

# Investor Information

The company's wholly-owned subsidiary, SIT Savings Ltd, provides a number of low-cost, flexible investment products which enable investors to access SIT stock.

## How to Invest

You can buy SIT stock using the low-cost investment products outlined below. SIT stock can also be bought directly on the stockmarket through a stockbroker. Your bank, lawyer, accountant or other professional adviser may be able to help with this.

### STOCKPLAN

SIT's investment trust savings scheme is one of the lowest charging available. Extremely flexible, it allows you to invest regularly (minimum investment £25 per month) and/or with a lump sum (minimum investment £250). There is no maximum investment limit and you can stop and start investing at any time.

### STOCKPLAN: A Flying Start

SIT's Investing for Children plan is based on the STOCKPLAN scheme. It benefits from the same low charges and flexibility and can be opened in one of two ways; either as a designated plan or, more formally, as a bare trust. STOCKPLAN: A Flying Start enables family and friends to invest on behalf of a child to help build savings for the future.

### The SIT ISA

This is one of the most competitively priced stocks and shares ISAs on offer. There is no initial plan charge, other than stamp duty and dealing spread, nor are there closure or selling charges. The annual management fee of 0.6% of the value of the investment is capped at £30 + VAT regardless of how much your ISA investment grows or how many years' ISA allowances you invest with SIT.

### The SIT SIPP

This allows investment into SIT through a low-cost, flexible, self-invested personal pension. The wide choice of investments available, including SIT, enables you to tailor the investment combination in the SIPP to suit your particular needs and objectives – whether you are just starting to contribute to your pension or are approaching retirement. You can open a SIT SIPP even if you are already an active member of an employer's pension scheme or are contributing to other pension plans.

## Update on tax-efficient investing

### ISAs

The overall ISA annual investment limit for the current tax year is £7,200 (up to £3,600 in a cash ISA and the balance, or full amount, in a stocks and shares ISA).

Transfers from cash ISAs into stocks and shares ISAs are permitted and do not count against the current year's subscription.

Investment in ISAs continues to be free from any capital gains tax. Higher rate tax payers do not have to pay any additional tax on the dividend, nor does it need to be included in a tax return.

### The SIT SIPP

The SIT SIPP now accepts what is known as protected rights money.

Previously, the only option for most individuals who had built up a protected rights fund through contracting out of SERPs or the State Second Pension (S2P) into a personal pension was to hold it in a traditional style personal pension or stakeholder plan.

The government's new rules, which came into effect on 1 October 2008, give investors holding protected rights funds in a SIPP much greater investment flexibility.

### SIT Schemes' Administrator Address

Halifax Share Dealing Limited (HSDL), SIT's STOCKPLAN and ISA Administrator, has changed its address.

HSDL's new address is:

SIT Schemes  
Halifax Share Dealing Limited  
Lovell Park Road  
Leeds  
LS1 1NS

Although post sent to HSDL's old address will be forwarded, it would be appreciated if SIT scheme investors could use the new address in any future correspondence with HSDL.

### SIT Schemes' Administrator Telephone Number

There is one telephone number for the administration of the SIT STOCKPLAN and ISA schemes. This is the number for our scheme administrator, HSDL, and it should be used by holders of our STOCKPLAN, STOCKPLAN: A Flying Start and ISA schemes for:

- account queries
- requests for valuations
- information about your scheme
- instructing a sale
- making an investment using a debit card
- giving change of address details
- help with accessing STOCKPLAN and ISA information on line

The number is: **0845 850 0181**.

### Dividends

The following dividends have been paid or proposed during 2008:

Dividends	Amount	XD date	Record date	Payment date
Final and Special 2007	6.80p	2 January 2008	4 January 2008	7 February 2008
Interim 2008	4.45p	11 June 2008	13 June 2008	18 July 2008
Final 2008	5.05p	7 January 2009	9 January 2009	5 February 2009

The STOCKPLAN and ISA schemes provide automatic reinvestment of dividends. However, they also allow for dividends to be taken as income, if required. STOCKPLAN and ISA holders should contact the scheme administrator, HSDL, on 0845 850 0181 if they would like to change their dividend arrangements.

Conversely, name on register stockholders (investors whose names are on our stock register and who hold their stock in certificated form) where dividends are automatically paid as income, can have their dividends reinvested by joining our Dividend Reinvestment Plan (DRIP). Details are available from Computershare Investor Services, our Registrar, on 0870 703 0195, or from the investor relations section on our website, [www.sit.co.uk](http://www.sit.co.uk)

### Monitoring Your Investment

SIT's stock price, together with performance information and product details, can be found on SIT's website, [www.sit.co.uk](http://www.sit.co.uk)

The price of ordinary stock units is published daily in most quality newspapers and is also available on Ceefax and Teletext, listed as Scot.IT. In addition, a number of financial websites, such as the FT website, [www.ft.com](http://www.ft.com) and Trustnet (Financial Express), [www.trustnet.com](http://www.trustnet.com) carry stock price information.

SIT publishes a weekly NAV and a monthly statement on its website. An interim report is issued in June of each year, with the annual report being distributed to all investors in late December.

STOCKPLAN, STOCKPLAN: A Flying Start and ISA investors receive twice yearly statements of their holdings and SIT's investor newsletter is issued twice yearly.

### Accessing Your Account Online

[ISA, STOCKPLAN and STOCKPLAN: A Flying Start designated scheme investors](#)

The above scheme investors may view their accounts online by registering with [halifax-online](http://halifax-online). This can be accessed through the links in the various product sections on our website, [www.sit.co.uk](http://www.sit.co.uk) or by visiting [www.halifax.co.uk/online](http://www.halifax.co.uk/online) Please note you will need your Share Dealing Personal Reference Number (PRN) to access this service. If you do not have this, please contact SIT's scheme administrator, HSDL, on 0845 850 0181.

#### [SIPP investors](#)

SIPP investors can set up monthly payments, buy and sell stock and access their account online, by visiting [www.halifax.co.uk/online](http://www.halifax.co.uk/online)

#### [Name on register stockholders](#)

Investors who hold ordinary stock in their own name on SIT's stock register can check their holdings on our Registrar's website, [www-uk.computershare.com](http://www-uk.computershare.com) or through the link in the investor relations section on SIT's website, [www.sit.co.uk](http://www.sit.co.uk) Please note that to access this facility, investors will need to quote the reference number shown on their stock certificate. Alternatively, by registering for the Investors' Centre facility

on Computershare's website, investors can view details of all their holdings for which Computershare is Registrar, as well as access additional facilities and documentation.

Please see [www-uk.computershare.com/investor](http://www-uk.computershare.com/investor) for further information.

### Electronic Communications

If you are a name on register stockholder (i.e. not in the STOCKPLAN, ISA or SIPP schemes, nor in a broker's nominee) you may choose to receive our interim and annual reports and other stockholder communications electronically instead of in paper form. All you need to do to register is to visit the link in the investor relations section on our website, [www.sit.co.uk](http://www.sit.co.uk) and provide your email details. You will then be advised by email when an electronic communication is available to be accessed.

### Stockholders' Meetings

Investors whose names appear on the main stock register (i.e. not in one of our schemes, nor in a broker's nominee) are entitled to attend and vote at the AGM and other general meetings. Notices of meetings and proxy cards are sent to their registered addresses.

STOCKPLAN, STOCKPLAN: A Flying Start and ISA investors are entitled to attend the AGM and other general meetings and vote on a poll by completing and returning the form of direction enclosed with this report.

The AGM will be held at the Roxburghe Hotel, Charlotte Square, Edinburgh on 30 January 2009 at 10.30am.

### Electronic Voting

Name on register stockholders in their own right (ie not in one of our schemes, nor in a broker's nominee) are able to submit proxy votes electronically for our AGM. Please follow the instructions on your proxy card.

### Personal Taxation

#### [Income Tax](#)

Currently, all UK dividends are paid to stockholders net of a tax credit of 10%. Changes to the tax regime mean that from April 1999 non-tax payers are no longer able to reclaim the tax credit.

Non-ISA stockholders liable to higher rates of tax will be assessed for any additional tax through their annual tax return.

## Investor Information (continued)

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### Capital Gains Tax (CGT)

Investment trusts currently pay no CGT on gains made within the portfolio. When investors sell all or part of their holdings, they may be liable to CGT. Currently, the first £9,600 pa of such gains from all sources is exempt.

For investors who purchased stock prior to 31 March 1982 the cost for CGT purposes may be based on the price on that date of 41.472p.

Investors who are in any doubt as to their liability for CGT should seek professional advice.

ISA investments remain exempt from CGT.

Please remember that we are unable to offer individual investment or taxation advice. If you require such advice, you should consult your professional adviser. SIT Savings Limited is authorised and regulated by the Financial Services Authority (FSA), 25 The North Colonnade, Canary Wharf, London E14 5HS.

### Risk Warning

The capital value of stock units and the income from them can go down as well as up as a result of market and currency fluctuations and cannot be guaranteed. That means you may not get back the amount you originally invested. Past performance may not be repeated and is no indicator of future performance. The Scottish Investment Trust PLC has a long-term policy of borrowing money to invest in equities in the expectation that this will improve returns for stockholders. However, if markets fall, these borrowings will magnify any losses. Investment in SIT is intended as a long-term investment. Taxation levels, bases and reliefs are subject to change and may depend on individual circumstances.

### Further Information

For further information and brochures on any SIT products please visit our website, [www.sit.co.uk](http://www.sit.co.uk) or contact:

#### SIT Investor Relations

SIT Savings Limited  
Freepost EH882  
Edinburgh  
EH2 0BR

Brochure Request Line: 0800 42 44 22  
Fax: 0131 226 3663  
Email: [heather@sit.co.uk](mailto:heather@sit.co.uk)