

The Brunner Investment Trust PLC

Key Information

Total Assets*	£275.9m
Long term gearing^{††} (Currently largely offset by cash and gifts)	23%
No. of Shares[†] (Ordinary 1p)	48,856,838
Net asset value[†]	469.3p
Net asset value (debt at Market Value)[†]	439.5p
Premium/-discount to NAV[†]	-17.9%
Premium/-discount to NAV (debt at Market Value)[†]	-12.3%
Share price*	385.5p
Gross Yield*	2.39%
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.allianzgi.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 31.07.06

† Source: Allianz Global Investors as at 31.07.06

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 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 31.07.06.

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' Review

Geopolitical issues in Israel and Lebanon dominated the headlines in July, causing a marked increase in risk premiums and, more noticeably, in oil prices.

The strategy for the portfolio has been to concentrate on stock-picking together with ensuring the overall balance remains neutral to any market fluctuations. As such minor changes were made to overseas holdings by adding to existing positions in Altria, the tobacco producer, and Endesa, the Utility operator, where both have visible and stable earnings flows. In the UK we continue to hold Xstrata, the mining company, which rose 12% on the back of expectations it will be successful in its bid to take-over rival firm Falconbridge. We see Xstrata as a well-managed group with an increasingly diversified resource base that trades on an undemanding valuation.

In terms of future strategy, we remain aware of the broader macro-economic trends and continue to believe aside from the geopolitical issues, equities are attractively valued and that recent corporate earnings data indicates a robust outlook.



Mark Lovett



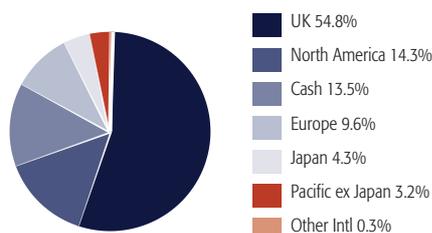
Lucy MacDonald

Top 10 holdings

Name	%
4.5% Treasury Stock	8.8
BP	4.1
Royal Dutch Shell "B" Shares	4.0
GlaxoSmithKline	4.0
HSBC	2.7
Royal Bank of Scotland Group	2.0
BHP Billiton	2.0
Barclays	1.9
HBOS	1.9
Rio Tinto	1.7
Total	33.1

Source: Allianz Global Investors as at 31.07.06

Geographical breakdown



Source: Allianz Global Investors as at 31.07.06 Changes in rates of exchange may cause the value of investments and the income from them to go down or up.

Fund Performance



Source: Allianz Global Investors/ Russell/ Mellon. 31st July 2001 to 30th July 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 to	29/06/2001 to 28/06/2002	28/06/2002 to 30/06/2003	30/06/2003 to 30/06/2004	30/06/2004 to 30/06/2005	30/06/2005 to 30/06/2006
Share Price	-25.6%	-19.3%	10.8%	20.2%	26.5%

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

15,143,162 shares have been repurchased for cancellation to date.