

**PERSONAL  
ASSETS  
TRUST PLC**

**Interim Report for  
the six months ended  
31 October 2003**

## PERSONAL ASSETS TRUST PLC

### Interim Results (unaudited) for six months to 31 October 2003

- Personal Assets Trust plc (“PAT”) is an independently managed investment trust run for private investors.
- Over the six months to 31 October 2003 PAT’s net asset value per share (“NAV”) rose by 8.6% to £202.34 compared to a rise of 12.4% in our benchmark, the FTSE All-Share Index. PAT’s share price rose by £14.25 to £208 over the same period, representing a premium of 2.8% to the Company’s NAV at that date.
- The Board measures PAT’s performance over rolling three-year periods. Over the three years to 31 October 2003 the NAV fell by 3.2% compared to the FTSE All-Share Index’s fall of 31.0%, equivalent to an outperformance of 11.9% per annum.
- During the period PAT continued to use FTSE 100 Futures to manage its exposure to the UK equity market. While the unaudited Group Balance Sheet (*see below*) shows that PAT’s holdings of cash and bonds amounted to 70% of shareholders’ funds at 31 October 2003, the FTSE 100 Futures we held at that date reduced our effective liquidity to the Board’s desired level of 30% (30 April 2003: 25%). The Board believes that equity markets are still overvalued. Our current level of liquidity reflects the Board’s stated aim of protecting the value of shareholders’ funds pending a future investment in equities.
- Over the six months PAT’s shares traded close to NAV. We issued 45,159 new ordinary shares (raising just over £9 million of new capital) at a small premium to satisfy demand for the Company’s shares, principally through its zero-charge Investment Plans which currently hold 44.6% of the Company’s share capital.
- Earnings for the period were £1.99 per share (2002: £1.69). Earnings for the first six months should not be taken as a guide for the full year.
- The first interim dividend of £1.50 per ordinary share, announced on 16 October 2003, is 7.1% higher than the previous year (2002: £1.40) and was paid to shareholders on 21 November 2003.

<b>Group Balance Sheet (unaudited)</b>	<b>31 October 2003 <u>£’000</u></b>	31 October 2002 <u>£’000</u>	30 April 2003 <u>£’000</u>
<b>Investments</b>			
Equities	<b>36,287</b>	33,909	33,779
Fixed interest	<b>38,351</b>	39,181	38,926
Other investments	<b><u>15,825</u></b>	<u>3,815</u>	<u>13,967</u>
	<b>90,463</b>	76,905	86,672
Net current assets	<b><u>31,972</u></b>	<u>13,809</u>	<u>17,652</u>
Net assets	<b><u>122,435</u></b>	<u>90,714</u>	<u>104,324</u>
Ordinary shareholders’ funds	<b><u>122,435</u></b>	<u>90,714</u>	<u>104,324</u>
<b>Net asset value per ordinary £12.50 share</b>	<b>£202.34</b>	£181.17	£186.32

Shares in issue at 31 October 2003 were 605,084.  
(31 October 2002: 500,718, 30 April 2003: 559,925)

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

	for the six months to		for the six months to		for the year to	
	31 October 2003		31 October 2002		30 April 2003	
Notes	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gains/(losses) on investments	-	2,061	2,061	-	(15,606)	(15,606)
Gains on derivative arrangements	-	4,111	4,111	-	1,680	1,680
Exchange differences	-	2,810	2,810	-	3,262	3,262
Income	1,685	-	1,685	1,220	6	1,226
Investment management fee	(173)	(322)	(495)	(144)	(268)	(412)
Other expenses	(155)	-	(155)	(189)	-	(189)
<b>Return on ordinary activities before tax</b>	<b>1,357</b>	<b>8,660</b>	<b>10,017</b>	<b>887</b>	<b>(10,926)</b>	<b>(10,039)</b>
Tax on ordinary activities	(204)	96	(108)	(86)	86	-
<b>Return attributable to equity shareholders</b>	<b>1,153</b>	<b>8,756</b>	<b>9,909</b>	<b>801</b>	<b>(10,840)</b>	<b>(10,039)</b>
Dividends in respect of equity shares	(908)	-	(908)	(701)	-	(701)
Transfer to/(from) reserves	245	8,756	9,001	100	(10,840)	(10,740)
<b>Return per ordinary £12.50 share</b>	<b>£1.99</b>	<b>£15.15</b>	<b>£17.14</b>	<b>£1.69</b>	<b>(£22.86)</b>	<b>(£21.17)</b>
						Revenue £'000
						Capital £'000
						Total £'000

**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 2003.
- The revenue column of this statement is the profit and loss account of the Group.
- A first interim dividend of £1.50 per ordinary share was paid on 21 November 2003 to those shareholders on the register on 7 November 2003.
- The return per ordinary share is based on 578,159 shares, being the weighted average number of shares in issue (31 October 2002: 474,234, 30 April 2003: 501,825).
- These are not full accounts in terms of section 240 of the Companies Act 1985.  
Full audited accounts for the year to 30 April 2003, which were unqualified, have been lodged with the Registrar of Companies.  
No accounts in respect of any period after 30 April 2003 have been reported on by the Company's auditors or delivered to the Registrar of Companies.
- During the period the Directors allotted 45,159 ordinary shares.

## PERSONAL ASSETS TRUST PLC

Summarised Group Statement of Cash Flows (unaudited)	Six months to 31 October 2003 <u>£' 000</u>	Six months to 31 October 2002 <u>£' 000</u>	Year to 30 April 2003 <u>£' 000</u>
Cash inflow from investment income and deposit interest	1,946	1,237	2,504
Cash outflow of management fees and other expenses	<u>(703)</u>	<u>(629)</u>	<u>(1,183)</u>
Net cash inflow from operating expenses	1,243	608	1,321
Taxation	–	–	(113)
Cost of investments purchased less proceeds of investments sold <sup>(1)</sup>	8,567	(1,039)	(15,395)
Dividends paid on ordinary shares	<u>(840)</u>	<u>(637)</u>	<u>(1,338)</u>
Proceeds from new ordinary shares issued <sup>(2)</sup>	<u>9,110</u>	<u>8,972</u>	<u>20,000</u>
Increase in cash	<u>18,080</u>	<u>7,904</u>	<u>4,475</u>

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

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

### Personal Assets Performance against FTSE All-Share

