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Glasgow Income Trust plc

Interim Report

Six months ended 31 March 2009



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THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action you should take, you are recommended to seek your own independent financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom or, if not, from another appropriately authorised financial adviser. If you have sold or otherwise transferred all your ordinary shares in Glasgow Income Trust plc, please forward this document, together with the accompanying documents immediately to the purchaser or transferee, or to the stockbroker, bank or agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Highlights and Financial Calendar

	31 March 2009	30 September 2008	% Change
Equity Shareholders' funds (£'000)	37,958	68,043	-44.2
Net asset value per share	31.26p	56.04p	-44.2
Share price (mid-market)	22.75p	53.00p	-57.1
Discount to net asset value ^A	24.5%	2.1%	

^A Based on IFRS net asset value excluding dividend adjustment of 1.8865p (30 September 2008 – 1.8865p), net income re-invested.

Performance (total return)^B

	Six months ended 31 March 2009	1 year ended 31 March 2009	3 years ended 31 March 2009	5 years ended 31 March 2009
Share price	- 54.6%	- 62.1%	- 71.1%	- 51.3%
Net asset value per share	- 41.0%	- 55.7%	- 60.0%	- 33.3%
FTSE All-Share Index	- 18.3%	- 29.3%	- 27.5%	+ 7.2%

^B Total return represents the capital return plus dividends reinvested

Financial Calendar

May 2009	Announcement of unaudited interim results for the six months ended 31 March 2009
June 2009	Half Yearly Report posted to shareholders
31 July 2009	Third interim dividend 2008/09 payable to shareholders
30 October 2009	Fourth interim dividend 2008/09 payable to shareholders

Interim Board Report

Background

In the six months to 31 March 2009, investment markets were dominated by the global financial crisis. The impact of the unfolding global banking crisis fed into a slowing economic environment causing the UK to enter recession in the fourth quarter of 2008. After contracting by 1.6% in the last quarter of the year, the economic position deteriorated further in the first quarter of 2009 when GDP declined by 1.9%. One of the few positive developments was the reduction in CPI inflation from a peak of 5.2% last year to 2.9% in March 2009 as oil and other raw material prices fell.

The weaker environment was reflected in company results which have been subject to profits downgrades, dividend cuts and a number of rights issues. In this very difficult environment, it was hardly surprising that stock markets proved volatile. Over the six months under review, our benchmark, the FTSE All Share index, declined by 18.3%. Fixed income was not immune and UK corporate bonds and preference shares were weak over the period. The only positive returns came from gilts and cash at 9.4% and 1.1% respectively.

Performance

It is very disappointing to report that for the interim period, the total return on net assets was -41% compared to the benchmark return on the FTSE All Share index of -18.3%. Performance was adversely affected by a combination of poor UK stock selection, negative returns from corporate bonds and preference shares which were weighted towards financials, and the impact of the geared structure in declining markets.

In addition, the significant reduction in interest rates during the period resulted in the accelerated recognition of ZCF finance cost giving a charge to capital of £4.3 million compared to £2.6 million in the same period last year. Contrary to the objective of the gearing structure this was not offset by an increase in the value of the bond portfolio as the global credit crisis delivered a dramatic increase in credit spreads of corporate bonds with the attendant reduction in their market value.

Negative sentiment towards trusts with gearing impacted the share price performance and this was evidenced by a widening in the Company's discount to net assets. Over the six months, the discount increased from 2.1% to 24.5% and this contributed to a share price total return of -54.6%. Since the period end, the share price has recovered and the discount has narrowed to approximately 7.5%. The recovery in valuations has contributed to the recent improvement in net assets.

As reported in the last Annual Report, the Board and its advisors have been developing an appropriate long term strategy for the Company. The equity portfolio has been significantly restructured in the last year, with reductions made to smaller company exposure and new investments focused on larger more liquid companies. The Manager has also had to raise cash throughout the period to meet collateral requirements, offset gearing and repay ZCF. It is fair to say that these conditions have been disruptive for performance.

Gearing

Last year, your Company raised cash to offset gearing and meet higher collateral requirements. As announced at the time of the final results in November 2008, the Company repaid £5.4 million of its ZCF when it matured in December. Since then, interest rates have fallen to very low levels and it made sense to reduce the Company's ZCF exposure again in March from cash resources. This left a balance of £38.2 million outstanding at the period end.

The Board, together with the Manager and advisors, has devoted considerable time in modelling a variety of options to identify a sustainable long term structure while supporting an above average yield and a lower risk profile. As a result, the Board recently instructed the Manager to raise more cash in anticipation of a third reduction in the gearing from 63% to approximately 40%. After implementation, the majority of the Company's structural gearing would not need to be re-financed until April 2011. The Company's only method of financing is ZCF and it has no bank borrowings.

Dividends

The first and second interim dividends were reduced to 0.75p per share. The Board announces its intention that in the current year, the third and fourth interim payments will also be 0.75p per share making a total dividend of 3p per share for the year ending 30 September 2009 compared to 5.3p in 2008.

AIC/JP Morgan Claverhouse VAT Case

I am pleased to report that we have recognised the sum of £349,000 in these accounts which is split equally between revenue and capital in accordance with our accounting policy. This represents settlement of the VAT paid on management fees between 2004 and 2007.

Continuation Vote

At the AGM on 19 December 2008, shareholders voted in favour of continuation. The Board gave an undertaking that if the continuation vote was passed, a second continuation vote would be offered to shareholders by the date of the next AGM. It remains the Board's intention to hold the continuation vote as soon as the strategy review has been finalised, which is likely to be before the next AGM.

Outlook

Market sentiment has improved recently, although it may be too soon to say whether we have seen the worst.

The Board's priority is to complete the strategy review as soon as possible and to present what it hopes will be an attractive proposition to shareholders including an opportunity to recover from this period of underperformance.

R G Hanna
Chairman
18 May 2009

Principal Risks and Uncertainties

The main risks the Company faces from its financial instruments are (i) market price risk (comprising interest rate risk and other price risk), (ii) liquidity risk and (iii) credit risk. The Company has no exposure to foreign currency risk as it does not hold any foreign currency assets and has no exposure to foreign currency liabilities. The Company's gearing comprises the zero coupon finance raised in the derivatives market. The final liability of the zero coupon finance is pre-determined at the outset of each tranche of zero coupon finance. The Company's ability to continue as a going concern is dependent on shareholders approving a continuation vote which the Directors have undertaken to put to shareholders at or prior to the next AGM. Information on each of these areas is found in the Directors' Report within the Annual Report and Accounts for the year ended 30 September 2008.

Directors' Responsibility Statement

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 interim financial statements contained within the half yearly financial report have been prepared in accordance with IFRS 34; and,
- the Interim Board Report includes a fair review of the information required by 4.2.7R and 4.2.8R of the FSA's Disclosure and Transparency Rules.

The half yearly financial report for the six months to 31 March 2009 comprises the Interim Board Report, the Directors' Responsibility Statement and a condensed set of financial statements.

For and on behalf of the Board

R G Hanna
Chairman
18 May 2009

Investment Portfolio – Ordinary Shares

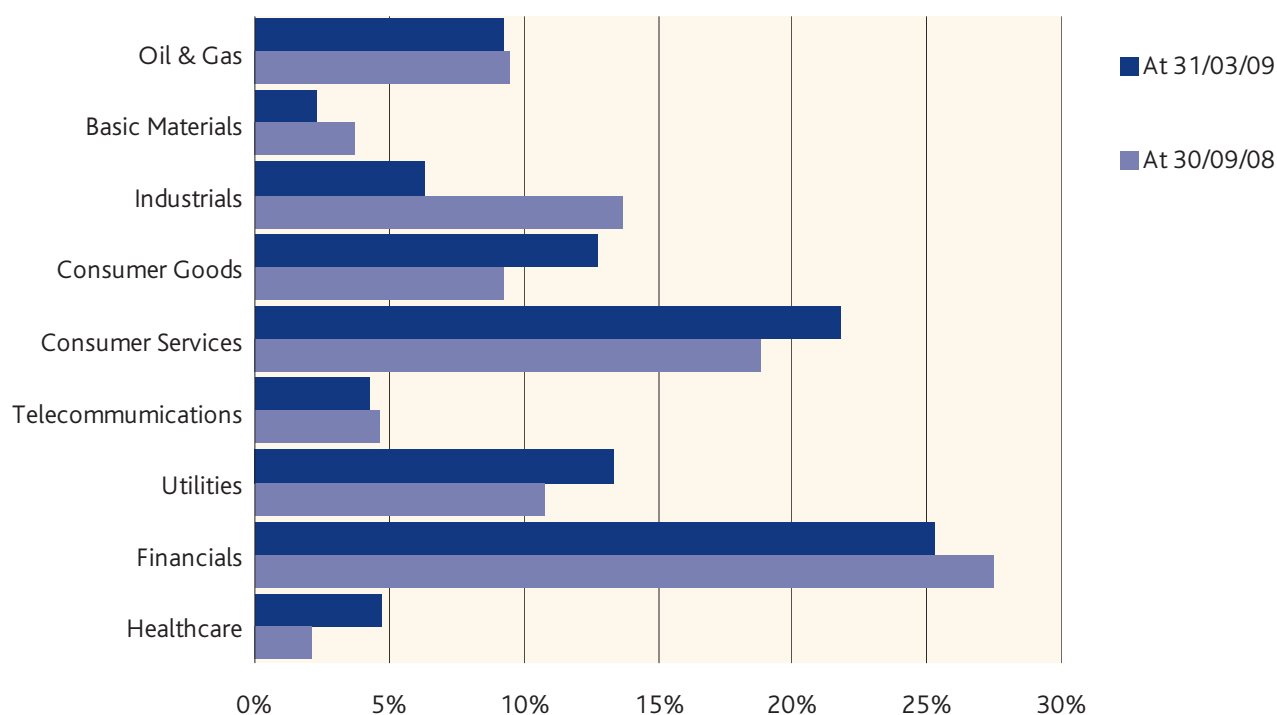
As at 31 March 2009

	Market value £'000	Total portfolio %
BP	1,886	3.0
Centrica	1,765	2.8
Tesco	1,684	2.7
Diageo	1,652	2.7
Prudential	1,638	2.6
Provident Financial	1,631	2.6
Astrazeneca	1,471	2.4
National Grid	1,392	2.2
Vodafone	1,344	2.2
Whitbread	1,221	2.0
Ten largest investments	15,684	25.2
Close Bros	1,208	1.9
HSBC	1,182	1.9
Persimmon	1,140	1.8
Mothercare	1,125	1.8
Scottish & Southern Energy	1,109	1.8
Amec	1,094	1.8
British Land	1,082	1.7
Marks and Spencer	1,080	1.7
FirstGroup	1,030	1.7
Unilever	989	1.6
Twenty largest investments	26,723	42.9
Rolls Royce	970	1.6
Rio Tinto	946	1.5
Tomkins	873	1.4
British American Tobacco	871	1.4
Millennium & Copthorne	860	1.4
Royal Dutch Shell	842	1.4
Daily Mail & General Trust	807	1.3
Severn Trent	792	1.3
Friends Provident	693	1.1
Schroders	685	1.1
Thirty largest investments	35,062	56.4
Aviva	616	1.0
Intermediate Capital	602	1.0
Premier Farnell	524	0.8
Glaxosmithkline	489	0.8
United Utilities	455	0.7
Morrison	447	0.7
Land Securities	426	0.7
Pearson	421	0.7
BT	403	0.7
Associated British Foods	352	0.6
Forty largest investments	39,797	64.1
Arriva	315	0.5
Standard Chartered	287	0.5
GKN	283	0.5
SIG	231	0.4
Brookwell	208	0.3
HSBC (nil paid rights)	176	0.3
Hotel Corp	19	0.0
Total ordinary shares	41,316	66.6

Investment Portfolio – Other Investments

	Market value £'000	Total portfolio %
Convertibles		
Balfour Beatty 10.75%	305	0.5
Barclays Bank 9.75% 2009	150	0.2
Total convertibles	455	0.7
Corporate bonds		
Rabobank Nederland 5% 2011	1,462	2.4
France Telecom 7.5% 2011	1,292	2.1
Telecom Italia 5.625% 2015	1,290	2.1
London Stock Exchange 5.875% 2016	1,242	2.0
Society of Lloyds 6.875% 2025	1,223	2.0
FirstGroup 6.125% 2019	1,212	2.0
Deutsche Telekom 7.125% 2012	1,185	1.9
Linde Finance 6.5% 2016	1,048	1.7
Centrica 5.125% 2014	989	1.6
Imperial Tobacco Finance 6.875% 2012	962	1.6
GE Capital Funding 6% 2013	911	1.4
Slough Estates 6.25% 2015	796	1.2
Ten largest investments	13,612	22.0
BUPA Finance 6.125% 2020	794	1.3
Investec Finance 7.75% 2016	690	1.1
National Westminster 7.625% 2049	568	0.9
Barclays Bank 14% 2049	542	0.9
Lloyds TSB 6.625% 2010	523	0.8
Friends Provident 6.292% 2015	444	0.7
Bank of Scotland 8.117% 2010	410	0.7
Pearl Group Holdings 6.5864%	238	0.4
Total corporate bonds	17,821	28.8
Preference shares		
Co-op Bank 9.25%	1,344	2.2
Standard Chartered 8.25%	430	0.7
Standard Chartered 7.375%	336	0.5
National Westminster 9%	280	0.5
Total preference shares	2,390	3.9
Total investments	61,982	100.0

Portfolio Analysis



Distribution of Assets & Liabilities

	Valuation at 30 September 2008		Purchases	Sales	Appreciation/ (depreciation)	Valuation at 31 March 2009	
	£'000	%	£'000	£'000	£'000	£'000	%
Listed investments							
Ordinary shares	71,202	104.6	8,438	(18,364)	(19,960)	41,316	108.8
Convertibles	1,890	2.8	500	(1,873)	(62)	455	1.2
Corporate bonds	29,075	42.7	4,265	(11,241)	(4,278)	17,821	47.0
Other fixed interest	9,941	14.6	–	(6,723)	(828)	2,390	6.3
	112,108	164.7	13,203	(38,201)	(25,128)	61,982	163.3
Other non current assets	21,715	31.9				12,279	32.3
Current assets	19,148	28.1				28,576	75.3
Current liabilities	(6,211)	(9.1)				(36,156)	(95.3)
Non current liabilities	(78,717)	(115.6)				(28,723)	(75.6)
Net assets	68,043	100.0				37,958	100.0
Net asset value per share	56.04p					31.26p	

Consolidated Income Statement

	Six months ended 31 March 2009 (unaudited)			Six months ended 31 March 2008 (unaudited)			Year ended 30 September 2008 (audited)		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Losses on held-at-fair-value investments	–	(25,128)	(25,128)	–	(17,445)	(17,445)	–	(42,684)	(42,684)
Revenue									
Dividend income	1,341	–	1,341	1,997	–	1,997	4,540	–	4,540
Interest income from investments	991	–	991	1,207	–	1,207	2,502	–	2,502
Deposit interest	211	–	211	202	–	202	451	–	451
AAA money market funds interest	43	–	43	–	–	–	145	–	145
Traded options	460	–	460	297	–	297	673	–	673
Other income	18	–	18	6	–	6	58	25	83
Losses of dealing subsidiary	–	–	–	(41)	–	(41)	(26)	–	(26)
	3,064	(25,128)	(22,064)	3,668	(17,445)	(13,777)	8,343	(42,659)	(34,316)
Expenses									
Investment management fees	(83)	(83)	(166)	(195)	(195)	(390)	(351)	(351)	(702)
VAT recoverable on investment management fees	175	175	350	–	–	–	–	–	–
Other administrative expenses	(127)	–	(127)	(159)	–	(159)	(287)	–	(287)
Finance costs of borrowing	–	–	–	(10)	(10)	(20)	(11)	(11)	(22)
Zero Coupon Finance Costs	–	(4,347)	(4,347)	–	(2,603)	(2,603)	–	(4,108)	(4,108)
Profit/(loss) before taxation	3,029	(29,383)	(26,354)	3,304	(20,253)	(16,949)	7,694	(47,129)	(39,435)
Taxation	(504)	(26)	(530)	(393)	59	(334)	(904)	105	(799)
Profit/(loss) attributable to equity holders of the Company	2,525	(29,409)	(26,884)	2,911	(20,194)	(17,283)	6,790	(47,024)	(40,234)
Earnings per Ordinary share (pence)	2.08	(24.22)	(22.14)	2.39	(16.56)	(14.17)	5.58	(38.62)	(33.04)

The total column of this statement represents the Income Statement of the Group, prepared in accordance with International Financial Reporting Standards ("IFRS"). The revenue return and capital return columns are supplementary to this and are prepared under guidance published by the Association of Investment Companies.

All items in the above statement derive from continuing operations.

Consolidated Balance Sheet

	As at 31 March 2009 (unaudited) £'000	As at 31 March 2008 (unaudited) £'000	As at 30 September 2008 (audited) £'000
Non-current assets			
Ordinary shares	41,316	92,678	71,202
Convertibles	455	1,920	1,890
Corporate bonds	17,821	33,414	29,075
Other fixed interest	2,390	9,704	9,941
Securities at fair value	61,982	137,716	112,108
Zero coupon finance derivatives at fair value	12,279	27,332	21,715
	74,261	165,048	133,823
Current assets			
Trade and other receivables	697	–	298
Accrued income and prepayments	1,091	2,019	1,755
Investments of dealing subsidiary	–	544	–
AAA money market funds	–	–	6,338
Cash and cash equivalents	13,086	15,231	10,730
Zero coupon finance derivatives at fair value	13,702	–	27
Total current assets	28,576	17,794	19,148
Total assets	102,837	182,842	152,971
Current liabilities			
Trade and other payables	(658)	(575)	(851)
Short-term borrowings	–	–	–
Zero coupon finance derivatives at fair value	(35,498)	–	(5,360)
Total current liabilities	(36,156)	(575)	(6,211)
Non-current liabilities			
Zero coupon finance derivatives at fair value	(28,723)	(88,162)	(78,717)
Total liabilities	(64,879)	(88,737)	(84,928)
Net assets	37,958	94,105	68,043
Issued capital and reserves attributable to equity holders of the parent			
Called-up share capital	30,486	30,486	30,486
Share premium account	53,204	53,204	53,204
Special reserve	4,658	5,000	4,658
Capital reserve	(53,666)	2,573	(24,257)
Revenue reserve	3,276	2,842	3,952
	37,958	94,105	68,043
Net asset value per Ordinary share (pence)	31.26	77.17	56.04

Consolidated Statement of Changes in Equity

Six months ended 31 March 2009 (unaudited)

	Share capital £'000	Share premium account £'000	Special reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 30 September 2008	30,486	53,204	4,658	(24,257)	3,952	68,043
(Loss)/profit after tax	–	–	–	(29,409)	2,525	(26,884)
Equity dividends	–	–	–	–	(3,201)	(3,201)
Balance at 31 March 2009	30,486	53,204	4,658	(53,666)	3,276	37,958

Six months ended 31 March 2008 (unaudited)

	Share capital £'000	Share premium account £'000	Special reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 30 September 2007	30,486	53,205	5,000	22,767	3,619	115,077
(Loss)/profit after tax	–	–	–	(20,194)	2,911	(17,283)
Equity dividends	–	–	–	–	(3,688)	(3,688)
Share issue expense	–	(1)	–	–	–	(1)
Balance at 31 March 2008	30,486	53,204	5,000	2,573	2,842	94,105

Year ended 30 September 2008 (audited)

	Share capital £'000	Share premium account £'000	Special reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 30 September 2007	30,486	53,205	5,000	22,767	3,619	115,077
(Loss)/profit after tax	–	–	–	(47,024)	6,790	(40,234)
Equity dividends	–	–	–	–	(6,457)	(6,457)
Share issue expense	–	(1)	–	–	–	(1)
Shares bought back	–	–	(342)	–	–	(342)
Balance at 30 September 2008	30,486	53,204	4,658	(24,257)	3,952	68,043

Consolidated Cash Flow Statement

	Six months ended 31 March 2009 £'000	Six months ended 31 March 2008 £'000	Year ended 30 September 2008 £'000
Cash flows from operating activities			
Investment income received	2,950	3,398	7,552
Deposit interest received	296	149	547
Dealing subsidiary receipts	–	88	673
Other cash receipts	549	178	591
Administrative expenses paid	(570)	(686)	(1,111)
Cash generated from operations	3,225	3,127	8,252
Interest paid	–	(10)	(22)
Taxation	(429)	(252)	(625)
Net cash inflows from operating activities	2,796	2,865	7,605
Cash flows from investing activities			
Purchases of investments	(13,301)	(7,085)	(44,163)
Sales of investments	38,166	23,424	60,710
Zero coupon finance	(28,442)	–	–
Net cash (outflow)/inflow from investing activities	(3,577)	16,339	16,547
Net cash (outflow)/inflow before financing	(781)	19,204	24,152
Financing activities			
Proceeds of issue of shares	–	–	(1)
Expenses of share issue	–	(1)	(342)
Dividends paid	(3,201)	(3,688)	(6,457)
Net cash (outflow)/inflow before management liquid resources	(3,982)	15,515	17,352
Management of liquid resources			
Purchase of AAA money market funds	(1,141)	–	(18,843)
Sale of AAA money market funds	7,479	–	12,505
Net cash inflow/(outflow) from management of liquid resources	6,338	–	(6,338)
Net increase in cash and short term deposits	2,356	15,515	11,014
Cash and short term deposits at the start of the period	10,730	(284)	(284)
Cash and short term deposits at the end of the period	13,086	15,231	10,730

Notes to the Accounts

1. Accounting policies

(a) Basis of accounting

The Group's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) 34 – 'Interim Financial Reporting', as adopted by the International Accounting Standards Board (IASB), and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB (IFRIC). They have also been prepared using the same accounting policies applied for the year ended 30 September 2008 financial statements, which received an unqualified audit report.

(b) Dividends payable

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

2. Taxation

The taxation expense reflected in the Income Statement is based on management's best estimate of the weighted average annual income tax rate expected for the full financial year. The estimated average annual tax rate used for the year to 30 September 2009 is 28%, taking into consideration the reduction in the corporation tax rate from 30% to 28% from 1 April 2008.

3. The following table shows the revenue for each period less the dividends declared in respect of the financial period to which they relate.

	Six months ended 31 March 2009 £'000	Six months ended 31 March 2008 £'000	Year ended 30 September 2008 £'000
Revenue	2,525	2,911	6,790
Dividends declared	(1,821) ^A	(2,775) ^B	(6,447) ^C
	704	136	343

^A Dividends declared relate to first two interim dividends (both 0.75p each) declared in respect of the financial year 2008/09.

^B Dividends declared relate to first two interim dividends (both 1.138p each) declared in respect of the financial year 2007/08.

^C Dividends declared relate to the four interim dividends declared in respect of the financial year 2007/08 totalling 5.301p.

	Six months ended 31 March 2009 p	Six months ended 31 March 2008 p	Year ended 30 September 2008 p
4. (Loss)/return and net asset value per share			
Revenue return	2.08	2.39	5.58
Capital return	(24.22)	(16.56)	(38.62)
Total return	(22.14)	(14.17)	(33.04)

The figures above are based on the following attributable assets:

	£'000	£'000	£'000
Revenue return	2,525	2,911	6,790
Capital return	(29,409)	(20,194)	(47,024)
Total return	(26,884)	(17,283)	(40,234)

	121,413,532	121,942,517	121,767,858
Weighted average number of Ordinary shares in issue			

The net asset value per share is based on net assets attributable to Shareholders of £37,958,000 (31 March 2008 – £94,105,000; 30 September 2008 – £68,043,000) and on 121,413,532 (31 March 2008- 121,942,517 and 30 September 2008 – 121,413,532) Ordinary shares in issue at the period end.

5. Transaction costs

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

	Six months ended 31 March 2009 £'000	Six months ended 31 March 2008 £'000	Year ended 30 September 2008 £'000
Purchases	45	9	192
Sales	27	28	72
	72	37	264

6. Publication of non-statutory accounts

The financial information contained in this Interim Report does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The financial information for the six months ended 31 March 2009 and 31 March 2008 has not been audited.

The information for the year ended 30 September 2008 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.

How to Invest in Glasgow Income Trust plc

Direct

Investors can buy and sell shares in Glasgow Income Trust plc (the "Company") 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 and Investment Trust ISA.

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 the Company. 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 the Company 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 £7,200 in the Company can be made through Aberdeen's Stocks and Shares ISA in the tax year 2009/2010 and up to £10,200 in the tax year 2010/2011. Between 6 October 2009 and 5 April 2010, an additional £3,000 may be invested in an ISA (tax year 2009/2010) provided that the ISA holder is aged 50 years or over at the date of the additional investment.

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 the management of previous tax year investments to AAM for investment in the Company while retaining your ISA wrapper. The minimum lump sum transfer is £1,000, 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.

Keeping You Informed

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.glasgowincometrust.co.uk) and the TrustNet website (www.trustnet.co.uk). You can also call 0500 00 00 40 for information.

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

For information on the Investment Plan for Children, Share Plan, ISA or ISA Transfer please contact:

Aberdeen Investment Trust Administration

Block C, Western House

Lynchwood Business Park

Peterborough, PE2 6BP

Telephone: 0500 00 00 40

The information above is issued and has been approved for the purposes of the Financial Services and Markets Act 2000 by Aberdeen Asset Managers Limited, One Bow Churchyard, Cheapside, London EC4M 9HH which is authorised and regulated by the Financial Services Authority.

Corporate Information

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Ian Boyd
Martin Griffiths
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Manager

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Registration Number 111955

Registrars

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For information concerning your direct certificated shareholding in the Company please contact the registrars, Equiniti Limited.

Telephone enquiries 0871 384 2416
Shareviewdealing helpline 0871 384 2020
Textel/Hard of hearing line 0871 384 2255
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(Calls to Equiniti using the above numbers are charged at 8p per minute from a BT landline. Other telephony providers' costs may vary.)

Bankers

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Solicitors

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Auditors

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