NEW STAR INVESTMENT TRUST PLC

INTERIM REPORT

for the six months ended 31st December 2015

INVESTMENT OBJECTIVE

The Company's objective is
to achieve long-term capital growth.

REGISTERED OFFICE

1 Knightsbridge Green, London SW1X 7QA
Company Number 3969011

COMPANY INFORMATION

DIRECTORS
G Howard-Spink *(Chairman)*
J L Duffield *(Deputy Chairman)*
M J Gregson

INVESTMENT MANAGER
Brompton Asset Management LLP
1 Knightsbridge Green, London SW1X 7QA
(Authorised and Regulated by the Financial Conduct Authority)

SECRETARY AND ADMINISTRATOR
Phoenix Administration Services Limited
Springfield Lodge, Colchester Road, Chelmsford, Essex CM2 5PW
Telephone: 01245 398950 *Facsimile:* 01245 398951

SOLICITORS
Olswang LLP
90 High Holborn, London WC1V 6XX

AUDITORS
Ernst & Young LLP
25 Churchill Place, London E14 5EY

CUSTODIAN
Brown Brothers Harriman & Co
Park House, 16-18 Finsbury Circus, London EC2M 7EB

REGISTRARS
Equiniti Limited
Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA
Telephone: 0371 384 2549
Website: www.shareview.co.uk

WEBSITE
www.nsitplc.com

The Company's shares are traded on the London Stock Exchange and their prices are shown in the Financial Times under "Investment Companies".

FINANCIAL HIGHLIGHTS

	31st December 2015	30th June 2015	% Change
PERFORMANCE			
Net assets (£ '000)	81,651	79,854	2.3
Net asset value per Ordinary share	114.96p	112.43p	2.3
Mid-market price per Ordinary share	72.50p	73.50p	(1.4)
Discount (Premium) of price to net asset value	36.9%	34.6%	N/A
NAV performance (dividend added back)	2.5%	4.8%	
IA Mixed Investment 40%-85% Shares (total return)	-0.48%	6.7%	
MSCI AC World Index (total return, sterling adjusted)	1.72%	10.1%	
MSCI UK Index (total return)	-3.27%	-0.2%	

	Six months ended 31st December 2015	Six months ended 31st December 2014
REVENUE		
Return per Ordinary share	0.16p	0.18p
Dividend per Ordinary share	–	–
TOTAL RETURN		
Net assets	2.3%	1.5%
Net assets (dividend added back)	2.5%	1.5%

INTERIM MANAGEMENT REPORT

CHAIRMAN'S STATEMENT

Performance

Your Company generated a total return of 2.5% over the six months to 31st December 2015, taking the net asset value (NAV) per ordinary share to 114.96p. By comparison, the Investment Association's Mixed Investment 40-85% Shares Index fell 0.48%. The MSCI AC World Total Return Index gained 1.72% while the MSCI UK Total Return Index fell 3.27%. Over the same period, UK government bonds returned 1.88%. Further information is provided in the Investment Manager's report.

Your Company made a revenue profit for the six months of £112,000 (2014: £128,000).

Gearing and dividends

Your Company has no borrowings. It ended the period under review with cash representing 13.9% of its NAV and is likely to maintain a significant cash position. Your Company has small retained revenue reserves and your Directors do not recommend the payment of an interim dividend (2014: nil). Your Company paid a dividend of 0.3p per share (2014: £Nil) in November 2015 in respect of the previous financial year.

Discount

During the period under review, the Company's shares continued to trade at a significant discount to their NAV. Your Board has explored various ways of reducing this discount but no satisfactory solution has been found. The position is, however, kept under continual review by your directors.

INTERIM MANAGEMENT REPORT

CHAIRMAN'S STATEMENT

continued

Outlook

Global equities fell in January 2016 in response to renewed renminbi weakness as China moved to loosen its currency's ties to the dollar, which had strengthened in response to the turn upwards in the US interest rate cycle. Investors have been concerned that a weaker renminbi would generate deflation, and by recent weakness in the oil price. The stronger dollar has, however, tightened US monetary conditions and this may cause the Federal Reserve to slow down its planned programme of interest rate rises during 2016. A more dovish stance from the Fed should reduce pressure on China to weaken the renminbi further and should be positive for equities, particularly global consumer stocks that benefit from increased consumer spending resulting from lower oil prices.

Net asset value

Your Company's unaudited NAV at 31st January 2016 was 112.11p

Geoffrey Howard-Spink
Chairman
12th February 2016

INTERIM MANAGEMENT REPORT

INVESTMENT MANAGER'S REPORT

Market review

In December 2015, the US Federal Reserve finally went ahead and raised interest rates for the first time since 2006. The Fed is charged with a dual mandate to secure full employment and stable prices in the US. By December 2015, after seven years of exceptional monetary policy, US unemployment had fallen to 5% and tighter monetary policy seemed warranted. Headline inflation, however, remained short of the Fed's target primarily as a result of the fall in the oil price. The Fed chair, Janet Yellen, although surprised by the magnitude of the oil price fall, viewed it as a "transitory factor" and raised interest rates. Fed members also recognised there were "downside risks" to the US from global economic and financial developments but these were considered to be "balanced" by the stronger domestic picture.

Global equity markets seemingly took December's US interest rate rise in their stride and gained 1.72% during the six months to 31st December 2015 in sterling terms. There was, however, a reversal of sentiment in January 2016, with shares falling sharply in the early days of trading. So why did investors take fright?

In raising interest rates, Fed members acted in the interests of the US economy but one far-reaching consequence of this monetary policy change has been a stronger dollar. The dollar gained 6.90% against sterling during the period under review as investors anticipated the rate rise, and it has appreciated further in early January. Unfortunately, the dollar's strength has exacerbated some of those global risks recognised by the Fed. The link between the dollar and the Chinese currency in recent years has produced a strong renminbi at a time when Chinese economic growth has slowed.

This all changed last August, when the People's Bank of China's (PBOC) loosened the ties between the two currencies. The renminbi fell in subsequent days, causing a fall in global equity markets as investors reacted to the potentially deflationary consequences of a weaker renminbi. Another bout of renminbi weakness in early January 2016 caused volatility to rise and equity markets to fall sharply.

There was also a double-digit fall in the oil price in early January, primarily as a result of a supply-side shock rather than the global economic slowdown. In the stand-off between the Organisation of the Petroleum Exporting Countries and US shale oil producers, neither side showed signs of blinking first although the increasing financial distress of US producers was

INTERIM MANAGEMENT REPORT

INVESTMENT MANAGER'S REPORT

continued

shown in the elevated yields demanded by holders of their bonds. The prospect of increased supply from Iran following last year's nuclear accord may lead to a further oil price decline.

The risks of global deflation have clearly risen and, in consequence, safe-haven assets have outperformed, with gilts rising as oil prices fell. In a recent speech, the Bank of England governor, Mark Carney, said UK growth was slowing. Unsurprisingly, investor expectations of a UK rate rise receded further, with some commentators saying rates would not rise until 2017. The approaching Brexit vote only adds to the uncertainty and may have contributed to recent sterling weakness.

In January's monetary policy statement, the European Central Bank (ECB) president, Mario Draghi, said downside risks had increased again, adding that eurozone monetary policy would be reconsidered in March. The euro's rise against sterling in early January was another indication that December's ECB decision to prolong its asset purchases to March 2017 was not sufficient to counteract the heightened risk of deflation. The Japanese yen also rebounded against sterling and the Bank of Japan reviewed policy at the end of January and imposed a negative interest rate on central bank deposits.

After a fourth-quarter recovery, China's stockmarket resumed its decline in early January, generating double-digit losses in sterling. Chinese stocks were hit by a relaxation in share dealing rules imposed in August to stem market losses and capital flight. The PBOC now faces a delicate balancing act to help China's domestic economy, which would benefit from a weaker currency, without precipitating damaging capital outflows.

Chinese policy makers may ultimately stimulate growth. They are certainly deploying all the policy tools in the toolbox to tackle the growth slowdown. Currency depreciation is only the latest in a series of measures including interest rate cuts, a relaxation in bank lending restrictions and increased infrastructure spending. China also is a net energy importer and thus benefits from cheaper oil. Until there is clear evidence, however, of an improvement in Chinese data, global equities may suffer bouts of weakness. Developed economy markets may continue to outperform Asia excluding Japan and emerging markets, which are more vulnerable to continued dollar strength. Funds that invest heavily in global consumer companies that benefit from weak oil prices should perform well over the longer term.

INTERIM MANAGEMENT REPORT

INVESTMENT MANAGER'S REPORT

continued

Portfolio review

The total return of the Company was 2.52% for the period under review. It ended the period with the majority of its investments in global equities, and a significant investment in dollar cash. By comparison, the Investment Association's Mixed Investment 40-85% Shares Index, which measures a peer group of funds with a multi-asset approach to investing and a typical investment in equities in the 40-85% range, fell 0.48% during the period. The MSCI AC World Total Return Index gained 1.72% while the MSCI UK Total Return Index fell 3.27%.

US equities outperformed, rising 6.86% in sterling, but the gain was wholly accounted for by the 6.90% rise in the dollar against the pound. This factor favoured your Company's investments in Fundsmith Equity and Polar Capital Global Technology, which gained 14.71% and 8.35% respectively. Although the Company's overall investment in US equities was relatively low during the period, the majority of the cash was held in dollars, which also benefited performance in sterling terms.

Aberforth Geared Income gained 12.93% as UK smaller companies outperformed the commodity-heavy UK equity market. The oil price fell 40.94% over the period and the prices of many other industrial commodities also fell as a result of excess supply. Gold proved relatively defensive, falling 3.67%, but the impact was magnified in the performance of Blackrock Gold & General fund, which fell 13.36%, making it the worst performer during the period.

Asia excluding Japan and emerging market equities underperformed, falling 7.94% and 11.63% respectively in sterling. The Company's investments in these markets also fell, with Wells Fargo China, 10.47%, the worst affected.

During the period, your Company sold investments in the Gold Bullion Securities exchange-traded fund (ETF), the BH Global investment trust and the iShares FTSE 250 ETF. Your Company invested in Newton Global Income, Artemis Global Income and GLG UK Income. These new investments increased your Company's allocation to funds focused on global consumer companies that should benefit from increased consumer spending as a result of the low oil price. The addition of these income-focused funds should also increase the amount of investment income received, which could be distributable to shareholders.

INTERIM MANAGEMENT REPORT

INVESTMENT MANAGER'S REPORT

continued

Outlook

December's Fed decision to raise rates may have been finely balanced given the weakness of headline inflation at the time. In the subsequent weeks, the stronger dollar produced a tightening of US monetary conditions while the fall in commodity prices dampened inflation expectations. As a result, the Fed may re-examine its plans for future interest rates and adopt a more dovish stance. This would be positive for risky assets in general and, more specifically, would reduce pressure on China to weaken the renminbi. Given the near-universal gloom among investors and the magnitude of recent falls, equity markets could recover strongly on any signs of good news.

Brompton Asset Management LLP
12th February 2016

INTERIM MANAGEMENT REPORT

DIRECTORS' REPORT

Performance

In the six months to 31st December 2015 the total return per Ordinary share increased by 2.5% to 114.96p, whilst the share price fell by 1.4% to 72.50p. This compares to a fall of 0.48% in the IA Mixed Investment 40-85% Shares Index.

Investment objective

The Company's investment objective is to achieve long-term capital growth.

Investment policy

The Company's investment policy is to allocate assets to global investment opportunities through investment in equity, bond, commodity, real estate, currency and other markets. The Company's assets may have significant weightings to any one asset class or market, including cash.

The Company will invest in pooled investment vehicles, exchange traded funds, futures, options, limited partnerships and direct investments in relevant markets. The Company may invest up to 15% of its net assets in direct investments in relevant markets.

The Company will not follow any index with reference to asset classes, countries, sectors or stocks. Aggregate asset class exposure to any one of the United States, the United Kingdom, Europe ex UK, Asia ex Japan, Japan or Emerging Markets and to any individual industry sector will be limited to 50% of the Company's net assets, such values being assessed at the time of investment and for funds by reference to their published investment policy or, where appropriate, their underlying investment exposure.

The Company may invest up to 20% of its net asset value in unlisted securities (excluding unquoted pooled investment vehicles) such values being assessed at the time of investment.

The Company will not invest more than 15% of its net assets in any single investment, such values being assessed at the time of investment.

Derivative instruments and forward foreign exchange contracts may be used for the purposes of efficient portfolio management and currency hedging. Derivatives may also be used outside of efficient portfolio management to meet the Company's investment objective. The Company may take outright short positions in relation to up to 30% of its net assets,

INTERIM MANAGEMENT REPORT

DIRECTORS' REPORT

continued

with a limit on short sales of individual stocks of up to 5% of its net assets, such values being assessed at the time of investment. The Company may borrow up to 30% of net assets for short-term funding or long-term investment purposes. No more than 10%, in aggregate, of the value of the Company's total assets may be invested in other closed-ended investment funds except where such funds have themselves published investment policies to invest no more than 15% of their total assets in other listed closed-ended investment funds.

Share capital

The Company's share capital comprises 305,000,000 Ordinary shares of 1p each, of which 71,023,695 (2014: 71,023,695) have been issued fully paid. No Ordinary shares are held in treasury, and none were bought back or issued during the six months to 31st December 2015.

Risk management

The principal risks associated with the Company that have been identified by the Board, together with the steps taken to mitigate them, are as follows:

Investment strategy: inappropriate long-term strategy, asset allocation and manager selection might lead to the underperformance of the Company. The Company's strategy is kept under regular review by the Board. Investment performance is discussed at every Board meeting and the Directors receive a monthly report which details the Company's asset allocation, portfolio changes and performance.

Business conditions and general economy: the Company's investment returns are influenced by general economic conditions in the UK and globally. Factors such as interest rates, inflation, investor sentiment and the availability and cost of credit could adversely affect investment returns. The Board regularly considers the economic environment in which the Company operates. The portfolio is managed with a view to mitigating risk by investing in a spread of different asset classes and geographic regions.

INTERIM MANAGEMENT REPORT

DIRECTORS' REPORT

continued

Portfolio risks – market price, foreign currency and interest rate risks: the downward valuation of investments contained in the portfolio would lead to a reduction in the Company's net asset value. A proportion of the Company's portfolio is invested in investments denominated in foreign currencies and movements in exchange rates can significantly affect their sterling value. It is the Board's policy to hold an appropriate spread of investments in order to reduce the risk arising from factors specific to a particular investment or sector. The Investment Manager takes account of foreign currency risk and interest rate risk when making investment decisions.

The Company does not normally hedge against foreign currency movements affecting the value of the investment portfolio, although hedging techniques may be employed in appropriate circumstances.

Investment Manager: the quality of the management team employed by the Investment Manager is an important factor in delivering good performance and the loss by the Investment Manager of key staff could adversely affect investment returns. The Company's portfolio is managed by Gill Lakin. The Board receives a monthly financial report which includes information on performance, and a representative of the Investment Manager attends each Board meeting. The Board is kept informed of any personnel changes to the investment team employed by the Investment Manager.

Tax and regulatory risks: a breach of The Investment Trusts (Approved company) (Tax) Regulations 2011 (the Regulations) could lead to a loss of investment trust status, resulting in capital gains realised within the portfolio being subject to United Kingdom capital gains tax. A breach of the UKLA Listing Rules could result in suspension of the Company's shares, while a breach of company law could lead to criminal proceedings, or financial or reputational damage. The Board employs Brompton Asset Management LLP as Investment Manager and Phoenix Administration Services Limited as Corporate Secretary and Administrator to help manage the Company's legal and regulatory obligations. The Board receives a monthly financial report which includes information on the Company's compliance with the Regulations.

Operational: disruption to, or failure of, the Investment Manager's or Administrator's accounting, dealing or payment systems or the Custodian's records could prevent the accurate reporting and monitoring of the Company's financial position. The Company is also exposed to the operational risk that one or more of its suppliers may not provide the required level of service.

Investment management arrangement and related party transactions
In common with most investment trusts the Company does not have any executive directors or employees. The day-to-day management and administration of the Company, including investment management, accounting and company secretarial matters, and custodian arrangements are delegated to specialist third party service providers.

Details of related party transactions are contained in the Annual Report. There have been no material transactions with related parties during the period which have had a significant impact on the performance of the Company.

Going concern
The Directors believe that it is appropriate to continue to adopt the going concern basis in preparing the accounts as the assets of the Company consist mainly of securities that are readily realisable or cash and it has no significant liabilities. Accordingly, the Company has adequate financial resources to continue in operational existence for the foreseeable future.

Auditors
The half year financial report has been reviewed, but not audited, by Ernst & Young LLP pursuant to the Auditing Practices Board guidance on the Review of Interim Financial Information.

Responsibility statement
The Directors named on page 2 confirm that to the best of their knowledge:

- The financial statements contained within the half year financial report to 31st December 2015 has been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting';
- The Chairman's statement or the Investment Manager's report include 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;

INTERIM MANAGEMENT REPORT

DIRECTORS' REPORT

continued

- The Chairman's statement or the Investment Manager's report include a fair review of the potential risks and uncertainties for the remaining six months of the year;
- The Director's report and note 8 to the half year financial report include a fair review of the information concerning transactions with the investment manager and changes since the last annual report.

By order of the Board

Phoenix Administration Services Limited
12th February 2016

INDEPENDENT REVIEW REPORT TO NEW STAR INVESTMENT TRUST PLC

Introduction

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 31 December 2015 which comprises the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated balance sheet, the consolidated cash flow statement and related explanatory notes 1 to 8. We have read the other information contained in the half yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the company in accordance with guidance contained in International Standard on Review Engagements 2410 (UK and Ireland) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the conclusions we have formed.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

As disclosed in note 1, the annual financial statements of the Group are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting", as adopted by the European Union.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half year financial report based on our review.

INDEPENDENT REVIEW REPORT TO NEW STAR INVESTMENT TRUST PLC

continued

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 31 December 2015 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Ernst & Young LLP
London
12th February 2016

SCHEDULE OF TOP TWENTY INVESTMENTS

at 31st December 2015

Holding	Activity	Bid-market value £'000	% of invested portfolio
FP Crux European Special Situations Fund – I Acc	Investment Fund	9,016	12.80
Fundsmith Equity Fund – I ACC	Investment Fund	6,961	9.89
Aberforth Geared Income Trust	Investment Company	4,014	5.70
FP Brompton Global Conservative Fund – B Acc	Investment Fund	3,541	5.03
Newton Global Income Fund W – Inc	Investment Fund	3,357	4.77
Artemis Global Income Fund I – Inc	Investment Fund	3,219	4.57
Polar Capital Funds Plc- Global Technology Fund – I	Investment Fund	2,646	3.76
Aquilus Inflection Fund Ltd Class A	Investment Fund	2,612	3.71
Stewart Investors Indian Subcontinent B GBP Acc	Investment Fund	2,595	3.69
Man GLG UK Income Fund 'D' Inc	Investment Fund	2,404	3.41
BlackRock Gold & General Fund 'D' Inc	Investment Fund	2,357	3.35
FP Brompton Global Opportunities Fund B Acc	Investment Fund	2,170	3.08
FP Brompton Global Growth Fund – B Acc	Investment Fund	2,121	3.01
Artemis UK Special Situations Fund – I – Acc	Investment Fund	2,074	2.95
PFS Brompton UK Recovery Unit Trust	Investment Fund	1,985	2.82
FP Brompton Global Income Fund B Inc	Investment Fund	1,969	2.80
FP Brompton Global Equity Fund B Acc	Investment Fund	1,925	2.73
Lindsell Train Japanese Equity Fund Distributor	Investment Fund	1,847	2.62
FP Brompton Global Balanced Fund – B Acc	Investment Fund	1,793	2.55
Standard Life Investment European Inc Fund	Investment Fund	1,752	2.49
		60,358	85.73
Balance held in 11 investments		10,059	14.27
Total investments (excluding cash)		70,417	100.00

The investment portfolio can be further analysed as follows:

	£'000
Equities (including investment companies)	6,087
Investment funds and ETFs	64,330
	70,417

All the Company's investments are either unlisted or are unit trust/OEIC funds with the exception of Aberforth Geared Income Trust, Miton Group and Immedia Group.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the six months ended 31st December 2015
(unaudited)

		Six months ended 31st December 2015 *(unaudited)*		
	Notes	Revenue Return £'000	Capital Return £'000	Total Return £'000
INCOME				
Investment income		475	–	475
Other operating income		3	–	3
Total income	2	478	–	478
GAINS AND LOSSES ON INVESTMENTS				
Gains on investments at fair value through profit or loss	5	–	1,282	1,282
Other exchange gains		–	610	610
Management fee rebates		–	6	6
		478	1,898	2,376
EXPENSES				
Management fees	3	(242)	–	(242)
Other expenses		(124)	–	(124)
		(366)	–	(366)
PROFIT BEFORE FINANCE COSTS AND TAX		112	1,898	2,010
Finance costs		–	–	–
PROFIT BEFORE TAX		112	1,898	2,010
Tax		–	–	–
PROFIT FOR THE PERIOD		112	1,898	2,010
EARNINGS PER SHARE				
Ordinary shares (pence)	4	0.16	2.67	2.83

The total column of this statement represents the Group's profit and loss account, prepared in accordance with IFRS. The supplementary Revenue Return and Capital Return columns are both prepared under guidance published by the Association of Investment Companies. All items in the above statement derive from continuing operations. No operations were acquired or discontinued during the period.

All income is attributable to the equity holders of the parent company. There are no minority interests.

The notes on pages 23 to 28 form an integral part of these accounts.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the six months ended 31st December 2014 and the year ended 30th June 2015

		Six months ended 31st December 2014 *(unaudited)*			Year ended 30th June 2015 *(audited)*		
	Notes	Revenue Return £'000	Capital Return £'000	Total Return £'000	Revenue Return £'000	Capital Return £'000	Total Return £'000
INCOME							
Investment income		488	–	488	1,076	–	1,076
Other operating income		3	–	3	5	–	5
Total income	2	491	–	491	1,081	–	1,081
GAINS AND LOSSES ON INVESTMENTS							
Gains on investments at fair value through profit or loss	5	–	196	196	–	2,574	2,574
Other exchange gains		–	798	798	–	697	697
Management fee rebates		–	6	6	–	12	12
		491	1,000	1,491	1,081	3,283	4,364
EXPENSES							
Management fees	3	(234)	–	(234)	(478)	–	(478)
Other expenses		(129)	–	(129)	(259)	–	(259)
		(363)	–	(363)	(737)	–	(737)
PROFIT BEFORE FINANCE COSTS AND TAX		128	1,000	1,128	344	3,283	3,627
Finance costs		–	–	–	–	–	–
PROFIT BEFORE TAX		128	1,000	1,128	344	3,283	3,627
Tax		–	–	–	–	–	–
PROFIT FOR THE PERIOD		128	1,000	1,128	344	3,283	3,627
EARNINGS PER SHARE							
Ordinary shares (pence)	4	0.18	1.41	1.59	0.49	4.62	5.11

The total column of this statement represents the Group's profit and loss account, prepared in accordance with IFRS. The supplementary Revenue Return and Capital Return columns are both prepared under guidance published by the Association of Investment Companies. All items in the above statement derive from continuing operations. No operations were acquired or discontinued during the periods.

All income is attributable to the equity holders of the parent company. There are no minority interests.

The notes on pages 23 to 28 form an integral part of these accounts.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 31st December 2015
(unaudited)

	Share capital £'000	Share premium £'000	Special reserve £'000	Retained earnings £'000	Total £'000
AT 30TH JUNE 2015	710	21,573	56,908	663	79,854
Total comprehensive income for the period	–	–	–	2,010	2,010
Dividend paid	–	–	–	(213)	(213)
AT 31ST DECEMBER 2015	710	21,573	56,908	2,460	81,651

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 31st December 2014
(unaudited)

	Share capital £'000	Share premium £'000	Special reserve £'000	Retained earnings £'000	Total £'000
AT 30TH JUNE 2014	710	21,573	56,908	(2,964)	76,227
Total comprehensive income for the period	–	–	–	1,128	1,128
AT 31ST DECEMBER 2014	710	21,573	56,908	(1,836)	77,355

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 30th June 2015
(audited)

	Share capital £'000	Share premium £'000	Special reserve £'000	Retained earnings £'000	Total £'000
AT 30TH JUNE 2014	710	21,573	56,908	(2,964)	76,227
Total comprehensive income for the year	–	–	–	3,627	3,627
AT 30TH JUNE 2015	710	21,573	56,908	663	79,854

The notes on pages 23 to 28 form an integral part of these accounts.

CONSOLIDATED BALANCE SHEET

at 31st December 2015

	Notes	31st December 2015 *(unaudited)* £ '000	31st December 2014 *(unaudited)* £ '000	30th June 2015 *(audited)* £ '000
NON-CURRENT ASSETS				
Investments at fair value through profit or loss	*5*	70,418	65,391	68,086
CURRENT ASSETS				
Other receivables		31	9	46
Cash and cash equivalents		11,370	12,132	11,889
		11,401	12,141	11,935
TOTAL ASSETS		81,819	77,532	80,021
CURRENT LIABILITIES				
Other payables		(168)	(177)	(167)
TOTAL ASSETS LESS CURRENT LIABILITIES		81,651	77,355	79,854
NON-CURRENT LIABILITIES		–	–	–
NET ASSETS		81,651	77,355	79,854
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS				
Called-up share capital		710	710	710
Share premium		21,573	21,573	21,573
Special reserve		56,908	56,908	56,908
Retained earnings	*6*	2,460	(1,836)	663
TOTAL EQUITY		81,651	77,355	79,854
NET ASSET VALUE PER ORDINARY SHARE (PENCE)	7	114.96	108.92	112.43

The half year report was approved and authorised for issue by the Board on 12th February 2016.

The notes on pages 23 to 28 form an integral part of these accounts.

CONSOLIDATED CASH FLOW STATEMENT

for the six months ended 31st December 2015

	Six months ended 31st December 2015 *(unaudited)* £'000	Six months ended 31st December 2014 *(unaudited)* £'000	Year ended 30th June 2015 *(audited)* £'000
NET CASH INFLOW FROM OPERATING ACTIVITIES	134	155	349
INVESTING ACTIVITIES			
Purchase of investments	(9,129)	(443)	(4,420)
Sale of investments	8,079	451	4,092
NET CASH (OUTFLOW)/INFLOW FROM INVESTING ACTIVITIES	(1,050)	8	(328)
FINANCING			
Equity dividend paid	(213)	–	–
NET CASH (OUTFLOW)/INFLOW AFTER FINANCING	(1,129)	163	21
(DECREASE)/INCREASE IN CASH	(1,129)	163	21
RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS			
(Decrease)/Increase in cash resulting from cash flows	(1,129)	163	21
Exchange movements	610	798	697
Movement in net funds	(519)	961	718
Net funds at start of period/year	11,889	11,171	11,171
NET FUNDS AT END OF PERIOD/YEAR	11,370	12,132	11,889
RECONCILIATION OF PROFIT BEFORE FINANCE COSTS AND TAXATION TO NET CASH FLOW FROM OPERATING ACTIVITIES			
Profit before finance costs and taxation	2,010	1,128	3,627
Gains on investments	(1,282)	(196)	(2,574)
Exchange differences	(610)	(798)	(697)
Management fee rebates	(6)	(6)	(12)
Revenue profit before finance costs and taxation	112	128	344
Decrease in debtors	15	45	8
Increase/(decrease) in creditors	1	(37)	(28)
Taxation	–	13	13
Management fee rebates	6	6	12
NET CASH INFLOW FROM OPERATING ACTIVITIES	134	155	349

The notes on pages 23 to 28 form an integral part of these accounts.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

for the six months ended 31st December 2015

1. Accounting policies

These consolidated half year financial statements comprise the unaudited results of the Company and its subsidiary, JIT Securities Limited, for the six months to 31st December 2015. The comparative information for the six months to 31st December 2014 and the year to 30th June 2015 do not constitute statutory accounts under the Companies Act 2006. Full statutory accounts for the year to 30th June 2015 included an unqualified audit report, did not contain any statements under section 498 of the Companies Act 2006, and have been filed with the Registrar of Companies.

The half year financial statements have been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting', and are presented in pounds sterling, as this is the Group's functional currency.

The same accounting policies have been followed in the interim financial statements as applied to the accounts for the year ended 30th June 2015, which are prepared in accordance with IFRSs as adopted by the European Union.

No segmental reporting is provided as the Group is engaged in a single segment.

2. Total income

	For the six months ended 31st December 2015 £'000	For the six months ended 31st December 2014 £'000	For the year ended 30th June 2015 £'000
Income from Investments			
UK net dividend income	454	451	917
UK unfranked investment income	21	34	156
Loan interest income	–	3	3
	475	488	1,076
Operating Income			
Bank interest receivable	3	3	5
	3	3	5

NOTES TO THE INTERIM FINANCIAL STATEMENTS

continued

2. Total income *continued*

	For the six months ended 31st December 2015 £'000	For the six months ended 31st December 2014 £'000	For the year ended 30th June 2015 £'000
Total income comprises			
Dividends	475	485	1,073
Other income	3	6	8
	478	491	1,081

3. Management fees

	For the six months ended 31st December 2015 £'000	For the six months ended 31st December 2014 £'000	For the year ended 30th June 2015 £'000
Investment management fee	242	234	478
Performance fee	–	–	–
	242	234	478

The management fee is payable in arrears and is calculated at a rate of 3/16% per quarter of the total assets of the Company and its subsidiary after the deduction of the value of any investments managed by the Investment Manager (as defined in the management agreement). The Investment Manager is also entitled to a performance fee of 15% of the growth in net assets over a hurdle of 3-month Sterling LIBOR plus 1% per annum, payable six monthly in arrears, subject to a high water mark. The aggregate of the Company's management fee and any performance fee are subject to a cap of 4.99% of net assets in any financial year (with any performance fee in excess of this cap capable of being earned in subsequent periods). The performance fee will be charged 100% to capital, in accordance with the Board's expectation of how any out-performance will be generated. No performance fee is payable for the period.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

continued

4. Return per Ordinary share

	For the six months ended 31st December 2015 £'000	For the six months ended 31st December 2014 £'000	For the year ended 30th June 2015 £'000
Revenue return	112	128	344
Capital return	1,898	1,000	3,283
Total return	2,010	1,128	3,627
Weighted average number of Ordinary shares	71,023,695	71,023,695	71,023,695
Revenue return per Ordinary share	0.16p	0.18p	0.49p
Capital return per Ordinary share	2.67p	1.41p	4.62p
Total return per Ordinary share	2.83p	1.59p	5.11p

NOTES TO THE INTERIM FINANCIAL STATEMENTS

continued

5. Investments at fair value through profit or loss

	At 31st December 2015 £'000	At 31st December 2014 £'000	At 30th June 2015 £'000
GROUP AND COMPANY	70,418	65,391	68,086

ANALYSIS OF INVESTMENT PORTFOLIO – GROUP AND COMPANY

Six months ended 31st December 2015

	Listed* (Level 1 and 2) £'000	Unlisted** (Level 3) £'000	Total £'000
Opening book cost	54,175	4,427	58,602
Opening investment holding gains/(losses)	12,348	(2,864)	9,484
Opening valuation	66,523	1,563	68,086
Movement in period:			
Purchase at cost	8,992	137	9,129
Sales			
– Proceeds	(7,966)	(113)	(8,079)
– Realised gains on sales	660	112	772
Investment holding gains/(losses)	616	(106)	510
Closing valuation	68,825	1,593	70,418
Closing book cost	55,861	4,563	60,424
Unrealised investment holding gains/(losses)	12,964	(2,970)	9,994
Closing valuation	68,825	1,593	70,418

* Listed investments include unit trust and OEIC funds which are valued at quoted prices. Included within Listed Investments is one level 2 investment of £2,612,000.

** The Unlisted investments, representing less than 2% of the Company's NAV, have been valued in accordance with IPEVC valuation guidelines. The largest unquoted investment amounting to £1,280,000 was valued at the latest transaction price. A 10% increase or decrease in earnings would not have a material impact on the value of the investment.

There were no reclassifications of assets between Level 1 and Level 3.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

continued

5. Investments at fair value through profit or loss *continued*

	For the six months ended 31st December 2015 £'000	For the six months ended 31st December 2014 £'000	For the year ended 30th June 2015 £'000
ANALYSIS OF CAPITAL GAINS AND LOSSES			
Realised (losses)/gains on sales of investments	772	(36)	425
Increase in investment holding gains	510	232	2,149
	1,282	196	2,574

6. Retained earnings

	At 31st December 2015 £'000	At 31st December 2014 £'000	At 30th June 2015 £'000
Capital reserve – realised	(7,859)	(9,613)	(9,247)
Capital reserve – revaluation	9,994	7,567	9,484
Revenue reserve	325	210	426
	2,460	(1,836)	663

7. Net asset value per Ordinary share

	31st December 2015 £'000	31st December 2014 £'000	30th June 2015 £'000
Net assets attributable to Ordinary shareholders	81,651	77,355	79,854
Ordinary shares in issue at end of period	71,023,695	71,023,695	71,023,695
Net asset value per Ordinary share	114.96p	108.92p	112.43p

NOTES TO THE INTERIM FINANCIAL STATEMENTS

continued

8. Transactions with the Investment Manager

During the period there have been no new related party transactions that have affected the financial position or performance of the Group.

Since 1st January 2010 Brompton has acted as Investment Manager to the Company. This relationship is governed by an agreement dated 23rd December 2009.

Mr Duffield is the senior partner of Brompton Asset Management Group LLP the ultimate parent of Brompton.

The total investment management fee payable to Brompton for the half year ended 31st December 2015 was £242,000 (2014: £234,000) and at the half year end £124,000 (2014: £117,000) was accrued. No performance fee was payable in respect of the half year ended 31st December 2015 (2014: £nil).

The Group's investments include seven funds managed by Brompton or its associates totalling £15,504,000. No investment management fees were payable directly by the Company in respect of these investments.