

# THE INDEPENDENT INVESTMENT TRUST PLC

## Interim Management Statement - 3 months to 28 February 2013

The Company's objective is to provide good absolute returns over long periods by investing the great majority of its assets in UK and international quoted securities. Full details of the Company's investment policy are set out in the Company's Annual Report, which is available on the Company's website or can be requested from the Company (see contact details below).

### Review of the Period

- Over the period, the Company's net asset value and share price total returns were 11.0% and 10.9% respectively. The FTSE All-Share Index total return was 9.9%. (Source: Thomson Reuters Datastream/Baillie Gifford & Co)
- During the period, transactions affecting the Top Ten included an addition to the Amlin holding and part sales of the holdings in SThree and Noble. All other changes to the Top Ten were as a result of market movements. Other transactions during the period included a complete sale of Topps Tiles.
- The Company bought back 300,000 of its own shares for cancellation during the quarter, at a cost of £668,000.
- Net cash and gilts rose from £23.4 million to £30.0 million, representing 19.4% of shareholders' funds at the end of February 2013.
- The final dividend of 5.0p per share, if approved by shareholders at the Annual General Meeting to be held on 28 March 2013, will be paid on 9 April 2013 to shareholders on the register at the close of business on 22 February 2013.

### Sector Analysis

Name	% of shareholders' funds at 28/02/13	% of shareholders' funds at 30/11/12
Housebuilders	4.2	3.9
Industrials	7.9	8.6
Retailing	7.4	7.6
Recruitment	4.8	5.5
Technology and Telecommunications	10.6	10.1
Mining	2.9	3.0
Oil and Gas Producers	1.2	1.3
Offshore Drillers	3.0	7.4
Oilfield Services	11.6	10.3
Food Producers	0.6	0.6
Tobacco	4.5	4.9
Pharmaceuticals	3.8	3.8
Leisure	2.1	2.1
Transport	0.7	0.7
Utilities	4.3	4.4
Insurance	8.2	7.4
Miscellaneous		
Financials	2.2	2.0
Fixed Interest	9.7	10.4
Net Liquid Assets	10.3	6.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

### Top Ten Equity Holdings

Name	% of shareholders' funds at 28/02/13	% of shareholders' funds at 30/11/12
Herald Investment Trust	7.6	6.9
Dunelm Group	4.8	4.2
Schlumberger	4.3	4.0
Halliburton	3.5	2.9
Amlin	3.5	3.1
SThree	3.4	4.3
Croda International	3.3	3.3
Noble Corp	3.0	7.4
Persimmon	3.0	2.8
IMI	2.4	2.2
<b>Total</b>	<b>38.8</b>	<b>41.1</b>

### Total Return Performance

	%			
	3 Months	1 Year	3 Years	5 Years
Share Price	10.9	11.3	45.0	31.9
NAV	11.0	8.9	43.2	38.0
FTSE All-Share Index	9.9	13.2	35.5	32.0

Source: Thomson Reuters Datastream /Baillie Gifford & Co

**Past performance is not a guide to future performance**

### General Information

	28/02/13	30/11/12
Total assets (before deduction of borrowings)*	£154.7m	£145.1m
Share price	231.0p	212.8p
Net asset value per share *	262.9p	245.3p
Discount	12.1%	13.2%
Total borrowings	-	-
Net cash **	£15.0m	£8.2m
Net cash and bonds **	£30.0m	£23.4m
Net cash as a % of shareholders' funds*	9.7%	5.7%
Net cash and bonds as a % of shareholders' funds*	19.4%	16.1%

\*These figures have been calculated using the AIC cum income basis (includes current financial year retained income).

\*\*Cash stated inclusive of amounts receivable/net of amounts payable in respect of unsettled transactions.

The Company's Net Asset Value is calculated daily and can be viewed on the London Stock Exchange website at [www.londonstockexchange.com](http://www.londonstockexchange.com)

The Share Price is published daily in the Financial Times.

The interim management statement, together with the Company's Annual and Half-Yearly reports, is available on the Company's website at [www.independentinvestmenttrust.co.uk](http://www.independentinvestmenttrust.co.uk) †

†Neither the contents of the Company's website nor the contents of any website accessible from hyperlinks on the Company's website (or any other website) is incorporated into, or forms part of, this announcement.

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## List of Investments as at 28 February 2013

Sector	Name	Value (£'000)	%
Housebuilders	Berkeley Group	1,902	1.2
	Persimmon	4,565	3.0
		6,467	4.2
Industrials	Aggreko	3,390	2.2
	Croda International	5,182	3.3
	IMI	3,669	2.4
		12,241	7.9
Retailing	Dunelm Group	7,490	4.8
	Halfords Group	2,521	1.6
	Powerland – China	1,485	1.0
		11,496	7.4
Recruitment	Michael Page International	2,144	1.4
	SThree	5,325	3.4
		7,469	4.8
Technology and Telecommunications	Baidu – China	2,989	1.9
	Herald Investment Trust	11,700	7.6
	Vodafone Group	1,656	1.1
		16,345	10.6
Mining	BHP Billiton	1,566	1.0
	BlackRock World Mining Trust	2,885	1.9
		4,451	2.9
Oil and Gas Producers	Bankers Petroleum – Canada	779	0.5
	Ultra Petroleum – USA	1,122	0.7
		1,901	1.2
Offshore Drillers	Noble Corporation – USA	4,718	3.0
Oilfield Services	Baker Hughes – USA	2,951	1.9
	C&J Energy Services – USA	2,867	1.9
	Halliburton – USA	5,469	3.5
	Schlumberger – USA	6,664	4.3
		17,951	11.6
Food Producers	Asian Citrus Holdings – China	967	0.6
Tobacco	British American Tobacco	3,434	2.2
	Imperial Tobacco	3,584	2.3
		7,018	4.5
Pharmaceuticals	AstraZeneca	2,995	1.9
	GlaxoSmithKline	2,911	1.9
		5,906	3.8
Leisure	Domino's Pizza	3,219	2.1
Transport	Go-Ahead Group	1,139	0.7
Utilities	National Grid	3,648	2.4
	Scottish & Southern Energy	2,892	1.9
		6,540	4.3
Insurance	Amlin	5,376	3.5
	Beazley	3,042	2.0
	Catlin Group	1,514	1.0
	Polar Capital Insurance Fund	2,572	1.7
		12,204	8.2
Miscellaneous Financials	IG Group Holdings	3,452	2.2
Fixed Interest	UK Treasury 4.5% 07/03/13	15,000	9.7
<b>Total Investments</b>		<b>138,784</b>	<b>89.7</b>
<b>Net Liquid Assets</b>		<b>15,919</b>	<b>10.3</b>
<b>Shareholders' Funds</b>		<b>154,703</b>	<b>100.0</b>

All holdings are in equities domiciled in the UK unless otherwise stated.