



FIDELITY SPECIAL VALUES PLC

Half-Yearly Report for the
six months ended 29 February 2020

Investment Objective and Overview

Fidelity Special Values PLC aims to achieve long term capital growth primarily through investment in equities (and their related financial instruments) of UK companies which the Investment Manager believes to be undervalued or where the potential has not been recognised by the market.

The Company aims to achieve long term capital growth for Shareholders by investing in special situations. It is an actively managed contrarian Investment Trust that seeks out undervalued opportunities and thrives on volatility and uncertainty.

The Portfolio Manager, Alex Wright's approach is very much in keeping with Fidelity Special Values PLC's heritage and history – that of an actively managed, contrarian investment trust which the Board believes will be appealing to both existing

and potential investors alike. Alex focuses on buying unloved companies with the prospect of positive change, rather than those companies which are merely cheap. He invests in companies of all sizes and, in doing so, hopes to position the Company as the investment of choice for those seeking exposure to UK listed companies but with the benefit of investing up to 20% of the portfolio in listed companies on overseas exchanges in order to enhance Shareholder returns.

Whilst performance in recent times has been more

challenging, long term performance remains ahead of the Benchmark Index. The Company's NAV total return has increased by 29.8% over five years and the share price total return by 42.5%, compared to a Benchmark Index return of 19.1%. The Company's shares remain in demand and mostly continue to trade at a premium. We are also pleased to report that the Company has won several prestigious awards as can be seen from the logos below.

Andy Irvine, Chairman



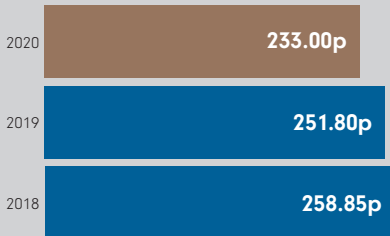
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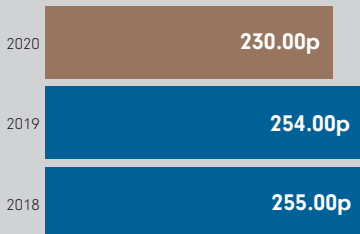
Portfolio Manager's Review

Read more on page 04

Net Asset Value per Ordinary Share as at 29 February 2020, 28 February 2019 and 28 February 2018



Ordinary Share Price as at 29 February 2020, 28 February 2019 and 28 February 2018



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At a Glance

Six months ended 29 February 2020

**Net Asset Value per
Ordinary Share
total return^{1,2}**

-6.05%

(28 February 2019: -6.14%)

**Ordinary Share Price
total return^{1,2}**

-6.71%

(28 February 2019: -6.73%)

**FTSE All-Share Index
(Benchmark Index)
total return¹**

-5.47%

(28 February 2019: -3.68%)

**Interim Dividend per
Ordinary Share**

2.10p

(28 February 2019: 2.10p)

¹ Includes reinvested income.

² Alternative Performance Measures (see Glossary of Terms on page 32).

As at 29 February 2020

Shareholders' Funds

£670.2m

Market Capitalisation

£661.6m

Capital Structure

Ordinary Shares of 5 pence each

287,634,480

Summary of the key aspects of the Investment Policy

The investment approach is flexible, with positions in large, medium and smaller sized companies, across all industries. The Company may make limited investments in companies outside of the UK.

The Company may also invest in other transferable securities, collective investment schemes, money market instruments, cash and deposits, and is also able to use derivatives for efficient portfolio management and investment purposes.

The Company is able to gear the portfolio and the Board takes the view that long term returns for Shareholders can be enhanced by the use of gearing in a carefully considered and monitored way.

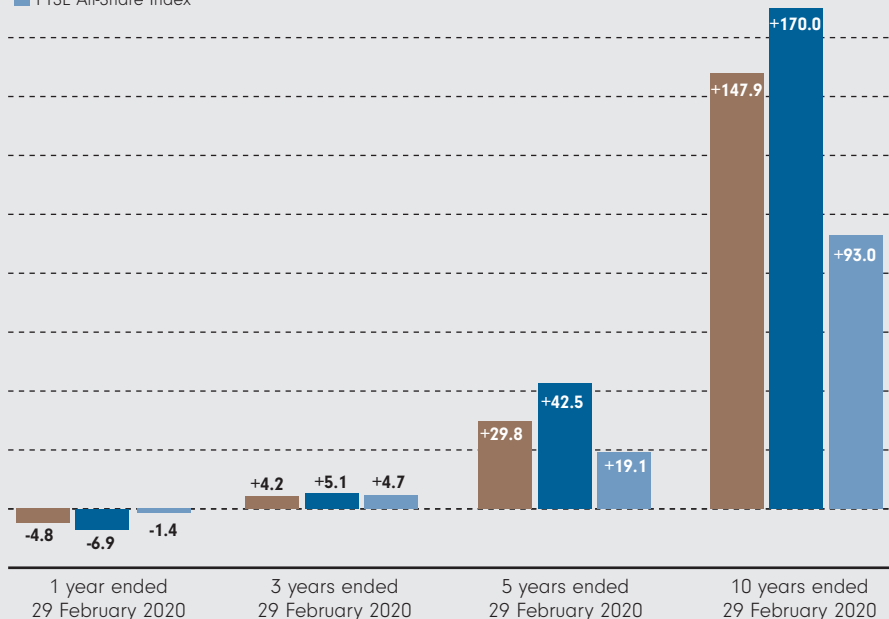
Financial Highlights

	29 February 2020	31 August 2019
Assets		
Shareholders' funds	£670.2m	£698.7m
Net Asset Value ("NAV") per ordinary share	233.00p	252.99p
Share price and discount data		
Share price at period end	230.00p	251.50p
Share price period high ¹	281.00p	277.00p
Share price period low ¹	230.00p	220.00p
(Discount) at period end	(1.3%)	(0.6%)
(Discount) period high ¹	(1.8%)	(4.1%)
Premium period high ¹	3.4%	2.9%

¹ For the six month period to 29 February 2020 and for the year to 31 August 2019.

Standardised Performance Total Return¹ (%)

■ NAV per ordinary share ■ Share Price
■ FTSE All-Share Index



¹ Includes reinvested income.

Sources: Fidelity and Datastream.

Past performance is not a guide to future returns.

Portfolio Manager's Half-Yearly Review

Performance

The Company's performance over the six-month period to 29 February 2020 was negative, with a net asset value ("NAV") per share return of -6.1% and a share price return of -6.7%, compared to -5.5% for the FTSE All-Share Index (the Company's Benchmark Index) (all returns on a total return basis). This report seeks to explain the reasons for the performance over the review period.

Stock Market and Portfolio Review

The UK stock market performance showed divergent trends over the review period. While the market recorded strong gains over the last four months of 2019, the start of 2020 has been marked by sharp declines reflecting increasing investor nervousness, as the Coronavirus (COVID-19) outbreak led to growing concerns over its impact in terms of human lives, the global economy and individual businesses.

The large majority achieved by the ruling Conservative party in the general elections in December 2019 was received positively by equity markets, lifting some of the near term uncertainty. The result meant that the UK could focus on executing Brexit, with a transition period expected to end in 2020. Overall investor sentiment was also supported by the preliminary "phase one" trade agreement between the US and China, while an accommodative policy stance by global central banks further supported stock prices in 2019.

However, the start of 2020 marked a reversal in market momentum with the FTSE All-Share Index declining by 11.9% over the two months to end of February, a sell-off that subsequently accelerated in March due to increased market volatility. The sharp share price declines seen across markets reflected growing fears over the spread of the virus beyond China's borders and its economic impact. A surge in cases

reported globally, including a growing number of infections in the UK, spooked markets. Investors were concerned about the prolonged effect of containment measures to slow down the spread of the virus and the resulting impact on companies, jobs and the broader economy. The sharp decline in oil prices, which subsequently accelerated in March, further added to investor concerns.

The near term economic outlook has deteriorated markedly in the wake of these events, prompting global central banks, including the Bank of England, to cut rates and pledge further monetary support, and governments to announce unprecedented fiscal measures to support individuals and companies through these challenging times. While these interventions are welcomed and signal the policymakers' preparedness to respond, the extent of the necessary COVID-19 mitigation measures, and the uncertainty as to when they can be relaxed, are likely to result in a deep recession this year.

In terms of performance, the Company's NAV fell during the period and underperformed the Benchmark Index. Most of this decline in performance occurred in the year to date period in 2020 as growing concerns over the potential impact of COVID-19 weighed on equity prices globally and the Company's holdings were caught in the widespread sell-off. Positioning within the consumer services and utilities sectors were undermined by the Company's lack of exposure to large defensive names such as British American Tobacco and National Grid, while some of the holdings were held back by near term company-specific setbacks. These included educational publisher Pearson, whose shares were affected by earnings concerns, mainly due to weaker trading in its US higher education courseware business, while the rest of the business fared

better. The holding in Canadian gold producer Semafo also fell after the company suspended activity at its Boungou mine in Burkina Faso in the wake of a deadly attack on a convoy of its workers in November 2019 (the company reopened the mine and subsequently received a bid at a 50% premium in March). Meanwhile, the holding in Kosmos Energy fell in line with a decline in oil prices in 2020 amid growing demand concerns, especially from China. Defense contractor Babcock International also detracted as it trimmed its near term profits forecasts. Nevertheless, earnings are expected to stabilise as the one-off charges wash through, and there is an increasing opportunity to win new work with the Ministry of Defence's budget increasing. Elsewhere, diversified support services group DCC known for making cash generative acquisitions underperformed. A lack of large acquisitions disappointed some investors, although I think it is positive the company remains disciplined. DCC has a wide acquisition opportunity set and I remain confident that it will continue deploying capital wisely and creating shareholder value.

Despite the difficult environment, several of our key holdings made significant contributions, with the overweight stance in financials and strong stock selection in the health care sectors proving particularly rewarding. Notable contributors included pharmaceutical major Roche Holdings whose shares were buoyed by solid results for 2019 and encouraging earnings guidance. The holding in Chemring, a provider of advanced technology products and services to the aerospace, defense and security markets, also added value, supported by positive growth prospects, as its latest annual results showed a return to full-year profit. In an environment of declining oil prices and general weakness in the energy sector, the underweight stance in the oil and gas sector also supported relative performance. Within financials, the

position in insurer Legal & General Group contributed as it reported solid operating performance across all its divisions over the year-to-date period.

Use of Derivatives

During the review period, the Company continued to use contracts for difference ("CFDs") to gear portfolio long exposure and eliminate some of the currency exposure for those holdings listed outside the UK, and to contract short positions for hedging purpose. The previously opened hedge position on the FTSE 250 Index Future was closed in the period. As the Company had some gearing and the market fell in the review period, the use of derivatives was a detractor in the portfolio. This should reverse when businesses reopen, activity resumes and the uncertainty lifts. Overall, net gearing was at 6.7% at the end of February 2020, up from 2.5% at the start of the review period.

Outlook

I see the recent sell-off as a potential opportunity. This is not to downplay the near term challenges the economy, companies, markets and society itself will face in coming months. Indeed, it is now very clear that the impact on UK and global economic activity will be greater than we saw in the financial crisis between 2007 and 2009. Over recent weeks, together with Fidelity's analysts, I have been reviewing the Company's holdings, and in particular their balance sheets, to assess whether they would be able to survive several months of shutdown and the resultant recessionary phase which will follow without running out of cash. I have closed positions in companies most affected by the outbreak and the oil price slump, and where the outlook has worsened beyond the short term. For instance, I have sold out of airlines (which were a small c. 1% holding), and some small companies with levered balance sheets (small positions).

Portfolio Manager's Half-Yearly Review continued

In the near term markets are likely to remain very volatile. Whilst we are now starting to see some lockdown restrictions easing, I am expecting to see a very different backdrop and level of economic activity over at least the next 6 to 12 months to the ones we have been used to. Looking further out, however, I think the sharp drop in the oil price and the unprecedented monetary and fiscal stimulus will be meaningfully positive for the UK economy (as well as the global economy as a whole) and will help to offset some of the negative effects of the lockdowns. The recent indiscriminate sell-off has resulted in some very attractive investment opportunities for selective long term investors. I have been adding to a few businesses perceived as more cyclical, such as life insurers, whose valuations are very cheap and supported by growing earnings - this is the single area I am the most positive about. I have also added selectively to some defensive names that have traded off irrespective of their expected resilience. Overall, the portfolio remains very diversified across sectors, companies and market capitalisations. One interesting, although frustrating for value investors such as myself, aspect of the current sell-off has been a lack of change in market momentum. Normally, in dramatic changes of market direction, prior trends reverse as stocks that have previously done well sell-off. This downturn has seen the opposite with a continuation of prior trends whereby expensive companies that have done well continue to do relatively well and become relatively even more expensive. In contrast, stocks that have been performing poorly and were at low valuations have continued to underperform and become even cheaper on both an absolute and relative basis. This has hurt the Company's recent performance, but increases the relative performance potential going forward.

To conclude, while the current situation is unsettling and market volatility high, the indiscriminate sell-off is creating interesting investment opportunities. My focus remains on what I believe we do best at Fidelity, which is looking beyond the news headlines and focusing instead on individual businesses and their fundamentals. At this juncture, it is particularly important to reassess how companies are likely to fare in these uncertain times and whether they will come out of the current crisis stronger. I am encouraged by the fact that the Company currently trades on historically low valuations and is made up of companies with significant upside potential. This has been true for both companies I manage that are largely unaffected by the virus, and those more materially affected, suggesting the indiscriminating nature of recent market action.

Alex Wright

Portfolio Manager
27 April 2020

Interim Management Report

Discount/Premium and Share Repurchases/Issues

Under the Company's discount management policy, the Board seeks to maintain the discount in single digits in normal market conditions and will repurchase shares to help stabilise the share price discount. As the Company's shares have mostly been trading at a premium, the Company did not carry out any share repurchases in the reporting period and up to the date of this Half-Yearly Report.

Issuing shares increases the size of the Company, making it more liquid and allowing costs to be spread over a larger asset base. The Board will approve the issuance of shares if the Company's shares are trading at a sufficient premium to ensure that the issue of shares is not dilutive.

Over the reporting period, the Company's shares traded within a range of a premium of 3.4% and a discount of 1.8%. The level of discount widened from 0.6% at the start of the reporting period to 1.3% as at 29 February 2020.

In total, the Company issued 11,465,000 ordinary shares from its blocklisting facility in the six month period. Since then and as at the date of this Half-Yearly Report, the Company has issued a further 2,395,000 shares in order to meet demand.

The Board continues to monitor the discount/premium closely and will take action when it believes that it will be effective.

Interim Dividend

The Board's dividend policy is to pay dividends twice yearly in order to smooth the dividend payment for the reporting year. The Company's revenue return for the six months to 29 February 2020 was 1.83 pence per share.

The Board has declared an interim dividend of 2.10 pence per share thereby maintaining the 2.10 pence per share paid as the interim dividend in 2019. This will be paid on 24 June 2020 to Shareholders on the register on 15 May 2020 (ex-dividend date 14 May 2020). Shareholders should note that the Board will review the final dividend payment later in the year based on dividend receipts from the companies held in the portfolio, particularly as several companies are likely to cut or cancel their dividend payments due to the impact of the Coronavirus (COVID-19).

Shareholders may choose to reinvest their dividends for additional shares in the Company. Details of the Dividend Reinvestment Plan are set out on page 29.

Board Changes

Having served on the Board for nine years as a Director, Sharon Brown stepped down from the Board at the conclusion of the Annual General Meeting ("AGM") on 12 December 2019. She was succeeded as Chair of the Audit Committee by Claire Boyle, and as Senior Independent Director by Dean Buckley. Alison McGregor was appointed to the Board as a Non-Executive Director on 1 January 2020.

Principal Risks and Uncertainties

The Board, with the assistance of the Alternative Investment Fund Manager (FIL Investment Services (UK) Limited/the "Manager"), has developed a risk matrix which, as part of the risk management and internal controls process, identifies the key risks and uncertainties faced by the Company.

The Board considers that the principal risks and uncertainties faced by the Company continue to fall into two broad categories which are external and internal risks. External risks

Interim Management Report continued

comprise of market, economic and political risk; share price risk; discount control risk; regulatory risk; and cybercrime risk. Internal risks comprise of investment management risk; and operational risks (such as service providers). Information on each of these risks is given in the Strategic Report section of the Annual Report for the year ended 31 August 2019. A copy of the Annual Report can be found on the Company's pages of the Manager's website at www.fidelity.co.uk/specialvalues

These principal risks and uncertainties have not materially changed in the six months to 29 February 2020, with the exception of the risks arising from the Coronavirus (COVID-19), and are equally applicable to the remaining six months of the Company's financial year.

Coronavirus (COVID-19)

The risks arising from the Coronavirus (COVID-19) are being kept under constant review by the Board and the Manager. The Manager has contingency plans in place to allow for the continuation of Fidelity's operations and to look after the safety of their employees.

Investors should be prepared for market fluctuations and remember that holding shares in the Company should be considered to be a long term investment. These risks are somewhat mitigated by the investment trust structure which means no forced sales will need to take place to deal with any redemptions. Therefore, investments can be held over a longer time horizon.

The Manager is keeping its business continuity plans and operational resilience strategies under constant review and will take all

reasonable steps to continue meeting its regulatory obligations and to assess operational risks, the ability to continue operating and the steps it needs to take to serve and support its clients, including the Board. For example, to enhance its resilience, the Manager has mandated work from home arrangements and implemented split team working for those whose work is deemed necessary to be carried out in the office. The Manager has also imposed self-isolation arrangements on staff in line with Government recommendations and guidance. The Company's other third party service providers have also implemented similar measures to ensure business disruption can be kept to a minimum. The Board is pleased to see how well the contingency plans are working.

Transactions with the Manager and Related Parties

The Manager has delegated the Company's portfolio management and the role of Company Secretary to FIL Investments International. Transactions with the Manager and related party transactions with the Directors are disclosed in Note 13 to the Financial Statements on page 27.

Going Concern

The Directors have considered the Company's investment objective, risk management policies, liquidity risk, credit risk, capital management policies and procedures, the nature of its portfolio (being mainly securities which are readily realisable) and its expenditure and cash flow projections and have concluded that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing these Financial Statements.

This conclusion also takes into account the Board's assessment of the risks arising from the Coronavirus (COVID-19).

Continuation votes are held every three years and the next continuation vote will be put to Shareholders at the Annual General Meeting in 2022.

By order of the Board

FIL Investments International

27 April 2020

Directors' Responsibility Statement

The Disclosure and Transparency Rules ("DTR") of the UK Listing Authority require the Directors to confirm their responsibilities in relation to the preparation and publication of the Interim Management Report and Financial Statements.

The Directors confirm to the best of their knowledge that:

- a) the condensed set of Financial Statements contained within the Half-Yearly Report has been prepared in accordance with the Financial Reporting Council's Standard: FRS 104: Interim Financial Reporting; and
- b) the Interim Management Report, together with the Portfolio Manager's Half-Yearly Review on pages 4 to 9, includes a fair review of the information required by DTR 4.2.7R and 4.2.8R.

In line with previous years, the Half-Yearly Report has not been audited by the Company's Independent Auditor.

The Half-Yearly Report was approved by the Board on 27 April 2020 and the above responsibility statement was signed on its behalf by Andy Irvine, Chairman.

Twenty Largest Investments

as at 29 February 2020

The Gross Asset Exposures shown below measure exposure to market price movements as a result of owning shares and derivative instruments. The Balance Sheet Value is the actual value in the portfolio. Where a contract for difference ("CFD") is held, the Balance Sheet Value reflects the profit or loss on the contract since it was opened and is based on how much the share price of the underlying share has moved.

	Gross Asset Exposure		Balance Sheet Value
	£'000	% ¹	£'000
Long Exposures – shares unless otherwise stated			
CRH (long CFD)			
Construction & Materials	38,142	5.7	1,536
Roche Holdings			
Pharmaceuticals & Biotechnology	30,092	4.5	30,092
Imperial Brands			
Tobacco	26,232	3.9	26,232
Phoenix Group Holdings			
Life Insurance	25,761	3.8	25,761
John Laing Group			
Financial Services	25,217	3.8	25,217
Legal & General Group (long CFD)			
Life Insurance	23,629	3.5	2,364
Royal Dutch Shell (shares and long CFD)			
Oil & Gas Producers	22,961	3.5	18,302
BP			
Oil & Gas Producers	22,949	3.4	22,949
Serco Group			
Support Services	22,697	3.4	22,697
Meggitt			
Aerospace & Defense	22,243	3.3	22,243
Aviva (long CFD)			
Life Insurance	21,132	3.2	(5,850)
C&C Group			
Beverages	19,573	2.9	19,573

Twenty Largest Investments continued

	Gross Asset Exposure		Balance Sheet Value
	£'000	% ¹	£'000
DCC			
Support Services	17,372	2.6	17,372
CLS Holdings			
Real Estate Investment & Services	17,318	2.6	17,318
Citigroup			
Banks	16,085	2.4	16,085
Ultra Electronics Holdings			
Aerospace & Defense	15,500	2.3	15,500
ContourGlobal			
Electricity	14,779	2.2	14,779
Sanofi (long CFD)			
Pharmaceuticals & Biotechnology	14,149	2.1	(944)
Cairn Homes			
Household Goods & Home Construction	11,996	1.8	11,996
Pearson			
Media	10,798	1.6	10,798
Twenty largest long exposures	418,625	62.5	314,020
Other long exposures	298,852	44.6	272,955
Total long exposures (95 holdings)	717,477	107.1	586,975
Add: short exposures			
Short CFDs (1 holding)	2,596	0.4	(141)
Gross Asset Exposure²	720,073	107.5	
Portfolio Fair Value³			586,834
Net current assets (excluding derivative assets and liabilities)			83,361
Shareholders' Funds			670,195

1 Gross Asset Exposure is expressed as a percentage of Shareholders' Funds.

2 Gross Asset Exposure comprises market exposure to investments of £597,554,000 plus market exposure to derivative instruments of £122,519,000.

3 Portfolio Fair Value comprises Investments of £597,554,000 plus derivative assets of £5,576,000 less derivative liabilities of £16,296,000 (per the Balance Sheet on page 18).

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Income Statement

for the six months ended 29 February 2020

		six months ended 29 February 2020 unaudited		
	Notes	revenue £'000	capital £'000	total £'000
Losses on investments		–	(49,076)	(49,076)
Gains/(losses) on Long CFDs		–	3,589	3,589
(Losses)/gains on Short CFDs, futures and options		–	(1,799)	(1,799)
Investment and derivative income	4	8,658	–	8,658
Other interest	4	622	–	622
Derivative expenses	5	(46)	–	(46)
Investment management fees	6	(3,183)	–	(3,183)
Other expenses		(336)	–	(336)
Foreign exchange (losses)/gains		–	(2,666)	(2,666)
Net return/(loss) on ordinary activities before finance costs and taxation		5,715	(49,952)	(44,237)
Finance costs		(381)	–	(381)
Net return/(loss) on ordinary activities before taxation		5,334	(49,952)	(44,618)
Taxation on return/(loss) on ordinary activities	7	(167)	–	(167)
Net return/(loss) on ordinary activities after taxation for the period		5,167	(49,952)	(44,785)
Return/(loss) per ordinary share	8	1.83p	(17.72p)	(15.89p)

The Company does not have any other comprehensive income. Accordingly the net return/(loss) on ordinary activities after taxation for the period is also the total comprehensive income for the period and no separate Statement of Comprehensive Income has been presented.

The total column of this statement represents the Income Statement of the Company. The revenue and capital columns are supplementary and presented for information purposes as recommended by the Statement of Recommended Practice issued by the AIC.

No operations were acquired or discontinued in the period and all items in the above statement derive from continuing operations.

year ended 31 August 2019 audited			six months ended 28 February 2019 unaudited		
revenue £'000	capital £'000	total £'000	revenue £'000	capital £'000	total £'000
-	(40,929)	(40,929)	-	(40,506)	(40,506)
-	(23,287)	(23,287)	-	(11,464)	(11,464)
-	1,719	1,719	-	2,794	2,794
30,335	-	30,335	8,372	-	8,372
670	-	670	141	-	141
(63)	-	(63)	(48)	-	(48)
(5,921)	-	(5,921)	(2,845)	-	(2,845)
(684)	(88)	(772)	(342)	(88)	(430)
-	2,945	2,945	-	(357)	(357)
24,337	(59,640)	(35,303)	5,278	(49,621)	(44,343)
(386)	-	(386)	(389)	-	(389)
23,951	(59,640)	(35,689)	4,889	(49,621)	(44,732)
(454)	-	(454)	(113)	-	(113)
23,497	(59,640)	(36,143)	4,776	(49,621)	(44,845)
8.65p	(21.95p)	(13.30p)	1.78p	(18.48p)	(16.70p)

Statement of Changes in Equity

for the six months ended 29 February 2020

	Notes	share capital £'000
Six months ended 29 February 2020 (unaudited)		
Total Shareholders' funds at 31 August 2019		13,808
New ordinary shares issued	11	573
Net (loss)/return on ordinary activities after taxation for the period		-
Dividends paid to Shareholders	9	-
Total Shareholders' funds at 29 February 2020		14,381
Year ended 31 August 2019 (audited)		
Total Shareholders' funds at 31 August 2018		13,532
Issue of ordinary shares from Treasury	11	-
New ordinary shares issued	11	276
Net (loss)/return on ordinary activities after taxation for the year		-
Dividends paid to Shareholders	9	-
Total Shareholders' funds at 31 August 2019		13,808
Six months ended 28 February 2019 (unaudited)		
Total Shareholders' funds at 31 August 2018		13,532
Issue of ordinary shares from Treasury	11	-
New ordinary shares issued	11	93
Net (loss)/return on ordinary activities after taxation for the period		-
Dividend paid to Shareholders	9	-
Total Shareholders' funds at 28 February 2019		13,625

share premium account £'000	capital redemption reserve £'000	other non- distributable reserve £'000	capital reserve £'000	revenue reserve £'000	total Shareholders' funds £'000
109,897	3,256	5,152	542,023	24,532	698,668
30,223	-	-	-	-	30,796
-	-	-	(49,952)	5,167	(44,785)
-	-	-	-	(14,484)	(14,484)
140,120	3,256	5,152	492,071	15,215	670,195
95,940	3,256	5,152	591,842	15,248	724,970
65	-	-	9,821	-	9,886
13,892	-	-	-	-	14,168
-	-	-	(59,640)	23,497	(36,143)
-	-	-	-	(14,213)	(14,213)
109,897	3,256	5,152	542,023	24,532	698,668
95,940	3,256	5,152	591,842	15,248	724,970
65	-	-	9,821	-	9,886
4,475	-	-	-	-	4,568
-	-	-	(49,621)	4,776	(44,845)
-	-	-	-	(8,433)	(8,433)
100,480	3,256	5,152	552,042	11,591	686,146

Balance Sheet

as at 29 February 2020

Company number 2972628

	Notes	29.02.20 unaudited £'000	31.08.19 audited £'000	28.02.19 unaudited £'000
Fixed assets				
Investments	10	597,554	635,539	611,412
Current assets				
Derivative instruments	10	5,576	3,028	2,373
Debtors		3,036	11,685	2,525
Amounts held at futures clearing houses and brokers		8,715	18,002	13,585
Amounts held in Fidelity Institutional Liquidity Fund		62,446	46,881	61,450
Cash at bank		16,344	2,207	8,417
		96,117	81,803	88,350
Creditors				
Derivative instruments	10	(16,296)	(17,879)	(12,661)
Other creditors		(7,180)	(795)	(955)
		(23,476)	(18,674)	(13,616)
Net current assets		72,641	63,129	74,734
Net assets		670,195	698,668	686,146
Capital and reserves				
Share capital	11	14,381	13,808	13,625
Share premium account		140,120	109,897	100,480
Capital redemption reserve		3,256	3,256	3,256
Other non-distributable reserve		5,152	5,152	5,152
Capital reserve		492,071	542,023	552,042
Revenue reserve		15,215	24,532	11,591
Total Shareholders' funds		670,195	698,668	686,146
Net asset value per ordinary share	12	233.00p	252.99p	251.80p

Cash Flow Statement

for the six months ended 29 February 2020

	29.02.20 unaudited £'000	31.08.19 audited £'000	28.02.19 unaudited £'000
Operating activities			
Investment income received	10,807	21,266	7,469
Net derivative income	1,408	4,559	1,551
Interest received	581	651	55
Investment management fee paid	(3,183)	(6,582)	(3,570)
Directors' fees paid	(60)	(168)	(77)
Other cash payments	(238)	(528)	(413)
Cash flow from operating activities before finance costs and taxation	9,315	19,198	5,015
Finance costs paid	(381)	(386)	(389)
Overseas taxation suffered	(256)	(778)	(138)
Cash flow from operating activities	8,678	18,034	4,488
Investing activities			
Purchases of investments	(184,650)	(305,329)	(148,759)
Sales of investments	184,698	330,094	201,826
Receipts on long CFDs	2,026	4,698	25
Payments on long CFDs	(2,214)	(16,093)	(5,894)
Receipts on short CFDs, futures and options	-	8,915	8,262
Payments on short CFDs, futures and options	(2,153)	(4,669)	(1,198)
Movement on amounts held at futures clearing houses and brokers	9,287	(15,767)	(11,350)
Cash flow from investing activities	6,994	1,849	42,912
Cash flows before financing activities	15,672	19,883	47,400
Financing activities			
Dividends paid	(14,484)	(14,213)	(8,433)
Net proceeds from issue of shares	31,180	23,670	14,454
Cost of the issue of new ordinary shares	-	(88)	(88)
Cash flow from financing activities	16,696	9,369	5,933
Net movement in cash and cash equivalents	32,368	29,252	53,333
Cash and cash equivalents at the beginning of the period	49,088	16,891	16,891
Effect of movement in foreign exchange	(2,666)	2,945	(357)
Cash and cash equivalents at the end of the period	78,790	49,088	69,867
Represented by:			
Cash at bank	16,344	2,207	8,417
Amounts held in Fidelity Institutional Liquidity Fund	62,446	46,881	61,450
	78,790	49,088	69,867

Notes to the Financial Statements

1 Principal Activity

Fidelity Special Values PLC is an Investment Company incorporated in England and Wales with a premium listing on the London Stock Exchange. The Company's registration number is 2972628, and its registered office is Beech Gate, Millfield Lane, Lower Kingswood, Tadworth, Surrey, KT20 6RP. The Company has been approved by HM Revenue & Customs as an Investment Trust under Section 1158 of the Corporation Tax Act 2010 and intends to conduct its affairs so as to continue to be approved.

2 Publication of Non-statutory Accounts

The Financial Statements in this half-yearly financial report have not been audited by the Company's Independent Auditor and do not constitute statutory accounts as defined in section 434 of the Companies Act 2006 (the "Act"). The financial information for the year ended 31 August 2019 is extracted from the latest published Financial Statements of the Company. Those Financial Statements were delivered to the Registrar of Companies and included the Independent Auditor's Report which was unqualified and did not contain a statement under either section 498(2) or 498(3) of the Act.

3 Basis of Preparation

The Company prepares its Financial Statements on a going concern basis and in accordance with UK Generally Accepted Accounting Practice ("UK GAAP") and FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland, issued by the Financial Reporting Council. The Financial Statements are also prepared in accordance with the Statement of Recommended Practice ("SORP"): Financial Statements of Investment Trust Companies and Venture Capital Trusts issued by the Association of Investment Companies ("AIC") in October 2019. FRS 104: Interim Financial Reporting has also been applied in preparing this condensed set of Financial Statements. The accounting policies followed are consistent with those disclosed in the Company's Annual Report and Financial Statements for the year ended 31 August 2019.

4 Income

	six months ended 29.02.20 unaudited £'000	year ended 31.08.19 audited £'000	six months ended 28.02.19 unaudited £'000
Investment income			
UK dividends	5,750	17,885	3,968
UK scrip dividends	–	459	405
Overseas dividends	1,781	6,255	2,344
Overseas scrip dividends	274	748	236
Debt security interest	110	224	108
	7,915	25,571	7,061
Derivative income			
Dividends received on long CFDs	743	4,764	1,311
Investment and derivative income	8,658	30,335	8,372
Other interest			
Interest received on CFDs	41	19	16
Interest received on deposits and money market funds	581	651	125
	622	670	141
Total income	9,280	31,005	8,513

Special dividends of £276,000 (year ended 31 August 2019: £6,265,000 and six months ended 28 February 2019: £3,779,000) have been recognised in capital.

Notes to the Financial Statements continued

5 Derivative Expenses

	six months ended 29.02.20 unaudited £'000	year ended 31.08.19 audited £'000	six months ended 28.02.19 unaudited £'000
Dividends paid on short CFDs	43	6	6
Interest paid on short CFDs	3	57	42
Total derivative expenses	46	63	48

6 Investment Management Fees

	six months ended 29.02.20 unaudited £'000	year ended 31.08.19 audited £'000	six months ended 28.02.19 unaudited £'000
Portfolio management services	3,133	5,821	2,795
Non-portfolio management services*	50	100	50
Investment management fees	3,183	5,921	2,845

* Includes company secretarial, fund accounting, taxation, promotional and corporate advisory services.

FIL Investment Services (UK) Limited is the Company's Alternative Investment Fund Manager and has delegated portfolio management to FIL Investments International ("FIL"). Both companies are Fidelity group companies.

FIL charges portfolio management fees on a tiered fee basis of 0.85% on the first £700 million of net assets and 0.75% of net assets in excess of £700 million. In addition, there is a fixed non-portfolio management service fee of £100,00 per annum.

7 Taxation on Return/(Loss) on Ordinary Activities

	six months ended 29.02.20 unaudited £'000	year ended 31.08.19 audited £'000	six months ended 28.02.19 unaudited £'000
Overseas taxation	167	454	113
Total taxation charge for the period	167	454	113

8 Return/(Loss) per Ordinary Share

	six months ended 29.02.20 unaudited £'000	year ended 31.08.19 audited £'000	six months ended 28.02.19 unaudited £'000
Revenue return per ordinary share	1.83p	8.65p	1.78p
Capital loss per ordinary share	(17.72p)	(21.95p)	(18.48p)
Total loss per ordinary share	(15.89p)	(13.30p)	(16.70p)

The return/(loss) per ordinary share is based on the net return/(loss) on ordinary activities after taxation for the period divided by the weighted average number of ordinary shares held during the period, as shown below:

	£'000	£'000	£'000
Net revenue return on ordinary activities after taxation	5,167	23,497	4,776
Net capital loss on ordinary activities after taxation	(49,952)	(59,640)	(49,621)
Net total loss on ordinary activities after taxation	(44,785)	(36,143)	(44,845)
	number	number	number
Weighted average number of ordinary shares held during the period	281,889,040	271,723,836	268,482,436

Notes to the Financial Statements continued

9 Dividends Paid to Shareholders

	six months ended 29.02.20 unaudited £'000	year ended 31.08.19 audited £'000	six months ended 28.02.19 unaudited £'000
Final dividend of 3.65 pence per ordinary share paid for the year ended 31 August 2019	10,265	-	-
Special dividend of 1.50 pence per ordinary share paid for the year ended 31 August 2019	4,219	-	-
Interim dividend of 2.10 pence per ordinary share paid for the year ended 31 August 2019	-	5,780	-
Final dividend of 3.15 pence per ordinary share paid for the year ended 31 August 2018	-	8,433	8,433
Total dividends paid	14,484	14,213	8,433

The Company has declared an interim dividend for the six month period to 29 February 2020 of 2.10 pence per ordinary share (2019: 2.10 pence). The interim dividend will be paid on 24 June 2020 to Shareholders on the register at 15 May 2020 (ex-dividend date 14 May 2020). The total cost of this interim dividend, which has not been included as a liability in these Financial Statements, is £6,091,000 (2019: £5,780,000). This amount is based on the number of ordinary shares in issue held at the date of this report.

10 Fair Value Hierarchy

The Company is required to disclose the fair value hierarchy that classifies its financial instruments measured at fair value at one of three levels, according to the relative reliability of the inputs used to estimate the fair values.

Classification	Input
Level 1	Valued using quoted prices in active markets for identical assets
Level 2	Valued by reference to valuation techniques using observable inputs other than quoted prices included within level 1
Level 3	Valued by reference to valuation techniques using inputs that are not based on observable market data

10 Fair Value Hierarchy continued

Categorisation within the hierarchy has been determined on the basis of the lowest level input that is significant to the fair value measurement of the relevant asset. The table below sets out the Company's fair value hierarchy:

29 February 2020 (unaudited)	level 1 £'000	level 2 £'000	level 3 £'000	total £'000
Financial assets at fair value through profit or loss				
Investments	592,124	4,543	887	597,554
Derivative instrument assets	–	5,576	–	5,576
	592,124	10,119	887	603,130
Financial liabilities at fair value through profit or loss				
Derivative instrument liabilities	–	(16,296)	–	(16,296)

31 August 2019 (audited)	level 1 £'000	level 2 £'000	level 3 £'000	total £'000
Financial assets at fair value through profit or loss				
Investments	630,634	3,482	1,423	635,539
Derivative instrument assets	–	3,028	–	3,028
	630,634	6,510	1,423	638,567
Financial liabilities at fair value through profit or loss				
Derivative instrument liabilities	(495)	(17,384)	–	(17,879)

28 February 2019 (unaudited)	level 1 £'000	level 2 £'000	level 3 £'000	total £'000
Financial assets at fair value through profit or loss				
Investments	605,985	3,494	1,933	611,412
Derivative instrument assets	–	2,373	–	2,373
	605,985	5,867	1,933	613,785
Financial liabilities at fair value through profit or loss				
Derivative instrument liabilities	(2,038)	(10,623)	–	(12,661)

Notes to the Financial Statements continued

11 Share Capital

	29 February 2020 unaudited		31 August 2019 audited		28 February 2019 unaudited	
	number of shares	£'000	number of shares	£'000	number of shares	£'000
Issued, allotted and fully paid ordinary shares of 5 pence each						
Held outside Treasury						
Beginning of the period	276,169,480	13,808	266,549,480	13,328	266,549,480	13,328
Ordinary Shares issued out of Treasury	-	-	4,095,000	204	4,095,000	204
New Ordinary Shares issued	11,465,000	573	5,525,000	276	1,850,000	93
End of the period	287,634,480	14,381	276,169,480	13,808	272,494,480	13,625
Held in Treasury*						
Beginning of the period	-	-	4,095,000	204	4,095,000	204
Ordinary Shares issued out of Treasury	-	-	(4,095,000)	(204)	(4,095,000)	(204)
End of the period	-	-	-	-	-	-
Total share capital	287,634,480	14,381	276,169,480	13,808	272,494,480	13,625

* Ordinary shares held in Treasury carry no rights to vote, to receive a dividend or to participate in a winding up of the Company.

During the period 11,465,000 ordinary shares (year ended 31 August 2019: 9,620,000 shares and six months to 28 February 2019: 5,945,000 shares) were issued. The premium received in the period on the issue of new ordinary shares of £30,223,000 (year ended 31 August 2019: £13,892,000 and six month period to 28 February 2019: £4,475,000) was credited to the share premium account. There were no ordinary shares issued out of Treasury during the current period (year ended 31 August 2019 and six months to 28 February 2019: 4,095,000 shares issued with £9,821,000 credited to capital reserve and £65,000 credited to the share premium account). No ordinary shares were repurchased into Treasury during the period (year ended 31 August 2019 and six month period to 28 February 2019: nil).

12 Net Asset Value per Ordinary Share

The net asset value per ordinary share is based on net assets of £670,195,000 (31 August 2019: £698,668,000 and 28 February 2019: £686,146,000) and on 287,634,480 (31 August 2019: 276,169,480 and 28 February 2019: 272,494,480) ordinary shares, being the number of ordinary shares of 5 pence each held outside of Treasury at the period end.

It is the Company's policy that any shares held in Treasury will only be reissued at no less than net asset value per ordinary share or at a premium to net asset value per ordinary share and, therefore, shares held in Treasury have no dilutive effect. Since 23 January 2019, there have been no shares held in Treasury.

13 Transactions with the Manager and Related Parties

FIL Investment Services (UK) Limited is the Company's Alternative Investment Fund Manager and has delegated portfolio management and the role of company secretary to FIL Investments International ("FIL"). Both companies are Fidelity group companies. Details of the fee arrangements are given in Note 6. During the period, fees for portfolio management services of £3,133,000 (year ended 31 August 2019: £5,821,000 and six months ended 28 February 2019: £2,795,000) and fees for non-portfolio management services of £50,000 (year ended 31 August 2019: £100,000 and six months ended 28 February 2019: £50,000) were payable to FIL. Non-portfolio management fees include company secretarial, fund accounting, taxation, promotional and corporate advisory services. At the Balance Sheet date, fees for portfolio management services of £505,000 (31 August 2019: £505,000 and 28 February 2019: £441,000) and fees for non-portfolio management services of £17,000 (31 August 2019: £17,000 and 28 February 2019: £17,000) were accrued and included in other creditors. FIL also provides the Company with marketing services. The total amount payable for these services during the period was £66,000 (year ended 31 August 2019: £192,000 and 28 February 2019: £79,000). At the Balance Sheet date, marketing services of £40,000 (31 August 2019: £nil and 28 February 2019: £9,000) were accrued and included in other creditors.

As at 29 February 2020, the Board consisted of six Non-Executive Directors (as shown in the Directory on page 30), all of whom are considered to be independent by the Board apart from Nicky McCabe who was employed by FIL Limited until 31 December 2017. None of the Directors have a service contract with the Company. The Chairman receives an annual fee of £41,000, the Audit Committee Chairman an annual fee of £31,750 and each other Director an annual fee of £27,000.

As at the date of this report, the following members of the Board held ordinary shares in the Company: Andy Irvine 200,000 shares, Dean Buckley 50,000 shares, Nigel Foster 73,000 shares, Claire Boyle 7,466 shares, Nicky McCabe 31,970 shares and Alison McGregor 29,803 shares.

Shareholder Information

Investing in Fidelity Special Values PLC

Fidelity Special Values PLC is a company listed on the London Stock Exchange and you can buy its shares through a platform, stockbroker, share shop or bank. Fidelity also offers a range of options, so that you can invest in the way that is best for you. Details of how to invest and the latest Key Information Document can be found on the Company's pages on the Manager's website at

www.fidelity.co.uk/specialvalues

CONTACT INFORMATION

Shareholders and Fidelity's Platform Investors should contact the appropriate administrator using the contact details given below and on the next page. Links to the websites of major platforms can be found online at

www.fidelityinvestmenttrusts.com

Shareholders on the main share register

Contact Link Asset Services, Registrar to Fidelity Special Values PLC, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU.

Email: **enquiries@linkgroup.co.uk**

Telephone: **0371 664 0300** (calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open 9:00-17:30, Monday to Friday, excluding public holidays in England and Wales).

Details of individual shareholdings and other information can also be obtained from the Registrar's Share Portal at

www.signalshares.com. Shareholders are able to manage their shareholding online by registering for the Share Portal, a free and secure online service. Facilities include:

Account Enquiry – Shareholders can access their personal shareholding, including share transaction history, dividend payment history and obtain an up-to-date shareholding valuation.

Amendment of Standing Data – Shareholders can change their registered postal address and add, change or delete dividend mandate instructions. Shareholders can also download forms such as change of address, stock transfer and dividend mandate forms as well as buy and sell shares in the Company.

Should you have any queries in respect of the Link Share Portal, contact the helpline on **0371 664 0391** (calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open 9:00-17:30, Monday to Friday excluding public holidays in England and Wales).

Link Share Dealing Service

Link Asset Services offer a low cost share dealing service to buy or sell shares.

Further information is available at

www.linksharedeal.com, or by telephoning **0371 664 0445** (calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open 8:00-16:30, Monday to Friday excluding public holidays in England and Wales). The Link Share Dealing Service allows you to deal in the shares of other companies for which Link Asset Services acts as Registrar, provided you are already a shareholder in the relevant company, and that company offers the Share Deal facility to its shareholders.

Dividend Reinvestment Plan

Link Asset Services offers a Dividend Reinvestment Plan which is a convenient way for Shareholders to build up their shareholding by using their dividend money to purchase additional shares in the Company. The Plan is provided by Link Asset Services, a trading name of Link Market Services Trustees Limited which is authorised and regulated by the Financial Conduct Authority.

For more information and an application pack call **0371 664 0381** between 9:00-17:30 Monday to Friday. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the UK will be charged at the applicable international rate. Alternatively you can email: **shares@linkgroup.co.uk** or log on to **www.signalshares.com**.

Fidelity Platform Investors

Contact Fidelity, using the freephone numbers given in the next column, or by writing to: UK Customer Service, Fidelity International, Oakhill House, 130 Tonbridge Road, Hildenborough, Tonbridge, Kent TN11 9DZ.

Website: **www.fidelity.co.uk/its**

Private investors: call free on **0800 41 41 10**, 9:00-18:00, Monday to Saturday.

Financial advisers: call free on **0800 41 41 81**, 8:00-18:00, Monday to Friday.

General Enquiries

General enquiries should be made to the Secretary, at the Company's registered office: FIL Investments International, Investment Trusts, Beech Gate, Millfield Lane, Lower Kingswood, Tadworth, Surrey KT20 6RP.

Telephone: **01737 837320**

Email: **investmenttrusts@fil.com**

Website: **www.fidelityinvestmenttrusts.com**

If you hold Fidelity Special Values PLC shares in an account provided by Fidelity International, you will receive a report every six months detailing all of your transactions and the value of your shares.

Financial Calendar 2020/2021	
29 February 2020	Half-Yearly period end
April 2020	Announcement of Half-Yearly results
May 2020	Publication of Half-Yearly Report
14 May 2020	Ex-Dividend Date
15 May 2020	Dividend Record Date
24 June 2020	Payment of Interim Dividend
31 August 2020	Financial year end
November 2020	Publication of Annual Report
December 2020	Ex-Dividend and Dividend Record Dates
December 2020	Annual General Meeting
January 2021	Payment of Final Dividend

Directory

Board of Directors

Andy Irvine (Chairman)
Claire Boyle (Chair of the Audit Committee)
Dean Buckley (Senior Independent Director)
Nigel Foster
Nicky McCabe
Alison McGregor

Alternative Investment Fund Manager (AIFM/the Manager)

FIL Investment Services (UK) Limited
Oakhill House
130 Tonbridge Road
Hildenborough
Tonbridge
Kent
TN11 9DZ

Portfolio Manager, Secretary and Registered Office

FIL Investments International
Beech Gate
Millfield Lane
Lower Kingswood
Tadworth
Surrey KT20 6RP
Email: investmenttrusts@fil.com

Independent Auditor

Ernst & Young LLP
25 Churchill Place
London
E14 5EY

Lawyer

Dickson Minto W.S.
Broadgate Tower
20 Primrose Street
London
EC2A 2EW

Banker and Custodian

JPMorgan Chase Bank (London Branch)
125 London Wall
London
EC2Y 5AJ

Depository

J.P. Morgan Europe Limited
25 Bank Street
London
E14 5JP

Financial Adviser and Stockbrokers

Winterflood Investment Trusts
The Atrium Building
Cannon Bridge
25 Dowgate Hill
London
EC4R 2GA

Registrar

Link Asset Services
The Registry
34 Beckenham Road
Beckenham
Kent
BR3 4TU

General Data Protection Regulation ("GDPR")

What personal data is collected and how it is used

The Company is an investment trust which is a public limited company and has certain regulatory obligations such as the requirement to send documents to its Shareholders, for example, the Annual Report and other documents that relate to meetings of the Company. The Company will therefore collect Shareholders' personal data such as names, addresses and identification numbers such as investor codes and will use this personal data to fulfil its statutory obligations.

Any personal data collected will be kept securely on computer systems and in some circumstances on paper. Personal information is kept secure in line with Fidelity's Information Security policies and standards. If you are unhappy with how we have used your personal data, you can complain by contacting the UK Data Protection Officer, Fidelity International, Beech Gate, Millfield Lane, Lower Kingswood, Tadworth, Surrey KT20 6RP.

Sharing personal data

In order to assist the Company in meeting its statutory requirements, the Company delegates certain duties around the processing of this data to its third party service providers, such as the Company's Registrar and Printers. The Company has appointed Fidelity to undertake marketing activities for the Company and their privacy statement can be found on the Company website at <https://investment-trusts.fidelity.co.uk/privacy-policy/>

The Company's agreements with the third party service providers have been updated to be compliant with GDPR requirements. The Company confirms to its Shareholders that their data will not be shared with any third party for any other purpose, such as for marketing purposes. In some circumstances, it may be necessary to transfer Shareholders' personal data across national borders to Fidelity Group entities operating in the European Economic Area ("EEA"). Where this does occur, European standard of protections will be applied to the personal data that is processed. Where personal data is transferred within the Fidelity group, but outside of the EEA, that data will subsequently receive the same degree of protection as it would in the EEA.

How long will personal data be kept for?

We will keep the personal data for as long as is necessary for these purposes and no longer than we are legally permitted to do so.

Requesting access, making changes to your personal data and other important information

Shareholders can access the information that the Company holds about them or ask for it to be corrected or deleted by contacting Fidelity's UK Data Protection Officer, Fidelity International, Beech Gate, Millfield Lane, Lower Kingswood, Tadworth, Surrey KT20 6RP.

Glossary of Terms

AIF

Alternative Investment Fund ("AIF"). The Company is an AIF.

AIFM

Alternative Investment Fund Manager ("AIFM"). The Board has appointed FIL Investment Services (UK) Limited to act as the Company's AIFM (the Manager).

AIFMD

The Alternative Investment Fund Managers Directive ("AIFMD") is a European Union Directive implemented on 22 July 2014.

Alternative Performance Measure

The Company uses the following Alternative Performance Measures which are all defined in this Glossary of Terms:

- Discount/Premium
- Gearing;
- Ongoing Charges;
- Revenue, Capital and Total Returns; and
- Total Return Performance (Net Asset Value Total Return or Share Price Total Return).

Benchmark Index

FTSE All-Share Index against which the performance of the Company is measured.

Block Listing

A facility that allows an issuer to admit to listing unallotted securities that are issued over an extended period of time. The Company acquired a block listing in order satisfy demand that could not be met in the market.

Contract for Difference (CFD)

A contract for difference is a derivative. It is a contract between the Company and an investment house at the end of which the parties exchange the difference between the opening price and the closing price of the underlying asset of the specified financial instrument. It does not involve the Company buying or selling the underlying asset, only agreeing to receive or

pay the movement in its share price. A contract for difference allows the Company to gain access to the movement in the share price by depositing a small amount of cash known as margin. The Company may reason that the asset price will rise, by buying ("long" position) or fall, by selling ("short" position). If the Company trades long, dividends are received and interest is paid. If the Company trades short, dividends are paid and interest is received.

Derivatives

Financial instruments (such as futures, options and contracts for difference) whose value is derived from the value of an underlying asset.

Discount

If the share price of the Company is lower than the net asset value per share, the Company is said to be trading at a discount. The discount is shown as a percentage of the net asset value.

Fair Value

The fair value is the best estimate of the value of the investments, including derivatives, at a point in time and this is measured as:

- **Listed and AIM quoted investments** – valued at bid prices, or last market prices, where available otherwise at published price quotations;
- **Unlisted investments** – valued using an appropriate valuation technique in the absence of an active market;
- **Futures and options** – valued at the quoted trade price for the contract; and
- **Contracts for difference** – valued as the difference between the settlement price of the contract and the value of the underlying shares in the contract (unrealised gains or losses).

Futures

An agreement to buy or sell a fixed amount of an asset at a fixed future date and at a fixed price.

Gearing

Gearing is the amount of exposure the Company uses to invest in the market. The Company uses two measures of **gearing**:

- **Gross gearing** which is the amount by which **Gross Asset Exposure** exceeds **Shareholders' funds** expressed as a percentage of **Shareholders' funds**.
- **Net gearing** which is the amount by which **Net Asset Exposure** exceeds **Shareholders' funds** expressed as a percentage of **Shareholders' funds**.

Gross Asset Exposure

A measure of the Company's total equity exposure. It is calculated as the sum of all long exposures, plus short exposures and less exposures **hedging** the portfolio.

Hedging

A strategy aimed at minimising or eliminating the risk or loss through adverse movements, normally involving taking a position in a **derivative** such as a **future** or an **option**.

Net Asset Exposure

A measure of the Company's net equity exposure. It is calculated as the sum of all long exposures, less short exposures and less exposures **hedging** the portfolio.

Net Asset Value (NAV)

Net asset value is sometimes also described as "Shareholders' funds", and represents the total value of the Company's assets less the total value of its liabilities. For valuation purposes it is common to express the **net asset value** on a per share basis.

Ongoing Charges

Total operating expenses (excluding finance costs and taxation) incurred by the Company as a percentage of the average daily **net asset values** for the reporting year.

Options

An **option** is a contract which gives the right, but not the obligation, to buy or sell an underlying asset at an agreed price on or before an agreed date. **Options** may be calls (buys) or puts (sells) and are used to gain or reduce exposure to the underlying asset on a conditional basis, for example, the purchase of a call option provides exposure to the upside potential of an underlying stock, with the downside risk being limited to the premium paid.

Premium

If the share price of the Company is higher than the **net asset value** per share, the Company is said to be trading at a **premium**. The **premium** is shown as a percentage of the **net asset value**.

Return/(Loss)

The **return/(loss)** generated in a given period from the investments:

- **Revenue Return** reflects the dividends and interest from investments and other income net of expenses, finance costs and taxation;
- **Capital Return/(Loss)** reflects the return on capital, excluding any revenue return; and
- **Total Return/(Loss)** reflects the aggregate of revenue and capital returns.

Shareholders' Funds

Shareholders' funds are also described as "**net asset value**" and represent the total value of the Company's assets less the total value of its liabilities.

Glossary of Terms continued

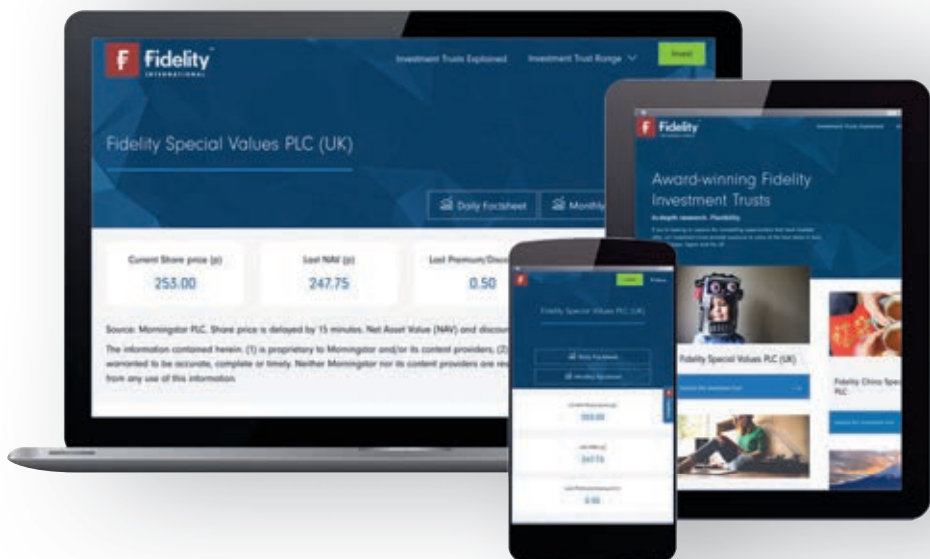
Total Return Performance

The return on the share price or [net asset value](#) per share taking into account the rise and fall of share prices and the dividends paid to Shareholders.

Any dividends received by the Shareholder are assumed to have been reinvested for additional shares (for share price total return) or the Company's assets (for [net asset value](#) total return).

Treasury Shares

Ordinary shares of the Company that have been repurchased by the Company and not cancelled but held in Treasury. These shares do not pay dividends, have no voting rights and are excluded from the [net asset value](#) per share calculation.



To find out more about Fidelity Special Values PLC visit our website www.fidelityinvestmenttrusts.com where you can read articles and watch videos on the Company.



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