

**PERSONAL
ASSETS
TRUST PLC**

**Interim Report for
the six months ended
31 October 2002**

PERSONAL ASSETS TRUST PLC

Interim Results (unaudited) for six months to 31 October 2002

- PAT is an independently managed investment trust run for private investors.
- Over the six months to 31 October 2002 PAT's net asset value fell by 10.9 per cent to £181.17. This compares favourably with the fall of 22.8 per cent in PAT's benchmark, the FTSE All-Share Index. PAT's share price fell by £20 to £189.50 over the same period.
- The Board measures PAT's performance over rolling three-year periods. Over the three years to 31 October 2002 the net asset value fell by 8.0 per cent compared to the FTSE All-Share Index's fall of 33.2 per cent, equivalent to an outperformance of 11.3 per cent per annum.
- On 16 September 2002 PAT acquired 510 contracts in a FTSE 100 Future. This had the effect of reducing the Company's liquidity to 40 per cent at 31 October 2002 from just under 60 per cent in mid July (30 April 2002: 50 per cent). It is the Board's view that markets continue to be overvalued and the level of liquidity reflects the Board's stated aim of protecting the value of shareholders' funds, in anticipation of investing in equities.
- Over the six months PAT's shares traded in a narrow range around net asset value. 46,246 new ordinary shares (raising just over £9 million of new capital) were issued at a small premium to satisfy continuing demand for the Company's shares, principally through its zero-charge Investment Plans. At 31 October 2002, 44.4 per cent of the Company's share capital was held in these Plans.
- Earnings for the period were £1.69 per share (2001: £2.21). Earnings for the first six months should not be taken as a guide for the full year.
- The first interim dividend of £1.40 per ordinary share, announced on 16 October 2002, is the same as that paid in the previous year and was paid to shareholders on 22 November 2002.

Group Balance Sheet (unaudited)	31 October 2002 £'000	31 October 2001 £'000	30 April 2002 £'000
Investments			
Equities	33,909	37,950	45,627
Fixed interest	42,996	33,370	44,484
	76,905	71,320	90,111
Net current assets	13,809	9,801	2,319
Net assets	90,714	81,121	92,430
Ordinary shareholders' funds	90,714	81,121	92,430
Net asset value per ordinary £12.50 share	£181.17	£200.50	£203.38

Shares in issue at 31 October 2002 were 500,718.
(31 October 2001: 404,586, 30 April 2002: 454,472)

PERSONAL ASSETS TRUST PLC
Group Statement of Total Return (unaudited)
(Incorporating the Revenue Account)

	for the six months to 31 October 2002		for the six months to 31 October 2001		for the year to 30 April 2002	
	Revenue £'000	Capital £'000	Revenue £'000	Capital £'000	Revenue £'000	Capital £'000
Losses on investments	-	(13,926)	-	(3,761)	-	(2,890)
Exchange differences	-	3,262	-	897	-	1,265
Income	1,220	6	1,309	-	2,456	15
Investment management fee	(144)	(268)	(126)	(233)	(260)	(482)
Other expenses	(189)	-	(159)	-	(330)	-
Return on ordinary activities before tax	887	(10,926)	1,024	(3,097)	1,866	(2,092)
Tax on ordinary activities	(86)	86	(169)	161	(278)	145
Return attributable to equity shareholders	801	(10,840)	855	(2,936)	1,588	(1,947)
Dividends in respect of equity shares	(701)	-	(567)	-	(1,207)	-
Transfer to/(from) reserves	100	(10,840)	288	(2,936)	381	(1,947)
Return per ordinary £12.50 share	£1.69	(£22.86)	£2.21	(£7.58)	£3.88	(£4.75)

Notes

- The unaudited interim results have been prepared on the basis of the accounting policies set out in the statutory accounts of the Group for the year ended 30 April 2002.
- The revenue column of this statement is the profit and loss account of the Group.
- A first interim dividend of £1.40 per ordinary share was paid on 22 November 2002 to those shareholders on the register on 8 November 2002.
- The return per ordinary share is based on 474,234 shares, being the weighted average number of shares in issue (31 October 2001: 387,575, 30 April 2002: 409,592).
- These are not full accounts in terms of section 240 of the Companies Act 1985.
Full audited accounts for the year to 30 April 2002, which were unqualified, have been lodged with the Registrar of Companies.
No accounts in respect of any period after 30 April 2002 have been reported on by the Company's auditors or delivered to the Registrar of Companies.
- During the period the Directors allotted 46,246 ordinary shares.

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Summarised Group Statement of Cash Flows (unaudited)

	Six months to 31 October 2002 <u>£' 000</u>	Six months to 31 October 2001 <u>£' 000</u>	Year to 30 April 2002 <u>£' 000</u>
Cash inflow from investment income and deposit interest	1,237	1,247	2,484
Cash outflow of management fees and other expenses	<u>(629)</u>	<u>(559)</u>	<u>(1,090)</u>
Net cash inflow from operating expenses	608	688	1,394
Taxation	-	-	53
Cost of investments purchased less proceeds of investments sold ⁽¹⁾	<u>(1,039)</u>	969	(16,951)
Dividends paid on ordinary shares	<u>(637)</u>	(509)	(1,079)
Proceeds from new ordinary shares issued ⁽²⁾	<u>8,972</u>	<u>5,772</u>	<u>15,996</u>
Increase/(decrease) in cash	<u>7,904</u>	<u>6,920</u>	<u>(587)</u>

(1) Described in accounting terms as '*capital expenditure and financial investment*'.

(2) Described in accounting terms as '*financing*'.

PERSONAL ASSETS PERFORMANCE

