has a heavy

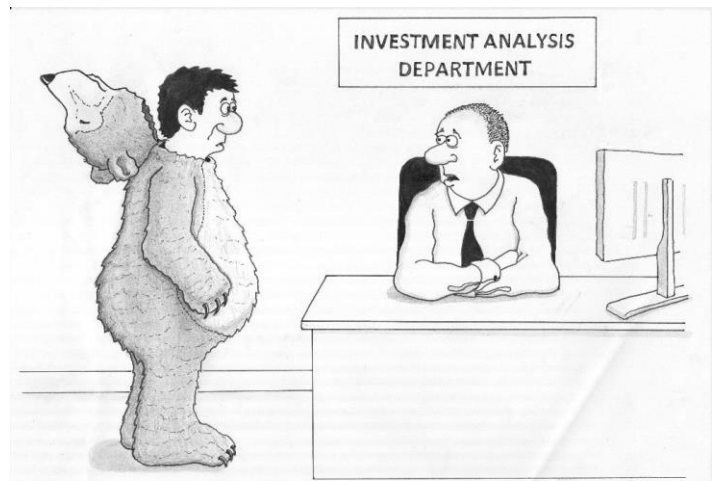
Asian/energy/commodities influence, these areas have now been joined by a smattering of companies whose shares are struggling for other reasons. Poundland, Ocado, Enterprise Inns, AO World, Thomas Cook, N Brown, Mitchells & Butlers, SIG, Countrywide and Barclays are just some of the 'others' down by more than 30% for more idiosyncratic reasons in that time. While this simple screen is not reflective of the screen we use, the output and conclusion are not dissimilar. For the first time in years our opportunity set is perking up (in number, diversity and valuation) and while our cash is not burning a hole in our pockets, we are certainly seeing some likely options for its deployment.

UK Median Valuation

MSCI UK – Median Forward & Trailing PE (Latest = 15.4 and 15.7)



Sources: MSCI, FactSet Estimates, IBES Estimates, Morgan Stanley Research



"You've taken being in touch with the market a bit too far Jenkins"

The yield information has been calculated as at 31.01.16. All other information is from Investec Asset Management at 31.01.16.

Telephone calls may be recorded for training and quality assurance purposes.

For further details, call the Investor Services Department on 020 7597 1800, or send an email to enquiries@investecmail.com. Alternatively, visit the Temple Bar website: www.templebarinvestments.co.uk.

Issued by Investec Asset Management, which is authorised and regulated by the Financial Conduct Authority, March 2016.