

The Brunner Investment Trust PLC

Key Information

Total Assets*	£270m
Long term gearing^{††} (Currently largely offset by cash and gifts)	23.0%
No. of Shares[†] (Ordinary 1p)	49,069,338
Net asset value[†]	464.6p
Net asset value (debt at Market Value)[†]	442.2p
Premium/-discount to NAV[†]	-17.7%
Premium/-discount to NAV (debt at Market Value)[†]	-13.5%
Share price*	382.5p
Gross Yield*	2.30%
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 31.05.06

[†] Source: Allianz Global Investors as at 31.05.06

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 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 31.05.06.

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

Global equity markets saw declining returns in May as US inflation data came in higher than expected; coupled with falling US consumer confidence and the falling Dollar, this had an appreciable effect on equities.

The Trust's composite benchmark saw a 5.5% decline with the Trust's own performance also down and slightly lagging the benchmark. The principal drag came from the market's shift away from cyclical sectors such as Aerospace, Leisure and Industrials, and into more defensive areas of Pharmaceuticals, Food and Drug retailing. Holdings such as Carnival, the cruise holiday operator, and Smiths Group, the aerospace manufacturer, both saw negative returns.

On the positive side the holding in Takeda Pharmaceuticals, the Japanese pharmaceutical manufacturer was up 3% as were holdings in Unicredito, the Italian banking group, and China Life, the insurance group.

The near term outlook continues to be dominated by inflation concerns and expectations of further interest rate rises, however on a more long term basis the fundamental economic indicators remain broadly healthy suggesting the recent pull back may only be a temporary phenomenon.



Mark Lovett

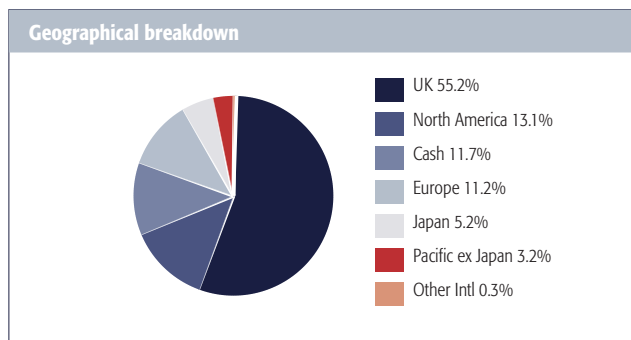


Lucy MacDonald

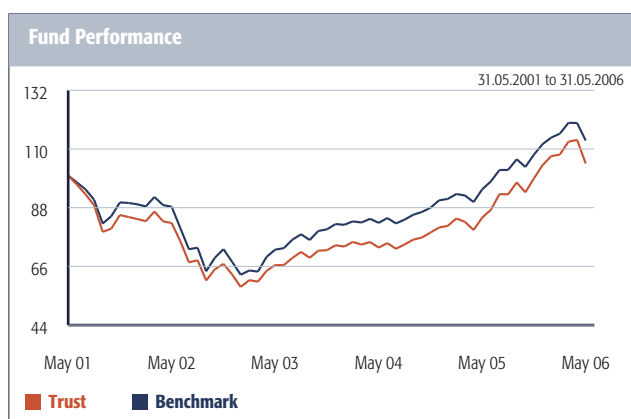
Top 10 holdings

Name	%
4.5% Treasury Stock	8.8
GlaxoSmithKline	4.0
BP	4.0
Royal Dutch Shell "B" Shares	3.7
HSBC	2.6
Rio Tinto	2.1
BHP Billiton	2.0
Vodafone	2.0
Royal Bank of Scotland Group	2.0
Barclays	1.9
Total	33.1

Source: Allianz Global Investors as at 31.05.06



Source: Allianz Global Investors as at 31.05.06 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. 31st May 2001 to 31st May 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	30/03/2001	29/03/2002	31/03/2003	31/03/2004	31/03/2005
to	29/03/2002	31/03/2003	31/03/2004	31/03/2005	31/03/2006
Share Price	-14.0%	-33.8%	19.5%	14.0%	45.4%

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

14,930,662 shares have been repurchased for cancellation to date.