

# Keystone Investment Trust plc

Half-Yearly Financial Report for the Six Months to 31 March 2011

## KEY FACTS

Keystone Investment Trust plc is an investment trust company listed on the London Stock Exchange. The Company is managed by Invesco Asset Management Limited.

### Objective of the Company

The objective of Keystone Investment Trust plc is to provide shareholders with long-term growth of capital, mainly from UK investments.

Full details of the Company's investment policy, risk and limits can be found in the annual financial report for the year ended 30 September 2010.

### Performance Statistics

#### Assets

	AT 31 MARCH 2011	AT 30 SEPTEMBER 2010	% CHANGE
Net assets attributable to ordinary shareholders (£'000)	169,290	162,154	+4.4
Net asset value per ordinary share	1266.3p	1212.9p	+4.4
– with income reinvested			+7.6
Share price (mid-market) of ordinary shares	1155.0p	1170.0p	-1.3
– with income reinvested			+1.1
FTSE All-Share Index			+7.0
– with income reinvested			+8.5
Discount of share price to net asset value per ordinary share (%):			
– debt at par	8.8	3.5	
– debt at fair value	7.1	1.7	
Total borrowings as % of net assets attributable to ordinary shareholders	18.8	24.6	
Effective gearing – equity exposure as % of net assets attributable to ordinary shareholders	109	108	

#### Revenue

	SIX MONTHS ENDED 31 MARCH 2011	SIX MONTHS ENDED 31 MARCH 2010	% CHANGE
Net revenue return per ordinary share	19.5p	17.6p	+10.8
Interim dividend per ordinary share	17.5p	17.5p	—

## INTERIM MANAGEMENT REPORT INCORPORATING THE CHAIRMAN'S STATEMENT

### Chairman's Statement

#### Performance

Over the six months from 30 September 2010 to 31 March 2011, the Company's shares gave a total return of 1.1% to shareholders. During the same period, the total return of the net asset value per ordinary share was 7.6%, while the total return of the Company's benchmark for performance measuring purposes, the FTSE All-Share Index, was 8.5%. (All these figures are with income reinvested.) On 31 March 2011, the discount of the share price relative to net asset value (debt at par) was 8.8%.

#### Borrowings

Equity exposure increased from 108% of net assets at 30 September 2010 to 109% at 31 March 2011. During the period the gearing limits set by the Board were changed such that the Manager must make no net purchases if equity exposure was more than 110% of net assets, and must make sales if (as a result of market movements) equity exposure rose to more than 115% of net assets.

#### Dividend

The interim dividend of 17.5p per ordinary share will be paid on 24 June 2011 to shareholders on the register on 3 June 2011.

### Board Appointment

On 8 March 2011, the Board appointed John Wood as a new Director of the Company. He has broad experience of fund management and we look forward to working with him.

### Beatrice Hollond

Chairman

23 May 2011

### Manager's Report

The UK stock market enjoyed a buoyant six months, with the FTSE All-Share Index rising by 8.5% despite growing concerns over both the financial health of the UK consumer and the impact of global events. Indeed, UK equities registered their strongest December performance since 1993, a year in which the UK was also emerging from recession, but more surprising this time given the growing uncertainty about UK economic conditions. Events at the beginning of 2011 shook positive market sentiment as concerns increased due to political turmoil in the Middle East and its impact on oil prices, the latest round of the eurozone debt crisis and the impact of the earthquake in Japan. March was Budget month in the UK, but the performance of the stock market was very much driven by events on the international stage rather than by the Chancellor's speech.

Monetary stimuli on both sides of the Atlantic undoubtedly played a large part in the rise of equity markets. UK interest rates remained at 0.5%, although inflation remained high over the period and well above the Bank of England's 2% target. Concerns grew that interest rates would be rising sooner rather than later; these were assuaged by minutes from the Bank of England's March meeting showing no new support for an increase, despite the Bank warning that inflation was likely to remain above its target for the remainder of the year.

Corporate news flow over the six months reflected the worsening state of the UK consumer economy. Sainsbury's announced its lowest sales growth figures for six years in March, while news from the non food retailers was significantly worse, with poor trading statements from a number of high street retailers.

The Manager maintains a cautious stance on the outlook for the UK economy, believing that a number of headwinds persist; the full extent of public spending cuts have yet to be felt, the squeeze on household incomes will continue, and although the manufacturing side of the economy is benefiting from the strength of overseas markets, it is doubtful this can fully compensate for weaknesses in other areas of the economy.

### Portfolio Strategy & Review

The Company's net asset value, including reinvested dividends, rose by 7.6% during the 6 months to the end of March 2011, compared to a rise of 8.5% from the FTSE All-Share Index (total returns).

Disappointingly, the Company's return was marginally behind the index over the period. A negative impact on the Company's performance came from supermarket group Tesco, where investors' concerns over the health of the UK consumer and confirmation of tough trading conditions across the sector outweighed the impetus the group should gain from its growing overseas exposure.

Another large company to disappoint over the 6 months was AstraZeneca, despite some improving news on patent disputes. The Manager believes the market to be focusing only on the challenges facing the pharmaceutical sector, which are well known and well rehearsed, and not on the opportunities the sector offers. These come in both the emerging world, where there is major under-provision of drugs, and in the developed world, where ageing demographics are driving increased demand for drugs.

Shares in Yell Group continued to suffer as a result of the underperformance of its directory business, and on continued speculation concerning its long-term future. The Manager remains cautiously optimistic as a result of the new strategy to migrate more of Yell's business online. Elsewhere in the Company's portfolio, Rentokil Initial's share price struggled as investors focused on problems in its parcel division, City Link.

The most significant positive contribution over the period came from the holding in BG Group; good full year results were accompanied by news of further Brazilian oil discoveries while the company is a likely beneficiary of an increasingly positive outlook for gas demand.

The performance of the Company benefited from its holdings in the telecommunications sector. BT Group confirmed both its ability to produce double digit growth in earnings and an improving free cash flow outlook, while Vodafone saw its shares rise on the news that AT&T was to buy T-Mobile from Deutsche Telekom; the price agreed highlighted the value within the mobile telecoms sector.

The Company's investment in Balfour Beatty provided further positive input to performance. Last December the company announced that it planned to sell off over £200 million of assets and also it would move to a more progressive dividend policy; the company's shares rose in price by over 30%.

In terms of portfolio activity, a number of new holdings were introduced to the portfolio. These comprised both larger companies, including Roche and Daily Mail & General Trust, along with some less well known businesses, including N. Brown, Amlin and HaloSource.

The holdings in speciality pharmaceuticals businesses BTG and Biocompatibles were merged following the announcement that the former was acquiring the latter.

The Company further reduced its exposure to the utilities sector over the six months, disposing of the holding in Northumbrian Water. The Manager is concerned that a more onerous UK regulatory outlook will hamper the companies' ability to generate adequate returns on equity while also seeing more attractive investment opportunities elsewhere.

#### Outlook

The Manager expects that the performance of the UK stock market will be more volatile over the next few months as the second round of Quantitative Easing, by the US monetary authorities, is wound up. This stimulus has undoubtedly been a contributing factor behind the strong rise in the stock market since last summer. Notwithstanding this recent good performance, the market still offers some areas of good opportunity to the long term investor.

The companies that populate the top half of the list of investments in the portfolio are extremely attractively valued, many of them have dividend yields substantially above their corporate bond yields. These companies are among the cheapest stocks in the market but ironically are also among the least risky. This confluence of low risk and low valuation is very unusual and has encouraged a shift to a more concentrated portfolio. The fund is increasingly exposed to a collection of high quality, large cap, geographically diversified and extremely well capitalised businesses.

The direction of the market over the near term may also become less certain as the outlook for corporate earnings is impacted by the persistently high oil price, the aftermath of the Japanese earthquake on the global supply chain and the economic effects of the sovereign debt problems in the eurozone. The Manager is reassured by the knowledge of the fundamental qualities of the portfolio's holdings being strong, reliable businesses, managed in the interests of their shareholders. It is worth remembering that the most under-rated virtue of stock market investing is patience, and that the market rarely recognises under valuation in the timeframe originally envisaged. However, the majority of the portfolio is still being valued by the market at a significant discount to its intrinsic value. The quality of the companies is demonstrable, it requires a degree of patience for the value to be realised.

**Mark Barnett**  
Fund Manager

23 May 2011

#### Related Parties

Invesco Asset Management Limited ('IAML'), a wholly owned subsidiary of Invesco Limited, acts as Manager and Company Secretary to the Company. Details of IAML's services and fee arrangements are given in the latest annual financial report, which is available on the Manager's website.

#### Principal Risks and Uncertainties

There is no guarantee that the investment policy adopted by the Company will provide the returns sought by the Company. There can therefore be no guarantee that the Company will achieve its investment objective. The principal risks and uncertainties that could affect the Company's business can be divided into various areas:

- Investment Objective;
- Investment Process;
- Market Movement and Portfolio Performance;
- The Ordinary Shares;
- Bond Holdings;
- Gearing;
- Regulatory and Tax-related; and
- Reliance on Third Party Service Providers.

A detailed explanation of these principal risks and uncertainties can be found on pages 18 to 20 of the 2010 annual financial report for the year ended 30 September 2010, which is available on the Manager's website.

In the view of the Board, these principal risks and uncertainties are equally applicable to the remaining six months of the financial year as they were to the six months under review.

#### Going Concern

This half-yearly financial report has been prepared on a going concern basis. The Directors consider this is the appropriate basis as they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. In considering this, the Directors took into account the diversified portfolio of readily realisable securities which can be used to meet short-term funding commitments, and the ability of the Company to meet all of its liabilities, including the debentures, and ongoing expenses. The Directors also considered the revenue forecasts for the year and future dividend payments in concluding on the going concern basis.

#### DIRECTORS' RESPONSIBILITY STATEMENT

*in respect of the preparation of the half-yearly financial report.*

The Directors are responsible for preparing the half-yearly financial report using accounting policies consistent with applicable law and UK Accounting Standards.

The Directors confirm that to the best of their knowledge:

- the condensed set of financial statements contained within the half-yearly financial report have been prepared in accordance with the Accounting Standards Board's Statement 'Half-Yearly Financial Report';
- the interim management report includes a fair review of the information required by DTR 4.2.7R and DTR 4.2.8R of the FSA's Disclosure and Transparency Rules; and
- the interim management report includes a fair review of the information required on related party transactions.

The half-yearly financial report has not been audited or reviewed by the Company's auditors.

Signed on behalf of the Board of Directors.

**Beatrice Hollond**  
Chairman

23 May 2011

## INVESTMENTS BY SECTOR AT 31 MARCH 2011

UK listed ordinary shares unless otherwise stated

SECTOR/COMPANY	MARKET VALUE £'000	% OF PORTFOLIO	SECTOR/COMPANY	MARKET VALUE £'000	% OF PORTFOLIO
<b>Basic Materials</b>			<b>Healthcare <i>continued</i></b>		
UK Coal	637	0.3	Vectura	642	0.3
HaloSource	572	0.3	Puricore	399	0.2
	1,209	0.6	Xcounter AB	269	0.1
<b>Consumer Goods</b>			Renovo	115	0.1
Reynolds American – US Common Stock	10,101	5.0	XTL Biopharmaceutical – US ADR (10 Ord Shares)	60	—
British American Tobacco	9,167	4.5	Biocompatibles <sup>10</sup>	44	—
Imperial Tobacco	7,758	3.9		28,615	14.4
Reckitt Benckiser	4,775	2.4	<b>Industrials</b>		
Tate & Lyle	2,375	1.2	Capita	5,436	2.7
Landkom International	579	0.3	BAE Systems	5,212	2.6
Altria – US Common Stock	544	0.3	Babcock International	3,987	2.0
Nexeon Series B <sup>10</sup>	300	0.2	Balfour Beatty	3,861	1.9
	35,599	17.8	Homeserve	2,849	1.4
<b>Consumer Services</b>			Chemring	2,771	1.4
Tesco	4,867	2.4	Serco	2,173	1.1
Compass	3,784	1.9	Rentokil Initial	2,172	1.1
Morrison (W) Supermarket	2,530	1.3	Bunzl	2,167	1.1
Daily Mail 'A' Shares (Non-voting)	2,478	1.2		30,628	15.3
Ladbroke's & General Trust	1,986	1.0	<b>Oil &amp; Gas</b>		
Brown (N.)	700	0.3	BG	8,977	4.5
Yell	250	0.1		8,977	4.5
Mirada	6	—	<b>Telecommunications</b>		
	16,601	8.2	Vodafone	8,450	4.2
<b>Financials</b>			BT	8,435	4.2
Provident Financial	4,112	2.1	Kcom	2,689	1.3
Hiscox	3,867	1.9		19,574	9.7
A J Bell <sup>10</sup>	2,400	1.2	<b>Utilities</b>		
Amlin	2,308	1.2	Centrica	4,844	2.4
Beazley	2,307	1.2	Scottish & Southern Energy	4,068	2.0
Impax Asian Environmental – Ordinary and Subscription Shares	1,807	0.9	International Power	3,889	1.9
Altus Resources	1,437	0.7	Pennon	3,323	1.7
Imperial Innovations – Ordinary	656	0.3	Drax	2,738	1.4
Imperial Innovations – Convertible 'B' Shares <sup>10</sup>	575	0.3	Barclays Bank – Nuclear Power Notes 28 February 2019	519	0.3
Impax Environmental Markets	1,119	0.6		19,381	9.7
Damille Investments	1,089	0.5	<b>Total Equity Investments</b>		
Trading Emissions	907	0.5		184,845	92.6
Ecofin Water & Power – Ordinary and Subscription Shares	550	0.3	Puricore <sup>10</sup> 6% Dec 2011	500	0.3
Macau Property Opportunities Fund	523	0.3	Ecofin Water & Power 6% Jul 2016	150	0.1
Fusion IP	366	0.2		650	0.4
Helphire	125	0.1	<b>Total Fixed Asset Investments</b>		
Walton & Co <sup>10</sup>	113	0.1		185,495	93.0
	24,261	12.4	Barclays Bank 1% 28 April 2011	8,001	4.0
<b>Healthcare</b>			Lloyds Bank 1.035% 20 April 2011	6,001	3.0
GlaxoSmithKline	8,095	4.1	<b>Total Certificates of Deposit</b>		
AstraZeneca	6,943	3.5		14,002	7.0
BTG	4,146	2.1	<b>Total Investments</b>		
Roche – Swiss Common Stock	3,446	1.7		199,497	100.0
Napo Pharmaceuticals <sup>10</sup>	2,754	1.4			
Lombard Medical Technologies	1,702	0.9			

UQ: Unquoted

## CONDENSED INCOME STATEMENT

NOTE	SIX MONTHS TO 31 MARCH 2011			SIX MONTHS TO 31 MARCH 2010			YEAR ENDED 30 SEPTEMBER 2010	
	REVENUE £'000	CAPITAL £'000	TOTAL £'000	REVENUE £'000	CAPITAL £'000	TOTAL £'000	TOTAL £'000	
Gains on investments	—	9,460	9,460	—	10,885	10,885	17,312	
Losses/(gains) on certificates of deposit	—	—	—	—	(7)	(7)	1	
Foreign exchange gains/(losses)	2	—	92	—	(465)	(465)	(149)	
Income:								
UK dividends	2,677	—	2,677	2,516	—	2,516	5,901	
Overseas dividends	477	—	477	296	—	296	601	
UK unfranked investment – interest	97	—	97	220	—	220	310	
Scrip dividends	25	—	25	13	—	13	38	
Deposit interest	2	—	2	6	—	6	8	
Underwriting commission	—	—	—	6	—	6	6	
Investment management fee	3	(154)	(461)	(133)	(399)	(532)	(1,120)	
Other expenses	—	(166)	(166)	(145)	—	(145)	(294)	
<b>Net return before finance costs and taxation</b>	<b>2,958</b>	<b>9,091</b>	<b>12,049</b>	<b>2,779</b>	<b>10,014</b>	<b>12,793</b>	<b>22,614</b>	
Finance costs								
Interest payable	(274)	(820)	(1,094)	(378)	(1,138)	(1,516)	(3,043)	
Distributions in respect of non-equity shares	(6)	—	(6)	(6)	—	(6)	(12)	
<b>Return on ordinary activities before taxation</b>	<b>2,678</b>	<b>8,271</b>	<b>10,949</b>	<b>2,395</b>	<b>8,876</b>	<b>11,271</b>	<b>19,559</b>	
Tax on ordinary activities	4	(70)	(70)	(44)	—	(44)	(90)	
<b>Return on ordinary activities after taxation</b>	<b>2,608</b>	<b>8,271</b>	<b>10,879</b>	<b>2,351</b>	<b>8,876</b>	<b>11,227</b>	<b>19,469</b>	
<b>Return per ordinary share</b>								
Basic	6	19.5p	61.9p	17.6p	66.4p	84.0p	145.6p	

The total column of this statement represents the Company's profit and loss account prepared in accordance with UK Accounting Standards. The supplementary revenue and capital columns are presented for information purposes in accordance with the Statement of Recommended Practice issued by the Association of Investment Companies. All items in the above statement derive from continuing operations and the Company has no other gains or losses and therefore no statement of total recognised gains or losses is presented. No operations were acquired or discontinued in the period.

## CONDENSED BALANCE SHEET

Registered number 538179

	NOTE	AT 31 MARCH 2011 £'000	AT 31 MARCH 2010 £'000	AT 30 SEPTEMBER 2010 £'000
<b>Fixed assets</b>				
Investments held at fair value through profit or loss		185,495	165,422	174,833
<b>Current assets</b>				
Certificates of deposit		14,002	24,992	28,000
Amounts due from brokers		696	—	—
Tax recoverable		32	—	—
Unrealised profit on forward currency contracts	2	—	28	12
Prepayments and accrued income		1,025	852	719
Cash and cash funds		1,257	3,487	—
		17,012	29,359	28,731
<b>Creditors: amounts falling due within one year</b>				
Bank overdraft		—	—	(481)
Other creditors	5	—	—	(8,000)
Amounts due to brokers		(282)	—	—
Unrealised loss on forward currency contracts	2	(12)	—	—
Accruals		(1,062)	(1,028)	(1,078)
		(1,356)	(1,028)	(9,559)
<b>Net current assets</b>		15,656	28,331	19,172
<b>Total assets less current liabilities</b>		201,151	193,753	194,005
<b>Creditors: amounts falling due after more than one year</b>				
Debenture stock	5	(31,611)	(39,591)	(31,601)
Cumulative preference shares		(250)	(250)	(250)
<b>Net assets</b>		169,290	153,912	162,154
<b>Capital and reserves</b>				
Share capital		6,685	6,685	6,685
Share premium		1,258	1,258	1,258
Capital redemption reserve		466	466	466
Capital reserve		153,851	140,415	145,580
Revenue reserve		7,030	5,088	8,165
<b>Shareholders' funds</b>		169,290	153,912	162,154
<b>Net asset value per share</b>				
Basic	7	1266.3p	1151.3p	1212.9p

## CONDENSED CASH FLOW STATEMENT

	SIX MONTHS TO 31 MARCH 2011 £'000	SIX MONTHS TO 31 MARCH 2010 £'000	YEAR TO 30 SEPTEMBER 2010 £'000
<b>Total return before finance costs and taxation</b>	12,049	12,793	22,614
Adjustment for gains on investments and certificates of deposit	(9,460)	(10,878)	(17,313)
Adjustment for exchange (gains)/losses	(92)	465	149
Scrip dividends	(25)	(13)	(38)
(Increase)/decrease in debtors	(338)	471	604
(Decrease)/increase in creditors and provisions	(16)	(24)	20
Tax on overseas dividends	(70)	(44)	(90)
<b>Cash inflow from operating activities</b>	2,048	2,770	5,946
<b>Servicing of finance</b>	(1,090)	(1,518)	(3,036)
<b>Capital expenditure and financial investment</b>			
Purchases of investments and certificates of deposit	(59,334)	(73,655)	(136,105)
Proceeds from sale of investments and certificates of deposit	71,741	80,424	136,916
<b>Equity dividend paid</b>	(3,743)	(7,567)	(7,567)
<b>Increase/(decrease) in cash in the period</b>	9,622	454	(3,846)
Exchange movements	116	(728)	(397)
Debenture stock non-cash movement	(10)	(10)	(19)
<b>Movement in net debt in the period</b>	9,728	(284)	(4,262)
Net debt at beginning of period	(40,332)	(36,070)	(36,070)
<b>Net debt at period end</b>	(30,604)	(36,354)	(40,332)
<b>Analysis of changes in net debt</b>			
Brought forward:			
(Overdraft)/cash and cash funds	(481)	3,762	3,762
Cumulative preference shares	(250)	(250)	(250)
Debenture stock	(39,601)	(39,582)	(39,582)
<b>Net debt brought forward</b>	(40,332)	(36,070)	(36,070)
Movements in the period:			
Cash inflow/(outflow) from cash funds and short term deposits	1,622	454	(3,846)
Debenture repayment	8,000	—	—
Exchange movements	116	(728)	(397)
Debenture stock non-cash movement	(10)	(10)	(19)
<b>Net debt at period end</b>	(30,604)	(36,354)	(40,332)

## CONDENSED RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	SHARE CAPITAL £'000	SHARE PREMIUM £'000	CAPITAL REDEMPTION RESERVE £'000	CAPITAL RESERVE £'000	REVENUE RESERVE £'000	TOTAL £'000
<b>For the six months ended 31 March 2011</b>						
At 1 October 2010	6,685	1,258	466	145,580	8,165	162,154
Net return on ordinary activities	—	—	—	8,271	2,608	10,879
Dividends paid – note 8	—	—	—	—	(3,743)	(3,743)
<b>At 31 March 2011</b>	6,685	1,258	466	153,851	7,030	169,290
<b>For the six months ended 31 March 2010</b>						
At 1 October 2009	6,685	1,258	466	131,539	10,304	150,252
Net return on ordinary activities	—	—	—	8,876	2,351	11,227
Dividends paid – note 8	—	—	—	—	(7,567)	(7,567)
<b>At 31 March 2010</b>	6,685	1,258	466	140,415	5,088	153,912
<b>For the year ended 30 September 2010</b>						
At 1 October 2009	6,685	1,258	466	131,539	10,304	150,252
Net return on ordinary activities	—	—	—	14,041	5,428	19,469
Dividends paid – note 8	—	—	—	—	(7,567)	(7,567)
<b>At 30 September 2010</b>	6,685	1,258	466	145,580	8,165	162,154

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS

### 1. Accounting Policies

The condensed financial statements have been using the same accounting policies as those adopted in the annual financial report for the year ended 30 September 2010.

### 2. Forward Currency Contracts

The equity portfolio includes £14,151,000 (30 September 2010: £9,924,000; 31 March 2010: £9,205,000) of equities denominated in currencies other than pounds sterling. In order to manage the currency risk, the Manager has hedged part of their currency exposure into sterling through the use of forward foreign exchange contracts. These foreign exchange contracts are designated as fair value hedges through profit or loss.

### 3. Investment Management and Performance Fees

The investment management fee is charged 75% to capital and 25% to revenue; the performance fee is allocated wholly to capital.

No performance fee is provided for the six months ended 31 March 2011 and there was no performance fee provision as at 30 September 2010. No performance fee was paid for the calendar year ended 31 December 2010.

### 4. Tax

The tax effect of expenditure is allocated between capital and revenue on the same basis as the particular item to which it relates, using the Company's effective rate of tax for the accounting period.

### 5. Debenture Stock

The £5 million 10.25% and £3 million 11.375% Debenture Stocks were repaid in full on 1 October 2010, and cancelled.

Following the redemption of those two Debenture Stocks, the Company's structured debt is provided by 250,000 5% cumulative preference shares of £1 each, £7 million 7.75% Debenture Stock 2020 and £25 million 6.5% Debenture Stock 2023.

### 6. Basis of Returns

	SIX MONTHS TO 31 MAR 2011 £'000	SIX MONTHS TO 31 MAR 2010 £'000	YEAR TO 30 SEPT 2010 £'000
Returns after tax:			
Revenue	2,608	2,351	5,428
Capital	8,271	8,876	14,041
Total	10,879	11,227	19,469

The number of ordinary shares in issue for each period has remained unchanged at 13,368,799.

### 7. Basis of Net Asset Value per Ordinary Share

	AT 31 MAR 2011	AT 31 MAR 2010	AT 30 SEPT 2010
Shareholders' funds	£169,290,000	£153,912,000	£162,154,000
Ordinary shares in issue at period end	13,368,799	13,368,799	13,368,799

### 8. Dividends Paid

	SIX MONTHS TO 31 MAR 2011 £'000	SIX MONTHS TO 31 MAR 2010 £'000	YEAR TO 30 SEPT 2010 £'000
Final 28p	3,743	3,743	3,743
Special 11.1p, in respect of VAT refunds	—	1,484	1,484
Interim 17.5p	—	2,340	2,340
Total paid	3,743	7,567	7,567

The interim dividend of 17.5p will be paid on 24 June 2011 to shareholders on the register on 3 June 2011. Last year the interim dividend of 17.5p was paid on 30 March 2010 to shareholders on the register on 12 March 2010.

### 9. Investment Trust Status

It is the intention of the Directors to conduct the affairs of the Company so that it satisfies the conditions for approval as an investment trust company set out in sections 1158-1165 of the Corporation Tax Act 2010.

### 10. Status of Half-Yearly Financial Report

The financial information contained in this half-yearly financial report, which has not been reviewed or audited by the independent auditors, does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. The financial information for the half-years ended 31 March 2010 and 31 March 2011 has not been audited. The figures and financial information for the year ended 30 September 2010 are extracted and abridged from the latest published accounts and do not constitute the statutory accounts for that year. Those accounts have been delivered to the Registrar of Companies and include the Report of the Independent Auditors, which was unqualified and did not include a statement under section 498 of the Companies Act 2006.

By order of the Board  
Invesco Asset Management Limited  
Company Secretary

23 May 2011

## DIRECTORS, INVESTMENT MANAGER AND ADMINISTRATION

### Directors

Beatrice Hollond (Chairman)  
David Adams OBE  
William Kendall  
Peter Readman  
John Wood

### Managers, Company Secretary and Registered Office

Invesco Asset Management Limited  
30 Finsbury Square  
London EC2A 1AG

☎ 020 7065 4000

Company Secretarial contact: Nira Mistry

### Company Number

Registered in England and Wales No. 538179

### Registrars

The Registry  
34 Beckenham Road  
Beckenham  
Kent BR3 4TU

If you hold your shares direct and not through a savings scheme or ISA and have queries relating to your shareholding you should contact the Registrars' call centre on:

☎ 0871 664 0300

Calls cost 10p per minute plus network extras. Lines are open Monday to Friday 8.30am to 5.30pm.

Shareholders can also access their holding details via Capita's websites

🌐 [www.capitaregistrars.com](http://www.capitaregistrars.com) or 🌐 [www.capitashareportal.com](http://www.capitashareportal.com)

The Registrars provide an online and telephone share dealing service for existing shareholders who are not seeking advice on buying or selling. This service is available at:

☎ 0871 664 0454

🌐 [www.capitadeal.com](http://www.capitadeal.com)

Calls cost up to 10p per minute plus network extras. Lines are open Monday to Friday 8.00am to 4.30pm.

### Invesco Perpetual Investor Services

Invesco Perpetual has an Investor Services Team available from 8.30am to 6.00pm every working day to help you on:

☎ 0800 085 8677

🌐 [www.invescoperpetual.co.uk/investmenttrusts](http://www.invescoperpetual.co.uk/investmenttrusts)

### Savings Scheme and ISA Administrators

For both the Invesco Perpetual Investment Trust Savings Scheme and ISA:

Invesco Perpetual  
Perpetual Park  
Perpetual Park Drive  
Henley-on-Thames  
Oxfordshire RG9 1HH

☎ 0800 085 8677

### Manager's Website

Information relating to the Company can be found on the Manager's website, at [www.invescoperpetual.co.uk/investmenttrusts](http://www.invescoperpetual.co.uk/investmenttrusts).

The contents of websites referred to in this document, or accessible from links within those websites, are not incorporated into, nor do they form part of, this half-yearly report.

## FINANCIAL CALENDAR 2011

### Announcements

Half-yearly Financial Report	May
Annual Financial Report	November
Interim Management Statements	January and July

### Ordinary Share Dividends

Interim paid	June
Final payable	December

### Annual General Meeting

December

### Year end

30 September



Invesco Asset Management Limited  
30 Finsbury Square  
London EC2A 1AG  
☎ 020 7065 4000

Invesco Asset Management Limited is a wholly owned subsidiary of Invesco Limited and is authorised and regulated by the Financial Services Authority

Invesco Perpetual is a business name of Invesco Asset Management Limited