

THE INDEPENDENT INVESTMENT TRUST PLC

Interim Management Statement - 3 months to 28 February 2009

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. The major part of the Company's portfolio is currently invested in UK equities but this will not necessarily remain the case. 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 both increased by 0.4%. The FTSE All-Share Index fell by 8.7%. All figures are total return.
- During the quarter, the Company bought back 1,245,000 of its own shares for cancellation at a cost of £1,390,000, creating an uplift of 0.35% in the net asset value per share.
- Complete sales during the period were Home Retail Group, Lloyds Banking Group, Ensc0, Halliburton, Intermediate Capital, Progress Energy, Rio Tinto, Tristar Oil & Gas and Xstrata. Part sales were made of Dunelm, Michael Page, SThree, Hays and Robert Walters. The only purchases were additions to the Company's holdings in Aggreko and Chaucer Holdings.
- Net cash and bonds rose from £14.4 to £31.2m, representing 34.7% of shareholders' funds at the end of February 2009.

Sector Analysis

Name	% of shareholders' funds at 28/02/09	% of shareholders' funds at 30/11/08
Housebuilders	0.2	0.4
Industrials	2.4	1.9
Retailing	6.6	9.9
Recruitment	9.8	11.4
Technology and Telecommunications	4.2	3.9
Mining	2.5	3.0
Offshore Drillers	18.2	19.4
Oilfield Services	6.4	9.0
Oil and Gas Exploration	0.3	2.9
Renewable Energy	0.5	0.7
Banks	-	3.2
Tobacco	4.8	4.4
Transport	1.4	2.1
Miscellaneous		
Financials	3.9	5.5
Property	1.6	1.9
Insurance	5.1	4.9
Fixed Interest	9.7	8.6
Net Liquid Assets	22.4	6.9
Total	100.0	100.0

Top Ten Equity Holdings

Name	% of shareholders' funds at 28/02/09	% of shareholders' funds at 30/11/08
Noble Corp	7.7	7.4
Dunelm Group	6.1	6.2
Diamond Offshore Drilling	5.9	6.1
Transocean	4.7	4.6
Herald Investment Trust	4.2	3.9
Schlumberger	3.9	4.6
Michael Page International	3.6	4.6
SThree	2.9	2.7
Imperial Tobacco	2.8	2.6
Alliance Trust	2.7	2.7
Total	44.5	45.3

Total Return Performance

	%			
	3 Months	1 Year	3 Years	5 Years
Share Price	0.4	-42.1	-51.3	-20.5
NAV	0.4	-33.8	-38.8	-0.7
FTSE All-Share Index	-8.7	-33.0	-27.2	2.4

Source: Thomson Financial Datastream

Past performance is not a guide to future performance

General Information

	28/02/09	30/11/08
Total assets (before deduction of borrowings)	£89.8m	£94.2m
Share price	118.0p	117.5p
Net asset value per share *	140.5p	144.6p
Discount	16.0%	18.7%
Total borrowings	-	-
Net cash	£22.5m	£6.3m
Net cash and bonds	£31.2m	£14.4m
Net cash as a % of shareholders' funds	25.0%	6.7%
Net cash and bonds as a % of shareholders' funds	34.7%	15.3%

*Net asset value per share at 28 February 2009 excludes current year income and is stated after deduction of the proposed final dividend of 3.00p and a special dividend of 0.75p, payable 7 April 2009 (ex-dividend 11 March 2009), 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

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