

The Scottish Investment Trust PLC

Interim Report

For the six months to 30 April 2009

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Principal Risks and Uncertainties

The principal risks and uncertainties facing the business are investment and market price risk, interest rate risk, liquidity risk and foreign currency risk.

Responsibility Statement

The board of directors confirms that to the best of its knowledge:

- a) the condensed set of financial statements, which has been prepared in accordance with applicable accounting standards, gives a true and fair view of the assets, liabilities, financial position and return of the company;
- b) the interim report includes a fair review of important events that have occurred during the first six months of the financial year and their impact on the financial statements, a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- c) no transactions with related parties took place during the first six months of the financial year.

For and on behalf of the board



Douglas McDougall
Chairman
29 May 2009

The Company

Company Data as at 30 April 2009

£638,183,000

Total Assets

£530,281,000

Stockholders' Funds
(with borrowings at par)

£520,974,000

Market Capitalisation

Objectives of The Scottish Investment Trust PLC

To provide investors, over the longer term, with above average returns through a diversified portfolio of international equities and to achieve dividend growth ahead of UK inflation.

Investment Risk

The Scottish Investment Trust PLC (SIT) investment portfolio is diversified over a range of industries and regions in order to spread risk. SIT has a long-term policy of borrowing money to invest in equities in the expectation that this will improve returns. However, should stockmarkets fall, such borrowings would magnify any losses.

Performance Comparators

The company does not have a formal benchmark. Performance is reviewed in the context of returns achieved by a broad basket of UK equities through the FTSE All-Share Index™ and of international equities through the FTSE All-World Index™. The portfolio is not modelled on any index.

Management

The company is managed by its own employees, led by the manager who is responsible to the directors for all aspects of the day to day management of the company.

Capital Structure

At 30 April 2009 the company had in issue 128,874,218 ordinary stock units and long-term borrowings at par amounted to £107,552,000 with an average annual interest cost of 5.9%.

Management Expenses

The total expenses of managing the company's business during the last financial year were £4,440,000, equivalent to 0.67% of average stockholders' funds. The company aims to keep this percentage low in comparison with competing investment products.

ISA & SIPP

The ordinary stock units are eligible for ISAs and SIPPs. Details of all of the savings schemes offered by SIT Savings Ltd are shown on page 11.

The Association of Investment Companies (AIC)

The company is a member of the AIC, the trade organisation for the closed-ended investment company industry.

Financial Highlights

Capital

	30 April 2009	31 October 2008	% Change
NAV with borrowings at par	411.5p	405.5p	1.5
NAV with borrowings at market value	404.6p	408.9p	-1.1
Ex-income NAV with borrowings at par	407.4p	398.9p	2.1
Ex-income NAV with borrowings at market value	400.5p	402.2p	-0.4
Stock price	404.3p	372.0p	8.7
(Premium)/discount to ex-income NAV with borrowings at market value	(0.9%)	7.5%	
FTSE All-World Index			4.6
UK FTSE All-Share Index			-0.5
	£'000	£'000	
Total assets	638,183	633,521	
Borrowings at par	(107,552)	(107,492)	
Pension liability	(350)	(350)	
Equity stockholders' funds	530,281	525,679	

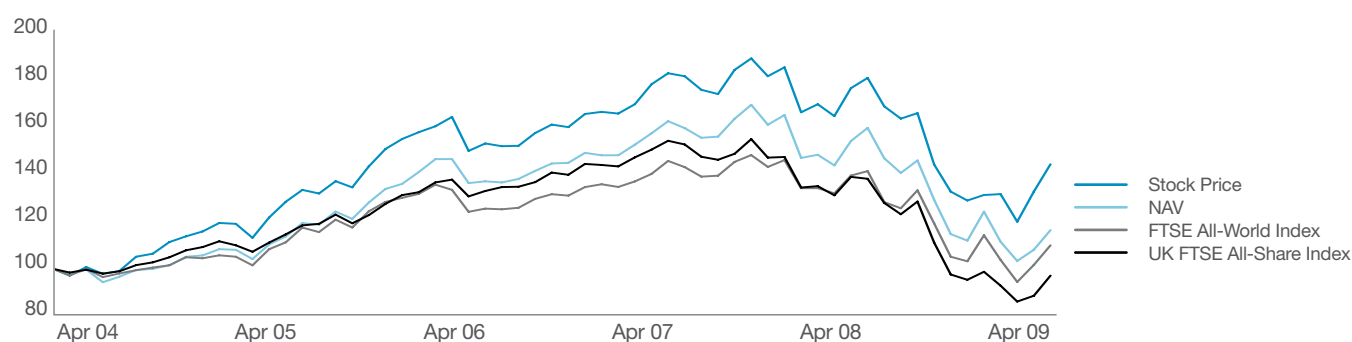
Income

	Six months to 30 April 2009 £'000	30 April 2008 £'000	
Total income	9,025	12,423	
Earnings per ordinary stock unit	4.06p	6.48p	
Interim dividend per ordinary stock unit	4.45p	4.45p	
UK Retail Prices Index			-1.2

NAV is net asset value per ordinary stock unit with borrowings at par or market, as stated.

Performance

NAV* and Stock Price against Comparator Indices 5 years to 30 April 2009



Chairman's Review

In the six months to 30 April 2009, the ex-income net asset value per ordinary stock unit (NAV) fell by 0.4% with borrowings at market value. The stock price rose by 8.7%, reflecting primarily the tightening of the discount to ex-income NAV (with borrowings at market value) from 7.5% at the year end to a premium of 0.9%. The company's primary comparator indices diverged with the UK FTSE All-Share Index™ falling by 0.5% and the FTSE All-World Index™ rising by 4.6% in sterling terms.

From the introduction of the current investment approach in January 2004 to 30 April 2009, the ex-income NAV with borrowings at par has outperformed both comparator indices, rising 17.8% compared with 11.0% from the FTSE All-World Index and -0.6% from the UK FTSE All-Share Index.

The half year was a period of extraordinary economic developments as recession took hold in the developed world. The threat of a collapse in economic activity and simultaneous failure of the banking system prompted drastic measures from central banks. UK interest rates were cut steadily in consecutive months to a historic low of 0.5%, while in the US interest rates were cut effectively to zero as the crisis dominated newly-elected President Obama's first months in office. Alternative policies involving enormous borrowing and printing of money were also introduced. Corporate earnings came under pressure culminating in widespread cuts to dividends on a scale not seen in decades.

Reflecting these concerns, global stock markets continued to fall until early March as major indices revisited 2003 levels. However, signs of an easing in the rate of economic contraction were sufficient to drive a 23.6% rally in global markets to the end of the period. Over the 12 months to 30 April 2009, the FTSE All-World Index fell by 21.0% and the UK FTSE All-Share Index by 29.9%.

During the period, sector leadership changed with a rotation out of defensive sectors into Financials and Basic Materials. In geographic terms, there were two important themes to observe. First, in local currency terms, only emerging market regions rose in value – Latin America (+18.9%) and Asia Pacific (ex Japan) (+13.4%) in particular. Second, sterling's weakness against the dollar (-8.3%), yen (-8.3%) and euro (-12.2%) sheltered sterling-based investors. Consequently, our UK exposure was therefore a hindrance in relative terms when compared with the FTSE All-World Index as was our relatively light exposure to a resurgent Asia Pacific (ex Japan) region after having taken good profits there in recent years.

The global equity portfolio generated gains of £11.5m over the six months. Net additions to the portfolio amounted to £29.9m as gearing was applied mainly in March to take advantage of depressed valuations and signs of an easing in the economic downturn. The net investments over the period and stock buybacks of £2.8m were financed from borrowings, taking effective equity gearing from 104% to 111%.

Having been defensively positioned in mid-2008 and with cash levels raised ahead of the worst of the falls in markets last year, approximately £110m was invested in a number of cyclical companies at depressed valuations in mid-October 2008. Investment activity during the period was focused on generating income at a time of intense pressure on corporate dividends worldwide with widespread cuts in dividends of financial and industrial companies, and on moving to a less defensive position. With interest rates cut to almost zero, this activity also included the purchase of a £26.6m portfolio of short-dated good quality corporate bonds to provide an alternative source of income to cash deposits.

The largest gains were made in cyclical investments including several purchased last October. Industrials holdings appreciated by £14.3m with good contributions from a number of these newer holdings as well as core holdings such as Vossloh (Germany). We also saw good gains in Consumer Services holdings within the Media and Retailers General sectors. Consumer Goods holdings also did well including Hong Kong listed Hengan International and Li & Fung alongside auto-related Continental (Germany) and BorgWarner (US). Financials exposure was relatively low for much of the period, but we suffered losses on some small individual bank holdings. We have recently started to re-build Financials exposure. However, in view of the uncertainty still surrounding banks in the developed world, our tactic has been to invest in a carefully diversified manner through a combination of fundamentally sound banks, property companies, insurers and financial exchange operators.

The purchase of a number of new holdings late in the last financial year at depressed valuations necessitated a deliberate reversal of the trend whereby the number of holdings had been coming down. As expected, the number of listed equity portfolio holdings has started to fall again from the year end level of 117. It was 107 at the interim stage and this process is expected to continue.

At the AGM in January, stockholders voted to renew the company's authority to repurchase its own stock for cancellation. These powers are used as part of the stock buyback policy which is intended to keep the discount to ex-income NAV at or below 9% (with borrowings at market value). Over the first half of the year, the company repurchased for cancellation 0.8m stock units (all prior to the AGM and so utilising none of the current 14.99% authority) at an average discount of 10.5% and a cost of £2.8m inclusive of dealing expenses. The average daily discount over the first half of the year was 5.1%.

The board has declared a maintained interim dividend of 4.45p which will be payable on 17 July 2009. Our current expectation is that the final dividend will be at least maintained.

For and on behalf of the board



Douglas McDougall
Chairman
29 May 2009

Changes in Asset Distribution by Sector

Six months to 30 April 2009

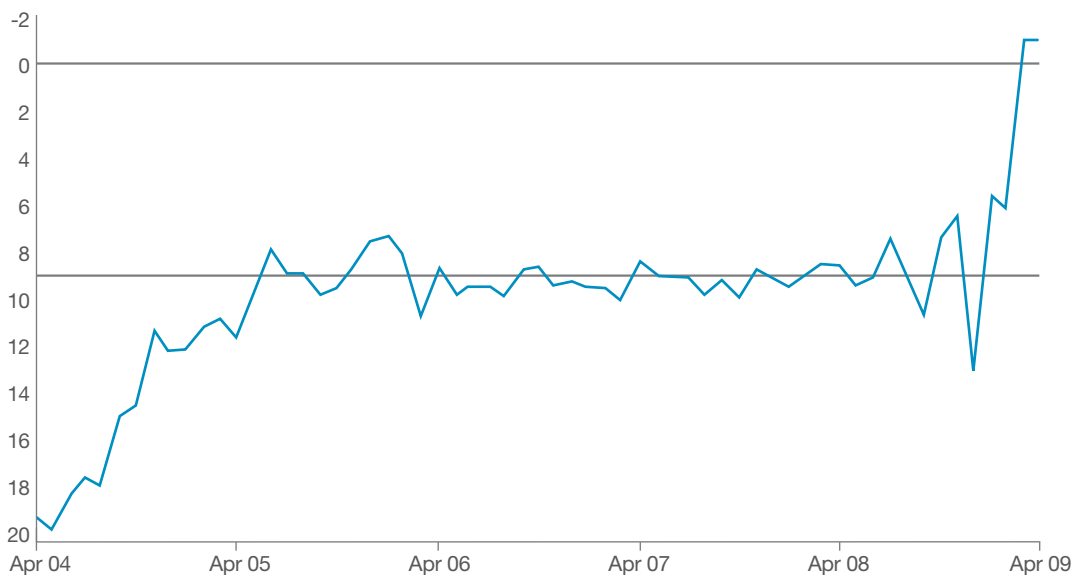
	Opening valuation £m	Net purchases/ (sales) £m	Appreciation/ (depreciation) £m	Closing valuation £m
Oil & Gas	50.3	10.5	(0.1)	60.7
Basic Materials	12.8	5.3	(1.9)	16.2
Industrials	100.9	15.9	14.3	131.1
Consumer Goods	74.2	(5.6)	3.0	71.6
Health Care	76.5	(38.4)	(2.0)	36.1
Consumer Services	65.7	(15.2)	8.5	59.0
Telecommunications	37.8	5.3	(0.4)	42.7
Utilities	25.6	0.5	(5.5)	20.6
Financials	76.9	41.2	(6.8)	111.3 ¹
Technology	18.9	10.4	2.4	31.7
Total equities	539.6	29.9	11.5	581.0
Fixed interest	–	26.6	(0.3)	26.3
Net current assets	93.9	(67.8)	4.8	30.9
Total assets less current liabilities	633.5	(11.3)	16.0	638.2
Borrowings at par	(107.5)	(0.1)	0.0	(107.6)
Pension liability	(0.3)	0.0	0.0	(0.3)
Equity stockholders' funds	525.7	(11.4) ²	16.0	530.3

1 Includes £10.2m of investments which are unlisted.

2 Includes stock buybacks, interest and expenses apportioned to capital and dividend payments during the year.

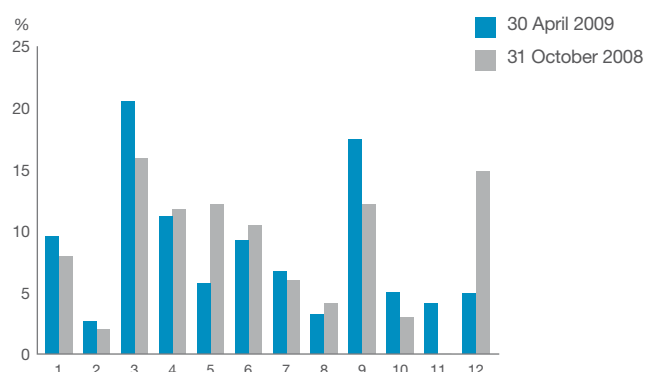
Discount to Ex-Income NAV (with borrowings at market value)

Five years to 30 April 2009



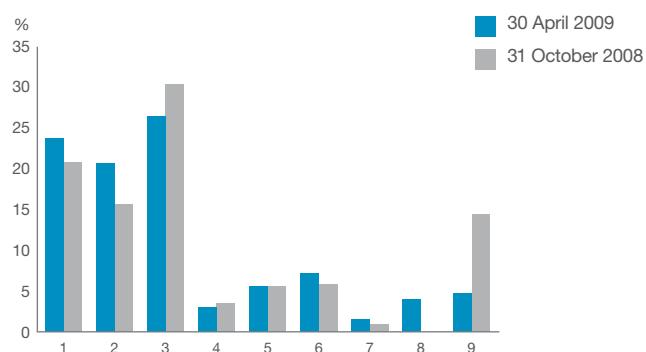
Distribution of Total Assets less Current Liabilities

By Sector



	30 April 2009 %	31 October 2008 %
1 Oil & Gas	9.5	7.9
2 Basic Materials	2.6	2.0
3 Industrials	20.5	15.9
4 Consumer Goods	11.2	11.7
5 Health Care	5.7	12.1
6 Consumer Services	9.2	10.4
7 Telecommunications	6.7	6.0
8 Utilities	3.2	4.1
9 Financials	17.4	12.1
10 Technology	5.0	3.0
11 Fixed interest	4.1	-
12 Net current assets	4.9	14.8
Total	100.0	100.0

By Region



	30 April 2009 %	31 October 2008 %
1 UK	24.5	21.4
2 Europe (ex UK)	21.3	16.1
3 North America	27.2	31.2
4 Latin America	3.2	3.7
5 Japan	5.8	5.8
6 Asia Pacific (ex Japan)	7.4	6.0
7 Middle East & Africa	1.6	1.0
8 Fixed interest	4.1	-
9 Net current assets	4.9	14.8
Total	100.0	100.0

Performance Attribution Analysis

Six months to 30 April 2009

	%
Change in ex-income NAV with borrowings at market value	-0.4
Change in FTSE All-World Index	4.6
Relative performance	-4.8
Sector allocation	0.8
Stock selection	-3.8
Total equities	-3.0
Fixed interest	-0.1
Gearing	0.9
Currency movements on cash deposits	0.3
Buybacks	0.1
Interest and expenses charged to capital	-0.4
Market value of borrowings	-2.6
Relative performance	-4.8

List of Investments

At 30 April 2009

Listed Equities

Holding	Country	Market value £'000	Cumulative weight (Total equities) %	Holding	Country	Market value £'000	Cumulative weight (Total equities) %
Royal Dutch Shell	UK	13,887		Veolia Environnement	France	3,897	
BP	UK	13,099		Aspen	South Africa	3,890	
Monsanto	US	13,056		Outotec	Finland	3,829	
Telefónica	Spain	12,166		Standard Life	UK	3,776	
HSBC	UK	11,300		ICBC	China	3,768	
McGraw-Hill	US	11,253		Kurita Water Industries	Japan	3,753	
BHP Billiton	UK	9,954		CSL	Australia	3,753	
Gilead Sciences	US	9,721		Nucor	US	3,556	
Hg Capital Trust	UK	9,600		BorgWarner	US	3,511	
BBVA	Spain	9,243	19.5	Imperial Tobacco	UK	3,428	86.5
United Utilities	UK	9,131		Severn Trent	UK	3,375	
AXA	France	8,803		Tesco	UK	3,360	
Nintendo	Japan	8,657		MAN	Germany	3,345	
Vodafone	UK	8,421		KDDI	Japan	3,305	
Petrobras	Brazil	8,267		BG Group	UK	3,285	
Informa	UK	8,207		Hewlett-Packard	US	3,248	
Deutsche Telekom	Germany	8,200		EMC	US	3,192	
National Oilwell Varco	US	7,914		Wells Fargo	US	3,164	
BNP Paribas	France	7,829		ThyssenKrupp	Germany	3,150	
De La Rue	UK	7,424	33.8	Carlisle	US	3,106	92.1
Hennes & Mauritz	Sweden	7,390		Impax Environmental Markets	UK	3,099	
Lowe's	US	7,105		Philip Morris	US	3,039	
Li & Fung	Hong Kong	7,024		Persimmon	UK	2,961	
Kingfisher	UK	6,815		Bellway	UK	2,872	
Adobe Systems	US	6,680		Noble	US	2,806	
Roche	Switzerland	6,674		Daikin Industries	Japan	2,775	
Vossloh	Germany	6,670		Investor	Sweden	2,300	
Spectris	UK	6,662		Apple	US	2,292	
VF	US	6,570		Compal Electronics	Taiwan	2,007	
Kuehne + Nagel	Switzerland	6,472	45.5	China Resources Land	Hong Kong	2,005	96.6
Deere	US	6,427		East Japan Railway	Japan	1,888	
Fresenius Medical Care	Germany	6,375		Murray & Roberts	South Africa	1,853	
América Móvil	Mexico	6,197		Shimano	Japan	1,502	
Komatsu	Japan	6,189		Vale	Brazil	1,481	
DBS	Singapore	5,861		Suncor Energy	Canada	1,374	
CRH	Ireland	5,839		BlackRock World Mining Trust	UK	1,238	
Vinci	France	5,810		Others (under £1m) (2)		199	
FLIR Systems	US	5,754					
NuVasive	US	5,722		Total listed equities		570,842	98.3
Serco	UK	5,585	55.8				
RSA Insurance	UK	5,551					
Hudson City Bancorp	US	5,202					
Meggitt	UK	5,160					
Oracle	US	5,147					
EnCana	Canada	5,098					
Nikon	Japan	5,098					
Bouygues	France	5,086					
Tencent	Hong Kong	5,067					
Diamond Offshore Drilling	US	4,991					
Goldman Sachs	US	4,976	64.6				
BMW	Germany	4,974					
Alstom	France	4,949					
Intercontinental Exchange	US	4,913					
Accenture	US	4,889					
British Land	UK	4,820					
Norfolk Southern	US	4,803					
Hong Kong Exchanges & Clearing	Hong Kong	4,799					
Hengan International	Hong Kong	4,770					
Quanta Services	US	4,628					
Roper Industries	US	4,529	72.9				
Wal-Mart Stores	US	4,444					
ABB	Switzerland	4,355					
MTN	South Africa	4,323					
Walmex	Mexico	4,251					
Carrefour	France	4,224					
E.On	Germany	4,209					
KT&G	Korea	4,148					
Japan Steel Works	Japan	4,108					
China Communications Services	China	4,072					
Bombardier	Canada	3,923	80.1				

Unlisted

Holding	Country	Market value £'000	Cumulative weight (Total equities) %
Boston Ventures VI	US	4,102	
Apax Europe V – B	UK	1,998	
Heritable Property & Loans	UK	1,332	
Sprout Capital VII	US	687	
Boston Ventures V	US	644	
Sprout Capital VIII	US	550	
Others (under £0.5m) (7)		848	
Total unlisted		10,161	1.7
Total equities		581,003	100.0
Total fixed interest		26,288	
Total investments		607,291	

Income Statement (unaudited)

	Six months to 30 April 2009			Six months to 30 April 2008			Year to 31 October 2008		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Net gains/(losses) on investments and currencies	-	10,807	10,807	-	(70,677)	(70,677)	-	(250,090)	(250,090)
Income	9,025	-	9,025	12,423	-	12,423	22,653	-	22,653
Expenses	(1,328)	(923)	(2,251)	(1,520)	(1,056)	(2,576)	(2,623)	(1,817)	(4,440)
Net Return before Finance Costs and Taxation	7,697	9,884	17,581	10,903	(71,733)	(60,830)	20,030	(251,907)	(231,877)
Interest payable	(1,594)	(1,594)	(3,188)	(1,599)	(1,599)	(3,198)	(3,215)	(3,215)	(6,430)
Return on Ordinary Activities before Tax	6,103	8,290	14,393	9,304	(73,332)	(64,028)	16,815	(255,122)	(238,307)
Tax on ordinary activities	(851)	363	(488)	(691)	461	(230)	(2,340)	1,450	(890)
Return attributable to Equity Stockholders	5,252	8,653	13,905	8,613	(72,871)	(64,258)	14,475	(253,672)	(239,197)
Return per Ordinary Stock Unit	4.06p	6.70p	10.76p	6.48p	(54.85p)	(48.37p)	11.00p	(192.82p)	(181.82p)
Weighted average number of Ordinary Stock Units in issue	129,214,505			132,859,963			131,554,807		
	£'000			£'000			£'000		
Dividends paid and proposed	5,735			5,805			12,351		
Income comprises:									
Dividends	8,199			10,944			19,434		
Interest	644			1,529			3,372		
Other income	182			(50)			(153)		
	9,025			12,423			22,653		

Summary Balance Sheet (unaudited)

	30 April 2009 £'000	31 October 2008 £'000	(Restated) 30 April 2008 £'000
Equity investments	581,003	539,634	784,081
Fixed interest investments	26,288	-	-
Net current assets	30,892	93,887	40,716
Total assets less current liabilities	638,183	633,521	824,797
Long-term borrowings at par	(107,552)	(107,492)	(107,432)
Pension liability	(350)	(350)	(849)
Equity stockholders' funds	530,281	525,679	716,516
Net asset value per ordinary unit with borrowings at par	411.5p	405.5p	543.8p

Statement of Total Recognised Gains and Losses (unaudited)

	Six months to 30 April 2009 £'000	(Restated) Six months to 30 April 2008 £'000	Year to 31 October 2008 £'000
Total recognised gains/(losses)	13,905	(64,258)	(238,927)*
Total recognised gains/(losses) per ordinary stock unit	10.76p	(48.37p)	(181.62p)

* Includes an actuarial gain of £270,000

Reconciliation of Movements in Stockholders' Funds (unaudited)

	Six months to 30 April 2009 £'000	(Restated) Six months to 30 April 2008 £'000	Year to 31 October 2008 £'000
Opening equity stockholders' funds	525,679	802,353	802,353
Total recognised gains	13,905	(64,258)	(238,927)
Dividend payments	(6,546)	(9,026)	(14,828)
Ordinary stock repurchased	(2,757)	(12,553)	(22,919)
	530,281	716,516	525,679

Cash Flow Statement (unaudited)

	Six months to 30 April 2009 £'000	Six months to 30 April 2008 £'000	Year to 31 October 2008 £'000
Net cash inflow from operating activities	3,779	5,910	17,325
Servicing of finance	(3,145)	(3,155)	(6,309)
Taxation recovered	96	95	72
Purchases of investments	(274,508)	(377,068)	(824,868)
Sales of investments	237,537	360,658	861,215
Equity dividends paid	(6,546)	(9,026)	(14,828)
Decrease in short-term deposits	33,564	49,000	7,338
Stock buybacks	(3,295)	(12,928)	(22,906)
(Decrease)/increase in cash	(12,518)	13,486	17,039

Notes

The interim accounts have been prepared under accounting policies consistent with those used in the preparation of the annual report and accounts for the year to 31 October 2008.

The figures for 31 October 2008 have been extracted from the annual report and accounts for the year ended on that date which have been filed with the Registrar of Companies and which contain an unqualified report from the auditors.

Where applicable, the figures for the six months to 30 April 2008 have been restated to include all revenue items for that period.

Based on the number of ordinary stock units in issue at 30 April 2009, the interim dividend would absorb £5,735,000 (2008 – £5,805,000) and is payable on 17 July 2009 to stockholders registered at 12 June 2009. The ordinary stock will be traded 'ex' the interim dividend from 10 June 2009 and investors purchasing on or after that date will not be entitled to the interim dividend for 2008/9.

Equity investments include the unlisted portfolio of £19.8m. Of this £9.6m is in a listed fund which invests in unlisted securities.

The weighted average number of ordinary stock units in issue during the half-year was 129,214,505 (2008 – 132,859,963) and this figure has been used to calculate the return per ordinary stock unit shown in the income statement. The net asset value per ordinary stock unit at 30 April 2009 has been calculated using the number of ordinary stock units in issue on that date which was 128,874,218 (31 October 2008 – 129,626,218).

Total assets means total assets less current liabilities.

Borrowings at par is the nominal value of the borrowings less any unamortised issue expenses.

Borrowings at market value is the company's estimate of the fair value of its borrowings. The current estimated fair value of the company's secured bonds is based on the yield of the reference gilt plus a margin of 100 basis points. The reference gilt is the 6% Treasury Stock 2028.

Gearing is based on ex-income figures with borrowings at par.

Industry Classification Benchmark (ICB) is used for sector analysis. ICB is jointly owned by FTSE and Dow Jones and has been licensed for use. All rights, therein are reserved. FTSE and Dow Jones do not accept liability to any person for any loss or damage arising out of any error or omission in the ICB.

Analysis of Changes in Net Debt

	31 October 2008 £'000	Cash flows £'000	30 April 2009 £'000
Cash at bank	20,562	(12,518)	8,044
Short-term deposits	61,662	(33,564)	28,098
Borrowings due after one year	(107,492)	(60)	(107,552)
	(25,268)	(46,142)	(71,410)

The company's wholly-owned subsidiary, SIT Savings Ltd, provides a number of low-cost, flexible investment products which enable investors to access SIT stock.

How to Invest

You can buy SIT stock using the low-cost investment products outlined below. SIT stock can also be bought directly on the stockmarket through a stockbroker. Your bank, lawyer, accountant or other professional adviser may also be able to help with this.

STOCKPLAN

SIT's investment trust savings scheme is one of the lowest charging available. Extremely flexible, it allows you to invest regularly (minimum investment £25 per month) and/or with a lump sum (minimum investment £250). There is no maximum investment limit and you can stop and re-start investing at any time.

STOCKPLAN: A Flying Start

SIT's Investing for Children plan is based on the STOCKPLAN scheme. It benefits from the same low charges and flexibility and can be opened in one of two ways; either as a designated plan or, more formally, as a bare trust. STOCKPLAN: A Flying Start enables family and friends to invest on behalf of a child to help build savings for the future.

The SIT ISA

One of the most competitively-priced stocks and shares ISAs on offer. There is no initial plan charge, other than stamp duty and dealing spread, nor are there closure or selling charges. The annual management fee of 0.6% of the value of the investment is capped at £30 + VAT regardless of how much your ISA investment grows or how many years' ISA allowances you have invested in.

The SIT SIPP

This allows investment into SIT through a low-cost, flexible, self-invested personal pension. The wide choice of investments available, including SIT, enables you to tailor the investment combination in the SIPP to suit your particular needs and objectives – whether you are just starting to contribute to your pension or are approaching retirement. You can open a SIT SIPP even if you are already an active member of an employer's pension scheme or are contributing to other pension plans.

Update on Tax-Efficient Investing ISAs

The overall ISA annual investment limit is currently £7,200 (up to £3,600 in a cash ISA and the balance, or full amount, in a stocks and shares ISA).

From 6 April 2010 the maximum combined total investment into a cash ISA and a stocks and shares ISA will increase to £10,200 per individual per tax year (up to £5,100 in cash and the balance, or full amount, in stocks and shares).

However, for investors aged 50 or over by 5 April 2010 this increase will come into effect from 6 October 2009.

Transfers from cash ISAs into stocks and shares ISAs are permitted. Transfers of previous years' subscriptions do not count against the current year's ISA investment limit.

Investment in ISAs continues to be free from any capital gains tax. Higher rate tax payers do not have to pay any additional tax on the dividend, nor does it need to be included in a tax return.

The SIT SIPP

The SIT SIPP accepts what is known as protected rights money.

Previously, the only option for most individuals who had built up a protected rights fund through contracting out of SERPs or the State Second Pension (S2P) into a personal pension was to hold it in a traditional style personal pension or stakeholder plan.

SIT Schemes' Administrator Telephone Number

There is one telephone number for the administration of the SIT STOCKPLAN and ISA schemes. This is the number for our scheme administrator, Halifax Share Dealing Limited (HSDL), and it should be used by holders of our STOCKPLAN, STOCKPLAN: A Flying Start and ISA schemes for:

- account queries
- requests for valuations
- information about your scheme
- instructing a sale
- making an investment using a debit card
- giving change of address details
- help with accessing STOCKPLAN and ISA information on line

The number is: **0845 850 0181**.

Dividends

The STOCKPLAN and ISA schemes provide automatic reinvestment of dividends. However, they also allow for dividends to be taken as income, if required. STOCKPLAN and ISA holders should contact the scheme administrator, HSDL, on **0845 850 0181** if they would like to change their dividend arrangements.

Conversely, name on register stockholders (investors whose names are on our stock register and who hold their stock in certificated form) where dividends are automatically paid as income, can have their dividends reinvested by joining our Dividend Reinvestment Plan (DRIP). Details are available from Computershare Investor Services, our Registrar, on **0870 703 0195**, or from the investor relations section on our website, www.sit.co.uk

Accessing Your Account Online

ISA, STOCKPLAN and STOCKPLAN: A Flying Start designated scheme investors

The above scheme investors may view their accounts online by registering with halifax-online This can be accessed through the links in the various product sections on our website, www.sit.co.uk or by visiting www.halifax.co.uk/online

Please note you will need your Share Dealing Personal Reference Number (PRN) to access this service. If you do not have this, please contact SIT's scheme administrator, HSDL, on **0845 850 0181**.

SIPP investors

SIPP investors can set up monthly payments, buy and sell stock and access their account online, by visiting www.halifax.co.uk/online

Name on register stockholders

Investors who hold ordinary stock in their own name on SIT's stock register can check their holdings on our Registrar's website, www-uk.computershare.com or through the link in the investor relations section on SIT's website, www.sit.co.uk

Please note that to access this facility, investors will need to quote the reference number shown on their stock certificate. Additionally, by registering for the Investors' Centre facility on Computershare's website, investors can view details of all their holdings for which Computershare is Registrar, as well as access additional facilities and documentation.

Please see www-uk.computershare.com/investor for further information.

Electronic Communications

If you are a name on register stockholder (i.e. not in the STOCKPLAN, ISA or SIPP schemes, nor in a broker's nominee) you may choose to receive our interim and annual reports and other stockholder communications electronically instead of in paper form. All you need to do to register is to visit the link in the investor relations section on our website, www.sit.co.uk and provide your email details. You will then be advised by email when an electronic communication is available to be accessed.

Risk Warning

The capital value of stock units and the income from them can go down as well as up as a result of market and currency fluctuations and cannot be guaranteed. That means you may not get back the amount you originally invested. Past performance may not be repeated and is no indicator of future performance. The Scottish Investment Trust PLC has a long-term policy of borrowing money to invest in equities in the expectation that this will improve returns for stockholders. However, if markets fall, these borrowings will magnify any losses. Investment in SIT is intended as a long-term investment.

Taxation levels, bases and reliefs are subject to change and depend on individual circumstances.

Please remember that we are unable to offer individual investment or taxation advice. If you require such advice, you should consult your professional adviser.

SIT Savings Limited is authorised and regulated by the Financial Services Authority (FSA), 25 The North Colonnade, Canary Wharf, London E14 5HS.

Useful Addresses

Investor Relations

For further information and brochures on any SIT products please visit our website, www.sit.co.uk or contact:

SIT Investor Relations
SIT Savings Limited
Freepost EH882
Edinburgh
EH2 0BR

Brochure Request Line 0800 42 44 22
Facsimile 0131 226 3663
Email info@sit.co.uk

Registered Office

6 Albyn Place
Edinburgh
EH2 4NL
Registered no. SCO 01651

Telephone 0131 225 7781
Facsimile 0131 226 3663
website www.sit.co.uk

The Association of Investment Companies

SIT is a member of The Association of Investment Companies (AIC) which publishes a number of useful free booklets and explanatory leaflets for investors interested in investment trusts.

Their address is:

The AIC
9th Floor
24 Chiswell Street
London
EC1Y 4YY

Telephone 020 7282 5555
website www.theaic.co.uk

For valuations and other details of your investment or to notify a change of address please contact the following:

Registrar

Computershare Investor Services PLC
PO Box 82
The Pavilions
Bridgwater Road
Bristol
BS99 7NH

Helpline 0870 703 0195
website www-uk.computershare.com

STOCKPLAN, STOCKPLAN: a Flying Start and The SIT ISA Administrator

SIT Schemes
Halifax Share Dealing Limited
Lovell Park Road
Leeds
LS1 1NS

Helpline 0845 850 0181
website www.halifax.co.uk/online

The SIT SIPP Administrator

If you have any specific questions about the administration of your SIT SIPP or any other pension related enquiries, contact the SIPP Administrator, AJ Bell Management Limited:

The SIT SIPP
Halifax Share Dealing SIPP Administration Team
AJ Bell Management Limited
Trafford House
Chester Road
Manchester
M32 0RS

Helpline 08457 22 55 25



