

Period:

For the six months ended 30 June 2013
www.fandc.com



Fund Manager:
Peter Hewitt

Investment Objective

The F&C Multi Manager Investment Trust fund aims to outperform the Investment Trust sector while at the same time delivering an average sector yield. The fund invests predominantly in UK listed investment trusts which offer exposure to a broad range of underlying investments both by country and sector.

Fund Facts

Lead Fund Manager	Peter Hewitt	
Deputy Fund Manager	Rodger McNair	
Sector	Active Managed	
	FTSE All Share Equity Investment	
Benchmark	Instruments	
Launch date	25 November 1985	
Fund size	at 31 Dec 2012	£32.02m
	at 30 June 2013	£35.42m
	£1,000 lump sum,	
Minimum Investments	£50 per month	
	0.0% (1 Acc), 1.3% (4 Inc),	
Historic Yield	0.0% (C Acc)	
Share type	Accumulation/Distribution	
Number of stocks	48	
Initial charge	5.00%	
Annual charge	1.25%	
Ongoing charges	1.63% (1 Acc), 0.09% (4 Inc),	2.30% (C Acc)
Account dates (interim)	30 June	
(annual)	31 Dec	
Distribution dates	28 Feb, 31 Aug	

Market Review

There were mixed returns for global equity investors in the six months under review. A number of markets rallied to five-year highs as investors were encouraged by the determination of monetary authorities around the world to do whatever it takes to support the financial system. For much of the period investors took heart from signs of a sustainable recovery in the US and the prospect of global growth showing a meaningful improvement in the second half of the year. However, June saw falls across almost all asset classes as nervousness over the tapering of the US asset purchase programme and a spike in Chinese overnight lending rates dented confidence. Japanese and US equity markets were the strongest over the six months as both proved relatively resilient to the nervousness of investors in the last couple of months of the period.

Fund Strategy

Our strategy remains focused on providing investors with the potential for long-term capital growth through a diversified portfolio of investment trusts. The first half of the year has been relatively active for the portfolio with the key element underpinning the investment strategy being a desire to find high quality investment companies where the managers have demonstrated an ability to consistently outperform. Examples of purchases in this regard were: Henderson European Focus, Schroder UK Mid Cap Fund plc, Aberdeen Asian Smaller Companies Trust, Fidelity Special Values and the Asian Total Return Fund. On the sales side macro concerns over the prospects for commodities were behind the disposal of Blackrock World Mining. Other outright sales included; British Assets Trust, Edinburgh Investment Trust and JPMorgan US Smaller Companies Trust.

Market Outlook

With the US Federal Reserve outlining plans to unwind its asset purchase programme, global equity markets have experienced their first significant correction for almost a year. Although the biggest negative reactions have been in emerging market and Japanese equities, these in themselves have unnerved investors. We expect the underlying health of the global economy to improve but in equity markets we expect to see continued volatility driven by bond market concerns, patchy economic data releases and we still see the possibility of European sovereign flare-ups which could weigh on markets, particularly after the strong start we have seen to the year. The removal of quantitative easing is a threat to the global markets but the developed equity markets have been reasonably balanced in their reaction, and focusing on fundamentals we are cautiously optimistic.

Summary Fund Performance

Year	Share Class	Highest Share Price (pence)	Lowest Share Price (pence)	Distribution per Share (pence)
2013	1 Accumulation	202.1	173.0	0.6135
2013	4 Income	193.4	164.5	1.9450
2013	C Accumulation	65.11	55.63	0.1843

Net Asset Value Record

Share Class	Share Type	Net Asset Value as at 31 December 2012 (pence)	Net Asset Value as at 30 June 2013 (pence)
1	Accumulation	170.1	189.2
4	Income	161.8	179.3
C	Accumulation	54.90	60.81

Distributions for the period

Share Class (Income/Accumulation)	Distribution paid / payable	Distribution period	Distribution Date
1 Accumulation	0.6135	Interim	31/08/2013
4 Income	1.9450	Interim	31/08/2013
C Accumulation	0.1843	Interim	31/08/2013

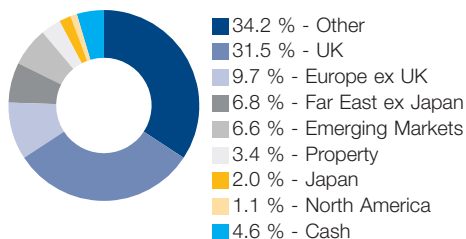
Top Ten Holdings

As at 31 December 2012	%
Scottish Mortgage Investment Trust	5.25
Perpetual Income & Growth Investment Trust	4.55
Polar Capital Technology Trust	4.18
Edinburgh Dragon Trust	4.17
Murray International Trust	4.06
Templeton Emerging Markets Investment Trust	3.66
Jupiter European Opportunities Trust	3.58
TR Property Investment Trust	3.48
Mercantile Investment Trust	3.19
Bankers Investment Trust	3.17
Total	39.29

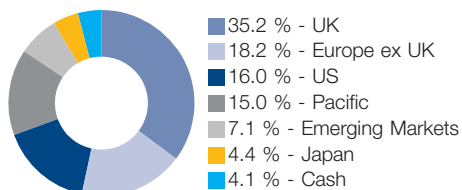
As at 30 June 2013	%
Perpetual Income & Growth Investment Trust	4.83
Scottish Mortgage Investment Trust	4.54
Polar Capital Technology Trust	4.27
Murray International Trust	3.96
Jupiter European Opportunities Trust	3.61
TR Property Investment Trust	3.51
Bankers Investment Trust	3.30
Edinburgh Dragon Trust	3.21
Temple Bar Investment Trust	2.87
Baillie Gifford Japan Trust	2.85
Total	36.95

Portfolio Breakdown

As at 31 December 2012

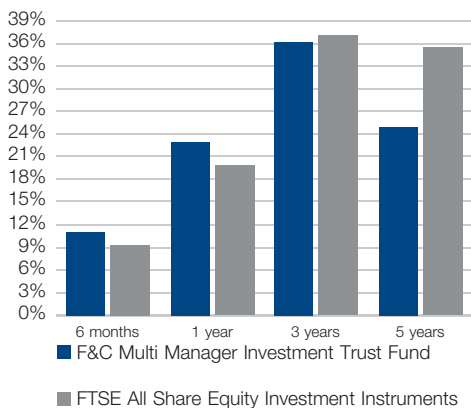


As at 30 June 2013

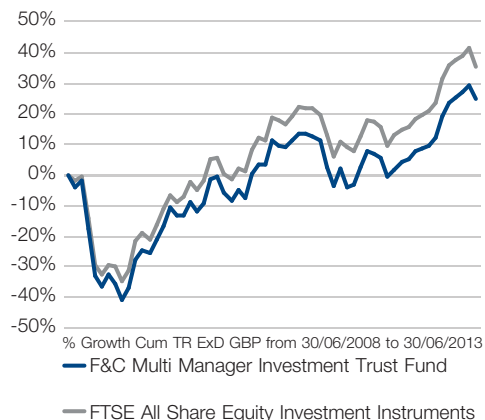


Fund Performance

As at 30 June 2013



As at 30 June 2013



Standardised Performance

30 June 2008 to 30 June 2009	30 June 2009 to 30 June 2010	30 June 2010 to 30 June 2011	30 June 2011 to 30 June 2012	30 June 2012 to 30 June 2013
-25.35%	23.02%	22.51%	-9.71%	23.01%

Past Performance is not a guide to future performance.

Source: Lipper, percentage growth total return (UK net tax), mid to mid, with no initial charges. Share Class 1 accumulation shares. For past performance data for the full range of F&C Funds visit www.fandc.com

Risk Profile

Investment trusts – the Fund holds investment trusts, the value of investment trust shares is dependant on the supply and demand for the shares and can be above or below the value of the underlying assets of the investment trust.

Report and Accounts

Copies of the annual and half yearly Reports and Accounts for the F&C Investment Funds ICVC III, which include this fund are available free of charge on request to the ACD or can be downloaded from our website www.fandc.com.

Other information

The information in this report is designed to enable shareholders to make an informed judgement on the activities of the Fund during the period it covers and the results of those activities at the end of the period. For more information about the activities and performance of the Fund during this and previous periods, please contact the Authorised Corporate Director.

Authorised Corporate Director

F&C Fund Management Limited, Exchange House, Primrose Street, London EC2A 2NY

Telephone: 0800 085 2752

Regulated by the Financial Conduct Authority.

Investment Advisor

F&C Managers Limited, Exchange House, Primrose Street, London EC2A 2NY

Depository

State Street Trustees Limited, 20 Churchill Place, London E14 5HJ

Administrator and Registrar

International Financial Data Services (UK) Limited, IFDS House, St Nicholas Lane, Basildon, Essex SS15 5FS

Independent Auditor

PricewaterhouseCoopers LLP, Erskine House, 68-73 Queen Street, Edinburgh EH2 4NH

Fund Accounting and Unit Pricing

State Street Bank and Trust Company, 525 Ferry Road, Edinburgh, EH5 2AW

Legal Advisers

Eversheds LLP, One Wood Street, London EC2V 7WS

The F&C Multi Manager Investment Trust Fund is a sub-fund of the F&C Investment Funds ICVC III (IC105). Applications may only be made on the basis of the current Prospectus. Calls may be recorded. Past performance is not a guide to future performance. The Authorised Corporate Director (ACD) of the ICVC is F&C Fund Management Limited, a subsidiary of F&C Asset Management plc, Authorised (no 121940) and regulated by the Financial Conduct Authority (FCA). Registered Office; Exchange House, London EC2A 2NY. Registered in England No. 2170242. A registered company, limited by shares. A copy of the Key Investor Information Document is available from www.fandc.com.

MM Investment Trust 08/13

