

# **THE BANKERS INVESTMENT TRUST PLC**

## **HALF YEAR REPORT (unaudited) for the six months ended 30 April 2019**

# THE BANKERS INVESTMENT TRUST PLC

## Unaudited results for the half-year ended 30 April 2019

### INVESTMENT OBJECTIVES

The Company aims over the long term to achieve capital growth in excess of the FTSE World Index and annual dividend growth greater than inflation, as defined by the UK Retail Prices Index ('RPI'), by investing in companies listed throughout the world.

### INVESTMENT POLICY

The following investment ranges apply:

Equities: 80% to 100%

Debt securities and cash investments: 0% to 20%

Investment trusts, collective funds and derivatives: 0% to 15%

To achieve an appropriate spread of investment risk the portfolio is broadly diversified by geography, sector and company. The Manager ('Janus Henderson') has the flexibility to invest in any geographic region and any sector with no set limits on individual country or sector exposures and, therefore, the make-up and weighting of the portfolio may differ materially from the FTSE World Index.

The Manager primarily employs a bottom-up, value-based investment process to identify suitable opportunities and pays particular regard to cash generation and dividends. The Board regularly monitors the Company's investments and the Manager's investment activity. The Company can, but normally does not, invest up to 15% of its gross assets in any other investment companies (including listed investment trusts).

### Derivatives

The Company may use financial instruments known as derivatives for the purpose of efficient portfolio management while maintaining a level of risk consistent with the risk profile of the Company.

### Gearing

The Company can borrow to make additional investments with the aim of achieving a return that is greater than the cost of the borrowing. The Company can borrow up to 20% of net assets at the time of draw down.

### PERFORMANCE HIGHLIGHTS

	30 April 2019	30 April 2018
Net Asset Value ('NAV') per share	929.9p	868.7p
Share price	906.0p	860.0p
Revenue return per share	9.25p	8.52p
Discount	2.6%	1.0%
Dividends (1 <sup>st</sup> and 2 <sup>nd</sup> interims)	10.20p	9.72p

**Total Return Performance to 30 April 2019** (including dividends reinvested and excluding transaction costs)

	6 months	1 year	3 years	5 years	10 years
	%	%	%	%	%
NAV <sup>1</sup>	8.7	9.6	60.3	82.1	249.6
Index <sup>2</sup>	6.9	11.7	42.3	44.3	186.0
Share price <sup>3</sup>	9.8	7.8	65.6	83.8	264.9

1 Net asset value total return per share with income reinvested

2 Composite of FTSE All-Share index for the period 31 October 2017 and FTSE World Index from 1 November 2017 to 30 April 2019

3 Share price total return using mid-market closing price

Sources: Morningstar for the AIC and Datastream

## **INTERIM MANAGEMENT REPORT**

### **CHAIRMAN'S STATEMENT**

#### **Review**

Our Net Asset Value ('NAV') total return for the six month period to 30 April 2019 was 8.7%, outperforming the FTSE World Index total return of 6.9%. Our share price total return was higher, at almost 10%, due to the narrowing of the discount to NAV at which our shares traded.

The positive returns disguise that the period was quite eventful. After the sharp fall in global equity markets in the final month of our last financial year, markets largely stabilised in November before falling again in December. Negative investor sentiment at the end of 2018 reflected a number of possible outcomes in the coming year. There was pessimism regarding the resolution of the ongoing US-China trade dispute, as well as concerns that there would be further US interest rate rises in 2019 and fears that the next recession may be closer than many had previously anticipated. The new year brought renewed optimism, driven by the belief that trade tensions were easing and by more dovish central bank policy, in particular from the US Federal Reserve, as inflationary pressures appeared to be subsiding. This led, in the first four months of 2019, to a strong recovery in global equity markets, which broadly rose to the highs achieved in 2018. As, in our Fund Manager's opinion, investors were pricing in an over optimistic outlook, we used this rally to realise some profits.

All of our regional portfolios made positive contributions to our overall portfolio performance; their respective local benchmarks also delivered positive returns, with the exception of Japan. On a relative performance basis, only the Asia Pacific (ex-Japan and China) and Emerging Market portfolios underperformed their local benchmarks. The US portfolio was marginally reduced during the period following strong performance, with the proceeds retained as cash to reduce the Company's net gearing.

Our allocation to direct investments in emerging markets, other than Asia, has been, typically, around 2–3% of our overall portfolio. However, we have significant exposure to the African and South American regions through companies listed in Europe and New York. Having regard to its relatively small size and the volatility of its performance over recent years, we concluded that our direct Emerging Markets portfolio has not contributed meaningfully to the Company's returns. Accordingly, we will start to sell down our investments in that portfolio, initially raising cash before ultimately reallocating to other regions.

#### **Revenue Returns and Dividend**

The Company's net revenue for the six months was £11.3 million, equivalent to 9.25p per share (2018: 8.52p).

The Board paid a first interim dividend on 31 May 2019 of 5.10p (2018: 4.86p) and has declared a second interim dividend of 5.10p (2018: 4.86p) per share payable on 30 August 2019 to shareholders on the register on 26 July 2019.

I am pleased to be able to reiterate, on behalf of the Board, a forecast of dividend growth of approximately 6% for the current financial year, resulting in aggregate dividends for the year of 20.9p (2018: 19.72p).

#### **Borrowings**

The Company has refinanced its short term borrowings by agreeing a new two year £20 million borrowing facility with Sumitomo Mitsui Banking Corporation Europe Limited in February 2019. Currently, the Company is not geared as it is considered that markets are running ahead of fundamentals.

#### **Board Changes**

My predecessor, Richard Killingbeck, who joined the Board in 2003 and became Chairman in 2013, retired from the Board at the conclusion of the AGM in February. I would like to take this opportunity to thank Richard for his outstanding contribution and commitment to Bankers and his wise counsel to me and other members of the Board during his long association with the Company. Over the years we have aimed to achieve a level of continuity in regard to the Board and thus we believe the efficient management and oversight of your Company will continue in the same vein as it did under Richard's tenure.

We are looking to replace Richard's investment knowledge with the appointment of a new non-executive director to the Board later in the year.

## **Outlook**

Since the end of the period under review, global equity markets have continued to ebb and flow as investors react to the latest news. Of particular note were the more dovish statements from the European Central Bank ('ECB') and US Federal Reserve in June. The ECB indicated that, if the inflation outlook fails to improve, it could launch a further expansion of its €2.6tn quantitative easing programme and the US Federal Reserve hinted at possible interest rate cuts, citing increased uncertainties about the economic outlook.

Whilst some recent economic data has been weaker than anticipated, there are factors that should be positive for global equity markets. In particular, inflationary pressures remain muted, global monetary policy appears to continue to be supportive and corporate earnings growth is still positive. However, the ongoing US-China trade dispute is likely to continue to hold back both the global economy and global equity markets. Even if they resolve their trade dispute, tension between the two countries may endure and adversely impact business conditions, which could continue to constrain global economic growth.

In the UK, the unresolved Brexit saga continues to weigh on business prospects and investor sentiment towards UK stocks. We will not know who the next Prime Minister will be until after 21 July and, even then, when and how the Brexit saga will be resolved.

Overall, I remain cautious on the outlook for global equity markets. Global economic growth in the current calendar year is expected to be lower than in 2018, particularly in the US where corporate earnings received a significant boost from one-off tax cuts in 2018. As our Fund Manager believes that markets have run ahead of fundamentals, we feel it is prudent to raise cash within the portfolio and would expect to deploy this at more attractive prices later in the year. With the macro uncertainties, the recent higher levels of equity market volatility are likely to persist but volatility does provide more opportunities for long-term managers, such as our Fund Manager, to buy at attractive prices.

**Sue Inglis**  
**Chairman**  
**1 July 2019**

## **PRINCIPAL RISKS AND UNCERTAINTIES**

The principal risks and uncertainties associated with the Company's business are divided into the following main areas:

- Investment Activity and Performance
- Portfolio and Market (including Brexit)
- Tax, Legal and Regulatory
- Financial
- Operational and Cyber

Information on these risks and uncertainties and how they are managed are given in the Annual Report for the year ended 31 October 2018. In the view of the Board these principal risks and uncertainties are as applicable to the remaining six months of the financial year as they were to the six months under review.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors confirm that, to the best of their knowledge:

- (a) the condensed set of financial statements has been prepared in accordance with IAS 34;
- (b) the interim management report includes a fair review of the information required by Disclosure Guidance and Transparency Rule 4.2.7R (indication of important events during the first six months and description of principal risks and uncertainties for the remaining six months of the year); and
- (c) the interim management report includes a fair review of the information required by Disclosure Guidance and Transparency Rule 4.2.8R (disclosure of related party transactions and changes therein).

### **For and on behalf of the Board**

**Sue Inglis**

**Chairman**

**1 July 2019**

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## CONDENSED STATEMENT OF COMPREHENSIVE INCOME

	(Unaudited) Half-year ended 30 April 2019			(Unaudited) Half-year ended 30 April 2018			(Audited) Year ended 31 October 2018		
	Revenue return £'000	Capital return £'000	Total £'000	Revenue return £'000	Capital return £'000	Total £'000	Revenue return £'000	Capital return £'000	Total £'000
Gains/(losses) from investments held at fair value through profit or loss	-	82,146	82,146	-	(8,679)	(8,679)	-	(12,611)	(12,611)
Investment income	13,649	-	13,649	12,731	-	12,731	30,321	-	30,321
Other operating income	108	-	108	98	-	98	226	-	226
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<b>Gross revenue and capital gains/(losses)</b>	<b>13,757</b>	<b>82,146</b>	<b>95,903</b>	<b>12,829</b>	<b>(8,679)</b>	<b>4,150</b>	<b>30,547</b>	<b>(12,611)</b>	<b>17,936</b>
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<b>Expenses</b>									
Management fees (note 2)	(691)	(1,612)	(2,303)	(636)	(1,484)	(2,120)	(1,344)	(3,136)	(4,480)
Other expenses	(539)	-	(539)	(515)	-	(515)	(990)	-	(990)
	-----	-----	-----	-----	-----	-----	-----	-----	-----
<b>Profit/(loss) before finance costs and taxation</b>	<b>12,527</b>	<b>80,534</b>	<b>93,061</b>	<b>11,678</b>	<b>(10,163)</b>	<b>1,515</b>	<b>28,213</b>	<b>(15,747)</b>	<b>12,466</b>
Finance costs	(450)	(1,050)	(1,500)	(454)	(1,061)	(1,515)	(917)	(2,141)	(3,058)
	-----	-----	-----	-----	-----	-----	-----	-----	-----
<b>Profit/(loss) before taxation</b>	<b>12,077</b>	<b>79,484</b>	<b>91,561</b>	<b>11,224</b>	<b>(11,224)</b>	<b>-</b>	<b>27,296</b>	<b>(17,888)</b>	<b>9,408</b>
Taxation	(734)	-	(734)	(777)	-	(777)	(1,823)	-	(1,823)
	-----	-----	-----	-----	-----	-----	-----	-----	-----
<b>Profit/(loss) for the period</b>	<b>11,343</b>	<b>79,484</b>	<b>90,827</b>	<b>10,447</b>	<b>(11,224)</b>	<b>(777)</b>	<b>25,473</b>	<b>(17,888)</b>	<b>7,585</b>
	=====	=====	=====	=====	=====	=====	=====	=====	=====
<b>Earnings/(loss) per ordinary share</b> (note 3)	<b>9.25p</b>	<b>64.83p</b>	<b>74.08p</b>	<b>8.52p</b>	<b>(9.15p)</b>	<b>(0.63p)</b>	<b>20.78p</b>	<b>(14.59p)</b>	<b>6.19p</b>

The total columns of this statement represent the Statement of Comprehensive Income, prepared in accordance with IFRS as adopted by the European Union. The revenue return and capital return columns are supplementary to this and are prepared under guidance published by the Association of Investment Companies.

All income is attributable to the equity shareholders of The Bankers Investment Trust PLC.

The accompanying condensed notes are an integral part of the financial statements.

## CONDENSED STATEMENT OF CHANGES IN EQUITY

	Called up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Other capital reserves £'000	Revenue reserve £'000	Total £'000
<b>Half-year ended 30 April 2019 (Unaudited)</b>						
Total equity at 1 November 2018	30,986	78,541	12,489	897,318	42,249	1,061,583
Total comprehensive income:						
profit for the period	-	-	-	79,484	11,343	90,827
Transactions with owners, recorded directly to equity:						
Payment of third interim dividend (5.00p) in respect of the year ended 31 October 2018	-	-	-	-	(6,130)	(6,130)
Payment of the final dividend (5.00p) in respect of the year ended 31 October 2018	-	-	-	-	(6,130)	(6,130)
<b>Total equity at 30 April 2019</b>	<b>30,986</b>	<b>78,541</b>	<b>12,489</b>	<b>976,802</b>	<b>41,332</b>	<b>1,140,150</b>
	=====	=====	=====	=====	=====	=====
	Called up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Other capital reserves £'000	Revenue reserve £'000	Total £'000
<b>Half-year ended 30 April 2018 (Unaudited)</b>						
Total equity at 1 November 2017	30,986	78,541	12,489	915,206	40,341	1,077,563
Total comprehensive income:						
(Loss)/profit for the period	-	-	-	(11,224)	10,447	(777)
Transactions with owners, recorded directly to equity:						
Payment of third interim dividend (4.70p) in respect of the year ended 31 October 2017	-	-	-	-	(5,763)	(5,763)
Payment of the final dividend (4.80p) in respect of the year ended 31 October 2017	-	-	-	-	(5,885)	(5,885)
<b>Total equity at 30 April 2018</b>	<b>30,986</b>	<b>78,541</b>	<b>12,489</b>	<b>903,982</b>	<b>39,140</b>	<b>1,065,138</b>
	=====	=====	=====	=====	=====	=====
	Called up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Other capital reserves £'000	Revenue reserve £'000	Total £'000
<b>Year ended 31 October 2018 (Audited)</b>						
Total equity at 1 November 2017	30,986	78,541	12,489	915,206	40,341	1,077,563
Total comprehensive income:						
(Loss)/Profit for the year	-	-	-	(17,888)	25,473	7,585
Ordinary dividends paid	-	-	-	-	(23,565)	(23,565)
<b>Total equity at 31 October 2018</b>	<b>30,986</b>	<b>78,541</b>	<b>12,489</b>	<b>897,318</b>	<b>42,249</b>	<b>1,061,583</b>
	=====	=====	=====	=====	=====	=====

The accompanying condensed notes are an integral part of the financial statements.

## CONDENSED STATEMENT OF FINANCIAL POSITION

	(Unaudited) As at 30 April 2019 £'000	(Unaudited) As at 30 April 2018 £'000	(Audited) As at 31 October 2018 £'000
<b>Non-current assets</b>			
Investments held at fair value through profit or loss	1,129,419	1,098,393	1,087,033
<b>Current assets</b>			
Investments held at fair value through profit or loss (note 4)	29,607	12,454	18,005
Other receivables	5,385	5,382	4,667
Cash and cash equivalents	42,027	18,354	20,075
	77,019	36,190	42,747
<b>Total assets</b>	<b>1,206,438</b>	<b>1,134,583</b>	<b>1,129,780</b>
<b>Current liabilities</b>			
Other payables	(1,469)	(2,621)	(3,370)
Bank loans	-	(2,002)	-
	(1,469)	(4,623)	(3,370)
<b>Total assets less current liabilities</b>	<b>1,204,969</b>	<b>1,129,960</b>	<b>1,126,410</b>
<b>Non-current liabilities</b>			
Debenture stock	(15,000)	(15,000)	(15,000)
Unsecured loan notes	(49,819)	(49,822)	(49,827)
<b>Net assets</b>	<b>1,140,150</b>	<b>1,065,138</b>	<b>1,061,583</b>
<b>Equity attributable to equity shareholders</b>			
Share capital (note 5)	30,986	30,986	30,986
Share premium account	78,541	78,541	78,541
Capital redemption reserve	12,489	12,489	12,489
Retained earnings:			
Other capital reserves	976,802	903,982	897,318
Revenue reserve	41,332	39,140	42,249
<b>Total equity</b>	<b>1,140,150</b>	<b>1,065,138</b>	<b>1,061,583</b>
<b>Net asset value per ordinary share</b> (note 6)	<b>929.9p</b>	<b>868.7p</b>	<b>865.8p</b>

The accompanying condensed notes are an integral part of the financial statements.

## CONDENSED CASH FLOW STATEMENT

	(Unaudited) Half-year ended 30 April 2019 £'000	(Unaudited) Half-year ended 30 April 2018 £'000	(Audited) Year ended 31 October 2018 £'000
<b>Reconciliation of profit before taxation to net cash flow from operating activities.</b>			
<b>Operating activities</b>			
Net profit before taxation	91,561	-	9,408
Add: interest payable ('finance costs')	1,508	1,510	3,047
Adjustment to loan note value	(8)	5	11
Add/(less):(Gains)/losses on investments held at fair value through profit or loss	(82,146)	8,679	12,611
(Increase)/decrease in accrued income	(1,868)	(1,430)	113
Decrease/(increase) in other receivables	24	(5)	(12)
Increase in other payables	43	42	82
Purchase of investments	(145,370)	(175,050)	(335,454)
Sales of investments	185,118	169,796	337,755
Purchases of current asset investments	(33,452)	(22,002)	(46,003)
Sales of current asset investments	21,850	32,800	51,250
Decrease/(increase) in securities sold for future settlement	1,257	(1,138)	(1,834)
Decrease in securities purchased for future settlement	(1,931)	(6,858)	(6,163)
	-----	-----	-----
<b>Net cash inflow from operating activities before interest and taxation</b>	<b>36,586</b>	<b>6,349</b>	<b>24,811</b>
Interest paid	(1,521)	(1,522)	(3,058)
Taxation on investment income	(866)	(923)	(2,083)
	-----	-----	-----
<b>Net cash inflow from operating activities</b>	<b>34,199</b>	<b>3,904</b>	<b>19,670</b>
	=====	=====	=====
<b>Financing activities</b>			
Equity dividends paid (net of refund of unclaimed distributions and reclaimed distributions)	(12,260)	(11,648)	(23,565)
Drawdown of loan	-	2,002	2,005
Repayment of loan	-	-	(2,005)
	-----	-----	-----
<b>Net cash outflow from financing activities</b>	<b>(12,260)</b>	<b>(9,646)</b>	<b>(23,565)</b>
	-----	-----	-----
<b>Increase/(decrease) in cash</b>	<b>21,939</b>	<b>(5,742)</b>	<b>(3,895)</b>
Cash and cash equivalents at start of year	20,075	24,102	24,102
Exchange movements	13	(6)	(132)
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<b>Cash and cash equivalents at end of period</b>	<b>42,027</b>	<b>18,354</b>	<b>20,075</b>
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The accompanying condensed notes are an integral part of the financial statements.

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS:

### 1. Accounting Policies

The Bankers Investment Trust PLC ('the Company') is a company incorporated and domiciled in the United Kingdom under the Companies Act 2006.

These condensed financial statements comprise the unaudited results of the Company for the half-year ended 30 April 2019. They have been prepared on a going concern basis and in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and with the Statement of Recommended Practice for Investment Trusts ('SORP') issued by the Association of Investment Companies dated November 2014, and updated in February 2018 with consequential amendments, where the SORP is consistent with the requirements of IFRS.

For the period under review the Company adopted the following accounting policies: IFRS 9 - Financial Instruments, IFRS 15 - Revenue from Contracts with Customers the impact of which are not material and none respectively. These financial statements have not been either audited or reviewed by the Company's Auditor.

### 2. Management Fees

	(Unaudited) Half-year ended 30 April 2019			(Unaudited) Half-year ended 30 April 2018			(Audited) Year ended 31 October 2018		
	Revenue return £'000	Capital return £'000	Total £'000	Revenue return £'000	Capital return £'000	Total £'000	Revenue return £'000	Capital return £'000	Total £'000
Investment management	691	1,612	2,303	636	1,484	2,120	1,344	3,136	4,480
	=====	=====	=====	=====	=====	=====	=====	=====	=====

The management fee is calculated on a quarterly basis as the aggregate of 0.45% per annum of the first £750 million and 0.40% per annum on the excess over £750 million of the value of the net assets on the last day of the quarter immediately preceding the quarter in respect of which the calculation is made. For the final quarter of 2017, the quarterly fee was subject to a cap of £843,685.

### 3. Earnings per Ordinary Share

The earnings per ordinary share figure is based on the net profit for the half-year of £90,827,000 (30 April 2018: loss £777,000; 31 October 2018: profit £7,585,000) and on 122,606,783 (30 April 2018: 122,606,783; 31 October 2018: 122,606,783) ordinary shares, being the weighted average number of ordinary shares in issue excluding treasury shares during the period.

The return per share detailed above can be further analysed between revenue and capital, as below.

	(Unaudited) Half-year ended 30 April 2019 £'000	(Unaudited) Half-year ended 30 April 2018 £'000	(Audited) Year ended 31 October 2018 £'000
Revenue profit	11,343	10,447	25,473
Capital profit/(loss)	79,484	(11,224)	(17,888)
Total profit/(loss)	90,827	(777)	7,585
	=====	=====	=====
Weighted average number of ordinary shares in issue during each period excluding treasury shares	122,606,783	122,606,783	122,606,783
Revenue earnings per ordinary share	9.25p	8.52p	20.78p
Capital earnings/(loss) per ordinary share	64.83p	(9.15p)	(14.59p)
Total earnings/(loss) per ordinary share	74.08p	(0.63p)	6.19p
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**4. Current Asset Investment**

The Company has a holding in the Deutsche Global Liquidity Series Fund, a money market fund which is viewed as a readily disposable store of value and which is used to invest cash balances that would otherwise be placed on short-term deposit. At 30 April 2019 this holding had a value of £29,607,000 (30 April 2018: £12,454,000; 31 October 2018: £18,005,000).

**5. Share Capital**

At 30 April 2019 there were 123,945,292 ordinary shares of 25p each in issue (30 April 2018: 123,945,292; 31 October 2018: 123,945,292). During the half-year ended 30 April 2019 no shares were issued or bought back (30 April 2018 and 31 October 2018: no shares were issued or bought back).

At 30 April 2019 1,338,509 shares were held in treasury (30 April 2018 and 31 October 2018: 1,338,509). Shares held in treasury do not have any voting rights.

**6. Net Asset Value per Ordinary Share**

The net asset value per ordinary share is based on the net assets attributable to equity shareholders of £1,140,150,000 (30 April 2018: £1,065,138,000; 31 October 2018: £1,061,583,000) and on 122,606,783 (30 April 2018: 122,606,783; 31 October 2018: 122,606,783) ordinary shares, being the number of ordinary shares in issue with voting rights at the period end.

**7. Bank loan**

At 30 April 2019, the Company had drawn down: £nil (30 April 2018: £2,002,000; 31 October 2018: £nil) of its £20 million multi-currency loan facility. The facility was renewed on 28 February 2019 with Sumitomo Mitsui Banking Corporation Europe Limited, prior to that it was with RBS International Limited.

**8. Related Party Transactions**

The Company's transactions with related parties during the period were with its Directors and Janus Henderson. There have been no material transactions between the Company and its Directors during the period other than the amounts paid to them in respect of Directors' remuneration for which there were no outstanding amounts payable at the period end.

In relation to the provision of services by Janus Henderson, other than fees payable by the Company in the ordinary course of business and the provision of sales and marketing services, there have been no transactions with Janus Henderson affecting the financial position or performance of the Company during the period under review.

**9. Financial Instruments**

At the period end the carrying value of financial assets approximates their fair value.

**Financial Instruments Carried at Fair Value**

**Fair value hierarchy**

The debenture stock and unsecured loan notes are valued at par in the Statement of Financial Position. The fair value of the 8% debenture stock at 30 April 2019 was £18,731,000 (30 April 2018: £19,212,000; 31 October 2018: £18,722,000). The fair values are calculated using prices quoted on the exchange on which the instruments trade and are categorised as Level 1 as described below. In order to comply with fair value accounting disclosures only, the fair value of the loan note at 30 April 2019 has been estimated to be £56,661,000 (30 April 2018: £55,241,000; 31 October 2018: £55,373,000) and is categorised as Level 3 in the fair value hierarchy as described below. However, for the purpose of the daily NAV announcements, the unsecured loan notes are valued at amortised cost in the fair value NAV because it is not traded and the Directors expect it to be held to maturity and, accordingly, the Directors have assessed that this is the most appropriate value to be applied for this purpose.

The following table analyses recurring fair value measurements for financial assets. These fair value measurements are categorised into different levels in the fair value hierarchy based on the inputs to valuation techniques used.

Financial assets at fair value through profit or loss at 30 April 2019 (Unaudited)	Level 1 £,000	Level 2 £,000	Level 3 £,000	Total £,000
Investments including derivatives:				
- Equity investments	1,129,414	-	-	1,129,414
- Fixed interest investments	-	-	5	5
- Current asset investments	29,607	-	-	29,607
<b>Total financial assets carried at fair value</b>	<b>1,159,021</b>	<b>-</b>	<b>5</b>	<b>1,159,026</b>

Financial assets at fair value through profit or loss at 30 April 2018 (Unaudited)	Level 1 £,000	Level 2 £,000	Level 3 £,000	Total £,000
Investments including derivatives:				
- Equity investments	1,098,385	-	-	1,098,385
- Fixed interest investments	-	-	8	8
- Current asset investments	12,454	-	-	12,454
<b>Total financial assets carried at fair value</b>	<b>1,110,839</b>	<b>-</b>	<b>8</b>	<b>1,110,847</b>

Financial assets at fair value through profit or loss at 31 October 2018 (Audited)	Level 1 £,000	Level 2 £,000	Level 3 £,000	Total £,000
Investments including derivatives:				
- Equity investments	1,087,026	-	-	1,087,026
- Fixed interest investments	-	-	7	7
- Current asset investments	18,005	-	-	18,005
<b>Total financial assets carried at fair value</b>	<b>1,105,031</b>	<b>-</b>	<b>7</b>	<b>1,105,038</b>

	(Unaudited) Half-year 30 April 2019 £'000	(Unaudited) Half-year 30 April 2018 £'000	(Audited) Year ended 31 October 2018 £'000
<b>Level 3 investments at fair value through profit or loss</b>			
Opening balance	7	445	445
Transferred into Level 3	-	-	-
Disposal proceeds	(1)	(9)	(6)
Total losses included in the Statement of Comprehensive Income on assets held at year end	(1)	(428)	(432)
<b>Closing balance</b>	<b>5</b>	<b>8</b>	<b>7</b>

#### 10. Going Concern

The assets of the Company consist of securities that are readily realisable and, accordingly, the Board believes that the Company has adequate resources to continue in operational existence for at least twelve months from the date of approval of the financial statements. Having assessed these factors and the principal risks, the Board has determined that it is appropriate for the financial statements to be prepared on a going concern basis.

**11. Dividends**

A first interim dividend of 5.10p (2018: 4.86p) per ordinary share, was paid on 31 May 2019 to shareholders registered on 26 April 2019. The shares were quoted ex-dividend on 25 April 2019. Based on the number of ordinary shares in issue excluding shares held in treasury at 25 April 2019 of 122,606,783 the cost of this dividend was £ 6,253,000. The dividend was paid from the Company's revenue account.

The Directors have declared a second interim dividend of 5.10p (2018: 4.86p) and is payable on 30 August 2019 to shareholders on the register on 26 July 2019. The shares will be quoted ex-dividend on 25 July 2019. Based on the number of shares in issue excluding shares held in treasury at 1 July 2019 of 122,606,783 the cost of this dividend will be £6,253,000. The dividend will be paid from the Company's revenue account.

**12. Comparative Information**

The financial information contained in this half-year report does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The financial information for the half-years ended 30 April 2019 and 2018 has not been audited or reviewed by the Auditor.

The figures and financial information for the year ended 31 October 2018 have been extracted from the latest published financial statements of the Company. These financial statements have been delivered to the Registrar of Companies and included the report of the Auditor which was unqualified and did not contain a statement under either section 498(2) or 498(3) of the Companies Act 2006.

**13. Half-Year Report**

The half-year report is available on the Company's website ([www.bankersinvestmenttrust.com](http://www.bankersinvestmenttrust.com)) or in hard copy from the Company's registered office. An abbreviated version of this half-year report, the 'update', will be circulated to shareholders in July 2019.

**14. General Information**

**Company Status**

The Company is a UK domiciled investment trust company.

London Stock Exchange Daily Official List (SEDOL): 0076700 / ISIN number is GB0000767003

London Stock Exchange (TIDM) Code: BNKR

Global Intermediary Identification Number (GIIN): L5YVFP.99999.SL.826

Legal Entity Identifier (LEI): 213800B9YWXL3X1VMZ69

**Registered Office**

**UK:** 201 Bishopsgate, London EC2M 3AE.

**Company Registration Number**

**UK:** 00026351

**NZ:** 645360

**Directors**

The Directors of the Company are Susan Inglis (Chairman), Julian Chillingworth (Senior Independent Director), Isobel Sharp (Audit Committee Chairman) and Richard Huntingford.

**Corporate Secretary**

Henderson Secretarial Services Limited, represented by Wendy King FCIS.

**Website**

Details of the Company's share price and net asset value, together with general information about the Company, monthly factsheets and data, copies of announcements, reports and details of general meetings can be found at **[www.bankersinvestmenttrust.com](http://www.bankersinvestmenttrust.com)**.

**Largest Investments**  
At 30 April 2019

<b>Rank 30 April 2019</b>	<b>Rank 31 Oct 2018</b>	<b>Company</b>	<b>Valuation 31 Oct 2018 £'000</b>	<b>Purchases £'000</b>	<b>Sales proceeds £'000</b>	<b>Appreciation/ (Depreciation) £'000</b>	<b>Valuation 30 April 2019 £'000</b>
1	(1)	Microsoft	21,422	-	(1,695)	4,038	<b>23,765</b>
2	(7)	Estée Lauder	18,089	-	-	4,858	<b>22,947</b>
3	(3)	American Express	20,174	-	-	2,397	<b>22,571</b>
4	(6)	Berkshire Hathaway	18,089	-	-	622	<b>18,711</b>
5	(11)	American Tower	14,412	-	-	3,290	<b>17,702</b>
6	(9)	Visa	14,938	-	-	2,525	<b>17,463</b>
7	(12)	Comcast	14,272	1,292	-	1,859	<b>17,423</b>
8	(14)	MasterCard	13,742	-	-	3,577	<b>17,319</b>
9	(27)	Alphabet	15,886	-	-	1,287	<b>17,173</b>
10	(15)	ICON	13,216	3,172	-	(205)	<b>16,183</b>
11	(10)	Royal Dutch Shell	14,926	-	-	(585)	<b>14,341</b>
12	(18)	Diageo	11,987	-	-	2,323	<b>14,310</b>
13	(16)	Aptiv	12,901	-	-	1,215	<b>14,116</b>
14	(17)	GlaxoSmithKline	12,710	656	-	565	<b>13,931</b>
15	(22)	Xylem	11,167	-	-	2,747	<b>13,914</b>
16	(4)	Union Pacific	19,776	-	(8,337)	2,316	<b>13,755</b>
17	#	Adobe Systems	-	11,144	-	2,466	<b>13,610</b>
18	(24)	The Cooper Companies	10,814	-	-	1,079	<b>11,893</b>
19	(21)	Intercontinental Exchange	11,189	-	-	385	<b>11,574</b>
20	(26)	Netflix	10,598	-	(1,757)	2,089	<b>10,930</b>
21	(35)	Electronic Arts	8,211	2,268	-	356	<b>10,835</b>
22	(23)	Cognizant Technology Solutions	10,869	-	(610)	369	<b>10,628</b>
23	(19)	British American Tobacco	11,883	-	-	(1,413)	<b>10,470</b>
24	(33)	Roper Technologies	8,301	-	-	2,037	<b>10,338</b>
25	(29)	Nestlé	9,110	487	(674)	1,034	<b>9,957</b>

Rank 30 April 2019	Rank 31 Oct 2018	Company	Valuation 31 Oct 2018 £'000	Purchases £'000	Sales proceeds £'000	Appreciation/ (Depreciation) £'000	Valuation 30 April 2019 £'000
26	(5)	BP	18,816	-	(8,504)	(597)	9,715
27	(28)	Amazon	9,514	-	(1,400)	1,580	9,694
28	(43)	SAP	6,759	1,667	(554)	1,413	9,285
29	#	Ping An Insurance	6,740	-	-	2,514	9,254
30	(34)	Reckitt Benckiser	8,217	1,152	-	(145)	9,224
31	#	ANTA Sports	5,461	-	-	3,744	9,205
32	(25)	Booking.com	10,709	-	(1,106)	(421)	9,182
33	(20)	Taiwan Semiconductor Manufacturing	11,715	-	(3,634)	1,030	9,111
34	(2)	Apple	21,285	-	(8,031)	(4,776)	8,478
35	(45)	DSM	6,658	419	(539)	1,784	8,322
36	#	PayPal	-	6,788	-	1,523	8,311
37	(40)	RELX	7,118	-	-	960	8,078
38	#	Daiichi Sankyo	6,350	-	-	1,652	8,002
39	#	National Grid	4,392	3,324	-	125	7,841
40	(30)	Roche Holdings	8,838	561	(2,098)	528	7,829
41	(13)	FedEx	13,876	-	(3,599)	(2,543)	7,734
42	(37)	Novo-Nordisk	7,438	-	(575)	850	7,713
43	#	SoftBank	5,652	417	-	1,625	7,694
44	#	Tesco	5,834	578	-	1,067	7,479
45	(38)	Lloyds Banking	7,341	-	(577)	693	7,457
46	(46)	Prudential	6,650	-	-	695	7,345
47	#	Chongqing Brewery	5,350	-	-	1,897	7,247
48	#	Sands China	-	5,525	-	1,614	7,139
49	#	Fisher (James) & Sons	6,093	-	-	993	7,086
50	#	Sage	4,756	531	-	1,797	7,084
			<b>524,244</b>	<b>39,981</b>	<b>(43,690)</b>	<b>60,833</b>	<b>581,368</b>

**These investments total £581,368,000 which represented 51.5% of the portfolio**

All securities are equity investments

# Not in top 50 at 31 October 2018

Convertibles and all classes of equity in any one company being treated as one investment

## GEOGRAPHICAL DISTRIBUTION

	Valuation of investments	
	30 April 2019	31 October 2018
	%	%
UK	25.2	25.2
Europe (ex UK)	13.5	14.9
North America	32.1	31.6
Japan	11.2	11.7
Pacific (ex Japan, China)	9.7	8.7
China	5.7	5.4
Emerging Markets	2.6	2.5
	-----	-----
	100.0	100.0
	=====	=====

Source: Janus Henderson

## REVENUE GENERATED

	30 April 2019	31 October 2018
	%	%
UK	10.7	11.7
Europe (ex UK)	14.1	14.9
North America	29.3	30.5
Japan	7.8	8.3
Developed Asia Pacific (ex Japan)	3.5	3.6
Emerging Asia	18.2	17.9
Emerging Other	12.7	13.1

These figures may not add up to 100% due to cash held

Source: Janus Henderson

## SECTOR ANALYSIS

	30 April 2019	31 October 2018
	%	%
Financials	23.1	23.6
Consumer Goods	19.8	18.1
Industrials	16.1	16.2
Technology	11.4	11.9
Consumer Services	9.8	9.9
Health Care	7.1	6.7
Basic Materials	4.4	3.5
Oil & Gas	3.6	5.1
Telecommunications	3.4	4.0
Utilities	1.3	1.0
	-----	-----
	100.0	100.0
	=====	=====

Source: Janus Henderson

*Neither the contents of the Company's website nor the contents of any website accessible from hyperlinks on the Company's website (or any other website) are incorporated into, or forms part of, this report.*