

**Key Information**

Total Assets*	£247.6m
Long term gearing <sup>††</sup> (Currently largely offset by cash and gilts)	27%
No. of Shares <sup>†</sup> (Ordinary 25p)	52,361,416
Net Asset Value <sup>†</sup>	372.4p
Net Asset Value (debt at Market Value) <sup>†</sup>	345.2p
Discount to NAV <sup>†</sup>	21.6%
Discount to NAV (debt at Market Value) <sup>†</sup>	15.4%
Share price*	292p
Gross Yield*	2.8%
Year end	30th November

\* Source: Datastream as at 31.12.04

† Source: Allianz Dresdner Asset Management as at 31.12.04  
Investment trusts are quoted companies listed on the London Stock Exchange. Their share price is determined by factors including demand, or lack of, which means that the shares may trade below (at a discount to) or above (at a premium to) the underlying net asset value.

In line with industry best practice, Net Asset Values (NAVs) are now shown that take into account the 'fair value' of debt. NAVs – namely available shareholders' funds divided by the number of shares in issue, with shareholders' funds calculated as the net value of all the company's assets having deducted liabilities – are now calculated after allowing for the valuation of debt at fair value or current market price, rather than at final repayment value. Most professional advisers and institutional investors already allow for fair value of debt when assessing NAV and discount information, so this change provides private investors with information which takes into account a more realistic impact of the cost of debt and thus a more realistic discount.

††Source: Datastream as at 31.12.04

**INCOME** 

**GROWTH** 

**Investment Scheme Availability**

**ISA** 

**SS** 

**PEP** 

**Fund Managers**

Mark Lovett  
(UK)



Nersen Pillay  
(Overseas)

# The Brunner Investment Trust PLC

## Fund Managers' Review

Global equities produced strong returns in December, with the Trust's composite benchmark returning a little over 3%. Relative to this the funds own performance was slightly disappointing, and not holding the UK banks, HBOS and Lloyds, meant relative returns suffered.

From a country perspective, stock selection in Japan was positive, with the online retailer Rakuten showing strong returns and Mizuho Financial Group, a Japanese large domestic banking group also doing well. In other areas utilities did well, with United Utilities up over 15%. Pharmaceuticals on the other hand suffered as regulatory pressure continues to mount; being underweight AstraZeneca reduced a lot of our exposure to this

Going forward we continue to see value in European companies, where strong management teams run companies with healthy cash flows. On a valuation basis Europe appears underrated relative to its Japanese and US peers, with the Trusts asset allocation reflecting this view.

## Top 10 Holdings

	%
Treasury 4.5% 7/3/07	10.15
BP Plc	5.23
HSBC Holdings	3.41
Royal Bank of Scotland	2.88
Vodafone Group	2.76
GlaxoSmithKline	2.62
Barclays	2.26
BHP Billiton	1.69
Standard Chartered	1.45
WPP	1.35
<b>TOTAL</b>	<b>33.80</b>

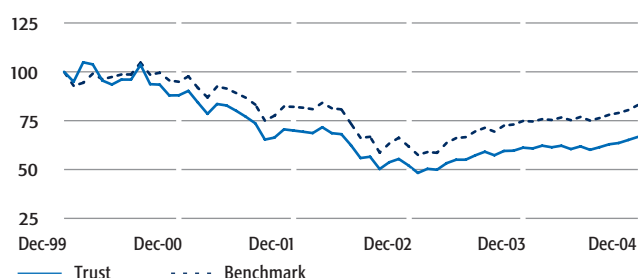
Source: Allianz Dresdner Asset Management as at 31.12.04

## Geographical Breakdown

United Kingdom	47.47%
North America	17.02%
Cash	16.34%
Europe	10.48%
Asia	5.03%
Pacific ex. Japan	3.67%

Source: Allianz Dresdner Asset Management as at 31.12.04  
Changes in rates of exchange may cause the value of investments and the income from them to go down or up.

## Fund Performance



Source: Russell/Mellon/Allianz Dresdner Asset Management. 31st December 99 to 31st December 04, Total Return, net income reinvested, calculation indexed. UK Sterling. Please remember that past performance is not necessarily a guide to future performance. The value of an investment and the income from it can fall as well as rise as a result of market or currency fluctuations and you may not get back the amount originally invested. This investment trust charges 70% of its annual management fee to the capital account and 30% to revenue. This could lead to a higher level of income but a lower capital return.

## Standardised Past Performance

From to	01/01/00 31/12/00	01/01/01 31/12/01	01/01/02 31/12/02	01/01/03 31/12/03	01/01/04 31/12/04
Share Price	-10.56%	-21.68%	-32.91%	14.65%	11.03%

Source: Allianz Dresdner Asset Management/Standard & Poor's. Mid to mid, basic rate tax, based in UK sterling. These performance figures are produced for the purposes of these fact sheets and are intended for existing and potential investors. This performance table differs in its presentation from Fund Performance. It complies with the Financial Services Authority's regulations to enable investors to compare different products from different providers.

## Trust Aim & Characteristics

To increase the Trust's total return above the benchmark index of 60% FTSE All-Share and 40% FT/S&P World Index (ex UK sterling adjusted) over the long term. This objective will be achieved by investing in UK and international securities and by using appropriate gearing to enhance returns. The strategy of the Trust is designed to meet the requirements of those seeking a single investment in a diversified and professionally managed portfolio.

<sup>††</sup>Brunner seeks to enhance returns for its shareholders through gearing, in the form of bank borrowings, to buy more investments. Gearing can boost the Trust's returns when investments perform well, though losses can be magnified when investments do badly. You should be aware that this Trust may be subject to sudden and large falls in value and you could suffer substantial capital loss.

Allianz Dresdner Asset Management is the marketing name of RCM (UK) Ltd., which is authorised and regulated by the Financial Services Authority. Issued by RCM (UK) Ltd. Registered office: 155 Bishopsgate, London, EC2M 3AD. Registered in England No. 2014586. Member of the Allianz Dresdner Asset Management Marketing Group. Member of the Allianz Group. The information contained herein including any expression of opinion is for information purposes only and is given on the

## AITC Sector

Global Growth.

## Benchmark

60% FTSE All-Share Index and 40% FT/S&P World Index (ex UK).

## Share Buybacks

The Trust is committed to repurchasing ordinary shares, where market conditions are suitable, in order to enhance shareholder value. To date, 11.6m shares have been repurchased.

## History

The Brunner Investment Trust PLC was formed from the Brunner family's interest in the sale of Brunner, Mond & Co, the largest of the four companies which came to form ICI in 1926. The Trust has been managed by Allianz Dresdner Asset Management (formerly Kleinwort Benson and now part of the Allianz Group) since inception and shareholders include the Brunner family and a number of institutional investors as well as a large group of private shareholders.

Launch Date: 1927.

Wind-up Date: None.

## Price Information

Financial Times and The Daily Telegraph  
www.allianzdresdneram.co.uk

## Trust Codes

ISIN – GB0001490001  
Sedol – 0149000  
RIC – BUT

## Shareholder Communications

Report and Accounts – Final posted in February, and Interim posted in August.  
Annual General Meeting – March.  
Dividends – March and August

## Board of Directors

John Trott (Chairman), Ben Siddons, William Worsley, Richard Wakeling, Vivian Bazalgette, Keith Percy

## Contacts

Investor Services **020 7065 1407**  
Brochure Line **0800 317 573**  
Web Address **www.allianzdresdneram.co.uk**

For our mutual protection, calls are recorded and may be used for quality control and training purposes. We reserve the right to use such recordings in the event of a dispute.

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