

Murray Income Trust PLC

An investment trust founded in 1923 aiming
for high and growing income with capital growth



Investment Objective

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

Benchmark

The Company's benchmark is the FTSE All-Share Index (total return).



Visit our Website

To find out more about Murray Income Trust PLC, please visit: murray-income.co.uk

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Neil Rogan, Chairman



Charles Luke and Iain Pyle,
Aberdeen Asset Managers Limited

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General Information

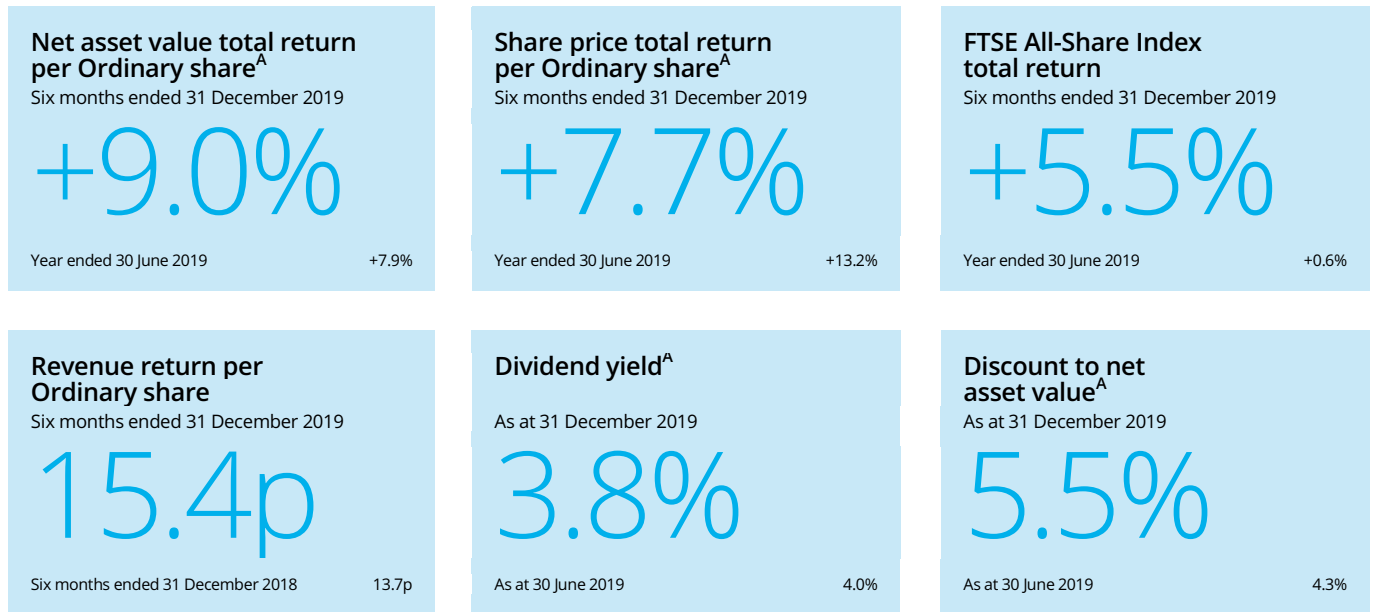
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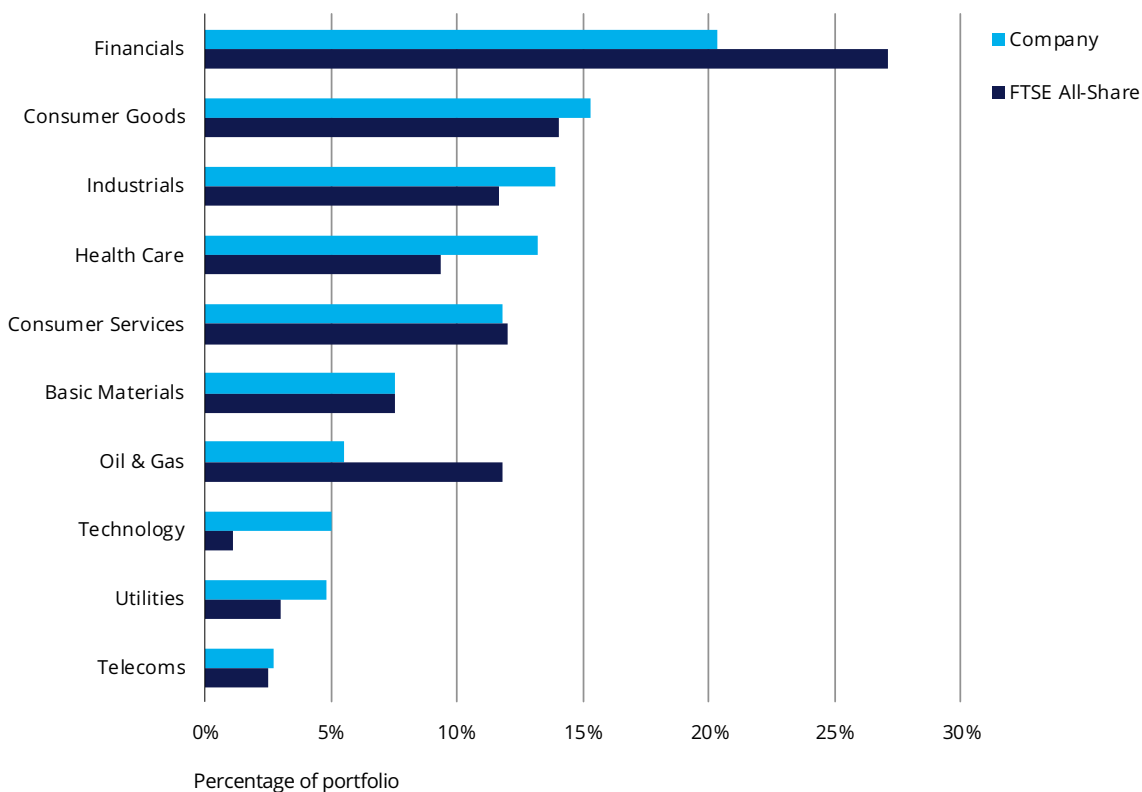
Highlights and Financial Calendar

Performance Highlights



^A Considered to be an Alternative Performance Measure as defined on pages 26 and 27.

Investment Portfolio by Sector



“I am pleased to report another strong six months of performance from our Manager”

Neil Rogan, Chairman

Financial Calendar

Payment dates of quarterly dividends	20 December 2019 20 March 2020 19 June 2020 September 2020
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Financial year end	30 June 2020
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Expected announcement date of results for year ended 30 June 2020	September 2020
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Annual General Meeting (Glasgow)	3 November 2020
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Financial Highlights

	31 December 2019	30 June 2019
Total assets ^A (£'000)	673,224	633,647
Equity shareholders' funds (£'000)	626,990	587,150
Net asset value per Ordinary share – debt at par	948.4p	888.1p
Share price of Ordinary share (mid-market)	896.0p	850.0p
Discount to net asset value on Ordinary shares – debt at par ^B	5.5%	4.3%
Net gearing ^B	2.6%	3.1%
Ongoing charges ratio ^B	0.62%	0.65%

^A Total assets as per the Condensed Statement of Financial Position less current liabilities (excluding prior charges such as bank loans).

^B Considered to be an Alternative Performance Measure as defined on pages 26 and 27.

Chairman's Statement

"It is not impossible that we shall start to worry about the UK economy overheating before too long...the journey from here to there would be interesting for investors. Very interesting."

Neil Rogan, Chairman



I am pleased to report another strong six months of performance from our Manager, Aberdeen Standard Fund Managers Limited. The Company's net asset value ("NAV") per share rose 9.0% in the six months ended 31 December 2019 in total return terms, outperforming the FTSE All-Share Index (the "Index") return of 5.5%. The share price total return was 7.7% with the discount widening slightly from 4.3% to 5.5%.

Looking over longer periods to 31 December 2019, performance is ahead of the Index over one, three and five and ten years. At the same time we continue to grow our dividend, with a dividend increase chalked up in every one of the past forty-six years. This puts us into the top ten on the AIC's list of 'Dividend Heroes', as measured by the number of years of dividend growth, the investment trusts with the longest records of consecutive annual dividend growth.

Investment Objective

The Company aims for a high and growing income combined with capital growth through investment in a portfolio principally of UK equities. Plain vanilla if you like, it is a diversified portfolio of quality companies.

Investment Process

Our Manager's investment process is best summarised as a search for good quality companies at attractive valuations. The Manager defines a quality company as one capable of strong and predictable cash generation, sustainably high returns on capital and with attractive growth opportunities. These typically result from a sound business model, a robust balance sheet, good management and strong environmental, social and governance characteristics.

Investment People

Charles Luke has been our portfolio manager since 2006. If you were not able to come to our Annual General Meeting in November, you can find his latest presentation on our website. His deputy is Iain Pyle and they are members of the Manager's five-strong UK Equity Income team which itself is part of the sixteen-strong UK Equity Team headed by Andrew Millington.

"Performance attribution again shows UK stock selection as the main contributor to outperformance."

Performance

The FTSE All-Share Index is the Board's primary benchmark by which to assess performance and the headline numbers are recorded previously. Performance attribution again shows UK stock selection as the main contributor to outperformance. Charles and Iain assess performance in more detail in the Manager's Portfolio Report. The Directors also look at performance relative to other investment trusts in the UK Equity Income sector. The last six months have improved our relative rankings considerably such that we were third, out of 18 trusts, over one, three and five years to 31 December 2019, in NAV total return terms.

Fully Independent Board

Your Directors are all fully independent and are responsible for the governance of the Company, appointing the Manager, setting dividend policy and so on. Merryn Somerset Webb was appointed a Director on 7 August 2019.

Dividends

At 31 December 2019, the Company's shares were yielding 3.8% (calculated as dividing the total dividends paid in the past 12 months of 34p by the period end share price of 896p). This compares to the 4.1% yield available from the FTSE All-Share Index and the size-weighted average yield of 3.7% for trusts in the AIC UK Equity Income Sector.

A final dividend of 10.0p per share was paid on 8 November 2019 following shareholder approval at the AGM on 5 November 2019. Also at the AGM, shareholders approved a policy whereby the Company will pay four interim dividends for the years ending on and after 30 June 2020, in place of the previous pattern of three interim dividends and a final dividend. The purpose of this was to pay shareholders their dividends both earlier and at regular three-month intervals.

Following the introduction of this revised policy, the Company announced in November 2019 that it would pay 8.25p per share on 20 December 2019, 20 March 2020 and 19 June 2020 for the first, second and third interim dividends, respectively. The practical impact of this is that shareholders will have received the final dividend for the 2018-2019 year in November 2019 and the first interim dividend for the current year in December 2019. The Board will announce the rate for its fourth interim dividend in early August 2020, with payment expected in September 2020.

Chairman's Statement Continued

Share Capital

The Company did not issue nor buy back any shares during the six months ended 31 December 2019.

Ongoing Charges

Lower ongoing charges are a competitive advantage for investment trusts compared with open ended funds. Our ongoing charges for the year ended 30 June 2019 were 0.65% and we continue to aim to trend lower, as evidenced by the annualised 0.62% recorded for the review period. The management fee, which is the largest component of ongoing charges, is tiered (see note 4 for details). On net assets of £627m at 31 December 2019, the blended management fee rate was equivalent to 0.45%. The marginal rate of management fees is 0.25% per annum charged on net assets above £450m.

Engaging Individual Shareholders

We have a high proportion of the Company owned by individual investors and are committed to making sure that up-to-date information on the Company is easily accessible. In the year ahead, we plan to continue the enhancements to the content on the Company's website, maintained by the Manager, at murray-income.co.uk and continue in our commitment to find ways to reach new investors as well as how better to reach investors who use third-party platforms. In particular, shareholders may have seen the additional coverage we achieved last year in promoting November's Annual General Meeting. The Directors and Manager were delighted to meet so many shareholders at that meeting in London and we had positive feedback both on Charles' presentation and the lunch. This year's Annual General Meeting will be held in Glasgow on Tuesday 3 November 2020.

Update

From 31 December 2019 to 31 January 2020, the net asset value per share total return and share price total return were -1.3% and +0.7%, respectively, while the discount had narrowed from 5.5% to 3.7%. The FTSE All-Share Index total return was -3.3%.

Electronic Communications for Registered Shareholders

As we reported in September, the Board is proposing to move to more electronic-based forms of communication with its registered shareholders. Increased use of electronic communications should be a more cost effective, as well as faster and more environmentally friendly way of providing information to shareholders. Registered shareholders will therefore find enclosed with this Half-Yearly Report a letter containing our electronic communications proposals and an opportunity to supply an email address to the Registrar, Link Asset Services. Registered shareholders who wish to continue to receive hard copies of documents and communications by post will need to send back their replies in the enclosed prepaid envelope as soon as possible, but in any event by 6 April 2020.

Shareholders who hold their shares through the Aberdeen Standard Investment Trust Share Plan, ISA and Children's Plan (Planholders) will continue to receive all documentation by post in hard copy form for the time being. Aberdeen Asset Managers Limited, the plan manager, is currently assessing how to adopt more electronically-based communications within the savings plans, and planholders will be contacted directly with more detail in due course.

Outlook

There is still plenty to worry about and the world's media and stock markets are very good at worrying. The transition period on leaving the EU, President Trump, trade wars and tariffs, Prime Minister Johnson, the Middle East, the coronavirus, there are potential negative headlines everywhere you look. There are further obstacles to overcome this year: Trade deals with the EU, US and beyond will be difficult to negotiate in a tight timetable. The US Presidential election in November will dominate headlines.

Climate change is far more than just a one-year problem and those governments and companies that are not doing enough will come under ever-increasing pressure. Companies seen to be taking this issue seriously will be rewarded for their endeavours and the Manager's extensive dialogue with those in the portfolio aims to ensure that this is the case.

Irrespective of which way you leaned on Brexit or the UK General Election, the removal of political uncertainty is usually positive for stock markets. It is uncertainty that stops companies from committing to new capital expenditure plans, and uncertainty that makes consumers wait before spending. Now that the UK has left the European Union and now that the new UK Government has a very strong majority to take it through the next five years, it is likely that many of those spending decisions will be made sooner rather than later. Add to this the

Government's announced commitment to infrastructure and regional spending plus the Bank of England's loose monetary conditions and it is not impossible that we will start to worry about the UK economy overheating before too long. That would be another negative but the journey from here to there would be interesting for investors. Very interesting.

Neil Rogan,
Chairman
14 February 2020

Performance (total return)	Year ended 31 December 2019	3 years ended 31 December 2019	5 years ended 31 December 2019	10 years ended 31 December 2019
Net Asset Value per Ordinary share (par) ^A	26.8%	31.2%	52.3%	150.0%
Share price per Ordinary share ^A	28.3%	40.8%	47.8%	165.9%
FTSE All-Share Index	19.2%	22.0%	43.8%	118.3%

^A Considered to be an Alternative Performance Measure.
Source: Aberdeen Standard Investments, Morningstar & Lipper

Interim Board Report

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, and these are set out in detail on pages 9 to 11 of the Company's Annual Report for the year ended 30 June 2019 ("Annual Report 2019") which is available on the Company's website. The Annual Report 2019 also contains, in note 17 to the Financial Statements, an explanation of other risks relating to the Company's investment activities, specifically market risk, liquidity risk and credit risk, and a note of how these risks are managed.

Related Party Transactions

Under Generally Accepted Accounting Practice (UK Accounting Standards and applicable law), the Company has identified the Directors as related parties. No other related parties have been identified. There have been no related party transactions that have had a material effect on the financial position of the Company.

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 on page 35 of the Annual Report 2019. As at 31 December 2019, 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. As at 31 December 2019, in addition to the £40m 10 year Senior Loan Notes, £6.3m of the Company's three-year £20m multi-currency revolving bank credit facility was drawn down.

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, even in the event of potential dislocation during or after the transition period until 31 December 2020 which the UK entered following its departure from the EU on 31 January 2020. 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 has been prepared in accordance with Financial Reporting Standard 104 (Interim Financial Reporting);
- the Half-Yearly Board Report includes a fair review of the information required by rule 4.2.7R of the Disclosure Guidance and Transparency Rules (being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of Financial Statements and a description of the principal risks and uncertainties for the remaining six months of the financial year); and
- the Half-Yearly Board Report includes a fair review of the information required by 4.2.8R (being related party transactions that have taken place during the first six months of the financial year and that have materially affected the financial position of the Company during that period; and any changes in the related party transactions described in the last Annual Report that could do so).

The Half-Yearly Financial Report for the six months ended 31 December 2019 comprises the Half-Yearly Board Report, the Directors' Responsibility Statement and the condensed set of Financial Statements.

For and on behalf of the Board

Neil Rogan,
Chairman

14 February 2020

Investment Manager's Report

Charles Luke and
Iain Pyle, Aberdeen
Asset Managers
Limited



The portfolio outperformed the benchmark during the six months ended 31 December 2019 with the NAV per Ordinary share rising by 9.0% compared to an increase in the FTSE All-Share Index of 5.5% (all figures calculated on a total return basis).

The robust level of outperformance reflected two broad themes in the portfolio. Firstly, our high quality domestically-oriented mid cap companies (including holdings such as Countryside Properties, Howden Joinery, Assura and Close Brothers) performed strongly following the Prime Minister's agreement with the European Union for a revised Withdrawal Agreement agreed in October and then again following the General Election result in December. Secondly, the corollary of this was the underperformance of some of the largest companies in the market (including Shell, BP and HSBC) in which the portfolio is underweight.

Top 5 Contributors	Contribution to Relative Return
Countryside Properties	1.0%
Royal Dutch Shell	0.9%
HSBC Holdings	0.5%
Howden Joinery	0.3%
Assura	0.3%

Top 5 Detractors	Detraction from Relative Return
BHP Group	-0.3%
Telenor	-0.2%
British American Tobacco	-0.2%
Barclays	-0.2%
AstraZeneca	-0.2%

Our trading activity reflected no particularly strong dynamic other than a focus on high quality companies, albeit some with transient issues which had provided an opportunity, with attractive valuations which are preferably under-appreciated by the market.

We added seven new holdings to the portfolio. The first was Convatec, a mid cap medical devices company with a strong position in wound and ostomy care. The company has suffered from mostly self-inflicted issues which we believe the management can cure allowing the potential for the company to take greater advantage of its attractive end markets. The second purchase was Telenor, a good quality Scandinavian telecoms company with attractive emerging markets assets. The next new holding was Polypipe, a mid cap piping systems company where we believe the competitive position of the business and the regulatory growth drivers are under-appreciated. A modest holding in Mowi, a Norwegian supplier of sustainable salmon, was added to the portfolio. The company benefits from strong demand growth, diversified supply and an attractive dividend yield. We also purchased a small holding in Mondi, a large cap high quality cyclical paper company with a strong balance sheet, a conservative management team and with some interesting growth prospects. A holding in mid cap National Express was introduced to the portfolio. The company looks attractively valued given a number of interesting growth drivers and opportunities to increase returns. Finally, a weak trading update at the end of the period provided an opportunity to purchase a modest holding in mid cap John Laing which through its investment and management of infrastructure and renewables projects has generated a long history of strong returns.

"The portfolio outperformed the benchmark during the six months ended 31 December 2019 with the NAV per Ordinary share rising by 9.0% compared to an increase in the FTSE All-Share Index of 5.5% (all figures calculated on a total return basis)".

We increased exposure to a number of our existing holdings which we believe have high quality characteristics with attractive growth prospects including: Smith & Nephew; Close Brothers; SSE; WH Smith and Relx.

Investment Manager's Report continued

We sold six holdings during the period. Firstly, InterContinental Hotels Group which was sold given concerns over the relatively high gearing following the Six Senses acquisition, potential cyclical pressures and the relatively low dividend yield. Secondly, Nordea due to our lack of confidence in the sustainability of its dividend and the pressure on earnings from weak macroeconomic conditions and low interest rates. Thirdly, Hiscox was sold (prior to its profit warning) given concerns around weak trading and a more challenging competitive environment. Fourthly, given a deterioration in quality and our lack of confidence in the company's strategy and its ability to maintain its dividend, the holding in Imperial Brands was sold. Fifthly, the holding in St James's Place was sold due to our concerns around a more challenging regulatory environment. Finally, the holding in London Stock Exchange was sold following a period of very strong share price performance that had left the valuation somewhat stretched and the balance sheet relatively highly geared assuming the potential acquisition of Refinitiv is completed.

We took profits in a number of holdings that had performed strongly and where the valuation had started to look less attractive such as Marshalls, Aveva, Rentokil, Kone, Experian and Microsoft. A number of holdings were also reduced where we had concerns around more challenging trading conditions with the likelihood that growth would be subdued including Vodafone, HSBC and British American Tobacco.

We continued our judicious option-writing programme with a significant bias during the period towards call options. We continue to feel that the option writing strategy has been of benefit to the Company by diversifying and increasing the level of income generated and providing a good discipline for optimising our exposure to individual holdings.

Market and Economic Background

The UK equity market rose by 5.5% on a total return basis over the six month period. This completed a remarkably strong calendar year for the market with the index increasing by 19.2%. Despite worries around the impact of trade wars and protectionism resulting in anaemic global growth, political concerns regarding Brexit and a potential market-unfriendly Labour government, investors took comfort from the prospect of easier fiscal and monetary policy. In addition, the weakness of sterling in the first half of the year buoyed overseas earners and the strength of domestically-oriented companies in the last quarter of the calendar year provided a further fillip for the market.

Over the six month period in question at a sector level, the more defensive areas of the market such as healthcare and utilities outperformed while the more economically sensitive areas such as oil & gas and mining underperformed. The Mid Cap Index (with its greater exposure to domestic earnings) increased by 13.1% on a total return basis outperforming the FTSE 100 Index which increased by 2.7%.

UK GDP increased by 0.3% in the third quarter of 2019 and the first estimate for the fourth quarter of 2019 suggests flat growth. Although business investment and exports have been weak household consumption has remained robust. The result of the General Election should provide a greater degree of certainty and a number of surveys in the post-election period have confirmed an increase in confidence for both consumers and companies – we wait to see whether this will translate into an improvement in activity, remaining cognisant that downside risks include that trading arrangements remain uncertain and global growth is not particularly supportive. Throughout the period the Monetary Policy Committee ("MPC") voted to maintain base rate at 0.75% although in December two members voted to reduce interest rates on the basis that the economy was softer than expected, core inflation remain subdued and employment growth had slowed. Since the period end the MPC has voted to maintain the base rate at 0.75%.

Overseas, recent data has suggested a stabilisation in the global economy helped by central banks loosening monetary policy and early signs of a thaw in the US-China trade war, as well as a reduction in the likelihood of a Brexit dislocation. Having cut interest rates three times during period, the US Federal Reserve has signalled that it has no plans to change rates during 2020. Although US consumer activity has remained robust helped by a solid labour market backdrop, manufacturing data, business investment and exports were weak over the period prompting the reduction in interest rates. Eurozone economic activity has also been weak with measures of industrial activity, business confidence and trade volumes depressed. The main emerging markets have demonstrated somewhat differing trends over the period with a slowdown in growth in China, despite efforts to stimulate the economy, and a similar picture in India with weakness in the consumer sector. In Brazil and Russia activity has stabilised following the slowdown earlier in the calendar year.

In the shorter term, the impact of the emerging coronavirus is uncertain. However, looking further forward, the United States' presidential election has the potential to offer the American electorate a broad spectrum of candidates with differing economic visions and will influence the future direction of US trade policy with China. For the UK, future trading relationships will be dependent on the outcome of negotiations with the US and EU but reaching agreements for these are likely to be fraught with difficulty. The new Chancellor of the Exchequer does have the option to stimulate the economy with a programme of fiscal easing and infrastructure spending which has the potential to provide a significant tailwind for future growth – the extent that he wishes to pursue this will become clearer in the Budget next month.

Charles Luke and Iain Pyle,
Aberdeen Asset Managers Limited
Investment Manager
14 February 2020

Ten Largest Investments

As at 31 December 2019



AstraZeneca

AstraZeneca researches, develops, produces and markets pharmaceutical products. The company's focus is on the following: Cardiovascular and Metabolic Diseases; Oncology; Respiratory; Inflammation and Autoimmunity; Infection and Neuroscience. The company offers attractive growth and an under-appreciated pipeline.



Close Brothers

Close Brothers is a specialist financial services group which provides loans, trades securities and provides advice and investment management solutions to a wide range of clients. It has a conservative, tried and tested model with high barriers to entry.



GlaxoSmithKline

GlaxoSmithKline is a research-based pharmaceutical group that also develops, manufactures and markets vaccines, prescription and over-the-counter medicines, as well as health-related consumer products. The company offers an attractive dividend yield and the opportunity to crystallise value with the divestment of its consumer healthcare division.



Aveva

Aveva Group develops engineering software used primarily by companies in the oil and gas, power and marine industries. It also serves the chemical and mining segments. It maintains leading design technology and has a strong market share.



Diageo

Diageo produces, distills and markets alcoholic beverages including vodkas, whiskies, tequilas, gins and beer. The company should benefit from attractive long term drivers such as population and income growth, and premiumisation. The company has a variety of very strong brands and faces very limited private label competition.



BHP Group

BHP Group (formerly BHP Billiton) is a diversified resources group with a global portfolio of high quality assets particularly iron ore and copper. A greater focus on capital discipline has resulted in the sale of its United States onshore petroleum assets.



Relx

Relx is a global provider of information and analytics for professionals and businesses across a number of industries including scientific, technical, medical and law. The company provides an attractive way to benefit from the increase in data usage with high barriers to entry.



National Grid

National Grid is an investor-owned utility company which owns and operates the electricity and gas transmission network in Great Britain and the electricity transmission networks in the North Eastern United States. The company offers an attractive dividend yield and will play a key role in the UK's path to net zero emissions.



Countryside Properties

Countryside Properties offers property development services in the United Kingdom. The company constructs houses, commercial, office, industrial, retail and recreational facilities. We believe that the quality characteristics of the company's Partnerships business are significantly under-appreciated.



Unilever

Unilever is a global consumer goods company supplying food, home and personal care products. The company has a portfolio of strong brands including Dove, Knorr, Axe and Persil. Over half of the company's sales are to developing and emerging markets.

Investment Portfolio

As at 31 December 2019

Investment	Sector	Valuation £'000	Total investments %
AstraZeneca	Pharmaceuticals & Biotechnology	22,400	3.5
GlaxoSmithKline	Pharmaceuticals & Biotechnology	22,380	3.5
Diageo	Beverages	22,246	3.5
Relx	Media	20,528	3.2
Countryside Properties	Household Goods & Home Construction	20,034	3.1
Close Brothers	Banks	19,544	3.1
Aveva	Software & Computer Services	18,595	2.9
BHP Group	Mining	17,928	2.8
National Grid	Gas, Water & Multi-utilities	17,865	2.8
Unilever	Personal Goods	17,702	2.7
Top ten investments		199,222	31.1
Royal Dutch Shell	Oil & Gas Producers	17,591	2.7
BP	Oil & Gas Producers	17,499	2.7
Inchcape	General Retailers	16,000	2.5
Prudential	Life Assurance	15,848	2.5
Roche Holdings	Pharmaceuticals & Biotechnology	15,836	2.5
Rio Tinto	Mining	14,370	2.2
Assura	Real Estate Investment Trusts	14,364	2.2
Standard Chartered	Banks	13,916	2.2
SSE	Electricity	13,213	2.1
Microsoft	Software & Computer Services	13,195	2.1
Top twenty investments		351,054	54.8
WH Smith	General Retailers	12,889	2.0
Associated British Foods	Food Producers	12,076	1.9
Experian	Support Services	10,915	1.7
Smith & Nephew	Health Care Equipment & Services	10,304	1.6
British American Tobacco	Tobacco	10,011	1.6
Euromoney Institutional Investor	Media	9,999	1.6
Croda International	Chemicals	9,971	1.5
Big Yellow Group	Real Estate Investment Trusts	9,907	1.5
Howden Joinery	Support Services	9,878	1.5
Ashmore Group	Financial Services	9,618	1.5
Top thirty investments		456,622	71.2

Investment Portfolio Continued

As at 31 December 2019

Investment	Sector	Valuation £'000	Total investments %
Rentokil Initial	Support Services	9,233	1.4
Compass Group	Travel & Leisure	9,222	1.4
Bodycote	Industrial Engineering	9,095	1.4
Telecom Plus	Fixed Line Telecommunications	9,000	1.4
Nestle	Food Producers	8,707	1.4
Kone	Industrial Engineering	8,698	1.4
LondonMetric Property	Real Estate Investment Trusts	8,468	1.3
Novo-Nordisk	Pharmaceuticals & Biotechnology	7,455	1.2
VAT Group	Industrial Engineering	7,345	1.2
M&G	Financial Services	6,717	1.1
Top forty investments		540,562	84.4
Telenor	Mobile Telecommunications	6,694	1.1
HSBC Holdings	Banks	6,606	1.0
Convatec	Health Care Equipment & Services	6,572	1.0
Standard Life UK Smaller Companies Trust	Equity Investment Instruments	6,532	1.0
Weir Group	Industrial Engineering	6,415	1.0
Marshalls	Construction & Materials	6,399	1.0
Polypipe	Construction & Materials	5,787	0.9
Mondi	Forestry & Paper	5,399	0.9
Signature Aviation	Industrial Transportation	5,382	0.8
XP Power	Electronic & Electrical Equipment	5,250	0.8
Top fifty investments		601,598	93.9
National Express	Travel & Leisure	5,053	0.8
Diploma	Support Services	4,959	0.8
Workspace Group	Real Estate Investment Trusts	4,728	0.7
Chesnara	Life Assurance	4,614	0.7
Hansteen	Real Estate Investment Trusts	4,538	0.7
Sirius	Real Estate Investment Services	4,290	0.7
Scandinavian Tobacco	Tobacco	4,153	0.6
Mowi	Food Producers	3,217	0.5
Hostelworld	Travel & Leisure	1,926	0.3
Vodafone	Mobile Telecommunications	1,503	0.2
Top sixty investments		640,579	99.9
John Laing	Financial Services	343	0.1
Total investments		640,922	100.0

Investment Case Studies



Smith & Nephew (1.6% of Portfolio)

Smith & Nephew is a medical devices company with a strong position in hip and knee implants, and sports medicine joint repair which are capable of generating strong long term growth. Historically, the company has operated in a number of challenged areas but these are now benefiting from new product launches. Investment over many years in China provides the opportunity for the company to benefit from robust demand growth in that country as well as increased healthcare demand globally. Barriers to entry are high with the company maintaining close relationships with surgeons and providing strong brands.

The company has recently enhanced its operating structure leading to an improvement in performance. Smith & Nephew has a strong balance sheet and has benefited in recent years from bolt-on M&A activity. We think the company's guidance is relatively conservative and there are further opportunities to improve efficiency and reduce costs. The valuation is attractive for a company with good long term growth prospects and appealing quality characteristics.

SSE (2.1% of Portfolio)

Following the recent sale of SSE's retail supply business the company is mainly focused on developing, operating and owning assets in regulated networks and renewables (particularly onshore and offshore wind farms). It is also in the process of selling its oil and gas production business and will end coal generation which will substantially help to improve its environmental credentials and help the company to support the drive towards the decarbonisation of the economy and the electrification of transport.

The positive changes in the business had been clouded by concerns around Brexit and political risk but with more clarity on the former and the removal of the threat of nationalisation for the latter, the company's attractive characteristics are becoming more widely recognised. SSE has an experienced management team and generates an attractive dividend yield with the network assets providing low risk and stable earnings while renewables provides a variety of interesting growth opportunities given the company's expertise and pipeline in this area.



Condensed Statement of Comprehensive Income (unaudited)

	Notes	Six months ended 31 December 2019			Six months ended 31 December 2018		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gains/(losses) on investments		-	42,918	42,918	-	(53,589)	(53,589)
Currency gains/(losses)		-	139	139	-	(107)	(107)
Income	2	11,412	-	11,412	10,287	-	10,287
Investment management fees	4, 13	(410)	(956)	(1,366)	(392)	(914)	(1,306)
Administrative expenses		(607)	-	(607)	(585)	-	(585)
Net return before finance costs and taxation		10,395	42,101	52,496	9,310	(54,610)	(45,300)
Finance costs		(170)	(396)	(566)	(174)	(406)	(580)
Net return before taxation		10,225	41,705	51,930	9,136	(55,016)	(45,880)
Taxation	5	(25)	-	(25)	(85)	-	(85)
Net return after taxation		10,200	41,705	51,905	9,051	(55,016)	(45,965)
Return per Ordinary share (pence)	6	15.4	63.1	78.5	13.7	(83.0)	(69.3)

The total column of this statement is the profit and loss account of the Company. The supplementary revenue and capital columns are both prepared under guidance issued by the Association of Investment Companies.

A Statement of Total Recognised Gains and Losses has not been prepared as all gains or losses are recognised in the Condensed Statement of Comprehensive Income.

All revenue and capital items in the above statement derive from continuing operations.

The accompanying notes are an integral part of the condensed financial statements.

Condensed Statement of Financial Position (unaudited)

	Notes	As at 31 December 2019 £'000	As at 30 June 2019 £'000
Non-current assets			
Investments at fair value through profit or loss		640,922	602,636
Current assets			
Other debtors and receivables		3,561	7,982
Cash and cash equivalents		30,354	27,171
		33,915	35,153
Creditors: amounts falling due within one year			
Derivative financial instruments		(335)	-
Other payables		(1,278)	(4,142)
Bank loans	7	(6,336)	(6,601)
		(7,949)	(10,743)
Net current assets		25,966	24,410
Total assets less current liabilities		666,888	627,046
Creditors: amounts falling due after one year			
2.51% Senior Loan Notes	7	(39,898)	(39,896)
Net assets		626,990	587,150
Share capital and reserves			
Called-up share capital	8	17,148	17,148
Share premium account		24,020	24,020
Capital redemption reserve		4,997	4,997
Capital reserve		557,686	515,981
Revenue reserve		23,139	25,004
Equity shareholders' funds		626,990	587,150
Net asset value per Ordinary share (pence)			
	9		
Debt at par value		948.4	887.8

The accompanying notes are an integral part of the condensed financial statements.

Condensed Statement of Changes in Equity (unaudited)

Six months ended 31 December 2019

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 1 July 2019	17,148	24,020	4,997	515,981	25,004	587,150
Net return after tax	-	-	-	41,705	10,200	51,905
Dividends paid (note 3)	-	-	-	-	(12,065)	(12,065)
Balance at 31 December 2019	17,148	24,020	4,997	557,686	23,139	626,990

Six months ended 31 December 2018

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 1 July 2018	17,148	24,020	4,997	500,887	23,877	570,929
Net return after tax	-	-	-	(55,016)	9,051	(45,965)
Buyback of Ordinary shares for treasury	-	-	-	(4,355)	-	(4,355)
Dividends paid (note 3)	-	-	-	-	(6,131)	(6,131)
Balance at 31 December 2018	17,148	24,020	4,997	441,516	26,797	514,478

The accompanying notes are an integral part of the condensed financial statements.

Condensed Statement of Cash Flows (unaudited)

Notes	Six months ended 31 December 2019 £'000	Six months ended 31 December 2018 £'000
Operating activities		
Net return before finance costs and taxation	52,496	(45,300)
Increase in accrued expenses	432	231
Overseas withholding tax	(50)	(84)
Dividend income	(10,286)	(9,251)
Dividends received	10,384	10,017
Interest income	(79)	(42)
Interest received	81	41
Interest paid	(571)	(581)
Amortisation of Loan Notes	2	6
Foreign exchange (gains)/losses on loans	(234)	200
(Gains)/losses on investments	(42,918)	53,589
Increase in other debtors	(168)	(6)
Stock dividends included in investment income	(788)	(67)
Net cash inflow from operating activities	8,301	8,753
Investing activities		
Purchases of investments	(66,822)	(80,317)
Sales of investments	73,800	72,989
Net cash inflow/(outflow) from investing activities	6,978	(7,328)
Financing activities		
Dividends paid	3 (12,065)	(6,131)
Repayment of bank loans	(2,051)	(1,034)
Drawdown of bank loans	2,020	1,061
Buyback of Ordinary shares for treasury	-	(4,551)
Net cash outflow from financing activities	(12,096)	(10,655)
Increase/(decrease) in cash	3,183	(9,230)
Analysis of changes in cash during the period		
Opening balance	27,171	22,008
Increase/(decrease) in cash as above	3,183	(9,230)
Closing balance	30,354	12,778

The accompanying notes are an integral part of the condensed financial statements.

Notes to the Financial Statements (unaudited)

1. Accounting policies

Basis of preparation. The condensed financial statements have been prepared in accordance with Financial Reporting Standard ("FRS") 104 (Interim Financial Reporting) and with the Statement of Recommended Practice for 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' issued in October 2019 (the AIC SORP). They have also been prepared on a going concern basis and on the assumption that approval as an investment trust will continue to be granted.

The condensed financial statements have been prepared using the same accounting policies as the preceding annual financial statements.

2. Income

	Six months ended 31 December 2019 £'000	Six months ended 31 December 2018 £'000
Investment income		
UK dividends	8,515	8,189
Overseas dividends	403	524
Property income dividends	580	471
Stock dividends	788	67
	10,286	9,251
Other income		
Deposit interest	79	42
Stock lending income	12	9
Traded option premiums	1,035	985
	1,126	1,036
Total income	11,412	10,287

3. Dividends. Dividends paid on Ordinary shares deducted from the revenue reserve:

	Six months ended 31 December 2019 £'000	Six months ended 31 December 2018 £'000
2018 final dividend – 9.25p	–	6,131
2019 final dividend – 10.00p	6,611	–
2020 first interim dividend – 8.25p	5,454	–
	12,065	6,131

A second interim dividend for 2020 of 8.25p (2019 – 8.00p) will be paid on 20 March 2020 to shareholders on the register on 21 February 2020. The ex-dividend date is 20 February 2020.

A third interim dividend for 2020 of 8.25p (2019 – 8.00p) will be paid on 19 June 2020 to shareholders on the register on 22 May 2020. The ex-dividend date is 21 May 2020.

4. **Management fee and finance costs.** The management fee and finance costs are as reported in the Annual Report 2019 being a tiered fee based on net assets and calculated as follows:

Fee rate per annum	Net assets	£'million
0.55%	less than	350
0.45%	within the range	350-450
0.25%	greater than	450

With effect from 1 July 2018, the management fees and finance costs are charged 70% to capital and 30% to revenue (previously 50% to capital and 50% to revenue).

5. **Taxation.** The expense for taxation reflected in the Condensed Statement of Comprehensive Income is based on the estimated annual tax rate expected for the full financial year. The estimated annual corporation tax rate used for the year to 30 June 2020 is an effective rate of 18.5% (2019 – 19%).

During the period the Company suffered withholding tax on overseas dividend income of £25,000 (31 December 2018 – £85,000).

6. **Return per Ordinary share**

	Six months ended 31 December 2019		Six months ended 31 December 2018	
	£'000	p	£'000	p
Revenue return	10,200	15.4	9,051	13.7
Capital return	41,705	63.1	(55,016)	(83.0)
Total return	51,905	78.5	(45,965)	(69.3)
Weighted average number of Ordinary shares in issue	66,110,413		66,302,291	

7. **Secured Senior Loan Notes and bank loans.** The Company has in issue £40,000,000 of 10 year Senior Loan Notes at a fixed rate of 2.51%. Interest is payable in half yearly instalments in May and November and the Loan Notes are due to be redeemed at par on 8 November 2027. The Loan Notes are secured by a floating charge over the whole of the assets of the Company. The Company has complied with the Note Purchase Agreement that the ratio of net assets to gross borrowings will be greater than 3.5:1 and that net assets will not be less than £275,000,000.

The fair value of the Senior Loan Notes as at 31 December 2019 was £40,145,000 (30 June 2019 – £40,138,000), the value being calculated by aggregating the expected future cash flows discounted at a rate comprising the borrower's margin plus an average of market rates applicable to loans of a similar period of time.

Notes to the Financial Statements (unaudited) continued

At 31 December 2019 the Company had drawn down £6,336,000 (30 June 2019 – £6,601,000) of its £20,000,000, 3 year unsecured multi-currency revolving bank credit facility agreement with Scotiabank Europe PLC committed until 6 November 2020. As at 31 December 2019 the Company had drawn down the following amounts from the facility:

	31 December 2019		30 June 2019	
	Currency	£'000	Currency	£'000
Euro 900,000 at an all-in rate of 0.85%	900,000	763	3,200,000	2,863
Swiss Franc 3,300,000 at an all-in rate of 0.85%	3,300,000	2,572	3,360,000	2,708
US Dollar 1,600,000 at an all-in rate of 2.58975%	1,600,000	1,208	1,311,000	1,030
Danish Krone 9,000,000 at an all-in rate of 0.85%	9,000,000	1,020	-	-
Norwegian Krone 9,000,000 at an all-in rate of 2.50%	9,000,000	773	-	-
		6,336		6,601

8. Called up share capital

	Six months ended	Year ended
	31 December 2019	30 June 2019
Ordinary shares of 25p each: publicly held		
Opening balance	66,110,413	66,672,313
Buyback for treasury	-	(561,900)
	66,110,413	66,110,413
Ordinary shares of 25p each; held in treasury		
Opening balance	2,483,045	1,921,145
Buyback for treasury	-	561,900
	2,483,045	2,483,045

9. **Net asset value.** The net asset value per Ordinary share and the net asset value attributable to the Ordinary shares at the end of the period follow. These were calculated using 66,110,413 (30 June 2019 – same) Ordinary shares in issue at the period end (excluding treasury shares).

	31 December 2019		30 June 2019	
	Net Asset Value		Net Asset Value	
	Attributable		Attributable	
	£'000	pence	£'000	pence
Net asset value – debt at par	626,990	948.4	587,150	888.1
Add: Amortised cost of 2.51% Senior Loan Notes	39,898	60.3	39,896	60.4
Less: Fair value of 2.51% Senior Loan Notes	(40,145)	(60.7)	(40,138)	(60.7)
Net asset value – debt at fair value	626,743	948.0	586,908	887.8

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

	Six months ended 31 December 2019 £'000	Six months ended 31 December 2018 £'000
Purchases	281	402
Sales	26	26
	307	428

11. **Fair value hierarchy.** FRS 102 requires an entity to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: unadjusted quoted prices in an active market for identical assets or liabilities that the entity can access at the measurement date;

Level 2: inputs other than quoted prices included within Level 1 that are observable (ie developed using market data) for the asset or liability, either directly or indirectly; and

Level 3: inputs are unobservable (ie for which market data is unavailable) for the asset or liability.

The financial assets and liabilities measured at fair value in the Condensed Statement of Financial Position are grouped into the fair value hierarchy at the reporting date as follows:

As at 31 December 2019	Note	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial assets at fair value through profit or loss					
Quoted equities	a)	640,922	-	-	640,922
Financial liabilities at fair value through profit or loss					
Derivatives	b)	(189)	(146)	-	(335)
Net fair value		640,733	(146)	-	640,587

As at 30 June 2019	Note	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial assets at fair value through profit or loss					
Quoted equities	a)	602,636	-	-	602,636
Net fair value		602,636	-	-	602,636

- a) **Quoted equities.** The fair value of the Company's investments in quoted equities has been determined by reference to their quoted bid prices at the reporting date. Quoted equities included in Fair Value Level 1 are actively traded on recognised stock exchanges.
- b) **Derivatives.** The fair value of the Company's investments in Exchange Traded Options has been determined using observable market inputs on an exchange traded basis and therefore has been included in Fair Value Level 1.

Notes to the Financial Statements (unaudited) continued

The fair value of the Company's investments in Over the Counter Options (where the underlying equities are also held) has been determined using observable market inputs other than quoted prices of the underlying equities (which are included within Fair Value level 1) and therefore determined as Fair Value Level 2.

All other financial assets and liabilities of the Company are included in the Condensed Statement of Financial Position at their book value which in the opinion of the Directors is not materially different from their fair value.

12. Analysis of changes in net debt

	At 30 June 2019 £000	Currency differences £000	Cash flows £000	Non-cash movements £000	At 31 December 2019 £000
Cash and cash equivalents	27,171	(95)	3,278	-	30,354
Debt due within one year	(6,601)	234	31	-	(6,336)
Debt due after one year	(39,896)	-	-	(2)	(39,898)
Amounts (due to)/from brokers	1,188	-	(1,532)	-	(344)
Total	(18,138)	139	1,777	(2)	(16,224)

	At 30 June 2018 £000	Currency differences £000	Cash flows £000	Non-cash movements £000	At 31 December 2018 £000
Cash and cash equivalents	22,008	93	(9,323)	-	12,778
Debt due within one year	(6,351)	(200)	(27)	-	(6,578)
Debt due after one year	(39,884)	-	-	(6)	(39,890)
Amounts (due to)/from brokers	2,975	-	(2,975)	-	-
Total	(21,252)	(107)	(12,325)	(6)	(33,690)

13. **Transactions with the Manager.** The Company has delegated the provision of investment management, secretarial, accounting and administration and promotional services to Aberdeen Standard Fund Managers Limited ("ASFML" or the "Manager").

The amounts charged for the period are set out below:

	Six months ended 31 December 2019 £'000	Six months ended 31 December 2018 £'000
Management fees	1,366	1,306
Promotional activities	255	240
Secretarial fees	45	45
	1,666	1,591

The amounts payable at the period end are set out below:

	Six months ended 31 December 2019 £'000	Six months ended 31 December 2018 £'000
Management fees	462	424
Promotional activities	178	120
Secretarial fees	45	23
	685	567

No fees are charged in the case of investment managed or advised by the Standard Life Aberdeen PLC group. There was one commonly managed fund held in the portfolio during the six months to 31 December 2019 (2018 – one). The management agreement may be terminated by either party on the expiry of three months written notice. On termination the Manager would be entitled to receive fees which would otherwise have been due up to that date.

14. **Segmental Information.** The Directors are of the opinion that the Company is engaged in a single segment of business activity, being investment business. Consequently, no business segmental analysis is provided.
15. The financial information in this report does not comprise statutory accounts within the meaning of Section 434 – 436 of the Companies Act 2006. The financial information for the year ended 30 June 2019 has been extracted from published accounts that have been delivered to the Registrar of Companies and on which the report of the auditors was unqualified and contained no statement under Section 498 of the Companies Act 2006.
16. This Half-Yearly Financial Report was approved by the Board on 14 February 2020.

Alternative Performance Measures (“APMs”)

Alternative performance measures are numerical measures of the Company's current, historical or future performance, financial position or cash flows, other than financial measures defined or specified in the applicable financial framework. The Company's applicable financial framework includes FRS 102 and the AIC SORP. The Directors assess the Company's performance against a range of criteria which are viewed as particularly relevant for closed-end investment companies.

Total return. Total return is considered to be an alternative performance measure. Share price and NAV total returns show how the NAV and share price has performed over a period of time in percentage terms, taking into account both capital returns and dividends paid to shareholders. Share price and NAV total returns are monitored against open-ended and closed-ended competitors, and the FTSE All-Share Index, respectively.

		Share Price	NAV
Opening at 1 July 2019	a	850.0p	888.1p
Closing at 31 December 2019	b	896.0p	948.4p
Price movements	$c=(b/a)-1$	5.4%	6.8%
Dividend reinvestment ^A	d	2.3%	2.2%
Total return	c+d	7.7%	9.0%

^A Share price total return involves reinvesting the net dividend in the share price of the Company on the date on which that dividend goes ex-dividend. NAV total return involves investing the net dividend in the NAV of the Company with debt at fair value on the date on which that dividend goes ex-dividend.

Discount to net asset value per Ordinary share. The discount is the amount by which the share price is lower than the net asset value per share, expressed as a percentage of the net asset value.

		31 December 2019	30 June 2019
NAV per Ordinary share (p)	a	948.4	888.1
Share price (p)	b	896.0	850.0
Discount	$(b-a)/a$	-5.5%	-4.3%

Dividend yield. The annual dividend of 34.00p per Ordinary share (30 June 2019 – 34.00p) divided by the share price of 896.00p (30 June 2019 – 850.00p), expressed as a percentage.

		31 December 2019	30 June 2019
Dividends per share (p)	a	34.0	34.0
Share price (p)	b	896.0	850.0
Dividend yield	a/b	3.8%	4.0%

Net gearing. Net gearing measures the total borrowings less cash and cash equivalents divided by shareholders' funds, expressed as a percentage. Under AIC reporting guidance cash and cash equivalents includes amounts due to and from brokers at the year end as well as cash and cash equivalents.

		31 December 2019	30 June 2019
Borrowings (£'000)	a	46,234	46,497
Cash (£'000)	b	30,354	27,171
Amounts due to brokers (£'000)	c	344	3,326
Amounts due from brokers (£'000)	d	-	4,514
Shareholders' funds (£'000)	e	626,990	587,150
Net gearing	(a-b+c-d)/e	2.6%	3.1%

Ongoing charges. The ongoing charges ratio has been calculated in accordance with guidance issued by the AIC as the total of investment management fees and administrative expenses and expressed as a percentage of the average net asset values with debt at fair value throughout the year. The ratio for 31 December 2019 is based on forecast ongoing charges for the year ending 30 June 2020.

		31 December 2019	30 June 2019
Investment management fees (£'000)	a	2,766	2,624
Administrative expenses (£'000)	b	1,088	1,013
Less: non-recurring charges [^] (£'000)	c	(105)	(20)
Ongoing charges (£'000)	a+b+c	3,749	3,617
Average net assets (£'000)	d	608,761	553,095
Ongoing charges ratio	(a+b+c)/d	0.62%	0.65%

[^] Includes promotional activities and professional fees.

The ongoing charges ratio provided in the Company's Key Information Document is calculated in line with the PRIIPs regulations, which includes financing and transaction costs.

Investor Information

Pre-investment Disclosure Document (“PIDD”)

The Alternative Investment Fund Managers Directive (“AIFMD”) requires Aberdeen Standard Fund Managers Limited, as the alternative investment fund manager (“AIFM”) of Murray Income Trust PLC (the “Company”), to make available to investors certain information prior to such investors’ investment in the Company. Details of the leverage and risk policies which the Company is required to have in place under AIFMD are published in the Company’s PIDD which can be found on its website. The periodic disclosures required to be made by the AIFM under the AIFMD are set out on page 79 of the Company’s Annual Report for the year ended 30 June 2019.

Benchmark

The Company’s benchmark is the FTSE All-Share Index.

Investor Warning - Be alert to share fraud and boiler room scams

Standard Life Aberdeen plc (the “Group”) has been contacted by investors informing us that they have received telephone calls and emails from people who have offered to buy their investment trust shares, purporting to work for the Group.

The Group has also been notified of emails claiming that certain investment companies under our management have issued claims in the courts against individuals. These may be scams which attempt to gain your personal information with which to commit identity fraud or could be ‘boiler room’ scams where a payment from you is required to release the supposed payment for your shares. These callers/senders do not work for the Group and any third party making such offers/claims has no link with the Group.

The Group does not ‘cold-call’ investors in this way. If you have any doubt over the veracity of a caller, do not offer any personal information, end the call and contact our Customer Services Department (see page 33 for details).

The Financial Conduct Authority provides advice with respect to share fraud and boiler room scams:

[fca.org.uk/consumers/scams](https://www.fca.org.uk/consumers/scams)

How to Invest

Individual investors can buy and sell shares in the Company directly through a stockbroker or indirectly through a lawyer, accountant or other professional adviser. Alternatively, shares can be bought directly through Aberdeen Standard Investments’ Investment Plan for Children, Share Plan and ISA.

Aberdeen Standard Investments’ Plan for Children

Aberdeen Standard Investments runs an Investment Plan for Children (the “Children’s Plan”) which covers a number of investment companies under its management including the Company. 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%) where applicable. 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 Aberdeen Standard Investments in writing at any time.

Aberdeen Standard Investments’ Share Plan

Aberdeen Standard Investments runs a Share Plan (the “Plan”) through which shares in the Company 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. Lump sum investments start at £250, while regular savers may invest from £100 per month. Investors simply pay Government Stamp Duty (currently 0.5%) where applicable. Selling costs are £10 + VAT. There is no restriction on how long an investor need invest in a Plan, and regular savers can stop or suspend participation by instructing Aberdeen Standard Investments in writing at any time.

Aberdeen Standard Investments’ ISA

An investment of up to £20,000 can be made in the 2019/2020 tax year.

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 Plan prior to the distribution or reinvestment of any income, or, where there is insufficient cash in the Plan, from the sale of investments held in the Plan. Investors have full voting and other rights of share ownership. Under current legislation, investments in ISAs can grow free of capital gains tax.

ISA Transfer

Investors may choose to transfer previous tax year investments to Aberdeen Standard Investments which can be invested in the Company while retaining their 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

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

Online dealing

There are a number of online dealing platforms for private investors that offer share dealing, ISAs and other means to invest in the Company. Real-time execution-only stockbroking services allow you to trade online, manage your portfolio and buy UK listed shares. These sites do not give advice. Some comparison websites also look at dealing rates and terms. Some well-known online providers, which can be found through internet search engines, include:

- AJ Bell Youinvest
- Barclays Stockbrokers / Smart Investor
- Charles Stanley Direct
- Equiniti / Shareview
- Halifax Share Dealing
- Hargreave Hale
- Hargreaves Lansdown
- iDealing
- Interactive Investor / TD Direct /Alliance Trust Savings
- Selftrade
- The Share Centre
- Stocktrade

Discretionary private client stockbrokers

If you have a large sum to invest, you may wish to contact a discretionary private client stockbroker. They can manage your entire portfolio of shares and will advise you on your investments. To find a private client stockbroker visit The Personal Investment Management & Financial Advice Association at pimfa.co.uk.

Financial advisers

To find an adviser on investment trusts, visit unbiased.co.uk.

Regulation of stockbrokers

Before approaching a stockbroker, always check that they are regulated by the Financial Conduct Authority:

Tel: **0800 111 6768** or at fca.org.uk/firms/systems-reporting/register/search

Email: register@fca.org.uk

Dividend Tax Allowance

The annual tax-free personal allowance on dividend income is £2,000 for the 2019/2020 tax year (2018/2019 - £2,000). Above this amount, individuals will pay tax on their dividend income at a rate dependent on their income tax bracket and personal circumstances. The Company will provide registered shareholders with a confirmation of dividends paid by the Company and this should be included with any other dividend income received when calculating and reporting to HMRC total dividend income received. It is the shareholder's responsibility to include all dividend income when calculating any tax liability.

Keeping You Informed

Further information on the Company can be found on its own dedicated website: murray-income.co.uk. This provides access to information on the Company's share price performance, capital structure, stock exchange announcements and a Manager's monthly factsheet. Alternatively you can call 0808 500 0040 (free when dialling from a UK landline) for trust information.

If you have any questions about your Company, the Manager or performance, please contact the Aberdeen Standard Investments' Customer Services Department:

Aberdeen Standard Investments
PO Box 11020
Chelmsford
Essex CM99 2DB

Telephone: **0808 500 0040**
(free when dialling from a UK landline)

Email: inv.trusts@aberdeenstandard.com

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 its Ordinary shares can be recommended by a financial adviser to ordinary retail investors in accordance with the Financial Conduct Authority's rules in relation to non-mainstream pooled investments ("NMPIS").

Investor Information Continued

The Company's shares are excluded from the Financial Conduct Authority's restrictions which apply to NMPs because they are shares in an investment trust.

Key Information Document ("KID")

The KID relating to the Company and published by the Manager can be found on the Manager's website:

invtrusts.co.uk/en/investmenttrusts/literature-library.

Company's Registrar

In the event of queries regarding holdings of shares, lost certificates, dividend payments, registered details, etc shareholders holding their shares in the Company directly should contact the registrar, Link Asset Services (see page 33 for details). Calls may be recorded and monitored randomly for security and training purposes. Changes of address must be notified to the registrar in writing.

Literature Request Service

For information, literature and application forms for the Company and Aberdeen Standard Investments' Aberdeen Standard Investments' Investment Plan for Children, Share Plan and ISA, please contact:

Telephone: 0808 500 4000

Website: invtrusts.co.uk/en/investmenttrusts/literature-library

Terms and conditions for the Aberdeen Standard Investments' Investment Plan for Children, Share Plan and ISA can also be found under the literature section of invtrusts.co.uk.

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 trusts 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.

The information on pages 28 to 30 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 in the United Kingdom.

Overview

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Corporate Information

Directors

Neil Rogan (Chairman)
 Jean Park (Senior Independent Director)
 Stephanie Eastment (Chairman of the Audit Committee)
 Donald Cameron
 Merryn Somerset Webb
 Peter Tait

Registered Office and Company Secretary

Aberdeen Asset Management PLC
 1 George Street
 Edinburgh EH2 2LL

Registered in Scotland under company number SC012725

Alternative Investment Fund Manager

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 1 Bread Street
 London EC4M 9HH

Investment Manager

Aberdeen Asset Managers Limited
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 Edinburgh EH2 2LL

Aberdeen Standard Customer Services Department, Children's Plan, Share Plan and ISA Enquiries

Aberdeen Standard Investment Trusts
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 Chelmsford
 Essex CM99 2DB

Freephone: **0808 500 0040**
 (open Monday to Friday, 9.00 a.m. to 5.00 p.m.,
 excluding public holidays in England and Wales)
 Email: inv.trusts@aberdeenstandard.com

Website

murray-income.co.uk

Email

murray.income@aberdeenstandard.com

Registrar

The Share Portal, operated by Link Asset Services, is a secure online website where shareholdings can be managed quickly and easily, including changing address or arranging to pay dividends directly into a bank account, or to receive electronic communications. To register, shareholders will need their Investor Code which may be found on their share certificate or by contacting the Registrar at: signalshares.com

Alternatively, please contact the Registrar –

By email, via the above website

By phone –

Tel: **0371 664 0300**

(UK calls cost 10p per minute plus network extras)

From overseas: **+44 208 639 3399**

(open Monday to Friday, from 9.00am to 5.30pm,
 excluding public holidays)

By post –

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

Depository

BNP Paribas Securities Services, London Branch

Stockbroker

Investec Bank Limited

Auditor

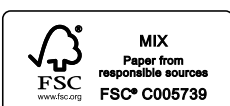
PricewaterhouseCoopers LLP

United States Internal Revenue Service FATCA Registration Number ("GIIN")

8Q8ZFE.99999.SL.826

Legal Entity Identifier ("LEI")

5493001RNFGVQIQHUI13



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murray-income.co.uk

The logo for Aberdeen Standard Investments. It features the word "Aberdeen" in a dark blue font with a light blue wave-like graphic element to its left. The word "Standard" is in a bold, dark blue font. Below "Standard" is the word "Investments" in a smaller, dark blue font. A small light blue triangle points upwards and to the right at the end of the word "Standard".