

31 May 2015

The Brunner Investment Trust PLC

Half-Yearly Financial Report



Allianz 
Global Investors

www.brunner.co.uk

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The Brunner Investment Trust PLC aims to provide growth in capital value and dividends over the long term through investing in a portfolio of UK and international equities. The benchmark is 50% FTSE All-Share and 50% FTSE World Index (ex UK £).

Cover image: 'Girl with a Dolphin' fountain, Tower Bridge, London.

The image of the fountain on the cover of this report is inspired by the Arms of the Brunner family. The family originated from Switzerland and 'Brunnen' is German for fountain. John Brunner was born in Canton Zürich and migrated to Lancashire in 1832. His son, Sir John Brunner, Bart, was the co-founder of Brunner Mond & Co, the largest of the four companies which came together to form ICI in 1926. The family's interest in ICI was used in the following year to establish The Brunner Investment Trust.

Jim Sharp, who joined the board on 1 January 2014, is connected to the Brunner family by marriage and continues the link between the board and the Brunner family.

The Brunner Investment Trust PLC is a member of The Association of Investment Companies.

Category: Global Growth



Highlights

Half-year results



Revenue	As at 31 May 2015	As at 31 May 2014	% change
Available for ordinary dividend	£3,434,000	£3,357,000	+2.3
Earnings per ordinary share	8.0p	7.8p	+2.6
Interim dividends per ordinary shares	6.4p ¹	6.1p	+4.9
Retail price index	258.5	255.9	+1.0

¹ First interim 3.2p, second interim 3.2p.

Assets	As at 31 May 2015	As at 30 Nov 2014	% change
Net Asset Value per ordinary share (debt at fair value)	666.2p	614.9p	+8.3
Net Asset Value per ordinary share (debt at par)	696.8p	646.0p	+7.9
Ordinary share price	569.5p	541.0p	+5.3
Total net assets (debt at fair value)	£286,626,000	£264,945,000	+8.2
Total net assets (debt at par)	£299,798,000	£278,363,000	+7.7

Net asset value relative to benchmark	Capital Return ²	Total Return ³
Change in net asset value	8.3%	9.1%
Change in benchmark	5.2%	6.8%
Performance against benchmark	3.1%	2.3%

² Debt at fair value.

Portfolio relative to benchmark	Capital Return ²	Total Return ³
Net portfolio return (excluding cash & gilts)	8.2%	9.8%
Change in benchmark	5.2%	6.8%
Portfolio against benchmark	3.0%	3.0%

³ Total returns are calculated with net dividends reinvested.

Interim Management Report

Net Asset Value

A summary of the results for the six months ended 31 May 2015 is set out below. The net asset value (debt at fair value) attributable to each ordinary share at 31 May 2015 was 666.2p. This compares with 614.9p at 30 November 2014, an increase of 8.3% over the period. The capital return on the benchmark index (50% FTSE All-Share, 50% FTSE World Index (ex UK Sterling), was 5.2% over the period.

Earnings

Earnings increased by 2.6% to 8.0p per ordinary share in the six months to 31 May 2015 (2014 – 7.8p).

Gearing

The gearing at 30 November 2014 was 11.8% and at 31 May 2015 was 6.2%. Gearing is calculated after deducting cash and the value of holdings in government securities held to offset some of the long term debentures issued.

Quarterly dividends

The board declared a first quarterly dividend of 3.2p per ordinary share which was paid on 30 June 2015. The board has now declared a second quarterly dividend of 3.2p per ordinary share payable on 21 September 2015 to holders on the register of members at the close of business on 21 August 2015. A third quarterly payment will be made in December and the final dividend will be proposed for payment in March 2016.

This is the second year of quarterly dividend payments. It is the intention that dividend increases will be applied to the first three quarterly payments rather than the final dividend with the aim of achieving a more even distribution between the four payments over time.

Material events and transactions

In the six month period ended 31 May 2015 the following material events and transactions have taken place.

- At the annual general meeting of the company held on 17 March 2015, all the resolutions put to shareholders were passed.
- During the period under review the company purchased 67,000 ordinary shares for cancellation.

There were no related party transactions in the period.

Since the period end, a further 5,000 ordinary shares have been purchased for cancellation.

Interim Management Report *(continued)*

Principal risks

The principal risks facing the company over the next six months are broadly unchanged from those described in the annual financial report for the year ended 30 November 2014. These are set out in a table in the Strategic Report on page 10 of the annual report, together with commentary on the board's approach to mitigating the risks under the following headings: Investment Strategy; Market Volatility; and Financial and Liquidity Risk.

Responsibility Statement

The directors confirm to the best of their knowledge that:

- The condensed set of financial statements contained within the half-yearly financial report has been prepared in accordance with the Accounting Standards board's Statement 'Half-Yearly Financial Reports'; and
- The interim management report includes a fair review of the information required by Disclosure and Transparency Rule 4.2.7 R of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and

- The interim management report includes a fair review of the information concerning related parties transactions as required by the Disclosure and Transparency Rule 4.2.8 R.

Chairman

I have been Chairman since March 2004, having joined the board at the beginning of that year. I will be retiring from the board at the conclusion of the Annual General Meeting in 2016 and will be succeeded as Chairman by Carolan Dobson, who joined the board in December 2013 and whose knowledge and experience in the investment management industry will continue to be of great benefit to your company.

The half-yearly financial report was approved by the board on 29 July 2015 and the above responsibility statement was signed on its behalf by the Chairman.

Keith Percy
Chairman

Investment Managers' Review

Market Review

Global equities posted moderate gains, underpinned by accommodative monetary policies, particularly in Europe and Japan. In local currency terms, Japan led the way higher, followed by Europe. In emerging markets, China outperformed. On a global sector basis, Health Care and Consumer Services outperformed while Utilities and Oil & Gas lagged. Uncertainty over the timing of a Federal Reserve interest rate hike remained and bond market volatility increased.

The UK economy continued to improve and in May equities, gilts and sterling initially rallied in the aftermath of the general election. First quarter GDP growth was revised upward from 0.3% to 0.4%, boosted by stronger construction activity.

In Europe, the European Central Bank initiated its sovereign bond quantitative easing programme, sending bond yields and the euro lower while equity markets rallied. Euro zone first quarter GDP was mixed with disappointing German growth of 0.3% quarter-on-quarter offset by better-than-expected growth from France and Italy. Consumer prices surprised on the upside with a 0.3% rise in May, easing fears over deflation and contributing to a bond market sell-off. The ongoing stalemate between Greece and its international creditors over the terms of continued support for the Greek economy continued to weigh on sentiment.

US macroeconomic data showed that the economy was rebounding from a weak first quarter. Non-farm payrolls rose by 280,000 in May and upward revisions to the previous two monthly reports, plus a jump in wage growth, suggested that the US labour market remained healthy. May consumer spending also rose a robust 0.9% and the housing market remained strong. Despite the plethora of positive economic indicators that raised expectations of a turn in the US interest rate cycle, markets were reassured by relatively dovish comments from the Federal Reserve. Fed chair Janet

Yellen, acknowledged the improvement in economic momentum but cautioned that policymakers wanted to see firmer evidence that the recovery was sustainable before raising rates.

In Japan the Nikkei 225 index reached a 15 year high as first quarter GDP growth was stronger than anticipated and wage increases in April exceeded inflation for the first time in two years. Equity markets in China continued to move higher although volatility increased and concerns mounted that the liquidity and leverage fuelled buying bubble was about to burst.

Portfolio Review

Over the period the portfolio's NAV rose 8.2%, compared to a 5.2% gain for the benchmark (50% FTSE All-Share, 50% FTSE World ex-UK). Performance benefited from positive stock selection in Consumer Services, Financials and Oil & Gas. The overweight in Industrials and underweights in Utilities and Basic Materials also helped. Stock selection in Health Care and Technology were modest negatives, as was the overweight in Oil & Gas. From a country perspective, stock selection in the UK and US was positive while Japan detracted.

Last year Mothercare was the top detractor and we argued that our valuation work suggested that the market was overly negative on the company's UK business and largely overlooked the strength of the international operations. Last September the company announced a £100 million rights issue in order to accelerate the restructuring of the UK business and recapitalise the balance sheet. The shares have since recovered and the turnaround strategy in the UK seems to be starting to bear fruit. The international business continues to do well and growth is expected to accelerate as new territories are added. The business as a whole is expected to be free cash flow positive by 2017. The shares continue to offer upside particularly if we begin to see gross margin expansion although we anticipate a somewhat volatile ride.

Investment Managers' Review *(continued)*

Interbroker dealer Tullet Prebon also contributed. In November of last year the company announced that it had hired a team of brokers in the US which would help leverage the company's existing interdealer broking infrastructure. The company also received a favourable \$130 million settlement in a legal case which will be used to consolidate the voice broking market. Additionally, Tullet has rationalised its fixed cost base and introduced a target-based pay structure for its top executives. The shares continue to trade at a significant discount to its peers and we believe the prospects for further interdealer broker consolidation and a pick-up in trading volumes as equity volatility increases provide further upside potential.

Business technology and services company Xchanging was the top detractor. The company has been undergoing a transformation over the last few years and has made a number of acquisitions in technology and procurement and exited non-core areas. 2014 saw a 22.7% decline in revenues offset by an increase in operating margins from 10.5% in 2013 to 13.7%. Now that the restructuring has been completed, the company is well-placed to grow sales, expand margins further and increase profits. There is a meaningful opportunity to grow the high margin Xuber commercial insurance software solutions business. We believe the shares are undervalued.

Brazilian infrastructure company CCR also detracted. The shares have been held back by higher interest rates, currency depreciation and a lacklustre equity market. First quarter results were uninspiring with earnings depressed due to weak toll road revenues as commercial vehicle traffic declined due to the weak economy. However, the Brazilian government recently announced a \$65 billion infrastructure package which will heavily involve new private sector concessions to build and operate. While details on the rates of returns on these proposed projects have yet to be released, this should provide a good long-term growth opportunity for CCR. Over the near term, management anticipates a recovery in toll road traffic next year and contributions from a number of projects nearing completion.

New holdings during the period included Antofagasta, John Wood Group and Amphenol, while the most significant sales were UCB, BAE Systems and Spectris.

Outlook

We have noted previously that expansive monetary policies, abundant global liquidity and receding concerns over the pace, size and impact of the US Federal Reserve interest rate tightening need to be considered against a market backdrop of relatively full valuations and weaker earnings growth. The considerable uncertainties around Greece's membership of the Eurozone must be thrown into the mix.

However, the risk of contagion across the euro zone is still relatively limited. The institutional architecture of the euro zone has been strengthened considerably over the last few years with the establishment of financial assistance and stabilisation mechanisms that improve the area's resilience to systemic risk. Nevertheless, it will be important to monitor the situation carefully and maintain vigilance against the possibility of a so far unforeseen event that further destabilises the region.

Volatility has picked up across a variety of asset classes and we anticipate that this will eventually flow through to equities as well. Our view remains that market gains over the near term are likely to be muted and active management is required to augment returns.

As the markets begin to gyrate more, it is worth remembering that volatility is not risk. It has been defined as such primarily because it is measurable, and most of the risk modelling tools used to manage portfolios are based on this definition. Despite the great lesson of the Financial Crisis, this situation persists. As every long term investor knows, true financial risk is permanent reduction in capital value, or the failure to achieve financial objectives.

Investment Managers' Review *(continued)*

Managing a concentrated global equity portfolio in an environment of greater uncertainty requires strong fundamentally based conviction, balanced exposure and valuation discipline. Strong fundamental conviction is important to take advantage of heightened market nervousness, particularly if generated by short term factors such as currency adjustments, commodity fluctuations or weather. Balanced exposure in a portfolio means ensuring the returns are not driven by one or two macro or style factors, but rather by a diverse selection of stocks with low correlation. Absolute valuations for equities are at the high end of historic ranges. Extreme valuation plus a rising discount rate can be a dangerous combination, particularly if accompanied by earnings disappointment.

We continue to apply these investment principles to Brunner and favour stocks that can grow their businesses, earnings and dividends independently of the macroeconomic environment. Areas where we are finding companies that meet these criteria include health care, technology and industrials. In health care our focus is on companies with strong franchises in growing therapeutic areas such as oncology and immunology, while in technology we have purchased companies benefiting from the emerging ubiquity of internet connectivity for both consumers and businesses. In industrials many of our holdings are leading companies in niche areas with a high component of aftermarket sales and services, which provide comparatively stable revenue streams.

Maintaining our disciplined focus on buying quality companies at attractive valuations enables us to build upon the meaningful capital gains and 43 year history of consistent dividend growth that Brunner shareholders have enjoyed.

Lucy Macdonald and Jeremy Thomas
Allianz Global Investors

Investment Portfolio

as at 31 May 2015

Listed Equity Holdings

Security Name	Market Value £'000s	Total Assets %	Principal Activity
HSBC	9,392	2.95	Banks
Royal Dutch Shell 'B' Shares	8,692	2.73	Oil & Gas Producers
Vodafone	8,316	2.61	Mobile Telecommunications
Mothercare	7,965	2.50	General Retailers
BP	7,656	2.41	Oil & Gas Producers
Microsoft	7,264	2.28	Software & Computer Services
GlaxoSmithKline	5,950	1.87	Pharmaceuticals & Biotechnology
Roche Holdings	5,901	1.85	Pharmaceuticals & Biotechnology
AbbVie	5,695	1.79	Pharmaceuticals & Biotechnology
UBM	5,565	1.75	Media
Walgreen	5,520	1.73	Food & Drug Retailers
Estee Lauder "A" Shares	5,515	1.73	Personal Goods
BG Group	5,413	1.70	Oil & Gas Producers
Nielsen	5,131	1.61	Media
Monsanto	5,118	1.61	Food Producers
Muenchener Rueckver	4,852	1.52	Non-Life Insurance
United Health	4,781	1.50	Health Care Equipment & Services
UBS	4,727	1.49	Banks
Rio Tinto	4,724	1.48	Mining
Better Capital	4,663	1.47	Equity Investment
Apple	4,513	1.42	Technology Hardware & Equipment
Balfour Beatty	4,505	1.42	Construction & Materials
Boot (Henry)	4,479	1.41	Construction & Materials
Tullett Prebon	4,478	1.41	Financial Services
Unilever	4,425	1.39	Food Producers
Rolls Royce	4,350	1.37	Aerospace & Defence
Fresenius	4,295	1.35	Health Care Equipment & Services
SMC	4,260	1.34	Industrial Engineering
Xchanging	4,223	1.33	Support Services
EOG Resources	4,186	1.32	Oil & Gas Producers
Visa	4,117	1.29	Financial Services
William Hill	4,081	1.28	Travel & Leisure
Wells Fargo	4,010	1.26	Banks
SThree	3,886	1.22	Support Services
Accenture	3,795	1.19	Support Services
United Internet	3,787	1.19	Software & Computer Services
Tyman	3,722	1.17	Construction & Materials
Hansteen Holdings	3,705	1.16	Real Estate
Hays	3,693	1.16	Support Services
Nestle	3,685	1.16	Food Producers

Investment Portfolio *(continued)*

as at 31 May 2015

Listed Equity Holdings *(continued)*

Security Name	Market Value £'000s	Total Assets %	Principal Activity
Intertek	3,676	1.16	Support Services
Ameriprise Financial	3,593	1.13	Financial Services
Celgene	3,515	1.10	Pharmaceuticals & Biotechnology
AMETEK	3,490	1.10	Electronic & Electrical Equipment
BHP Billiton	3,461	1.09	Mining
Amadeus	3,415	1.07	Support Services
BOC Hong Kong Holdings	3,391	1.07	Banks
Priceline.com	3,326	1.04	Travel & Leisure
Citigroup	3,296	1.04	Banks
Itochu	3,294	1.04	Support Services
Agilent Technologies	3,289	1.03	Electronic & Electrical Equipment
Microchip Technology	3,256	1.02	Technology Hardware & Equipment
Schneider Electric	3,203	1.01	Electronic & Electrical Equipment
Adidas	3,176	1.00	Personal Goods
Astellas Pharma	3,062	0.96	Pharmaceuticals & Biotechnology
China Mobile	3,062	0.96	Mobile Telecommunications
Anadarko Petroleum	3,052	0.96	Oil & Gas Producers
Brambles	3,015	0.95	General Industrials
ICAP	3,011	0.95	Financial Services
FirstGroup	2,756	0.87	Travel & Leisure
Aviva	2,712	0.85	Life Insurance
Cielo	2,689	0.84	Financial Services
BASF	2,644	0.83	Chemicals
AMEC Foster Wheeler	2,599	0.82	Oil Equipment, Services & Distribution
Centrica	2,530	0.80	Gas, Water & Multiutilities
Ashmore	2,480	0.78	Financial Services
IG Group	2,459	0.77	Financial Services
Australia & New Zealand Bank	2,420	0.76	Banks
Taiwan Semiconductor (ADS)	2,377	0.75	Technology Hardware & Equipment
AIA	2,359	0.74	Life Insurance
CCR	2,157	0.68	Industrial Transportation
Flowserve	1,955	0.61	Industrial Engineering
Cie Financiere Richemont	1,835	0.58	Personal Goods
Diageo	1,816	0.57	Beverages
Amphenol	1,704	0.54	Electronic & Electrical Equipment
Jiangsu Express	1,681	0.53	Industrial Transportation
Actavis	1,646	0.52	Pharmaceuticals & Biotechnology
Antofagasta	1,492	0.47	Mining
Wood Group	1,466	0.46	Oil Equipment, Services & Distribution
Petroceltic International	1,309	0.41	Oil & Gas Producers

Investment Portfolio *(continued)*

as at 31 May 2015

Listed Equity Holdings *(continued)*

Security Name	Market Value £'000s	Total Assets %	Principal Activity
Tesco	1,275	0.40	Food & Drug Retailers
Weir Group	1,214	0.38	Industrial Engineering
Smith & Nephew	1,160	0.36	Health Care Equipment & Services
Technip	1,095	0.34	Oil Equipment, Services & Distribution
South32	756	0.23	Industrial Metals
	318,204	99.99	

Unlisted Equity Holdings

Security Name	Market Value £'000s	Total Assets %	Principal Activity
First Debenture Finance	24	0.01	Financial Services
Fintrust Debenture	4	0.00	Financial Services
	28	0.01	

Geographical Analysis

	%
United Kingdom	46.92
North America	28.84
Europe	13.39
Pacific Basin	5.99
Japan	3.34
Latin America	1.52
Total	100.00

Sectoral Analysis

	%
Industrials	21.92
Financials	21.49
Health Care	11.31
Consumer Services	11.19
Oil & Gas	11.15
Consumer Goods	8.03
Technology	6.66
Basic Materials	3.87
Telecommunications	3.58
Utilities	0.80
Total	100.00

Income Statement and Balance Sheet

Income Statement

for the six months ended 31 May 2015

	Revenue £'000s	Capital £'000s	Total Return £'000s
			(Note 2)
Net gains on investments at fair value	-	24,263	24,263
Net gains on foreign currency	-	20	20
Income from investments	4,825	-	4,825
Other income	25	-	25
Investment management fee	(229)	(534)	(763)
Administration expenses	(292)	(2)	(294)
Net return on ordinary activities before finance costs and taxation	4,329	23,747	28,076
Finance costs: interest payable and similar charges	(671)	(1,542)	(2,213)
Net return on ordinary activities before taxation	3,658	22,205	25,863
Taxation	(224)	-	(224)
Net return attributable to ordinary shareholders	3,434	22,205	25,639
Net return per Ordinary Share (Note 1) (basic and diluted)	7.97p	51.54p	59.51p

Balance Sheet

as at 31 May 2015

	£'000s
Investments held at fair value through profit or loss	318,232
Net current assets (liabilities)	31,035
Total assets less current liabilities	349,267
Creditors: amount falling due after more than one year	(49,469)
Total net assets	299,798
Called up share capital	10,756
Capital redemption reserve	5,244
Capital reserves	270,121
Revenue reserve	13,677
Equity shareholders' funds	299,798
Net asset value per ordinary share	696.8p

The net asset value is based on 43,024,918 Ordinary Shares in issue at 31 May 2015.

for the six months ended 31 May 2014			for the year ended 30 November 2014		
Revenue £'000s	Capital £'000s	Total Return £'000s	Revenue £'000s	Capital £'000s	Total Return £'000s
		(Note 2)			(Note 2)
-	8,482	8,482	-	14,137	14,137
-	24	24	-	27	27
4,683	-	4,683	8,927	-	8,927
50	-	50	103	-	103
(216)	(505)	(721)	(434)	(1,013)	(1,447)
(308)	(3)	(311)	(595)	(7)	(602)
4,209	7,998	12,207	8,001	13,144	21,145
(672)	(1,543)	(2,215)	(1,343)	(3,081)	(4,424)
3,537	6,455	9,992	6,658	10,063	16,721
(180)	-	(180)	(320)	-	(320)
3,357	6,455	9,812	6,338	10,063	16,401
7.79p	14.98p	22.77p	14.71p	23.35p	38.06p

as at 31 May 2014	as at 30 November 2014
£'000s	£'000s
312,523	329,281
11,601	(1,319)
324,124	327,962
(49,721)	(49,599)
274,403	278,363
10,772	10,772
5,228	5,228
244,677	248,285
13,726	14,078
274,403	278,363
636.8p	646.0p

The net asset value is based on 43,089,418 Ordinary Shares in issue at 31 May 2014.

The net asset value is based on 43,089,418 Ordinary Shares in issue at 30 November 2014.

Reconciliation of Movements in Shareholders' Funds

	Called up Share Capital £'000s	Capital Redemption Reserve £'000s	Capital Reserve £'000s	Revenue Reserve £'000s	Total £'000s
Six months ended 31 May 2015					
Net assets at 1 December 2014	10,772	5,228	248,285	14,078	278,363
Revenue return	-	-	-	3,434	3,434
Ordinary shares repurchased during the period	(16)	16	(369)	-	(369)
Dividends on ordinary shares (Note 4)	-	-	-	(3,835)	(3,835)
Capital return	-	-	22,205	-	22,205
Net Assets at 31 May 2015	10,756	5,244	270,121	13,677	299,798
Six months ended 31 May 2014					
Net assets at 1 December 2013	10,772	5,228	238,222	14,032	268,254
Revenue return	-	-	-	3,357	3,357
Dividends on ordinary shares (Note 4)	-	-	-	(3,663)	(3,663)
Capital return	-	-	6,455	-	6,455
Net Assets at 31 May 2014	10,772	5,228	244,677	13,726	274,403
For the year ended 30 November 2014					
Net assets at 1 December 2013	10,772	5,228	238,222	14,032	268,254
Revenue return	-	-	-	6,338	6,338
Dividends on ordinary shares (Note 4)	-	-	-	(6,292)	(6,292)
Capital return	-	-	10,063	-	10,063
Net Assets at 30 November 2014	10,772	5,228	248,285	14,078	278,363

Cash Flow Statement

	Six months ended 31 May 2015 £'000s	Six months ended 31 May 2014 £'000s	Year ended 30 Nov 2014 £'000s
Net cash inflow from operating activities	4,395	4,271	7,564
Return on investments and servicing of finance			
Interest paid	(2,333)	(2,326)	(4,646)
Dividends paid on preference stock	(11)	(11)	(22)
Net cash outflow from servicing of finance	(2,344)	(2,337)	(4,668)
Capital expenditure and financial investment			
Purchase of fixed asset investments	(14,995)	(38,671)	(79,721)
Sale of fixed asset investments	49,503	35,328	65,236
Net cash inflow (outflow) from capital expenditure and financial investment	34,508	(3,343)	(14,485)
Equity dividends paid	(3,835)	(3,663)	(6,292)
Net cash inflow (outflow) before financing	32,724	(5,072)	(17,881)
Financing			
Purchase of ordinary shares for cancellation	(369)	-	-
Increase (decrease) in cash	32,355	(5,072)	(17,881)
Reconciliation of return on ordinary activities before finance costs and taxation to net cash flow from operating activities			
Total return before finance costs and taxation	28,076	12,207	21,145
Add: Net (gains) on investments at fair value	(24,263)	(8,482)	(14,137)
Add: Special dividends credited to capital	491	1,182	1,348
Add: Effective yield amortisation	(2)	(104)	(216)
Less: Stock dividends received as income	(60)	-	(39)
Less: Net (gains) on foreign currency	(20)	(24)	(27)
Less: Overseas tax suffered	(224)	(180)	(320)
	3,998	4,599	7,754
Decrease (increase) in debtors	39	(301)	(190)
Increase (decrease) in creditors	358	(27)	-
Net cash inflow from operating activities	4,395	4,271	7,564
Reconciliation of net cash flow to movement in net debt			
Net cash inflow (outflow)	32,355	(5,072)	(17,881)
Net gains on foreign currency	20	24	27
Decrease in long term loans	130	122	244
Movement in net funds (debt)	32,505	(4,926)	(17,610)
Net debt brought forward	(50,424)	(32,814)	(32,814)
Net debt carried forward	(17,919)	(37,740)	(50,424)

Notes

Note 1

The returns per ordinary share have been calculated using a weighted average number of shares in issue of 43,079,819 (periods to: 31 May 2014 - 43,089,418 shares; 30 November 2014 – 43,089,418 shares).

Note 2

The total column of this statement is the profit and loss account of the company.

All revenue and capital items derive from continuing operations. No operations were acquired or discontinued in the period.

A Statement of Total Recognised Gains and Losses is not required as all gains and losses of the company have been reflected in the Income Statement.

Dividends payable on ordinary shares in respect of earnings for each period are as follows:

	Six months ended 31 May 2015 £'000s	Six months ended 31 May 2014 £'000s	Year ended 30 Nov 2014 £'000s
Final dividend 5.70p paid 26 March 2015 (2014 - 8.50p)	2,456	3,663	3,663
First interim dividend 3.00p paid 27 June 2014	-	-	1,293
Second interim dividend 3.10p paid 22 September 2014 (2013 - 6.00p)	-	-	1,336
Third interim dividend 3.20p paid 19 December 2014	1,379	-	-
	3,835	3,663	6,292

Dividends payable at the period end are not recognised as a liability under FRS 21 'Events after the Balance Sheet Date'. Details of these dividends are set out below.

	Six months ended 31 May 2015 £'000s	Six months ended 31 May 2014 £'000s	Year ended 30 Nov 2014 £'000s
First interim dividend 3.20p payable 30 June 2015 (2014 - 3.00p)	1,377	1,293	-
Second interim dividend 3.10p payable 21 September 2015 (2014 - 3.20p)	1,377	1,336	-
Third interim dividend	-	-	1,379
Final dividend 5.70p	-	-	2,456
	2,754	2,629	3,835

Included in the cost of investments are transaction costs on purchases which amounted to £41,000 (periods to: 31 May 2014 - £100,000; 30 November 2014 - £232,000) and transaction costs on sales which amounted to £23,000 (periods to: 31 May 2014 - £35,000; 30 November 2014 - £61,000).

Note 3

Investments are designated as held at fair value through profit or loss in accordance with FRS 26 'Financial Instruments: Recognition and Measurement'. Listed investments are valued at bid market prices.

Note 4

In accordance with FRS21 'Events after the Balance Sheet Date', the final dividend payable on ordinary shares is recognised as a liability when approved by shareholders. Interim dividends are recognised only when paid.

Notes *(continued)*

The final and interim dividends are based on the number of shares in issue at the period end. However, the dividend payable will be based upon the number of shares in issue on the record date and will reflect any purchase or cancellations of shares by the company settled subsequent to the period end.

Note 5

The directors believe it is appropriate to continue to adopt the going concern basis in preparing the financial statements, as the assets of the company consist mainly of securities which are readily realisable and accordingly, that the company has adequate financial resources to continue in operational existence for the foreseeable future.

Note 6

The half yearly report has neither been audited nor reviewed by the company's auditors. The financial information for the year ended 30 November 2014 has been extracted from the statutory accounts for that year which have been delivered to the Registrar of Companies and restated by reference to the changes in accounting policies detailed above. The auditor's report on those accounts was unqualified and did not contain a statement under either section 498(2) or (3) of the Companies Act 2006.

Investor Information

Directors

Keith Percy (Chairman)
Ian Barlow
Vivian Bazalgette
Carolan Dobson
Peter Maynard
Jim Sharp

Managers

Allianz Global Investors GmbH, UK Branch
199 Bishopsgate
London
EC2M 3TY
Telephone: +44 (0)20 7859 9000
Represented by Lucy Macdonald and Jeremy Thomas
(Fund Managers)

Secretary and Registered Office

Kirsten Salt BA (Hons) ACIS
199 Bishopsgate
London
EC2M 3TY
Telephone: +44 (0)20 7065 1513
Registered Number: 226323

Registrars

Capita Asset Services
The Registry
34 Beckenham Road
Beckenham, Kent BR3 4TU
Telephone: +44 (0)20 8639 3399
Email: ssd@capita.com
Website: www.capita.com

Investor Information *(continued)*

Results

Half-year announced in July.
Full Year announced late January/early February.
Annual financial report posted to shareholders in February.
Annual general meeting held March.

Ordinary dividends 2015/2016

It is anticipated that dividends will be paid as follows:

1st quarterly	June
2nd quarterly	September
3rd quarterly	December
Final	March

AIC membership

The Company is a member of the Association of Investment Companies.

Category: Global Growth

Net Asset Value

The net asset value of the ordinary shares is calculated and announced daily and the top ten holdings are announced monthly. They are published on the London Stock Exchange Regulatory News Service. They are also available from the Allianz Global Investors, via Investor Services on 0800 389 4696 or on the Trust's website: www.brunner.co.uk

Shareholders' enquiries

Capita Asset Services are the company's registrars and maintain the share register. In the event of queries regarding their holdings of shares, lost certificates, dividend payments, registered name and address details, etc., shareholders should contact the registrars on +44 (0)20 8639 3399. Lines are open 9.00 a.m. to 5.00 p.m. (London time) Monday to Friday.

Any general enquiries about the company should be directed to the Company Secretary, The Brunner Investment Trust PLC, 199 Bishopsgate, London EC2M 3TY. Telephone: +44 (0)20 7065 1513.

How to invest

Alliance Trust Savings Limited ("ATS") is one of a number of providers offering a range of products and services, including Share Plans, ISAs and pension products. ATS also maintains services including online and telephone-based dealing facilities and online valuations. More information is available from Allianz Global Investors either via Investor Services on 0800 389 4696 or on the Trust's website: www.brunner.co.uk, or from Alliance Trust Savings Customer Services Department on +44 (0)1382 573737 or by email: contact@alliancetrust.co.uk

A list of other providers can be found on the Trust's website: www.brunner.co.uk

Website

Further information about the Trust is available at www.brunner.co.uk, or on the manager's website: www.allianzgi.co.uk

The Brunner Investment Trust PLC
199 Bishopsgate
London
EC2M 3TY

T: +44 (0)20 7859 9000
www.brunner.co.uk