

MONTHLY FACTSHEET

31 December 2009

Established in 1887, The Scottish Investment Trust PLC's (SIT) objectives are to provide investors, over the longer term, with above average returns through a diversified portfolio of international equities and to achieve dividend growth ahead of UK inflation.

December saw further steady gains for global equity markets with the FTSE All-World Index™ rising by 3.6%, taking the twelve month capital return to +17.8% (total return +21.2%). Gains in markets were well spread with all ten industry sectors comprising the FTSE All-World Index rising and similarly, all seven regional markets rising in value over the month. SIT's ex-income NAV with borrowings at par rose by 3.8% and the stock price rose by 5.7%.

Sector leadership remained broadly cyclical with the strongest returns coming from Technology (+8.1%), Basic Materials (+4.8%) and Industrials (+4.6%). The main laggards were Financials (+1.0%), Oil & Gas (+2.4%) and Telecoms (+2.4%). In local terms, Japan and Europe (ex UK) were the strongest performing regions. However, the recovery in sterling against the euro and yen converted superior local returns from Europe (ex UK) and Japan to much smaller sterling gains of 2.6% and 2.1%, respectively. Middle East & Africa (+6.8%), Asia Pacific (ex Japan) (+5.3%) and the UK (+4.3%) generated the strongest sterling returns. A small rise in the dollar against sterling allowed North America to match global returns (+3.6%) while Latin America rose 3.1%.

Government bonds were markedly weak with major ten year government bond yields rising significantly on concerns over both the inflation outlook and fiscal imbalances.

Oil edged up 0.9% to \$77.4 per barrel (Brent) while gold reversed course after recent strength, falling 6.9% to \$1,096 per ounce.

The Copenhagen Climate Conference did not trouble markets which were much more concerned by the credit rating downgrade suffered by Greece. This caused some weakness in markets on fears that other EU countries with large budget deficits would suffer similar downgrades. There was widespread relief following signs that the mini-financial crisis which hit Dubai would prove manageable with support from Abu Dhabi. In the US, a widely-followed leading indicator rose for the 8th consecutive month. Interest rate policies in the major G7 economies were unchanged during the month. There were further interest rate increases from Australia and Norway, both of which increased rates by 0.25%. In the UK, the Pre-Budget Report saw the government set out plans to increase taxation on middle income band earners and impose a 50% tax on bank bonuses in excess of £25,000. Japan unveiled a further round of spending plans to stimulate a subdued economy while in the US, consumer confidence improved in December and the Case-Schiller measure of house prices was unchanged (-6.4% year-on-year). On the corporate front, German automotive giant VW announced a 19.9% stake in Japanese vehicle maker Suzuki. Ford agreed to sell its Volvo car unit to Geely of China. US oil giant Exxon Mobil announced the acquisition of XTO Energy while in banking, Citigroup and Wells Fargo repaid a combined \$45bn of emergency funding they had received from the US Troubled Asset Relief Programme (TARP).

Company Information

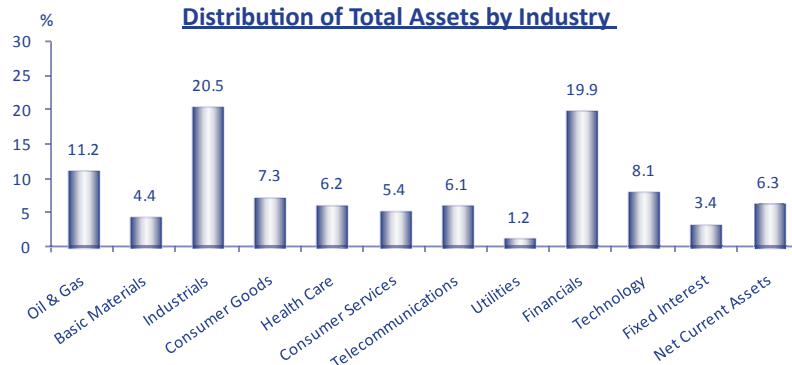
	31/12/2009	30/11/2009	Change on month %
Total assets	£738m	£719m	2.5
Cum-income NAV with borrowings at par	505.7p	486.8p	3.9
Cum-income NAV with borrowings at market value	500.3p	477.0p	4.9
Ex-income NAV with borrowings at par	498.1p	479.8p	3.8
Ex-income NAV with borrowings at market value	492.7p	469.9p	4.8
Stock price	448.5p	424.5p	5.7
Discount (premium) to ex-income NAV (borrowings at market value)	9.0%	9.7%	

Top 10 Holdings

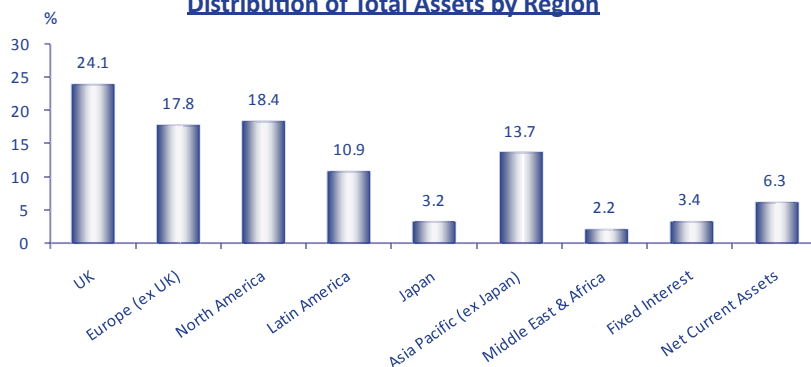
Holding	Industry Sector	Country	£ m	Total Assets %
Petrobras	Oil & Gas	Brazil	22.4	3.0
Compal Electronics	Technology	Taiwan	16.7	2.3
HSBC	Financials	UK	16.7	2.3
Serco	Industrials	UK	15.3	2.1
América Móvil	Telecommunications	Mexico	15.1	2.1
BHP Billiton	Basic Materials	UK	15.1	2.0
National Oilwell Varco	Oil & Gas	US	14.7	2.0
BBVA	Financials	Spain	14.1	1.9
Apple	Technology	US	12.8	1.7
CCR	Industrials	Brazil	12.7	1.7

Including fixed interest investments where applicable.

Distribution of Total Assets by Industry



Distribution of Total Assets by Region



NAV and Share Price Performance

Total return on £100 to 31 December 2009	3 months	6 months	1 year	5 years	10 years
SIT ex-income NAV (with borrowings at par)	104	127	118	151	113
SIT stock price	107	126	125	158	128

Net income reinvested and before expenses are deducted.

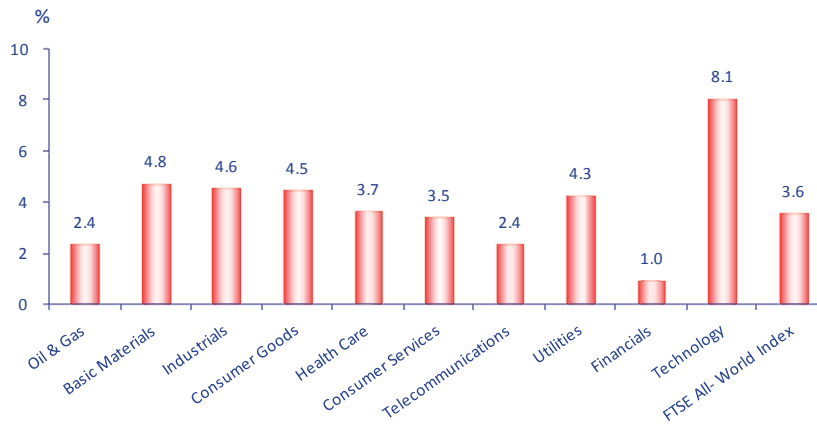
Standardised Past Performance

% growth year to 31 December	2005	2006	2007	2008	2009
The Scottish Investment Trust	35.5	11.9	14.4	-27.3	25.1

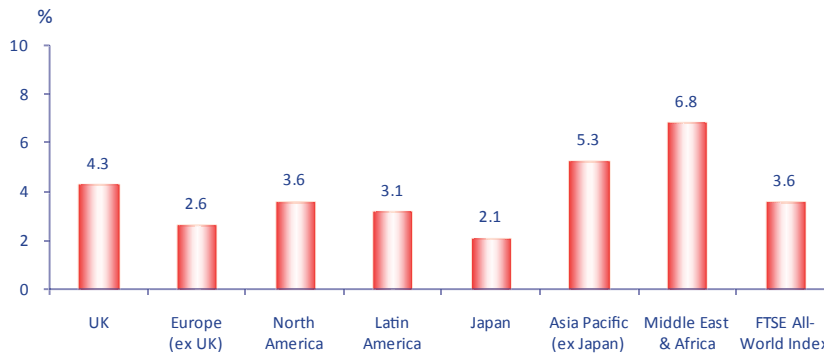
Last price to last price with net income reinvested and before expenses are deducted.

Stockmarket Performance (Sterling Terms) Month to 31 December 2009

FTSE All-World Index Performance by Industry



FTSE All-World Index Performance by Region



Important Information

The Scottish Investment Trust PLC (SIT) is not authorised to give financial advice. This information should not be considered an offer or solicitation to deal in investments.

Past performance is not a guide to future performance. The value of shares and the income from them can go down as well as up as a result of market and currency fluctuations. You may not get back the amount you invest.

SIT has a long-term policy of borrowing money to invest in equities in the expectation that this will improve returns and, should stockmarkets fall, such borrowings would magnify losses on these investments.

All sources SIT unless otherwise stated.

Industry Classification Benchmark (ICB): Source and copyright © FTSE International Limited and Dow Jones & Company, Inc. All rights therein reserved.

NAV is net asset value per ordinary stock unit.

In line with our reporting policy, the NAVs are calculated taking the valuation of investments at closing bid or last price, as the case may be. The latest NAVs are unaudited.

Borrowings at par is the nominal value of the borrowings less any unamortised issue expenses.

Borrowings at market value is the company's estimate of the fair value of its borrowings. The current estimated fair value of the company's secured bonds is based on the redemption yield of the reference gilt plus a margin of 100 basis points. The reference gilt is the 6% Treasury Stock 2028.

Total assets means total assets (cum-income) less current liabilities.

Gearing is based on ex-income figures with borrowings at par.

All percentage distributions are of total assets.