



MIDDLEFIELD CANADIAN INCOME PCC Interim Management Statement

This statement has been prepared to provide additional information to shareholders as a body to meet the relevant requirements of the UK Listing Authority's Disclosure and Transparency Rules. It should not be relied upon by any party for any purpose other than as stated above. This statement covers the period 1 July 2013 to date.

Middlefield Canadian Income PCC is a closed-ended investment company incorporated in Jersey on 24 May 2006. The Company has initially established one closed-ended Cell known as Middlefield Canadian Income – GBP PC (referred to as the “Fund” which term includes, where the context permits, the Company acting in respect of Middlefield Canadian Income - GBP PC). Admission to the official list of the UK Listing Authority and dealing in redeemable participating preference shares commenced on 6 July 2006.

Investment Objective

The Fund's investment objective is to provide shareholders with a high level of dividends as well as capital growth over the longer term. The Fund intends to pay dividends on a quarterly basis each year.

To achieve its objectives, the Fund invests predominantly in the securities of companies and real estate investment trusts (“REITs”) domiciled in Canada and listed on a Canadian Stock Exchange, that the Investment Manager believes will provide attractive levels of distributions, together with the prospect for capital growth.

Performance Summary

The net asset value of the Fund as at 31 October 2013 was 107.09 pence per share or £115.7 million. The total return of the Fund, which reflects changes in the net asset value as well as dividends paid, was 11.6% for the year-to-date period ended 31 October 2013. Comparatively, the returns generated by the S&P/TSX Equity Income Index and the S&P/TSX Composite Index over the same period were 9.6% and 6.5%, respectively.

The asset class weightings for the Fund as at 31 October 2013 were:

Asset Class	Portfolio Weighting
<i>Financials</i>	<i>18.8%</i>
<i>Energy Producers</i>	<i>17.6%</i>
<i>Bonds and Convertible Debentures</i>	<i>14.5%</i>
<i>Real Estate</i>	<i>12.3%</i>
<i>Utilities</i>	<i>8.0%</i>
<i>Power and Pipeline</i>	<i>7.0%</i>
<i>Materials</i>	<i>5.7%</i>
<i>Industrials</i>	<i>3.9%</i>
<i>Oil and Gas Services</i>	<i>3.4%</i>
<i>Telecommunication</i>	<i>2.8%</i>
<i>Consumer Staples</i>	<i>1.9%</i>
<i>Metals and Mining</i>	<i>1.8%</i>
<i>Consumer Discretionary</i>	<i>1.8%</i>
<i>Other</i>	<i>0.5%</i>



Material Events

As disclosed in the press release issued by the Company on 10 October 2013, following consultation with a number of the Fund's largest shareholders, the Company intends to seek shareholder approval to amend its investment policy in order to increase the percentage of the value of portfolio assets which may be invested in securities listed on a recognised stock exchange outside of Canada from 10 per cent. to 20 per cent. The Company expects this added flexibility will be primarily used to invest in the US and will enhance its opportunities for providing a favourable total return to shareholders.

Middlefield remains positive on the outlook for the Canadian equity income sector and believes that companies offering high levels of sustainable income will continue to attract significant investor interest.

Company Secretary
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7 November 2013

*Past performance is not a guide to future performance.
This interim management statement is available at: www.middlefield.co.uk.*