Global investment solution rich in family history

The Brunner Investment Trust PLC

Factsheet

30 June 2016

Aim

The Trust's objective is to increase its total return above the benchmark index of 50% FTSE All-Share and 50% FTSE All-World Index (ex UK sterling adjusted) over the long term, by investing in UK and international securities.

History

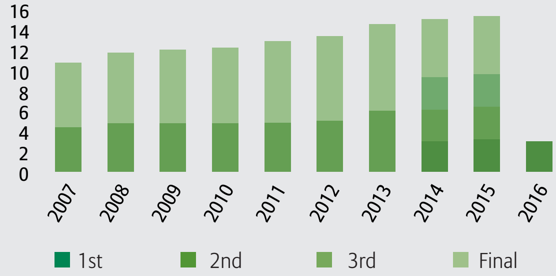
The Brunner Investment Trust PLC was formed from the Brunner family's interest in the sale of Brunner Mond & Co, the largest of the four companies which came to form ICI in 1926. Today, Brunner shares are available for everyone to buy and are widely held by both private and institutional investors.

Trust Benefits

Brunner aims to provide its shareholders with growing dividends and capital growth by investing in a portfolio of global equities. It is an independent company listed on the London Stock Exchange and, although past performance is no guide to the future, has paid increasingly higher dividends to its shareholders year on year for the last 43 years. The Trust invests in companies all over the world, seeking out opportunities for growth and reliable dividends wherever they may be.

Ten Year Dividend History

Net Dividend Record in Pence per Share
to year end 30 November



Last Four Net Dividend Payments per Share

Record Date	Pay Date	Dividend	Type
10.06.2016	30.06.2016	3.30p	1st Quarterly
26.02.2016	29.03.2016	5.70p	Final
13.11.2015	16.12.2015	3.20p	3rd Quarterly
21.08.2015	21.09.2015	3.20p	2nd Quarterly

Past performance is not a reliable indicator of future results.

Morningstar Rating™

Bronze™

A ranking, a rating or an award provides no indicator of future performance and is not constant over time.

Total Assets £338.2m **Shares in Issue** 42,987,418 (Ordinary 25p)

Share Price	NAV per Share	Premium/-Discount	Dividend Yield	Gearing
523.5p	638.6p	-18.0%	2.9%	6.4%
Source: Lipper				

Share Price is the price of a single ordinary share, as determined by the stock market. The share price above is the mid-market price at market close.

Net Asset Value (NAV) per Share 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.

The NAV figure above is based on the fair/market value of the company's long term debt and preference shares (known as debt at fair value). This allows for the valuation of long-term debt and preference shares at fair value or current market price, rather than at final repayment value (known as debt at par).

Premium/Discount. Since investment company shares are traded on a stock market, the share price that you get may be higher or lower than the NAV. The difference is known as a premium or discount.

Dividend Yield is calculated using the latest full year dividend divided by the current share price.

Gearing is a measure of a company's financial leverage and shows the extent to which its operations are funded by lenders versus shareholders.

Allianz Global Investors

All data source Allianz Global Investors as at 30.06.16 unless otherwise stated.

Allianz Global Investors GmbH, UK Branch, 199 Bishopsgate, London EC2M 3TY

Fund Manager's Review

Market Review

Global equities experienced a nervous month as investors waited for the result of the UK's referendum on EU membership. A shock victory by the Leave campaign caused equity markets to initially plunge, although by month-end many markets had partially recovered. The financial sector suffered some of the worst losses as the news was seen to prolong the time for which interest rates are likely to remain at extraordinarily low levels. In contrast, the energy sector held up relatively well, supported by relatively stable oil prices.

UK equities initially fell sharply following the nation's vote in favour of leaving the EU, but later recovered, with the FTSE 100 Index hitting its highest close since August 2015. Larger UK companies, in particular, performed well, helped by their global focus. In contrast, banks and housebuilders fell sharply. Small and medium-sized companies, which tend to be more exposed to the domestic economy, also declined.

Global bonds surged after the UK's surprise decision to leave the EU drove investors into safe haven assets. Yields on core government bonds plunged, with yields in many markets falling to record lows. According to Fitch Ratings, USD11.7 trillion of global sovereign bonds now trade on yields of below zero. Bond markets were also supported by weaker-than-expected US jobs data, which delayed expectations of when the Federal Reserve may lift interest rates.

After the publication of far weaker-than-expected jobs growth in May, the Federal Reserve opted to keep interest rates on hold in June. The European Central Bank, Bank of England and Bank of Japan also announced no changes in their monetary policies. Following the UK's unexpected decision in favour of leaving the EU, Mark Carney, governor of the Bank of England, hinted at further monetary easing, saying the UK central bank would take "whatever action is needed to support growth".

> "In the UK, large-cap equities will be the clear beneficiaries of the British pound's fall in the short and medium term.

The Japanese yen rallied sharply as investors looked for safe havens amid the uncertainty that followed the UK's referendum result. In contrast, sterling fell sharply, falling to its lowest level in three decades against the US dollar.

Portfolio Review

The NAV returned 4.76% versus the benchmark return of 5.59%. Financials stock selection was the main reason for the underperformance. While the portfolio remained underweight Financials in general and European banks in particular, any exposure in the area was unhelpful. Munich Reinsurance and UBS detracted as European financial shares saw a renewed bout of selling pressure due to declining interest rates, regulatory pressures and, more recently, concerns about nonperforming loan exposure at a number of Italian banks. We remain comfortable with Munich Re, given its strong balance sheet and global diversification. However, our conviction on UBS has weakened due to slowing private wealth inflows in Asia and capital markets volatility. However, in the short-term, due to Brexit, the shares look oversold.

Adidas was the top contributor. The company is benefiting from strong demand for athletic footwear and apparel, driven by more active lifestyles and the rise of "Athleisure," casual attire designed to be worn for both exercise and everyday use. Recent results confirmed that the company is successfully executing on its strategy, helped by price increases and favourable shifts in product and channel mix. We anticipate that the recent strong positive momentum in sales and margins will continue.

Lucy Macdonald, Portfolio Manager
The Brunner Investment Trust is managed by Lucy Macdonald. Lucy is the Chief Investment Officer of Global Equities and a member of the European Management Committee. The Global Equity team is responsible for international mandates from clients around the world.

The US managed care organisation (MCO) UnitedHealth Group also contributed. Controlling spiraling US health costs is a priority for the government, businesses and individuals and MCOs are strongly positioned to provide more cost-effective services across the health care spectrum. UnitedHealth continues to enjoy well-balanced growth in both membership enrolment and the company's leading health care services business Optum. UnitedHealth is a high return business with good earnings visibility and we continue to like the stock.

Outlook

Many equity markets have rallied after Brexit's initial shock settled in. As the Brexit surprise wanes and the oil price consolidates, we expect markets to behave more rationally and the sector headwinds to alleviate. Nevertheless, investors should expect Brexit to slow the global economy, which means that global monetary policy will stay low or move even lower.

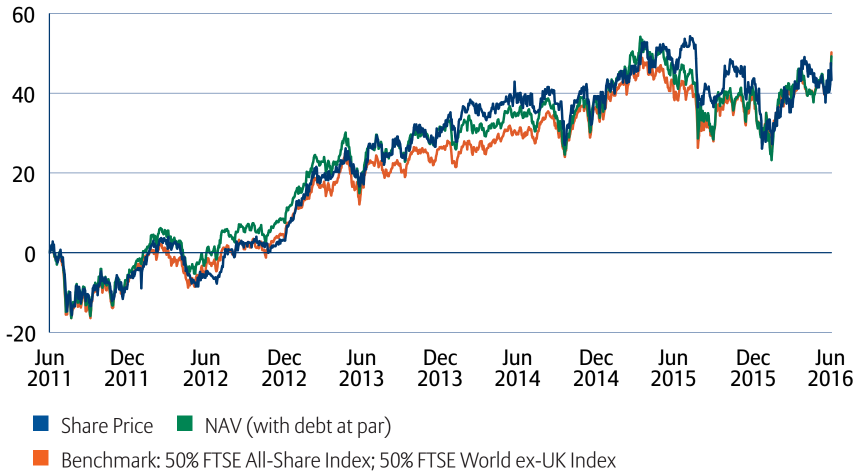
In the UK, large-cap equities will be the clear beneficiaries of the British pound's fall in the short and medium term. Domestic stocks could remain weak as the UK economy slows and uncertainty rises, but many UK assets – property and corporate – may look more attractive in non-pound terms. We are comfortable with the portfolio's positioning.

With many "risk free" assets around the globe offering negative nominal (not to mention real) yields, equities offer investors one of the few remaining opportunities to generate positive long-term returns. As always, diversification is key to managing risk. By investing globally, investors mitigate the downside risk inherent in investing a single region or sector, while superior stock picking can add value above and beyond pure market returns. Our strategy of investing in high return growth companies and companies offering an attractive and growing dividend has provided investors with long-term outperformance and, with its balanced risk profile, should continue to do so, particularly in the current low visibility and low return environment.

Lucy Macdonald
11 July 2016

Performance Track Record

Five Year Performance (%)



Risk & Features

Investment trusts are quoted companies listed on the London Stock Exchange. Their share prices are determined by factors including the balance of supply and demand in the market.

The Trust seeks to enhance returns for its shareholders through gearing which can boost the Trust's returns when investments perform well, though losses can be magnified when investments lose value. You should be aware that this Trust may be subject to sudden and large falls in value and you could suffer substantial capital loss.

Changes in rates of exchange may cause the value of investments and the income from them to go up an down.

Cumulative Returns (%)

	3M	6M	1Y	3Y	5Y
Share Price	4.9	-0.2	-1.2	21.9	43.5
NAV	5.5	6.5	4.8	25.1	49.3
Benchmark	6.8	8.3	8.7	29.3	50.4

Discrete 12 Month Returns (%) to 30 June

	2012	2013	2014	2015	2016
Share Price	-4.6	23.4	17.1	5.3	-1.2
NAV	-0.6	20.0	12.7	5.9	4.8
Benchmark	-3.3	20.3	11.5	6.6	8.7

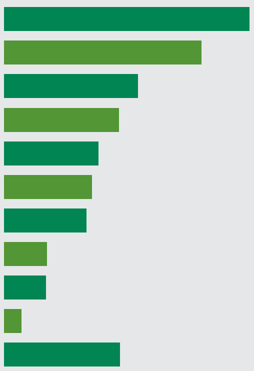
Source: Lipper, percentage growth, mid to mid, total return to 30.06.16. Lipper shall not be liable for any errors or delays in the content, or for any actions taken in reliance thereon.

Past performance is not a reliable indicator of future returns. You should not make any assumptions on the future on the basis of performance information. 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. 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 capital growth will be constrained as a result.

Portfolio Breakdown

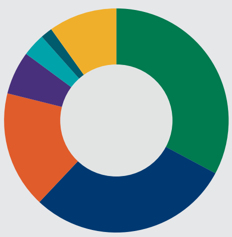
Sector Breakdown (%)

Financials	21.0
Industrials	16.9
Health Care	11.4
Consumer Services	9.8
Oil & Gas	8.0
Technology	7.5
Consumer Goods	7.0
Basic Materials	3.6
Telecommunications	3.5
Utilities	1.4
Cash	9.9



Geographic Breakdown (%)

UK	32.8
North America	29.2
Europe ex UK	16.9
Pacific ex Japan	6.2
Japan	3.3
Latin America	1.7
Cash	9.9



The data shown is not constant over time and the allocation may change in the future. This is no recommendation or solicitation to buy or sell any particular security.

Top Twenty Holdings (%)

Royal Dutch Shell 'B' Shares	4.0
Microsoft	2.7
United Health	2.6
Nielsen	2.5
Abbvie	2.3
Vodafone	2.2
Accenture	2.1
Roche	2.1
GlaxoSmithKline	1.9
Estee Lauder	1.9
Walgreens Boots Alliance	1.8
UBM	1.7
HSBC	1.5
Visa	1.5
Adidas	1.5
Muenchener Rueckver	1.5
Lloyds Banking Group	1.5
Centrica	1.4
Better Capital	1.4
Fresenius	1.4

Total number of holdings 75

Excludes Government debt which is held for structural and not investment reasons.

Key Information

Launch Date	December 1927
AIC Sector	Global
Benchmark	50% FTSE All-Share Index; 50% FTSE World ex-UK Index
Annual Management Charge	0.45%
Performance Fee	No
Ongoing Charges[1]	0.75%
Year End	30 November
Annual Financial Report	Final posted in February, Half-yearly posted in July
AGM	March
NAV Frequency	Daily
Dividends	March, June, September, December
Price Information	Financial Times, The Daily Telegraph, www.brunner.co.uk
Company Secretary	Kirsten Salt
Investment Manager	Lucy Macdonald
Codes	RIC: BUT.L SEDOL: 0149000

1. Source: AIC, as at the Trust's Financial Year End (30.11.2015). Ongoing Charges (previously Total Expense Ratios) are published annually to show operational expenses incurred in the running of the company but excluding financing costs.

Board of Directors

Carolan Dobson (Chairman), Ian Barlow (Chairman of the Audit Committee), Peter Maynard, Vivian Bazalgette (Senior Independent Director), Jim Sharp

How to invest

The Trust is a UK public limited company traded openly on the stock market and you can purchase shares through a stock broker. Shares in the Trust can be held within an ISA, JISA, SIPP and/or savings scheme. A number of providers offer this facility, a list of which is available on our website.

Contact us

If you have any queries regarding our investment trusts our Investor Services team can be contacted on:

0800 389 4696

www.brunner.co.uk

E-mail: investment-trusts@allianzgi.com

You will find much more information about The Brunner Investment Trust on our website.

Please note that we can only offer information and are unable to provide investment advice. You should contact your financial adviser before making any investment decision.

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