

FIDELITY SPECIAL VALUES PLC

AIMS TO PROFIT FROM STOCKS UNLOVED BY THE MARKET

Fidelity Special Values PLC invests mainly in UK-listed companies. The portfolio is likely to have a bias towards medium-sized and smaller companies. The portfolio manager is a value investor, naturally seeking out stocks that are often unloved and unfashionable at the current time.

FIDELITY SPECIAL VALUES PLC DETAILS TO 31.10.12

Share price:	564p
NAV:	648.44p
Discount:	13.02%
Gearing Exposure:	110.48%
Ordinary shares in issue:	54,378,896
Launch date:	17/11/1994
Portfolio Manager:	Alex Wright
Appointed to trust:	03/09/2012
Years at Fidelity:	11

Investment available via ISA and Share Plan

PORTFOLIO MANAGER



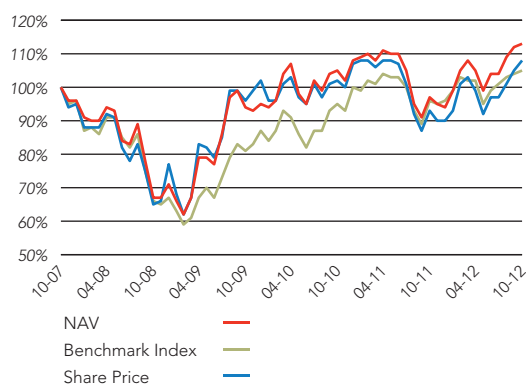
Whilst I do not expect the volatility of stock market returns to reduce over the near term, valuations remain attractive, and the opportunities for bottom-up stock pickers are compelling. My process of investing in unloved stocks with mitigated downside risk and unrecognised growth options has continued to add value in an uncertain economic environment. Additionally, my bias towards mid and small caps will allow Special Values to exploit the inefficiencies in this area of the market, and to benefit from M&A activity.

Alexander Wright, Portfolio Manager

INVESTMENT HIGHLIGHTS

The Trust NAV rose by 1.2% compared to the index, which rose by 1.0%. Several of our key holdings recorded positive returns. At a stock level, mortgage provider Paragon was the leading contributor as it acquired further unsecured consumer loans from the Royal Bank of Scotland, which is expected to enhance earnings in the current financial year. Selected holding within the retail segment, such as Mothercare and N Brown, also made significant contributions to returns, following their positive revenue updates. However, technology major Google detracted as the company accidentally released third quarter results ahead of schedule and the numbers were lower than expected.

FIVE YEAR PERFORMANCE COMPARISON



SINGLE YEAR PERFORMANCE (5 YEARS ENDING OCTOBER)

	Oct 07- Oct 08	Oct 08- Oct 09	Oct 09- Oct 10	Oct 10- Oct 11	Oct 11- Oct 12
Share Price	-35.3%	48.0%	6.3%	-8.6%	15.9%
Price Record	Oct 08	Oct 09	Oct 10	Oct 11	Oct 12
Share Price (pence)	375.00	531.00	555.50	498.25	564.00
NAV (pence)	422.82	567.53	624.95	566.67	648.44

PERFORMANCE RECORD

Cumulative Growth	YTD	1mth	6mths	1 yr	3 yrs	5 yrs	10 yrs	Since 17.11.94
Share Price	19.5%	2.9%	9.4%	15.9%	12.6%	7.9%	190.7%	637.1%
NAV	20.2%	1.2%	8.0%	16.8%	20.5%	13.5%	228.2%	730.0%
FTSE All Share Index	9.3%	1.0%	3.3%	9.8%	29.8%	5.2%	121.0%	245.4%
Ranking within UK Capital Growth Inv. Trust Sector (Share Price)								
Position of the company	8	7	5	7	11	6	7	2
Total number of companies	17	17	17	16	16	15	14	11
Quartile Ranking	2	2	2	2	3	2	2	1

Source of performance: Fidelity/Datastream, cumulative growth, total return as at 31 October 2012, bid-bid with net income reinvested. These figures do not include an initial charge. Rankings: Morningstar. Quartile rank refers to performance over time rated on a scale of 1-4. A ranking of 1 indicates that the item being ranked is in the top 25% of the sample; a quartile of 2 indicates it's in the top 50% and so on.

Please remember that past performance is not a guide to what may happen in the future. The value of investments can go down as well as up and you may not get back the amount you invested. As this fund can invest up to 20% in overseas companies this fund may be subject to currency fluctuations. Please remember the eligibility to invest in an ISA depends on individual circumstances and tax rules may be subject to change.



FidelityTM
WORLDWIDE INVESTMENT

TOP 10 POSITIONS AS AT 31.10.12

	%
VODAFONE GROUP	4.7
SANOFI	4.5
UNITED DRUG	3.8
DCC	3.7
HSBC	3.7
GLAXOSMITHKLINE	3.5
ROYAL DUTCH SHELL	3.1
SSE	2.8
CABLE & WIRELESS COMMUNICATIONS	2.8
MICRO FOCUS INTERNATIONAL	2.8

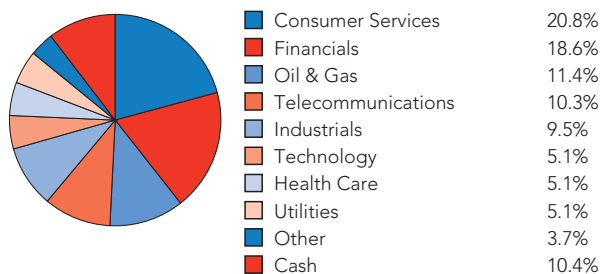
Source: FIL Ltd, 31 October 2012. Benchmark is FTSE All Share Index. All data in the above includes any derivative exposures as an economically equivalent position in the underlying asset. Source: FIL Limited, 31 October 2012

MARKET CAP ALLOCATION AS AT 31.10.12

	% (Total Gross Assets)
Below 200m.	10.6
200 - 500m	11.6
500m-1bn	17.9
1 to 5bn	18.0
5 to 10 bn	3.7
10bn+	40.9

Source: FIL Limited, 31 October 2012

INDUSTRY BREAKDOWN AS AT 31.10.12



Includes present exposure of cash and equities (other). Cash includes derivative equity exposure. Source: FIL Limited, 31 October 2012

GLOSSARY

NAV

The total value of a company's assets less the total value of its liabilities is its net asset value (NAV). For valuation purposes it is common to divide net assets by the number of shares in issue to give the net assets per share. NAV calculations can include or exclude current financial year income. For the purposes of this factsheet, they are valued with assets including income and costs and with debt valued at the market.

DISCOUNT

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. The discount is shown as a percentage of the NAV.

GEARING EXPOSURE

Investment trusts have the ability to borrow additional money to invest, known as gearing. The trust has the ability to use bank loans, bank overdrafts and Contracts for Difference (CFDs) to increase its exposure to stocks. CFDs are used as a way of gaining exposure to the price movements of shares without buying the underlying shares directly.

OVERWEIGHT/UNDERWEIGHT

If a stock is deemed "overweight" this indicates that the portfolio has a higher exposure to a stock compared to its benchmark. If a stock is deemed "underweight" this indicates that portfolio has a lower exposure to a stock compared to its benchmark.

TOP 10 POSITIONS

The ten largest holdings are shown as a percentage based on total exposure which is the fixed asset investments plus the fair value of the underlying securities within the derivative instruments.

SECTOR/GEOGRAPHICAL BREAKDOWNS

These are expressed as a percentage of total portfolio and cash.

FAIR VALUE

The fair value of the listed investments is measured at bid prices or last prices quoted, depending on the convention of the exchange on which they are listed. Where permitted, unlisted investments, where there is not an active market, are valued using an appropriate valuation technique so as to establish what the transaction price would have been and derivative instruments are valued at the quoted trade price for the contract.

DEALING INFORMATION

Listed:	London Stock Exchange
Quoted:	London Stock Exchange Financial Times The Times The Daily Telegraph The Independent
Reuters Code:	FSV.L
SEAQ Code:	51079

Reference in this document to specific securities should not be construed as a recommendation to buy or sell these securities, but is included for the purposes of illustration only. Investors should also note that the views expressed may no longer be current and may have already been acted upon by Fidelity. This information does not constitute investment advice and should not be used as the basis for any investment decision nor should it be treated as a recommendation for any investment. If you are unsure of the suitability of an investment, please contact a financial adviser.

For more information contact us on **0800 41 41 10**, 9am – 6pm Monday to Saturday or go to www.fidelity.co.uk/specialvalues

