

The Brunner Investment Trust PLC

Key Information

Total Assets*	£286.4m
Long term gearing^{††} (Currently largely offset by cash and gilts)	22%
No. of Shares[†] (Ordinary 1p)	49,785,838
Net asset value[†]	469.5p
Net asset value (debt at Market Value)[†]	437.6p
Premium/-discount to NAV[†]	-18.3%
Premium/-discount to NAV (debt at Market Value)[†]	-12.4%
Share price*	382.5p
Gross Yield*	2.14%
Benchmark	60% FTSE All Share Index & 40% FT/S&P World Index (ex UK)
AITC Sector	Global Growth
ISIN	GB0001490001
Sedol	0149000
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 31.12.05

[†] Source: Allianz Global Investors as at 31.12.05

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 31.12.05.

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 Manager's Review

December finished off a particularly strong year for global equity markets with returns of over 30% in Japan and roughly 20% in many of the major European indices. The Trust's own performance was also very good with positive contributions coming from both the largest over and underweight positions.

Japan has been the rising star for the portfolio this year with strong contributions coming from a number of the holdings in the financial sector. Specifically Orix Corporation, a large diversified Japanese financial services group, was up over 40% for the quarter and almost 80% for the year. Out side of Japan, the top active contributor to performance was Apple the computer and iPod manufacturer. The company has continued to delivered good results relative to expectations. Sales of iPods and iPod Nanos have been strong with innovative product developments expected in 2006.

Looking ahead, we continue to believe that most of the major equity markets remain cheap relative to bonds and relative to their own history. With the dispersion of P/Es across global equities close to 16 year lows, 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.



Mark Lovett

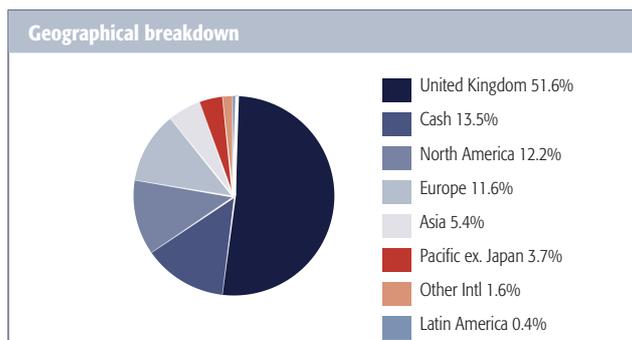


Lucy MacDonald

Top 10 holdings

Name	%
4.5% Treasury Stock	8.7
BP	3.9
Glaxosmithkline	3.4
HSBC	2.9
Royal Dutch Shell "B" Shares	2.8
Barclays	2.3
Royal Bank of Scotland Group	2.0
HBOS	1.6
Rio Tinto	1.5
Sage Group	1.5
Total	30.5

Source: Allianz Global Investors as at 30.12.05.



Source: Allianz Global Investors as at 30.12.05. 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. 29th December 2000 to 30th December 2005, 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	29/12/2000	31/12/2001	31/12/2002	31/12/2003	31/12/2004
to	31/12/2001	31/12/2002	31/12/2003	31/12/2004	30/12/2005
Share Price	-21.7%	-32.9%	14.6%	11.0%	34.6%

Source: Allianz Global Investors/S&P Micropal. 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

14,214,162 shares have been repurchased for cancellation to date.