The Monks Investment Trust PLC

Half-Yearly Financial Report 31 October 2011

BAILLIE GIFFORD

Objective

Monks' objective is to invest internationally to achieve capital growth, which takes priority over income and dividends.

Investment Policy

Monks invests principally in a portfolio of international quoted equities. The Company is prepared to move freely between different markets as opportunities arise. Asset classes other than equities may be purchased from time to time including fixed interest holdings, unquoted securities and derivatives. The equity portfolio may be relatively concentrated for a global fund.

Principal Risks and Uncertainties

The principal risks facing the Company relate to the Company's investment activities. These risks are market risk (comprising currency risk, interest rate risk and other price risk), liquidity risk and credit risk. An explanation of these risks and how they are managed is contained in note 23 of the Company's Annual Report and Accounts for the year to 30 April 2011. The principal risks and uncertainties have not changed since the publication of the Annual Report which can be obtained free of charge from Baillie Gifford & Co (see contact details on the back cover of this report) and is available on the Monks' page of the Managers' website: **www.monksinvestmenttrust.co.uk**. Other risks facing the Company include the following: regulatory risk (that the loss of investment trust status or a breach of applicable legal and regulatory requirements could have adverse financial consequences and cause reputational damage); operational/financial risk (failure of service providers' accounting systems could lead to inaccurate reporting or financial loss); the risk that the discount can widen; and gearing risk (the use of borrowing can magnify the impact of falling markets). Further information can be found on page 20 of the Annual Report.

Responsibility Statement

We confirm that to the best of our knowledge:

a) the condensed set of financial statements has been prepared in accordance with the Accounting Standards Board's statement 'Half-Yearly Financial Reports';

b) the Half-Yearly Management Report includes a fair review of the information required by Disclosure and Transparency Rules 4.2.7R (indication of important events during the first six months, and their impact on the financial statements, and a description of principal risks and uncertainties for the remaining six months of the year); and

c) the Half-Yearly Financial Report includes a fair review of the information required by Disclosure and Transparency Rules 4.2.8R (disclosure of related party transactions and changes therein).

By order of the Board

JGD Ferguson
Chairman

6 December 2011

Summary of Unaudited Results

	31 October 2011	30 April 2011	% change
Shareholders' funds	£950.7m	£1,060.9m	
Net asset value per share (borrowings at fair value)	361.8p	403.9p	(10.4)
Share price	326.0p	364.0p	(10.4)
FTSE World Index (in sterling terms)			(10.1)
Discount (borrowings at fair value)	9.9%	9.9%	

	Six months to 31 Oct 2011	Six months to 31 Oct 2010	% change
Revenue earnings per share	3.30p	2.45p	34.7
Interim dividend per share (see note 5 on page 12)	0.50p	0.50p	–

Total return performance*	Six months to 31 Oct 2011	Six months to 31 Oct 2010
Net asset value (borrowings at fair value)	(9.9%)	6.1%
Share Price	(9.8%)	5.9%
FTSE World Index (in sterling terms)	(8.8%)	(0.7%)

*Total returns include the reinvestment of net dividends.

	Six months to 31 October 2011		Year to 30 April 2011	
Period's high and low	High	Low	High	Low
Net asset value (borrowings at fair value)	405.5p	337.4p	413.5p	320.9p
Share price	367.9p	298.1p	365.7p	275.5p

During the six months to 31 October 2011, the discount (borrowings at fair value) ranged from 6.5% to 14.4% (year to 30 April 2011: 9.6% to 15.7%).

Past performance is not a guide to future performance.

Half-Yearly Management Report

Results*

Over the six months to 31 October, the net asset total return, with borrowings deducted at fair value, was -9.9% and the share price total return was -9.8% while the FTSE World Index in sterling terms returned -8.8%. In the twelve months to 31 October the net asset total return was -5.5%, the share price return was -0.7% and the comparative index returned 0.4%.

Earnings per share were 3.30p, up from 2.45p in the corresponding period a year ago. An increase in dividend income was the main reason for the change in earnings. This is partly a consequence of investing the proceeds from the additional loan raised in February in shares, the dividends from which exceeded the increase in interest expense. The Board has declared an interim dividend of 0.50p, to be paid on 30 January 2012.

During the half year, markets were adversely affected by concerns about the difficulty of reaching an agreement to increase the amount of debt the US government is allowed to issue, potential sovereign defaults in Europe, the disruption to oil supplies from Libya and fears of sharp deceleration in the rate of global growth. In the first three months of the period markets generally drifted lower. There was then a very sharp fall in July and August. The sell-off appears to have been triggered by the inability of European politicians to get to grips with problems within the eurozone, and the risk that this might cause a banking crisis, but it was compounded by mounting evidence of a slowdown in growth in the US. By September the major market indices seemed to have stabilised at this reduced level, but the more economically sensitive shares suffered from fears of a global recession. Emerging market currencies such as the Brazilian real depreciated significantly against sterling, the US dollar and the yen during this period. At the end of October there was a sharp rise in European markets led by bank and other financial shares.

The markets that experienced the smallest falls in sterling terms over the six months to 31 October were those of the US and Japan. In the case of Japan this was largely a consequence of the appreciation of the yen. European markets suffered the largest falls, but emerging markets also performed poorly in sterling terms. Our portfolio benefited from a decision to take out some protection against potential large falls in developed markets in early July, as described below, and the net gains from sales of futures and purchases of calls on the same indices amounted to £34m. This was, however, more than offset by the impact of losses experienced as a result of holding onto our positions in emerging markets and companies sensitive to growth in these economies listed on stockmarkets elsewhere.

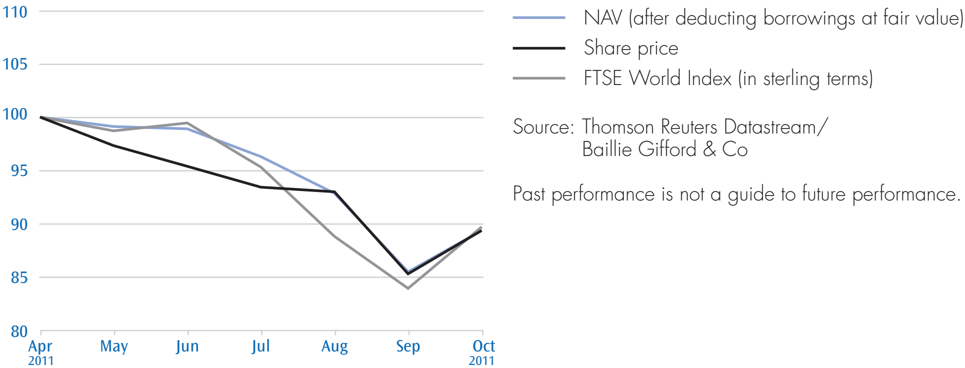
Investment Changes

From early July gearing was reduced by the sale of index futures. These sales were combined with the purchase of call options on the same indices, which had the effect of capping potential losses on the futures positions in the event of a rise in these indices. The net effect of these transactions was to take out some protection against falls in the European, UK and US markets without selling individual holdings. When markets fell sharply in July and August we used some of the profits from the position in futures to add to equity holdings at attractive prices. During the six months to 31 October we made a net addition to equities of £42.2m and a net reduction in bonds of £27.1m. Within equities, net reductions were made in Europe and Emerging Markets and net additions were made in all other regions. Net reductions were made to both sterling and US

*Past performance is not a guide to future performance.

Six Months Performance (capital only)

(figures plotted on a monthly basis and have been rebased to 100 at 30 April 2011)



Source: Thomson Reuters Datastream/ Baillie Gifford & Co

Past performance is not a guide to future performance.

dollar denominated bonds. Effective gearing taking into account futures and options positions fell from 110% of shareholders' funds at the end of April to 93% at the end of October.

The sales of futures and purchases of options also had the effect of reducing the impact on the overall value of our investments of broad changes in the value of shares in Europe, the UK and the US. This is reflected in the figures for effective exposure in the bar charts on page 5 showing the distribution of investments by geography at the end of October and the end of April.

Outlook

Over the last year persisting with a bias towards growth in emerging markets such as Brazil and China has been detrimental to performance and we would have been better off had we instead had all of the portfolio invested in a combination of US equities and UK gilts. Taking into account starting valuations and growth prospects, we expect our portfolio positioning to deliver better returns in the long run.

The problems in the major emerging market economies are cyclical in nature, while those of the major developed economies are more deep-seated and structural. It seems perverse to seek safety in bonds issued by governments of countries with large budget deficits and high and rising levels of debt to gross domestic product where growth is sluggish at best. The main uncertainty here appears to be whether investors will lose money rapidly, as the result of a sudden loss of investor confidence, or slowly, through the effects of inflation. Many companies operating in these countries are currently enjoying very high margins, but in the long run only the truly exceptional among them are likely to be able to defend these against competitive pressures and governments' need for more revenues. Fortunately, there is a wide range of other investments for which the prospects are better and there are many sound companies trading at attractive valuations. We are therefore optimistic about the returns that can be achieved by the sensible selection of investments.

The principal risks and uncertainties facing the Company are set out on the inside front cover of this report.

Thirty Largest Equity Holdings

Name	Region	Business	Value £'000	% of total assets
Seadrill	Continental Europe	Contract drilling services	35,748	3.2
Aggreko	United Kingdom	Temporary power units	24,191	2.2
Eldorado Gold	North America	Gold mining	21,946	2.0
Odontoprev	Other Emerging Markets	Health care providers and services	18,903	1.7
Cetip	Other Emerging Markets	Investment services	17,046	1.5
Dragon Oil	Other Emerging Markets	Oil and gas exploration and production	15,425	1.4
National Oilwell Varco	North America	Drilling equipment manufacturer	15,330	1.4
Digital Garage	Japan	Software	15,300	1.4
Iamgold	North America	Gold mining	15,011	1.4
Vale	Other Emerging Markets	Diversified mining group	14,923	1.3
McDonalds	North America	Fast food restaurants	14,494	1.3
Petrofac	United Kingdom	Oilfield services company	13,670	1.2
Yingde Gases Group	Asia Pacific	Speciality chemicals	12,717	1.1
Credicorp	Other Emerging Markets	Banking	12,599	1.1
Samsung Electronics	Asia Pacific	Electronic goods	12,506	1.1
Drax Group	United Kingdom	Electricity	12,487	1.1
Verizon Communications	North America	Telecommunication services	12,408	1.1
Solera Holdings	North America	Transactional software	12,390	1.1
Kone	Continental Europe	Lifts	12,284	1.1
IP Group	United Kingdom	Speciality finance	12,102	1.1
Novozymes	Continental Europe	Enzyme producer	12,095	1.1
O'Reilly Automotive	North America	Auto parts supplier	12,034	1.1
Quanta Computer	Asia Pacific	Electronic equipment	11,867	1.1
Chungwa Telecom	Asia Pacific	Fixed line telecommunications	11,815	1.1
Naspers	Other Emerging Markets	Media company	11,803	1.1
Telstra	Asia Pacific	Telecommunication services	11,675	1.1
Mercadolibre	Other Emerging Markets	Online trading	11,345	1.0
Seek	Asia Pacific	Business support services	11,341	1.0
Burford Capital	United Kingdom	Investment fund	11,328	1.0
IG Group	United Kingdom	Spread betting	11,150	1.0
			437,933	**39.4**

Distribution of Portfolio

Geographical Analysis

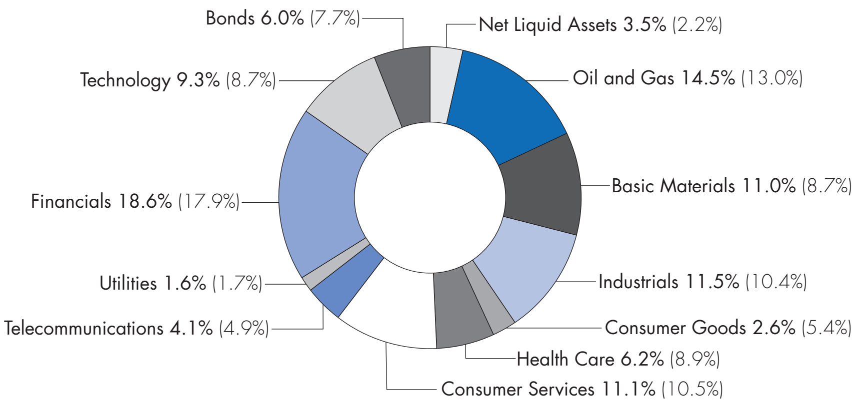
Region	At 31 October 2011		At 30 April 2011	
	% of total assets	Effective exposure %*	% of total assets	Effective exposure %*
North America	18.8%	13.8%	17.4%	14.5%
United Kingdom	17.9%	13.0%	16.6%	13.5%
Other Emerging Markets	17.5%	21.4%	17.7%	18.2%
Asia Pacific	16.3%	19.9%	16.8%	17.2%
Continental Europe	13.8%	8.7%	16.3%	13.1%
Japan	6.2%	11.6%	5.3%	13.4%
Bonds	6.0%	7.3%	7.7%	7.8%
Net Liquid Assets	3.5%	4.3%	2.2%	2.3%

% of total assets
Effective exposure %*

* The effective exposure takes into account the exposure of derivative holdings which may differ substantially from their market value. The Trust's derivative holdings include sales of index futures and purchases of index call options.

Sector Analysis at 31 October 2011

(30 April 2011)



Income Statement (unaudited)

	For the six months ended 31 October 2011 Revenue £'000	Capital £'000	**Total £'000**
Gains on sales of investments	–	78,321	**78,321**
Changes in investment holding gains and (losses)	–	(186,752)	**(186,752)**
Currency (losses)/gains	–	(1,386)	**(1,386)**
Income from investments and interest receivable	17,635	–	**17,635**
Other income	9	–	**9**
Investment management fee (note 3)	(2,574)	–	**(2,574)**
Other administrative expenses	(595)	–	**(595)**
Net return before finance costs and taxation	14,475	(109,817)	**(95,342)**
Finance costs of borrowings	(5,256)	–	**(5,256)**
Net return on ordinary activities before taxation	9,219	(109,817)	**(100,598)**
Tax on ordinary activities	(630)	–	**(630)**
Net return on ordinary activities after taxation	**8,589**	**(109,817)**	**(101,228)**
Net return per ordinary share (note 4)	**3.30p**	**(42.14p)**	**(38.84p)**
Note: Dividends per share paid and payable in respect of the period (note 5)	**0.50p**		

The total column of this statement is the profit and loss account of the Company.
All revenue and capital items in this statement derive from continuing operations.
A Statement of Total Recognised Gains and Losses is not required as all the gains and losses of the Company have been reflected in the above statement.

For the six months ended 31 October 2010			For the year ended 30 April 2011		
Revenue £'000	Capital £'000	**Total £'000**	Revenue £'000	Capital £'000	**Total £'000**
–	42,623	**42,623**	–	99,508	**99,508**
–	8,382	**8,382**	–	(5,191)	**(5,191)**
–	960	**960**	–	1,042	**1,042**
14,494	–	**14,494**	27,134	–	**27,134**
223	–	**223**	232	–	**232**
(2,416)	–	**(2,416)**	(5,075)	–	**(5,075)**
(529)	–	**(529)**	(1,172)	–	**(1,172)**
11,772	51,965	**63,737**	21,119	95,359	**116,478**
(4,590)	–	**(4,590)**	(9,374)	–	**(9,374)**
7,182	51,965	**59,147**	11,745	95,359	**107,104**
(781)	–	**(781)**	(1,145)	–	**(1,145)**
6,401	**51,965**	**58,366**	**10,600**	**95,359**	**105,959**
2.45p	**19.91p**	**22.36p**	**4.06p**	**36.56p**	**40.62p**
0.50p			**3.00p**		

Balance Sheet (unaudited)

	At 31 Oct 2011 £'000	At 31 Oct 2010 £'000	At 30 April 2011 £'000
Fixed assets			
Investments	1,071,733	1,103,083	1,193,261
Current assets			
Debtors	63,937	6,833	20,789
Cash and short term deposits	19,594	31,199	18,912
	83,531	38,032	39,701
Creditors			
Amounts falling due within one year:			
Bank loan (note 6)	(40,000)	(40,000)	(40,000)
Debenture stock (note 6)	(40,000)	–	–
Other creditors	(44,922)	(6,927)	(12,469)
	(124,922)	(46,927)	(52,469)
Net current liabilities	(41,391)	(8,895)	(12,768)
Total assets less current liabilities	1,030,342	1,094,188	1,180,493
Creditors			
Amounts falling due after more than one year:			
Bank loan (note 6)	(40,000)	–	(40,000)
Debenture stocks (note 6)	(39,631)	(79,598)	(79,614)
	(79,631)	(79,598)	(119,614)
Total net assets	**950,711**	**1,014,590**	**1,060,879**
Capital and reserves			
Called up share capital	13,001	13,038	13,038
Share premium	11,100	11,100	11,100
Capital redemption reserve	6,397	6,360	6,360
Capital reserve	880,542	949,386	992,780
Revenue reserve	39,671	34,706	37,601
Shareholders' funds	**950,711**	**1,014,590**	**1,060,879**
Net asset value per ordinary share (after deducting borrowings at fair value) (note 6)	**361.8p**	**385.7p**	**403.9p**
Net asset value per ordinary share (after deducting borrowings at par)	**365.5p**	**388.9p**	**406.7p**
Ordinary shares in issue (note 7)	**260,014,859**	**260,764,859**	**260,764,859**

Reconciliation of Movements in Shareholders' Funds (unaudited)

For the six months ended 31 October 2011

	Share capital £'000	Share premium £'000	Capital redemption reserve £'000	Capital reserve* £'000	Revenue reserve £'000	**Shareholders' funds £'000**
Shareholders' funds at 1 May 2011	13,038	11,100	6,360	992,780	37,601	**1,060,879**
Net return on ordinary activities after taxation	–	–	–	(109,817)	8,589	**(101,228)**
Shares purchased for cancellation (note 7)	(37)	–	37	(2,421)	–	**(2,421)**
Dividends paid during the period (note 5)	–	–	–	–	(6,519)	**(6,519)**
Shareholders' funds at 31 October 2011	**13,001**	**11,100**	**6,397**	**880,542**	**39,671**	**950,711**

For the six months ended 31 October 2010

	Share capital £'000	Share premium £'000	Capital redemption reserve £'000	Capital reserve* £'000	Revenue reserve £'000	**Shareholders' funds £'000**
Shareholders' funds at 1 May 2010	13,051	11,100	6,347	898,228	29,610	**958,336**
Net return on ordinary activities after taxation	–	–	–	51,965	6,401	**58,366**
Shares purchased for cancellation	(13)	–	13	(807)	–	**(807)**
Dividends paid during the period (note 5)	–	–	–	–	(1,305)	**(1,305)**
Shareholders' funds at 31 October 2010	**13,038**	**11,100**	**6,360**	**949,386**	**34,706**	**1,014,590**

For the year ended 30 April 2011

	Share capital £'000	Share premium £'000	Capital redemption reserve £'000	Capital reserve* £'000	Revenue reserve £'000	**Shareholders' funds £'000**
Shareholders' funds at 1 May 2010	13,051	11,100	6,347	898,228	29,610	**958,336**
Net return on ordinary activities after taxation	–	–	–	95,359	10,600	**105,959**
Shares purchased for cancellation	(13)	–	13	(807)	–	**(807)**
Dividends paid during the year (note 5)	–	–	–	–	(2,609)	**(2,609)**
Shareholders' funds at 30 April 2011	**13,038**	**11,100**	**6,360**	**992,780**	**37,601**	**1,060,879**

*The Capital Reserve balance at 31 October 2011 includes investment holding gains on fixed asset investments of £88,980,000 (31 October 2010 – gains of £252,191,000; 30 April 2011 – gains of £242,855,000).

Condensed Cash Flow Statement (unaudited)

	Six months to 31 October 2011 £'000	Six months to 31 October 2010 £'000	Year to 30 April 2011 £'000
Net cash inflow from operating activities	16,186	13,639	5,270
Net cash outflow from servicing of finance	(5,333)	(4,555)	(9,461)
Total tax paid	(616)	(836)	(1,188)
Net cash (outflow)/inflow from financial investment	(2,244)	10,610	(26,742)
Equity dividends paid	(6,519)	(1,305)	(2,609)
Net cash inflow/(outflow) before use of liquid resources and financing	1,474	17,553	(34,730)
Shares purchased for cancellation	(792)	(803)	(807)
Bank loans drawn	–	–	40,000
Increase in cash	**682**	**16,750**	**4,463**

Reconciliation of net cash flow to movement in net debt

Increase in cash in the period	682	16,750	4,463
Net cash inflow from bank loans	–	–	(40,000)
Other non-cash changes	(17)	(16)	(32)
Movement in net debt in the period	665	16,734	(35,569)
Net debt at start of the period	(140,702)	(105,133)	(105,133)
Net debt at end of the period	**(140,037)**	**(88,399)**	**(140,702)**

Reconciliation of net return before finance costs and taxation to net cash inflow from operating activities

Net return before finance costs and taxation	(95,342)	63,737	116,478
Net losses/(gains) on investments	108,431	(51,005)	(94,317)
Currency losses/(gains)	1,386	(960)	(1,042)
Amortisation of fixed income book cost	(442)	(453)	(988)
Changes in debtors and creditors	2,153	2,320	(14,861)
Net cash inflow from operating activities	**16,186**	**13,639**	**5,270**

Notes to the Condensed Financial Statements (unaudited)

1 The condensed financial statements for the six months to 31 October 2011 comprise the statements set out on pages 6 to 10 together with the related notes on pages 11 and 12. They have been prepared on the basis of the same accounting policies as set out in the Company's Annual Report and Financial Statements at 30 April 2011 and in accordance with the ASB's Statement 'Half-Yearly Financial Reports' and have not been audited or reviewed by the Auditors pursuant to the Auditing Practices Board Guidance on 'Review of Interim Financial Information'. The Company's assets, the majority of which are investments in quoted securities which are readily realisable, exceed its liabilities significantly. All borrowings require the prior approval of the Board. The Board approves borrowing and gearing limits and reviews regularly the amounts of any borrowing and gearing as well as compliance with borrowing covenants. Accordingly, the Half-Yearly Financial Report has been prepared on the going concern basis as it is the Directors' opinion that the Company will continue in operational existence for the foreseeable future.

2 The financial information contained within this Half-Yearly Financial Report does not constitute statutory accounts as defined in sections 434 to 436 of the Companies Act 2006. The financial information for the year ended 30 April 2011 has been extracted from the statutory accounts which have been filed with the Registrar of Companies. The Auditors' Report on those accounts was unqualified and did not contain statements under sections 498(2) or (3) of the Companies Act 2006.

3 Baillie Gifford & Co are employed by the Company as investment managers and secretaries under a management agreement which is terminable on not less than 6 months' notice, or on shorter notice in certain circumstances. The annual fee is 0.45% of total assets less current liabilities, calculated on a quarterly basis.

	Six months to 31 October 2011 £'000	Six months to 31 October 2010 £'000	Year to 30 April 2011 £'000
4 **Net return per ordinary share**			
Revenue return on ordinary activities after taxation	8,589	6,401	10,600
Capital return on ordinary activities after taxation	(109,817)	51,965	95,359
Total net return	**(101,228)**	**58,366**	**105,959**

Net return per ordinary share is based on the above totals of revenue and capital and on 260,650,729 (31 October 2010 – 260,974,099; 30 April 2011 – 260,870,338) ordinary shares, being the weighted average number of ordinary shares in issue during each period.

There are no dilutive or potentially dilutive shares in issue.

Notes to the Condensed Financial Statements (unaudited) (cont.)

	Six months to 31 October 2011 £'000	Six months to 31 October 2010 £'000	Year to 30 April 2011 £'000
5 Dividends			
Amounts recognised as distributions in the period:			
Previous year's final dividend of 2.50p (2010 – 0.50p), paid 5 August 2011	6,519	1,305	1,305
Interim dividend for the year ended 30 April 2011 of 0.50p, paid 31 January 2011	–	–	1,304
	6,519	**1,305**	**2,609**
Amounts paid and payable in respect of the period:			
Interim dividend for the year ending 30 April 2012 of 0.50p (2011 – 0.50p)	1,300	1,304	1,304
Final dividend (2011 – 2.50p)	–	–	6,519
	1,300	**1,304**	**7,823**

The interim dividend was declared after the period end date and has therefore not been included as a liability in the balance sheet. It is payable on 30 January 2012 to shareholders on the register at the close of business on 6 January 2012. The ex dividend date is 4 January 2012. The Company operates a Dividend Reinvestment Plan and the final date for elections for reinvestment of this dividend is 12 January 2012.

6 The Company's bank loans comprise a £40m loan drawn down under a one year floating rate loan facility expiring in March 2012 and a £40m three year fixed rate loan repayable in Febuary 2014. The Company's debentures comprise a £40m 11% stock repayable in June 2012 and a £40m 6⅜% stock repayable in 2023.

The fair value of borrowings at 31 October 2011 was £169.6m (31 October 2010 – £128.3m; 30 April 2011 – £167.2m).

7 During the period under review the Company bought back 750,000 ordinary shares with a nominal value of £37,500 for a total consideration of £2,421,000. At 31 October 2011 the Company had the authority to buy back a further 38,338,652 shares.

8 Transaction costs on purchases amounted to £280,000 (31 October 2010 – £649,000; 30 April 2011 – £1,067,000) and transaction costs on sales amounted to £279,000 (31 October 2010 – £363,000; 30 April 2011 – £586,000).

Further Shareholder Information

Monks' shares are traded on the London Stock Exchange. They can be bought through a stockbroker, by asking a professional adviser to do so, or through the Baillie Gifford savings vehicles.

Baillie Gifford's Investment Trust Share Plan

You can invest a minimum of £250 or from £30 per month. The plan is designed to be a cost-effective way of saving on a lump sum or regular basis.

Baillie Gifford's Investment Trust ISA

You can invest in a tax efficient way by investing a minimum of £2,000 or from £100 per month or by transferring an ISA with a value of at least £2,000 from your existing manager.

Baillie Gifford's Children's Savings Plan

A cost-effective plan tailored especially to meet the requirements to save for children. You can invest a minimum of £100 or from £25 per month.

Online Management Service

You can now also open and manage your Share Plan, Children's Savings Plan* and/or ISA online, through our secure Online Management Service (OMS) which can be accessed through the Baillie Gifford website at **www.bailliegifford.com**. OMS enables you to apply for, open and administer a Baillie Gifford Investment Trust Share Plan or Investment Trust ISA online. As well as being able to view the details of your plan online, the service also allows you to:

- get current valuations;
- make lump sum investments;
- switch between investment trusts (except where there is more than one holder);
- set up a direct debit to make regular investments; and
- update certain personal details.

*Please note that a Bare Trust cannot be opened via OMS. A Bare Trust Application Form must be completed.

The information about the ISA, Share Plan and Children's Savings Plan has been approved by Baillie Gifford Savings Management Limited ('BGSM'). BGSM is the ISA Manager and is the Manager of the Share Plan and Children's Savings Plan. BGSM is wholly owned by Baillie Gifford & Co. Both are authorised and regulated by the Financial Services Authority. Baillie Gifford only provides information about its products and does not provide investment advice.

Risks

Past performance is not a guide to future performance.

Monks is listed on the stock market. As a result, the value of the shares, and any income from them, can fall as well as rise and you may not get back the amount you invested.

As Monks invests in overseas securities, changes in the rates of exchange may also cause the value of your investment (and any income it may pay) to go down or up.

Monks invests in emerging markets which could encounter dealing, settlement and custody difficulties more than the main international markets.

Market values for securities which have become difficult to trade may not be readily available, and there can be no assurance that any value assigned to such securities will accurately reflect the price Monks might receive upon their sale.

Monks has borrowed money to make further investments (sometimes known as 'gearing'). The risk is that when this money is repaid by the Company, the value of the investments may not be enough to cover the borrowing and interest costs and the Company will make a loss. If the Company's investments fall in value, any borrowings will increase the amount of this loss. Monks can buy back and cancel its own shares. The risks from borrowing are increased when the Company buys back and cancels its shares.

Monks use of derivatives may impact on its performance.

As the aim of Monks is to achieve capital growth you should not expect a significant, or steady, annual income from the Company.

The favourable tax treatment of ISAs may change.

Details of other risks that apply to investment in these savings vehicles are contained in the product brochures.

Investment trusts are UK public limited companies and as such comply with the requirements of the UK Listing Authority. They are not authorised or regulated by the Financial Services Authority.

None of the views expressed in this document should be construed as advice to buy or sell a particular investment.

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