

The Edinburgh Investment Trust plc

As at 28 February 2014

Investment objective

The Edinburgh Investment Trust plc invests primarily in UK securities with the long term objective of achieving an increase of the Net Asset Value per share by more than the growth in the FTSE All-Share Index; and growth in dividends per share by more than the rate of UK inflation.

Further details of the investment trust's Investment Policy and Risk and Investment Limits can be found in the Report of the Directors contained within the investment trust's Annual Financial Report.

Key facts

Ticker	EDIN/LON
Total Assets	£1,438.1m
Ordinary Shares:	
Mid Market Price	621.0p
Capital NAV (debt at par)	626.6p
Cum-Income NAV (debt at par)	635.6p
Capital NAV (debt at fair)	609.9p
Cum-Income NAV (debt at fair)	619.0p
Discount to Cum-Income NAV (debt at par)	2.3%
Premium to Cum-Income NAV (debt at fair)	0.3%
Total Dividend	22.8p
Dividend Yield	3.7%
Gearing ²	15.8%
Ongoing Charges	0.7% (28 February 2014)

This investment trust is also subject to performance fees; please refer to the latest Annual Financial Report for details.

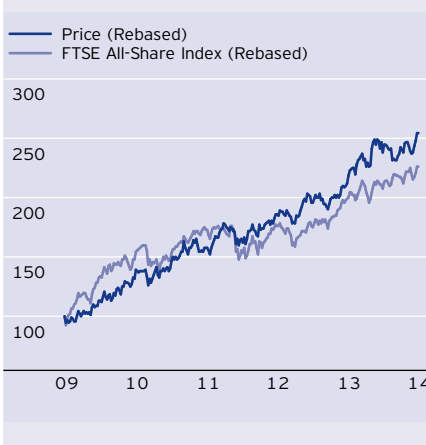
² Gearing reflects the amount of net borrowings invested, ie borrowings less cash and investments in money market funds. It is based on net borrowings as a percentage of shareholders' funds.

The Company has the ability to invest up to £200 million from its Debenture Stocks in the equity market. The Manager has full discretion over the amount of cash from the Company's Debenture Stocks to be invested in the equity market whilst the issuance, repurchase or restructuring of debt are for the Board to decide. The Board regularly reviews the level of gearing. Additionally, the Board keeps under review the cost of buying back debt.

Financial calendar

Year End	31 March
Annual Financial Report published	June
Half-Yearly Financial Report published	November
Interim Management Statements	January and July
Ordinary Share Dividends:	
Final Paid	July
Interims Paid	November, February and May
11.5% Debenture Stock 2014 Interest Paid	30 June and 31 December
7.75% Debenture Stock 2022 Interest Paid	31 March and 30 September
Annual General Meeting	July

Ordinary share price 5-year performance¹



Sector breakdown

Sector	%
Health Care	25.1
Consumer Goods	21.5
Industrials	17.5
Financials	15.6
Utilities	6.8
Telecommunications	6.7
Consumer Services	4.8
Oil & Gas	2.0

Ordinary share price & NAV cumulative performance¹

	6 months	1 Year	3 Years	5 Years	10 Years
Share Price	6.9	16.4	61.7	154.5	219.4
Net Asset Value	10.9	20.0	59.8	142.5	156.0
FTSE All-Share Index	8.8	13.3	31.2	126.2	131.7

Rolling 12-month NAV performance¹

	31.12.08 31.12.09	31.12.09 31.12.10	31.12.10 31.12.11	31.12.11 31.12.12	31.12.12 31.12.13
Net Asset Value	13.5	15.4	12.9	6.5	30.4

Standardised rolling 12-month performance

	31.12.08 31.12.09	31.12.09 31.12.10	31.12.10 31.12.11	31.12.11 31.12.12	31.12.12 31.12.13
Ordinary Share Price	20.1	29.2	9.4	12.9	23.1

Past performance is not a guide to future returns. The standardised past performance information is updated on a quarterly basis.

Top 10 holdings

Top 10 holdings	% portfolio
British American Tobacco	6.7
BT Group	5.7
GlaxoSmithKline	5.6
AstraZeneca	5.4
Roche - Swiss common stock	5.4
Imperial Tobacco	4.8
BAE Systems	4.8
Reynolds American - US common stock	4.2
Reckitt Benckiser	3.6
Rolls-Royce	2.8
Total	49.0

Breakdown by portfolio

Breakdown by portfolio	% portfolio
FTSE 100	60.0
FTSE 250	20.3
International Equities	16.4
FTSE Small Cap	3.5
Other Small Cap & Inv Companies	0.3
Cash/Cash Equivalent	-0.5
Total	100.0

Ordinary share price performance figures in this leaflet have been calculated using bid to bid market values, on a sterling basis, inclusive of net reinvested income to 28 February 2014.

Graph figures are at the end of the relevant month unless otherwise stated. Standardised past performance figures are as at 31 December 2013. Source Morningstar.

¹ All performance figures should be viewed in conjunction with the standardised rolling 12-month performance table.

Source: Invesco Perpetual unless otherwise stated.

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Manager's report

Market and economic review

February's rally in the FTSE All-Share index kept the recent trend in performance as a positive one. This rally was due to an amelioration of the concerns regarding emerging markets and some positive news on the UK economy. From within the breakdown of the estimate for Q4 GDP it was shown that the economy was less dependent on the consumer than first thought, as business investment rose by more than expected at a rate of 2.4%. Separately the Bank of England raised their forecast for 2014 UK GDP growth to 3.4% from 2.8%.

Within investment trust sectors such as pharmaceuticals and tobacco, performed well due to the reinvestment by the market of the Vodafone special dividend which was triggered by its sale of its stake in Verizon Wireless. BT Group's share price performed well due to further appreciation of last month's annual results. BAE Systems and Rolls Royce both cut their future earnings growth expectations which related to their exposure to lower US defence expenditure.

Portfolio review

Over the coming year, the main question relevant to the outlook for the UK stock market remains how a market driven by quantitative easing can transition to one driven by the strength of the underlying economy. With UK equity valuations now at a level anticipating upgrades to earnings for 2014 and beyond, we believe that the performance of the market over the past year is unlikely to be repeated over the next 12 months.

The portfolio is positioned with a focus on companies which can deliver attractive cash flows, earnings and dividend growth. It therefore has the potential, we believe, to deliver an attractive positive return over the longer term.

Investment trust history and structure

Invesco Asset Management Limited was appointed to the role of manager and company secretary with effect from 15 September 2008 from Fidelity Investments International.

The current number of ordinary shares in issue is 195,116,734.

The investment trust is authorised to buy back up to 14.99% of its ordinary shares for cancellation.

The Directors also obtained shareholder approval to authorise the allotment of up to 10% of the Company's issued share capital.

These authorities are renewed yearly to assist in discount control management. The current authorities were approved by shareholders at the 19 July 2013 AGM.

The investment trust has the following prior charges in issue:

- £100 million 11.5% debenture stock 2014
- £100 million 7.75% debenture stock 2022

Shares in the investment trust are listed on the London Stock Exchange.

The investment trust is managed by Mark Barnett.

Important information

Issued on behalf of the board of the Edinburgh Investment Trust plc by Invesco Asset Management Limited.

The value of investments and any income will fluctuate (this may partly be as a result of exchange rate fluctuations) and investors may not get back the full amount invested.

When making an investment in an investment trust you are buying shares in a company that is listed on a stock exchange. The price of the shares will be determined by supply and demand. Consequently, the share price of an investment investment trust may be higher or lower than the underlying net asset value of the investments in its portfolio and there can be no certainty that there will be liquidity in the shares.

Where securities are mentioned in this document they do not necessarily represent a specific portfolio holding and do not constitute a recommendation to purchase or sell.

Where Invesco Perpetual has expressed views and opinions, these may change.

Telephone calls may be recorded.

For more information on our products, please refer to the Investment Trust ISA and Savings Scheme Key Features and Terms & Conditions and the latest Annual or Half-Yearly Financial Reports. This information is available using the contact details shown.

Further information

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www.invescopetual.co.uk/investmenttrusts

Invesco Perpetual is a business name of Invesco Asset Management Limited.
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