

THE INDEPENDENT INVESTMENT TRUST PLC

Interim Management Statement - 3 months to 31 August 2009

The Company's objective is to provide good absolute returns over long periods by investing the great majority of its assets in quoted securities and index futures. 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 5.9% respectively. The FTSE All-Share Index total return was 13.1%. (Source: Thomson Financial Datastream)
- During the quarter, the Company bought back 465,000 of its own shares for cancellation at a cost of £640,000, creating an uplift of 0.1% in the net asset value per share.
- New additions to the portfolio were Beazley, Berkeley Group, Domino's Pizza, IMI and Marston's; the investment in Robert Walters was sold in its entirety. National Grid moved into the Top Ten Equity Holdings following an additional investment of £1.1 million. Net equity investment during the period was £7.6 million.
- Net cash fell from £18.8 million to £10.1 million, representing 9.0% of shareholders' funds at the end of August 2009.
- The interim dividend of 2.0p per share was paid on 28 August 2009 to shareholders on the register at the close of business on 7 August 2009.

Sector Analysis

Name	% of shareholders' funds at 31/08/09	% of shareholders' funds at 31/05/09
Housebuilders	1.7	-
Industrials	6.7	4.5
Retailing	9.2	8.3
Recruitment	6.0	6.2
Technology and Telecommunications	5.2	4.6
Mining	3.1	3.1
Offshore Drillers	17.8	18.9
Oilfield Services	6.2	6.9
Oil and Gas Exploration	0.4	0.6
Oil and Gas Producers	2.4	2.6
Renewable Energy	0.5	0.5
Tobacco	6.5	6.4
Pharmaceuticals	1.6	1.5
Leisure	2.0	-
Transport	4.7	4.3
Utilities	4.6	3.9
Insurance	7.6	5.8
Property	2.2	1.5
Miscellaneous Financials	2.8	1.5
Net Liquid Assets	8.8	18.9
Total	100.0	100.0

Top Ten Equity Holdings

Name	% of shareholders' funds at 31/08/09	% of shareholders' funds at 31/05/09
Noble Corporation	7.7	8.2
Dunelm Group	7.6	6.6
Diamond Offshore Drilling	5.9	6.0
Herald Investment Trust	5.2	4.6
Aggreko	4.7	4.5
British American Tobacco	4.2	4.1
Transocean	4.2	4.7
Schlumberger	4.0	4.4
SThree	3.1	2.7
National Grid	2.6	1.7
Total	49.2	47.5

Total Return Performance

	%			
	3 Months	1 Year	3 Years	5 Years
Share Price	5.9	-13.7	-34.3	12.9
NAV	11.0	-7.8	-20.9	31.7
FTSE All-Share Index	13.1	-8.2	-6.3	35.8

Source: Thomson Financial Datastream

Past performance is not a guide to future performance

General Information

	31/08/09	31/05/09
Total assets (before deduction of borrowings)	£111.9m	£104.2m
Share price	153.0p	146.5p
Net asset value per share *	178.3p	164.7p
Discount	14.2%	11.1%
Total borrowings	-	-
Net cash	£10.1m	£18.8m
Net cash and bonds	£10.1m	£18.8m
Net cash as a % of shareholders' funds	9.0%	18.1%
Net cash and bonds as a % of shareholders' funds	9.0%	18.1%

*Net asset value per share at 31 August 2009 excludes retained current year income in accordance with AIC guidance.

The Company's Net Asset Value is calculated daily and can be viewed on the London Stock Exchange website at 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

Contact details:

The Independent Investment Trust PLC

17 Dublin Street

Edinburgh EH1 3PG

Tel: 0131 558 9434

Fax: 0131 558 8602