

The Brunner Investment Trust PLC

Presentation to the Annual General Meeting,
16th March 2012

Representing RCM:

Lucy Macdonald, Fund Manager (CIO, Global Equities, London)

Jeremy Thomas, Fund Manager (CIO, UK Equities, London)



Brunner Investment Trust

Agenda

- Background and performance
- Global outlook and portfolio themes
- Summary

Brunner Investment Trust

A bottom-up global stock-picking trust

- Two portfolios managed on a 'bottom up' basis by Lucy Macdonald (Overseas) and Jeremy Thomas (UK)
- Stock-picking philosophy based on fundamental research
- £278 million (total assets)
- Discount of 9.9% (NAV debt at fair value)
- Global growth sector

Background

- Move to a more focused approach - November 2004 (UK) and August 2005 (Overseas)
- Adoption of new benchmark (March 2008)
- Further reduction in number of portfolio holdings in February 2011
- Equity Portfolio holdings March 2012: 106

UK		
	Previous	Current
Number of Stocks	60 – 70	35 – 45

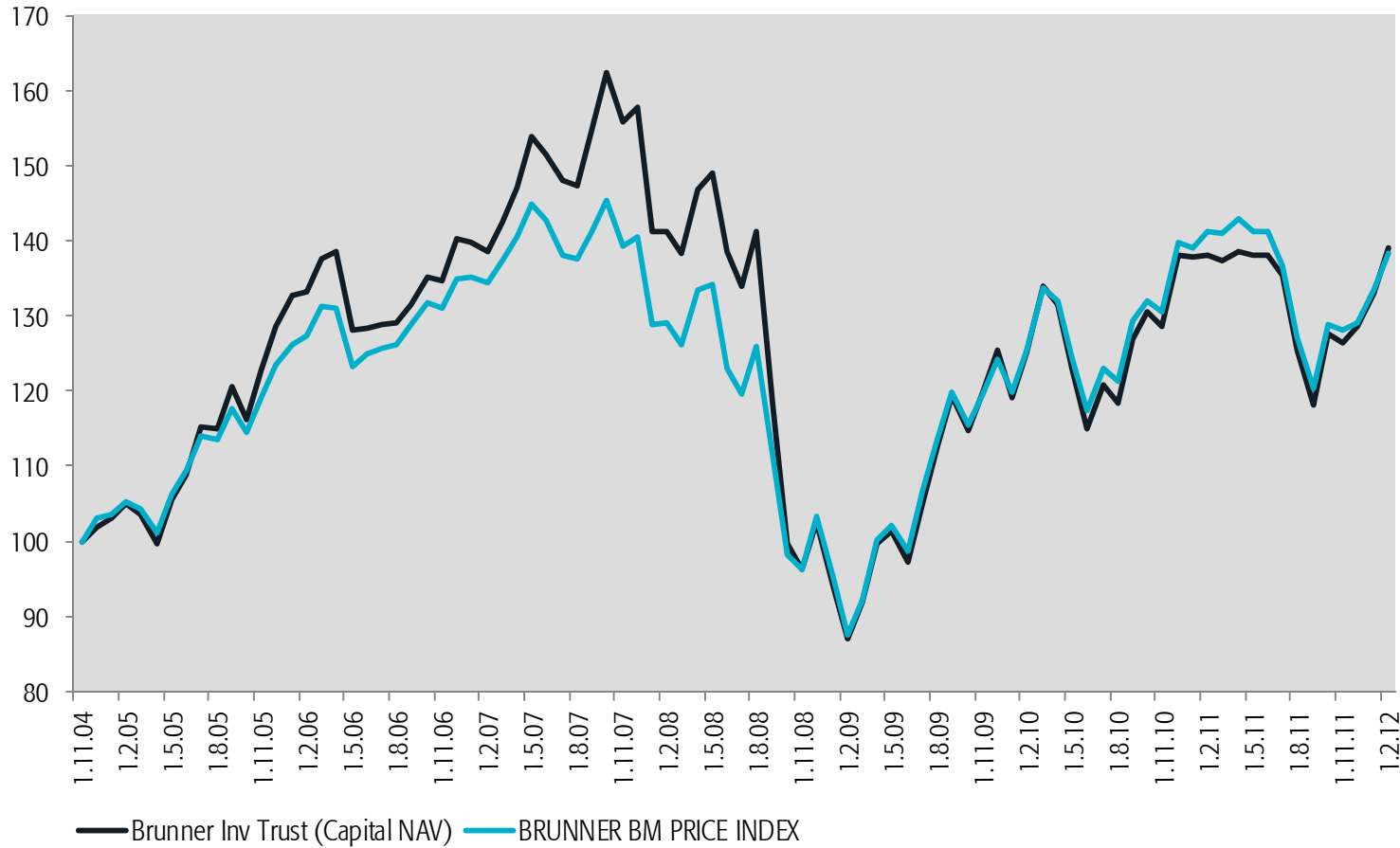
Global		
	Previous	Current
Number of Stocks	80 – 100	55 - 65

Objectives

- Increase focus
- Increase target outperformance
- Greater overseas exposure (50:50 FTSE World ex UK: FTSE All Share)

Performance

1 December 2004 to 28 February 2012



NAV performance – financial year ending November 2011	
	%
Brunner	-1.7
Benchmark	-2.0

Performance attribution – Equity Portfolio

30 November 2010 to 30 November 2011

	Fund %	Benchmark %	+/-
Total Equity*	+2.2	+1.4	+0.8
UK Equity*	+2.8	+3.0	-0.2
Overseas Equity*	+1.6	-0.3	+1.9
NAV Performance**	-1.7	-2.0	+0.3
Attribution	Sector Allocation		Stock Selection
UK Equity*	+2.1		-2.3
Overseas Equity*	+0.4		+1.5

*Based on Wilshire buy and hold methodology total return (equity only)

** Capital only

Source: RCM as at 11 January 2012. Figures may not add up due to rounding.

Performance – Attribution analysis

30 November 2010 to 30 November 2011

Best Active Contributors Overseas Portfolio

Nalco Holding	0.9%
Estee Lauder	0.6%
Philip Morris International	0.6%
Allergan	0.5%
Starbucks	0.5%

UK Portfolio

GlaxoSmithKline	0.7%
Lloyds Banking Group (underweight)	0.7%
Unilever	0.5%
Diageo	0.5%
BHP Billiton (underweight)	0.5%

Worst Active Contributors Overseas Portfolio

SEB	-0.5%
Sony	-0.5%
Genting Singapore	-0.4%
Nidec	-0.4%
Netapp	-0.4%

UK Portfolio

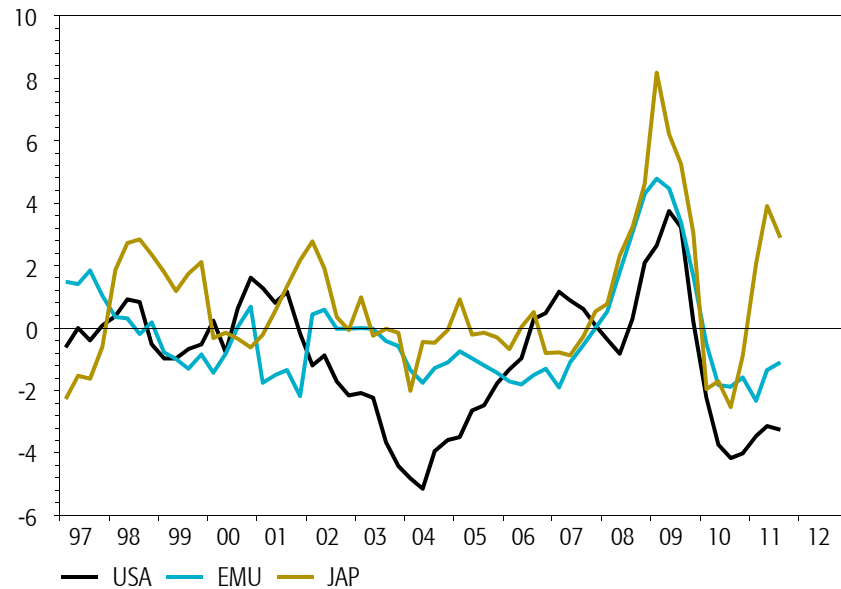
British American Tobacco (not owned)	-0.5%
Mothercare	-0.5%
Inmarsat	-0.4%
Keller Group	-0.4%
Xchanging	-0.4%

Note: Attribution based on position-based performance attribution (daily buy-and-hold, closing price valuation, no transaction costs). Performance figures shown on this report are approximates. The official performance for funds subject to substantial cash flows or which trade in volatile daily market conditions will vary from these figures.

Source: RCM, as at 30 November 2011.

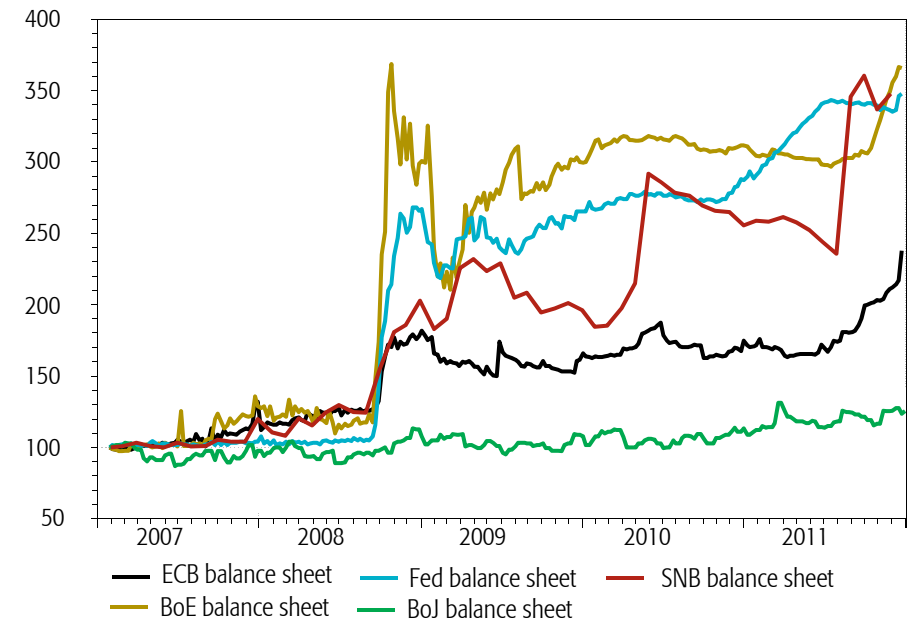
Accommodative monetary policy

Global Short Interest Rates/GDP



- For assessing the stance of monetary policy we compare nominal central bank rates to nominal GDP growth rates
- Central bank rates are accommodative in US and EMU

Global Central banks balance sheet

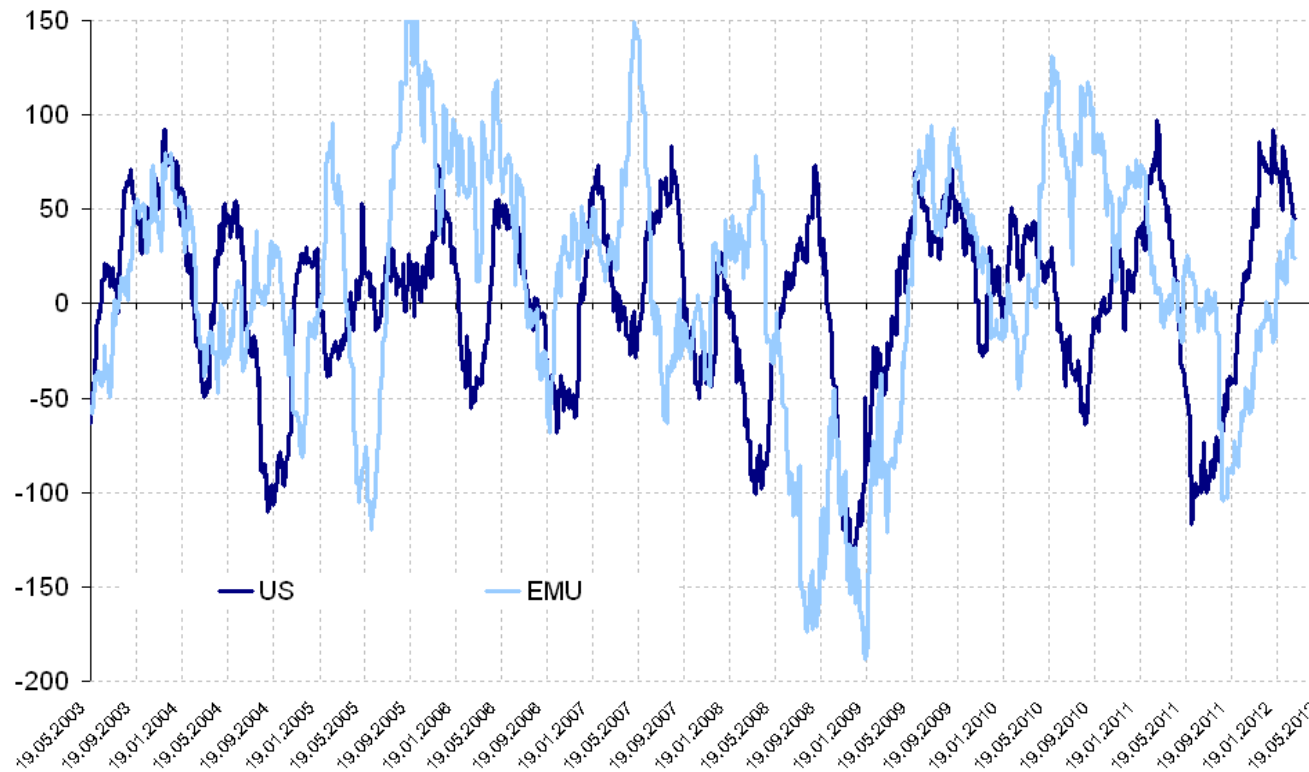


- Central banks' balance sheets in the DM have expanded massively since the burst of the asset bubble in 2007 – with the exception of Japan

Central bank policy is highly accommodative: rates are very low and ample liquidity is being provided

Global Economic Surprise Indices peaking?

Citi Economic Surprise Index: US and EMU



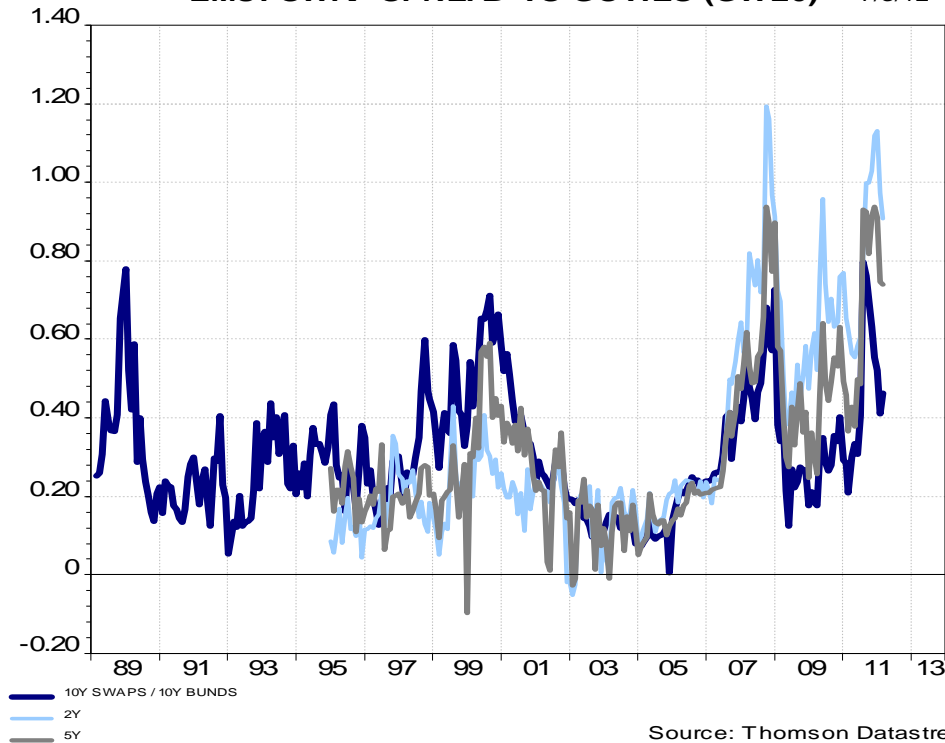
- ESI measure to what extent economic data releases are better or worse than originally estimated by consensus
- The US ESI appears to have peaked
- Europe has recovered from low levels

Global ESI have troughed in late 2011. In various markets they are now at around cyclical peak levels again

EMU: mind the spread

EMU swap spreads

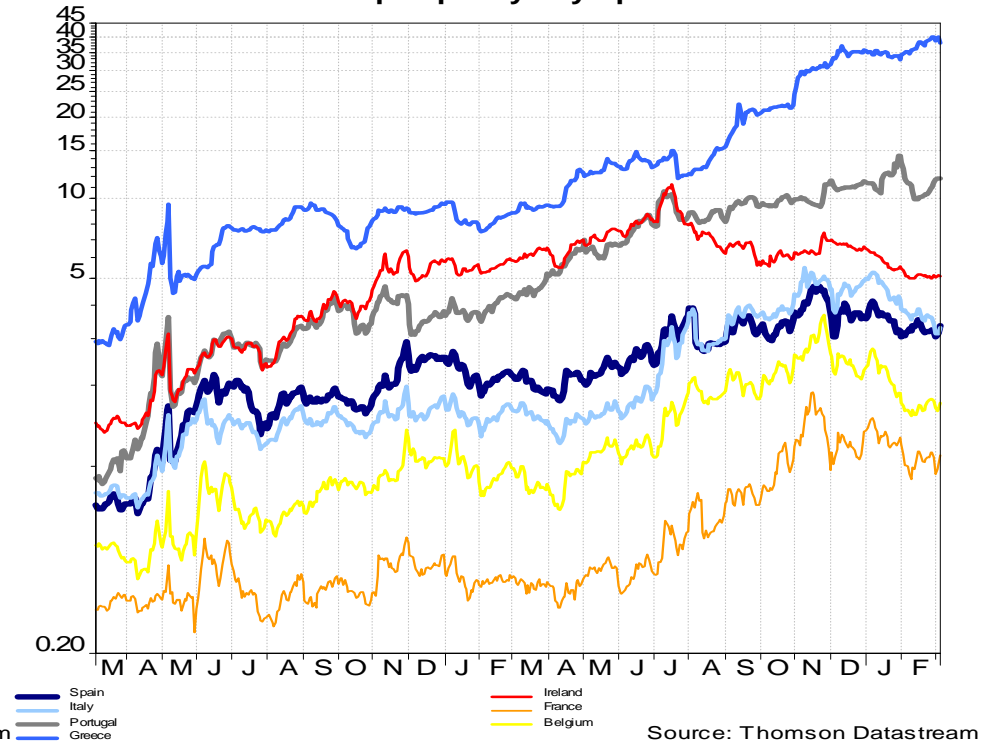
EMU: SWAP SPREAD VS GOVIES (GWL0) 7/3/12



The swap spread tightening is indicating less stress in the financial system

EMU Sovereign spreads vs Germany

EMU periphery 10y spreads 7/3/12

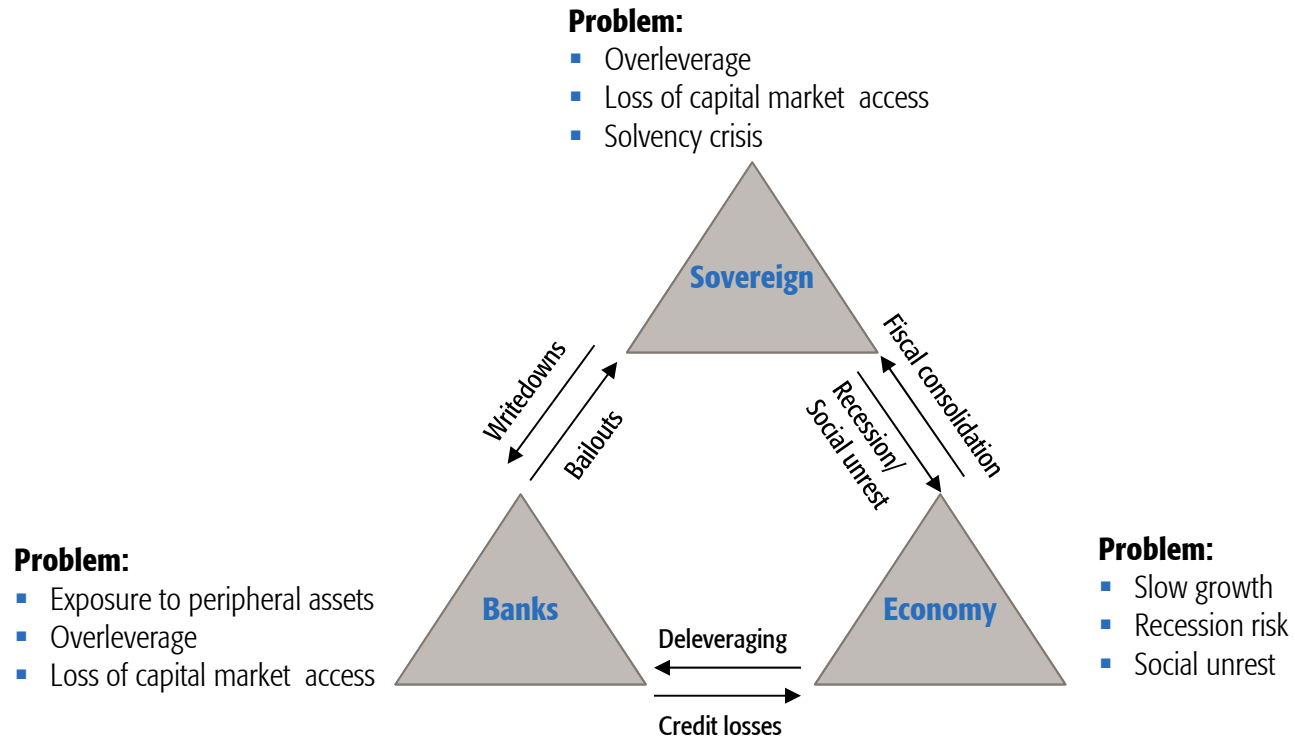


Most sovereign spreads continue to tighten

Reasons for spread tightening: ECB policy (LTRO), EU decisions on Greece, Government changes, better cyclical data, low valuations

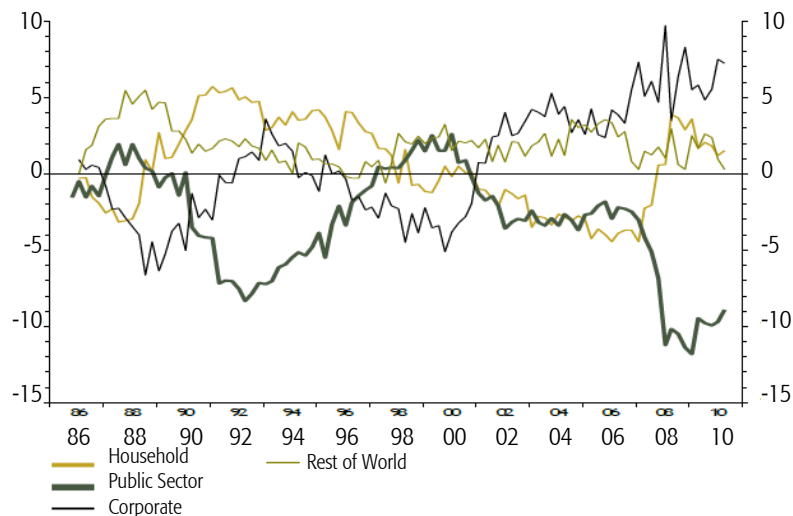
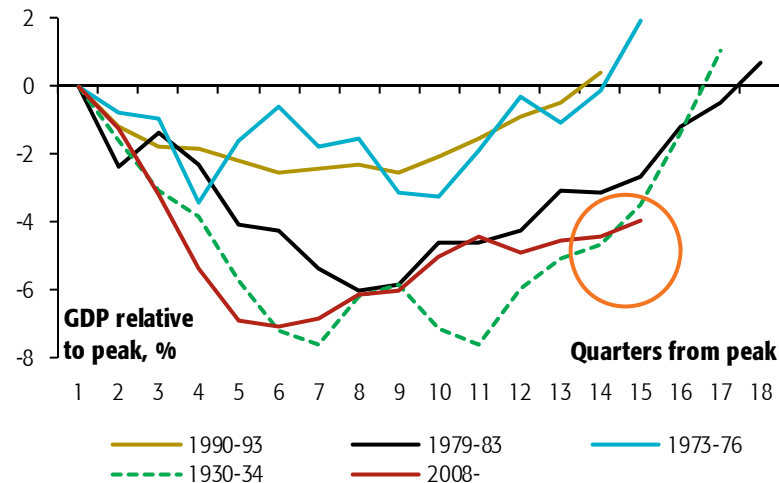
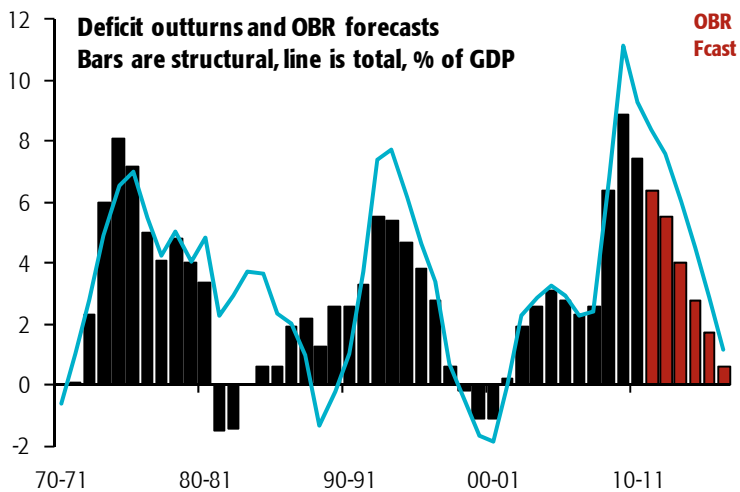
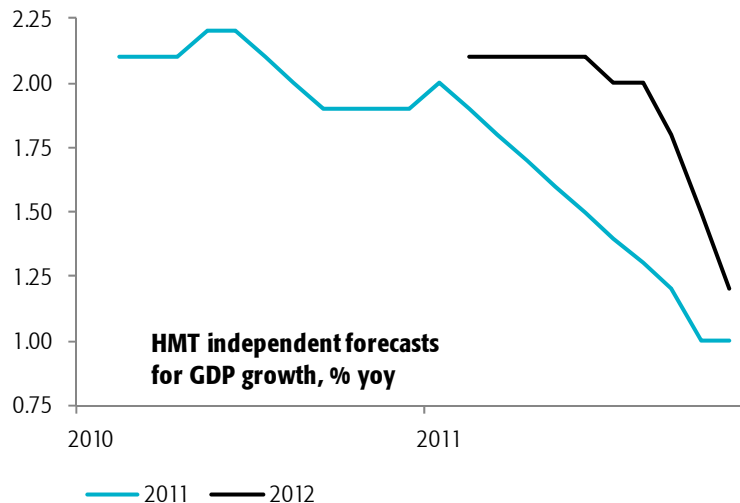
Europe

Negative feedback loop of sovereign debt, banks and economy



UK Economy

A subdued outlook... at best

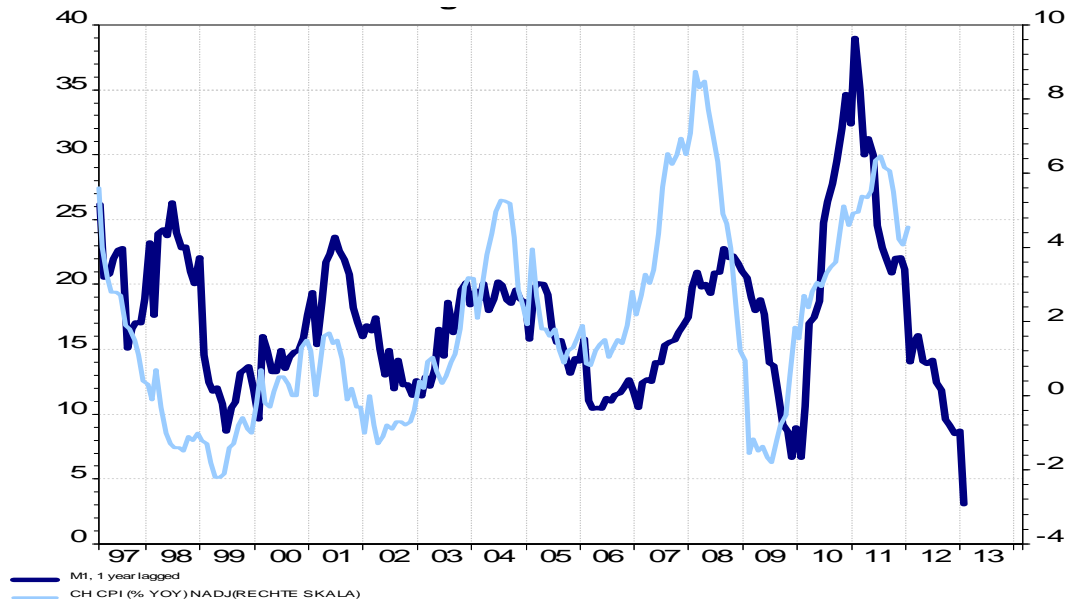


Source: Deutsche Bank.

Source: ASR Ltd./ Thomson Reuters Datastream.

China: tightening cycle has peaked

China's M1 growth suggests core inflation should fall

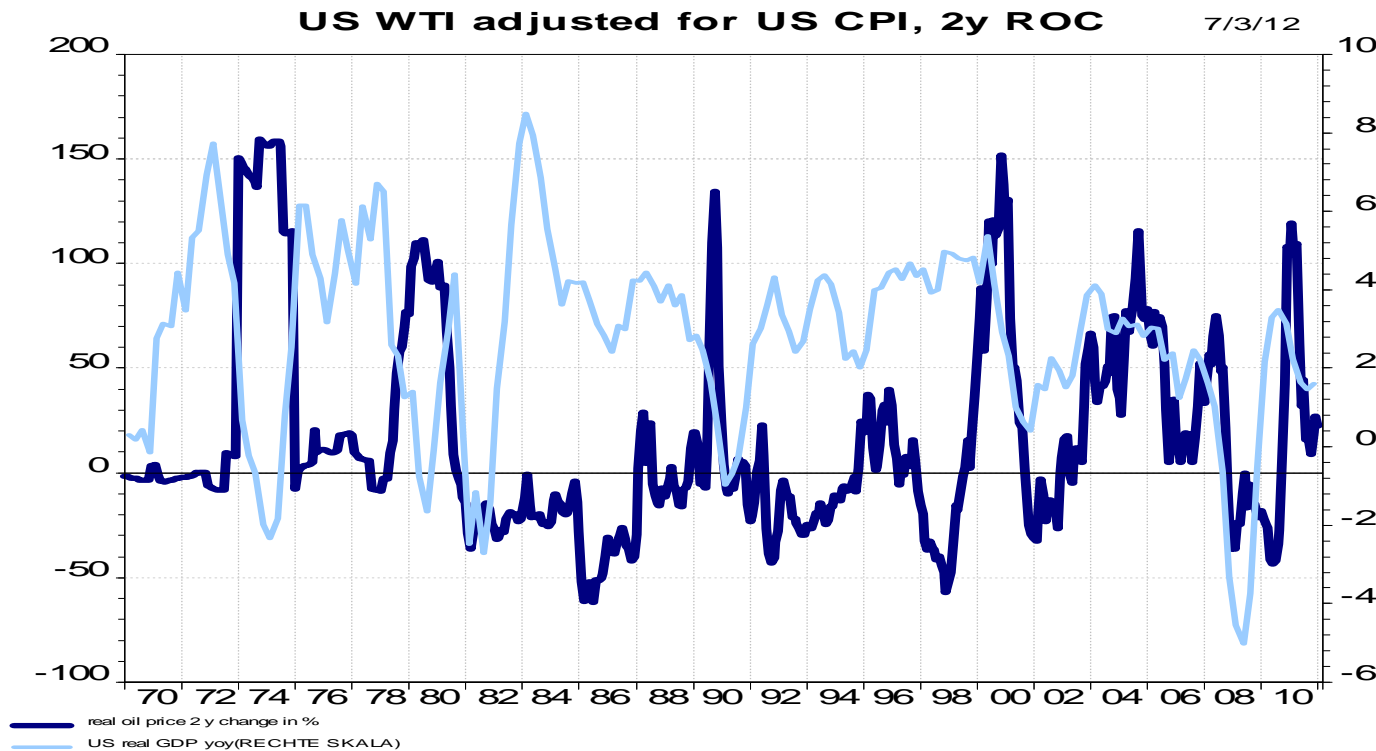


- Recent macro data points out of China have been encouraging
- Inflation has clearly peaked as minimum wage and pork price increases have moderated
- This gives authorities room to ease fiscal and monetary policies if required to sustain GDP growth at an acceptable level
- Going forward, the focus of the economy will be more on domestic demand rather than exports and investments

A China soft-landing should help global growth remain positive

Risk: rising oil price

US WTI Adjusted for US CPI, 2Y ROC (lhs) vs US real GDP (rhs)



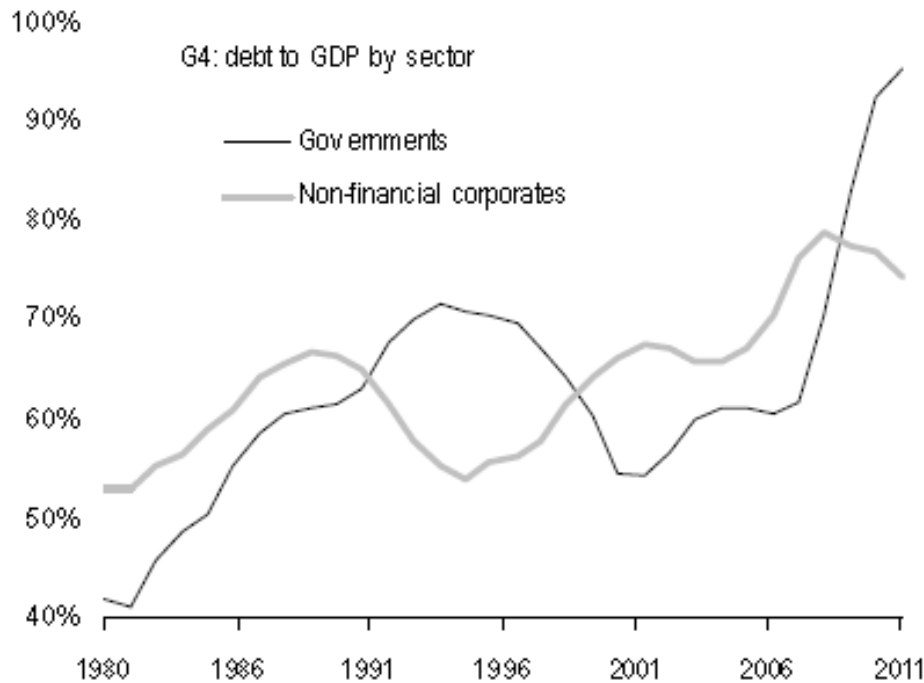
Source: Thomson Datastream

- The oil prices are rising for the following reasons:
 - better cyclical data globally (demand driven)
 - fears around Iran (supply shock)
 - low interest rates globally (speculation)
- Price level, reasons for oil price increases and price momentum, matter for economic growth
- At this point we do not believe that the oil price increase is too damaging for growth as it is partly explained by stronger demand
- Price momentum is still moderate

A rising oil price is a significant growth risk if it occurs quickly and as a result of supply disruptions

Healthy corporate sector

Corporate balance sheets in the G4 economies* are in better state than government balance sheets

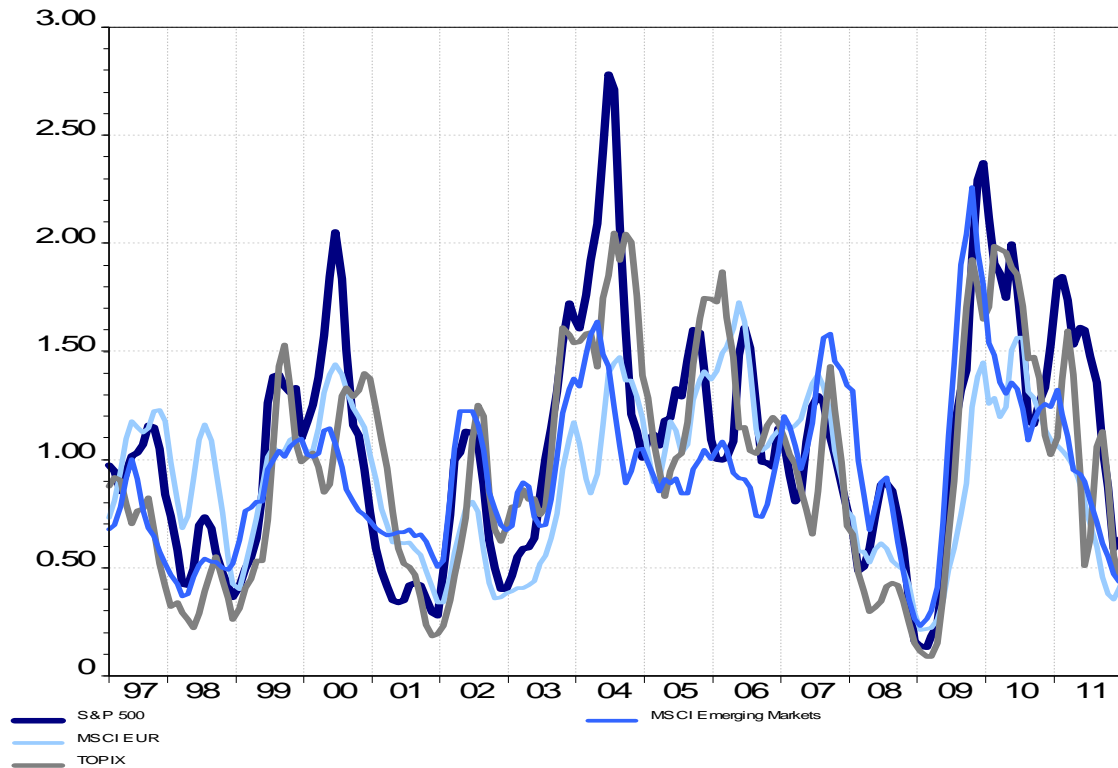


- Unusually, corporate balance sheets in aggregate are less risky than government debt
- Equities provide a long-term hedge against higher inflation expectations, especially if we see more Quantitative Easing

Positive implications for equity risk premia over bonds

Global IBES revisions momentum may be close to a bottom

12 m forward EPS revisions momentum

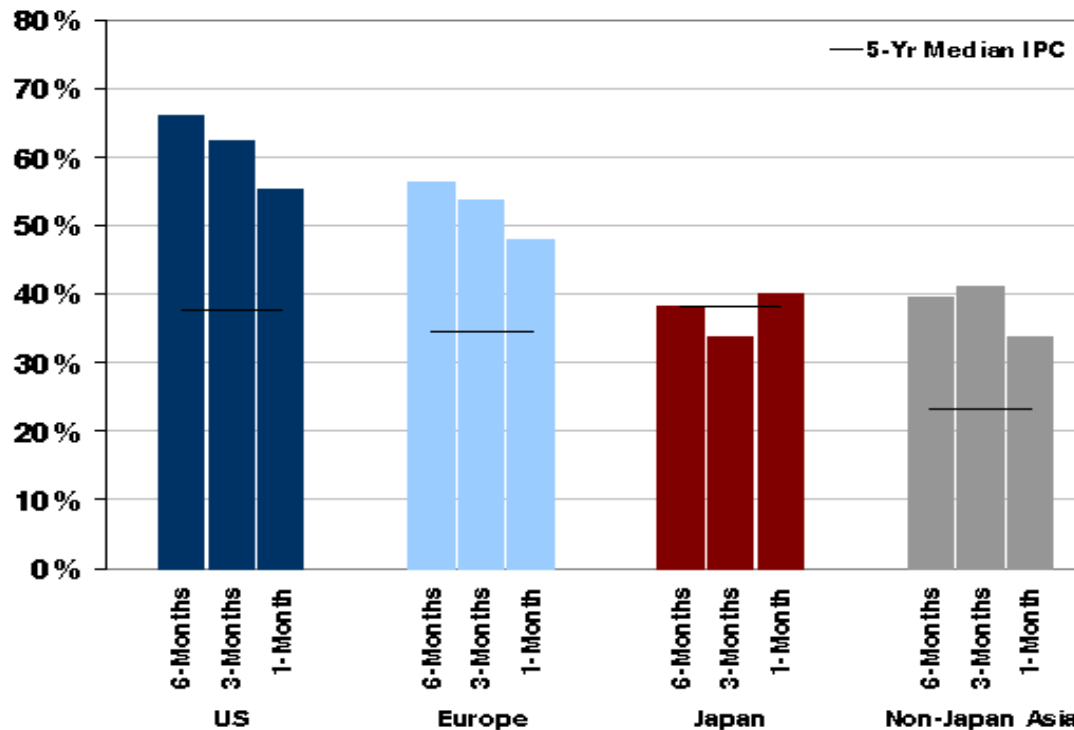


- IBES revisions momentum has potentially seen its bottom in the US, where it has recovered from low levels. In other regions we do not see much improvement yet
- The earnings revisions momentum gives a strong contrarian signal only in times of extreme readings. We are approaching levels similar to the recession troughs of late 2008

The momentum of earnings revisions is on low levels. A rebound is possible

Stock correlations: trending down

Regional Intra-Portfolio Correlation Trends



- Realized correlations in Europe, the US, and Non-Japan Asia have declined over the past few months from near peak levels. However, correlation levels remain elevated relative to history
- We anticipate a further drop as sentiment recovers from the extreme levels seen in 2H11 and due to seasonal, cyclical and structural factors (e.g., year-end portfolio rebalancing, Q4 earnings announcements)

Lower correlations imply more emphasis on company fundamentals

Our global view

- Global economic growth will remain positive but outcomes are disparate and visibility is low
- Deleveraging and fiscal austerity vs. monetary stimulus and negative real interest rates.
- Better liquidity conditions in Europe but growth uncertainty remains.
- U.S. economy has surprised on the upside but may have peaked.

Our global view (cont.)

- China will likely avoid a hard landing
- Oil poses a significant growth risk if prices rise rapidly
- Markets supported by valuations and corporate liquidity; correlations have declined
- Quality companies that profitably capture secular global growth opportunities should outperform

Investment themes: global reach, pricing power, corporate liquidity

- **Health Care**
 - Celgene, GlaxoSmithKline, Allergan
- **Branded consumer goods and services with global reach**
 - Apple, Unilever, Diageo, Adidas, Starbucks
- **Oil services**
 - National Oilwell Varco, AMEC
- **Asia/EM growth**
 - Standard Chartered, Rio Tinto, AIA Group

Investment themes: global reach, pricing power, corporate liquidity (cont.)

- **Technology (software, search and services)**
 - Google, Baidu, Accenture
- **Global travel**
 - Amadeus, priceline.com
- **Balance sheets and yield**
 - Royal Dutch Shell, Centrica, Reed Elsevier

Disclaimer

Please remember that past performance is not 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 fluctuations and you may not get back the amount originally invested. You should not make any assumptions about the future on the basis of this information.

Except for products investing exclusively in the UK, currency exposure exists in all funds. These funds will suffer a negative impact if sterling rises in value relative to the currencies in which the investments are made.

The information is for the sole use of the addressee, who it is believed is a professional customer as defined by the Financial Services Authority, Allianz Global Investors staff or consultants and independent financial advisers who have received instructions from RCM (UK) Ltd. Some of the products or product types are not suitable for retail investors. If you are not sure if you are a professional customer as defined by the Financial Services Authority please contact our Compliance Department. Furthermore, the material contained herein is directed only at persons or entities in any jurisdiction or country where such information and the use thereof is not contrary to local law or regulation. Accordingly, it may not be reproduced in any form without the express permission of RCM (UK) Ltd. To the extent that it is passed on, care must be taken to ensure that this is in a form which accurately reflects the information presented here and that it complies with the laws and regulations of any jurisdiction in which it is used.

While RCM (UK) Limited believe that the information is correct at the date of this document, no warranty or representation is given to this effect and no responsibility can be accepted by RCM (UK) Limited to any intermediaries or end users for any action taken on the basis of the information.

The information contained herein including any expression of opinion is for information only and is given on the understanding that anyone who acts on it, or changes their opinion thereon, does so entirely at their own risk.

Allianz Global Investors represents products and services of RCM (UK) Ltd. Authorised and regulated by the Financial Services Authority, their registered office 155 Bishopsgate, London, EC2M 3AD, telephone +44 (0)20 7859 9000 and is a wholly owned subsidiary of Allianz SE. This document has been issued in the UK by RCM (UK) Ltd. and complies with UK regulations. Registered in England No 2014586. Member of the Allianz Global Investors Marketing Group.

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

Web site: www.rcm.co.uk

Web site: www.allianzgi.co.uk

The Brunner Investment Trust PLC

Presentation to the Annual General Meeting,
16th March 2012

informed
RCM



Information *advantage*

The Brunner Investment Trust PLC
Annual General Meeting, 16th March 2012

Resolution 1 - to receive and adopt the Annual Financial Report

For	Discretion	Against	Withheld
20,348,889	6,657	0	28,118

The Brunner Investment Trust PLC
Annual General Meeting, 16th March 2012

Resolution 2 - to declare and approve a final dividend

For	Discretion	Against	Withheld
20,347,963	6,657	926	28,118

The Brunner Investment Trust PLC
Annual General Meeting, 16th March 2012

Resolution 3 - to re-elect Mr W R Worsley as a Director

For	Discretion	Against	Withheld
19,329,748	6,657	925,184	122,075

The Brunner Investment Trust PLC
Annual General Meeting, 16th March 2012

Resolution 4 - to re-elect Mr K E Percy as a Director

For	Discretion	Against	Withheld
19,288,183	6,657	969,940	118,884

The Brunner Investment Trust PLC
Annual General Meeting, 16th March 2012

Resolution 5 - to approve the Directors' Remuneration Report

For	Discretion	Against	Withheld
19,212,319	6,657	1,038,403	126,285

The Brunner Investment Trust PLC
Annual General Meeting, 16th March 2012

Resolution 6 - to re-appoint Deloitte LLP as Auditors

For	Discretion	Against	Withheld
20,282,585	6,657	11,951	82,471

The Brunner Investment Trust PLC
Annual General Meeting, 16th March 2012

Resolution 7 - to authorise the Directors to determine the remuneration of the Auditors

For	Discretion	Against	Withheld
20,272,109	6,657	31,280	73,618

The Brunner Investment Trust PLC
Annual General Meeting, 16th March 2012

Resolution 8 - to renew the Directors' authority to allot Ordinary Shares

For	Discretion	Against	Withheld
19,382,052	6,657	960,507	34,448

The Brunner Investment Trust PLC
Annual General Meeting, 16th March 2012

Resolution 9 - to disapply pre-emption rights

For	Discretion	Against	Withheld
19,273,948	6,657	1,051,478	51,581

The Brunner Investment Trust PLC
Annual General Meeting, 16th March 2012

Resolution 10 - to authorise the Company to make market purchases of Ordinary Shares

For	Discretion	Against	Withheld
19,303,850	37,826	1,007,408	34,580

The Brunner Investment Trust PLC

Presentation to the Annual General Meeting,
16th March 2012

informed
RCM



Information advantage