



PRESS RELEASE
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To: City editors

For immediate release

Securities Trust of Scotland grows dividend by 7.9%

Securities Trust of Scotland, the £124 million UK growth and income investment trust, has continued to deliver a high and growing income for shareholders in excess of that available from the UK equity market. The key results from the financial year ending 31 March 2008 were:

- The revenue return over the year to 31 March was 5.68p per share, compared to 5.13p in the previous year, a rise of 10.7%.
- Three interim dividends of 1.10p per share have already been paid and the Directors have declared a fourth interim dividend of 2.15p per share, making a total of 5.45p per share. This is an increase of 7.9% on the total dividends paid for the year to 31 March 2007. The Board will continue to pay quarterly dividends to provide a regular income for investors.
- In contrast to the strong gains and outperformance of the previous year, the total return of the net asset value per share fell by 13.9%, compared with the 7.7% fall in the FTSE All-Share Index.
- At 31 March 2008 the Company's shares offered a yield of 4.5%, compared to the 3.8% available from the FTSE All-Share Index.

Ross Watson of Martin Currie, the manager of Securities Trust of Scotland, commented:

"After five years of rising stock markets, this has been a tough year for UK equities, and for income-orientated investments in particular. Many of the sectors and stocks that performed well over the year were relatively low yielding, while several of the more domestically exposed sectors with higher yields underperformed. However dividend growth from many UK companies exceeded expectations during the year, reflecting healthy profit levels and a number of companies increasing their dividend payout ratios. Looking ahead, we continue to focus upon companies with strong free cash flows to support sustained dividend growth."

- Ends -

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About Securities Trust of Scotland

Launched in 2005, the objective of Securities Trust of Scotland is to achieve rising income and long-term capital growth by investment in the UK. The emphasis is on companies with the potential for strong earnings and dividend growth. The net yield on the trust is one of the highest in its sector, while the progressive dividend policy is designed to ensure growing income. The Board pay quarterly dividends to provide regular income for investors.

Securities Trust of Scotland is managed by Ross Watson of Martin Currie, who has 23 years' experience of managing UK growth and income funds. He is supported by Martin Currie's highly rated UK equity team and works closely with their experienced sector research team. The manager runs a focussed 50-60 stock equity portfolio that is unconstrained by sector, stock or market capitalisation.

For more information on Securities Trust, visit <http://www.securitiestrust.com>.