

THE MONKS INVESTMENT TRUST PLC

Half-Yearly Financial Report
31 October 2013



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 21 of the Company's Annual Report and Financial Statements for the year to 30 April 2013. The principal risks and uncertainties have not changed since the publication of the Annual Report and Financial Statements 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 19 of the Annual Report and Financial Statements.

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
3 December 2013

Summary of Unaudited Results

| | 31 October 2013 | 30 April 2013 | % change |
|--|--------------------|------------------|----------|
| Shareholders' funds | £1,015.0m | £986.2m | |
| Net asset value per share (borrowings at fair value) | 443.0p | 408.1p | 8.6 |
| Share price | 386.9p | 355.0p | 9.0 |
| FTSE World Index (in sterling terms) | | | 4.6 |
| Discount (borrowings at fair value) | 12.7% | 13.0% | |

| | Six months to 31 Oct 2013 | Six months to 31 Oct 2012 | % change |
|--|------------------------------|------------------------------|----------|
| Revenue earnings per share | 1.99p | 2.47p | (19.4) |
| Interim dividend per share (see note 5 on page 12) | 0.50p | 0.50p | – |

| | Six months to 31 Oct 2013 | Six months to 31 Oct 2012 |
|--|------------------------------|------------------------------|
| Total returns performance* | | |
| Net asset value (borrowings at fair value) | 9.4% | (5.9%) |
| Share Price | 10.0% | (8.0%) |
| FTSE World Index (in sterling terms) | 6.0% | 2.7% |

* Total returns include the reinvestment of net dividends.

| | Six months to 31 October 2013 | | Year to 30 April 2013 | |
|--|-------------------------------|--------|-----------------------|--------|
| Period's high and low | High | Low | High | Low |
| Net asset value (borrowings at fair value) | 448.1p | 392.9p | 421.5p | 350.7p |
| Share price | 392.5p | 335.5p | 358.5p | 300.0p |

During the six months to 31 October 2013, the discount (borrowings at fair value) ranged from 11.2% to 15.9% (year to 30 April 2013: 9.9% to 15.9%).

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 9.4% and the share price total return was 10.0%. The FTSE World Index in sterling terms returned 6.0%. In the twelve months to 31 October the net asset total return was 25.4%, the share price return was 27.0% and the comparative index returned 25.3%. Over five years the total returns were 99.0% for net assets per share, 97.3% for the share price and 94.8% for the index.

Major positive contributors to performance during the six month period included Sky Deutschland (German satellite television), Alnylam Pharmaceuticals (innovative drug company), Facebook (social media), Digital Garage (Japanese internet investor) and TripAdvisor (online travel). A common factor among many of our more successful investments during this period is that their value is derived almost entirely from anticipated future earnings rather than today's cash flows. Until recently these types of companies have been shunned by many investors in favour of those perceived as more defensive, especially when accompanied by relatively high dividends. This period has seen something of a reversal of the previous trend.

Returns from Emerging Markets continued to be relatively poor. Not surprisingly, the largest negative contributors to performance include a number of companies listed in Emerging Markets. Among these were Kunlun Energy (Chinese gas company), Odontoprev (Brazilian dentistry) and BIM (Turkish discount retailer).

Our largest holding, IP Group (UK venture capital), also performed relatively poorly in share price terms despite some good results from underlying investments, but after a good year in 2012.

Earnings per share were 1.99p, down from 2.47p in the corresponding period a year ago. A reduction in dividend income arising from investment changes was the main reason for the decline in earnings. As the Company's investment objective makes capital appreciation a higher priority than income or

dividends, earnings are volatile and dividends may fall as well as rise. The Board has declared an interim dividend of 0.50p, to be paid in January 2014.

Investment Changes

During the six months to 31 October we reduced exposure to equities by £69.1m and sold £2.6m worth of bonds. A total of £43.1m was used to repurchase 12.2m shares. Within equities, the largest net reduction was in the shares of companies quoted in Emerging Markets and the largest net addition was in North America.

Gearing is managed using derivatives as well as holding cash. Effective gearing taking into account derivative positions declined from 1% of shareholders' funds at the end of April to minus 2% at the end of October.

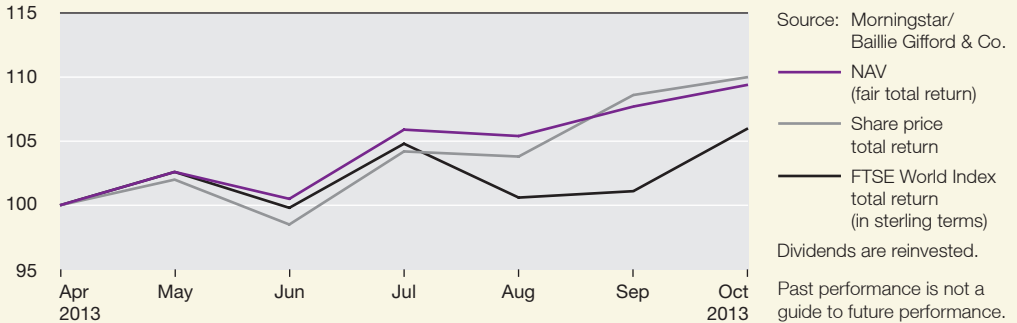
The derivative positions also alter our effective geographical exposure and are reflected in the bar chart on page 5 showing the distribution of investments by geography at the end of October and the end of April.

Outlook

Over the medium term there is, at best, a tenuous relationship between economic growth rates and financial market returns. The interest rate that is used to discount future cash flows plays a more important role in determining the fair value of all financial assets, including shares and bonds. This discount rate is closely related to policies of central banks, which are in turn dependent on their forecasts of economic variables such as inflation and unemployment rates. Any sign that the extraordinary monetary stimulus may be coming to an end therefore tends to have a negative effect on the prices of almost all financial assets, albeit to varying degrees. Conversely, any indication that these policies are likely to be continued a little longer tends to have a positive impact. Market participants are notoriously short-term and any economic data that is seen as giving an indication that policy might change sooner rather than later has an impact on markets, resulting in exaggerated moves in one direction followed by reversals if the next data release suggests the opposite.

Six Month Total Return Performance

(figures plotted on a monthly basis and rebased to 100 at 30 April 2013)



As long-term investors we are able to stand back from this noise. Nevertheless, the Managers believe that it is more likely that interest rates in most developed market countries will rise at some point than that they will fall further, even if not by much in the near term (owing to the existence of deflationary forces and the vulnerability of highly indebted borrowers). While a return to a more normal pattern of economic growth after the worst recession since the Second World War would be welcome for many reasons, it may involve some painful adjustments for those individuals and companies that have benefited from the extraordinarily low level of interest rates that has prevailed over the last five years. A rise in interest rates could also adversely affect share prices, particularly of those shares bought as alternatives to fixed income securities. If, on the other hand, interest rates do not rise, or even fall further, it would almost certainly mean that deflation had taken hold, and this too is unlikely to be good for share prices. For these reasons, we think it would be imprudent to be geared at the moment, even though we are optimistic about the longer-term prospects for our investments.

We see many exciting opportunities arising from, among other things, the disruption of traditional business models by online alternatives, advances in drug discovery and diagnostics and changes in oil and gas production. They also view the recent convergence of economic growth rates between developed and emerging economies as cyclical rather than structural and continue to view growing consumption in Emerging Markets as an important source of long-term investment returns.

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

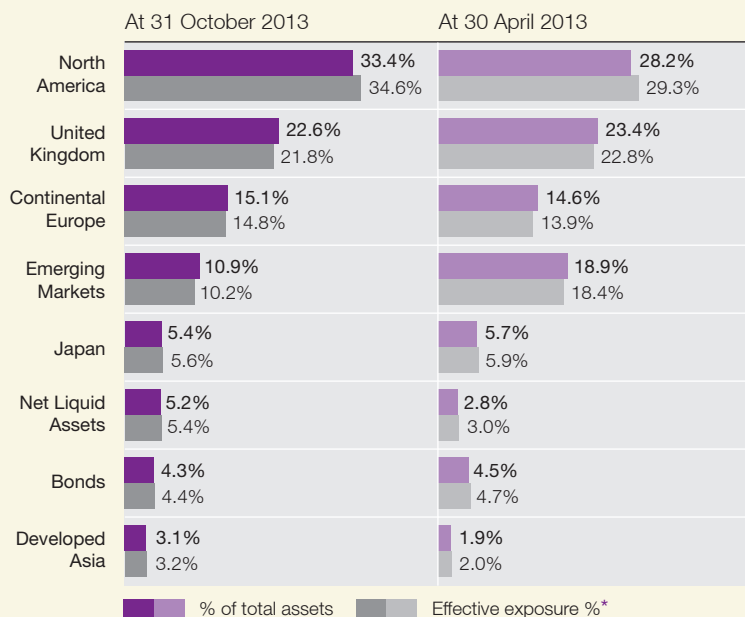
Baillie Gifford & Co
3 December 2013

Thirty Largest Equity Holdings at 31 October 2013

| Name | Region | Business | Value £'000 | % of total assets |
|---------------------------------------|--------------------|--|----------------|-------------------------|
| IP Group | United Kingdom | Intellectual property commercialisation | 36,156 | 3.3 |
| Sky Deutschland | Continental Europe | German pay television services | 32,998 | 3.0 |
| Seadrill | Continental Europe | Offshore drilling services | 24,786 | 2.3 |
| Nanoco Group | United Kingdom | Quantum dot manufacturer | 23,431 | 2.1 |
| Harley-Davidson | North America | Motorcycle manufacturer | 20,690 | 1.9 |
| Samsung Electronics | Emerging Markets | Consumer and industrial electronic equipment | 18,607 | 1.7 |
| Alnylam Pharmaceuticals | North America | Biotechnology – RNA interference | 18,443 | 1.7 |
| Kone | Continental Europe | Elevator manufacture and servicing | 18,375 | 1.7 |
| TripAdvisor | North America | Online travel review platform | 18,019 | 1.6 |
| First Republic Bank | North America | Banking | 17,451 | 1.6 |
| TJX Companies | North America | Apparel and home fashion retailer | 17,103 | 1.6 |
| Enquest | United Kingdom | Oil and gas exploration and production | 17,085 | 1.6 |
| Seek | Developed Asia | Online recruitment | 16,306 | 1.5 |
| Facebook | North America | Social networking website | 16,026 | 1.5 |
| Fuchs Petrolub | Continental Europe | Speciality industrial and automotive lubricants | 15,617 | 1.4 |
| Priceline.com | North America | Online travel agent | 15,012 | 1.4 |
| Doric Nimrod Air Two | United Kingdom | Aircraft leasing | 14,700 | 1.3 |
| MercadoLibre | Emerging Markets | E-commerce platform | 14,128 | 1.3 |
| Sun Art Retail Group | Emerging Markets | Hypermarket operator | 14,117 | 1.3 |
| Petrofac | United Kingdom | Oilfield services company | 13,927 | 1.3 |
| Visa | North America | Global electronic payments network and related services | 13,767 | 1.3 |
| IG Group | United Kingdom | Spread betting | 13,555 | 1.2 |
| Digital Garage | Japan | Internet business incubator | 13,541 | 1.2 |
| Rolls-Royce | United Kingdom | Power systems manufacturer | 13,537 | 1.2 |
| National Oilwell Varco | North America | Drilling equipment manufacturer | 13,431 | 1.2 |
| Seattle Genetics | North America | Biotechnology – antibody drug conjugates | 13,227 | 1.2 |
| Marine Harvest | Continental Europe | Fish farming | 13,129 | 1.2 |
| Genus | United Kingdom | Agricultural services | 13,057 | 1.2 |
| Taiwan Semiconductor Manufacturing | Emerging Markets | Semiconductor manufacturer | 13,015 | 1.2 |
| IHS | North America | Specialist statistics and analytics | 12,969 | 1.2 |
| | | | 516,205 | 47.2 |

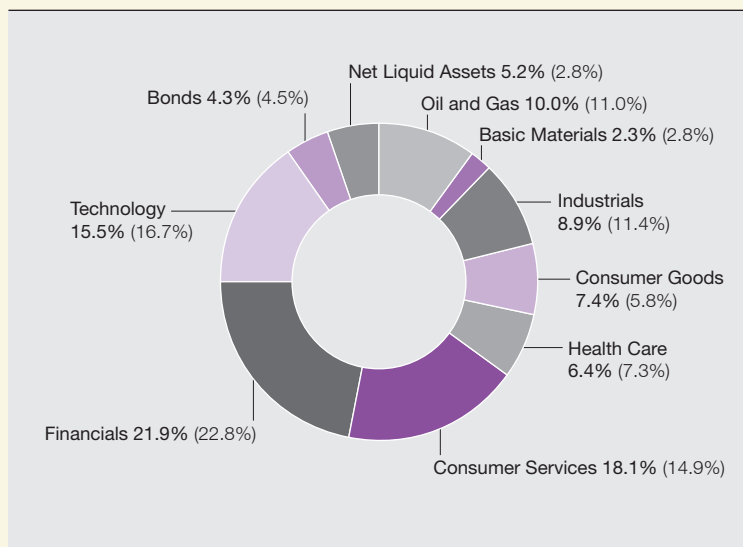
Distribution of Portfolio

Geographical Analysis



* The effective exposure takes into account the exposure of derivative holdings which may differ substantially from their market value. The Company's derivative holdings at 31 October 2013 comprise of purchases of index put options.

Sectoral Analysis at 31 October 2013 (30 April 2013)



Income Statement (unaudited)

| | For the six months ended 31 October 2013 | | |
|--|--|------------------|----------------|
| | Revenue £'000 | Capital £'000 | Total £'000 |
| Gains/(losses) on sales of investments | – | 43,784 | 43,784 |
| Changes in investment holding gains and (losses) | – | 32,648 | 32,648 |
| Currency losses | – | (1,273) | (1,273) |
| Income from investments and interest receivable | 9,893 | – | 9,893 |
| Investment management fee (note 3) | (2,431) | – | (2,431) |
| Other administrative expenses | (436) | – | (436) |
| Net return before finance costs and taxation | 7,026 | 75,159 | 82,185 |
| Finance costs of borrowings | (2,018) | – | (2,018) |
| Net return on ordinary activities before taxation | 5,008 | 75,159 | 80,167 |
| Tax on ordinary activities | (419) | – | (419) |
| Net return on ordinary activities after taxation | 4,589 | 75,159 | 79,748 |
| Net return per ordinary share (note 4) | 1.99p | 32.55p | 34.54p |
| 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 2012 | | | For the year ended 30 April 2013 | | |
|--|------------------|-----------------|----------------------------------|------------------|-----------------|
| Revenue £'000 | Capital £'000 | Total £'000 | Revenue £'000 | Capital £'000 | Total £'000 |
| – | 2,864 | 2,864 | – | (37,665) | (37,665) |
| – | (65,764) | (65,764) | – | 87,859 | 87,859 |
| – | (2,907) | (2,907) | – | (3,117) | (3,117) |
| 12,359 | – | 12,359 | 22,983 | – | 22,983 |
| (2,280) | – | (2,280) | (4,648) | – | (4,648) |
| (460) | – | (460) | (907) | – | (907) |
| 9,619 | (65,807) | (56,188) | 17,428 | 47,077 | 64,505 |
| (2,889) | – | (2,889) | (4,929) | – | (4,929) |
| 6,730 | (65,807) | (59,077) | 12,499 | 47,077 | 59,576 |
| (425) | – | (425) | (721) | – | (721) |
| 6,305 | (65,807) | (59,502) | 11,778 | 47,077 | 58,855 |
| 2.47p | (25.78p) | (23.31p) | 4.68p | 18.72p | 23.40p |
| 0.50p | | | 3.95p | | |

Balance Sheet (unaudited)

| | At 31 October 2013 £'000 | At 31 October 2012 £'000 | At 30 April 2013 £'000 |
|--|--------------------------------|--------------------------------|------------------------------|
| Fixed assets | | | |
| Investments held at fair value through profit or loss | 1,035,266 | 976,474 | 1,023,427 |
| Current assets | | | |
| Debtors | 4,863 | 7,876 | 5,735 |
| Investments held at fair value through profit or loss | 1,969 | 157 | 12,341 |
| Cash and short term deposits | 55,013 | 16,682 | 38,591 |
| | 61,845 | 24,715 | 56,667 |
| Creditors | | | |
| Amounts falling due within one year: | | | |
| Bank loan (note 6) | (40,000) | – | (40,000) |
| Other creditors | (2,449) | (8,639) | (14,188) |
| | (42,449) | (8,639) | (54,188) |
| Net current assets | 19,396 | 16,076 | 2,479 |
| Total assets less current liabilities | 1,054,662 | 992,550 | 1,025,906 |
| Creditors | | | |
| Amounts falling due after more than one year: | | | |
| Bank loan (note 6) | – | (40,000) | – |
| Debenture stock (note 6) | (39,696) | (39,663) | (39,679) |
| | (39,696) | (79,663) | (39,679) |
| Total net assets | 1,014,966 | 912,887 | 986,227 |
| Capital and reserves | | | |
| Called up share capital | 11,407 | 12,671 | 12,017 |
| Share premium | 11,100 | 11,100 | 11,100 |
| Capital redemption reserve | 7,991 | 6,727 | 7,381 |
| Capital reserve | 942,403 | 841,229 | 910,342 |
| Revenue reserve | 42,065 | 41,160 | 45,387 |
| Shareholders' funds | 1,014,966 | 912,887 | 986,227 |
| Net asset value per ordinary share (after deducting borrowings at fair value) (note 6) | 443.0p | 356.6p | 408.1p |
| Net asset value per ordinary share (after deducting borrowings at par) | 444.8p | 360.1p | 410.2p |
| Ordinary shares in issue (note 7) | 228,137,859 | 253,421,859 | 240,331,859 |

Reconciliation of Movements in Shareholders' Funds (unaudited)

For the six months ended 31 October 2013

| | Share capital £'000 | Share premium £'000 | Capital redemption reserve £'000 | Capital reserve* £'000 | Revenue reserve £'000 | Shareholders' funds £'000 |
|--|------------------------|------------------------|-------------------------------------|---------------------------|--------------------------|------------------------------|
| Shareholders' funds at 1 May 2013 | 12,017 | 11,100 | 7,381 | 910,342 | 45,387 | 986,227 |
| Net return on ordinary activities after taxation | – | – | – | 75,159 | 4,589 | 79,748 |
| Shares purchased for cancellation (note 7) | (610) | – | 610 | (43,098) | – | (43,098) |
| Dividends paid during the period (note 5) | – | – | – | – | (7,911) | (7,911) |
| Shareholders' funds at 31 October 2013 | 11,407 | 11,100 | 7,991 | 942,403 | 42,065 | 1,014,966 |

For the six months ended 31 October 2012

| | Share capital £'000 | Share premium £'000 | Capital redemption reserve £'000 | Capital reserve* £'000 | Revenue reserve £'000 | Shareholders' funds £'000 |
|--|------------------------|------------------------|-------------------------------------|---------------------------|--------------------------|------------------------------|
| Shareholders' funds at 1 May 2012 | 12,806 | 11,100 | 6,592 | 915,546 | 43,675 | 989,719 |
| Net return on ordinary activities after taxation | – | – | – | (65,807) | 6,305 | (59,502) |
| Shares purchased for cancellation | (135) | – | 135 | (8,510) | – | (8,510) |
| Dividends paid during the period (note 5) | – | – | – | – | (8,820) | (8,820) |
| Shareholders' funds at 31 October 2012 | 12,671 | 11,100 | 6,727 | 841,229 | 41,160 | 912,887 |

For the year ended 30 April 2013

| | Share capital £'000 | Share premium £'000 | Capital redemption reserve £'000 | Capital reserve* £'000 | Revenue reserve £'000 | Shareholders' funds £'000 |
|--|------------------------|------------------------|-------------------------------------|---------------------------|--------------------------|------------------------------|
| Shareholders' funds at 1 May 2012 | 12,806 | 11,100 | 6,592 | 915,546 | 43,675 | 989,719 |
| Net return on ordinary activities after taxation | – | – | – | 47,077 | 11,778 | 58,855 |
| Shares purchased for cancellation | (789) | – | 789 | (52,281) | – | (52,281) |
| Dividends paid during the year (note 5) | – | – | – | – | (10,066) | (10,066) |
| Shareholders' funds at 30 April 2013 | 12,017 | 11,100 | 7,381 | 910,342 | 45,387 | 986,227 |

* The Capital Reserve balance at 31 October 2013 includes investment holding gains on investments of £304,982,000 (31 October 2012 – gains of £115,966,000; 30 April 2013 – gains of £273,769,000).

Condensed Cash Flow (unaudited)

| | Six months to 31 October 2013 £'000 | Six months to 31 October 2012 £'000 | Year to 30 April 2013 £'000 |
|--|--|--|--------------------------------------|
| Net cash inflow from operating activities | 7,681 | 10,220 | 17,645 |
| Net cash outflow from servicing of finance | (1,987) | (4,952) | (6,969) |
| Total tax paid | (445) | (76) | (397) |
| Net cash inflow from financial investment | 71,064 | 76,258 | 130,711 |
| Equity dividends paid | (7,911) | (8,820) | (10,066) |
| Net cash inflow before use of liquid resources and financing | 68,402 | 72,630 | 130,924 |
| Shares purchased for cancellation | (50,707) | (13,300) | (49,475) |
| Borrowings repaid | – | (80,000) | (80,000) |
| Increase/(decrease) in cash | 17,695 | (20,670) | 1,449 |
| Reconciliation of net cash flow to movement in net debt | | | |
| Increase/(decrease) in cash in the period | 17,695 | (20,670) | 1,449 |
| Translation difference | (1,273) | (2,167) | (2,377) |
| Net cash outflow from borrowings | – | 80,000 | 80,000 |
| Other non-cash changes | (17) | (16) | (32) |
| Movement in net debt in the period | 16,405 | 57,147 | 79,040 |
| Net debt at start of the period | (41,088) | (120,128) | (120,128) |
| Net debt at end of the period | (24,683) | (62,981) | (41,088) |
| Reconciliation of net return before finance costs and taxation to net cash inflow from operating activities | | | |
| Net return before finance costs and taxation | 82,185 | (56,188) | 64,505 |
| Net (gains)/losses on investments | (76,432) | 62,900 | (50,194) |
| Currency losses | 1,273 | 2,907 | 3,117 |
| Amortisation of fixed income book cost | (240) | (896) | (2,014) |
| Changes in debtors and creditors | 895 | 1,497 | 2,231 |
| Net cash inflow from operating activities | 7,681 | 10,220 | 17,645 |

Notes to the Condensed Financial Statements (unaudited)

- 1** The condensed financial statements for the six months to 31 October 2013 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 2013 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 2013 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 2013 £'000 | Six months to 31 October 2012 £'000 | Year to 30 April 2013 £'000 |
|--|--|--|--------------------------------------|
| 4 Net return per ordinary share | | | |
| Revenue return on ordinary activities after taxation | 4,589 | 6,305 | 11,778 |
| Capital return on ordinary activities after taxation | 75,159 | (65,807) | 47,077 |
| Total net return | 79,748 | (59,502) | 58,855 |

Net return per ordinary share is based on the above totals of revenue and capital and on 230,857,673 (31 October 2012 – 255,217,191; 30 April 2013 – 251,551,655) 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)

| | Six months to 31 October 2013 £'000 | Six months to 31 October 2012 £'000 | Year to 30 April 2013 £'000 |
|---|--|--|--------------------------------------|
| 5 Dividends | | | |
| Amounts recognised as distributions in the period: | | | |
| Previous year's final dividend of 3.45p (2012 – 3.45p), paid 9 August 2013 | 7,911 | 8,820 | 8,820 |
| Interim dividend for the year ended 30 April 2013 of 0.50p, paid 30 January 2013 | – | – | 1,246 |
| | 7,911 | 8,820 | 10,066 |
| Amounts paid and payable in respect of the period: | | | |
| Adjustment to previous year's final dividend re shares bought back | (380) | (16) | (16) |
| Interim dividend for the year ending 30 April 2014 of 0.50p (2013 – 0.50p) | 1,141 | 1,267 | 1,246 |
| Final dividend (2013 – 3.45p) | – | – | 8,291 |
| | 761 | 1,251 | 9,521 |

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 31 January 2014 to shareholders on the register at the close of business on 10 January 2014. The ex dividend date is 8 January 2014. The Company operates a Dividend Reinvestment Plan and the final date for elections for reinvestment of this dividend is 17 January 2014.

- 6** At 31 October 2013, the Company's borrowings comprised a £40m three year fixed rate loan repayable in February 2014 and a £40m 6³/₈% debenture stock repayable in 2023.
The fair value of borrowings at 31 October 2013 was £84.0m (31 October 2012 – £88.9m; 30 April 2013 – £85.2m).
- 7** During the period under review the Company bought back 12,194,000 ordinary shares with a nominal value of £610,000 for a total consideration of £43,098,000. At 31 October 2013 the Company had the authority to buy back a further 33,211,749 shares.
- 8** Transaction costs on purchases amounted to £128,000 (31 October 2012 – £93,000; 30 April 2013 – £256,000) and transaction costs on sales amounted to £205,000 (31 October 2012 – £137,000; 30 April 2013 – £303,000).

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 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. As well as being able to view the details of your plan online, the service also allows you to:

- obtain current valuations;
- make lump sum investments, except where there is more than one holder;
- sell part or all of your holdings, except where there is more than one holder;
- switch between investment trusts, except where there is more than one holder; and
- update certain personal details e.g. address and telephone number.

* 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 Conduct Authority. Baillie Gifford only provides information about its products and does not provide investment advice.

Risk Warnings

Past performance is not a guide to future performance.

Monks is a listed UK company. As a result, the value of its shares and any income from those shares can fall as well as rise and you may not get back the amount 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.

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 invests in emerging markets where difficulties in dealing, settlement and custody could arise, resulting in a negative impact on the value of your investment.

Monks invests in corporate bonds which are generally perceived to carry a greater possibility of capital loss than investment in, for example, higher rated UK government bonds. Bonds issued by companies and governments may be adversely affected by changes in interest rates and expectations of inflation.

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.

You should note that tax rates and reliefs may change at any time and their value depends on your circumstances.

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 Conduct Authority.

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

Directors

Chairman:
JGD Ferguson

CC Ferguson
EM Harley
DCP McDougall
KS Sternberg

Registered Office

Computershare
Investor Services PLC
2nd Floor
Vintners' Place
68 Upper Thames Street
London
EC4V 3BJ

Managers and Secretaries

Baillie Gifford & Co
Calton Square
1 Greenside Row
Edinburgh
EH1 3AN
Tel: 0131 275 2000
www.bailliegifford.com

Registrar

Computershare
Investor Services PLC
The Pavilions
Bridgwater Road
Bristol
BS99 6ZZ
Tel: 0870 707 1170

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and
Statutory Auditors
Erskine House
PO Box 90
68-73 Queen Street
Edinburgh
EH2 4NH

Company Details

www.monksinvestmenttrust.co.uk
Company Registration
No. 236964
ISIN GB0030517261
Sedol 3051726
Ticker MNKS

Further Information

Client Relations Team
Baillie Gifford Savings
Management Limited
Calton Square
1 Greenside Row
Edinburgh
EH1 3AN

Tel: 0800 027 0133
E-mail:
trustenquiries@bailliegifford.com
Fax: 0131 275 3955