

The Brunner Investment Trust PLC

| Key Information | |
|---|---|
| Total Assets* | £303.8m |
| Long term gearing^{††} (Currently largely offset by cash and gilts) | 21.7% |
| No. of Shares[†] (Ordinary 1p) | 49,153,338 |
| Net asset value[†] | 501.0p |
| Net asset value (debt at Market Value)[†] | 469.2p |
| Premium/-discount to NAV[†] | -16.7% |
| Premium/-discount to NAV (debt at Market Value)[†] | -11.0% |
| Share price* | 417.5p |
| Gross Yield* | 2.11% |
| AITC Sector | Global Growth |
| RIC | BUT |
| Year end | 30th November |
| Report and Accounts | Final posted in February Interim posted in July |
| AGM | March |
| Dividends | March and August |
| Price Information | Financial Times The Daily Telegraph www.allianzglobalinvestors.co.uk |
| Board of Directors | Keith Percy (Chairman), Ben Siddons, William Worsley, Richard Wakeling, Vivian Bazalgette |
| Investor services | 020 7065 1407 |
| Brochure request | 0800 317 573 |

* Source: Datastream as at 31.03.06

[†] Source: Allianz Global Investors as at 31.03.06

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.

A trust's net asset value (NAV) is calculated as available shareholders' funds divided by the number of shares in issue, with shareholders' funds taken to be the net value of all the company's assets after deducting liabilities. In line with current industry best practice NAVs are now shown that take into account the 'fair value' of debt. This means NAVs are calculated after allowing for the valuation of debt at fair value or current market price, rather than at final repayment value. NAVs with debt at market value provide a more realistic impact of the cost of debt, and thus a more realistic discount.

^{††} Source: Datastream as at 31.03.06.

Please also refer to Trust Aim & Characteristics, above right.

Trust aim & characteristics

The Trust's objective is to increase its 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, by investing in UK and international securities. The strategy of the Trust is designed to meet the requirements of those seeking a single investment in a diversified and professionally managed portfolio.

^{††}The Trust also seeks to enhance returns for its shareholders through gearing, in the form of bank borrowings. 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.

Fund managers' six-monthly review

Over the 6 month period global equity markets were up strongly with the Trust's composite benchmark returning +12.9%. European markets have continued to produce good returns, considerably outperforming their US peers as earnings expectations between the two regions began to differ. Additionally, with low corporate debt financing costs, under-leveraged balance sheets and attractive valuations, there also appeared to be greater appetite for merger and acquisition at management level across Europe.

At a stock level out-performers during the period included Orix, the large diversified Japanese financial services group, who are well positioned to the improving Japanese economic growth and who have good exposure to the rising Japanese property market through their real estate related finance and development group. Meanwhile Man Group, (UK financial services), saw positive inflows of funds under management on the back of strong recent performance numbers and a realisation of targeted cost-cutting. Finally Atlas Copco, the Swedish capital goods company, benefited from strong demand from Asia, especially China, as well as recovering demand across Europe. They will also benefit from the improving commercial construction environment in the US through 2006.

On the negative side under-performers during the period included the cruise holiday operator Carnival, where there were concerns over increasing fuel costs and marginal disappointment in current trading; however we maintain that the valuation is attractive at these levels.

We continue to believe that most of the major equity markets are fairly valued from an earnings perspective, but certainly cheap relative to bonds and relative to their own history. We believe that medium-term, growth stocks appear undervalued and that quality companies, as defined by strong cash returns and robust balance sheets, will continue to look attractive. We continue to favour markets outside the US, such as Asia, Europe and emerging markets, on valuation grounds.

Top 10 holdings

| Name | % |
|------------------------------|-------------|
| 4.5% Treasury Stock | 8.3 |
| BP | 3.9 |
| Glaxosmithkline | 3.8 |
| Royal Dutch Shell "B" Shares | 3.6 |
| HSBC | 2.6 |
| Barclays | 2.4 |
| Royal Bank of Scotland Group | 2.0 |
| Rio Tinto | 2.0 |
| BHP Billiton | 1.9 |
| Vodafone | 1.8 |
| Total | 32.3 |

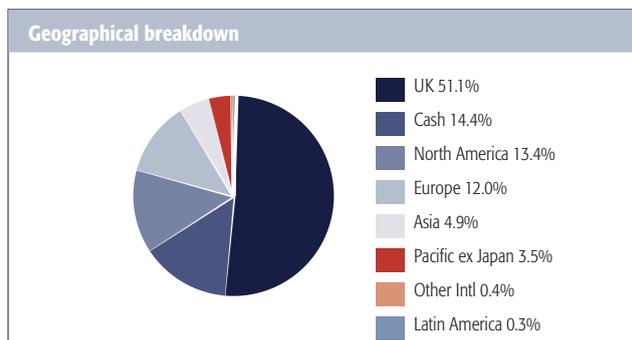
Source: Allianz Global Investors as at 31.03.06



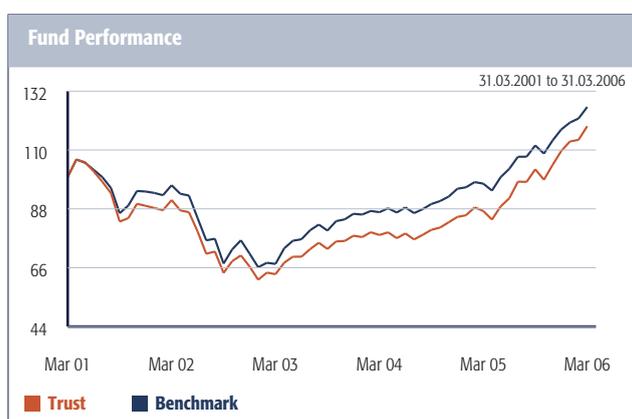
Mark Lovett



Lucy MacDonald



Source: Allianz Global Investors as at 31.03.06 Changes in rates of exchange may cause the value of investments and the income from them to go down or up.



Source: Allianz Global Investors/ Russell Mellon. 31st March 2001 to 31st March 2006, Total Return, net income reinvested, calculation indexed. UK Sterling.

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 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 | 30/03/2001 | 29/03/2002 | 31/03/2003 | 31/03/2004 | 31/03/2005 |
| to | 29/03/2002 | 31/03/2003 | 31/03/2004 | 31/03/2005 | 31/03/2006 |
| Share Price | -14.0% | -33.8% | 19.5% | 14.0% | 45.4% |

Source: Allianz Global Investors/Lipper Hindsight. Discrete years, mid to mid, basic rate tax, based in UK sterling. Standardised past performance figures comply with the Financial Services Authority's regulations to enable investors to compare different products from different providers.

History

The Trust 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 Global Investors (formerly Kleinwort Benson and now part of Allianz) since inception.

Launch Date: 1927 **Wind-up Date:** None

Share buybacks

14,846,662 shares have been repurchased for cancellation to date.