

Registration Number 328206

Investec Investment Trust PLC

Unaudited Condensed Financial Statements
For the six months ended
30 September 2011

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MANAGEMENT REPORT AND RESPONSIBILITY STATEMENT**MANAGEMENT REPORT**

The directors present their management report for the six months to 30 September 2011.

The results for the Company show a pre-tax loss of £31k (30 September 2010: loss of £31k) for the period (see page 2).

At 30 September 2011 the Company had net assets of £26,115k (30 September 2010: £26,381k).

The directors do not recommend the payment of a interim dividend on the ordinary shares for the period (2010: £nil). Dividends paid on the preference stocks in the period amounted to £31,385 (2010: £31,385).

The company is a wholly owned subsidiary of Investec Group Investments (UK) Limited, which is in turn an ultimately wholly-owned subsidiary of Investec plc.

The company is an investment holding company and it is the directors' intention that the company will continue its business as an investment holding company during the forthcoming year.

The company's 3.5 per cent and 5 per cent cumulative preference stocks are listed on the London Stock Exchange.

Investec Group Investments (UK) Limited and its subsidiaries own all of the ordinary shares, £266,586 nominal 3.5 per cent cumulative preference stock and £96,612 nominal 5 per cent cumulative preference stock of the company.

The company's principal activity is to source funds from the financial market for Group activities. The financial risks are managed at the Group level. Surplus liquidity arising from time to time was loaned by the company during the year on an interest free basis to its immediate parent company, Investec Group Investments (UK) Limited. The loan is repayable upon demand and the company has the right, at any time and at its sole discretion, to charge interest thereon at a commercial rate.

The company's exposure to financial risks is further discussed in note 10.

RESPONSIBILITY STATEMENT

We confirm that to the best of our knowledge:

a) The condensed set of financial statements has been prepared in accordance with financial reporting standards, gives a true and fair view of assets, liabilities, financial position and profit or loss of the issuer.

b) The interim management report includes a fair review of the information required by DTR 4.2.7R (indication of important events during the first six months and description of principal risks and uncertainties for the remaining six months of the year).

Neither the company nor the directors accept any liability to any person in relation to the half-yearly financial report except to the extent that such liability could arise under English law. Accordingly, any liability to a person who has demonstrated reliance on any untrue or misleading statement or omission shall be determined in accordance with section 90A of the Financial Services and Markets Act 2000.

By order of the Board



Steve Burgess



Andrew Barnes

30 November 2011

Investec Investment Trust PLC

PROFIT AND LOSS ACCOUNT

for the period to 30 September 2011

	Notes	Unaudited 30 September 2011 £000	Unaudited 30 September 2010 £000	Audited 31 March 2011 £000
Interest payable	3	(31)	(31)	(63)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(31)	(31)	(63)
Taxation	2	-	-	(203)
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		(31)	(31)	(266)
RETAINED LOSS FOR THE PERIOD	8	(31)	(31)	(266)

There are no recognised gains or losses in the period other than the retained loss for the financial period.

There is no material difference between the results disclosed in the profit and loss account and the results on an unmodified historical cost basis.

Investec Investment Trust PLC

BALANCE SHEET

as at 30 September 2011

	Notes	Unaudited 30 September 2011 £000	Audited 31 March 2011 £000	Unaudited 30 September 2010 £000
CURRENT ASSETS				
Receivable from immediate parent undertaking	4	28,915	28,946	28,978
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	5	(1,155)	(1,155)	(952)
NET CURRENT ASSETS		27,760	27,791	28,026
CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR	6	(1,645)	(1,645)	(1,645)
NET ASSETS		26,115	26,146	26,381
CAPITAL AND RESERVES				
Called up share capital	7	14,436	14,436	14,436
Profit and loss account	8	11,679	11,710	11,945
TOTAL EQUITY SHAREHOLDERS' FUNDS		26,115	26,146	26,381

NOTES TO THE FINANCIAL STATEMENTS

at 30 September 2011

1. ACCOUNTING POLICIES

Basis of presentation

The interim results are prepared in accordance with the recognition and measurement requirements of Financial Reporting Standards and the disclosure of transparency rules. The accounting policies applied in the preparation of the results for the six months ended 30 September 2011 are consistent with those adopted in the financial statements for the year ended 31 March 2011.

The information in this report for the six months to 30 September 2011, which was approved by the board of directors on ?? November 2011, does not constitute statutory accounts as defined in Section 435 of the Companies Act 2006 ("Act"). Statutory accounts for the year ended 31 March 2011, which contained an unqualified audit report under Chapter 3, Part 16 of the Act and which did not contain statements under Section 498 of the Act, have been delivered to the Registrar of Companies in accordance with Section 1068 of the Act.

Cash flow statement

The company is exempt from the requirements to prepare a cash flow statement under Financial Reporting Standard 1, because a consolidated cash flow statement is included in the publicly available consolidated financial statements of its ultimate parent undertaking, Investec plc.

Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, do not qualify as trading assets and have not been designated as either fair value through profit and loss or available for sale. Such assets are carried at amortised cost using the effective interest method if the time value of money is significant. Gains and losses are recognised in income when the receivables are derecognised or impaired, as well as through the amortisation process.

Classification of shares as debt

The preference shares issued by the company create a financial liability as defined by FRS 25 and are therefore presented as a liability in the balance sheet. Shares classified as debt are initially measured at fair value net of transaction costs and thereafter at amortised cost until extinguished on redemption. The corresponding dividends relating to the liability are charged as interest expense in the profit and loss account on an accruals basis.

Taxation

Corporation tax is provided on taxable profits at the current rate.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be sustainable profits from which the future reversal of the underlying timing differences can be deducted. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements, which are capable of reversal in one or more subsequent periods.

Deferred tax is measured at a non-discounted basis at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Related party transactions

The directors have taken advantage of the exemptions available in Financial Reporting Standard 8 from disclosing transactions with related parties which are members of the Investec plc group.

Investec Investment Trust PLC

NOTES TO THE FINANCIAL STATEMENTS

at 30 September 2011

2. TAX ON LOSS ON ORDINARY ACTIVITIES

	Unaudited 6 months to 30 September 2011 £000	Unaudited 6 months to 30 September 2010 £000	Audited Year to 31 March 2011 £000
Taxation	-	-	203

The effective tax rate for the period is 0% (2010 – 0%). The current tax charge is lower than the standard rate of UK Corporation Tax, due to the following reconciling items:

	£000	£000	£000
Tax on loss on ordinary activities at 26% (2011--28%)	(8)	(10)	(18)
Disallowed expenses (dividend on preferred shares)	8	9	18
Tax losses claimed by fellow group companies for nil cost	(94)	(223)	-
UK to UK transfer pricing adjustment	94	224	203
	-	-	203

In the event that, in future periods, if tax losses are not available from group companies to offset taxable profits, the company may incur a tax liability. The company expects to have sufficient resources available to meet such obligations.

3. INTEREST PAYABLE

The interest payable represents the dividend paid and accrued on the cumulative preference shares classified as financial liabilities and comprises the following:

	Unaudited 6 months to 30 September 2011 £000	Unaudited 6 months to 30 September 2010 £000	Audited Year to 31 March 2011 £000
Dividends paid			
3.5% Cumulative preference shares 1 June	3	3	7
3.5% Cumulative preference shares 1 December	12	12	23
5% Cumulative preference shares 15 May	1	1	2
5% Cumulative preference shares 15 November	5	5	9
Dividends payable			
3.5% Cumulative preference shares	7	7	15
5% Cumulative preference shares	3	3	7
	31	31	63

4. RECEIVABLE FROM IMMEDIATE PARENT UNDERTAKING

The amount represents a loan to the immediate parent company, Investec Group Investments (UK) Limited on an interest free basis. The loan is repayable upon demand and the company has the right, at any time and at its sole discretion, to charge interest thereon at a commercial rate.

Investec Investment Trust PLC

NOTES TO THE FINANCIAL STATEMENTS at 30 September 2011

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Unaudited 30 September 2011 £000	Audited 31 March 2011 £000	Unaudited 30 September 2010 £000
Amounts owed to parent and fellow subsidiary undertakings	18	18	18
Other creditors	55	55	55
Provision for tax	1,082	1,082	879
	1,155	1,155	952

6. CREDITORS: AMOUNTS FALLING DUE OVER ONE YEAR

	Unaudited 30 September 2011 £00	Audited 31 March 2011 £000	Unaudited 30 September 2010 £000
1,300,000 3.5% cumulative preference shares of 1.75p each authorised, issued, allotted and fully paid up	1,300	1,300	1,300
345,438 5% cumulative preference shares of 2.5p each authorised, issued, allotted and fully paid up	345	345	345
	1,645	1,645	1,645

The 3.5% cumulative preference stock and the 5% cumulative preference stock carry the following rights:

- holders are entitled to fixed cumulative preferential dividends at the rates of 3.5% and 5% per annum respectively. Payment of such dividends is due on 1 June and 1 December each year in the case of the 3.5% preference stock and 15 May and 15 November each year in the case of the 5% preference stock.
- holders are entitled to the amounts paid up on the preference stocks together with all arrears of the respective cumulative preferential dividends on a winding up of the company, in priority to the Ordinary shareholders.
- holders are not entitled to attend or vote at general meetings of the company, save in specified circumstances, principally where the business to be transacted affects their rights as preference stockholders.
- there is no prescribed redemption or repayment date for either class of preference stock.

7. CALLED UP SHARE CAPITAL

	Unaudited 30 September 2011 £000	Audited 31 March 2011 £000	Unaudited 30 September 2010 £000
Authorised			
60,000,000 (2010: 60,000,000) ordinary shares of 25p each	15,000	15,000	15,000
Issued, allotted and fully paid			
57,744,387 (2010: 57,744,387) ordinary shares of 25p each	14,436	14,436	14,436

Investec Investment Trust PLC

NOTES TO THE FINANCIAL STATEMENTS

at 30 September 2011

8. RESERVES

	Profit and loss account £000
Balance at the beginning of the year	11,710
Retained loss for the period (unaudited)	(31)
Balance at the end of the period	11,679

9. RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

	30 September 2011 £000	31 March 2011 £000	30 September 2010 £000
Opening shareholders' funds	26,146	26,412	26,412
Loss for the financial period (unaudited)	(31)	(266)	(31)
Closing equity shareholders' funds	26,115	26,146	26,381

10. RISK MANAGEMENT

As a wholly-owned subsidiary of Investec plc, the company falls under the Investec Group's Risk Management Framework which is set out in the combined Investec plc and Investec Limited 2011 financial statements, Risk Management and Corporate Governance report.

Credit risk

The company has no exposure to credit risk other than on the loan advanced to the parent undertaking.

Liquidity risk

The company's only financial obligations in the foreseeable future are payment of dividend on the preference shares and administrative expenses. The company is able to recall the loan to the parent undertaking (or part thereof) at any time and therefore does not foresee any risk of being unable to meet its financial commitments.

Interest rate risk

The company has a fixed interest obligation in respect of the dividend on the preference shares and is therefore not exposed to fluctuation in interest rates. The loan to the parent is interest free. However, the company has the right at any time and at its sole discretion to charge interest thereon at a commercial rate.

Capital Management

The company manages and monitors its capital on an ongoing basis and with consideration for the ongoing commitments of the entity. The company is not regulated and therefore it is not subject to any capital adequacy requirements.

11. ULTIMATE PARENT UNDERTAKING

The company's immediate parent undertaking is Investec Group Investments (UK) Limited.

The company's ultimate parent undertaking and controlling party is Investec plc, a company incorporated in the United Kingdom and registered in England and Wales. Investec Bank (UK) Limited is the smallest group in which the results of the company are consolidated. The consolidated financial statements of Investec plc and Investec Bank (UK) Limited are available to the public and may be obtained from Investec plc at 2 Gresham Street, London, EC2V 7QP.

