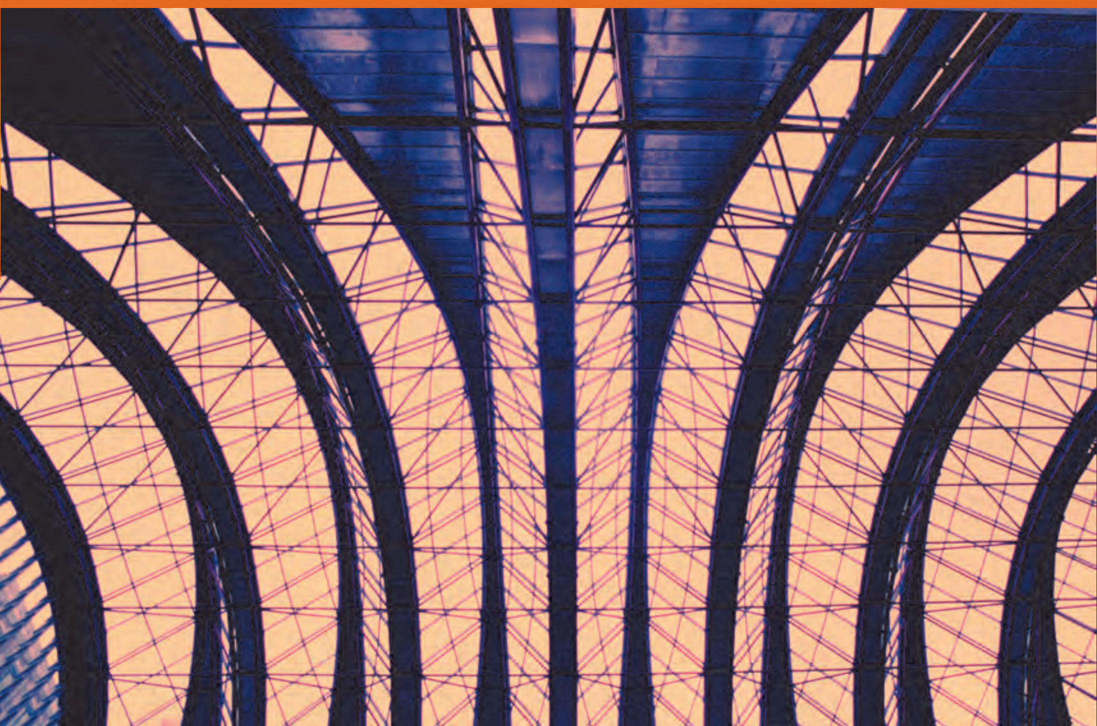
11

Murray Income Trust PLC

Half-yearly Report

Six months ended 31 December 2011



Aberdeen

Contents

Investment Objective

The Company aims to achieve a high and growing income combined with capital growth through investment in a portfolio principally of UK equities.

Highlights and Financial Calendar

Financial Highlights

	31 December 2011	30 June 2011	% Change
Total assets (£'000)	**452,606**	474,406	–4.6
Equity shareholders' interests (£'000)	**407,606**	434,406	–6.2
Net asset value per Ordinary share	**630.1p**	671.5p	–6.2
Share price of Ordinary share (mid)	**621.0p**	659.5p	–5.8
Discount to net asset value on Ordinary shares	**1.4%**	1.8%	

Performance (total return)

	Six months ended 31 December 2011	Year ended 30 June 2011
Net asset value per Ordinary share	**–3.3%**	+28.1%
Share price per Ordinary share	**–3.0%**	+29.4%
FTSE All-Share Index	**–6.2%**	+25.6%

Financial Calendar

13 April 2012	Second interim dividend payable
13 July 2012	Third interim dividend payable
September 2012	Announcement of results for the year ending 30 June 2012
September 2012	Annual Report posted to shareholders
23 October 2012	Annual General Meeting in Glasgow
November 2012	Final dividend payable for the year ending 30 June 2012
February 2013	Announcement of Half-yearly Results
March 2013	Half-yearly Report posted to shareholders

Interim Board Report

Performance

The UK equity market performed poorly over the six month period to 31 December 2011, with a negative net asset value total return for the Company of 3.3%. The Company outperformed the benchmark, the FTSE All-Share Index, which declined by 6.2%. On a total return basis, the Company's share price decreased by 3.0% to 621.0p, which reflected a small decrease in the discount to net asset value at which the shares trade.

Manager's Commentary

Background

The recovery in equity markets stalled during the six month period with sharp falls in the first half of the period offset by a partial recovery during the second half. In the US, there was a coincidence of political concerns, especially about the raising of the debt ceiling and some weak economic data. However, the main continuing focus was on Europe where, in early autumn, concerns over sovereign debt contagion and its impact on the banking sector, together with an apparent lack of political will to address the issues, led to a collapse in confidence. In consequence, both equity markets and commodity prices fell in concert with the deteriorating macro-economic backdrop. However, towards the end of the period, investor concerns were partly assuaged by the introduction of a three-year Long Term Refinancing Operation (LTRO) by the European Central Bank which helped to increase liquidity among the continent's banks, renewed mandates for more credible governments in Italy and Spain, coordinated action by central banks to ease dollar funding pressures and a stabilisation in economic data.

Investor interest focused on the more defensive areas of the market, such as pharmaceutical and tobacco companies which outperformed while, on the other hand, financial companies lagged. From a size perspective, the FTSE 100 Index outperformed both the FTSE 250 and Small Cap Indices, given its greater exposure to more defensive areas of the market and investors' desire to reduce portfolio volatility.

Domestic economic data remained lacklustre over the six months, with little sign of improvement in the outlook. The UK economic recovery stuttered as the period progressed, highlighted by weak consumer confidence and declining manufacturing and services PMI surveys. Although above expectations, GDP growth of 0.6% in the third quarter was followed by a fall of 0.2% in the final quarter of 2011, according to initial estimates (released after the period end). Inflation remained above the Bank of England's target level, although it appeared to have peaked at 5.2% in September. However, the poor outlook and the implications of weakness in Europe, which buys around 40% of the UK's exports, caused the Monetary Policy Committee to vote in favour of extending its asset purchase programme by £75bn and maintaining interest rates at 0.5% throughout the period. Forecasts of around 1% GDP growth in 2012 and falling inflation suggest that interest rates are likely to remain on hold for the foreseeable future.

Economic growth outside the UK was mixed, although there seemed only limited grounds for optimism. Data remained generally weak in Europe, with market forecasters now expecting widespread contraction across the region in the first part of 2012. Pressures on the banking sector in Europe remain serious and austerity measures are likely to result in a significant drag on growth. However, most of the worst-affected nations have new leadership groups in charge which are committed to meeting the economic challenges presented to them and have less of the political baggage of having been part of the cause of the current problems. In contrast to Europe, the US economy continued to develop relatively favourably demonstrating robust employment, manufacturing and consumer spending data, albeit it is still in a fragile state and operating well below the levels of acceleration typically seen at this stage of an economic cycle. In China, weak manufacturing amplified concerns about the slowing pace of growth in what has been the engine of the global economy in recent years. However these have been partly offset by moderating inflation data that could result in fresh monetary stimulus.

The Company's net asset value outperformed the benchmark over the period. The main positive contributors were the underweight positions in the mining and banking sectors, both of which fell significantly over the interim period. The overweight exposure to food producers, pharmaceuticals and tobacco proved to be beneficial during a period in which defensive companies outperformed strongly. The underweight positions in oil & gas and beverages detracted from performance. The Company's gearing, which was marginally increased over the period, had a slightly negative impact on the net asset value performance.

Activity

We invested in two new holdings during the period both of which are listed overseas, which took our overseas weighting to 9.3%. The first is Swiss food group Nestlé, well-known for its strong brands, excellent track record and attractive exposure to faster growing end-markets. The second new company is the French energy efficiency group, Schneider Electric, which provides access to long-term structural growth in energy provision and derives around 40% of its revenues from Emerging Markets. Elsewhere, we sold our holding in Rio Tinto and reinvested the proceeds into BHP Billiton, increasing the position in the holding. As well as a higher dividend yield and greater potential for dividend growth, we favour BHP Billiton's more diversified asset base. In addition, we sold the residual holding in Millennium & Copthorne, following its strong share price recovery over the last couple of years, and also the small holding in the Barclays Reserve Capital Instrument given its high opportunity cost. Finally, we disposed of our holding in Persimmon given its strong relative performance, its low yield and the challenging outlook for the industry.

As in previous periods, we continued to focus on high-quality, generally larger companies. We added to our holdings in Compass, Cobham and Prudential. Reductions to holdings were mostly through the assignment of options including Land Securities, Close Brothers, Provident Financial, National Grid and Whitbread.

In order to increase income, we continued to write options, with puts on companies including GlaxoSmithKline, Unilever and Standard Chartered, and calls over Shell and British American Tobacco, amongst others.

Outlook

The path to recovery during the three years since the nadir of the financial crisis has been uneven. Companies and, to some extent, individuals, have made sound progress in reducing their borrowings, but government indebtedness remains of concern, particularly in Southern Europe. The US economy has demonstrated promising signs of growth, albeit from a low base, and Emerging Market economies have continued to move forward at a robust pace, but uncertainties over the imbalances and shape of the Eurozone still threaten to affect confidence unless a convincing vision for the future can be presented. Although banks' capital positions have improved and liquidity pressures have eased, in part due to recent action by the European Central Bank, stresses in the financial system remain and, together with the impact of austerity measures, present a hurdle to a concerted and enduring global economic recovery. A positive development would be for governments to recognise the underutilisation of resources and access more effectively the pool of savings caught in the liquidity trap.   We take comfort, however, that a sharp fall in corporate profits seems unlikely and, therefore, valuations do not look particularly stretched on an absolute or relative basis. The portfolio retains exposure to high-quality companies, with strong competitive positions and robust financial characteristics, capable of generating healthy earnings and dividend growth over the longer term. We continue to believe that these attributes are the best way to ensure sustainable performance.

Dividends

A first interim dividend of 5.5p was paid on 13 January 2012 to shareholders on the register at the close of business on 16 December 2011. A second interim dividend of 5.5p will be paid on 13 April 2012 to shareholders on the register at the close of business on 9 March 2012. The third interim dividend of 5.5p will be paid on 13 July 2012 to shareholders on the register at the close of business on 8 June 2012.

The weakness in the macro-economic backdrop led to the outlook for dividend growth deteriorating over the period. Current consensus expectations of 12% dividend growth for the market during calendar 2012 are likely to be too high. However, we would still expect reasonable dividend progression from the underlying holdings in the Trust. Furthermore, the income from option writing provides a useful fillip and our revenue reserves remain strong.

Risks and Uncertainties

The Board has identified a number of key risks that affect its business:

- Resource risk – like most other investment trusts, the Company has no employees. The Company therefore relies on services provided by third parties, including, in particular, the Manager, to whom responsibility for the management of the Company has been delegated under an investment management agreement (the "Agreement"). The terms of the Agreement cover the scope of the duties and obligations expected of the Manager. The Board reviews the performance of the Manager on a regular basis, and their compliance with the Agreement formally on an annual basis.
- Investment objective – the objective of the Company is to achieve a high and growing income combined with capital growth. As a consequence, the investment portfolio may not always match that of the stock market as a whole, with a consequential impact on shareholder returns. The Board's aim is to maximise absolute returns to shareholders, while managing risk by ensuring an appropriate diversification of stocks and sectors.
- Investment policy and gearing – a major risk affecting the Company is inappropriate sector and stock selection, leading to under-performance relative to the Company's benchmark index and peer group. In addition, the use of borrowing facilities to invest in markets may have a negative impact if markets fall. To mitigate these risks, the

Manager operates within investment guidelines and agreed levels of borrowing. Performance against the benchmark index and the peer group is regularly monitored.

- Discount volatility – investment trust shares tend to trade at a discount to their underlying net asset values, although they can also trade at a premium. Discounts and premia can fluctuate considerably. In order to seek to reduce the impact of such fluctuations, where the shares are trading at a discount, the Company has operated a share buy-back programme for a number of years. If the shares trade at a premium, the Company has the authority to issue new shares or re-issue of shares from treasury. Whilst these measures seek to mitigate volatility, it cannot be guaranteed that they will do so.
- Foreign currency risk - a proportion of the Company's investment portfolio is invested in overseas securities and the value of the Company's investments and the income derived from them can, therefore, be affected by movements in foreign exchange rates. In addition, the earnings of the Company's other investments may also be affected by currency movements which, indirectly, could have an impact on the Company's performance.
- Regulatory risk - the Company operates in a complex regulatory environment and faces a number of related risks. A breach of Section 1158 of the Corporation Tax Act 2010 could result in the Company being subject to capital gains tax on the sale of its investments. Serious breach of other regulations, such as the UKLA Listing Rules and the Companies Act, could lead to suspension from the Stock Exchange and reputational damage. The Board receives monthly compliance reports from the Manager to monitor compliance with regulations.

Going Concern

The factors which have an impact on Going Concern are set out in the Going Concern section of the Directors' Report in the Company's Annual Report and Accounts to 30 June 2011. As at 31 December 2011, there have been no significant changes to these factors except that the borrowing facilities of £60 million which were committed to the Company until 29 September 2011 have been replaced by new borrowing facilities of £70 million which are committed to the Company until 29 September 2013. The Company will, at the appropriate time, open negotiations for a borrowing facility to follow on from the expiry of the present borrowing facility. The Directors are mindful of the principal risks and uncertainties disclosed above, and, having reviewed forecasts detailing revenue and liabilities, they believe that the Company has adequate financial resources to continue its operational existence for the foreseeable future. Accordingly, the Directors believe that it is appropriate to continue to adopt the going concern basis in preparing the Financial Statements.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the half-yearly financial report, in accordance with applicable law and regulations. The Directors confirm that, to the best of their knowledge:

- the condensed set of financial statements within the half-yearly financial report has been prepared in accordance with the Accounting Standards Board's statement "Half-Yearly Financial Reports"; and
- the Interim Board Report includes a fair review of the information required by 4.2.7R (indication of important events during the first six months of the year and their impact on the financial statements together with a description of the risks and uncertainties for the remaining six months of the year) and 4.2.8R (disclosure of related party transactions and changes therein) of the FSA's Disclosure and Transparency Rules.

The Half-yearly Financial Report for the six months to 31 December 2011 comprises the Interim Board Report, the Statement of Directors' Responsibilities and a condensed set of financial statements, and has not been audited or reviewed by the auditors pursuant to the Auditing Practices Board guidance on Review of Interim Financial Information.

By order of the Board
Aberdeen Asset Management PLC
Secretary
13 February 2012

Investment Portfolio

As at 31 December 2011

Investment	Sector	Valuation £'000	Total assets %
British American Tobacco	Tobacco	28,874	6.4
Royal Dutch Shell ('B' Shares)	Oil & Gas Producers	26,503	5.9
Vodafone	Mobile Telecommunications	24,171	5.3
GlaxoSmithKline	Pharmaceuticals & Biotechnology	21,925	4.8
Centrica	Gas, Water & Multi-utilities	20,106	4.4
Unilever	Food Producers	19,683	4.3
BP	Oil & Gas Producers	18,880	4.2
AstraZeneca	Pharmaceuticals & Biotechnology	17,761	3.9
Pearson	Media	16,517	3.7
Tesco	Food & Drug Retailers	15,121	3.4
Top ten investments		**209,541**	**46.3**
BHP Billiton	Mining	14,100	3.1
Morrison (Wm) Supermarkets	Food & Drug Retailers	13,329	3.0
National Grid	Gas, Water & Multi-utilities	13,206	2.9
HSBC	Banks	13,124	2.9
Roche	Pharmaceuticals & Biotechnology	12,054	2.7
ENI	Oil & Gas Producers	10,989	2.4
Imperial Tobacco	Tobacco	10,105	2.2
Aviva	Life Insurance	10,032	2.2
Compass	Travel & Leisure	9,788	2.2
Cobham	Aerospace & Defence	8,983	2.0
Top twenty investments		**325,251**	**71.9**
Standard Chartered	Banks	8,536	1.9
Prudential	Life Insurance	8,205	1.8
GDF Suez	Gas, Water & Multi-utilities	8,096	1.8
Sage Group	Software & Computer Services	7,529	1.7
Aberforth Smaller Companies Trust	Equity Investment Instruments	7,164	1.6
Rolls Royce	Aerospace & Defence	6,864	1.5
Land Securities	Real Estate Investment Trusts	6,656	1.5
AMEC	Oil Equipment, Services & Distribution	6,389	1.4
Associated British Foods	Food Producers	6,376	1.4
John Wood Group	Oil Equipment, Services & Distribution	5,577	1.2
Top thirty investments		**396,643**	**87.7**
Provident Financial	Financial Services	5,561	1.2
Close Bros	Financial Services	5,495	1.2
Daily Mail & General Trust	Media	5,325	1.2
Whitbread	Travel & Leisure	4,223	0.9
Nestle	Food Producers	4,084	0.9
Nordea Bank	Banks	3,824	0.8
BBA Aviation	Industrial Transportation	3,631	0.8
GKN	Automobiles & Parts	3,334	0.7
Weir Group	Industrial Engineering	2,703	0.6
Dunedin Smaller Companies Investment Trust	Equity Investment Instruments	2,428	0.5
Top forty investments		**437,251**	**96.5**
Schneider Electric	Electronic & Electrical Equipment	1,766	0.4
Mothercare	General Retailers	706	0.2
Total investments		**439,723**	**97.1**
Net current assets[A]		**12,883**	**2.9**
Total assets		**452,606**	**100.0**

[A] excludes bank loan of £45,000,000.

Income Statement

	Notes	Six months ended 31 December 2011 (unaudited) Revenue £'000	Capital £'000	Total £'000	Six months ended 31 December 2010 (unaudited) Revenue £'000	Capital £'000	Total £'000	Year ended 30 June 2011 (audited) Revenue £'000	Capital £'000	Total £'000
(Losses)/gains on investments		–	(22,331)	(22,331)	–	66,526	66,526	–	78,910	78,910
Currency gains/(losses)		–	57	57	–	(53)	(53)	–	(10)	(10)
Investment income	3	7,921	–	7,921	6,325	–	6,325	18,097	–	18,097
Interest receivable	3	12	–	12	1,429	–	1,429	1,452	–	1,452
Other income	3	1,143	–	1,143	1,373	–	1,373	2,295	–	2,295
Investment management fees		(547)	(547)	(1,094)	(533)	(533)	(1,066)	(1,110)	(1,110)	(2,220)
Recoverable VAT on management fees		–	–	–	734	742	1,476	734	742	1,476
Administrative expenses		(490)	–	(490)	(448)	–	(448)	(859)	–	(859)
Net return before finance costs and taxation		8,039	(22,821)	(14,782)	8,880	66,682	75,562	20,609	78,532	99,141
Finance costs on borrowing		(246)	(246)	(492)	(258)	(258)	(516)	(467)	(467)	(934)
Net return on ordinary activities before taxation		7,793	(23,067)	(15,274)	8,622	66,424	75,046	20,142	78,065	98,207
Taxation	4	(54)	–	(54)	(24)	–	(24)	(125)	–	(125)
Return on ordinary activities after taxation		**7,739**	**(23,067)**	**(15,328)**	**8,598**	**66,424**	**75,022**	**20,017**	**78,065**	**98,082**
Return per Ordinary share (pence):	5	**12.0**	**(35.7)**	**(23.7)**	**13.3**	**102.7**	**116.0**	**30.9**	**120.7**	**151.6**

The total column of this statement represents the profit and loss account of the Company.

The Company had no recognised gains or losses other than those recognised in the Income Statement.

All revenue and capital items in the above statement derive from continuing operations.

Ordinary dividends on equity shares (£'000)	2	**11,472**	**–**	**11,472**	**10,997**	**–**	**10,997**	**18,101**	**–**	**18,101**

The above dividend information does not form part of the Income Statement.

Balance Sheet

	Notes	As at 31 December 2011 (unaudited) £'000	As at 31 December 2010 (unaudited) £'000	As at 30 June 2011 (audited) £'000
Non-current assets				
Investments at fair value through profit or loss		439,723	447,218	466,713
Current assets				
Loans and receivables		2,362	3,132	3,105
Cash and short-term deposits		11,036	17,321	5,515
		13,398	20,453	8,620
Creditors: amounts falling due within one year				
Other payables		(515)	(4,221)	(927)
Bank loans		(45,000)	(45,000)	(40,000)
		(45,515)	(49,221)	(40,927)
Net current liabilities		(32,117)	(28,768)	(32,307)
Net assets		**407,606**	**418,450**	**434,406**
Share capital and reserves				
Called-up share capital		16,604	16,604	16,604
Share premium account		7,955	7,955	7,955
Capital redemption reserve		4,997	4,997	4,997
Capital reserve	6	355,073	366,499	378,140
Revenue reserve		22,977	22,395	26,710
Equity shareholders' funds		**407,606**	**418,450**	**434,406**
Net asset value per Ordinary share (pence):	7	**630.1**	**646.9**	**671.5**

Reconciliation of Movements in Shareholders' Funds

Six months ended 31 December 2011 (unaudited)

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 30 June 2011	16,604	7,955	4,997	378,140	26,710	434,406
Return on ordinary activities after taxation	–	–	–	(23,067)	7,739	(15,328)
Dividends paid	–	–	–	–	(11,472)	(11,472)
Balance at 31 December 2011	**16,604**	**7,955**	**4,997**	**355,073**	**22,977**	**407,606**

Six months ended 31 December 2010 (unaudited)

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 30 June 2010	16,604	7,955	4,997	300,075	24,794	354,425
Return on ordinary activities after taxation	–	–	–	66,424	8,598	75,022
Dividends paid	–	–	–	–	(10,997)	(10,997)
Balance at 31 December 2010	**16,604**	**7,955**	**4,997**	**366,499**	**22,395**	**418,450**

Year ended 30 June 2011 (audited)

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 30 June 2010	16,604	7,955	4,997	300,075	24,794	354,425
Return on ordinary activities after taxation	–	–	–	78,065	20,017	98,082
Dividends paid	–	–	–	–	(18,101)	(18,101)
Balance at 30 June 2011	**16,604**	**7,955**	**4,997**	**378,140**	**26,710**	**434,406**

Cash Flow Statement

	Six months ended 31 December 2011 (unaudited) £'000	Six months ended 31 December 2010 (unaudited) £'000	Year ended 30 June 2011 (audited) £'000
Net return before finance costs and taxation	(14,782)	75,562	99,141
Adjustments for:			
Losses/(gains) on investments	22,331	(66,526)	(78,910)
Currency (gains)/losses	(57)	53	10
Non cash stock dividend	(63)	(59)	(147)
Overseas withholding tax suffered	(54)	(24)	–
Decrease/(increase) in accrued income	767	(245)	(142)
Increase in prepayments	(23)	(4)	(1)
(Decrease)/increase in accruals	(429)	240	258
Net cash inflow from operating activities	7,690	8,997	20,209
Servicing of finance			
Interest paid	(476)	(576)	(1,045)
Net cash outflow from servicing of finance	(476)	(576)	(1,045)
Taxation			
Net tax paid	–	–	(204)
Net cash outflow from taxation	–	–	(204)
Financial investment			
Purchases of investments	(22,054)	(62,134)	(85,311)
Sales of investments	26,776	37,047	49,940
Net cash inflow/(outflow) from financial investment	4,722	(25,087)	(35,371)
Equity dividends paid	(11,472)	(10,997)	(18,101)
Financing			
Drawdown of loans	5,000	10,000	5,000
Net cash inflow from financing	5,000	10,000	5,000
Net increase/(decrease) in cash	**5,464**	**(17,663)**	**(29,512)**

Notes to the Accounts

1. Accounting policies

(a) Basis of accounting

The accounts have been prepared under the historical cost convention, as modified to include the revaluation of investments and in accordance with applicable UK Accounting Standards, with pronouncements on half-yearly reporting issued by the Accounting Standards Board and with the Statement of Recommended Practice for 'Financial Statements of Investment Trust Companies & Venture Capital Trusts'. They have also been prepared on the assumption that approval as an investment trust will continue to be granted.

The financial statements and the net asset value per share figures have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP).

The interim accounts have been prepared using the same accounting policies as the preceding annual accounts.

(b) Dividends payable

Dividends are recognised in the period in which they are paid.

2. Ordinary dividends

Ordinary dividends paid on equity shares deducted from reserves:

	Six months ended 31 December 2011 £'000	Six months ended 31 December 2010 £'000	Year ended 30 June 2011 £'000
2010 third interim dividend – 5.50p	–	3,558	3,558
2010 final dividend – 11.50p	–	7,439	7,439
2011 first interim dividend – 5.50p	–	–	3,558
2011 second interim dividend – 5.50p	–	–	3,558
2011 third interim dividend – 5.50p	3,558	–	–
2011 final dividend – 12.25p	7,924	–	–
Return of unclaimed dividends	(10)	–	(12)
	11,472	**10,997**	**18,101**

3. Income

	Six months ended 31 December 2011 £'000	Six months ended 31 December 2010 £'000	Year ended 30 June 2011 £'000
Investment income			
UK dividend income	6,945	5,274	15,911
Overseas and unfranked income	853	538	1,474
Stock dividends	63	59	147
Bond interest	60	454	565
	7,921	**6,325**	**18,097**
Interest receivable			
Deposit interest	12	81	94
Interest on VAT refund	–	1,348	1,358
	12	**1,429**	**1,452**

Other income	Six months ended 31 December 2011 £'000	Six months ended 31 December 2010 £'000	Year ended 30 June 2011 £'000
Underwriting commission	–	163	163
Traded option premiums	1,143	1,210	2,132
	1,143	**1,373**	**2,295**

4. **Taxation**

The taxation charge for the period represents withholding tax suffered on overseas dividend income.

5. **Return per share**	Six months ended 31 December 2011 p	Six months ended 31 December 2010 p	Year ended 30 June 2011 p
Revenue return	12.0	13.3	30.9
Capital return	(35.7)	102.7	120.7
Total return	**(23.7)**	**116.0**	**151.6**

The figures are based on the following attributable amounts:

	Six months ended 31 December 2011 £'000	Six months ended 31 December 2010 £'000	Year ended 30 June 2011 £'000
Revenue return	7,739	8,598	20,017
Capital return	(23,067)	66,424	78,065
Total return	**(15,328)**	**75,022**	**98,082**
Weighted average number of Ordinary shares in issue	**64,689,458**	**64,689,458**	**64,689,458**

As at 31 December 2011, 1,727,000 Ordinary shares were held in treasury.

6. **Capital reserve**

The capital reserve reflected in the Balance Sheet at 31 December 2011 includes gains of £82,631,000 (31 December 2010 – £100,023,000; 30 June 2011 – £109,319,000) which relate to the revaluation of investments held at the reporting date.

7. **Net asset value per share**	As at 31 December 2011	As at 31 December 2010	As at 30 June 2011
Attributable net assets (£'000)	407,606	418,450	434,406
Number of Ordinary shares in issue	64,689,458	64,689,458	64,689,458
Net asset value per Ordinary share (p)	630.1	646.9	671.5

8. Transaction costs

During the period, expenses were incurred in acquiring or disposing of investments classified as fair value through profit or loss. These have been expensed through capital and are included within (losses)/gains on investments in the Income Statement. The total costs were as follows:

	Six months ended 31 December 2011 £'000	Six months ended 31 December 2010 £'000	Year ended 30 June 2011 £'000
Purchases	88	273	364
Sales	22	20	40
	110	**293**	**404**

9. The financial information contained in this Half-yearly Financial Report does not constitute statutory accounts as defined in Sections 434-436 of the Companies Act 2006. The financial information for the six months ended 31 December 2011 and 31 December 2010 has not been audited.

The information for the year ended 30 June 2011 has been extracted from the latest published audited financial statements which have been filed with the Registrar of Companies. The report of the auditors on those accounts contained no qualification or statement under Section 498 (2), (3) or (4) of the Companies Act 2006.

10. This Half-yearly Financial Report was approved by the Board on 13 February 2012.

How to Invest in Murray Income Trust PLC

Direct

Investors can buy and sell shares directly through a stockbroker or indirectly through a lawyer, accountant or other professional adviser. Alternatively, shares can be bought directly through Aberdeen's Investment Plan for Children, Aberdeen's Investment Trust Share Plan, Investment Trust ISA or ISA Transfer.

Aberdeen's Investment Plan for Children

Aberdeen Asset Managers ("AAM") runs an Investment Plan for Children (the "Children's Plan") which covers a number of investment companies under its management, including Murray Income Trust PLC. Anyone can invest in the Children's Plan, including parents, grandparents and family friends. All investments are free of dealing charges on the initial purchase of shares, although investors will suffer the bid-offer spread, which can, on some occasions, be a significant amount. Lump sum investments start at £150 per trust, while regular savers may invest from £30 per month. Investors simply pay Government Stamp Duty (currently 0.5%) on entry. Selling costs are £10 + VAT. There is no restriction on how long an investor need invest in the Children's Plan, and regular savers can stop or suspend participation by instructing AAM in writing at any time. In common with other schemes of this type, all investments are held in nominee accounts.

Aberdeen's Investment Trust Share Plan

AAM runs a Share Plan (the "Plan") through which shares in Murray Income Trust PLC can be purchased. There are no dealing charges on the initial purchase of shares, although investors will suffer the bid-offer spread, which can, on some occasions, be a significant amount. Lump sum investments start at £250, while regular savers may invest from £100 per month. Investors simply pay Government Stamp Duty (currently 0.5%) on entry. Selling costs are £10 + VAT. There is no restriction on how long an investor need invest in a Plan, and regular savers can stop or suspend participation by instructing AAM in writing at any time. In common with other schemes of this type, all investments are held in nominee accounts. Investors have full voting and other rights of share ownership.

Stocks and Shares ISA

An investment of up to £10,680 in Murray Income Trust PLC can be made through the Aberdeen Investment Trust ISA in the tax year 2011/2012, and of up to £11,280 in the tax year 2012/13.

There are no brokerage or initial charges for the ISA, although investors will suffer the bid-offer spread, which can be a significant amount. Investors only pay Government Stamp Duty (currently 0.5%) on purchases. Selling costs are £15 + VAT. The annual ISA administration charge is £24 + VAT, calculated six monthly and deducted from income. Under current legislation, investments in ISAs can grow free of capital gains tax.

ISA Transfer

You can choose to transfer previous tax year investments to us which can be invested in while retaining your ISA wrapper. The minimum lump sum for an ISA transfer is £1,000, and is subject to a minimum per trust of £250.

Note
Please remember that past performance is not a guide to the future. Stock market and currency movements may cause the value of shares and the income from them to fall as well as rise, and investors may not get back the amount they originally invested.

As with all equity investments, the value of investment trusts purchased will immediately be reduced by the difference between the buying and selling prices of the shares, the market maker's spread.

Investors should further bear in mind that the value of any tax relief will depend on the individual circumstances of the investor and that tax rates and reliefs, as well as the tax treatment of ISAs, may be changed by future legislation.

Further Information

If investors would like details on Murray Income Trust PLC or information on the Children's Plan, Share Plan, ISA or ISA Transfers, please telephone 0500 00 00 40 or write to Aberdeen Investment Trusts, PO Box 11020, Chelmsford, Essex CM99 2DB, or e-mail inv.trusts@aberdeen-asset.com. Details are also available on www.invtrusts.co.uk.

Literature Request Service

For literature and application forms for the Manager's investment trust products, please contact:

Telephone: 0500 00 40 00
Email: aam@lit-request.com

Keeping You Informed

The Company's share price appears under the heading 'Investment Companies' in the Financial Times and in The Herald and the Scotsman.

For internet users, detailed data on the Company, including price, performance information and a monthly fact sheet is available from the Trust's website (www.murray-income.co.uk) and the TrustNet website (www.trustnet.co.uk). Alternatively, you can call 0500 00 00 40 for trust information.

Corporate Information

Directors

P A F Gifford (Chairman)
M Glen
N A Honebon
H van der Klugt (Audit Committee Chairman)
D E Woods

Registered office

40 Princes Street
Edinburgh EH2 2BY
Registered in Scotland – Company Number 12725

Points of Contact

Manager
Aberdeen Asset Managers Limited
Customer Services Department: 0500 00 00 40
Email: invtrusts@aberdeen-asset.com

Secretary
Aberdeen Asset Management PLC
Customer Services Department: 0500 00 00 40
Email: company.secretary@invtrusts.com

Registrar

Capita Registrars
The Registry
34 Beckenham Road
Beckenham
Kent
BR3 4TU

Tel: 0871 664 0300
(Calls cost 10p per minute plus network extras, lines are open 8.30am-5.30pm Mon-Fri)
Tel International: (+44 208 639 3399)

e-mail: ssd@capitaregistrars.com
website: www.capitaregistrars.com

Custodian Bankers

JPMorgan Chase Bank

Auditors

Ernst & Young LLP

Solicitors

Dickson Minto W.S.

Stockbroker

Collins Stewart Europe Limited

Website

www.murray-income.co.uk

FSC
www.fsc.org
MIX
Paper from
responsible sources
FSC® C005739

Aberdeen