

For immediate release

19 February 2009

THE BRUNNER INVESTMENT TRUST PLC

Final Results for the year ended 30 November 2008

The following comprises extracts from the Company's Annual Financial Report for the year ended 30 November 2008. The full Annual Financial Report is available to be viewed on or downloaded from the company's website at www.brunner.co.uk. Copies will be posted to shareholders shortly.

MANAGEMENT REPORT

Chairman's Statement

In a disappointing and volatile year, our net asset value fell by 37.6% this year compared to the benchmark index of -31.0%, in marked contrast to last year's strong absolute and relative performance. Earnings per Ordinary Share increased by 11.2% and, with a proposed final dividend of 6.9p, total distributions to shareholders for 2008 will be 11.7p, up 9.3% for the year.

Buy Backs

We have maintained our policy of repurchasing shares for cancellation as and when attractive opportunities arise and during the course of the year 460,100 shares were repurchased for cancellation, and a further 204,659 shares have been repurchased since the year end. This policy, as well as enhancing the net asset value per share, has resulted in lower volatility in the share price discount to net asset value per share than would otherwise have been the case.

Geographical exposure

Our move in the spring to invest more of the company's assets in overseas markets helped to protect the portfolio somewhat, as sterling weakened very significantly against most of the world's major currencies during the second half of 2008. This cushioned the falls in the major world equity markets for UK investors.

Final Dividend

The proposed final dividend of 6.90p will be paid on 27 March 2009 to shareholders on the register of members at the close of business on 27 February 2009.

Board Composition

Ben Siddons has indicated his intention to retire at the AGM in 2010 and the Board is seeking to recruit a new director in 2009.

Outlook

Confidence remains very fragile and it seems likely that 2009 will see further calls on equity investors to refinance a range of companies, and not just those in the financial sectors. Unwinding the excessive borrowing of recent years will take some time to work through the economies of the developed world and inevitably will entail a painful contraction in 2009. However, the scale of the fiscal and monetary stimuli being applied will eventually begin to have an impact on the current alarming trajectory of economic activity. Equities are now modestly valued by any historic measures and almost certainly represent good value for the long-term investor. Nevertheless we anticipate continuing volatility.

Annual General Meeting

The Annual General Meeting of the Company will be held on 19 March 2009 at 12 noon and I look forward to meeting those shareholders who are able to attend.

Principal Risks and Uncertainties

With the assistance of the Managers the Board has drawn up a risk matrix which identifies the key risks to the Company. These key risks fall broadly under the following categories:

Investment Activity and Strategy

An inappropriate investment strategy, e.g., asset allocation or the level of gearing, may lead to under-performance against the Company's benchmark index and peer group companies, resulting in the Company's shares trading on a wider discount. The Board manages these risks by diversification of investments through its investment restrictions and guidelines which are monitored and on which the Board receives reports. RCM (UK) Limited ("RCM") provides the Directors with management information including performance data and reports and shareholder analyses. The Board monitors the implementation and results of the investment process with the investment managers, who attend all board meetings, and reviews data which show risk factors and how they affect the portfolio. The investment managers employ the Company's gearing tactically within a strategic range set by the Board. The Board holds periodic meetings devoted to strategy.

Portfolio and Market

Market risk arises from uncertainty about the future prices of the Company's investments. It represents the potential loss the Company might suffer through holding investments in the face of negative market movements. The Board considers asset allocation, stock selection and levels of gearing on a regular basis and has set investment restrictions and guidelines that are monitored and reported on by RCM. The Board monitors the implementation and results of the investment process with the investment managers.

Accounting, Legal and Regulatory

In order to qualify as an investment trust the Company must comply with Section 842 of the Income and Corporation Taxes Act 1988 ("Section 842"), and details are given in the Annual Financial Report under the heading Business and Status of the Company. A breach of Section 842 could result in the Company losing investment trust status and, as a consequence, realised chargeable gains in the Company's portfolio would be subject to Corporation Tax. The Section 842 criteria are monitored by RCM and results are reported to the Board at each Board Meeting. The Company must comply with the provisions of the Companies Act 1985, and the Companies Act 2006 as it becomes enacted ("Companies Acts"), and, as the Company's shares are listed on the London Stock Exchange, the Company must comply with the UK Listing Authority's Listing Rules and Disclosure and Transparency Rules ("UKLA Rules"). A breach of the Companies Acts could result in the Company and/or the Directors being fined or the subject of criminal proceedings. Breach of the UKLA Rules could result in the suspension of the Company's shares which would in turn lead to a breach of Section 842. The Board relies on its company secretary and its professional advisers to ensure compliance with the Companies Acts and UKLA Rules.

Corporate Governance and Shareholder Relations

Details of the Company's compliance with Corporate Governance best practice, including information on relations with shareholders, are set out in the Corporate Governance Statement in the Annual Financial Report.

Operational

Disruption to, or failure of, RCM's accounting, dealing or payment systems or the custodian's records may prevent accurate reporting and monitoring of the Company's financial position. Details of how the Board monitors the services provided by RCM and other suppliers and the key elements designed to provide effective internal control are included within the Internal Control section of the Corporate Governance Statement in the Annual Financial Report.

Financial

The financial risks to the Company are disclosed in Note 20 in the Annual Financial Report.

Related Party Transactions

During the financial year no transactions with related parties have taken place which would materially affect the financial position or the performance of the Company.

Statement of Directors' Responsibilities

The Directors at the date of the approval of this Report each confirm to the best of their knowledge that:

- the financial statements, prepared in accordance with applicable accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company; and
- the Annual Financial Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that they face.

For and on behalf of the Board of Directors

Keith Percy
Chairman

For further information contact:

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RCM (UK) Limited

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PORTFOLIO ANALYSIS as at 30 November 2008*

	%
United Kingdom	48.1
Americas	29.1
Europe	11.4
Japan	5.2
Pacific Basin	5.1
Other countries	1.1
Total	100.0

*Excludes Cash and Treasury Stock

THIRTY LARGEST INVESTMENTS as at 30 November 2008

	Valuation 30 November 2008 £	% of Invested Funds	Principal Activities
Treasury Stock 4% 07/03/2009	20,143,500	9.67	Gilt
BP	7,530,123	3.62	Oil & Gas Producers
Royal Dutch Shell 'B' Shares	7,237,172	3.47	Oil & Gas Producers
GlaxoSmithKline	6,286,596	3.02	Pharmaceuticals & Biotechnology
Vodafone Group	6,015,822	2.89	Mobile Telecommunications
HSBC Holdings	5,370,577	2.58	Banks
BHP Billiton	4,655,713	2.24	Mining
Reed Elsevier	4,633,002	2.23	Media
BG Group	4,041,157	1.94	Oil & Gas Producers
Nestle	3,378,806	1.62	Food Producers
Unilever	3,319,536	1.59	Food Producers
East Japan Railway	3,185,468	1.53	Travel & Leisure
Cobham	3,091,793	1.48	Aerospace & Defence
BAE Systems	3,008,476	1.44	Aerospace & Defence
Wal-Mart	2,870,545	1.38	General Retailers
Philip Morris	2,867,210	1.38	Tobacco
Abbott Laboratories	2,728,039	1.31	Pharmaceuticals & Biotechnology
AstraZeneca	2,580,276	1.24	Pharmaceuticals & Biotechnology
Exxon Mobil	2,378,844	1.14	Oil & Gas Producers
Reckitt Benckiser	2,322,319	1.12	Household Goods
AT&T	2,243,383	1.08	Fixed Line Telecommunications
Teva Pharmaceutical Industries	2,170,928	1.04	Pharmaceuticals & Biotechnology
Entergy	2,089,147	1.00	Electricity
Compass	2,086,216	1.00	Travel & Leisure
Hewlett Packard	2,050,560	0.98	Technology Hardware & Equipment
Bayer AG	2,047,137	0.98	Chemicals
Rio Tinto	1,988,260	0.95	Mining
International Power	1,921,225	0.92	Electricity
US Bancorp	1,864,774	0.90	Banks
Toyota Motor	1,855,644	0.89	Automobiles & Parts
	117,962,248	56.63	% of Total Invested Funds

INCOME STATEMENT

for the year ended 30 November 2008

	Revenue £'000s	2008 Capital £'000s	Total Return £'000s (Note C)
Net losses on investments at fair value	-	(99,627)	(99,627)
Net gains on foreign currency	-	6	6
Income	9,538	-	9,538
Investment management fee	(395)	(923)	(1,318)
Administration expenses	(334)	(29)	(363)
Net return before finance costs and taxation	8,809	(100,573)	(91,734)
Finance costs: interest payable and similar charges	(1,414)	(3,233)	(4,647)
Net return on ordinary activities before taxation	7,395	(103,806)	(96,411)
Taxation	(631)	311	(320)
Net return on ordinary activities attributable to Ordinary Shareholders	6,764	(103,495)	(96,731)
Return per Ordinary Share (Note B) (basic and diluted)	14.32p	(219.11p)	(204.79p)

BALANCE SHEET

as at 30 November 2008

Investments held at fair value through profit or loss	208,317
Net Current Assets	11,669
Total Assets less Current Liabilities	219,986
Creditors : Amounts falling due after more than one year	(51,941)
Total Net Assets	168,045
Called up Share Capital	11,741
Capital Redemption Reserve	4,259
Capital Reserves: Realised	184,133
Unrealised	(46,103)
	138,030
Revenue Reserve	14,015
Equity Shareholders' Funds	168,045
Net Asset Value per Ordinary Share	357.8p

The Net Asset Value is based on 46,965,015 Ordinary Shares in issue.

INCOME STATEMENT

for the year ended 30 November 2007

	Revenue £'000s	2007 Capital £'000s	Total Return £'000s (Note C)
Net gains on investments at fair value	-	38,714	38,714
Net losses on foreign currency	-	(2)	(2)
Income	8,926	-	8,926
Investment management fee	(461)	(1,077)	(1,538)
Administration expenses	(304)	(13)	(317)
Net return before finance costs and taxation	8,161	37,622	45,783
Finance costs: interest payable and similar charges	(1,381)	(3,111)	(4,492)
Net return on ordinary activities before taxation	6,780	34,511	41,291
Taxation	(596)	355	(241)
Net return attributable to Ordinary Shareholders	6,184	34,866	41,050
Return per Ordinary Share (Note B) (basic and diluted)	12.88p	72.62p	85.50p

BALANCE SHEET

as at 30 November 2007

Investments held at fair value through profit or loss	306,774
Net Current Assets	17,034
Total Assets less Current Liabilities	323,808
Creditors : Amounts falling due after more than one year	(51,989)
Total Net Assets	271,819
Called up Share Capital	11,856
Capital Redemption Reserve	4,144
Capital Reserves: Realised	197,212
Unrealised	46,113
Revenue Reserve	243,325
	12,494
Equity Shareholders' Funds	271,819
Net Asset Value per Ordinary Share	573.2p

The Net Asset Value is based on 47,425,115 Ordinary Shares in issue.

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

For the year ended 30 November 2008

	Called up Share Capital	Capital Redemption Reserve	Capital Reserve Realised	Capital Reserve Unrealised	Revenue Reserve	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Net Assets at 30 November 2006	12,159	3,841	175,043	38,899	11,165	241,107
Revenue Return	-	-	-	-	6,184	6,184
Shares repurchased during the year	(303)	303	(5,483)	-	-	(5,483)
Dividends on Ordinary Shares	-	-	-	-	(4,855)	(4,855)
Capital Return	-	-	27,652	7,214	-	34,866
Net Assets at 30 November 2007	11,856	4,144	197,212	46,113	12,494	271,819
Net Assets at 30 November 2007	11,856	4,144	197,212	46,113	12,494	271,819
Revenue Return	-	-	-	-	6,764	6,764
Shares repurchased during the year	(115)	115	(1,800)	-	-	(1,800)
Dividends on Ordinary Shares	-	-	-	-	(5,243)	(5,243)
Capital Return	-	-	(11,279)	(92,216)	-	(103,495)
Net Assets at 30 November 2008	11,741	4,259	184,133	(46,103)	14,015	168,045

CASH FLOW STATEMENT

For the year ended 30 November 2008

	2008 £'000s	2008 £'000s	2007 £'000s
Net cash inflow from operating activities		8,062	8,183
Return on investment and servicing of finance			
Interest paid	(4,673)		(4,672)
Dividends paid on Preference Stock	(22)		(22)
Net cash outflow from investment and servicing of finance		(4,695)	(4,694)
Capital expenditure and financial investment			
Purchase of fixed asset investments	(175,771)		(168,006)
Sale of fixed asset investments	172,419		178,671
Net cash (outflow) inflow from capital expenditure and financial investments		(3,352)	10,665
Equity dividends paid		(5,244)	(4,854)
Net cash (outflow) inflow before financing		(5,229)	9,300
Financing			
Repurchase of Ordinary Shares for cancellation		(1,799)	(5,483)
(Decrease) Increase in cash		(7,028)	3,816

Notes

Note A

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of investments, and in accordance with the United Kingdom law and United Kingdom Generally Accepted Accounting Practice (UK GAAP) and the Statement of Recommended Practice – 'Financial Statements of Investment Trust Companies' (SORP) issued in December 2005 by the Association of Investment Companies.

Note B

The Returns per Ordinary Share have been calculated using a weighted average number of shares in issue of 47,234,401 (30 November 2007 – 48,010,277 shares).

Note C

The total column of this statement is the profit and loss account of the Company.

All revenue and capital items derive from continuing operations. No operations were acquired or discontinued in the period.

A Statement of Total Recognised Gains and Losses is not required as all gains and losses of the Company have been reflected in the Income Statement.

Included in the cost of investments are transaction costs and stamp duty on purchases which amounted to £297,113 (2007– £593,260) and transaction costs on sales which amounted to £171,446 (2007– £211,890).

Note D

Valuation – As the Company's business is investing in financial assets with a view to profiting from their total return in the form of increases in fair value, financial assets are designated as held at fair value through profit or loss in accordance with FRS 26 'Financial Instruments: Recognition and Measurement'. The Company manages and evaluates the performance of these investments on a fair value basis in accordance with its investment strategy, and information about the investments is provided on this basis to the Board of Directors.

Note E

Dividends on Ordinary Shares

	2008	2007
	£	£
Dividends paid on Ordinary Shares:		
Final – 6.30p paid 25 March 2008 (2007 – 5.70p)	2,980,852	2,753,115
Interim – 4.80p paid 27 August 2008 (2007 – 4.40p)	2,262,553	2,101,584
	<u>5,243,405</u>	<u>4,854,699</u>

The dividend payments above are after adjusting for dividends proposed but not paid due to share buy backs.

Dividends payable at the year end are not recognised as a liability under FRS 21 'Events After Balance Sheet Date' (see Annual Financial Report – Statement of Accounting Policies). Details of these dividends are set out below.

	2008	2007
	£	£
Dividends paid on Ordinary Shares:		
Final dividend – 6.90p payable 27 March 2009 (2008 – 6.30p)	3,240,586	2,987,782

The proposed final dividend accrued is based on the number of shares in issue at the year end. However, the dividend payable will be based on the numbers of shares in issue on the record date and will reflect any purchases and cancellations of shares by the Company settled subsequent to the year end.

Note F

The financial information for the year ended 30 November 2008 has been extracted from the statutory accounts for that year. The auditor's report on those accounts was unqualified and did not contain a statement under either Section 237(2) or Section 237(3) of the Companies Act 1985. The Annual Financial Report has not yet been delivered to the Registrar of Companies.

The financial information for the year ended 30 November 2007 has been extracted from the statutory accounts for that year which have been delivered to the Registrar of Companies. The auditor's report on those accounts was unqualified and did not contain a statement under either Section 237(2) or Section 237(3) of the Companies Act 1985.