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EDINBURGH INCOME AND VALUE TRUST PLC
INTERIM RESULTS FOR THE SIX MONTHS TO 30 NOVEMBER 2000

Edinburgh Income and Value Trust and its subsidiary Edinburgh Value Zeros, managed by Edinburgh Fund Managers, is akin to a split capital investment trust but with no fixed life for the ordinary shares. The Group has investment objectives of providing ordinary shareholders with a high level of income, together with the opportunity for capital and income growth and for its zero dividend preference shareholders with a pre-determined capital entitlement in May 2005 with a competitive yield and capital cover.

- Second interim dividend of 2.4p per ordinary share payable on 16 February 2001
- A high level of income has been established and dividends totalling not less than 9.6p are forecast to be paid for the 12 months ending 31 May 2001
- Net asset value per ordinary share rose by 22.8% to 114.79p
- The trust has a significant exposure to smaller and mid-cap companies, many of which the managers believe to be undervalued



EDINBURGH INCOME AND VALUE TRUST
CHAIRMAN'S STATEMENT

During the six months to 30 November 2000, your company has performed well.

Dividend

Following payment of a first interim dividend of 2.4p, a second interim dividend of 2.4p has been declared and will be paid to shareholders on 16 February 2001. It is intended to pay a total dividend of not less than 9.6p for the year to 31 May 2001.

Performance

Gross assets have increased by 11.5%, rising from £49.8 million to £55.6 million. During the same period the net asset value per share, after providing for financing costs to the zero dividend preference shares, has risen from 93.5p to 114.8p, an increase of 22.8%. The rise in net asset value relative to gross assets reflects the beneficial aspect of gearing when underlying stock prices are rising.

Most of the rise has been due to strong performances from 'old economy' stocks in the industrial and cyclical services sectors where investors have been attracted by the relatively low valuations. Utilities, where the company has a substantial weighting, was another strong area due to its defensive qualities. In the current environment there is little appetite for risk, and these sectors which form the backbone of the portfolio, should continue to do well.

Strategy

Since the year-end, the stockmarket has traded within a fairly narrow range. However, this disguised a significant change in sector rotation. The technology, media and telecoms sectors, the star performers of last year, have undergone a significant derating in the past six months. As a result, this has led to a reappraisal of stocks and sectors previously ignored by investors, thereby confirming the company's investment rationale. The anomalous valuations of certain stocks and sectors have subsequently been reversed, nevertheless, attractive opportunities remain, predominantly in the mid and small cap areas of the market. At 30 November 2000 smaller companies represented 48% of the portfolio while mid-cap companies accounted for 33%. The exposure to defensive stocks, such as utilities, was increased during the period as prospects improved following the regulatory reviews.

Corporate activity continues to be a feature and it is likely that the trend will continue where valuations remain depressed.

Outlook

In November, interest rates were kept on hold at 6% for the ninth consecutive month. Leading indicators continue to fall suggesting a slowdown in economic growth. The manager's forecasts for GDP remain at 2.5% for 2001 and 3% for 2002. Inflation continues to remain subdued, thereby supporting the view that interest rates are at or close to their peak. The recent decline in the oil price will also ease the pressure on margins for industrial companies. The export market remains mixed but there are growing signs that sterling strength against the Euro may have peaked which in the medium term will have a positive effect on volumes and margins for UK manufacturers. The company's exposure to economically sensitive sectors leaves it well placed to benefit from this outlook.

David Ritchie
Chairman

GROUP STATEMENT OF TOTAL RETURN (unaudited)**For six months to 30 November 2000**

	Revenue £000	Capital £000	Total £000
Gains on investments	-	5,826	5,826
Investment income	1,682	-	1,682
Interest receivable	49	-	49
Investment management fee	(120)	(120)	(240)
Administrative expenses	(111)	-	(111)
NET RETURN BEFORE FINANCE COSTS AND TAXATION	1,500	5,706	7,206
Interest payable	(167)	(167)	(334)
RETURN ON ORDINARY ACTIVITIES BEFORE TAXATION	1,333	5,539	6,872
Taxation	-	-	-
RETURN ON ORDINARY SHARES AFTER TAXATION	1,333	5,539	6,872
Non equity minority interest	-	(658)	(658)
RETURN ATTRIBUTABLE TO EQUITY SHAREHOLDERS	1,333	4,881	6,214
Dividends in respect of equity shares	(1,138)	-	(1,138)
	195	4,881	5,076
RETURN PER ORDINARY SHARE	5.63p	20.60p	26.23p

For six months to 30 November 1999

	Revenue £000	Capital £000	Total £000
Losses on investments	-	(4,155)	(4,155)
Investment income	1,569	-	1,569
Interest receivable	23	-	23
Investment management fee	(116)	(116)	(232)
Administrative expenses	(106)	-	(106)
NET RETURN BEFORE FINANCE COSTS AND TAXATION	1,370	(4,271)	(2,901)
Interest payable	(167)	(167)	(334)
RETURN ON ORDINARY ACTIVITIES BEFORE TAXATION	1,203	(4,438)	(3,235)
Taxation	(7)	7	-
RETURN ON ORDINARY SHARES AFTER TAXATION	1,196	(4,431)	(3,235)
Non equity minority interest	-	(610)	(610)
RETURN ATTRIBUTABLE TO EQUITY SHAREHOLDERS	1,196	(5,041)	(3,845)
Dividends in respect of equity shares	(829)	-	(829)
	367	(5,041)	(4,674)
RETURN PER ORDINARY SHARE	5.05p	(21.28p)	(16.23p)

GROUP STATEMENT OF TOTAL RETURN (unaudited)**For the period 10 March 1999 to 31 May 2000**

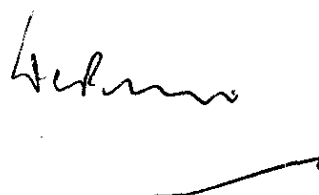
	Revenue £000	Capital £000	Total £000
Gains on investments	-	674	674
Investment income	3,622	-	3,622
Interest receivable	136	-	136
Other income	12	-	12
Investment management fee	(254)	(254)	(508)
Administrative expenses	(260)	-	(260)
NET RETURN BEFORE FINANCE COSTS AND TAXATION	3,256	420	3,676
Interest payable	(377)	(377)	(754)
RETURN ON ORDINARY ACTIVITIES BEFORE TAXATION	2,879	43	2,922
Taxation	(3)	3	-
RETURN ON ORDINARY SHARES AFTER TAXATION	2,876	46	2,922
Non equity minority interest	-	(1,416)	(1,416)
RETURN ATTRIBUTABLE TO EQUITY SHAREHOLDERS	2,876	(1,370)	1,506
Dividends in respect of equity shares	(2,393)	-	(2,393)
	483	(1,370)	(887)
RETURN PER ORDINARY SHARE	12.14p	(5.78p)	6.36p

BALANCE SHEET (unaudited)

	Group At 30 November 2000 £000	Company At 30 November 2000 £000	Group At 31 May 2000 £000	Company At 31 May 2000 £000	Group At 30 November 1999 £000	Company At 30 November 1999 £000
FIXED ASSETS						
Investments	53,394	53,376	48,010	47,992	47,432	47,414
CURRENT ASSETS						
Debtors	1,363	1,362	594	603	1,848	1,847
Cash and short term deposits	1,670	1,670	2,955	2,955	934	934
	3,033	3,032	3,549	3,558	2,782	2,781
CREDITORS						
Amounts falling due within one year	843	814	1,712	1,702	2,075	2,068
NET CURRENT ASSETS	2,190	2,218	1,837	1,856	707	713
TOTAL ASSETS LESS CURRENT LIABILITIES	55,584	55,594	49,847	49,848	48,139	48,127
CREDITORS						
Amounts falling due after more than one year	11,180	28,829	11,180	28,144	11,180	27,486
	44,404	26,765	38,667	21,704	36,959	20,641
CAPITAL AND RESERVES						
Ordinary share capital	237	237	237	237	237	237
Reserves	26,573	26,528	21,494	21,467	20,420	20,404
EQUITY	26,810	26,765	21,731	21,704	20,657	20,641
SHAREHOLDERS' FUNDS						
NON EQUITY MINORITY INTERESTS	17,594		16,936		16,302	
	44,404		38,667		36,959	
Net asset value per equity share	114.79p		93.47p		89.03p	

The financial statements on pages 4 to 7 were approved by the board on 17 January 2001 and were signed on its behalf by:

David Ritchie, Director



GROUP CASHFLOW STATEMENT (unaudited)

	Six months to 30 November 2000 £000	Six months to 30 November 1999 £000	Period 10 March 1999 to 31 May 2000 £000
Net return before finance costs and taxation	1,500	1,370	3,256
Decrease in debtors	288	42	(576)
Increase in creditors	24	54	158
Tax on investment income	6	(10)	(18)
Expenses charged to capital	(120)	(116)	(254)
Net cash inflow from operating activities	1,698	1,340	2,566
Return on investment and servicing of finance			
Interest paid	(333)	(334)	(673)
Capital expenditure and financial investment	(1,192)	(453)	(46,755)
Equity dividends paid	(1,422)	(592)	(1,540)
Net cash outflow before financing	(1,249)	(39)	(46,402)
Net cash outflow from financing	(36)	(47)	49,357
Decrease in cash	(1,285)	(86)	2,955

Notes :

1. The directors have declared a second interim dividend of 2.4p per ordinary share for the period ended 31 May 2001. The second interim dividend will be paid on 16 February 2001 to shareholders on the register on 2 February 2001. The ex-dividend date is 29 January 2001.
2. The accounts are prepared under the same accounting policies used for the period to 31 May 2000.
3. The statement of total return and the balance sheet set out above do not represent full statutory accounts in accordance with Section 240 of the Companies Act 1985. The financial information for the period to 31 May 2000 has been extracted from the Annual Report and Accounts of the company which have been filed with the Registrar of Companies and contained an unqualified auditors' report.
4. The interim report will be posted to shareholders on 2 February 2001 and copies will be available at the registered office of the company - Donaldson House, 97 Haymarket Terrace, Edinburgh EH12 5HD.

For Edinburgh Income and Value Trust plc
Edinburgh Fund Managers plc, SECRETARY