

Key Information

Total Assets*	£250.9m
Long term gearing ^{††} (Currently largely offset by cash and gilts)	26%
No. of Shares [†] (Ordinary 25p)	51,648,416
Net Asset Value [†]	383.8p
Net Asset Value (debt at Market Value) [†]	356.4p
Discount to NAV [†]	22.5%
Discount to NAV (debt at Market Value) [†]	16.5%
Share price*	297.5p
Gross Yield*	2.7%
Year end	30th November

* Source: Datastream as at 31.05.05

† Source: Allianz Global Investors as at 31.05.05

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.

In line with industry best practice, Net Asset Values (NAVs) are now shown that take into account the 'fair value' of debt. NAVs – namely available shareholders' funds divided by the number of shares in issue, with shareholders' funds calculated as the net value of all the company's assets having deducted liabilities – are now calculated after allowing for the valuation of debt at fair value or current market price, rather than at final repayment value. Most professional advisers and institutional investors already allow for fair value of debt when assessing NAV and discount information, so this change provides private investors with information which takes into account a more realistic impact of the cost of debt and thus a more realistic discount.

^{††}Source: Datastream as at 31.05.05

Please also refer to Trust Aim & Characteristics, opposite.

INCOME 

GROWTH 

Investment Scheme Availability

ISA 

SS 

PEP 

Fund Managers



Mark Lovett
(UK)



Nersen Pillay
(Overseas)

The Brunner Investment Trust PLC

Fund Managers' Review

US interest rates were raised to 3% in May, continuing the process that was started in June last year. Despite both inflation and activity data being cause for concern, the general outlook from the US Federal Reserve continues to be that growth will remain robust and monetary tightening will continue. In this environment equity markets were strong with the Trust's index up just over 5%, matched by the return of the portfolio.

At a sector level the best performers came from among the IT hardware and software sectors. In the US Texas instruments was up +16% and in the UK the significant US dollar appreciation helped the Trust's holding in Sage, the software company, which was up +11%. In other areas the continued slow down of consumer spending caused negative pressure on GUS, the owner of Argos and Home Base, allowing it to rise +1.5%.

Looking ahead the economic outlook continues to be dominated by concerns over house prices in both the US and the UK, high levels of personal debt, and the ever resilient oil price. Despite these negative influences many areas of the market continue to offer attractive investment opportunities with the general feeling that markets can maintain the positive year to date returns.

Top 10 Holdings

	%
Treasury 4.5% 7/3/07	9.99
GlaxoSmithKline	3.44
HSBC (UK reg)	3.32
BP	3.05
Royal Bank of Scotland	2.08
Barclays	1.98
Shell T&T	1.93
BG	1.88
BHP Billiton	1.81
Standard Chartered	1.47
TOTAL	30.95

Source: Allianz Global Investors as at 31.05.05

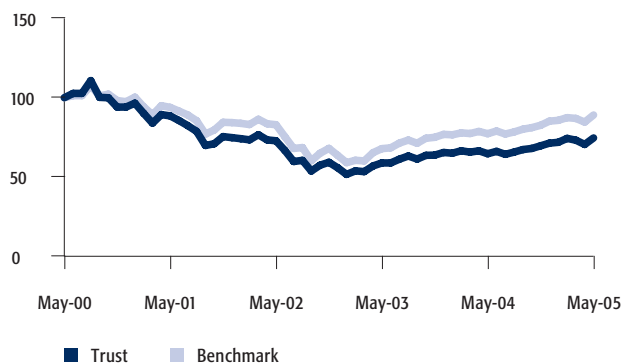
Geographical Breakdown

United Kingdom	45.92%
Cash	16.69%
North America	16.69%
Europe	10.73%
Pacific ex. Japan	5.34%
Asia	4.64%

Source: Allianz Global Investors as at 31.05.05
Changes in rates of exchange may cause the value of investments and the income from them to go down or up.

Fund Performance

31.05.00 to 31.05.05



Source: Russell/Mellon/Allianz Global Investors. 31st May 00 to 31st May 05, 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	01/04/00 31/03/01	01/04/01 31/03/02	01/04/02 31/03/03	01/04/03 31/03/04	01/04/04 31/03/05
Share Price	-25.1%	-14.0%	-33.8%	19.5%	14.0%

Source: Allianz Global Investors/S&P Micropal. Discrete years, mid to mid, basic rate tax, based in UK sterling. These Standardised Past Performance figures are produced for the purposes of these fact sheets and are intended for existing and potential investors. The above performance table differs in its presentation from Fund Performance, and complies with the Financial Services Authority's regulations to enable investors to compare different products from different providers.

Trust Aim & Characteristics

To increase the Trust's 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. This objective will be achieved by investing in UK and international securities and by using appropriate gearing to enhance returns. The strategy of the Trust is designed to meet the requirements of those seeking a single investment in a diversified and professionally managed portfolio.

††Brunner seeks to enhance returns for its shareholders through gearing, in the form of bank borrowings, to buy more investments. 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.

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AITC Sector

Global Growth.

Benchmark

60% FTSE All-Share Index and 40% FT/S&P World Index (ex UK).

Share Buybacks

The Trust is committed to repurchasing Ordinary shares, where market conditions are suitable, in order to enhance shareholder value. As at 31st May 2005, 12.3m shares have been repurchased for cancellation.

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. The Trust has been managed by Allianz Global Investors (formerly Kleinwort Benson and now part of Allianz AG) since inception.

Launch Date: 1927.

Wind-up Date: None.

Price Information

Financial Times and The Daily Telegraph
www.allianzglobalinvestors.co.uk

Trust Codes

ISIN – GB0001490001
 Sedol – 0149000
 RIC – BUT

Shareholder Communications

Report and Accounts – Final posted in February, and Interim posted in July.
 Annual General Meeting – March.
 Dividends – March and August

Board of Directors

Keith Percy (Chairman), Ben Siddons, William Worsley, Richard Wakeling, Vivian Bazalgette

Contacts

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