

**NATIONAL INVESTMENT TRUST LTD**

**Unaudited Condensed Financial Statements - Half year period ending 31 December 2011**

	<b>Unaudited 31-Dec-11 Rs 000</b>	<b>Unaudited 31-Dec-10 Rs 000</b>	<b>Audited 30-Jun-11 Rs 000</b>
<b>1. Condensed Statements of Financial Position</b>			
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property and Equipment	46,973	50,703	48,915
Portfolio of Domestic Securities	924,216	979,658	852,750
	<b>971,189</b>	<b>1,030,361</b>	<b>901,665</b>
<b>Current Assets</b>			
Accounts Receivable	31,397	40,948	38,653
Cash at Bank	33,676	29,580	30,864
	<b>65,073</b>	<b>70,528</b>	<b>69,517</b>
<b>Total Assets</b>	<b>1,036,262</b>	<b>1,100,889</b>	<b>971,182</b>
<b>EQUITY AND LIABILITIES</b>			
<b>CAPITAL AND RESERVES</b>			
Stated Capital	156,718	156,718	156,718
Capital Redemption Reserve	319,722	319,722	319,722
(Deficit)/Surplus on Realisation of Investments	(377,394)	(377,394)	(377,394)
Investment Revaluation Reserve	833,016	888,458	761,550
Retained Profit	79,044	84,712	83,645
<b>Total Equity</b>	<b>1,011,106</b>	<b>1,072,216</b>	<b>944,241</b>
<b>NON CURRENT LIABILITIES</b>			
Bank Loan	16,826	20,625	18,750
<b>CURRENT LIABILITIES</b>			
Accounts Payable	3,453	3,410	3,101
Bank Loan	3,750	3,750	3,750
Taxation	-	225	213
Deferred Tax Liability	1,127	663	1,127
<b>TOTAL LIABILITIES</b>	<b>8,330</b>	<b>8,048</b>	<b>8,191</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,036,262</b>	<b>1,100,889</b>	<b>971,182</b>
<b>Net Asset Value per Share</b>	<b>73.79</b>	<b>78.25</b>	<b>68.91</b>

## 2. Condensed Statements of Comprehensive Income

	Unaudited 6 months to 31-Dec-11 Rs 000	Unaudited 6 months to 31-Dec-10 Rs 000	Unaudited 3 months to 31-Dec-11 Rs 000	Unaudited 3 months to 31-Dec-10 Rs 000
Income	11,423	11,814	7,666	8,006
Surplus on Portfolio of Investments	71,466	203,576	(142,914)	95,048
<b>Total Income</b>	<b>82,889</b>	<b>215,390</b>	<b>(135,248)</b>	<b>103,054</b>
<b>Expenses</b>	<b>(9,030)</b>	<b>(9,427)</b>	<b>(4,977)</b>	<b>(4,921)</b>
<b>Net Income before tax</b>	<b>73,859</b>	<b>205,963</b>	<b>(140,225)</b>	<b>98,133</b>
Taxation	(143)	-	-	-
<b>Net Income after tax</b>	<b>73,716</b>	<b>205,963</b>	<b>(140,225)</b>	<b>98,133</b>
<b>Surplus on Portfolio of Investments Transferred To: Investment Revaluation Reserve</b>	<b>(71,466)</b>	<b>(203,576)</b>	<b>142,914</b>	<b>(95,048)</b>
<b>Net Distributable Income</b>	<b>2,250</b>	<b>2,387</b>	<b>2,689</b>	<b>3,085</b>
<b>Increase in Net Asset Value -Rs</b>	<b>5.38</b>	<b>15.03</b>	<b>(10.23)</b>	<b>7.16</b>
<b>Distributable Earnings per share-cents</b>	<b>16</b>	<b>17</b>	<b>20</b>	<b>23</b>

### 3. Condensed Statements of Changes in Equity

	Share Capital	Capital Redemption	Surplus on Realisation of investment	Revaluation Reserve	Retained Profit	Total
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
<b>Balance as at 30 June 2010</b>	156,718	319,722	(377,394)	684,882	92,602	876,530
Total comprehensive income for the period					2,387	2,387
Surplus on Revaluation of Investments transferred				203,576		203,576
Dividends paid					(10,277)	(10,277)
<b>Balance as at 31 December 2010</b>	<b>156,718</b>	<b>319,722</b>	<b>(377,394)</b>	<b>888,458</b>	<b>84,712</b>	<b>1,072,216</b>
<b>Balance as at 30 June 2011</b>	156,718	319,722	(377,394)	761,550	83,645	944,241
Total comprehensive income for the period					2,250	2,250
Surplus on revaluation of Investment transferred				71,466		71,466
Dividends paid					(6,851)	(6,851)
<b>Balance as at 31 December 2011</b>	<b>156,718</b>	<b>319,722</b>	<b>(377,394)</b>	<b>833,016</b>	<b>79,044</b>	<b>1,011,106</b>

#### 4. Condensed Statements of Cash Flow

	Unaudited 31-Dec-11 Rs 000	Unaudited 31-Dec-10 Rs 000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	73,859	205,963
Adjustments for:		
Surplus on portfolio of investments	(71,466)	(203,576)
Profit on Sale of tangible fixed assets	-	(190)
Depreciation	1,942	2,163
	4,335	4,360
<b>MOVEMENT IN WORKING CAPITAL</b>		
Decrease in accounts receivables	7,256	27,468
Increase / (Decrease) in accounts payables	352	(994)
	7,608	26,474
<b>Cash generated from operating activities</b>	11,943	30,834
Tax paid	(356)	(65)
<b>Net cash generated from operating activities</b>	11,587	30,769
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Sale of Fixed Assets	-	190
Purchase of tangible fixed assets	-	(4,540)
<b>Net Cash absorbed in Investing Activities</b>	-	(4,350)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends paid	(6,851)	(10,277)
Loan paid	(1,924)	(1,875)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	(8,775)	(12,152)
<b>Net decrease in cash and cash equivalents</b>	2,812	14,267
<b>Cash and cash equivalents at 1 July</b>	30,864	15,313
<b>Cash and cash equivalents at 31 December</b>	33,676	29,580
<b>Represented By:</b>		
Cash at Bank	33,676	29,580

## COMMENTS

For the period under review, the Company's Net Asset Value has increased by about 7.1% to reach Rs 73.79. Such an increase is primarily due to an increase in the value of our unquoted holdings.

On the income side, Net Loss after tax amounted to about Rs 2.3m more or less in line with last year.

## Prospects

Our performance is closely linked to the evolution of stock markets both locally and worldwide as, not only does a significant part of our income depends on the performance of the two Funds under management but also, the valuation of our unquoted assets takes into account the market ratios of comparable listed companies.

So what does 2012 hold in store for us?

When written in Chinese the word "crisis" is composed of two characters. One represents "danger", and the other represents "opportunity". This is exactly the most accurate way we can express our thoughts and feelings about the present year in asset markets namely, volatile, unpredictable and yet, scattered with times of great opportunity.

This year, we continue to see a "tug of war" between bottom-line fundamentals and macroeconomic events. Of the main macroeconomic events of last year, the Euro crisis and the "Arab Spring" have the potential for greatest continued impact in asset markets in 2012. Furthermore, 2012 stands a good chance of being politically pivotal, both in terms of people and a clash of ideologies with elections in the U.S., France, Germany and Russia together with power transition in China.

So how do we make returns in such an environment? Our core views will not change often but our strategy is continuously being adjusted to put emphasis on the "path" as well as the "destination" of asset prices, as markets seldom move in a straight line.

## NOTES

1. The abridged financial statements of the Company for the year ended 31 December 2011 are unaudited. They have been prepared in compliance with International Financial Reporting Standards, using the same accounting policies and methods of computation followed per the audited financial statements for the year ended 30 June 2011.
2. Copies of the abridged unaudited financial statements are available, free of charge, at the Company's registered office: Level 8 Newton Tower, Sir William Newton Street, Port Louis.
3. The statement of direct and indirect interests of officers of the Company required under rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available upon request, free of charge, at the registered office of the Company.

These abridged financial statements are issued pursuant to listing rule 12.20.

The Board of Directors of the National Investment Trust Ltd accepts full responsibility for the accuracy of the information contained in these abridged financial statements.

By Order of the Board

Gaetan Wong To Wing  
Chief Executive Officer  
02-Feb-12