Murray Income Trust PLC

Half Yearly Report

for the six months ended 31 December 2014

Aberdeen

Contents

Investment Objective

The Company aims to achieve a high and growing income combined with capital growth through investment in a portfolio principally of UK equities.

Pre-investment Disclosure Document

The Alternative Investment Fund Managers Directive ("AIFMD") requires Aberdeen Fund Managers Limited, as the alternative investment fund manager of Murray Income Trust PLC ("the Company"), to make available to investors certain information prior to such investors' investment in the Company.

The AIFMD is intended to offer increased protection to investors in investment products that do not fall under the existing European Union regime for regulation of investment products known as the UCITS regime.

The Company's Pre-Investment Disclosure Document is available for viewing at -
http://www.invtrusts.co.uk/doc.nsf/Lit/PressReleaseUKClosedmincalternativeinvestmentfundmanagersdirectivepidd

Financial Highlights, Performance and Financial Calendar

Financial Highlights

	31 December 2014	30 June 2014	% Change
Total assets[A] (£'000)	575,911	592,652	–2.8
Equity shareholders' interests (£'000)	520,911	547,652	–4.9
Net asset value per Ordinary share	764.4p	805.2p	–5.1
Share price of Ordinary share (mid)	756.0p	779.0p	–3.0
Discount to net asset value on Ordinary shares	(1.1)%	(3.2%)	

[A]Total assets as per the balance sheet less current liabilities (excluding prior charges such as bank loans).

Performance (total return)

	Six months ended 31 December 2014	Year ended 30 June 2014
Net asset value per Ordinary share	–2.9%	+14.0%
Share price per Ordinary share	–0.7%	+9.4%
FTSE All-Share Index	–0.4%	+13.1%

Financial Calendar

16 January 2015	First interim dividend paid for year ending 30 June 2015
17 February 2015	Announcement of Half-Yearly Results for 6 months ended 31 December 2014
March 2015	Half-Yearly Report posted to shareholders
2 April 2015	Second interim dividend payable for year ending 30 June 2015
3 July 2015	Third interim dividend payable for year ending 30 June 2015
September 2015	Announcement of Annual Results for the year ending 30 June 2015 Annual Report posted to shareholders
28 October 2015	Annual General Meeting in Glasgow
November 2015	Final dividend payable for year ending 30 June 2015
February 2016	Announcement of Half-Yearly Results for 6 months ending 31 December 2015
March 2016	Half-Yearly Report posted to shareholders

Chairman's Statement

Review of the Period

Over the 6 months ended 31 December 2014, the Company's net asset value ("NAV") per share fell by 2.9% on a total return basis while the FTSE All Share Index fell by 0.4% on the same basis. The Company's share price ended the period at a smaller discount to NAV of 1.1%, compared to 3.2% at 30 June 2014, resulting in a negative total return to shareholders over the period of 0.7%.

Revenue and Dividends

At the headline level, total revenue increased by 6.5% year-on-year due to the higher level of income from the investments partly offset by lower option income. We still expect to derive a similar annual level of income from option writing which will be more weighted to the second half. Given that around 40% of the income is denominated in foreign currencies, the revenue account has benefited from the weakness of Sterling against the US Dollar during the period which has offset the impact of the Euro weakening against Sterling.

Following shareholder approval at the Annual General Meeting on 29 October 2014, a final dividend of 10.25p per share was paid on 31 October 2014 to shareholders who were on the register on 26 September 2014.

In relation to the year ending 30 June 2015, a first interim dividend of 7.0p per share was paid on 16 January 2015 to shareholders on the register at the close of business on 19 December 2014. A second interim dividend of 7.0p per share will be paid on 2 April 2015 to shareholders on the register at the close of business on 6 March 2015. A third interim dividend of 7.0p per share will be paid on 3 July 2015 to shareholders on the register at the close of business on 5 June 2015.

Current consensus forecasts suggest dividend growth for the market of 12.1% for calendar 2015 reducing to 7.0% for 2016. Typically, these forecasts have a tendency to be optimistic and although currency movements add an additional layer of uncertainty, we would still expect reasonable dividend progression from the underlying holdings in the Company. Furthermore, the income from option writing provides a useful boost and our revenue reserves remain strong.

Economic and Market Background

At the aggregate level the UK equity market was essentially flat over the 6 month period yet this masked significant volatility caused by a list of concerns including developments in Ukraine, contagion from ebola, and weakness in the Eurozone, Japanese, and various emerging markets' economies. These concerns were partly assuaged by further quantitative easing from the Bank of Japan and the prospect of 'full' quantitative easing from the European Central Bank together with a perceived amelioration of some of the non-economic threats. The overarching economic development during the period was the fall in the oil price which slipped from $112 at the start of July to $57 by the end of the year. The move, which resembled a similar scenario in 1985/6, had been caused by OPEC's desire to maintain market share as demand weakened and non-OPEC supply increased. The impact of the move, in general terms, was likely to result in an additional stimulus to growth and downward pressure on inflation. Sectorally, given lower oil and commodity prices, oil & gas and mining companies underperformed while technology and telecoms outperformed. From a size perspective, the Mid Cap Index significantly outperformed both the FTSE 100 and Small Cap Indices over the period, due mostly to its lower commodity exposure.

UK macroeconomic data over the 6 months ended 31 December 2014 pointed to a gradual slowdown in growth. For example, GDP growth slowed from 0.7% in the third quarter to an initial estimate of 0.5% in the fourth quarter. The Manufacturing and Services Purchase Managers' Indices also suggested a slowing growth trend although they both remain firmly in expansionary territory. CPI inflation fell from 1.6% in July to 0.5% in December due mainly to lower utility and petrol prices. Average wages in the quarter to the end of November increased by 1.8% heralding a period of real wage growth for the first time in five years. The Bank of England's Monetary Policy Committee continued to leave interest rates unchanged with the market now expecting the first rate rise late this calendar year or in early 2016.

Internationally, growth remained generally uneven. In the United States the recovery has been a little stronger than expected with continued improvement in the labour market allowing the Federal Reserve to announce the end of its asset purchases during October.

Contrasting sharply with this, continental European economies have struggled to report positive growth. In the Eurozone inflation edged lower over the period falling to -0.2% in December, the first negative reading since October 2009 with leading indicators continuing to point to anaemic growth and increasing the pressure on the European Central Bank to take further measures to stimulate the economy (with the announcement of 'full' quantitative easing after the period end). In Japan, the economy has struggled to overcome the increase in sales tax imposed earlier in the year, prompting the Bank of Japan to embark on a further round of quantitative easing.

The picture in emerging markets remains mixed with China's economy gently slowing. India has witnessed some encouraging signs of reform following the election of Narendra Modi but those economies more reliant on income from raw materials are likely to find life increasingly difficult given the falls in commodity prices.

Bond yields across mature economies continued to fall over the six months; even in economies that are performing relatively well such as the US and UK. In economies where growth was less robust the moves were even more dramatic with, for example, the yield on 10 year government bonds in Germany more than halving to 0.5%.

Gearing

The Company increased its borrowing in October 2014 by drawing down a further £10m from the bank loan facility to take advantage of opportunities presented by the volatility in the market. At the end of the period potential gearing stood at 10.5% and net gearing at 6.1% as the Company seeks to use the additional capital judiciously.

Outlook

The UK equity market has rallied strongly over the past couple of years driven not by an increase in earnings but by a rerating of earnings buoyed by the effects of quantitative easing. As such the price the market is willing to ascribe for security of earnings and dividends is now relatively high but as long as bond yields stay low equities are likely to be valued through the lens of the bond market. Back in the real world, earnings growth is likely to remain hard won and political risk in the UK certainly complicates the picture but there are some rays of light – lower oil prices should act as a potent stimulus, we should see a period of real wage growth as weaker oil prices bear down on inflation and quantitative easing should also benefit Europe, our largest trading partner, all helping the UK economy to continue to trundle along at a relatively steady clip. No doubt there will be various speed bumps ahead but your Manager is sticking to the thesis that globally competitive businesses with robust financial characteristics and experienced management teams offer the best earnings and dividend growth prospects over the long term.

Share Capital

To give the Company maximum flexibility to issue shares while keeping costs to a minimum, the Company may either issue shares from its unissued share capital or re-issue shares which it holds in treasury. During the 6 months ended 31 December 2014, 125,000 new shares were issued from the Company's unissued share capital, at an average price per share of 767.6p. The issued share capital at 31 December 2014 and at 17 February 2015 consisted of 68,142,458 Ordinary shares of 25p, with voting rights, and 451,000 Ordinary shares of 25p held in treasury. The Board remains watchful for the opportunity to issue more shares at an appropriate premium, should circumstances arise.

Board

As mentioned in the Chairman's Statement in the Annual Report for the year ended 30 June 2014, Patrick Gifford retired as a Director of the Company at the Annual General Meeting ("AGM") held on 29 October 2014. I succeeded Patrick as Chairman and David Woods replaced me as Senior Independent Director.

The Board should like to place on record its appreciation and thanks in acknowledging Patrick's considerable contribution to the stewardship of the Company over 15 years as a Director and 10 years as Chairman of the Company.

Principal Risks and Uncertainties

The Board regularly reviews the principal risks and uncertainties which it has identified together with the delegated controls it has established to manage the risks and address the uncertainties:

(i) **Investment strategy risk**
The Company's investment strategy requires investment in equity stockmarkets, which may lead to loss of capital. Separately, inappropriate asset allocation or level of gearing, as part of the investment strategy adopted by the Company, may result in underperformance against either the Company's benchmark (FTSE All-Share Index) and/or its peer group, leading to a widening of the discount at which the Company's shares trade. The Board seeks to manage these risks by diversifying its investments, as set out in the investment restrictions and guidelines agreed with the Manager, and on which the Company receives regular monitoring reports from the Manager. At each Board meeting, the Directors review the investment process with the Manager by assessing relevant management information including revenue forecasts, absolute/relative performance data, attribution analysis and liquidity/risk reports. The Board holds a separate, annual meeting devoted to investment strategy, the most recent being in February 2015.

(ii) **Income and dividend risk**
There is a risk that the Company fails to generate sufficient income from its investment portfolio, particularly in periods of weak equity markets, to meet its operational expenses which results in it drawing upon, rather than replenishing, its revenue reserves. This might hamper the Board's capacity to maintain dividends to shareholders. The Board monitors this risk through the review of income forecasts, provided by the Manager, at each Board meeting.

(iii) **Discount volatility**
Investment trust shares tend to trade at discounts to their underlying net asset values, although they can also

trade at premia. Discounts and premia can fluctuate considerably. In order to seek to minimise the impact of such fluctuations, where the shares are trading at a significant discount, the Company may operate a share buy-back programme. If the shares trade at a premium, the Company has the authority to issue new shares or re-issue shares from treasury. Whilst these measures seek to minimise volatility, it cannot be guaranteed that they will do so.

(iv) **Foreign currency risk**
A proportion of the Company's investment portfolio is invested in overseas securities and the value of the Company's investments, and the income derived from them can, therefore, be affected by movements in foreign exchange rates. In addition, the earnings of the Company's other investments may also be affected by currency movements which, indirectly, could have an impact on the Company's performance. The Company does not currently hedge its foreign currency exposure.

(v) **Operational risk**
In common with most other investment trusts, the Company has no employees. The Company therefore relies on services provided by third parties, including the Manager in particular, to whom responsibility for the management of the Company has been delegated under a management agreement. The terms of the management agreement cover the necessary duties and responsibilities expected of the Manager. The Board reviews the overall performance of the Manager on a regular basis and their compliance with the management agreement formally on an annual basis.

The AIFMD, introduced by the EU to enhance shareholder protection, was fully implemented in the UK on 22 July 2014 and required the Company to appoint an authorised Alternative Investment Fund Manager and a depositary, the latter overlaying the pre-existing custody arrangements.

The Company appointed Aberdeen Fund Managers Limited ("AFML"), following AFML's authorisation by the FCA, to act as the Company's Alternative Investment Fund Manager, entering a new management agreement with AFML on 16 July 2014. Under this agreement AFML delegates portfolio management services to Aberdeen Asset Managers Limited, which continues to act as the Company's Investment Manager. There is no change in the commercial arrangements from the previous investment management agreement which was in place up to and including 15 July 2014.

Contracts with other third party providers, including share registrar and depositary services, are entered into after appropriate due diligence. Thereafter, each contract, and the performance of the provider, is subject to formal annual review. The security of the Company's assets was the responsibility of the custodian, JPMorgan Chase until 16 July 2014, and thereafter, the responsibility of BNP Paribas Securities Services, London Branch, as depositary. The effectiveness of the risk management and internal controls at both the custodian and depositary is subject to review and regular reporting to the Audit Committee.

(vi) **Regulatory risk**
The Company operates in a complex regulatory environment and faces a number of related risks. A breach of Section 1158 of the Corporation Tax Act 2010 could result in the Company being subject to capital gains tax on the sale of its investments. Serious breach of other regulations, such as the UKLA Listing Rules, the Companies Act, the EU AIFM Directive or Accounting Standards, could lead to suspension of the Company's shares from the London Stock Exchange and associated reputational damage. The Board receives monthly reports from the Manager to monitor compliance with regulations.

An explanation of other risks relating to the Company's investment activities, specifically market price, interest rate, liquidity and credit risk, and a note of how these risks are managed, are contained in note 17 to the Financial Statements in the Annual Report for the year ended 30 June 2014.

Related Party Transactions

Any related party transactions during the period are disclosed in the Notes to the Financial Statements. There have been no related party transactions that have had a material effect on the financial position of the Company during the period.

Referendum on Scottish Independence

The 'No' vote in the Scottish Referendum on 18 September 2014 meant that the immediate uncertainty over currency, which was noted in the Annual Report for the year ended 30 June 2014, has fallen away. Further devolution of powers to Scotland is envisaged under the Smith Commission, which reported on 27 November 2014. The Board therefore does not expect to have to make any significant changes to the Company at present, as a result of the outcome of either the Referendum or the Smith Commission but continues to watch events closely and will always be prepared to act in the best interests of shareholders.

Going Concern

The factors which have an impact on the Company's status as a going concern are set out in the Going Concern section of the Directors' Report in the Company's Annual Report for the year ended 30 June 2014. As at 31 December 2014, there had been no significant changes to these factors.

The Board has set limits for borrowing and regularly reviews the level of any gearing, cash flow projections and compliance with banking covenants. On 26 September 2013, the Company entered into a two-year multi-currency revolving loan facility ("the Facility") with Scotiabank (Ireland) Limited for up to £80m. As at 31 December 2014, £55m had been drawn down under the Facility.

The Directors are mindful of the principal risks and uncertainties disclosed above, and, having reviewed forecasts detailing revenue and liabilities, they believe that the Company has adequate financial resources to continue its operational existence for the foreseeable future. Accordingly, the Directors believe that it is appropriate to continue to adopt the going concern basis of accounting in preparing the Financial Statements.

Statement of Directors' Responsibilities

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 Financial Statements within the Half-Yearly Financial Report has been prepared in accordance with the Accounting Standards Board's statement "Half-Yearly Financial Reports"; and
- the Interim Board Report includes a fair review of the information required by 4.2.7R (indication of important events during the first six months of the year and their impact on the Financial Statements together with a description of the risks and uncertainties for the remaining six months of the year) and 4.2.8R (disclosure of related party transactions and changes therein) of the FCA's Disclosure and Transparency Rules.

The interim board report for the six months ended 31 December 2014 comprises the Chairman's Statement, the Statement of Directors' Responsibilities and a condensed set of Financial Statements, and has not been audited or reviewed by the auditor pursuant to the Auditing Practices Board guidance on Review of Interim Financial Information.

N A Honebon
Chairman

17 February 2015

Manager's Portfolio Review

The Company's net asset value return underperformed the benchmark over the period. There were two main areas of negative relative performance. Firstly, the overweight position in the food and drug retailers sector where the holding in Tesco continued to suffer from poor trading in a harsh competitive environment. However, since the period end we have witnessed a recovery in the Tesco share price following encouraging signs as the initiatives of the new management team start to take effect. Secondly, the position in the banks sector also detracted from performance as Nordea, which succumbed to a bout of profit taking following a strong performance in the prior period underperformed and Barclays (a non-holding) recovered following a period of relatively poor performance. More generally, the weakness of the euro impacted performance of our European holdings on a translational basis. On the other hand, in the technology sector, Sage performed well following the appointment of a new Chief Executive and results that demonstrated improving sales growth. Furthermore, the underweight positions in the large oil companies also aided relative performance.

We added a new holding in the non-voting shares of Schroders during the period at an appealing valuation. The fund management company benefits from a number of attractive attributes: a well-known brand, a broad and diversified fund offering, good distribution and a net cash balance sheet. The holding in the Royal Dutch Shell A shares was sold and the B shares were purchased as this is more tax efficient from a dividend perspective. We increased exposure to a number of holdings including Ultra Electronics, given the potential growth opportunities from its niche defence programmes and civil aerospace projects, and Nordea, where we believe the dividend has scope for significant growth. Concern over the ability of ENI to maintain its dividend payments in a scenario of extended lower oil prices caused us to reduce our exposure to the company. A number of options were assigned in companies that had performed strongly including Roche, AB Foods, National Grid and Close Brothers leading to a reduction in our exposure to these names. Conversely, the assignment of put options led to marginal increases in the holding of BHP Billiton and Weir.

In order to increase and diversify the income available, we continued to write options, both puts and calls, in a controlled manner, on a variety of companies reflecting our desire to reduce and add to holdings at particular price levels.

Charles Luke
Aberdeen Asset Managers Limited
Investment Manager

17 February 2015

Investment Portfolio

As at 31 December 2014

Investment	Sector	Valuation £'000	Total assets %
AstraZeneca	Pharmaceuticals & Biotechnology	25,556	4.4
British American Tobacco	Tobacco	24,675	4.3
Unilever	Food Producers	24,493	4.3
GlaxoSmithKline	Pharmaceuticals & Biotechnology	23,254	4.0
Royal Dutch Shell	Oil & Gas Producers	23,228	4.0
HSBC	Banks	19,930	3.5
Centrica	Gas, Water & Multi-utilities	19,391	3.4
Prudential	Life Insurance	19,172	3.3
Pearson	Media	18,909	3.3
Roche	Pharmaceuticals & Biotechnology	18,755	3.3
Top ten investments		**217,363**	**37.8**
BHP Billiton	Mining	18,467	3.2
Cobham	Aerospace & Defence	16,816	2.9
Aberforth Smaller Companies Trust	Equity Investment Instruments	15,330	2.7
Sage	Software & Computer Services	15,182	2.6
Compass	Travel & Leisure	15,108	2.6
National Grid	Gas, Water & Multi-utilities	14,203	2.5
Close Brothers	Financial Services	13,043	2.3
Vodafone	Mobile Telecommunications	12,697	2.2
BP	Oil & Gas Producers	12,636	2.2
Nordea Bank	Banks	12,303	2.1
Top twenty investments		**363,148**	**63.1**
Imperial Tobacco	Tobacco	11,769	2.0
GDF Suez	Gas, Water & Multi-utilities	10,359	1.8
Land Securities	Real Estate Investment Trusts	9,920	1.7
Provident Financial	Financial Services	9,811	1.7
Standard Chartered	Banks	8,828	1.5
Inmarsat	Mobile Telecommunications	8,795	1.5
Tesco	Food & Drug Retailers	8,639	1.5
Associated British Foods	Food Producers	8,387	1.5
Schneider Electric	Electronic & Electrical Equipment	8,305	1.5
Verizon Communications	Mobile Telecommunications	8,292	1.4
Top thirty investments		**456,253**	**79.2**
Rolls-Royce	Aerospace & Defence	8,000	1.4
GKN	Automobiles & Parts	7,811	1.4
Hiscox	Non-life Insurance	7,704	1.3
BBA Aviation	Industrial Transportation	7,344	1.3
Microsoft	Software & Computer Services	7,270	1.3
Nestle	Food Producers	7,058	1.2
John Wood Group	Oil Equipment & Services	6,496	1.1
Ultra Electronics	Aerospace & Defence	5,814	1.0
Linde	Chemicals	5,498	1.0
Svenska Handelsbanken	Banks	5,334	0.9
Top forty investments		**524,582**	**91.1**

Investment Portfolio continued

Investment	Sector	Valuation £'000	Total assets %
Casino Guichard Perrachon	Food & Drug Retailers	5,124	0.9
ENI	Oil & Gas Producers	4,887	0.9
Schroders	Financial Services	4,793	0.8
BG	Oil & Gas Producers	4,757	0.8
Weir	Industrial Engineering	4,702	0.8
Dunedin Smaller Companies Investment Trust	Equity Investment Instruments	3,297	0.6
Total investments		**552,142**	**95.9**
Net current assets[A]		**23,769**	**4.1**
Total assets		**575,911**	**100.0**

[A] excludes bank loan of £55,000,000.

Income Statement

		Six months ended 31 December 2014 (unaudited)			Six months ended 31 December 2013 (unaudited)			Year ended 30 June 2014 (audited)		
		Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
	Notes	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
(Losses)/gains on investments		–	(22,496)	(22,496)	–	43,353	43,353	–	49,520	49,520
Currency losses		–	(2)	(2)	–	(17)	(17)	–	(105)	(105)
Income	3	9,105	–	9,105	8,549	–	8,549	23,926	–	23,926
Investment management fees		(690)	(690)	(1,380)	(684)	(684)	(1,368)	(1,386)	(1,386)	(2,772)
Administrative expenses		(630)	–	(630)	(540)	–	(540)	(1,079)	–	(1,079)
Net return before finance costs and taxation		7,785	(23,188)	(15,403)	7,325	42,652	49,977	21,461	48,029	69,490
Finance costs of borrowing		(182)	(182)	(364)	(168)	(168)	(336)	(362)	(362)	(724)
Net return on ordinary activities before taxation		7,603	(23,370)	(15,767)	7,157	42,484	49,641	21,099	47,667	68,766
Taxation on ordinary activities	4	(191)	–	(191)	(78)	–	(78)	(410)	–	(410)
Return on ordinary activities after taxation		**7,412**	**(23,370)**	**(15,958)**	**7,079**	**42,484**	**49,563**	**20,689**	**47,667**	**68,356**
Return per Ordinary share (pence)	5	**10.9**	**(34.3)**	**(23.4)**	**10.5**	**62.7**	**73.2**	**30.5**	**70.2**	**100.7**

The total column of this statement represents the profit and loss account of the Company.
The Company had no recognised gains or losses other than those recognised in the Income Statement.
All revenue and capital items in the above statement derive from continuing operations.

Ordinary dividends paid on equity shares (£'000)	2	**11,733**	**–**	**11,733**	**11,266**	**–**	**11,266**	**20,712**	**–**	**20,712**

The above dividend information does not form part of the Income Statement.

Balance Sheet

	Notes	As at 31 December 2014 (unaudited) £'000	As at 31 December 2013 (unaudited) £'000	As at 30 June 2014 (audited) £'000
Non-current assets				
Investments at fair value through profit or loss		552,142	570,797	578,506
Current assets				
Other debtors and receivables		1,752	1,603	2,414
Cash and short-term deposits		23,366	11,730	12,643
		25,118	13,333	15,057
Creditors: amounts falling due within one year				
Other payables		(1,349)	(825)	(911)
Bank loans		(55,000)	(45,000)	(45,000)
		(56,349)	(45,825)	(45,911)
Net current liabilities		(31,231)	(32,492)	(30,854)
Net assets		**520,911**	**538,305**	**547,652**
Share capital and reserves				
Called-up share capital		17,148	17,117	17,117
Share premium account		24,020	23,101	23,101
Capital redemption reserve		4,997	4,997	4,997
Capital reserve	6	452,059	470,246	475,429
Revenue reserve		22,687	22,844	27,008
Equity shareholders' funds		**520,911**	**538,305**	**547,652**
Net asset value per Ordinary share (pence)	7	**764.4**	**791.4**	**805.2**

Reconciliation of Movements in Shareholders' Funds

Six months ended 31 December 2014 (unaudited)

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 1 July 2014	17,117	23,101	4,997	475,429	27,008	547,652
Return on ordinary activities after taxation	–	–	–	(23,370)	7,412	(15,958)
Issue of Ordinary shares	31	919	–	–	–	950
Dividends paid	–	–	–	–	(11,733)	(11,733)
Balance at 31 December 2014	**17,148**	**24,020**	**4,997**	**452,059**	**22,687**	**520,911**

Six months ended 31 December 2013 (unaudited)

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 1 July 2013	16,886	16,202	4,997	427,762	27,031	492,878
Return on ordinary activities after taxation	–	–	–	42,484	7,079	49,563
Issue of Ordinary shares	231	6,899	–	–	–	7,130
Dividends paid	–	–	–	–	(11,266)	(11,266)
Balance at 31 December 2013	**17,117**	**23,101**	**4,997**	**470,246**	**22,844**	**538,305**

Year ended 30 June 2014 (audited)

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 1 July 2013	16,886	16,202	4,997	427,762	27,031	492,878
Return on ordinary activities after taxation	–	–	–	47,667	20,689	68,356
Issue of Ordinary shares	231	6,899	–	–	–	7,130
Dividends paid	–	–	–	–	(20,712)	(20,712)
Balance at 30 June 2014	**17,117**	**23,101**	**4,997**	**475,429**	**27,008**	**547,652**

Cash Flow Statement

	Six months ended 31 December 2014 (unaudited) £'000	Six months ended 31 December 2013 (unaudited) £'000	Year ended 30 June 2014 (audited) £'000
Net return before finance costs and taxation	(15,403)	49,977	69,490
Adjustments for:			
Losses/(gains) on investments	22,496	(43,353)	(49,520)
Currency losses	2	17	105
Non cash stock dividend	(206)	(1,023)	(2,596)
Overseas withholding tax suffered	(375)	(78)	(416)
Decrease in accrued income	870	1,478	651
(Increase)/decrease in prepayments	(22)	(2)	21
Increase in accruals	377	96	183
Net cash inflow from operating activities	7,739	7,112	17,918
Servicing of finance			
Interest paid	(305)	(332)	(722)
Net cash outflow from servicing of finance	(305)	(332)	(722)
Financial investment			
Purchases of investments	(36,200)	(11,716)	(39,256)
Sales of investments	40,274	2,914	30,485
Net cash inflow/(outflow) from financial investment	4,074	(8,802)	(8,771)
Equity dividends paid	(11,733)	(11,266)	(20,712)
Net cash outflow before financing	(225)	(13,288)	(12,287)
Financing			
Issue of Ordinary shares	950	7,496	7,496
Drawdown of loan	10,000	5,000	5,000
Net cash inflow from financing	10,950	12,496	12,496
Net increase/(decrease) in cash	**10,725**	**(792)**	**209**
Reconciliation of net cash flow to movements in net debt			
Increase/(decrease) in cash as above	10,725	(792)	209
Drawdown of loan	(10,000)	(5,000)	(5,000)
Exchange movements	(2)	(17)	(105)
Movement in net debt in the period	723	(5,809)	(4,896)
Opening net debt	(32,357)	(27,461)	(27,461)
Closing net debt	**(31,634)**	**(33,270)**	**(32,357)**
Represented by:			
Cash at bank	23,366	11,730	12,643
Debt falling due within one year	(55,000)	(45,000)	(45,000)
	(31,634)	**(33,270)**	**(32,357)**

Notes to the Financial Statements

1. **Accounting policies**

   (a) **Basis of accounting**

   The accounts have been prepared in accordance with applicable UK Accounting Standards, with pronouncements on Half-Yearly Reporting issued by the Accounting Standards Board and with the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts'. They have also been prepared on the assumption that approval as an investment trust will continue to be granted. The financial statements have been prepared on a going concern basis.

   The financial statements and the net asset value per share figures have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP).

   The half-yearly financial statements have been prepared using the same accounting policies as the preceding annual accounts.

   (b) **Dividends payable**

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

2. **Ordinary dividends**

   Ordinary dividends paid on equity shares deducted from reserves:

	Six months ended 31 December 2014 £'000	Six months ended 31 December 2013 £'000	Year ended 30 June 2014 £'000
2013 third interim dividend – 7.00p	–	4,676	4,676
2013 final dividend – 9.75p	–	6,590	6,590
2014 first interim dividend – 7.00p	–	–	4,761
2014 second interim dividend – 7.00p	–	–	4,761
2014 third interim dividend – 7.00p	4,761	–	–
2014 final dividend – 10.25p	6,972	–	–
Return of unclaimed dividends	–	–	(76)
	11,733	**11,266**	**20,712**

3. **Income**	Six months ended 31 December 2014 £'000	Six months ended 31 December 2013 £'000	Year ended 30 June 2014 £'000
Investment income			
UK dividends	6,974	5,679	14,855
Overseas dividends	1,838	1,156	5,078
Stock dividends	83	1,023	2,596
	8,895	7,858	22,529

Other income			
Deposit interest	20	11	29
Traded option premiums	190	680	1,368
	210	691	1,397
Total income	**9,105**	**8,549**	**23,926**

4. **Taxation**

The taxation charge for the period represents withholding tax suffered on overseas dividend income.

5. **Return per share**	Six months ended 31 December 2014 p	Six months ended 31 December 2013 p	Year ended 30 June 2014 p
Revenue return	10.9	10.5	30.5
Capital return	(34.3)	62.7	70.2
Total return	**(23.4)**	**73.2**	**100.7**

The figures are based on the following attributable amounts:

	Six months ended 31 December 2014 £'000	Six months ended 31 December 2013 £'000	Year ended 30 June 2013 £'000
Revenue return	7,412	7,079	20,689
Capital return	(23,370)	42,484	47,667
Total return	**(15,958)**	**49,563**	**68,356**
Weighted average number of Ordinary shares in issue	**68,035,257**	**67,722,757**	**67,868,896**

As at 31 December 2014, 451,000 (31 December 2013 and 30 June 2014 – 451,000) Ordinary shares were held in treasury.

6. **Capital reserve**

The capital reserve reflected in the Balance Sheet at 31 December 2014 includes gains of £145,255,000 (31 December 2013 – £174,885,000; 30 June 2014 – £170,702,000) which relate to the revaluation of investments held at the reporting date.

7. **Net asset value per share**	As at 31 December 2014	As at 31 December 2013	As at 30 June 2014
Attributable net assets (£'000)	520,911	538,305	547,652
Number of Ordinary shares in issue	68,142,458	68,017,458	68,017,458
Net asset value per Ordinary share (p)	764.4	791.4	805.2

8. **Transaction costs**

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

	Six months ended 31 December 2014 £'000	Six months ended 31 December 2013 £'000	Year ended 30 June 2014 £'000
Purchases	203	59	155
Sales	29	12	40
	232	**71**	**195**

9. The financial information contained in this Half-Yearly Financial Report does not constitute statutory accounts as defined in Sections 434-436 of the Companies Act 2006. The financial information for the six months ended 31 December 2014 and 31 December 2013 has not been audited.

The information for the year ended 30 June 2014 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.

10. This Half-Yearly Financial Report was approved by the Board on 17 February 2015.

How to Invest in Murray Income Trust PLC

Direct

Investors can buy and sell the Company's shares directly through a stockbroker or indirectly through a lawyer, accountant or other professional adviser. Alternatively, for retail clients, shares can be bought directly through Aberdeen's Investment Plan for Children, Investment Trust Share Plan or Investment Trust ISA.

Suitable for Retail/NMPI status

The Company's shares are intended for investors, primarily in the UK, including retail investors, professionally-advised private clients and institutional investors who are seeking a high and growing income combined with capital growth through investment in a portfolio principally of UK equities, and who understand and are willing to accept the risks of exposure to equities. Investors should consider consulting a financial adviser who specialises in advising on the acquisition of shares and other securities before acquiring shares. Investors should be capable of evaluating the risks and merits of such an investment and should have sufficient resources to bear any loss that may result.

The Company currently conducts its affairs, and intends to continue to do so for the foreseeable future, so that the shares issued by Murray Income Trust PLC can be recommended by a financial adviser to ordinary retail investors in accordance with the FCA's rules in relation to non-mainstream pooled investments ('NMPIs').

The Company's shares are excluded from the FCA's restrictions which apply to NMPIs because they are shares in an investment trust.

Aberdeen Investment Plan for Children

Aberdeen Asset Managers Limited ("AAM") operates an Investment Plan for Children (the "Children's Plan") which covers a number of investment companies under its management, including Murray Income Trust PLC. Anyone can invest in the Children's Plan, including parents, grandparents and family friends (subject to the eligibility criteria as stated within the terms and conditions). 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.

Aberdeen Investment Trust Share Plan

AAM operates an Investment Trust Share Plan (the "Share Plan") through which shares in Murray Income Trust PLC 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. Investors only pay Government Stamp Duty (currently 0.5%) on purchases. Lump sum investments start at £250, while regular savers may invest from £100 per month. Selling costs are £10 + VAT. There is no restriction on how long an investor need invest in a Share Plan, and regular savers can stop or suspend participation by instructing AAM in writing at any time.

Aberdeen Investment Trust ISA

AAM operates an Investment Trust ISA ("ISA") through which an investment may be made of up to £15,000 in the tax year 2014/2015 and up to £15,240 in the tax year 2015/2016.

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 annually and applied on 31 March (or the last business day in March) and collected soon thereafter either by direct debit or, if there is no valid direct debit mandate in place, from the available cash in the ISA prior to the distribution or reinvestment of any income, or, where there is insufficient cash in the ISA, from the sale of investments held in the ISA. Under current legislation, investments in ISAs can grow free of capital gains tax.

ISA Transfer

Investors can choose to transfer previous tax year investments to AAM which can be invested in while retaining the ISA wrapper. The minimum lump sum for an ISA transfer is £1,000, and is subject to a minimum per trust of £250.

Nominee Accounts and Voting Rights for Children's Plan, Share Plan and Investment Trust ISA

In common with other schemes of this type, all investments in AAM's Children's Plan, Share Plan and Investment Trust ISA are held in nominee accounts and investors have full voting and other rights of share ownership.

Terms and Conditions for Children's Plan, Share Plan and Investment Trust ISA

Full Terms and Conditions for AAM's products may be found under 'Literature' at www.invtrusts.co.uk.

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

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 trust shares which have been 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.

Further Information

If investors would like details on Murray Income Trust PLC or information on the Children's Plan, Share Plan, Investment Trust ISA or ISA Transfers, please send an email to inv.trusts@aberdeen-asset.com, telephone 0500 00 00 40 or write to –

Aberdeen Investment Trusts
PO Box 11020
Chelmsford
Essex CM99 2DB

Keeping You Informed

The Company's share price appears in The Daily Telegraph and under the heading 'Investment Companies' in the Financial Times.

For internet users, detailed data on the Company, including price, performance information and a monthly fact sheet is available from the Company's website (www.murray-income.co.uk) and the TrustNet website (www.trustnet.co.uk). Alternatively, please call 0500 00 00 40 or visit www.invtrusts.co.uk.

For further information concerning any direct shareholding or the Dividend Reinvestment Plan, please contact the Company's registrars, Capita Asset Services, whose details may be found on the Corporate Information page.

Investor warning

The Board has been made aware by AAM that some investors have received telephone calls from people purporting to work for Aberdeen, or third parties, who have offered to buy their investment trust shares. These may be scams which attempt to gain personal information with which to commit identity fraud or could be 'boiler room' scams where a payment from an investor is required to release the supposed payment for their shares.

These callers do not work for Aberdeen and any third party making such offers has no link with Aberdeen. Aberdeen never makes these types of offers and does not 'cold-call' investors in this way. If investors have any doubt over the veracity of a caller, they should not offer any personal information, end the call and contact Aberdeen's Customer Services (see Corporate Information for details).

The above information on pages 16 and 17 has been approved for the purposes of Section 21 of the Financial Services and Markets Act 2000 (as amended by the Financial Services Act 2012) by Aberdeen Asset Managers Limited which is authorised and regulated by the Financial Conduct Authority

Corporate Information

Directors

N A Honebon (Chairman)
D E Woods (Senior Independent Director)
J C Park (Audit Committee Chairman)
D A J Cameron
N A H Rogan

Secretaries, Registered Office and Company Number

Aberdeen Asset Management PLC
7th Floor, 40 Princes Street
Edinburgh EH2 2BY

Email: company.secretary@invtrusts.com

Registered in Scotland – Company Number SC012725

Website

www.murray-income.co.uk

United States Internal Revenue Service FATCA Registration Number (GIIN)

8Q8ZFE.99999.SL.826

Points of Contact

The Chairman or Company Secretaries at the Registered Office of the Company

Customer Services and AAM Children's Plan/Share Plan/ISA enquiries

Aberdeen Investment Trusts
PO Box 11020
Chelmsford
Essex CM99 2DB

Freephone: 0500 00 00 40
(open Monday – Friday, 9am – 5pm)
Email: inv.trusts@aberdeen-asset.com

Alternative Investment Fund Manager *

Aberdeen Fund Managers Limited
Authorised and regulated by the Financial Conduct Authority

(* appointed as required by EU Directive 2011/61/EU)

Investment Manager

Aberdeen Asset Managers Limited
Authorised and regulated by the Financial Conduct Authority

Registrars (for direct shareholders)

The Share Portal operated by Capita Asset Services is a secure online website where shareholdings can be managed quickly and easily, including arranging to pay dividends directly into a bank account or receive electronic communications:

www.capitashareportal.com

Alternatively, please contact the registrars -

By phone -

Tel: 0871 664 0300
(UK calls cost 10p per minute plus network extras)
From overseas: +44 208 639 3399
Lines are open 9.00am to 5.30pm Monday to Friday, excluding public holidays)

By email -

shareholderenquiries@capita.co.uk

By post -

Capita Asset Services
The Registry
34 Beckenham Road
Beckenham
Kent
BR3 4TU

Independent Auditor

Ernst & Young LLP

Depositary and Custodian

BNP Paribas Securities, London Branch

Solicitors

Dickson Minto W.S.

Stockbrokers

Canaccord Genuity Limited

Aberdeen