Murray International Trust PLC

Annual Report
31 December 2015

Telus is a telecommunications company providing a variety of communication products and services. The company provides voice, data, internet and wireless services to businesses and consumers throughout Canada.

1907

Launched in 1907, Murray International is today a large, globally diversified investment trust whose roots can be traced to Glasgow's thriving industrial and shipbuilding-based economy that had reached boom proportions by the early years of the twentieth century.

Contents

Visit our website

To find out more about Murray International Trust PLC, please visit murray-intl.co.uk

Financial Highlights

Murray International Trust PLC is an investment company with its Ordinary shares and B Ordinary shares listed on the premium segment of the London Stock Exchange. The Company is an approved investment trust and aims to achieve a total return greater than its benchmark by investing predominantly in equities worldwide.

Within this objective, the Manager seeks to increase the Company's revenues in order to maintain an above average dividend yield. The Company is invested in a diversified portfolio of international equities and fixed income securities.

The Company is governed by a board of directors, all of whom are independent, and has no employees. Like other investment companies, it outsources its investment management and administration to an investment management group, the Aberdeen Asset Management group of companies, and other third party providers. The Company does not have a fixed life.

Net asset value total return

–7.8%

2014 **+3.0%**

Share price total return

–15.2%

2014 **+1.7%**

Benchmark total return

+2.6%

2014 **+7.5%**

Revenue return per share

45.7p

2014 **40.8p**

Dividend per share[A]

46.5p

2014 **45.0p**

Net gearing[B]

+17.4%

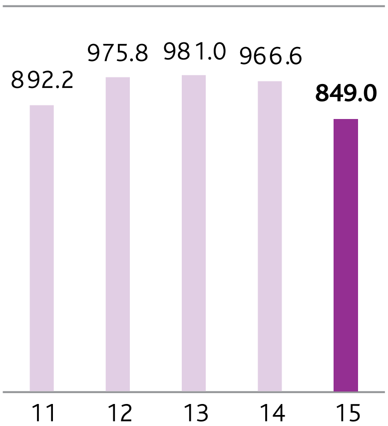
2014 **+13.8%**

[A] Dividends declared for the year in which they were earned.

[B] As defined on page 83.

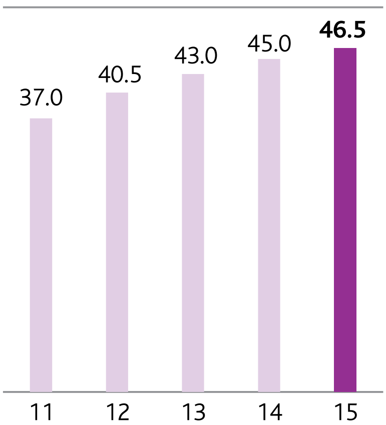
Net Asset Value per Ordinary and B Ordinary share

At 31 December – pence



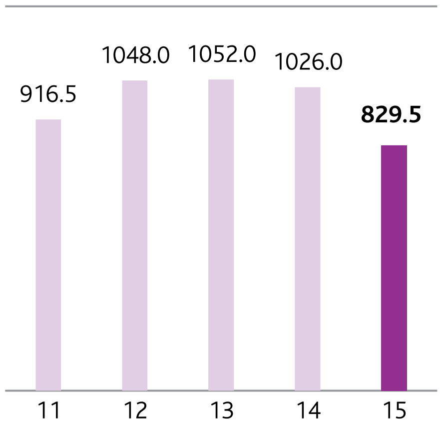
Dividends per Ordinary share

Year ended 31 December - pence



Share price per Ordinary share

At 31 December – pence



Strategic Report

The business of the Company is that of an investment company which seeks to qualify as an investment trust for capital gains purposes.

The Company's assets are invested in a diversified portfolio of international equities and fixed income securities spread across a range of industries and economies.

Singapore Telecommunications is a communications company providing a diverse range of communications services including fixed-line telephony, mobile, data, internet, satellite and pay television. The company operates throughout the Asian Pacific region.

Chairman's Statement

Kevin Carter
Chairman

Performance

I am disappointed to report that the Company's Net Asset Value ("NAV") not only underperformed its benchmark in 2015 but also declined in absolute terms. NAV total return of –7.8% inclusive of a 3.3% dividend increase compared unfavourably with a benchmark total return of +2.6%. In recent annual statements, both I and the Manager have emphasised a firm focus on capital preservation in the construction of the portfolio, and it is therefore a particular frustration that this has not been achieved. There are numerous reasons for this outcome and the Investment Management Review on page 15 contains an attribution analysis which shows the factors affecting NAV performance.

The benchmark total return was positively affected primarily by the performance of United States equities and to a lesser extent by Japanese equities. The Company is underweight in both these relatively lower yielding markets. Beyond that, numerous global equity markets declined in Sterling terms with particularly severe corrections in companies exposed to the energy, commodities, utilities and industrial sectors. Many of our portfolio holdings are in countries and stock markets which were especially affected by these trends. In addition, performance also suffered from a number of specific stock developments, and details of these can be found in the Investment Management Review on page 15.

For the third consecutive year, the Company's greater geographical diversification and focus on above average yield proved detrimental to relative total performance, even though revenue generation continued to be robust.

Background

The beginning of 2015 saw a widespread belief that the US Federal Reserve would raise interest rates in response to strong US economic growth, a perception that the worst was over for Europe and anticipation that Japan was at last following an economic prescription which would alleviate its long period of stagnation. For a time this buoyed up financial assets in these regions but, as the year progressed, it became apparent that the world was also facing deflationary forces with severely weakened commodity prices, especially oil, and a Chinese economy performing much less well than expected. When the long anticipated tightening of US monetary policy eventually occurred, it was accompanied by widespread criticism of its timing and necessity, and Federal Reserve Chairman Yellen has recently testified to Congress that future rate rises are being deferred for now. Subsequently, Japan has sunk back into recession and China is in the process of attempting a controlled devaluation of its currency to shore up economic growth. The weakness of the Chinese economy magnified the severe decline in commodities as China has been the major consumer of these in recent years. Countries with high dependence on exports to China, either of manufactured goods or commodities, suffered growth and currency declines. Similar conditions unfortunately also prevailed throughout Europe. Again, expectations were initially high but gradually deflated over time, even though the European Central Bank continued its money printing intervention. Towards year end decelerating growth in Germany, so long the global gold standard of export-led efficiency, sparked additional uncertainty over what is next for Europe. The question as to whether or not the UK should remain in the EU entered the political debate in 2015 but during that early stage seemed to have little impact on the economy. Instead, expectations over imminent domestic interest rate rises dominated the first half of the year, only to dissipate and disappear as growth slowed. Even so, persistent strength in Sterling continued with its adverse effects on UK export manufacturers, as well as negatively affecting revenue and capital value translation into the Company. Against such a backdrop, preserving the capital of the Company proved problematic given its diversified approach and income objective.

Dividends

Three interim dividends of 10.5p (2014: three interims of 10.0p) have been declared during the year. Your Board is now recommending a final dividend of 15.0p (2014: 15.0p) which, subject to the approval of shareholders at the Annual General Meeting, will be paid on 18 May 2016 to shareholders on the register on 8 April 2016. Subject to approval of the final dividend, the total Ordinary dividend for the year will amount to 46.5p, an increase of 3.3% from last year (2014: 45.0p). B Ordinary shareholders will receive their capitalisation issue of B Ordinary shares at the same time as each dividend is paid. Accordingly, subject to approval at the Annual General Meeting, B Ordinary shareholders will be issued on 18 May 2016 with new B Ordinary shares equivalent in NAV to the recommended final dividend for the year just ended. The payment of the final dividend will necessitate a small transfer from the Company's brought forward revenue reserves of approximately £580,000.

B Ordinary Share Conversion – Circular to Shareholders

Shareholders' attention is drawn to the Circular that accompanies this Annual Report and which contains details of, and the reasons for, recommended proposals for the final conversion of the B Ordinary shares into Ordinary shares and related amendments to the Articles of Association.

Management of Premium and Discount

At the Annual General Meeting held in April 2015, shareholders renewed the annual authorities to issue up to 10% of the Company's issued share capital for cash at a premium and to buy back up to 14.99% of the issued share capital at a discount. During the year, we issued 130,000 new shares. The Board will be seeking approval from shareholders to renew both authorities in 2016 and, as in previous years, new shares would only be issued at a premium to NAV and shares would only be bought back at a discount to NAV. Resolutions to this effect will be proposed at the Annual General Meeting and the Directors strongly encourage shareholders to support this proposal.

As I indicated at the interim stage in August, the Board continues to believe that it is appropriate to seek to address temporary imbalances of supply and demand for the Company's shares which might otherwise result in a recurring material discount. Subject to shareholder permission and prevailing market conditions over time, the Board intends to buy back shares if they trade at a persistent discount to NAV (excluding income). As with issuance, the Board believes that this process is in all shareholders' interests as it seeks to reduce volatility in the premium/discount to underlying NAV whilst also making a small positive contribution to the NAV. Subsequent to the period end, we have purchased 601,163 shares in the market at a discount to the underlying NAV and these shares are being held in treasury. At the time of writing the exclusive of income NAV per share was 885.2p and the share price was 870.0p equating to a discount of 1.7% per Ordinary share.

Gearing

At year end, total borrowings amounted to the equivalent of £194 million representing net gearing (calculated by dividing the total assets less cash by shareholders' funds) of 17.4% (2014: 13.8%) of which approximately £9 million has been drawn in Yen with the remainder drawn in Sterling. During the year the Company entered into a new £50 million loan facility with The Royal Bank of Scotland plc ("RBS") which was drawn in full on 13 May 2015 and fixed for five years at an all-in rate of 2.4975%. The new facility was used to repay a maturing Yen 8.4 billion loan with RBS. The Company has loans totalling £24 million that are due to mature in May 2016 and the Directors are in the process of reviewing options for those facilities.

Management Arrangements

Following a review initiated by your Board, the Board and the Manager are pleased to have agreed a restructuring of the management fee arrangements for the Company. The performance fee is being discontinued and the annual management fee will now be charged on the net assets (ie excluding borrowings for investment purposes) ("Net Assets"), on a tiered basis. These changes will not affect the way that the Company's assets are managed over time.

Previously the base level of the annual management fee was set at 0.5% of net assets including borrowings for investment purposes. From 2016 onwards the annual fee will be charged at 0.575% of Net Assets up to £1,200 million, 0.5% of Net Assets between £1,200 million and £1,400 million, and 0.425% of Net Assets above £1,400 million. At present levels of gearing and Net Assets this is a small fee reduction but the reduction becomes greater once Net Assets exceed £1,200 million, and greater still above £1,400 million.

We are also changing the termination notice period of the management contract from 12 months to 6 months, more in keeping with market practice. The above arrangements will take effect from 1 January 2016. I am pleased that this collaborative exercise between the Board and the Manager has produced a beneficial outcome for shareholders.

Annual General Meeting

This year's Annual General Meeting will be held in London on 26 April 2016 at 12.30 p.m. at the Mermaid Conference Centre, Puddle Dock, London EC4V 3DB. As at previous AGMs, there will be a presentation from the Manager and an opportunity to meet the Directors and Manager over lunch. I should be grateful if you would confirm your attendance by completing the separate notice that will accompany the Annual Report and returning it together with an indication of any particular questions. I hope as many shareholders as possible will be able to attend.

Directorate

Having served as a Director since 2003, Lady Balfour has indicated that she intends to retire from the Board at the conclusion of the Annual General Meeting on 26 April 2016 and will not be seeking re-election. On behalf of my fellow Directors I should like to take this opportunity to thank Lady Balfour for her considerable contribution to the affairs of the Company, and wise counsel over the years including her chairing of the Remuneration Committee, and more recently her assistance in the role of Senior

Independent Director. The Board is in the process of undertaking a detailed search for her replacement using the services of an independent external recruitment consultancy and expects to update shareholders on the outcome of that process in due course. With effect from the conclusion of the AGM, Mr Best has agreed to become Senior Independent Director and Mr Dunscombe has agreed to become Chairman of the Remuneration Committee.

Viability Statement

For the first time this year your Board is required to assess the viability of the Company. In assessing the viability we have looked out over a five year period which we believe is appropriate for the Company given its longer term investment mandate and the composition of the portfolio. In formulating our opinion contained in the Viability Statement on page 11, the Directors have reviewed the Company's principal risks, liquidity of the portfolio, the timing of debt maturities and likely demand for the Company's shares.

Outlook

2016 has begun with considerable market volatility as investors attempt to decipher the complex economic and interest rate environment ahead. We have had several years of stock market performance characterised by divergence between performance and fundamentals. A relentless rise in equity market valuations without the support of profit growth has occurred simultaneously with an evident deterioration in economic fundamentals.

Supported by abundant liquidity and dwindling alternative options, investors have been prepared to pay higher and higher prices for equities. Low yielding growth stocks have constantly and consistently outperformed higher yielding value stocks with sectors such as biotechnology, healthcare and technology leading the indices higher.

Against this backdrop, the Company's yield focused, value conscious, diversified portfolio style has struggled to keep up. The question is how likely and long this will continue. Whatever the answer, sufficient cracks are widening in the global financial system to suggest great caution is warranted. Protecting capital and income in such a financial world will not be straightforward. At the time of writing, on a total return basis, year to date NAV has risen 8.1% while the Company's benchmark index has declined 0.9%.

Your Board has conducted a strategic review with the Manager to consider its response to these difficult conditions and continues to believe in the principles of broad portfolio diversification, emphasis on high quality businesses and focusing on companies with strong balance sheets. The Board and the Manager remain committed to this approach as the best portfolio strategy to pursue in order to achieve the Company's investment objective.

Kevin Carter
Chairman
11 March 2016

Overview of Strategy

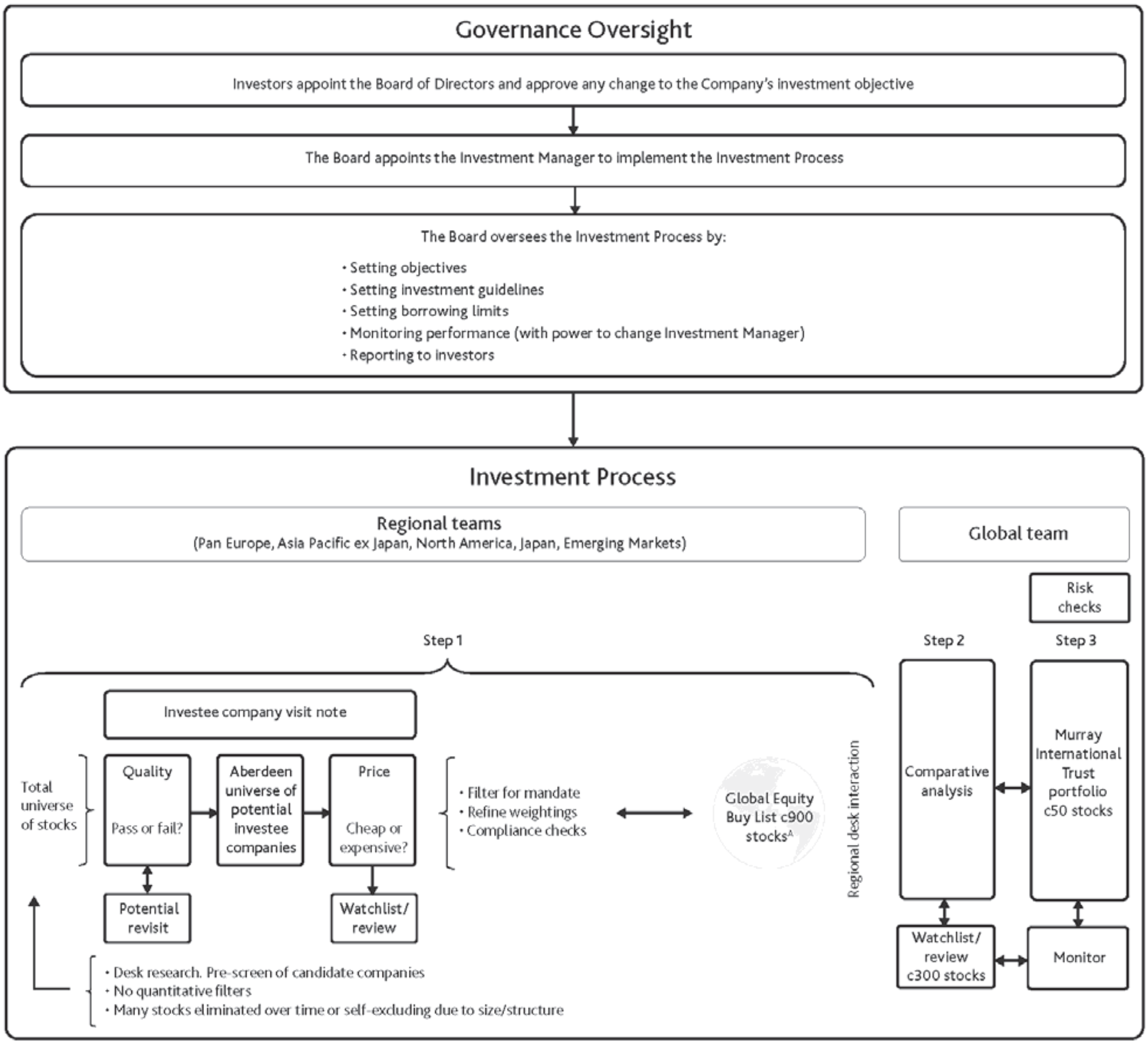
Business Model

The business of the Company is that of an investment trust and the Directors do not envisage any change in this activity in the foreseeable future. The aim of the Company is to achieve a total return greater than its benchmark by investing predominantly in equities worldwide. Within this objective, the Manager will seek to increase the Company's revenues in order to maintain an above average dividend yield.

The Company's investment objective and financial highlights are shown on pages 8 and 12. A review of the Company's activities is given in the Chairman's Statement on pages 4 to 6 and the Investment Management Review on pages 15 to 19. The Chairman's Statement includes an analysis of the business of the Company and its principal activities, likely future developments of the business, the recommended dividend and details of any acquisition of its own shares by the Company.

Investment Process

The Manager has its own investment process, which, in the case of the Company, is overseen by the Board. The process is summarised below.



Overview of Strategy continued

Investment Objective

The aim of the Company is to achieve a total return greater than its benchmark by investing predominantly in equities worldwide. Within this objective the Manager seeks to increase the Company's revenues in order to maintain an above average dividend yield.

Investment Policy

Asset Allocation

The Company's assets are invested in a diversified portfolio of international equities and fixed income securities spread across a range of industries and economies. The Company's investment policy is flexible and it may, from time to time, hold other securities including (but not limited to) index-linked securities, convertible securities, preference shares, unlisted securities, depositary receipts and other equity-related securities. The Company may invest in derivatives for the purposes of efficient portfolio management. The Company's investment policy does not impose any geographical, sectoral or industrial constraints upon the Manager. The Board has agreed guidelines which the Manager is required to work within from meeting to meeting. It is the investment policy of the Company to invest no more than 15% of its gross assets in other listed investment companies (including listed investment trusts) at the time of purchase. The Company currently does not have any investments in other investment companies.

Risk Diversification

The Manager actively monitors the Company's portfolio and attempts to mitigate risk primarily through diversification. The Company is permitted to invest up to 15% of its investments by value in any single stock (at the time of purchase).

Gearing

The Board considers that returns to shareholders can be enhanced by the judicious use of borrowing. The Board is responsible for the level of gearing in the Company and reviews the position on a regular basis. Any borrowing, except for short-term liquidity purposes, is used for investment purposes or to fund the purchase of the Company's own shares. Total gearing will not in normal circumstances exceed 30% of Net Assets with cash deposits netted against the level of borrowings. At the year end there was net gearing of 17.4% (calculated in accordance with AIC guidance) and particular care is taken to ensure that any bank covenants permit maximum flexibility of investment policy.

Changes to Investment Policy

Any material change to the investment policy will require the approval of the shareholders by way of an ordinary resolution at a general meeting. The Company will promptly issue an announcement to inform the shareholders and the public of any change of its investment policy.

Delivering the Investment Policy

Day-to-day management of the Company's assets has been delegated to the Investment Manager. The Investment Manager invests in a diversified range of international companies in accordance with the investment objective.

The portfolio manager, Bruce Stout, has responsibility for portfolio construction across all regional segments. As can be seen from the diagram on page 7, the Aberdeen management team utilises a "Global Equity Buy List" which is constructed by each of the specialist country management teams. This list contains all buy (and hold) recommendations for each management team, which are then used by the portfolio manager as the Company's investment universe. Stock selection is the major source of added value.

Top-down investment factors are secondary in the Manager's portfolio construction, with stock diversification rather than formal controls guiding stock and sector weights. Market capitalisation is not a primary concern.

A detailed description of the investment process and risk controls employed by the Manager is disclosed on page 77. A comprehensive analysis of the Company's portfolio is disclosed on pages 22 to 28 including a description of the twenty largest investments, the portfolio of investments by value, attribution analysis, distribution of investments and distribution of equity investments.

At the year end the Company's portfolio consisted of 47 equity and 17 bond holdings. The Manager is authorised by the Board to hold between 45 and 150 stocks in the portfolio.

Benchmark

The Company's benchmark is a composite index comprising 40% of the FTSE World UK Index and 60% of the FTSE World ex-UK Index.

Management

The Company's Alternative Investment Fund Manager is Aberdeen Fund Managers Limited ("AFML") which is authorised and regulated by the Financial Conduct Authority Day to day management of the portfolio is delegated to Aberdeen Asset Managers Limited ("AAM"). AAM and AFML are collectively referred to as the "Investment Manager" or the "Manager".

Website

murray-intl.co.uk

Key Performance Indicators (KPIs)

The Board uses a number of financial performance measures to assess the Company's success in achieving its objective and determine the progress of the Company in pursuing its investment policy. The main KPIs identified by the Board in relation to the Company which are considered at each Board meeting are as follows:

KPI	Description
Performance and NAV	The Board considers the Company's NAV total return figures to be the best indicator of performance over time and these are therefore the main indicators of performance used by the Board. A graph showing the total NAV return against the Benchmark is shown on page 13.
Performance against Benchmark	The Board measures performance against the Benchmark. Graphs showing performance are shown on page 13. The Board also monitors performance relative to competitor investment trusts over a range of time periods, taking into consideration the differing investment policies and objectives employed by those companies.
Share price (on a total return basis)	The Board also monitors the price at which the Company's shares trade relative to the Benchmark on a total return basis over time. A graph showing the total share price return against the Benchmark is shown on page 13.
Discount/Premium to NAV	The discount/premium relative to the NAV per share represented by the share price is closely monitored by the Board. The objective is to avoid large fluctuations in the discount/premium by the use of share buy backs or the issuance of new shares, subject to market conditions. A graph showing the share price premium/(discount) relative to the NAV is also shown on page 13.
Dividend	The Board's aim is to seek to increase the Company's revenues over time in order to maintain an above average dividend yield. Dividends paid over the past 10 years are set out on page 14.
Gearing	The Board's aim is to ensure that gearing is kept within the Board's guidelines issued to the Investment Manager.

Risk Management

There are a number of risks which, if realised, could have a material adverse effect on the Company and its financial condition, performance and prospects. The Board has undertaken a robust review of the principal risks and uncertainties facing the Company including those that would threaten its business model, future performance, solvency or liquidity. Those principal risks are disclosed in the table below together with a description of the mitigating actions taken by the Board. The principal risks associated with an investment in the Company's shares are published monthly on the Company's factsheet or they can be found in the pre-investment disclosure document published by the Manager, both of which are available on the Company's website. Potential issues relating to the work of the Audit Committee are discussed in the Report of the Audit Committee on pages 42 and 43 and further detail on financial risks and risk management is disclosed in note 17 to the financial statements.

Overview of Strategy continued

The Board reviews the risks and uncertainties faced by the Company in the form of a risk matrix regularly and a summary of the principal risks is set out below.

Description	Mitigating Action
Investment strategy and objectives – if the Company's investment objective becomes unattractive and the Company fails to adapt to changes in investor demand, the Company may become unattractive to investors, leading to decreased demand for its shares and a widening discount.	The Board keeps the level of discount and/or premium at which the Company's shares trade as well as the investment objective and policy under review and holds an annual strategy meeting where the Board reviews updates from the Investment Manager, investor relations reports and the Broker reports on the market. In addition, the Board is updated at each Board meeting on the make up of and any movements in the shareholder register and the Directors attend meetings with shareholders.
Investment portfolio, investment management – investing outside of the investment restrictions and guidelines set by the Board could result in poor performance and inability to meet the Company's objectives.	The Board sets, and monitors, its investment restrictions and guidelines, and receives regular Board reports which include performance reporting on the implementation of the investment policy, the investment process and application of the guidelines. The Investment Manager attends all Board meetings. The Board also monitors the Company's share price relative to the NAV.
Financial obligations - the ability of the Company to meet its financial obligations, or increasing the level of gearing, could result in the Company becoming over-geared or unable to take advantage of potential opportunities and result in a loss of value to the Company's shares.	The Board sets a gearing limit and receives regular updates on the actual gearing levels the Company has reached from the Investment Manager together with the assets and liabilities of the Company and reviews these at each Board meeting. In addition, AFML, as alternative investment fund manager in conjunction with the Board, has set an overall leverage limit of 2.0x on a commitment basis (2.5x on a gross notional basis) and includes updates to its reports to the Board.
Financial and Regulatory – the financial risks associated with the portfolio could result in losses to the Company. In addition, failure to comply with relevant regulation (including the Companies Act, the Financial Services and Markets Act, the Alternative Investment Fund Managers Directive, Accounting Standards and the FCA's Listing Rules, Disclosure and Prospectus Rules) may have an impact on the Company.	The financial risks associated with the Company include market risk, liquidity risk and credit risk, all of which are mitigated in conjunction with the Investment Manager. Further details of the steps taken to mitigate the financial risks associated with the portfolio are set out in note 17 to the financial statements. The Board relies upon the Aberdeen Group to ensure the Company's compliance with applicable regulations and from time to time employs external advisers to advise on specific concerns.
Operational – the Company is dependent on third parties for the provision of all systems and services (in particular, those of Aberdeen Asset Management) and any control failures and gaps in these systems and services could result in a loss or damage to the Company.	The Board receives reports from the Investment Manager on internal controls and risk management at each Board meeting. It receives assurances from all its significant service providers, as well as back to back assurance from the Investment Manager at least annually. Further details of the internal controls which are in place are set out in the Directors' Report on page 37.

Viability Statement

The Company does not have a formal fixed period strategic plan but the Board formally considers risks and strategy at least annually. The Board considers the Company, with no fixed life, to be a long term investment vehicle but, for the purposes of this viability statement, has decided that a period of five years is an appropriate period over which to report. The Board considers that this period reflects a balance between looking out over a long term horizon and the inherent uncertainties of looking out further than five years.

In assessing the viability of the Company over the review period the Directors have focussed upon the following factors:

- The principal risks detailed in the Strategic Report on page 10
- The ongoing relevance of the Company's investment objective in the current environment
- The demand for the Company's shares evidenced by the historical level of premium and or discount
- The level of income generated by the Company
- The liquidity of the Company's portfolio
- The maturity profile of the Company's £194 million loan facilities which mature between May 2016 and May 2020.

Accordingly, taking into account the Company's current position, the fact that the Company's investments are mostly liquid and the potential impact of its principal risks and uncertainties, the Directors have a reasonable expectation that the Company will be able to continue in operation and to meet its liabilities as they fall due for a period of five years from the date of this Report. In making this assessment, the Board has considered that matters such as significant economic or stock market volatility, a substantial reduction in the liquidity of the portfolio or changes in investor sentiment could have an impact on its assessment of the Company's prospects and viability in the future.

Promoting the Company

The Board recognises the importance of communicating the long-term attractions of your Company to prospective investors both for improving liquidity and for enhancing the value and rating of the Company's shares. The Board believes an effective way to achieve this is through subscription to and participation in the promotional programme run by the Aberdeen Group on behalf of a number of investment companies under its management. The Company also supports the Aberdeen Group's investor relations programme which involves regional roadshows, promotional and public relations campaigns. The purpose of these initiatives is both to communicate effectively with existing shareholders and to gain new shareholders with the aim of improving liquidity and enhancing the value and rating of the Company's shares. The Company's financial contribution to the programmes is matched by the Aberdeen Group. The Aberdeen Group Head of Brand reports quarterly to the Board providing an analysis of the promotional activities as well as updates on the shareholder register and any changes in the make up of that register.

Board Diversity

The Board recognises the importance of having a range of skilled, experienced individuals with the right knowledge represented on the Board in order to allow the Board to fulfil its obligations. The Board also recognises the benefits, and is supportive, of the principle of diversity in its recruitment of new Board members. At 31 December 2015, there were four male Directors and two female Directors on the Board.

Environmental, Social and Human Rights Issues

The Company has no employees as the Board has delegated day to day management and administrative functions to Aberdeen Fund Managers Limited. There are therefore no disclosures to be made in respect of employees. The Company's socially responsible investment policy is outlined below.

Socially Responsible Investment Policy

The Board acknowledges that there are risks associated with investment in companies which fail to conduct business in a socially responsible manner and has noted the Aberdeen Group's policy on social responsibility. The Investment Manager considers social, environmental and ethical factors which may affect the performance or value of the Company's investments as part of its investment process. In particular, the Investment Manager encourages companies in which investments are made to adhere to best practice in the area of Corporate Governance. They believe that this can best be achieved by entering into a dialogue with company management to encourage them, where necessary, to improve their policies in this area. The Company's ultimate objective, however, is to deliver superior investment return for its shareholders.

Global Greenhouse Gas Emissions

The Company has no greenhouse gas emissions to report from the operations of its business, nor does it have responsibility for any other emissions producing sources under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013.

Kevin Carter
Chairman
11 March 2016

Results

Financial Highlights

	31 December 2015	31 December 2014	% change
Total assets less current liabilities (before deducting prior charges)	£1,285,193,000	£1,429,179,000	
Equity shareholders' funds (Net Assets)	£1,091,019,000	£1,240,537,000	
Market capitalisation	£1,065,058,000	£1,317,337,000	–19.2
Share price – Ordinary share (mid market)	829.5p	1026.0p	–19.2
Share price – B Ordinary share (mid market)	725.0p	1087.5p	–33.3
Net Asset Value per Ordinary and B Ordinary share	849.0p	966.6p	–12.2
(Discount)/premium to Net Asset Value on Ordinary shares	(2.30%)	6.1%	
Gearing (ratio of borrowings less cash to shareholders' funds)			
Net gearing[A]	17.4%	13.8%	
Dividends and earnings per Ordinary share			
Revenue return per share	45.7p	40.8p	+12.0
Dividends per share[B]	46.5p	45.0p	+3.3
Dividend cover (including proposed final dividend)	0.98	0.91	
Revenue reserves[C]	£64,767,000	£64,690,000	
Ongoing charges[D]			
Excluding performance fee	0.75%	0.73%	
Including performance fee	0.75%	0.73%	

[A] Calculated in accordance with AIC guidance "Gearing Disclosures post RDR" (see definition on page 83).
[B] The figure for dividends per share reflects the years to which their declaration relates (see note 8 on pages 60 and 61) and assuming approval of the 15.0p (2014 – 15.0p) final dividend.
[C] The revenue reserve figure does not take account of the third interim and final dividends amounting to £13,398,000 and £19,050,000 respectively (2014 – £12,736,000 and £19,107,000).
[D] Ongoing charges are calculated in accordance with guidance issued by the AIC as the total of the investment management fee and administrative expenses divided by the average cum income net asset value throughout the year.

Performance (Total Return)

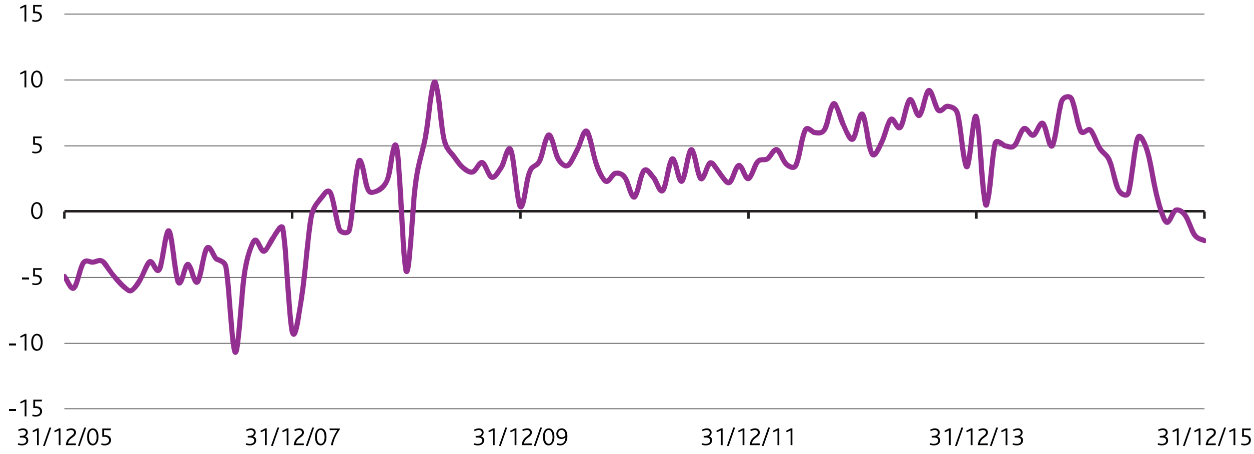
	1 year % return	3 year % return	5 year % return	10 year % return
Share price[A]	–15.2	–10.2	+8.2	+114.1
Net asset value per Ordinary and B Ordinary share	–7.8	–0.7	+13.1	+104.6
Benchmark	+2.6	+33.6	+42.1	+86.1

Total return represents the capital return plus dividends reinvested.
[A] Mid to mid.

Performance

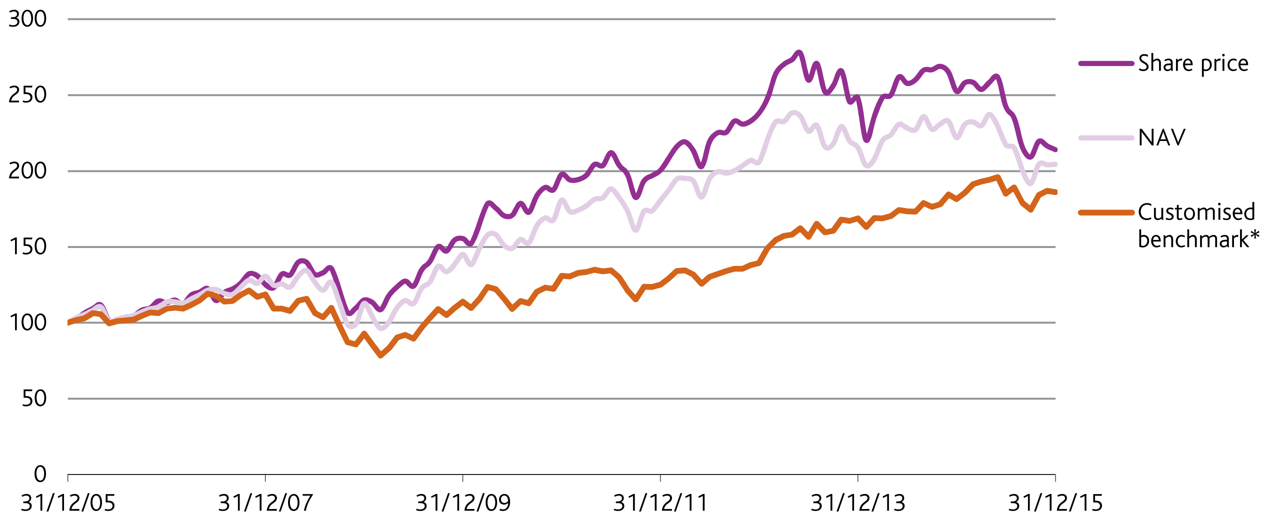
Share Price (Discount)/Premium to NAV (%)

Ten years to 31 December 2015



Net Asset Value and Share Price Total Return rebased to 100 (with net dividends reinvested)

Ten years to 31 December 2015



*The Company's benchmark is a corporate index comprising 40% of the FTSE World UK Index and 60% of the FTSE World ex-UK Index.

Performance continued

Dividends

	Rate	xd date	Record date	Payment date
1st interim	10.5p	09 July 2015	10 July 2015	17 August 2015
2nd interim	10.5p	08 October 2015	09 October 2015	17 November 2015
3rd interim	10.5p	07 January 2016	08 January 2016	18 February 2016
Proposed final	15.0p	07 April 2016	08 April 2016	18 May 2016
Total dividends	**46.5p**			

Ten Year Financial Record

Year end	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Total revenue (£'000)	24,566	26,776	32,242	36,571	46,607	55,128	55,141	63,717	62,609	67,020
Per Ordinary share (p)										
Net revenue return[A]	19.5	21.0	24.7	29.2	38.2	43.6	39.8	43.8	40.8	45.7
Dividends[B]	19.0	21.0	23.2	27.0	34.5	37.0	40.5	43.0	45.0	46.5
Net asset value per Ordinary/B Ordinary share[C]	660.7	736.8	625.8	772.9	930.5	892.2	975.8	981.0	966.6	849.0
Shareholders' funds (£'000)	579,268	646,237	568,827	741,813	967,676	999,252	1,192,243	1,236,718	1,240,537	1,091,019

[A] Net revenue return per Ordinary share has been based on the average Ordinary share capital during each year, including conversion of B Ordinary shares into Ordinary shares during each year (see note 9 on page 61).
[B] The figure for dividends per share reflects the years to which their declaration relates and not the years they were paid.
[C] Net Asset Values per Ordinary and B Ordinary share have been calculated after deducting loans at nominal values and have not been adjusted for the B Ordinary scrip issues (see note 14 on page 64).

Investment Management Review

Background

To some people, familiarity breeds contempt. To others, it is a source of constant comfort. To most, it provides confidence, clarity and conviction on which to act. Remove the familiar, it's said, and sanity soon follows. Nowhere does this more regularly occur than in financial markets. History is littered with examples of arrogance discarding the familiar for self-justification – "it's different this time, profits and dividends don't matter, business cycles and market forces are dead, a new paradigm for all to see". When such contempt arises, the financial consequences are seldom redeeming.

Structurally plagued by unrecognisable economic fundamentals, yet possessing unquestioning conviction that nothing is seriously untoward, the financial world ignored escalating dissonance between familiarity and contempt over the review period. Policymakers positively proclaimed progress towards economic normalisation despite virtually no conclusive evidence in support. Politicians preached fiscal prudence and balanced budgets, yet most sovereign debt liabilities deteriorated further. Economists declared declining energy prices to be the theoretical panacea for depressed global consumption but already over-indebted consumers preferred to save rather than spend. Projections relative to reality for both inflation and interest rates also failed to impress. Most Central Banks targeted "normal" inflation of around two percent. In the event, inflation declined towards zero in most of the developed world. Predicting imminent higher interest rates at the beginning of 2015, only the United States dared to tentatively tighten by year end. Scurrying in the opposite direction, the European Central Bank and the Bank of Japan kept up the pace of monetary expansion through continued quantitative easing. Beleaguered savers remained victims of financing fiscal largesse, with zero interest rates effectively eliminating any income returns. This absurdity descended into farce in Europe. Prevailing negative bond yields witnessed savers paying heavily indebted European governments for the privilege of lending to them! Extraordinary to believe, guaranteed capital-loss investment proved popular amongst bond investors in Europe throughout 2015.

The cult of equity buybacks again thrived in the United States where precious corporate cash flow retired record amounts of stock at record high valuations. Capital investment, vital to secure future growth and profitability, again constantly being sacrificed at the altar of short termism. Corporate defaults throughout the world remained at record lows as no-one dared to question deteriorating credit quality. With over twenty developed world economies hostage to private and public sector debt above two hundred per cent of National Income, surely some-one, somewhere could not pay. The mask of respectability held firm, despite a constant stream of unrecognisable indicators emerging. To those familiar with history, nothing was familiar. Whilst at best disconcerting, and at worst downright dangerous, the most unsettling aspect is how ambivalent the world has become to the prevailing distorted financial landscape. Current economics, markets, geopolitics and demographics may confound the laws of rational behaviour and common sense, yet few are prepared to acknowledge the fact. The collective denial casts an eerie silence over the reality of an increasingly unrealistic world.

Investor sentiment obsessed excessively over interest rates, deflation and China throughout 2015, occasionally mutating into angst when data disappointed. Financial markets craving normality were constantly starved of any meaningful confirmation. Periodic bouts of volatility reflected recurring moodswings of uncertainty, primarily prompted by ambiguous economic data. Developed market sovereign bonds proved particularly vulnerable. Oscillating between rising interest rate paranoia and deflationary concerns, bond yields touched historical lows and unjustified highs. For investors seeking stability and predictability, global bond markets offered little solace.

Equity market returns also witnessed a torrid twelve months. Weighed down by constant weakness in Energy and Commodities, plus downward pressure on dividends, the UK market suffered a negative total return. Pumped up by printed money and political promiscuity, European markets defied deepening deflationary disquiet to deliver mid-single digit positive returns in Sterling terms. Whilst the portfolio's heavily skewed defensively orientated exposure to Switzerland delivered desired capital preservation, individual stock weakness in France negated overall net returns from the region. Asia ex Japan disappointed for the third consecutive year in terms of market returns. Positive portfolio stock returns from defensive Consumer Staples and Telecommunications businesses in Indonesia, Singapore and Taiwan were welcomed, but the spectre of declining Chinese growth and currency weakness loomed large. The unexpected exception was Japan. A crippled economy, unsustainable debt dynamics and deteriorating demographics proved no constraint on sentiment. Japanese equity market returns of +17.6% in Sterling terms far exceeded its nearest challenger for best performing global "region" in 2015. Divergence of market and portfolio returns were most pronounced in the Americas. Whilst a low, asset weighting to benchmark heavyweight the United States deleted relative performance, strong defensive stock selection delivered double digit capital returns in a market up 6.9%. Similarly a +15.7% return from 10% exposure in Mexico delivered against a market which declined 9.2%. Unfortunately excessive currency weakness and commodity exposure in Canada and Brazil negated total relative North and South American regional returns. In aggregate, the overall portfolio objective to preserve capital proved untenable over the timeframe. Diversification of assets, currency exposure, sectors and stocks with a value and higher yield bias fell short of delivering desired results against an increasingly narrow and expensive market backdrop.

Performance

The NAV total return for the year to 31 December 2015 with net dividends reinvested was –7.8% compared with a return on the benchmark of +2.6%. A full attribution analysis is given on page 26, which details the various influences on portfolio performance. In summary, of the 870 basis points (before expenses) of performance below the benchmark, asset allocation detracted 670 basis points and stock selection a further 200 basis points. Structural effects relating to the fixed income portfolio and gearing, net of borrowing and hedging costs, deleted a further 180 basis points of relative performance.

North America

The drama that has become US monetary policy continued to captivate its worldwide audience throughout the year. The unanswered question remained when the US Federal Reserve might raise interest rates. Cyclical optimists expected normalisation to begin, just as they did last year and the year before. Popular perception professed robust economic health for the US economy, constantly emphasising improvements. For the more objective observer, scant evidence existed to support such optimism.

Economic growth remained muted, the eagerly anticipated boost to consumption from collapsing oil prices failing to materialise. Heavily indebted Americans, fearing rising job insecurity, preferred to pay down debt and save more. As debate raged around the need, timing and justification of potential interest rate hikes, further ambiguity festered within the fragile US economy. The housing market, so often deemed a barometer of US economic affluence, stagnated in the vacuum of policy uncertainty. Support from increased capital investment never looked likely given corporate America's addiction to buying back stock. New depths were breached with cheap debt being aggressively accrued to retire expensive equity, leaving corporate balance sheets increasingly stretched. Somewhat ominously, total US equity buybacks surpassed the previous historical record set in 2007 and at generally much higher valuations. Lack of conclusive wage pressures, lingering excessive productive capacity, worryingly anaemic credit conditions and subdued confidence presented a challenging contradiction to those confident of US prosperity. Unbowed by inconclusive economic evidence, and ignoring protesting pleas, the US Monetary Authorities raised the benchmark interest rate in December. Those hostage to onerous debt servicing obligations vexed over implicit negative consequences from the first such monetary tightening in over nine years. One thing became crystal clear. Life was about to get increasingly tough for lenders and borrowers alike. At the coalface of such unconventional capitalism, American corporates wrestled with declining profit margins, pressures on selling prices and constraints from a strong US dollar. Portfolio exposure, focused on defensive consumer staple and telecommunication businesses, performed well in the United States, but the Canadian holding in Potash Corporation of Saskatchewan continued to restrain overall North American performance. Excess supply and below trend demand meant the global potash market remained painfully out of equilibrium. A further 13% appreciation of Sterling against the Canadian Dollar merely accentuated difficulties. With numerous negative influences now arguably discounted, the outlook for this industry, and Canadian exporters in general, should improve. North American portfolio strategy will continue to focus on capital preservation and income enhancement from relatively low investment exposure.

UK

It is said that in the land of the blind, the one-eyed man is king. Consensus opinion constantly believing Britain to be the strongest economy in Europe in 2015 obviously missed the irony. Smugly conceited, not-to-mention statistically inaccurate (Ireland expanded over 6%), such rhetoric captured the climate of denial that prevailed. Not that it was unreasonable to expect as much. The politics of persuasion dictate positivity must be portrayed at all times. A message of prosperity to those who have, and of hope to those who have not, even when the evidence suggests otherwise. Economic evidence showed an economy flirting with deflation early in the year, and similarly constrained twelve months later. With consumer price inflation consistently reported around zero, the Bank of England's target rate was never achieved. Structural distortions to UK consumption, escalating debt repayment pressures and wage stagnation combined to deflate rather than inflate the UK economy. Yet financial markets, groomed for imminent interest rate rises, worried constantly over circumstances increasingly unlikely to evolve.

The mood of uncertainty periodically spilled over into fragile business confidence where Sterling strength and sluggish demand curtailed manufacturing activity and investment. Reduced oil revenues stalled fiscal improvements, but it was excessive current account deterioration which arguably deserved greatest reproach. Long subscribing to the view that unsustainable external deficits do not matter, the UK monetary authorities ignore this imbalance at their peril. To fund such fiscal, trade and income deficits the UK finds itself structurally dependent on constantly selling assets to foreigners (land, property, bonds and financial assets). In simple terms, the UK continues to live way beyond its means. Prevailing uninspiring fundamentals plus an EU membership referendum significantly raise the risk that foreign financing may "dry up". Capital flight and/or currency weakness have historically accompanied such circumstances – why should it be any different this time? Close to historical lows in "Sterling asset" portfolio exposure reflect an already cautious view towards the UK and UK companies. Although 2015 equity market returns were in line with negative expectations, performance of the Trust's UK portfolio proved particularly disappointing both on an absolute and relative basis. Stock price declines at Standard Chartered, Royal Dutch Shell, Weir Group and BHP Billiton all proved problematic. Whilst compelling value is deemed to exist in these companies, patience will likely be required before their full potential can be reached. Given the magnitude of prevailing negative sentiment, expected market returns are unlikely to be anything other than uninspiring.

Europe

The economic battlefield that characterised and dictated policy directives in Europe last year was mired in argument and division. The European Central Bank began the year by unleashing quantitative easing on predominately stagnant European economies. The justification was to prevent a downward deflationary spiral gathering momentum. The exception, of course, was Germany where booming exports and balanced fiscal accounts remained the envy of all. Publicly opposed to printing money yet privately benefitting from associated Euro weakness, Germany argued against such unorthodox policy. Faced with increasing austerity in peripheral Europe and stubbornly high unemployment throughout the region, the ECB maintained it had no choice. Bowing down in homage to popular opinion, the ECB duly turned on the monetary taps causing a precipitous fall in the Euro. Financial markets responded in true Pavlovian fashion, with equities rising and bond yields falling. Savers suffered significantly as deposit rates in banks and shorter duration bond yields turned nominally negative. Scant attention was paid to relative credit quality as sovereign bond yields collapsed in response to policy rhetoric of "whatever it takes". Unfortunately such joy there was proved short lived.

Manipulating higher European asset prices failed to translate into positive economic traction, echoing the outcomes of such flawed economic policy when previously inflicted on the US and UK. The futility of such action is self-evident. For consumption based economies, like Europe, printing money fails to reignite credit growth and establish economic traction for one simple reason. Despite inflating European household wealth, such assets tend to be owned by the rich who generally have a low marginal propensity to consume. Conversely the poor, with a much higher propensity to consume, tend to own most of the debt. The so called "wealth effect" of inflated valuations is thus rendered impotent. No improvement in consumption yet simultaneously creating increasing inequality and an enormous escalation in sovereign debt. Such conditions plagued the European backdrop in 2015. As internal divisions widened amongst policymakers, the social fabric began to fray. Increased agitation from the political right, escalating rejection of austerity and widespread disillusionment with market dynamics, clouded an increasingly opaque outlook in Europe. Despite positive defensive contributions from 7% exposure to Switzerland, individual stock weakness in emerging market focused French retailer Casino and oil services company Tenaris, deleted portfolio value on both an absolute and relative basis. For a region universally touted as possessing most potential by an optimistic consensus at the beginning of 2015, overall returns proved ultimately disappointing in Sterling terms. It is difficult to envisage this year as being much better.

Latin America

A seven per cent total return decline from portfolio exposure to Latin America also added to constrained overall performance. Significant gains in Mexico proved insufficient to offset stock and currency weakness in Brazil. From Rio de Janeiro to the Rio Grande, economic uncertainty and widespread risk aversion prevailed. History and mistrust combined to exert enormous pressure on financial assets and currencies. Memories of twenty years ago, when Latin America previously endured similar challenging economic conditions related to US interest rate policy, were constantly aired. Distorted by time and prejudice, such recollections were in no mood to differentiate between good and bad. Yet Mexican fragility, the catalytic epicentre for economic havoc unleashed across the region two decades ago, had long since disappeared. Current circumstances bear little resemblance to the past. Significant savings, strong foreign direct investment, robust local currency denominated bond markets and competitive exporters characterise a country respectful of reform and stability. Nevertheless, perceived vulnerability to international capital dependency kept investors fearful and created downward pressure on the Peso. The Mexican stockmarket return of -9.2% bore testimony to this, but portfolio exposure fared much better. Large holdings in Grupo Asur, Femsa and Kimberly Clark de Mexico delivered solid profit and dividend growth, leading to a strong positive total return of 15.7%.

Unfortunately, offsetting such resilience were negative contributions from Brazil. Political impotency, financial scandal and economic recession polluted the Brazilian financial landscape. Demands for Presidential impeachment and radical policy directives periodically surfaced in response to prevailing economic paralysis. For the most part such pleas fell on deaf ears. Historically accustomed to financial feast or famine, Brazilian nationals had seen it all before. While domestic corporates adjusted downwards costs and spending plans, international companies eyed bargain-basement prices increasingly reflected in Brazilian assets. Foreign direct investment poured in, capitalising on distressed sellers and attractive acquisition opportunities. Under such conditions, the portfolio core holding in Souza Cruz was bought out by its parent British American Tobacco. Significantly enhancing both capital and income returns over the past decade, replicating such stability this position provided would not be easy. Consequently the realised funds were reinvested elsewhere. Residual Brazilian equity exposure of 3%, concentrated in four companies, offers the paradox that repeatedly characterises Brazil. Globally competitive businesses but lack of near-term transparency; historically low valuations but emotionally inspired risk aversion; attractive growth opportunities clouded by recurring macro-economic mismanagement. Experience suggests when such despondency prevails, any unexpected positive event can have significant implications for asset price reflation. After two turbulent years, an internationally vilified and discredited Brazil is likely to prove consensus wrong.

Japan and Asia

Pushing on a string. Plagued by stagnant wages, rapidly ageing demographics and dwindling savings, expectations of Japan spending its way to salvation remained unfoundedly optimistic. For the third consecutive year the disconnect between fact and fiction widened. Printing money and manipulating bond yields towards zero, the Bank of Japan clung to dogmatic hope. Expecting such actions would impel its citizens to drawdown savings and spend, unorthodox monetary madness continued unabated. The unanswered question remained why? You can lead a horse to water but you can't make it drink. You can cut interest rates to zero but you can't make people spend. So it proved for Japanese savers and consumers alike. Faced with higher taxes, weaker purchasing power and insipid wage growth, cautious consumer confidence prevailed. Central Bank hopes to ignite inflation were all but extinguished as domestic deflationary pressures kept a vice-like grip on prices. Pockets of inflation stayed confined to essential imports made more expensive by a depreciating currency. Watching their standard of living endlessly eroding, Japanese consumers understandably favoured frugality and thrift. Employment insecurity increasingly surfaced as Japanese companies sought further cost savings. With weakening worldwide demand for capital investment negatively impacting robotics and manufacturing equipment orders, an economic gloom descended throughout most industrial sectors. Disappointing domestic exports are arguably symptomatic of the futility of present day macro-economic policy in Japan. Neither stimulative of consumption, investment nor inflation, the associated currency devaluation fails to reinvigorate exports whilst simultaneously eroding individual wealth. Seldom has such obsessive pursuit of monetary directives been so irrational and irresponsible. Sadly who ultimately pays for such expensive misadventure could haunt Japan for generations.

Defining moments in history manifest themselves in many distinguished guises, but currency devaluations seldom spring to mind. Unless, that is, in Asia. Seared into most global investors psyches are capital destroying devaluations in Hong Kong (1983), China (1994), Thailand and Malaysia (1997) to name but a few. Against such previous debasement China's recent Renminbi "adjustment" of under 5% since August appeared miniscule in devaluation folklore. Arithmetically it clearly was, but psychologically it proved seismic in proportion. Initially sending shockwaves around global financial markets, surprise descended into sobriety over all things China. Intense scrutiny of Chinese growth, Chinese debt, Chinese credit quality, Chinese policy and Chinese capital flows ensured the focus of global attention increasingly faced towards the Orient. Confronting the challenge of repositioning the second largest economy in the world towards rising consumption from established investment led growth, the Chinese Authorities acted accordingly. Having endured constantly eroding competitiveness through an appreciating currency peg since 2005, the intent was clear. China would no longer tolerate competitive devaluations against its currency. The threat was also crystal clear. Should China embrace the global competitive devaluation merry-go-round so favoured by Western central banks since 2008, the balance of power in an increasingly inter-dependent world would irrevocably shift. Through a weakened currency, China could exert a further deflationary shock presenting genuine systemic risk for numerous heavily indebted nations. Having attracted the world's attention, an increasingly nervous global audience now awaits future developments. Against a backdrop of China-induced neurosis, progress elsewhere in Asia was always going to prove difficult. The regional index recorded a negative total return of -4.4% in Sterling terms. Whilst positive stock selection enhanced relative performance, overall capital depreciation still occurred. Absolute strength in Indonesia and Taiwan contributed welcome positive returns in both capital and income. Defensive stock selection in Singapore mitigated overall market declines whilst having no exposure to China and Korea avoided potential negative returns. Whilst dividends in general remained robust, weaker currencies reduced overall accrued income. Importantly, portfolio exposure coped relatively well with prevailing uncertainty, leaving plenty of scope for operational improvements should interest rate cuts and currency appreciation evolve in line with expectations.

Outlook

Predicting the future against a backdrop of unrecognisable factors is arguably futile. The global economic landscape that prevails today cannot be found in any textbook or indeed in the historical experience of even the most seasoned investor. It is most definitely unfamiliar. From an economic perspective events of the past few years make no sense! Governments across the globe have expanded sovereign balance sheets beyond breaking point through irresponsible excessive money creation to achieve virtually nothing. Growth in the developed world constantly disappoints, debt levels have expanded significantly and living standards, at best, have stagnated. Sadly none of this should come as a surprise. Failure to grasp the nettle of chronic debt dependency and unsustainable consumption expectations remain the Developed world's Achilles heel. Politically unpalatable and economically unviable, realistic redress is constantly shunned by policymakers persistently procrastinating with less painful options. Artificially depressing bond yields may have bailed out the banks, but responsible savers still foot the bill. Yet still the unorthodox monetary intervention continues. It is common knowledge that repeatedly pursuing the same actions expecting a different outcome is the definition of madness. Unfortunately the stated aims and actions of numerous Central Banks today are symptomatic of exactly that.

Against such a backdrop of unfamiliarity and uncertainty, investment must focus on what is familiar. Good companies, possessing strong balance sheets producing affordable products people need offer potential stability. Where geography of origin or market periodically attracts scorn then opportunities to acquire at discounted valuations will be embraced. Global diversification, firmly out of fashion in an increasingly concentrated global financial landscape, will be maintained. Whilst anything other than a challenging year ahead with potentially increased volatility appears unlikely, Murray International will continue to strive to navigate a smoother course in pursuit of its investment objectives.

Bruce Stout
Aberdeen Asset Managers Limited
Senior Investment Manager
11 March 2016

Portfolio

The Company maintains a diversified portfolio of investments. At the year end the Company's portfolio consisted of 47 equity and 17 bond holdings. The Manager is authorised by the Board to hold between 45 and 150 stocks in the portfolio.


Landmark crane on the bank of the River Clyde, Glasgow

Twenty Largest Investments

As at 31 December 2015

Company		Country	Valuation 2015 £'000	Total assets[A] %	Valuation 2014 £'000
1 (2)	**British American Tobacco[B]**				
British American Tobacco is the holding company for a group of companies that manufacture, market and sell cigarettes and other tobacco products. The group sells over 300 brands in approximately 180 markets around the world.		UK & Malaysia	61,398	4.8	59,873
2 (1)	**Aeroporto del Sureste ADS**				
Grupo Aeroporto del Sureste operates airports in Mexico. The company holds long-term concessions to manage airports in leading tourist resorts such as Cancun and Cozumel, plus cities such as Oaxaca, Veracruz and Merida.		Mexico	57,264	4.5	63,189
3 (3)	**Taiwan Semiconductor Manufacturing**				
Taiwan Semiconductor Manufacturing Company is one of the largest integrated circuit manufacturers in the world. The company is involved in component design, wafer manufacturing, assembly, testing and mask production of integrated circuits which are used in the computer, communication and electronics industries.		Taiwan	51,397	4.0	49,615
4 (4)	**Unilever Indonesia**				
Unilever Indonesia, a majority owned subsidiary of Unilever NV, manufactures soaps, detergents, margarine, oil and cosmetics. The company also produces dairy based foods, ice cream and tea beverages.		Indonesia	47,220	3.7	46,760
5 (6)	**Philip Morris International**				
Spun out from the Altria Group in 2008, Philip Morris International is one of the world's leading global tobacco companies. It manufactures and sells leading recognisable brands such as Marlboro, Parliament and Virginia Slims.		USA	46,512	3.6	40,740
6 (5)	**Taiwan Mobile**				
Taiwan Mobile is the leading provider of cellular telecommunications services in Taiwan. Although predominantly a wireless network operator, the company also sells and leases cellular telephony equipment.		Taiwan	43,030	3.3	44,323
7 (11)	**Nordea**				
Nordea is a financial services group that provides banking services, financial products and related advisory services. The company's activities include investment banking, deposit and credit services, insurance products and securities trading. Nordea predominantly services the Scandinavian countries and the Baltic region.		Sweden	37,683	2.9	32,767
8 (7)	**Roche Holdings**				
Roche Holdings develops and manufactures pharmaceutical and diagnostic products. The company produces prescription drugs in the areas of cardiovascular, respiratory diseases, dermatology, metabolic disorders, oncology and organ transplantation.		Switzerland	37,468	2.9	38,310
9 (12)	**Fomento Economico Mexicano**				
Fomento Economico Mexicano (FEMSA) produces, distributes and markets non-alcoholic beverages throughout Latin America as part of the Coca Cola system. The company also owns and operates OXXO convenience stores in Mexico and Colombia and holds a stake in the Heineken brewing company.		Mexico	34,697	2.7	32,169
10 (17)	**Pepsico**				
Pepsico operates worldwide beverage, snack and food businesses. The Company manufactures or use contract manufacturers, markets and sells a variety of grain-based snacks, carbonated and non-carbonated beverages and various food products. Pepsico is a global company with operations in numerous countries throughout the world.		USA	33,883	2.6	30,322
Top ten investments			**450,552**	**35.0**	

[A] See definition on page 83.

[B] Holding comprises UK and Malaysia securities split £40,350,000 (2014 – £37,450,000) and £21,048,000 (2014 – £22,423,000).

Company	Country	Valuation 2015 £'000	Total assets[A] %	Valuation 2014 £'000
11 (14) Singapore Telecommunications Singapore Telecommunications is a communications company providing a diverse range of communications services including fixed-line telephony, mobile, data, internet, satellite and pay television. The company operates throughout the Asian Pacific region.	Singapore	33,349	2.6	31,710
12 (13) Verizon Communications Verizon Communications is an integrated telecommunications company based in New York that provides wire line voice and data services, wireless services, internet services and published directory information. The Company also provides network services for the Federal Government.	USA	33,204	2.6	31,749
13 (15) Daito Trust Construction Daito Trust Construction operates building construction and property leasing businesses. The Company plans and constructs private apartments and commercial buildings mainly for land owners throughout Japan. Daito Trust also provides brokerage and maintenance services.	Japan	31,596	2.5	31,134
14 (9) Zurich Financial Services Zurich provides insurance-based financial services. The company offers general and life insurance products and services for individuals, small businesses, commercial enterprises, mid-sized and large corporations plus multinational companies.	Switzerland	31,513	2.4	36,213
15 (19) Total Total is a fully integrated international energy company involved in exploration, production, refining, transportation and marketing of oil and natural gas. The company also operates a chemical division which produces polypropylene, polyethylene, polystyrene, rubber, paint, ink, adhesives and resins.	France	30,413	2.4	28,705
16 (8) Telus Telus is a telecommunications company providing a variety of communication products and services. The company provides voice, data, internet and wireless services to businesses and consumers throughout Canada.	Canada	29,852	2.3	37,094
17 (-) Johnson & Johnson Johnson & Johnson manufactures health-care products and provides related services for consumer, pharmaceutical and medical devices and diagnostic markets, The company has numerous leading branded products, particularly in skin care and hair care products, and has extensive distribution agreements to sell its products worldwide.	USA	27,869	2.2	26,826
18 (-) Kimberly Clark de Mexico Kimberly Clark de Mexico manufactures, markets and distributes consumer, industrial and institutional hygiene products. The company produces diapers, toilet paper and facial tissues, that it distributes and sells throughout Mexico.	Mexico	26,853	2.1	23,685
19 (-) Sociedad Quimica Y Minera De Chile Quimica Y Minera produces and markets specialist fertilizers including potassium nitrate, sodium nitrate and potassium sulfate for the agricultural industry. The company also produces industrial chemicals, iodine and lithium.	Chile	22,571	1.7	22,953
20 (-) Public Bank Public Bank provides a range of banking and financial services which include leasing and factoring, stock and futures broking, financing for the purchase of licensed public vehicles and various other financial services. The group's overseas operations include branches in Hong Kong, Sri Lanka, Cambodia and Vietnam.	Malaysia	22,535	1.7	25,761
Top twenty investments		**740,307**	**57.5**	

[A] See definition on page 83.

The value of the 20 largest investments represents 57.5% (2014 – 52.9%) of total assets. The figures in brackets denote the position at the previous year end. (-) denotes not previously in 20 largest investments.

Other Investments

As at 31 December 2015

Company	Country	Valuation 2015 £'000	Total assets[A] %	Valuation 2014 £'000
HSBC	UK	21,984	1.7	23,735
Royal Dutch Shell	UK	20,985	1.6	30,369
CME Group	USA	19,664	1.5	–
Banco Bradesco[C]	Brazil	19,208	1.5	28,910
ENI	Italy	19,020	1.5	21,058
Standard Chartered	UK	18,844	1.5	23,779
Republic of Venezuela 5.75% 26/02/2016	USA	18,268	1.4	12,314
Tenaris ADR	Mexico	17,747	1.4	21,326
Novartis	Switzerland	17,649	1.4	17,872
Casino	France	17,646	1.4	33,508
Top thirty investments		931,322	72.4	
Japan Tobacco	Japan	16,391	1.3	–
Vodafone Group	UK	15,470	1.2	7,287
Vale do Rio Doce[D]	Brazil & USA	15,365	1.2	28,144
Petroleos Mexicanos 5.5% 27/06/44	Mexico	15,313	1.2	19,625
Nestlé	Switzerland	15,159	1.2	16,468
Engie	France	15,156	1.2	19,000
Baxter International	USA	13,970	1.1	25,382
Telefonica Brasil	Brazil	13,892	1.1	25,725
Republic of South Africa 7% 28/02/31	South Africa	13,206	1.0	19,425
Potash Corporation of Saskatchewan	Canada	13,185	1.0	25,861
Top forty investments		1,078,429	83.9	
Federal Republic of Brazil 10% 01/01/17	Brazil	13,046	1.0	18,329
Coca-Cola Amatil	Australia	12,922	1.0	13,813
MTN	South Africa	12,801	1.0	26,949
Swire Pacific 'B'	Hong Kong	12,449	1.0	13,695
Oversea-Chinese Bank	Singapore	12,309	1.0	14,238
BHP Billiton	Australia	12,160	0.9	22,216
Bharti Airtel International 5.125% 11/03/23	India	11,940	0.9	11,636
Atlas Copco	Sweden	11,812	0.9	12,332
Republic of Indonesia 7.0% 15/05/22	Indonesia	11,614	0.9	9,887
Republic of Indonesia 6.125% 15/05/28	Indonesia	11,593	0.9	9,928
Top fifty investments		1,201,075	93.4	
Hypermarcas 6.5% 20/04/21	USA	11,005	0.9	10,800
Petroleos De Venezuela 5.25% 12/04/17	Venezuela	10,079	0.8	8,850
Republic of Indonesia 8.375% 15/03/34	Indonesia	9,218	0.7	10,434
Wilson & Sons	Brazil	8,489	0.7	11,038
Weir Group	UK	8,000	0.6	14,808
Federal Republic of Brazil 10% 01/01/18	Brazil	6,184	0.5	9,008
PTT Exploration and Production	Thailand	4,299	0.3	8,733
Republic of Indonesia 9.5% 15/07/23	Indonesia	3,950	0.3	4,428
Republic of Indonesia 10% 15/02/28	Indonesia	3,947	0.3	4,419
General Accident 7.875% Cum Irred Pref	UK	3,472	0.3	3,416
Top sixty investments		1,269,718	98.8	
Santander 10.375% Non Cum Pref	UK	3,403	0.3	3,150
Total investments		**1,273,121**	**99.1**	
Net current assets		**12,072**	**0.9**	
Total assets[A]		**1,285,193**	**100.0**	

[A] See definition on page 83.
[C] Holding comprises equity and fixed income securities split £10,161,000 (2014 – £19,527,000) and £9,047,000 (2014 – £9,383,000).
[D] Holding comprises equity and fixed income securities split £4,931,000 (2014 – £13,270,000) and £10,434,000 (2014 – £14,874,000).

Portfolio

Sector/Geographical Analysis

As at 31 December 2015

Summary of Net Assets

	Valuation 31 December 2015 £'000	%
Equities	1,107,402	101.5
Fixed income	165,719	15.2
Other net assets	12,072	1.1
Prior charges[A]	(194,174)	(17.8)
Equity shareholders' funds	**1,091,019**	**100.0**

Summary of Investment Changes During the Year

	Valuation 31 December 2015		Appreciation/ (depreciation)	Transactions	Valuation 31 December 2014	
	£'000	%	£'000	£'000	£'000	%
Equities						
United Kingdom	137,793	10.7	(34,592)	12,741	159,644	11.2
North America	218,139	17.0	(8,838)	5,284	221,693	15.5
Europe ex UK	233,518	18.2	(24,572)	1,857	256,233	17.9
Japan	47,987	3.7	4,443	12,410	31,134	2.2
Asia Pacific ex Japan	260,559	20.3	(16,996)	6,484	271,071	19.0
Latin America	196,605	15.3	(27,756)	(34,611)	258,972	18.1
Africa	12,801	1.0	(14,148)	–	26,949	1.9
	1,107,402	86.2	(122,459)	4,165	1,225,696	85.8
Fixed income						
United Kingdom	6,875	0.5	309	–	6,566	0.4
Asia Pacific ex Japan	52,262	4.1	(4,355)	5,885	50,732	3.5
Latin America	93,376	7.3	(12,362)	(175)	105,913	7.4
Africa	13,206	1.0	(6,286)	67	19,425	1.4
	165,719	12.9	(22,694)	5,777	182,636	12.7
Other net assets	12,072	0.9	(8,775)	–	20,847	1.5
Total assets[A]	**1,285,193**	**100.0**	**(153,928)**	**9,942**	**1,429,179**	**100.0**

[A] See definition on page 83.

Sector/Geographical Analysis continued

As at 31 December 2015

Attribution Analysis

	Company		Benchmark		Contribution from:		
	Weight %	Return %	Weight %	Return %	Asset Allocation %	Stock Selection %	Total %
UK	12.4	–16.7	40.0	–0.8	0.9	–2.2	–1.3
Europe ex UK	22.7	–6.1	10.6	5.3	0.6	–2.8	–2.3
North America	19.7	0.3	37.1	5.3	–1.5	0.1	–1.4
Japan	4.3	11.8	6.0	17.6	–0.4	0.0	–0.4
Asia Pacific ex Japan	23.6	–2.6	5.0	–4.4	–1.6	0.7	–0.8
Other International	17.3	–11.5	1.3	–21.3	–4.7	2.2	–2.5
Gross equity portfolio return	100.0	–6.1	100.0	2.6	–6.7	–2.0	–8.7
FX instruments, fixed interest, cash and gearing effect		–1.1					
Net portfolio return		–7.2					
Management fees and administrative expenses		–0.5					
Technical differences		–0.1					
Total return		**–7.8**		**2.6**			

Benchmark is 40% FTSE W UK and 60% FTSE W World ex UK

Notes to Performance Analysis

Stock Selection effect – measures the effect of security selection within each category.

Asset Allocation effect – measures the impact of over or underweighting each asset category, relative to the benchmark weights.

Technical differences – the impact of different return calculation methods used for NAV and portfolio performance.

Source: Aberdeen Asset Management PLC & BNP Paribas Securities Services Limited.

Distribution of Investments

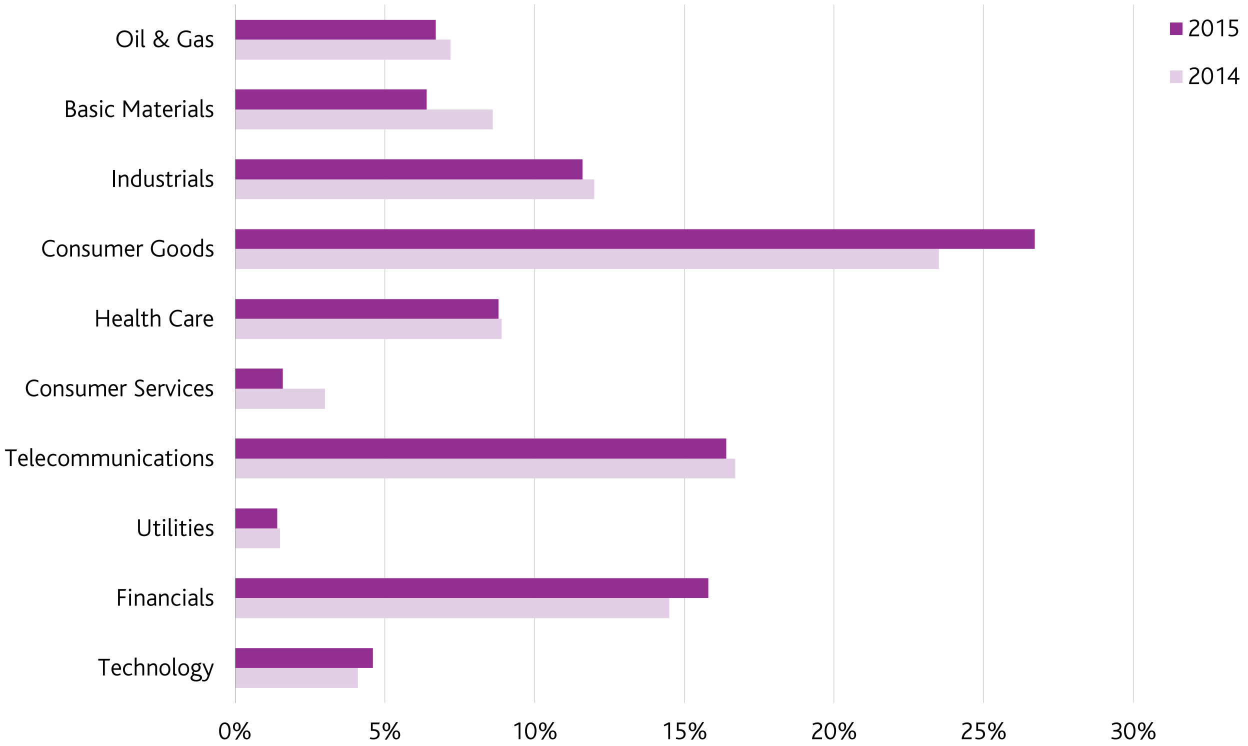
Sector/Area	United Kingdom %	North America %	Europe ex UK %	Japan %	Asia Pacific ex Japan %	Latin America %	Africa %	2015 Total %	2014 Total %
Oil & Gas	**1.6**	**–**	**3.9**	**–**	**0.3**	**–**	**–**	**5.8**	**6.2**
Oil & Gas Producers	1.6	–	3.9	–	0.3	–	–	5.8	6.2
Basic Materials	**1.0**	**1.0**	**–**	**–**	**–**	**3.5**	**–**	**5.5**	**7.4**
Chemicals	–	1.0	–	–	–	1.7	–	2.7	3.4
Industrial Metals & Mining	–	–	–	–	–	1.4	–	1.4	1.5
Mining	1.0	–	–	–	–	0.4	–	1.4	2.5
Industrials	**0.6**	**–**	**0.9**	**2.4**	**1.0**	**5.1**	**–**	**10.0**	**10.3**
Construction & Materials	–	–	–	2.4	–	–	–	2.4	2.2
General Industrials	–	–	–	–	1.0	–	–	1.0	1.0
Industrial Engineering	0.6	–	0.9	–	–	–	–	1.5	1.9
Industrial Transportation	–	–	–	–	–	5.1	–	5.1	5.2
Consumer Goods	**3.1**	**6.3**	**1.2**	**1.3**	**6.3**	**4.8**	**–**	**23.0**	**20.2**
Beverages	–	2.7	–	–	1.0	2.7	–	6.4	5.3
Food Producers	–	–	1.2	–	–	–	–	1.2	1.1
Personal Goods	–	–	–	–	3.7	2.1	–	5.8	5.0
Tobacco	3.1	3.6	–	1.3	1.6	–	–	9.6	8.8
Health Care	**–**	**3.3**	**4.3**	**–**	**–**	**–**	**–**	**7.6**	**7.6**
Health Care Equipment & Services	–	1.1	–	–	–	–	–	1.1	1.8
Pharmaceuticals & Biotechnology	–	2.2	4.3	–	–	–	–	6.5	5.8
Consumer Services	**–**	**–**	**1.4**	**–**	**–**	**–**	**–**	**1.4**	**2.6**
Food & Drug Retailers	–	–	1.4	–	–	–	–	1.4	2.3
Media	–	–	–	–	–	–	–	–	0.3
Telecommunications	**1.2**	**4.9**	**–**	**–**	**5.9**	**1.1**	**1.0**	**14.1**	**14.2**
Fixed Line Telecommunications	–	4.9	–	–	–	1.1	–	6.0	6.6
Mobile Telecommunications	1.2	–	–	–	5.9	–	1.0	8.1	7.6
Utilities	**–**	**–**	**1.2**	**–**	**–**	**–**	**–**	**1.2**	**1.3**
Gas Water & Multiutilities	–	–	1.2	–	–	–	–	1.2	1.3
Financials	**3.2**	**1.5**	**5.3**	**–**	**2.8**	**0.8**	**–**	**13.6**	**12.5**
Banks	3.2	–	2.9	–	2.8	0.8	–	9.7	9.9
Financial Services	–	1.5	–	–	–	–	–	1.5	–
Nonlife Insurance	–	–	2.4	–	–	–	–	2.4	2.6
Technology	**–**	**–**	**–**	**–**	**4.0**	**–**	**–**	**4.0**	**3.5**
Technology Hardware & Equipment	–	–	–	–	4.0	–	–	4.0	3.5
Total equities	**10.7**	**17.0**	**18.2**	**3.7**	**20.3**	**15.3**	**1.0**	**86.2**	**85.8**
Fixed income	**0.5**	**–**	**–**	**–**	**4.1**	**7.3**	**1.0**	**12.9**	**12.7**
Total investments	**11.2**	**17.0**	**18.2**	**3.7**	**24.4**	**22.6**	**2.0**	**99.1**	**98.5**
Other net current assets								0.9	1.5
Total assets[A]								**100.0**	**100.0**

[A] See definition on page 83.

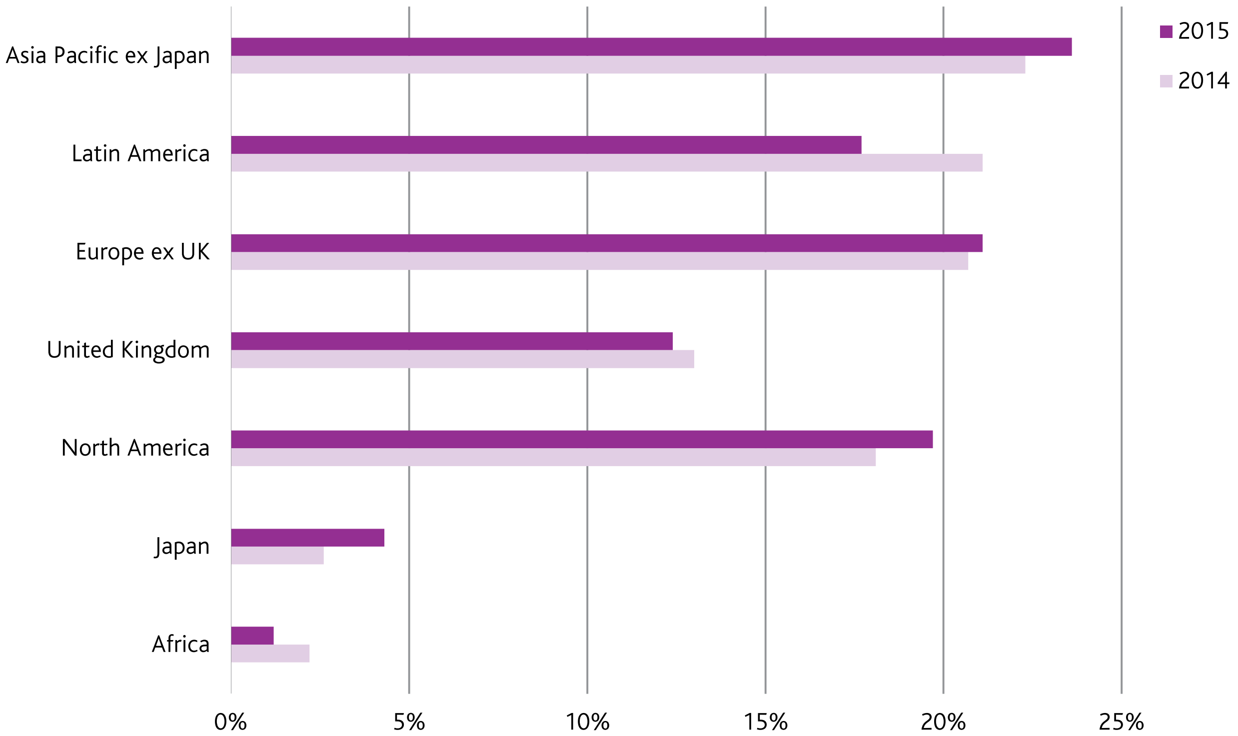
Sector/Geographical Analysis continued

As at 31 December 2015

Total Equities Distribution by Sector



Total Equities Distribution by Geographic Region



Governance

The Company is committed to high standards of corporate governance and applies the principles identified in the UK Corporate Governance Code and the AIC Code of Corporate Governance.

All Directors are considered by the Board to be independent of the Company and the Manager and free of any material relationship with the Manager.

Casino operates a wide range of hypermarkets, supermarkets and convenience stores. In addition to domestic operations in France the company operates various retail formats in Vietnam, Thailand, Colombia and Brazil.

Your Board of Directors

The Directors, all of whom are non-executive and independent of the Manager, supervise the management of Murray International Trust PLC and represent the interests of shareholders.

Kevin Carter

Status: Chairman and Independent Non-Executive Director

Relevant experience and other directorships: He was previously Managing Director and Head of EMEA Pension Advisory Group at JP Morgan Securities. Prior to that Dr Carter was Head of the European Investment Consulting Practice at Watson Wyatt and formerly CEO of Old Mutual Asset Managers in both the UK and the US. He is a trustee director of the Universities Superannuation Scheme and chairman of its investment committee and performs the same roles for the BBC Pension Scheme. He is also a director of Lowland Investment Company plc, JPMorgan American Investment Trust PLC and Aspect Capital Limited.

Length of Service: He was appointed a Director on 23 April 2009

Last re-elected to the Board: 28 April 2015

Committee member: Management Engagement Committee (Chairman) and Nomination Committee (Chairman)

Employment by the Manager: None

Other connections with Trust or Manager: None

Shared Directorships with any other Trust Directors: None

Shareholding in Company: 30,000 Ordinary shares

Lady Balfour of Burleigh, CBE

Status: Independent Non-Executive Director and Senior Independent Director

Relevant experience and other directorships: She taught politics and modern history at Oxford University, before moving to the Central Policy Review Staff in the Cabinet Office. She has worked for governments in many countries and for a number of public companies. She was formerly chairman of the Nuclear Liabilities Fund and the Nuclear Liabilities Financing Assurance Board. Her other current directorships are The Scottish Oriental Smaller Companies Trust plc and Albion Enterprise VCT PLC.

Length of Service: She was appointed a Director on 30 September 2003

Last re-elected to the Board: 28 April 2015

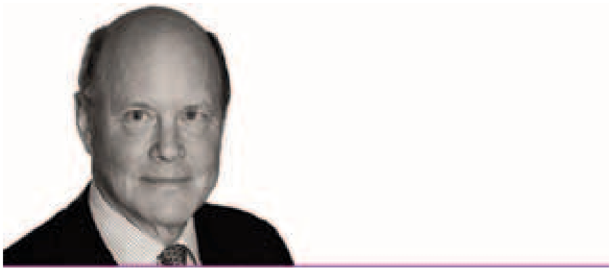
Committee member: Audit Committee, Management Engagement Committee, Nomination Committee and Remuneration Committee (Chairman)

Employment by the Manager: None

Other connections with Trust or Manager: None

Shared Directorships with any other Trust Directors: None

Shareholding in Company: 1,300 Ordinary shares



James Best

Status: Independent Non-Executive Director

Relevant experience and other directorships: He is a Partner of Arkios Limited in London and was formerly Chairman of Kalahari Energy, a Botswana company active in alternative fuel. He has worked in New York, London and Singapore as a banker, most notably with UBS, HSBC and earlier with Credit Suisse.

Length of Service: He was appointed a Director on 30 June 2005

Last re-elected to the Board: 28 April 2015

Committee member: Audit Committee, Management Engagement Committee, Nomination Committee and Remuneration Committee

Employment by the Manager: None

Other connections with Trust or Manager: None

Shared Directorships with any other Trust Directors: None

Shareholding in Company: 52,500 Ordinary shares

Marcia Campbell

Status: Independent Non-Executive Director

Relevant experience and other directorships: She was operations director at Ignis Asset Management having previously been group operations director and CEO Asia Pacific at Standard Life. She is a director of CNP Assurances in France, Sainsbury's Bank, Canada Life Group and Canada Life International and is a member of the independent governance committee for Aviva UK and ROI.

Length of Service: She was appointed a Director on 27 April 2012

Last re-elected to the Board: 28 April 2015

Committee member: Audit Committee (Chairman), Management Engagement Committee, Nomination Committee and Remuneration Committee

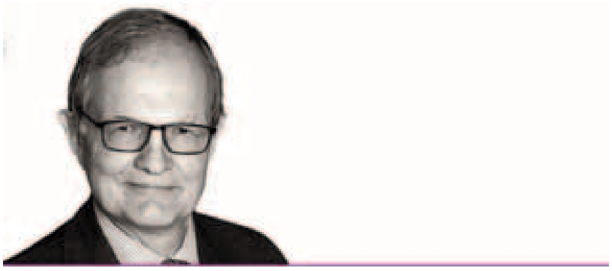
Employment by the Manager: None

Other connections with Trust or Manager: None

Shared Directorships with any other Trust Directors: None

Shareholding in Company: 5,726 Ordinary shares

Your Board of Directors continued



Peter Dunscombe

Status: Independent Non-Executive Director

Relevant experience and other directorships: He was previously head of pensions investment at the BBC Pension Trust and prior to that he was joint managing director at Imperial Investments Limited. He is a member of the investment committees of The Pensions Trust, Reed Elsevier Pension Fund, The Nuffield Foundation and St James's Place plc and a director of HG Capital Trust Plc and GCP Student Living plc.

Length of Service: He was appointed a Director on 29 April 2011

Last re-elected to the Board: 28 April 2015

Committee member: Audit Committee, Management Engagement Committee, Nomination Committee and Remuneration Committee

Employment by the Manager: None

Other connections with Trust or Manager: None

Shared Directorships with any other Trust Directors: None

Shareholding in Company: 3,850 Ordinary shares

David Hardie

Status: Independent Non-Executive Director

Relevant experience and other directorships: He is a corporate lawyer by background and was formerly a partner of UK law firm, Dundas & Wilson (now part of CMS Cameron McKenna), where he was a partner for over 30 years and where he previously held various positions including head of corporate, managing partner and chairman. David is also head of venture philanthropy at Inspiring Scotland and non-executive chairman of two private companies: W N Lindsay Limited and Keppie Design Limited.

Length of Service: He was appointed a Director on 1 May 2014

Last re-elected to the Board: 28 April 2015

Committee member: Audit Committee, Management Engagement Committee, Nomination Committee and Remuneration Committee

Employment by the Manager: None

Other connections with Trust or Manager: None

Shared Directorships with any other Trust Directors: None

Shareholding in Company: 4,274 Ordinary shares

Directors' Report

The Directors present their report and the audited financial statements for the year ended 31 December 2015.

Results and Dividends

Details of the Company's results and proposed dividends are shown on pages 12 and 14 of this Report.

Investment Trust Status

The Company is registered as a public limited company (registered in Scotland No. SC006705) and has been accepted by HM Revenue & Customs as an investment trust subject to the Company continuing to meet the relevant eligibility conditions of Section 1158 of the Corporation Tax Act 2010 and the ongoing requirements of Part 2 Chapter 3 Statutory Instrument 2011/2999 for all financial years commencing on or after 1 January 2012. The Directors are of the opinion that the Company has conducted its affairs for the year ended 31 December 2015 so as to enable it to comply with the ongoing requirements for investment trust status.

Individual Savings Accounts

The Company has conducted its affairs so as to satisfy the requirements as a qualifying security for Individual Savings Accounts. The Directors intend that the Company will continue to conduct its affairs in this manner.

Capital Structure, Issuance and Buybacks

The Company's capital structure is summarised in note 14 to the financial statements. At 31 December 2015, there were 127,601,952 fully paid Ordinary shares of 25p each (2014 – 127,361,901 Ordinary shares) in issue and 910,364 B Ordinary shares in issue (2014 – 975,063) representing 99.3% and 0.7% respectively of the total issued capital. At the year end there were no Ordinary shares or B Ordinary shares held in treasury (2014 – nil).

During the year 130,000 new Ordinary shares were issued for cash at a premium to the prevailing NAV per share; 45,352 new B Ordinary shares were issued by way of capitalisation issue in lieu of dividends; and, 110,051 B Ordinary shares were converted into new Ordinary shares. During the year no Ordinary shares were purchased in the market for treasury or cancellation.

Subsequent to the period end 601,163 Ordinary shares have been purchased in the market at a discount for treasury and no new Ordinary shares were issued for cash at a premium to the prevailing NAV per share or sold from treasury. A further 11,808 new B Ordinary shares were issued by way of capitalisation issue in February 2016 in lieu of the third interim dividend .

Voting Rights

Ordinary and B Ordinary shareholders are entitled to vote on all resolutions which are proposed at general meetings of the Company. The Ordinary shares carry a right to receive dividends and whenever a cash dividend is paid on the Ordinary shares, B Ordinary shareholders are entitled to a bonus issue of B Ordinary shares. Each capitalisation issue is equivalent in asset value to the equivalent dividend being paid but excluding any tax credit thereon. On a winding up, after meeting the liabilities of the Company, the surplus assets will be paid to Ordinary and B Ordinary shareholders in proportion to their shareholdings. Shareholders' attention is drawn to the Circular that accompanies this Annual Report proposing changes to the rights of the B Ordinary shares and a final conversion opportunity in 2016.

Borrowings

During the year the Company agreed a new £50 million loan facility with The Royal Bank of Scotland which was drawn in full in May 2015 and fixed for five years at an all-in rate of 2.4975%. The new facility was used to repay a Yen 8.4 billion loan facility that matured in May 2015.

Management and Secretarial Arrangements

The Company has appointed Aberdeen Fund Managers Limited ("AFML"), a wholly owned subsidiary of Aberdeen Asset Management PLC, as its alternative investment fund manager under the terms of an investment management agreement dated 14 July 2014. Under the terms of the agreement, the Company's portfolio is managed by Aberdeen by way of a group delegation agreement in place between AFML and Aberdeen.

Investment management services are provided to the Company by AFML. Company secretarial, accounting and administrative services have been delegated by AFML to Aberdeen Asset Management PLC.

The Board considers the continued appointment of the Manager on the terms agreed to be in the interests of the shareholders as a whole because the Aberdeen Asset Management Group has the investment management, secretarial, promotional and administrative skills required for the effective operation of the Company.

Management Fees from 1 January 2016

With effect from 1 January 2016, the Board and the Manager have agreed a new basis for calculating the Company's management fees payable to AFML. The performance fee has been discontinued and the annual management fee will now be charged on net assets (ie excluding borrowings for investment purposes) averaged over the six previous quarters ("Net Assets"), on a tiered basis. The annual management fee will now be charged at 0.575% of Net Assets up to £1,200 million, 0.5% of Net Assets between £1,200 million and £1,400 million, and 0.425% of Net Assets above £1,400 million. Included in the charge of 0.575% above is a secretarial fee of £100,000 per annum which is chargeable 100% to revenue. A fee of 1.5% per annum remains chargeable on the value of any unlisted investments. The investment management fee is chargeable 30% against revenue and 70% against realised capital reserves. No fees are charged in the case of investments managed or advised by the Aberdeen Asset Management Group. The management agreement may now be terminated by either party on the expiry of six month's written notice. On termination the Manager would be entitled to receive fees which would otherwise have been due up to that date.

The above changes to the management fee arrangements constitute a smaller related party transaction for the purpose of LR 11.1.10 R of the Financial Conduct Authority's Listing Rules.

Management Fees up to 31 December 2015

For the year ended 31 December 2015, the management and secretarial fees payable to AFML were calculated and charged on the old basis with an investment management fee payable to AFML of 0.5% per annum of the value of total assets, less unlisted investments and all current liabilities excluding monies borrowed to finance the investment objectives of the Company, averaged over the six previous quarters. A fee of 1.5% per annum is charged on the value of unlisted investments. The investment management fee is chargeable 30% against revenue and 70% against realised capital reserves.

Included in the charge of 0.5% above there was a secretarial fee of £100,000 per annum which was chargeable 100% to revenue. In addition, the Manager was entitled to a performance fee on the basis of (i) a fee of 5% of the first 2% of any outperformance of the Company's net asset total return over that of its benchmark; and (ii) a fee of 10% of any additional outperformance against the benchmark. The total amount of the fee earned by the Manager in any one year (comprising the basic management fee and the performance fee) was capped at 0.8% of the average value of the Company's total assets less current liabilities. Any performance fee was paid in equal instalments over a four year period with any future underperformance offset against the fee payable.

No fees were charged in the case of investments managed or advised by the Aberdeen Asset Management Group. The management agreement could be terminated by either party on the expiry of one year's written notice.

Risk Management

Details of the financial risk management policies and objectives relative to the use of financial instruments by the Company are set out in note 17 to the financial statements.

The Board

The Board currently consists of six non-executive Directors. The names and biographies of each of the six Directors who served during the year are disclosed on pages 30 to 32 indicating their range of experience as well as length of service. The whole Board will retire at the AGM in April 2016 and, with the exception of Lady Balfour, each Director will stand for re-election. Lady Balfour has indicated that she will be retiring from the Board at the conclusion of the AGM in April 2016. Mr Best has agreed to become Senior Independent Director with effect from the retirement of Lady Balfour. The Board considers that there is a balance of skills and experience within the Board relevant to the leadership and direction of the Company and that all the Directors contribute effectively.

In common with most investment trusts, the Company has no employees. Directors' & Officers' liability insurance cover has been maintained throughout the year at the expense of the Company. The Company's Articles of Association provide an indemnity to the Directors out of the assets of the Company against any liability incurred in defending proceedings or in connection with any application to the Court in which relief is granted.

Policy on Tenure

The Board's policy on tenure is that Directors need not serve on the Board for a limited period of time only. The Board does not consider that the length of service of a Director is as important as the contribution he or she has to make, and therefore the length of service will be determined on a case-by-case basis. Each Director retires annually at the AGM voluntarily and being eligible offers themselves for re-election.

Management of Conflicts of Interest

The Board has a procedure in place to deal with a situation where a Director has a conflict of interest, as required by the Companies Act 2006. As part of this process, the Directors are required to disclose other positions held and all other conflict situations that may need to be authorised either in relation to the Director concerned or his or her connected persons. The Board considers each Director's situation and decides whether to approve any conflict, taking into consideration what is in the best interests of the Company and whether the Director's ability to act in accordance with his wider duties is affected. Each Director is required to notify the Company Secretary of any potential or actual conflict situations that will need authorising by the Board.

Authorisations given by the Board are reviewed at each Board meeting.

No Director has a service contract with the Company although Directors are issued with letters of appointment upon appointment. The Directors' interests in contractual arrangements with the Company are as shown in note 20 to the financial statements. No other Directors had any interest in contracts with the Company during the period or subsequently.

The Company has a policy of conducting its business in an honest and ethical manner. The Company takes a zero tolerance approach to bribery and corruption and has procedures in place that are proportionate to the Company's circumstances to prevent them. The Manager also adopts a group-wide zero tolerance approach and has its own detailed policy and procedures in place to prevent bribery and corruption. Copies of the Manager's anti-bribery and corruption policies are available on its website aberdeen-asset.com.

Substantial Interests

The Board has been advised that the following shareholders owned 3% or more of the issued Ordinary share capital of the Company at 31 December 2015:

Shareholder	No. of Ordinary shares held	% held
Aberdeen Retail Plans [A]	9,611,512	7.5
Speirs & Jeffrey	9,295,000	7.3
Brewin Dolphin	7,064,439	5.5
Investec Wealth & Management	6,597,513	5.2
Rathbones	6,240,612	4.9
Alliance Trust Savings [A]	5,764,189	4.5
Hargreaves Lansdowne [A]	4,764,189	3.7
Smith & Williamson	4,068,223	3.2

[A] Non-beneficial interests

	Number of B Ordinary shares held	% of B Ordinary shares held
Speirs & Jeffrey	204,254	22.1

Corporate Governance

The Company is committed to high standards of corporate governance. The Board is accountable to the Company's shareholders for good governance and, as required by the Listing Rules of the UK Listing Authority, has applied the principles identified in the UK Corporate Governance Code (published in September 2014 and effective for financial years commencing on or after 1 October 2014) for the year ended 31 December 2015. The UK Corporate Governance Codes are available on the Financial Reporting Council's website: frc.org.uk.

The Board has considered the principles and recommendations of the AIC Code of Corporate Governance as published in February 2015 (AIC Code) by reference to the AIC Corporate Governance Guide for Investment Companies (AIC Guide). The AIC Code, as explained by the AIC Guide, addresses all the principles set out in the UK Corporate Governance Code, as well as setting out additional principles and recommendations on issues which are of specific relevance to the Company. Both the AIC Code and the AIC Guide are available on the AIC's website: theaic.co.uk.

The Company has complied throughout the accounting period with the relevant provisions contained within the AIC Code and the relevant provisions of the UK Corporate Governance Code except as set out below.

The UK Corporate Governance Code includes provisions relating to:

- the role of the chief executive (A.1.2);
- executive directors' remuneration (D.2.1 and D.2.2);
- and the need for an internal audit function (C.3.5).

For the reasons set out in the AIC Code, and as explained in the UK Corporate Governance Code, the Board considers that these provisions are not relevant to the position of the Company, being an externally-managed investment company. In particular, all of the Company's day-to-day management and administrative functions are outsourced to third parties. As a result, the Company has no executive directors, employees or internal operations. The Company has therefore not reported further in respect of these provisions. The full text of the Company's Corporate Governance Statement can be found on the Company's website, murray-intl.co.uk.

Directors have attended Board and Committee meetings during the year ended 31 December 2015 as follows (with their eligibility to attend the relevant meeting in brackets):

	Board	Other Board	Nom Com	Audit Com	MEC
K J Carter [A]	6 (6)	2 (2)	1 (1)	n/a	1 (1)
Lady Balfour of Burleigh	6 (6)	2 (2)	1 (1)	3 (3)	1 (1)
J D Best	6 (6)	1 (2)	1 (1)	3 (3)	1 (1)
M Campbell	6 (6)	2 (2)	1 (1)	3 (3)	1 (1)
P W Dunscombe	6 (6)	2 (2)	1 (1)	3 (3)	1 (1)
D Hardie	6 (6)	2 (2)	1 (1)	3 (3)	1 (1)

[A] Dr Carter is not a member of either the Audit Committee or the Remuneration Committee but attended all Committee meetings by invitation

Directors' Report continued

Board Committees

Audit Committee

The Report of the Audit Committee is on pages 42 and 43 of this Annual Report.

Management Engagement Committee (MEC)

The MEC comprises all of the Directors. Dr Carter is the Chairman. The Committee reviews the performance of the Investment Manager and its compliance with the terms of the management and secretarial agreement. The terms and conditions of the Investment Manager's appointment, including an evaluation of fees, are reviewed by the Committee on an annual basis. The Committee believes that the continuing appointment of the Manager on the new terms that have been agreed is in the interests of shareholders as a whole.

Nomination Committee

All appointments to the Board of Directors are considered by the Nomination Committee which comprises the entire Board and is chaired by Dr Carter. The Board's overriding priority in appointing new Directors to the Board is to identify the candidate with the best range of skills and experience to complement existing Directors. The Board also recognises the benefits of diversity and its policy on diversity is referred to in the Strategic Report on page 11. When Board positions become available as a result of retirement or resignation, the Company ensures that a diverse group of candidates is considered.

The Committee has put in place the necessary procedures to conduct, on an annual basis, an appraisal of the Chairman of the Board, Directors' individual self evaluation and a performance evaluation of the Board as a whole. For the year to 31 December 2015 this was undertaken by Stephenson & Co an independent external board evaluation service provider that does not have any other connections with the Company. The review concluded that the Board has a good balance of experience and considerable knowledge of investment markets and works in a collegiate and effective manner.

In accordance with Principle 3 of the AIC's Code of Corporate Governance which recommends that the directors of FTSE 350 companies should be subject to annual re-election by shareholders, all the members of the Board will retire at the forthcoming Annual General Meeting and, with the exception of Lady Balfour, will offer themselves for re-election. In conjunction with the external evaluation feedback the Committee has reviewed each of the proposed reappointments and concluded that each of the Directors has the requisite high level and range of business and financial experience and recommends their re-election at the forthcoming AGM. Lady Balfour has indicated that she will retire from the Board and as Senior Independent Director at the AGM and does not intend to seek re-election. Mr Best has agreed to become Senior Independent Director with effect from the conclusion of the AGM in April 2016.

Remuneration Committee

The level of fees payable to Directors is considered by the Remuneration Committee which comprises the entire Board excluding Dr Carter and which is Chaired by Lady Balfour. Mr Dunscombe will become Chairman of the Remuneration Committee with effect from the conclusion of the AGM in April 2016.

The Company's remuneration policy is to set remuneration at a level to attract individuals of a calibre appropriate to the Company's future development. Further information on remuneration is disclosed in the Directors' Remuneration Report on pages 40 and 41.

Terms of Reference

The terms of reference of all the Board Committees may be found on the Company's website murray-intl.co.uk and copies are available from the Company Secretary upon request. The terms of reference are reviewed and re-assessed by the Board for their adequacy on an annual basis.

Going Concern

The Directors have undertaken a robust review of the Company's viability (refer to statement on page 11) and ability to continue as a going concern. The Company's assets consist of a diverse portfolio of listed equity shares and bonds which in most circumstances are realisable within a very short timescale.

The Directors are mindful of the principal risks and uncertainties disclosed on page 10 and have reviewed forecasts detailing revenue and liabilities. The Directors believe that the Company has adequate financial resources to continue its operational existence for the foreseeable future and at least 12 months from the date of this Annual Report. Accordingly, the Directors continue to adopt the going concern basis in preparing these financial statements.

Accountability and Audit

Each Director confirms that, so far as he or she is aware, there is no relevant audit information of which the Company's auditor is unaware, and he or she has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Independent Auditor

The Company's policy is to conduct a regular review of its audit arrangements. The last tender took place in 2013 and following a detailed and rigorous process involving large and medium-sized audit firms the Board's recommendation to shareholders to reappoint Ernst & Young LLP ("EY") was duly approved. EY, has expressed its willingness to continue in office and a Resolution to re-appoint EY as the Company's auditor will be put to the forthcoming Annual General Meeting, along with a separate Resolution to authorise the Directors to fix the auditor's remuneration. Details of fees relating to non-audit services are disclosed on page 40. The Directors have reviewed the level of non-audit services provided by the independent auditor during the year, together with the independent auditor's procedures in connection with the provision of such services, and remain satisfied that the auditor's objectivity and independence is being safeguarded.

Internal Controls and Risk Management

The Board of Directors is ultimately responsible for the Company's system of internal control and for reviewing its effectiveness. Following the Financial Reporting Council's publication of "Internal Control: Revised Guidance for Directors on the Combined Code" (the FRC guidance), the Directors confirm that there is an ongoing process for identifying, evaluating and managing the significant risks faced by the Company. This process has been in place for the full year under review and up to the date of approval of the financial statements, and this process is regularly reviewed by the Board and accords with the FRC Guidance.

The design, implementation and maintenance of controls and procedures to safeguard the assets of the Company and to manage its affairs properly extends to operational and compliance controls and risk management. The Board has prepared its own risk register which identifies potential risks relating to strategy, investment management, shareholders, marketing, gearing, regulatory and financial obligations; third party service providers and the Board. The Board considers the potential cause and possible impact of these risks as well as reviewing the controls in place to mitigate these potential risks. A risk is rated by having a likelihood and an impact rating and the residual risk is plotted on a "heat map" and is reviewed regularly.

The Board has reviewed the effectiveness of the system of internal control and, in particular, it has reviewed the process for identifying and evaluating the significant risks faced by the Company and the policies and procedures by which these risks are managed.

The Directors have delegated the investment management of the Company's assets to AFML within overall guidelines and this embraces implementation of the system of internal control, including financial, operational and compliance controls and risk management. Internal control systems are monitored and supported by AFML's internal audit function which undertakes periodic examination of business processes, including compliance with the terms of the management agreement, and ensures that recommendations to improve controls are implemented.

Risks are identified and documented through a risk management framework by each function within the Manager's activities. Risk is considered in the context of the FRC Guidance and includes financial, regulatory, market, operational and reputational risk. This helps the internal audit risk assessment model identify those functions for review. Any relevant weaknesses identified are reported to the Board and timetables are agreed for implementing improvements to systems. The implementation of any remedial action required is monitored and feedback provided to the Board.

The key components designed to provide effective internal control for the year under review and up to the date of this Report are outlined below:

- the Manager prepares forecasts and management accounts which allow the Board to assess the Company's activities and review its investment performance;
- the Board and Manager have agreed clearly defined investment criteria;
- there are specified levels of authority and exposure limits. Reports on these issues, including performance statistics and investment valuations, are regularly submitted to the Board. The Manager's investment process and financial analysis of the companies concerned include detailed appraisal and due diligence;
- as a matter of course the internal audit and compliance departments of AFML continually review the Manager's operations;
- written agreements are in place which specifically define the roles and responsibilities of the Manager and other third party service providers and monitoring reports are received from these providers when required;
- the Board has considered the need for an internal audit function but, because of the compliance and internal control systems in place at the Manager, has decided to place reliance on the Manager's systems and internal audit procedures; and
- twice a year, at its Board meetings, the Board carries out an assessment of internal controls by considering documentation from the Manager, including its internal audit and compliance functions and taking account of events since the relevant period end.

In addition, the Manager ensures that clearly documented contractual arrangements exist in respect of any activities that have been delegated to external professional organisations. The Board meets annually with representatives from BNY Mellon and reviews a control report covering the activities of the depositary and custodian.

The Head of Internal Audit of the Manager reports six monthly to the Audit Committee of the Company and has direct access to the Directors at any time.

The internal control systems are designed to meet the Company's particular needs and the risks to which it is exposed. Accordingly, the internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and, by their nature, can provide reasonable but not absolute assurance against material misstatement or loss.

The UK Stewardship Code and Proxy Voting

The purpose of the UK Stewardship Code is to enhance the quality of engagement between institutional investors and companies to help improve long-term returns to shareholders and assist institutional investors with the efficient exercise of their governance responsibilities.

The Company's investments are held in nominee names. The Board has delegated responsibility for actively monitoring the activities of portfolio companies, including the exercise of voting powers on its behalf, to the Manager who has in turn delegated this responsibility to the Investment Manager.

The Investment Manager is responsible for reviewing, on a regular basis, the annual reports, circulars and other publications produced by the portfolio company and for attending company meetings. The Investment Manager, in the absence of explicit instruction from the Board, is empowered to use discretion in the exercise of the Company's voting rights.

In exercising the Company's voting rights, the Aberdeen Group follows a number of principles which set out the framework on corporate governance, proxy voting and shareholder engagement in relation to the companies in which the Aberdeen Group has invested or is considering investing. The Board has reviewed these principles together with the Aberdeen Group's Disclosure Response to the UK Stewardship Code, and is satisfied that the exercise of delegated voting powers by the Investment Manager is being properly executed. The Aberdeen Group's Corporate Governance Principles together with the Aberdeen Group's Disclosure Response to the UK Stewardship Code may be found on the Aberdeen Group's website, at http://aboutus.aberdeen-asset.com/en/aboutus/expertise/equities/stewardship.

The Board recognises and supports the Aberdeen Group's policy of active engagement with investee companies and the voting of all of the shares held by the Company. The Board receives regular reports on the exercise of the Company's voting rights and discusses any issues arising with the Investment Manager. It is the Board's view that having an active voting policy and a process for monitoring the Investment Manager's exercise of those votes, especially in relation to controversial issues, aids the efficient exercise of the Company's governance responsibilities.

Relations with Shareholders

The Company places great importance on communication with its shareholders. The Manager has an annual programme of meetings with institutional shareholders and reports back to the Board on these meetings.

Participants in the Aberdeen Retail Savings Plans (the "Plans"), whose shares are held in the nominee names of the Plans' administrator, are given the opportunity to vote by means of a Letter of Direction enclosed with the Annual Report. The Letter of Direction is forwarded to the administrator of the Plans, who will complete a proxy on behalf of the participants and forward it to the Company's registrar for inclusion in the voting figures. Those participants who attend the Annual General Meeting are given the opportunity to speak when invited by the Chairman. As required under the Code, the Annual Report is posted to shareholders at least twenty business days before the Annual General Meeting.

The Board is very conscious that the Annual General Meeting is an event for all shareholders and encourages them to attend and participate. The Manager makes a presentation to the meeting outlining the key investment issues that affect the Company. All shareholders have the opportunity to put questions at the Company's Annual General Meeting. The number of proxy votes is relayed to shareholders at the Annual General Meeting, after each resolution has been dealt with on a show of hands.

Shareholders also have direct access to the Company via the free shareholder information telephone service run by the Manager, and the Company and the Manager respond to letters from shareholders. The Manager meets regularly with major shareholders and reports back to the Board on these visits.

The Board's policy is to communicate directly with shareholders and their representative bodies without the involvement of the management group (either the Company Secretary or the Manager) in situations where direct communication is required. Representatives from the Board meet with major shareholders regularly.

Responsible Investment

The Board is aware of its duty to act in the interests of the Company. The Board acknowledges that there are risks associated with investment in companies which fail to conduct business in a socially responsible manner. The Manager considers social, environmental and ethical factors which may affect the performance or value of the Company's investments. The Directors, through the Company's Manager, encourage companies in which investments are made to adhere to best practice in the area of Corporate Governance. They believe that this can best be achieved by entering into a dialogue with company management to encourage them, where necessary, to improve their policies in this area.

B Ordinary Share Conversion – Circular to Shareholders

Shareholders' attention is drawn to the Circular to Shareholders accompanying this Annual Report which sets out the Board's proposals for the final conversion of the B Ordinary shares in 2016 and the adoption of amended Articles of Association.

By order of the Board of Murray International Trust PLC

Aberdeen Asset Management PLC
Secretary
40 Princes Street,
Edinburgh EH2 2BY

11 March 2016

Directors' Remuneration Report

The Board has prepared this report in accordance with the regulations governing the disclosure and approval of Directors' remuneration. This Remuneration Report comprises three parts:

(i) Remuneration Policy, this was approved by a binding shareholder vote put to the members at the AGM held on 29 April 2014 and will be put to members for approval at intervals of three years thereafter (the next binding vote will be held in 2017). Should the Remuneration Policy be varied during this interval, then Shareholder approval for the new Remuneration Policy will be sought; and
(ii) An Implementation Report which provides information on how the Remuneration Policy has been applied during the year and which is subject to an advisory vote on the level of remuneration paid during the year;
(iii) an Annual Statement.

The law requires the Company's auditor to audit certain of the disclosures provided. Where disclosures have been audited, they are indicated as such. The auditor's opinion is included in the report on pages 46 to 51.

Remuneration Policy

Copies of the Remuneration Policy, approved by shareholders at the Annual General Meeting held on 29 April 2014, are available on the Company's website murray-intl.co.uk.

Implementation Report

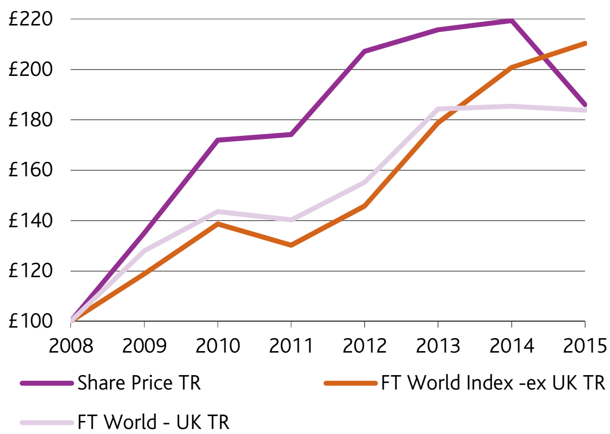
Directors' Fees Increase

The Board carried out a review of the level of Directors' fees during the year encompassing a review of fees payable to directors of peer group companies and concluded that the amounts payable to Directors for the year ending 31 December 2016 will increase with effect from 1 January 2016 to £30,000 (from £28,000) for the Audit Committee Chairman and to £24,000 (from £23,000) for other Directors with the fee payable to the Chairman remaining unchanged at £42,000. The Senior Independent Director continues to be entitled to an extra £2,000 per annum. There are no further fees to disclose as the Company has no employees, Chief Executive or Executive Directors. The Directors' fees were last increased in December 2013, with effect from 1 January 2014.

Company Performance

During the year the Board also carried out a review of investment performance. The graph below compares the total return (assuming all dividends are reinvested) to Ordinary shareholders, assuming a notional investment of £100 into the Company on 31 December 2008, compared with the total shareholder return on a notional investment made up of shares of the same kinds and number as those by reference to which the FTSE World-UK Index and FTSE World Index ex-UK are calculated. These indices were chosen for comparison purposes, as they are components of the Company's benchmark (40% FTSE World UK Index and 60% FTSE World ex-UK Index) and are the benchmarks used for investment performance measurement purposes by most of the Company's peer group.

Please note that past performance is not a guide to future performance.



Statement of Voting at General Meeting

At the Company's last AGM, held on 28 April 2015, shareholders approved the Directors' Remuneration Report (other than the Directors' Remuneration Policy) in respect of the year ended 31 December 2014 and the following proxy votes were received on the resolutions:

Resolution	For	Discret.	Against	Withheld
2 To Receive and Adopt Directors' Remuneration Report	34.4m (98.8%)	181,733 (0.5%)	247,991 (0.7%)	83,013

Spend on Pay

As the Company has no employees, the Directors do not consider that it is relevant to present a table comparing remuneration paid to employees with distributions to shareholders. The total fees paid to Directors are shown below.

Audited Information

Fees Payable

The Directors who served in the year received the following fees which exclude employers' NI and any VAT payable:

Director	2015 £	2014 £	Taxable Benefits 2015	Taxable Benefits 2014
K J Carter	42,000	42,000	-	-
M Campbell	28,000	28,000	-	-
Lady Balfour of Burleigh	25,000	24,344	-	-
J D Best	23,000	23,000	-	-
P W Dunscombe	23,000	23,000	-	-
D Hardie [A]	23,000	15,397	-	-
A C Shedden [B]	n/a	8,264	-	-
Total	**164,000**	**164,055**	**-**	**-**

[A] Appointed to the Board on 1 May 2014
[B] Retired from Board on 29 April 2014

Fees are pro-rated where a change takes place during a financial year. There were no payments to third parties from the fees referred to in the table above.

Directors' Interests in the Company

The Directors are not required to have a shareholding in the Company. The Directors (including connected persons) at 31 December 2015 and 31 December 2014 had no interest in the share capital of the Company other than those interests, all of which are beneficial interests, shown in the table below (Directors do not have any beneficial interests in the B Ordinary share capital).

	31 Dec 2015 Ordinary 25p	31 Dec 2014 Ordinary 25p
K J Carter	30,000	20,000
M Campbell	5,726	5,726
Lady Balfour of Burleigh	1,300	1,300
J D Best	52,500	47,500
P W Dunscombe	3,850	3,850
D Hardie	4,274	1,219

Subsequent to the period end, Mr D Hardie's beneficial holding increased to 4,328 Ordinary shares by the acquisition of 54 Ordinary shares on 19 February 2016. With the exception of this further disclosure, the above holdings were unchanged at 11 March 2016, being the nearest practicable date prior to the signing of this Annual Report.

Annual Statement

On behalf of the Board and in accordance with Part 2 of Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013, I, Lady Balfour of Burleigh, Chairman of the Remuneration Committee, confirm that the Report on Remuneration Policy and the Remuneration Implementation Report summarises, as applicable, for the year to 31 December 2015:

- the major decisions on Directors' remuneration;
- any substantial changes relating to Directors' remuneration made during the year; and
- the context in which the changes occurred and decisions have been taken.

The Directors' Remuneration Report was approved by the Board of Directors on 11 March 2016 and signed on its behalf by:

Lady Balfour of Burleigh
Director
11 March 2016

Report of the Audit Committee

Audit Committee

As recommended by the AIC Code, an Audit Committee has been established with written terms of reference, copies of which are available upon request from the Company Secretary and on the Company's website. The Audit Committee comprises the whole Board (excluding Dr Carter) and I, Marcia Campbell, am the Chairman. The members of the Audit Committee are each independent and free from any relationship that would interfere with our impartial judgement in carrying out our responsibilities. We have satisfied ourselves that at least one of the Committee's members has recent and relevant financial experience. We met three times during the year.

The terms of reference of the Audit Committee are reviewed and re-assessed for their adequacy on an annual basis. In accordance with those terms of reference:

- we review and monitor the internal control systems and risk management systems including review of non financial risks and the Manager's policy on information security (cyber risk) on which the Company is reliant. The Directors' statement on the Company's internal controls and risk management is set out in the Directors' Report;
- we consider whether there is a need for the Company to have its own internal audit function;
- we monitor the integrity of the half yearly and annual financial statements of the Company by reviewing, and challenging where necessary, the actions and judgements of the Manager;
- we review, and report to the Board on, the significant financial reporting issues and judgements made in connection with the preparation of the Company's financial statements, interim reports, announcements and related formal statements;
- we review the content of the Annual Report and financial statements and make recommendations to the Board on whether, taken as a whole, it is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy;
- we meet with the auditor to review the proposed audit programme of work and the findings of the auditor. The Directors also use this as an opportunity to assess the effectiveness of the audit process;
- we also meet in private with the auditor, without any representatives of the Manager being present and we meet in private with a representative from the Manager's internal audit department;
- we develop and implement policy on the engagement of the auditor to supply non-audit services. Non-audit fees of £21,000 (2014 £37,000) paid to the auditor during the year under review were for (i) interim review of Half Yearly Report; (ii) taxation services including one off claims for withholding tax repayments; (iii) services in connection with the electronic filing of tax returns; and (iv) services in connection with the calculation of B Ordinary share capitalisation ratios. We will review any future fees in the light of the requirement to maintain the auditor's independence and objectivity;
- we review a statement from the Manager detailing the arrangements in place within Aberdeen whereby Aberdeen staff may, in confidence, escalate concerns about possible improprieties in matters of financial reporting or other matters;
- we make recommendations in relation to the appointment of the auditor and to approve the remuneration and terms of engagement of the auditor; and
- we monitor and review the auditor's independence, objectivity, effectiveness, resources and qualification.

Details of attendance at the Audit Committee meetings are shown in the Directors' Report.

The Board has received a report from EY, its auditor, which notes that EY has policies and procedures in place that instil professional values as part of its firm's culture and ensure that the highest standards of objectivity and independence and integrity are maintained.

The Audit Committee has reviewed the level of non-audit services provided by the independent auditor during the year, together with the independent auditor's procedures in connection with the provision of such services, and remains satisfied that the auditor's objectivity and independence is being safeguarded. EY is typically retained to provide non audit services to the Company in situations where the Manager has undertaken a detailed review of potential advisors and chosen to use EY for a number of other clients that it acts for. This is in the best interests of the Company as it allows the Company to benefit significantly from pricing economies of scale. In these situations the Audit Committee is presented with the results of the Manager's review and is able to decide on a case by case basis whether there is any potential impact upon the auditor's independence. The Audit Committee does not believe that the level of non audit fees payable by the Company is material in any way for EY and confirms its belief that EY is independent in accordance with the UK Corporate Governance Code.

Potential Issues

During our review of the Company's financial statements for the year ended 31 December 2015, we considered the following potential issues:

Valuation, Existence and Ownership of Investments

Mitigation - The valuation of investments is undertaken in accordance with the accounting policies, disclosed in notes 1(a) and 1(c) to the financial statements on page 56. All investments are quoted in active markets and can be verified against daily market prices. 97.5% of investments are considered to be liquid and are therefore categorised as Level A in accordance with the FRS 102 fair value hierarchy. 2.5% of investments are considered to be subject to some risk of illiquidity and are therefore categorised as Level B within the FRS 102 fair value hierarchy. The portfolio is reviewed and verified by the Manager on a regular basis and management accounts including a full portfolio listing are prepared each month and circulated to the Board. BNY Mellon has been appointed as custodian and depositary to safeguard the assets of the Company. The Depositary checks the consistency and accuracy of its records on a monthly basis and reports its findings to AFML. Separately, the investment portfolio is reconciled regularly by the Manager.

Correct Calculation of Management and Performance Fees

Mitigation - The management and performance fees are calculated by the Manager and reviewed periodically by the Board. The work undertaken by EY on the management fees is detailed in the Auditor's Report on page 46.

Recognition of Investment Income

Mitigation - The recognition of investment income is undertaken in accordance with accounting policy note 1(b) to the financial statements on page 56. Special dividends are allocated to the capital or revenue accounts according to the nature of the payment and the intention of the underlying company. The Manager provides monthly internal control reports to the Board.

Compliance with Sections 1158 and 1159

Mitigation - Approval for the Company as an investment trust under Sections 1158 and 1159 for financial years commencing on or after 1 January 2012 has been obtained and ongoing compliance with the eligibility criteria is monitored on a regular basis by the Manager and Board.

Going Concern

Mitigation - The Directors have considered the Company's investment objective and risk management policies, the nature of the portfolio and expenditure and cash flow projections in conjunction with the formulation of the Viability Statement contained on page 11. As a result, they have determined that the Company has adequate resources, an appropriate financial structure and suitable management arrangements in place to continue in operational existence for at least 12 months.

Review of Auditor

We have reviewed the effectiveness of the auditor including:

- **independence** - the Auditor discusses with the Audit Committee, at least annually, the steps it takes to ensure its independence and objectivity and makes the Committee aware of any potential issues, explaining all relevant safeguards;
- **quality of audit work including the ability to resolve issues in a timely manner** - identified issues are satisfactorily and promptly resolved; its communications/presentation of outputs - the explanation of the audit plan, any deviations from it and the subsequent audit findings are comprehensive and comprehensible; and working relationship with management - the auditor has a constructive working relationship with the Board and the Manager; and
- **quality of people and service including continuity and succession plans** - the audit team is made up of sufficient, suitably experienced staff with provision made for knowledge of the investment company sector and retention on rotation of the partner.

EY, and predecessor firms, have held office as auditor since the incorporation of the Company in 1907. In accordance with present professional guidelines the Senior Statutory Auditor is rotated after no more than five years and the year ended 31 December 2015 will be the second year for which the present Senior Statutory Auditor has served. The Committee considers EY, the Company's auditor, to be independent of the Company. The Audit Committee arranged, in 2013, a tender for the Company's external audit and invited EY to participate, alongside a number of other audit firms of varying size. Following the tender, the Audit Committee recommended to the Board that the reappointment of EY as auditor be put to shareholders for approval at the AGM and shareholders approved the reappointment of EY as auditor at the AGM in April 2014. Under EU regulations, EY are required to rotate as auditor no later than 2020 and, accordingly, the Board expects to hold the next tender for external audit services in 2019.

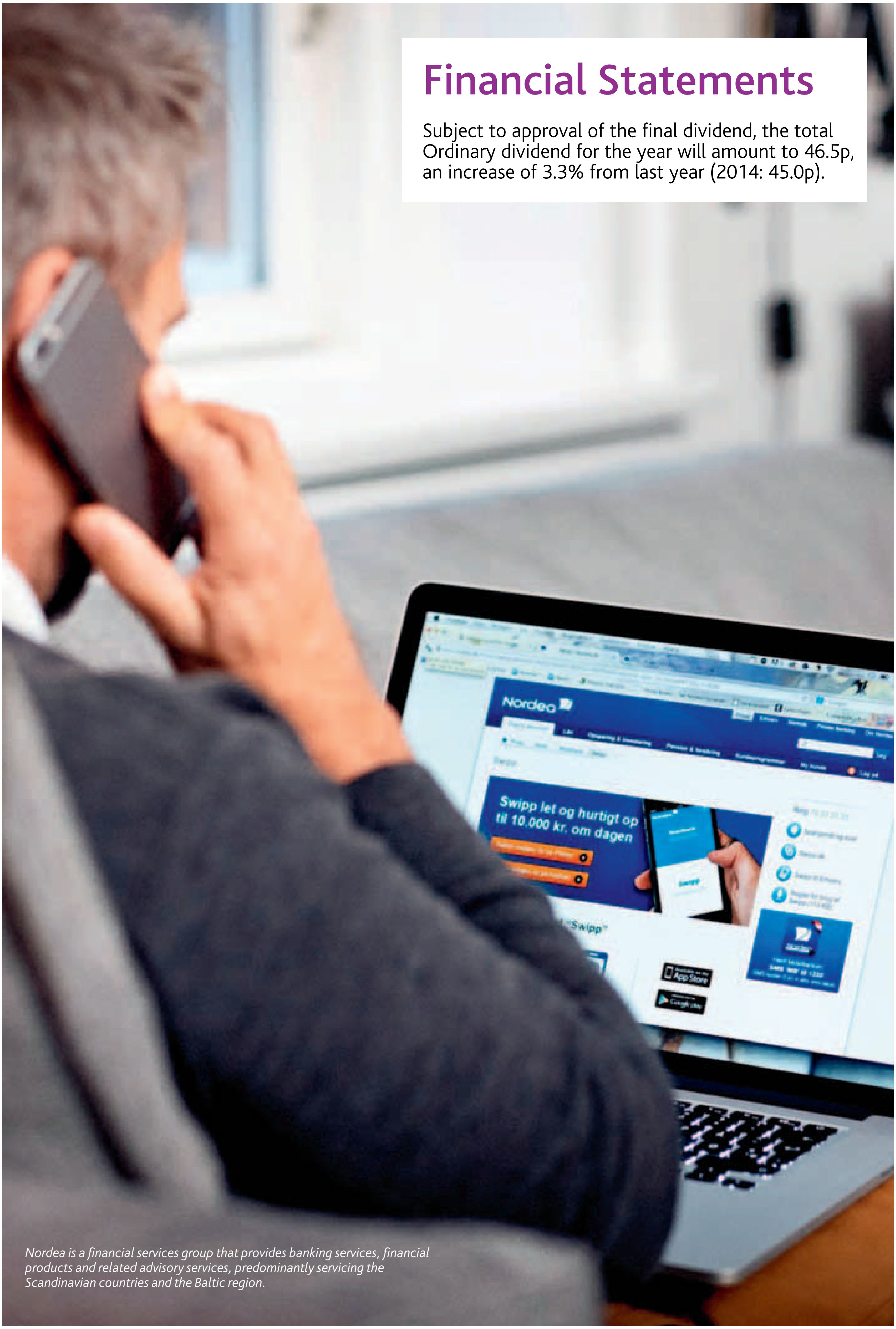
The Committee considers EY, the Company's auditor, to be independent of the Company and therefore has recommended to the Board that the re-appointment of EY be put to shareholders for approval at the AGM.

For and on behalf of the Audit Committee

Marcia Campbell
Audit Committee Chairman
11 March 2016

Financial Statements

Subject to approval of the final dividend, the total Ordinary dividend for the year will amount to 46.5p, an increase of 3.3% from last year (2014: 45.0p).



Nordea is a financial services group that provides banking services, financial products and related advisory services, predominantly servicing the Scandinavian countries and the Baltic region.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Directors' Report, Directors' Remuneration Report and Statement of Corporate Governance that comply with that law and those regulations.

The financial statements are published on murray-intl.co.uk which is a website maintained by the Company's Manager. The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Each of the Directors confirms that to the best of his or her knowledge:

- the financial statements, prepared in accordance with the applicable accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company;
- the Strategic Report and Directors' Report include a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that the Company faces; and
- that in the opinion of the Board, the Annual Report and Financial Statements taken as a whole, is fair, balanced and understandable and it provides the information necessary to assess the Company's performance, business model and strategy.

For Murray International Trust PLC

Kevin Carter
Chairman
11 March 2016

Independent Auditor's Report to the Members of Murray International Trust PLC

Our opinion on the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Company's affairs as at 31 December 2015 and of the Company's loss for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

Murray International Trust PLC's financial statements comprise:

Statement of Comprehensive Income for the year ended 31 December 2015
Statement of Changes in Equity for the year ended 31 December 2015
Statement of Financial Position as at 31 December 2015
Statement of Cash Flows for the year ended 31 December 2015
Related notes 1 to 21 to the financial statements

The financial reporting framework that has been applied in the preparation of the Company financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

Overview of our audit approach

Risks of material misstatement	• Incomplete or inaccurate income recognition through failure to recognise proper income entitlements or apply appropriate accounting treatment. • Incorrect valuation and existence of the investment portfolio. • The management and performance fees payable by the Company for investment management services are not calculated in accordance with the methodology prescribed in the investment management agreement.
Audit scope	• We performed an audit of Murray International Trust PLC.
Materiality	• Materiality of £10.9m which represents 1% of equity shareholders' funds (2014: £12.4m).

Our assessment of risk of material misstatement

We identified the risks of material misstatement described below as those with the greatest effect on our overall audit strategy, the allocation of resources in the audit and the direction of the efforts of the audit team. In addressing these risks, we have performed the procedures below which were designed in the context of the financial statements as a whole and, consequently, we do not express any opinion on these individual areas:

Risk	Our response to the risk	What we concluded to the Audit Committee
Incomplete or inaccurate income recognition through failure to recognise proper income entitlements or apply appropriate accounting treatment (as described on page 43 of the Report of the Audit Committee). Most of the Company's income is received in the form of dividends and interest from fixed income investments, being £51m (2014: £52m) and £16m (2014: £11m) respectively for the period. The investment income receivable by the Company during the period directly affects the Company's ability to pay a dividend to shareholders and there is also a manual and judgemental element in allocating special dividends between revenue and capital. Given this, we considered there to be a fraud risk, in accordance with Auditing Standards, in this area of our audit. During the year, the Company received 16 special dividends, with an aggregate value of £2.1m. None of the special dividends received during the year were material, individually or in aggregate.	We performed the following procedures: We agreed a sample of dividend and interest receipts to an independent source. We agreed on a sample basis, investee company dividend announcements and fixed interest coupon dates from an independent source to the income recorded by the Company. We agreed all accrued dividends and fixed interest to an independent source.	We noted no issues in agreeing the sample of dividends and interest receipts to and from an independent source. We noted no issues in agreeing the sample of accrued dividends and interest receipts to an independent source.

Independent Auditor's Report to the Members of Murray International Trust PLC continued

Incorrect valuation and existence of the investment portfolio (as described on pages 42 and 43 of the Report of the Audit Committee). The valuation of the portfolio at 31 December 2015 was £1,273m (2014: £1,408m) including £1,107m (2014: £1,226m) of equities and £166m (2014: £182m) of bonds. The valuation of the assets held in the investment portfolio is the key driver of the Company's net asset value and total return. Incorrect asset pricing or a failure to maintain proper legal title of the assets held by the Company could have a significant impact on portfolio valuation and, therefore, the return generated for shareholders.	We performed the following procedures: For all investments in the portfolio, we agreed the prices to an independent source. For those investments priced in currencies other than sterling we have agreed the exchange rates to an independent source. We independently obtained confirmations from the Company's custodian and depositary to confirm the existence of the assets held as at 31 December 2015.	For all investments, we noted no material differences in market value or exchange rates. We noted no differences between the custodian and depositary confirmations and the Company's underlying financial records.
The management and performance fees payable by the Company for investment management services are not calculated in accordance with the methodology prescribed in the investment management agreement (as described on page 42 of the Report of the Audit Committee). For the year ended 31 December 2015, the total management fees amounted to £7.0m (2014: £7.2m). The Company has underperformed the benchmark in the year. The fees payable by the Company for investment management services are a significant component of the Company's cost base and, therefore, impact the Company's total return. If the management fees are not calculated in accordance with the methodology prescribed in the investment management agreement this could have a significant impact on both costs and overall performance.	We performed the following procedures: We used the terms contained in the investment management agreement to recalculate the management and performance fees for the year. We agreed the inputs for the calculations to source data and agreed the payments to bank statements. In line with the Company's stated policy, and consistent with the prior year, we checked that the management fee has been correctly charged 70% to the capital column and 30% to the revenue column of the Statement of Comprehensive Income.	We are satisfied that the terms of the investment management agreement have been correctly applied within the management and performance fee calculations. For all inputs and payments, we noted no issues in agreeing the amounts to source data and bank statements. We noted no issues in agreeing the allocation of the management fee between capital and revenue. There was no performance fee payable in the year.

In the prior year, our auditor's report included a risk of material misstatement in relation to valuation and existence of the investment portfolio and a risk of material misstatement in relation to the calculation of the management and performance fees. In the current year, we also recognise a risk of material misstatement in relation to the recognition of revenue. We have assessed this as a fraud risk and a significant risk this year as investment income receivable by the Company during the period directly affects the Company's ability to pay a dividend to shareholders and judgement is used in allocating special dividends between revenue and capital, Potentially, these factors could give the Manager both the incentive and the opportunity to misstate the revenue of the Company in order to meet shareholder expectations.

The scope of our audit

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for the Company. This enables us to form an opinion on the financial statements. We take into account size, risk profile, the organisation of the Company and effectiveness of controls and changes in the business environment when assessing the level of work to be performed. The Company is a single component and we perform a full audit on this Company.

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined planning materiality for the Company to be £10.9m (2014: £12.4m), which is 1% of equity shareholders' funds. This provided a basis for determining the nature, timing and extent of our risk assessment procedures, identifying and assessing the risks of material misstatement and determining the nature, timing and extent of further audit procedures. We derived our materiality calculation from a proportion of total equity as we consider that to be the most important financial metric on which shareholders judge the performance of the Company.

Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Company's overall control environment, our judgment was that overall performance materiality (i.e. our tolerance for misstatement in an individual account or balance) for the Company should be 75% of planning materiality, being £8.2m (2014: £9.3m). Our objective in adopting this approach was to ensure that total undetected and uncorrected audit differences in all accounts did not exceed our planning materiality level. We have set performance materiality at this percentage due to our past experience of the audit that indicates a lower risk of misstatements, both corrected and uncorrected.

Given the importance of the distinction between revenue and capital for the Company we also applied a separate testing threshold of £3.1m (2014: £3.3m) for the revenue column of the Income Statement, being 5% of the revenue return on ordinary activities before taxation.

Reporting threshold

An amount below which identified misstatements are considered to be clearly trivial.

We agreed with the audit committee that we would report all audit differences in excess of £0.5m (2014: £0.6m) as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in the light of other relevant qualitative considerations.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information

Independent Auditor's Report to the Members of Murray International Trust PLC continued

that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities set out on page 45 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors. This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion:

- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006; and
- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

ISAs (UK and Ireland) reporting	We are required to report to you if, in our opinion, financial and non-financial information in the annual report is: • materially inconsistent with the information in the audited financial statements; or • apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Company acquired in the course of performing our audit; or • otherwise misleading. In particular, we are required to report whether we have identified any inconsistencies between our knowledge acquired in the course of performing the audit and the directors' statement that they consider the annual report and accounts taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the entity's performance, business model and strategy; and whether the annual report appropriately addresses those matters that we communicated to the audit committee that we consider should have been disclosed.	We have no exceptions to report.
Companies Act 2006 reporting	We are required to report to you if, in our opinion: • adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or • the Company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or • certain disclosures of directors' remuneration specified by law are not made; or • we have not received all the information and explanations we	We have no exceptions to report.

	require for our audit.	
Listing Rules review requirements	We are required to review: • the directors' statement in relation to going concern set out on page 36, and longer-term viability, set out on page 11; and • the part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review	We have no exceptions to report.

Statement on the Directors' Assessment of the Principal Risks that Would Threaten the Solvency or Liquidity of the Entity

ISAs (UK and Ireland) reporting	We are required to give a statement as to whether we have anything material to add or to draw attention to in relation to: • the directors' confirmation in the annual report that they have carried out a robust assessment of the principal risks facing the entity, including those that would threaten its business model, future performance, solvency or liquidity; • the disclosures in the annual report that describe those risks and explain how they are being managed or mitigated; • the directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the entity's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements; and • the directors' explanation in the annual report as to how they have assessed the prospects of the entity, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the entity will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.	We have nothing material to add or to draw attention to.

Andrew McIntyre (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP
Statutory Auditor
London
11 March 2016

Statement of Comprehensive Income

		Year ended 31 December 2015			Year ended 31 December 2014		
		Revenue	Capital	Total	Revenue	Capital	Total
	Notes	£'000	£'000	£'000	£'000	£'000	£'000
Losses on investments	10	–	(145,153)	(145,153)	–	(9,252)	(9,252)
Income	2	67,020	–	67,020	62,609	–	62,609
Investment management fees	3	(2,108)	(4,919)	(7,027)	(2,165)	(5,052)	(7,217)
Currency losses		–	(304)	(304)	–	(27)	(27)
Other expenses	5	(1,909)	–	(1,909)	(1,995)	–	(1,995)
Net return before finance costs and taxation		63,003	(150,376)	(87,373)	58,449	(14,331)	44,118
Finance costs	6	(1,427)	(3,328)	(4,755)	(1,498)	(3,490)	(4,988)
Return on ordinary activities before tax		61,576	(153,704)	(92,128)	56,951	(17,821)	39,130
Tax on ordinary activities	7	(2,860)	2,784	(76)	(5,107)	1,336	(3,771)
Return attributable to equity shareholders		**58,716**	**(150,920)**	**(92,204)**	**51,844**	**(16,485)**	**35,359**
Return per Ordinary share assuming full conversion of the B Ordinary shares (pence)	9	**45.7**	**(117.5)**	**(71.8)**	**40.8**	**(13.0)**	**27.8**

The total column of this statement represents the profit and loss account of the Company. The 'Revenue' and 'Capital' columns represent supplementary information prepared under guidance issued by the Association of Investment Companies.

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

No operations were acquired or discontinued in the year.

The accompanying notes are an integral part of these financial statements.

		£'000	£'000	£'000	£'000	£'000	£'000
Ordinary dividends on equity shares	8	**58,639**	–	**58,639**	**55,274**	–	**55,274**

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

Statement of Financial Position

	Notes	As at 31 December 2015 £'000	As at 31 December 2015 £'000	As at 31 December 2014 £'000	As at 31 December 2014 £'000
Non-current assets					
Investments listed at fair value through profit or loss	10		1,273,121		1,408,332
Current assets					
Debtors	11	10,013		8,015	
Cash and short term deposits		4,648		17,766	
		14,661		25,781	
Creditors: amounts falling due within one year					
Bank loans	12/13	(24,024)		(44,933)	
Other creditors	12	(2,589)		(4,934)	
		(26,613)		(49,867)	
Net current liabilities			(11,952)		(24,086)
Total assets less current liabilities			1,261,169		1,384,246
Creditors: amounts falling due after more than one year					
Bank loans and debentures	12/13	(170,150)		(143,709)	
			(170,150)		(143,709)
Net assets			**1,091,019**		**1,240,537**
Capital and reserves					
Called-up share capital	14		32,128		32,084
Share premium account			349,338		348,045
Capital redemption reserve			8,230		8,230
Capital reserve	15		636,556		787,488
Revenue reserve			64,767		64,690
Equity shareholders' funds			**1,091,019**		**1,240,537**
Net Asset Value per Ordinary and B Ordinary share (pence)	16		**849.0**		**966.6**

The financial statements were approved and authorised for issue by the Board of Directors on 11 March 2016 and were signed on its behalf by:

Kevin Carter
Director

The accompanying notes are an integral part of these financial statements.

Statement of Changes in Equity

For the year ended 31 December 2015

	Note	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 31 December 2014		32,084	348,045	8,230	787,488	64,690	1,240,537
Return on ordinary activities after taxation		–	–	–	(150,920)	58,716	(92,204)
Dividends paid	8	–	–	–	–	(58,639)	(58,639)
Issue of new shares	14	44	1,293	–	(12)	–	1,325
Balance at 31 December 2015		**32,128**	**349,338**	**8,230**	**636,556**	**64,767**	**1,091,019**

For the year ended 31 December 2014

	Note	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 31 December 2013		31,516	324,866	8,230	803,986	68,120	1,236,718
Return on ordinary activities after taxation		–	–	–	(16,485)	51,844	35,359
Dividends paid	8	–	–	–	–	(55,274)	(55,274)
Issue of new shares	14	568	23,179	–	(13)	–	23,734
Balance at 31 December 2014		**32,084**	**348,045**	**8,230**	**787,488**	**64,690**	**1,240,537**

The revenue reserve represents the amount of the Company's reserves distributable by way of dividend.

The accompanying notes are an integral part of these financial statements.

Statement of Cash Flows

	Notes	Year ended 31 December 2015 £'000	Year ended 31 December 2014 £'000
Net return before finance costs and taxation		(87,373)	44,118
(Decrease)/increase in accrued expenses		(185)	176
Overseas withholding tax		(1,668)	(3,914)
Interest income		(242)	(6)
Dividends income		(49,284)	(50,804)
Fixed interest income		(15,554)	(10,973)
Realised gains on foreign exchange transactions		(182)	(7,663)
Fixed interest income received		17,154	8,800
Dividends received		47,621	51,976
Interest received		242	6
Interest paid		(4,795)	(5,052)
Losses on investments		145,153	9,252
Amortisation of fixed income book cost		(2,679)	1,975
Decrease/(increase) in other debtors		8	(43)
Stock dividends included in investment income		(1,940)	(826)
Net cash flow from operating activities		46,276	37,022
Investing activities			
Purchases of investments	10,12	(78,630)	(180,829)
Sales of investments	10	71,557	185,123
Net cash (used in)/from investing activities		(7,073)	4,294
Financing activities			
Equity dividends paid	8	(58,639)	(55,274)
Share issue	14	1,325	23,734
Loan repayment		(45,007)	–
Loan drawdown		50,000	3,455
Net cash used in financing activities		(52,321)	(28,085)
(Decrease)/increase in cash		**(13,118)**	**13,231**
Analysis of changes in cash during the year			
Opening balance		17,766	4,535
(Decrease)/increase in cash as above		(13,118)	13,231
Closing balances		**4,648**	**17,766**

The accompanying notes are an integral part of these financial statements.

Notes to the Financial Statements For the year ended 31 December 2015

1. Accounting policies

(a) Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 102 and with the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts'. The financial statements are prepared in sterling which is the functional currency of the Company and rounded to the nearest £'000. 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.

These financial statements are the first since FRS 102 (The Financial Reporting Standard applicable in the UK and Republic of Ireland) came into effect for accounting periods beginning on or after 1 January 2015. An assessment of the impact of adopting FRS 102 has been carried out and found that no restatement of balances as at the transition date, 1 January 2014, or comparative figures in the Statement of Financial Position or the Statement of Comprehensive Income is considered necessary. In addition, the adoption of FRS 102 resulted in no significant changes to the presentation of the financial statements, with the exception of Fair Value Hierarchy disclosures within note 18.

(b) Income

Dividends receivable on equity shares are treated as revenue for the year on an ex-dividend basis. Where no ex-dividend date is available dividends are recognised on their due date. Provision is made for any dividends not expected to be received. Special dividends are credited to capital or revenue, according to their circumstances.

In some jurisdictions, investment income and capital gains are subject to withholding tax deducted at the source of the income. The Company presents the withholding tax separately from the gross investment income in the Statement of Comprehensive Income under taxation.

The fixed returns on debt securities are recognised on a time apportionment basis so as to reflect the effective yield on the debt securities.

Interest receivable from cash and short-term deposits is accrued to the end of the year.

(c) Expenses

All expenses are accounted for on an accruals basis and are charged to the Statement of Comprehensive Income. Expenses are charged against revenue except as follows:

- transaction costs on the acquisition or disposal of investments are charged against capital in the Statement of Comprehensive Income;
- expenses are treated as a capital item in the Statement of Comprehensive Income and ultimately recognised in the capital reserve where a connection with the maintenance or enhancement of the value of the investments can be demonstrated. In this respect the investment management fee has been allocated 30% to revenue and 70% to the capital reserve to reflect the Company's investment policy and prospective income and capital growth.

(d) Taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the Statement of Financial Position date, where transactions or events that result in an obligation to pay more tax in the future or right to pay less tax in the future have occurred at the Statement of Financial Position date. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted. Timing differences are differences arising between the Company's taxable profits and its results as stated in the financial statements which are capable of reversal in one or more subsequent periods. Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the Statement of Financial Position date.

Due to the Company's status as an investment trust company and the intention to continue meeting the conditions required to obtain approval in the foreseeable future, the Company has not provided deferred tax on any capital gains and losses arising on the revaluation or disposal of investments.

The tax effect of different items of income/gain and expenditure/loss is allocated between capital and revenue within the Statement of Comprehensive Income on the same basis as the particular item to which it relates using the Company's effective rate of tax for the year, based on the marginal basis.

(e) Investments

All investments have been designated upon initial recognition as fair value through profit or loss. This is done because all investments are considered to form part of a group of financial assets which is evaluated on a fair value basis, in accordance with the Company's documented investment strategy, and information about the grouping is provided internally on that basis.

Investments are recognised and de-recognised at trade date where a purchase or sale is under a contract whose terms require delivery within the timeframe established by the market concerned, and are measured initially at fair value. Subsequent to initial recognition, investments are valued at fair value through profit or loss. For listed investments, this is deemed to be bid market prices or closing prices for SETS (London Stock Exchange's electronic trading service) stocks sourced from the London Stock Exchange.

Gains and losses arising from changes in fair value are treated in net profit or loss for the period as a capital item in the Statement of Comprehensive Income and are ultimately recognised in the capital reserve.

(f) Borrowings

Monies borrowed to finance the investment objectives of the Company are stated at the amount of the net proceeds immediately after issue plus cumulative finance costs less cumulative payments made in respect of the debt. The finance costs of such borrowings are accounted for on an accruals basis using the effective interest rate method and are charged 30% to revenue and 70% to capital in the Statement of Comprehensive Income to reflect the Company's investment policy and prospective income and capital growth.

(g) Nature and purpose of reserves

Capital redemption reserve

The capital redemption reserve arose when Ordinary shares were redeemed, at which point an amount equal to the par value of the Ordinary share capital was transferred from the Statement of Comprehensive Income to the capital redemption reserve.

Capital reserve

This reserve reflects any gains or losses on investments realised in the period along with any movement in the fair value of investments held that have been recognised in the Statement of Comprehensive Income. These include gains and losses from foreign currency exchange differences. Additionally, expenses, including finance costs, are charged to this reserve in accordance with (c) above.

Revenue reserve

This reserve reflects all income and costs which are recognised in the revenue column of the Statement of Comprehensive Income. The revenue reserve represents the amount of the Company's reserves distributable by way of dividend.

(h) Exchange rates

Transactions involving foreign currencies are converted at the rate ruling at the date of the transaction.

Translation of all other foreign currency balances including foreign assets and foreign liabilities is at the rates of exchange at the year end. Differences arising from translation are treated as a gain or loss to capital or revenue within the Statement of Comprehensive Income depending upon the nature of the gain or loss.

(i) **Derivative financial instruments**

Financial derivatives are measured at fair value based on an appropriate model. Changes in the fair value of derivative financial instruments are recognised in the Statement of Comprehensive Income as they arise. If capital in nature, the associated change in value is presented as a capital item in the Statement of Comprehensive Income.

2. Income	2015 £'000	2014 £'000
Income from investments:		
UK dividends	6,937	7,727
UK unfranked investment income	–	74
Overseas dividends	42,347	43,003
Overseas interest	15,554	10,973
UK stock dividends	1,456	826
Overseas stock dividends	484	–
	66,778	62,603
Interest:		
Deposit interest	242	6
Total income	**67,020**	**62,609**

Income from investments comprises:	2015 £'000	2014 £'000
Listed UK	8,393	8,627
Listed overseas	58,385	53,976
	66,778	**62,603**

Certain comparative figures have been dis-aggregated to provide more detailed information in line with the current presentation adopted. There was no impact on the comparative income as a result of the new presentation.

	2015			2014		
3. Investment management fees	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Investment management fees	2,108	4,919	7,027	2,165	5,052	7,217

Details of the fee basis for the year are contained in the Directors' Report on page 34 and in note 21 on pages 74 and 75 . The balance due to Aberdeen Fund Managers Limited at the year end was £1,703,000 (2014 – £1,793,000).

4. Performance fees

Details of the fee basis are contained in the Directors' Report on page 34 and in note 21 on pages 74 and 75.

5. Other expenses	2015 £'000	2014 £'000
Shareholders' services[A]	653	688
Directors' remuneration	164	164
Irrecoverable VAT	2	55
Secretarial fees[B]	100	100
Auditor's fees for:		
• Statutory audit	25	24
• Other assurance services	7	7
• Tax compliance	14	30
Administrative expenses[C]	944	927
	1,909	**1,995**

[A] Includes registration, savings scheme and other wrapper administration and promotion expenses, of which £485,000 (2014 – £504,000) was payable to Aberdeen Fund Managers Limited ("AFML") to cover promotional activities during the year. At the year end £104,000 (2014 – £122,000) was due to AFML.

[B] Details of the fee basis are contained in the Directors' Report on page 34 and in note 21 on pages 74 and 75. The balance due to AFML at the year end was £25,000 (2014 – £25,000).

[C] Includes bank charges and custody fees of £374,000 (2014 – £449,000), depositary fees of £207,000 (2014 – £102,000), stock exchange fees of £95,000 (2014 – £121,000) and printing, postage and stationery costs of £88,000 (2014 – £96,000).

	2015			2014		
	Revenue	Capital	Total	Revenue	Capital	Total
6. Finance costs	£'000	£'000	£'000	£'000	£'000	£'000
Bank loans and overdrafts	1,425	3,324	4,749	1,496	3,486	4,982
Debenture stock	2	4	6	2	4	6
	1,427	**3,328**	**4,755**	**1,498**	**3,490**	**4,988**

	2015			2014		
	Revenue	Capital	Total	Revenue	Capital	Total
7. Taxation	£'000	£'000	£'000	£'000	£'000	£'000
(a) Tax charge						
The tax charge comprises:						
Current UK tax	608	–	608	962	–	962
Double taxation relief	(608)	–	(608)	(962)	–	(962)
Tax relief to capital	1,893	(1,893)	–	1,336	(1,336)	–
Overseas tax	3,513	–	3,513	5,045	–	5,045
Overseas tax reclaimable	(538)	–	(538)	(1,274)	–	(1,274)
Recovery of prior years' French withholding tax	(2,008)	–	(2,008)	–	–	–
Current tax charge for the year	2,860	(1,893)	967	5,107	(1,336)	3,771
Deferred tax	–	(891)	(891)	–	–	–
Total tax	**2,860**	**(2,784)**	**76**	**5,107**	**(1,336)**	**3,771**

Notes to the Financial Statements continued

(b) Factors affecting the tax charge for the year

The UK corporation tax rate was 21% until 31 March 2015 and 20% from 1 April 2015, giving an effective rate of 20.25% (2014 – 21.5%). The tax assessed for the year is lower than the effective corporation tax rate. The differences are explained below:

	2015			2014		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Return on ordinary activities before taxation	61,576	(153,704)	(92,128)	56,951	(17,821)	39,130
Tax thereon at an effective rate of 20.25% (2014 – 21.5%)	12,469	(31,125)	(18,656)	12,244	(3,832)	8,412
Effects of:						
Non taxable UK dividends	(1,405)	–	(1,405)	(1,661)	–	(1,661)
Losses on investments not taxable	–	29,393	29,393	–	1,989	1,989
Currency losses not taxable	–	62	62	–	5	5
Non taxable overseas dividends	(7,564)	–	(7,564)	(8,107)	–	(8,107)
Non taxable stock dividends	(393)	–	(393)	(178)	–	(178)
Irrecoverable overseas tax suffered	3,513	–	3,513	5,045	–	5,045
Overseas tax reclaimable	(538)	–	(538)	(1,274)	–	(1,274)
Double taxation relief	(608)	–	(608)	(962)	–	(962)
Tax relief obtained by expenses capitalised	1,893	(1,893)	–	1,336	(1,336)	–
Expenses charged to capital available to be utilised	(1,670)	1,670	–	(1,838)	1,838	–
Recovery of prior years' French withholding tax	(2,008)	–	(2,008)	–	–	–
Excess management expenses	(829)	–	(829)	502	–	502
Deferred tax asset recognised	–	(891)	(891)	–	–	–
	2,860	**(2,784)**	**76**	**5,107**	**(1,336)**	**3,771**

The Company has not provided for deferred tax on chargeable gains or losses arising on the revaluation or disposal of investments as it is exempt from corporation tax on these items because of its status as an investment trust company.

The Company has recognised a deferred tax asset of £891,000 (2014 – unrecognised – £1,683,000) arising as a result of the likelihood that excess management expenses of £4,455,000 (2014 – £8,414,000) will be utilised in the following period.

8. Ordinary dividends on equity shares	2015 £'000	2014 £'000
Amounts recognised as distributions paid during the year:		
Third interim for 2014 of 10.0p (2013 – 9.5p)	12,736	11,887
Final dividend for 2014 of 15.0p (2013 – 14.5p)	19,107	18,163
First interim for 2015 of 10.5p (2014 – 10.0p)	13,398	12,620
Second interim for 2015 of 10.5p (2014 – 10.0p)	13,398	12,669
Refund of unclaimed dividends	–	(65)
	58,639	**55,274**

In accordance with UK GAAP the third interim dividend and proposed final dividend for 2015 have not been included as liabilities in these financial statements. The proposed final dividend for 2015 is subject to approval by shareholders at the Annual General Meeting.

We set out below the total dividends paid and proposed in respect of the financial year, which is the basis on which the requirements of Sections 1158–1159 of the Corporation Tax Act 2010 are considered. The revenue available for distribution by way of dividend for the year is £58,716,000 (2014 – £51,844,000).

	2015 £'000	2014 £'000
Three interim dividends for 2015 of 10.5p (2014 – 10.0p)	40,169	38,025
Proposed final dividend for 2015 of 15.0p (2014 – 15.0p)	19,050	19,107
	59,219	**57,132**

Subsequent to the year end the Company has purchased for treasury 601,163 Ordinary shares; therefore the amount reflected above for the cost of the proposed final dividend for 2015 is based on 127,000,789 Ordinary shares in issue, being the number of Ordinary shares in issue at the date of this Report.

9. **Return per Ordinary share**	2015 £'000	2015 p	2014 £'000	2014 p
Returns are based on the following figures:				
Revenue return	58,716	45.7	51,844	40.8
Capital return	(150,920)	(117.5)	(16,485)	(13.0)
Total return	**(92,204)**	**(71.8)**	**35,359**	**27.8**

	2015	2014
Weighted average number of Ordinary shares	127,496,502	126,132,659
Weighted average number of B Ordinary shares	942,862	955,545
Weighted average number of Ordinary shares assuming conversion of B Ordinary shares	**128,439,364**	**127,088,204**

10. **Investments listed at fair value through profit or loss**	2015 £'000	2014 £'000
Opening valuation	1,408,332	1,421,277
Opening investment holdings gains	(340,581)	(368,310)
Opening book cost	1,067,751	1,052,967
Movements during the year:		
Purchases	78,820	183,405
Sales – proceeds	(71,557)	(185,123)
Sales – realised gains	34,581	18,477
Accretion/(amortisation) of fixed income book cost	2,679	(1,975)
Closing book cost	1,112,274	1,067,751
Closing investment holdings gains	160,847	340,581
Closing valuation	**1,273,121**	**1,408,332**

Notes to the Financial Statements continued

The portfolio valuation	2015 £'000	2014 £'000
Listed on stock exchanges at bid valuation:		
United Kingdom:		
– equities	137,793	159,644
– fixed income	6,875	6,566
Overseas:		
– equities	969,609	1,066,052
– fixed income	158,844	176,070
Total	**1,273,121**	**1,408,332**

Losses on investments	2015 £'000	2014 £'000
Realised gains based on book cost	34,581	18,477
Net movement in investment holdings gains	(179,734)	(27,729)
	(145,153)	**(9,252)**

All investments are categorised as held at fair value through profit and loss and were designated as such upon initial recognition.

Transaction costs

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

	2015 £'000	2014 £'000
Purchases	86	106
Sales	58	98
	144	**204**

11. Debtors: amounts falling due within one year	2015 £'000	2014 £'000
Current taxation	1,966	1,265
Deferred tax	891	–
Forward contracts	351	–
Other debtors	88	96
Accrued income	6,717	6,654
	10,013	**8,015**

None of the above amounts are overdue.

12. Creditors	2015 £'000	2014 £'000
Amounts falling due within one year:		
Bank loans (note 13)	24,024	44,933
Forward contracts	–	370
Amounts due to brokers	–	1,750
Accruals	2,589	2,814
	26,613	**49,867**

Amounts falling due after more than one year:	2015 £'000	2014 £'000
Bank loans and Debentures (note 13)	**170,150**	**143,709**

All financial liabilities are included at amortised cost or at fair value for forward contracts.

13. Bank loans and Debentures	2015 £'000	2014 £'000
Secured by floating charge and repayable other than by instalments or at the Company's option:		
– 4% Debenture Stock – Perpetual	150	150
Unsecured bank loans repayable within one year:		
– Yen 1,600,000,000 at 2.82% – 15 May 2016	9,024	–
– Yen 8,400,000,000 at 3.17% – 13 May 2015	–	44,933
– £15,000,000 at 2.00% – 16 May 2016	15,000	–
Unsecured bank loans repayable in more than one year but no more than five years:		
– £60,000,000 at 2.21% – 31 May 2017	60,000	60,000
– £60,000,000 at 2.575% – 31 May 2018	60,000	60,000
– £50,000,000 at 2.4975% – 13 May 2020	50,000	–
– Yen 1,600,000,000 at 2.82% – 15 May 2016	–	8,559
– £15,000,000 at 2.00% – 16 May 2016	–	15,000
	194,174	**188,642**

The terms of these loans permit early repayment at the borrower's option which may give rise to additional amounts being either payable or repayable in respect of fluctuations in interest rates since drawdown. Since the Directors, currently, have no intention of repaying the loans early, then no such charges are included in the cash flows used to determine their effective interest rate.

The Company currently has a fixed rate term loan facility with ING Bank N.V., which is fully drawn down and has a maturity date of 15 May 2016.

The Company currently has four fixed rate term loan facilities with The Royal Bank of Scotland plc ("RBS"), all of which are fully drawn down and have maturity dates of 16 May 2016, 31 May 2017, 31 May 2018 and 13 May 2020 respectively.

Financial covenants contained within the relevant loan agreements provide, inter alia, that borrowings shall at no time exceed 40% of net assets and that the net assets must exceed £600 million. At 31 December 2015 net assets were £1,091,019,000 and borrowings were 17.8% thereof. The Company has complied with all financial covenants throughout the year.

Notes to the Financial Statements continued

14. Share capital	2015 Number	2015 £'000	2014 Number	2014 £'000
Allotted, called up and fully paid Ordinary shares of 25p each:				
Balance brought forward	127,361,901	31,840	125,126,207	31,282
Ordinary shares issued in the year	130,000	32	2,232,500	557
B Ordinary shares converted to Ordinary shares in the year	110,051	28	3,194	1
Balance carried forward	**127,601,952**	**31,900**	**127,361,901**	**31,840**
Allotted, called up and fully paid B Ordinary shares of 25p each:				
Balance brought forward	975,063	244	935,633	234
Allotment of B Ordinary shares by capitalisation	45,352	11	42,624	11
B Ordinary shares converted to Ordinary shares in the year	(110,051)	(28)	(3,194)	(1)
Balance carried forward	**910,364**	**228**	**975,063**	**244**

During the year 130,000 (2014 – 2,232,500) Ordinary shares were issued pursuant to the Company's block listing facility. All of these shares were issued at a premium to net asset value, enhancing net assets per share for existing shareholders. The issue prices ranged from 1007p to 1053p and raised a total of £1,325,000 (2014 – £23,734,000), net of expenses. These expenses have been offset against the capital reserve.

In accordance with Article 131 of the Company's Articles of Association, 9,808 B Ordinary shares, 15,692 B Ordinary shares, 9,443 B Ordinary shares, and 10,409 B Ordinary shares were allotted by way of capitalisation of reserves on 18 February, 15 May, 17 August and 17 November 2015 respectively.

On 1 July 2015, 110,051 B Ordinary shares were converted into a like number of Ordinary shares of 25p in accordance with Article 47 of the Company's Articles of Association. When the nominal value of the allotted and fully paid B Ordinary shares is less than £100,000 the Directors may, under the terms of Article 47(B), require the conversion of such shares into Ordinary shares. The net asset value per share at the conversion date of 1 July 2015 was 900.06p per share.

On a winding up of the Company, any surplus assets available after payment of all debts and satisfaction of all liabilities of the Company shall be applied in repaying the Ordinary and B Ordinary shareholders the amounts paid up on such shares. Any surplus shall be divided among the holders of Ordinary and B Ordinary shares pari passu according to the amount paid up on such shares respectively.

Voting rights

In accordance with the Articles of Association of the Company, on a show of hands, every member (or duly appointed proxy) present at a general meeting of the Company has one vote; and, on a poll, every member present in person or by proxy shall have 89 votes for every 25p nominal amount of Ordinary or B Ordinary shares held.

15. Capital reserve	2015 £'000	2014 £'000
At 31 December 2014	787,488	803,986
Movement in fair value gains	(145,153)	(9,252)
Capital expenses (net of tax)	(5,463)	(7,206)
Cost of issue of shares	(12)	(13)
Currency losses	(304)	(27)
At 31 December 2015	**636,556**	**787,488**

Included in the total above are investment holdings gains at the year end of £160,847,000 (2014 – £340,581,000).

16. Net asset value per share

The net asset value per share and the net asset value attributable to the Ordinary shares (including conversion of the B Ordinary shares), at the year end calculated in accordance with the Articles of Association were as follows:

	Net asset value per share		Net asset value attributable	
	2015 p	2014 p	2015 £'000	2014 £'000
Ordinary and B Ordinary shares (note 14)	**849.0**	**966.6**	**1,091,019**	**1,240,537**

17. Financial instruments and risk management

The Company's investment activities expose it to various types of financial risk associated with the financial instruments and markets in which it invests. The Company's financial instruments other than derivatives, comprise listed equities, cash balances, loans and debentures and debtors and creditors that arise directly from its operations; for example, in respect of sales and purchases awaiting settlement, and debtors for accrued income. The Company may enter into derivative transactions for the purpose of managing market risks arising from the Company's activities in the form of swap contracts, forward foreign currency contracts, futures and options. The Company utilised forward foreign currency contracts during the year.

The Board has delegated the risk management function to Aberdeen Fund Managers Limited ("AFML") under the terms of its management agreement with AFML (further details of which are included in the Directors' Report). The Board regularly reviews and agrees policies for managing each of the key financial risks identified with the Manager. The types of risk and the Manager's approach to the management of each type of risk, are summarised below. Such approach has been applied throughout the year and has not changed since the previous accounting period. The numerical disclosures exclude short-term debtors and creditors.

Risk management framework

The directors of AFML collectively assume responsibility for AFML's obligations under the AIFMD including reviewing investment performance and monitoring the Company's risk profile during the year.

AFML is a fully integrated member of the Aberdeen Group, which provides a variety of services and support to AFML in the conduct of its business activities, including in the oversight of the risk management framework for the Company. The AIFM has delegated the day to day administration of the investment policy to Aberdeen Asset Managers Limited, which is responsible for ensuring that the Company is managed within the terms of its investment guidelines and the limits set out in its pre-investment disclosures to investors (details of which can be found on the Company's website). The AIFM has retained responsibility for monitoring and oversight of investment performance, product risk and regulatory and operational risk for the Company.

The Manager conducts its risk oversight function through the operation of the Group's risk management processes and systems which are embedded within the Group's operations. The Group's Risk Division supports management in the identification and mitigation of risks and provides independent monitoring of the business. The Division includes Compliance, Business Risk, Market Risk, Risk Management and Legal. The team is headed up by the Group's Head of Risk, who reports to the Chief Executive Officer of the Group. The Risk Division achieves its objective through embedding the Risk Management Framework throughout the organisation using the Group's operational risk management system ("SWORD").

The Group's Internal Audit Department is independent of the Risk Division and reports directly to the Group CEO and to the Audit Committee of the Group's Board of Directors. The Internal Audit Department is responsible for providing an independent assessment of the Group's control environment.

The Group's corporate governance structure is supported by several committees to assist the board of directors of Aberdeen, its subsidiaries and the Company to fulfil their roles and responsibilities. The Group's Risk Division is represented on all committees, with the exception of those committees that deal with investment recommendations. The specific goals and guidelines on the functioning of those committees are described on the committees' terms of reference.

Risk management

The main risks the Company faces from its financial instruments are (i) market risk (comprising interest rate risk, currency risk and price risk), (ii) liquidity risk and (iii) credit risk.

(i) Market risk

The fair value and future cash flows of a financial instrument held by the Company may fluctuate because of changes in market prices. This market risk comprises three elements – interest rate risk, currency risk and price risk.

Interest rate risk

Interest rate risk is the risk that interest rate movements will affect:

- the fair value of the investments in fixed interest rate securities;
- the level of income receivable on cash deposits;

Management of the risk

The possible effects on fair value and cash flows that could arise as a result of changes in interest rates are taken into account when making investment and borrowing decisions.

The Board reviews on a regular basis the values of the fixed interest rate securities.

The Board imposes borrowing limits to ensure gearing levels are appropriate to market conditions and reviews these on a regular basis. Borrowings comprise fixed rate facilities, which are used to finance opportunities at low rates. Current bank covenant guidelines state that the total borrowings will not exceed 40% of the adjusted net tangible assets of the Company.

Interest risk profile

The interest rate risk profile of the portfolio of financial assets and liabilities at the Statement of Financial Position date was as follows:

At 31 December 2015	Weighted average period for which rate is fixed Years	Weighted average interest rate %	Fixed rate £'000	Floating rate £'000	Non–interest bearing £'000
Assets					
Sterling	–	–	6,875	3,627	137,793
US Dollar	10.00	10.56	86,087	16	336,364
Other	9.47	8.13	72,757	1,005	633,245
Total assets			**165,719**	**4,648**	**1,107,402**
Liabilities					
Bank loans	2.36	2.41	(194,024)	–	–
Debenture Stock	–	–	(150)	–	–
Total liabilities			**(194,174)**	–	–

At 31 December 2014	Weighted average period for which rate is fixed Years	Weighted average interest rate %	Fixed rate £'000	Floating rate £'000	Non–interest bearing £'000
Assets					
Sterling	–	–	6,566	8,597	159,644
US Dollar	13.63	10.85	90,211	8,385	356,897
Other	10.25	8.30	85,859	784	709,155
Total assets			**182,636**	**17,766**	**1,225,696**
Liabilities					
Bank loans	2.12	2.57	(188,492)	–	–
Debenture Stock	–	–	(150)	–	–
Total liabilities			**(188,642)**	–	–

The weighted average interest rate is based on the current yield of each asset, weighted by its market value. The weighted average interest rate on bank loans is based on the interest rate payable, weighted by the total value of the loans. The maturity dates of the Company's loans are shown in note 13 to the financial statements.

The floating rate assets consist of cash deposits on call earning interest at prevailing market rates.

The non-interest bearing assets represent the equity element of the portfolio.

Short-term debtors and creditors have been excluded from the above tables.

Forward currency contracts are measured at fair value. Other financial liabilities are measured at amortised cost.

Interest rate sensitivity

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the Statement of Financial Position date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates. There is no interest rate risk exposure from derivative instruments.

If interest rates had been 100 basis points higher or lower (based on current parameter used by the Manager's

Investment Risk Department on risk assessment) and all other variables were held constant, the Company's:

- revenue return for the year ended 31 December 2015 would increase/decrease by £46,000 (2014 – increase/decrease by £177,000). This is mainly attributable to the Company's exposure to interest rates on its floating rate cash balances. These figures have been calculated based on cash positions at each year end.
- capital reserves would increase/decrease by £761,000 (2014 – increase/decrease by £1,632,000). This is also mainly attributable to the Company's exposure to interest rates on cash balances and its fixed interest portfolio. These figures have been calculated based on cash and fixed interest portfolio positions at each year end.

In the opinion of the Directors, the above sensitivity analyses are not representative of the year as a whole, since the level of exposure changes frequently as part of the interest rate risk management process used to meet the Company's objectives. The risk parameters used will also fluctuate depending on the current market perception.

Foreign currency risk

A significant proportion of the Company's investment portfolio is invested in overseas securities and the Statement of Financial Position can be significantly affected by movements in foreign exchange rates.

Management of the risk

It is not the Company's policy to hedge this risk on a continuing basis but the Company may, from time to time, match specific overseas investment with foreign currency borrowings. A proportion of the Company's borrowings, as detailed in note 13, is in foreign currency as at 31 December 2015. The Manager seeks, when deemed appropriate, to manage exposure to currency movements on borrowings by using forward foreign currency contracts as a hedge against potential foreign currency movements. At 31 December 2015 the Company had a forward foreign currency contract, details of which are disclosed on page 70. During the year a loss of £746,000 (2014 – loss of £5,983,000) was realised.

The revenue account is subject to currency fluctuation arising on overseas income. The Company does not hedge this currency risk.

Currency risk exposure

Currency risk exposure (excluding fixed interest securities, debentures and foreign exchange contracts due to the reason their being entered into is to mitigate foreign currency risk) by currency of denomination:

	31 December 2015			31 December 2014		
	UK and overseas equity investments £'000	Net monetary assets £'000	Total currency exposure £'000	UK and overseas equity investments £'000	Net monetary assets £'000	Total currency exposure £'000
US Dollar	336,364	16	336,380	356,897	6,635	363,532
Sterling	137,793	(181,373)	(43,580)	159,644	(126,403)	33,241
Swiss Franc	101,789	–	101,789	108,863	–	108,863
Taiwan Dollar	94,427	–	94,427	93,938	191	94,129
Euro	82,235	–	82,235	102,271	–	102,271
Swedish Krone	49,496	–	49,496	45,099	–	45,099
Japanese Yen	47,987	(9,024)	38,963	31,134	(53,492)	(22,358)
Indonesian Rupiah	47,220	–	47,220	46,760	–	46,760
Singapore Dollar	45,659	–	45,659	45,948	–	45,948
Malaysian Ringgit	43,583	–	43,583	48,184	–	48,184
Canadian Dollar	43,038	–	43,038	62,956	–	62,956
Mexican Peso	26,852	–	26,852	23,685	–	23,685
Australian Dollar	12,922	–	12,922	13,813	–	13,813
South African Rand	12,801	–	12,801	26,949	–	26,949
Hong Kong Dollar	12,448	–	12,448	13,695	–	13,695
Brazilian Real	8,489	1,004	9,493	37,127	593	37,720
Thailand Baht	4,299	–	4,299	8,733	–	8,733
Total	**1,107,402**	**(189,377)**	**918,025**	**1,225,696**	**(172,476)**	**1,053,220**

The asset allocation between specific markets can vary from time to time based on the Manager's opinion of the attractiveness of the individual markets.

Foreign currency sensitivity

The following table details the Company's sensitivity to a 10% decrease (in the context of a 10% increase the figures below should all be read as negative) in sterling against the major foreign currencies in which the Company has exposure (based on exposure >5% of total exposure and excludes foreign exchange contracts due to the reason their being entered into is to mitigate foreign currency risk). The sensitivity analysis includes foreign currency denominated monetary items and adjusts their translation at the year end for a 10% change in foreign currency rates.

	2015 Revenue £'000	2015 Capital[A] £'000	2014 Revenue £'000	2014 Capital[A] £'000
US Dollar	1,864	33,636	1,878	35,690
Swiss Franc	446	10,179	428	10,886
Euro	696	8,224	754	10,227
Taiwan Dollar	403	9,443	333	9,394
Canadian Dollar	n/a	n/a	134	6,296
Total	**3,409**	**61,482**	**3,527**	**72,493**

[A] Represents equity exposures to the relevant currencies.

Foreign exchange contracts

The following Japanese Yen forward contract was outstanding at the Statement of Financial Position date:

Date of contract	Settlement date	Amount JPY '000	Contracted rate	Unrealised gain at 31 December 2015 £'000
27 November 2015	7 March 2016	1,600,000	184.22	351

Date of contract	Settlement date	Amount JPY '000	Contracted rate	Unrealised loss at 31 December 2014 £'000
1 December 2014	6 March 2015	10,000,000	185.47	370

The fair value of forward foreign currency contracts is based on forward exchange rates at the Statement of Financial Position date.

Price risk

Other price risks (ie changes in market prices other than those arising from interest rate or currency risk) may affect the value of the quoted investments. The Company's stated objective is to achieve a total return greater than its benchmark by investing predominantly in equities worldwide.

Management of the risk

It is the Board's policy to hold an appropriate spread of investments in the portfolio in order to reduce the risk arising from factors specific to a particular country or sector. The allocation of assets to international markets and the stock selection process, as detailed on page 7, both act to reduce market risk. The Manager actively monitors market prices throughout the year and reports to the Board, which meets regularly in order to review investment strategy. The investments held by the Company are listed on various stock exchanges worldwide.

Price risk sensitivity

If market prices at the Statement of Financial Position date had been 10% higher or lower while all other variables remained constant, the return attributable to Ordinary shareholders for the year ended 31 December 2015 would have increased/decreased by £127,312,000 (2014 – increase/decrease of £140,833,000) and capital reserves would have increased/decreased by the same amount.

(ii) Liquidity risk

This is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities as they fall due in line with the maturity profile analysed below.

At 31 December 2015	Within 1 year £'000	Within 1-2 years £'000	Within 2-3 years £'000	Within 3-4 years £'000	Within 4-5 years £'000	More than 5 years £'000	Total £'000
Bank loans	24,024	60,000	60,000	–	50,000	–	194,024
Debenture Stock[A]	–	–	–	–	–	150	150
Interest cash flows on bank loans and Debenture Stock	4,140	3,458	2,025	1,255	629	205	11,712
Cash flows on other creditors	2,589	–	–	–	–	–	2,589
	30,753	**63,458**	**62,025**	**1,255**	**50,629**	**355**	**208,475**

[A] The Debenture Stock is perpetual and has therefore been disclosed as maturing after more than 5 years.

At 31 December 2014	Within 1 year £'000	Within 1-2 years £'000	Within 2-3 years £'000	Within 3-4 years £'000	Within 4-5 years £'000	More than 5 years £'000	Total £'000
Bank loans	44,933	23,559	60,000	60,000	–	–	188,492
Debenture Stock[A]	–	–	–	–	–	150	150
Interest cash flows on bank loans and Debenture Stock	3,438	3,156	2,212	776	6	211	9,799
Cash flow on forward currency contracts	370	–	–	–	–	–	370
Cash flows on other creditors	4,564	–	–	–	–	–	4,564
	53,305	**26,715**	**62,212**	**60,776**	**6**	**361**	**203,375**

[A] The Debenture Stock is perpetual and has therefore been disclosed as maturing after more than 5 years.

Management of the risk

Liquidity risk is not considered to be significant as the Company's assets comprise mainly readily realisable securities, which can be sold to meet funding commitments if necessary. Short-term flexibility is achieved through the use of loan and overdraft facilities (note 13).

(iii) Credit risk

This is failure of the counterparty to a transaction to discharge its obligations under that transaction that could result in the Company suffering a loss.

Management of the risk

- where the Manager makes an investment in a bond, corporate or otherwise, the credit ratings of the issuer are taken into account so as to manage the risk to the Company of default;
- investments in quoted bonds are made across a variety of industry sectors and geographic markets so as to avoid concentrations of credit risk;
- transactions involving derivatives are entered into only with investment banks, the credit rating of which is taken into account so as to minimise the risk to the Company of default;
- investment transactions are carried out with a number of brokers, whose credit-standing is reviewed periodically by the Manager, and limits are set on the amount that may be due from any one broker;
- the risk of counterparty exposure due to failed trades causing a loss to the Company is mitigated by the daily review of failed trade reports. In addition, both stock and cash reconciliations to the custodian's records are performed daily to ensure discrepancies are investigated in a timely manner. The Manager's Compliance department carries out periodic reviews of the custodian's operations and reports its finding to the Manager's Risk Management Committee;

• cash is held only with reputable banks with acceptable credit quality. It is the Manager's policy to trade only with A- and above (Long Term rated) and A-1/P-1 (Short Term rated) counterparties.

Credit risk exposure

In summary, compared to the amounts in the Statement of Financial Position, the maximum exposure to credit risk at 31 December 2015 was as follows:

	2015		2014	
	Balance Sheet £'000	Maximum exposure £'000	Balance Sheet £'000	Maximum exposure £'000
Non-current assets				
Securities at fair value through profit or loss	1,273,121	1,273,121	1,408,332	1,408,332
Current assets				
Current taxation	1,966	1,966	1,265	1,265
Deferred tax	891	891	–	–
Forwards	351	351	–	–
Other debtors	88	88	96	96
Accrued income	6,717	6,717	6,654	6,654
Cash and short term deposits	4,648	4,648	17,766	17,766
	1,287,782	**1,287,782**	**1,434,113**	**1,434,113**

None of the Company's financial assets is secured by collateral or other credit enhancements.

Fair values of financial assets and financial liabilities

The fair value of borrowings has been calculated at £195,754,000 as at 31 December 2015 (2014 – £190,821,000) compared to an accounts value in the financial statements of £194,174,000 (2014 – £188,642,000) (note 13). The fair value of each loan is determined by aggregating the expected future cash flows for that loan discounted at a rate comprising the borrower's margin plus an average of market rates applicable to loans of a similar period of time and currency. The carrying value of all other assets and liabilities is an approximation of fair value.

18. 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 shall have the following classifications:

Class A: quoted prices for identical instruments in active markets;

Class B: prices of recent transactions for identical instruments; and

Class C: valuation techniques using observable and unobservable market data.

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

As at 31 December 2015	Note	Class A £'000	Class B £'000	Class C Observable Inputs £'000	Class C Unobservable Inputs £'000	Total £'000
Financial assets at fair value through profit or loss						
Quoted equities	a)	1,107,402	–	–	–	1,107,402
Quoted preference shares	a)	6,875	–	–	–	6,875
Quoted bonds	b)	127,326	31,518	–	–	158,844
Foreign exchange forward contracts	c)	–	–	351	–	351
Total		1,241,603	31,518	351	–	1,273,472
Net fair value		**1,241,603**	**31,518**	**351**	**–**	**1,273,472**

As at 31 December 2014	Note	Class A £'000	Class B £'000	Class C Observable Inputs £'000	Class C Unobservable Inputs £'000	Total £'000
Financial assets at fair value through profit or loss						
Quoted equities	a)	1,225,696	–	–	–	1,225,696
Quoted preference shares	a)	6,566	–	–	–	6,566
Quoted bonds	b)	144,106	31,964	–	–	176,070
Total		1,376,368	31,964	–	–	1,408,332
Financial liabilities at fair value through profit or loss						
Foreign exchange forward contracts	c)	–	–	(370)	–	(370)
Net fair value		**1,376,368**	**31,964**	**(370)**	**–**	**1,407,962**

a) Quoted equities and preference shares

The fair value of the Company's investments in quoted equities and preference shares has been determined by reference to their quoted bid prices at the reporting date. Quoted equities and preference shares included in Fair Value Class A are actively traded on recognised stock exchanges.

b) Quoted bonds

The fair value of the Company's investments in quoted bonds has been determined by reference to their quoted bid prices at the reporting date. Bonds included in Fair Value Classes A and B include Government Bonds and Corporate Bonds. Investments categorised as Class B are not considered to trade in active markets.

c) Foreign exchange forward contracts

The fair value of the Company's investment in foreign exchange forward contracts has been determined in relation to models using observable market inputs and hence are categorised in Fair Value Class C – Observable inputs.

19. Capital management policies and procedures

The investment objective of the Company is to achieve a total return greater than its benchmark by investing predominantly in equities worldwide.

The capital of the Company consists of bank borrowings and equity, comprising issued capital, reserves and retained earnings. The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The Board monitors and reviews the broad structure of the Company's capital on an ongoing basis. This review includes :

- the planned level of gearing which takes into account the Investment Manager's views on the market;
- the level of equity shares in issue; and
- the extent to which revenue in excess of that which is required to be distributed should be retained.

The Company's objectives, policies and processes for managing capital are unchanged from the preceding accounting period.

Details of the Company's gearing facilities and financial covenants are detailed in note 13 of the financial statements.

20. Related party transactions

Directors' fees and interests

Fees payable during the year to the Directors and their interests in shares of the Company are disclosed within the Directors' Remuneration Report on page 41.

Management contract arrangements

Following a review, a restructuring of the management fee arrangements for the Company has been agreed between the Board and the Manager. The performance fee has been discontinued and the annual management fee will now be charged on net assets (ie excluding borrowings) on a tiered basis ("Net Assets").

Previously the base level of the annual management fee was set at 0.5% of net assets including borrowings for investment purposes. From 1 January 2016 onwards the annual fee will be charged at 0.575% of Net Assets up to £1,200 million, 0.5% of Net Assets between £1,200 million and £1,400 million, and 0.425% of Net Assets above £1,400 million.

The termination notice period of the management contract has also been reduced from 12 months to 6 months.

21. Transactions with the Manager

The Company has agreements with Aberdeen Fund Managers Limited ("AFML") for the provision of investment management, secretarial, accounting and administration and promotional activity services and remainder of this note should be read in the context of changes made to the management contract arrangements subsequent to the year end which are detailed in note 20 above.

The management fee for the period to 31 December 2015 was payable quarterly in arrears based on an annual amount of 0.5% of the value of total assets, less unlisted investments and all current liabilities excluding monies borrowed to finance the investment objectives of the Company, averaged over the six previous quarters. A fee of 1.5% per annum was chargeable on the value of unlisted investments. The investment management fee was chargeable 30% to revenue and 70% to capital, after deduction of the secretarial fee. During the year £7,027,000 (2014 – £7,217,000) of investment management fees were earned by the Manager, with a balance of £1,703,000 (2014 – £1,793,000) being payable to AFML at the year end.

Included within the charge of 0.5% above was a secretarial fee of £100,000 per annum which was chargeable 100% to revenue. During the year £100,000 (2014 – £100,000) of secretarial fees were earned by the Manager, with a balance of £25,000 (2014 – £25,000) being payable to AFML at the year end.

In addition the Manager was entitled to a performance fee on the following basis:

- a fee of 5% of the first 2% of any outperformance of the Company's net asset total return over that of its benchmark;

• a fee of 10% of any additional outperformance against the benchmark.

During the year £nil (2014 – £nil) performance fees were earned by the Manager.

The total amount of the fee earned by the Manager in any one year (comprising the basic management fee and performance fee) was capped at 0.8% of the average value of the Company's total assets less current liabilities. Any performance fee was payable in equal instalments over a four year period with any underperformance offset against the fee payable.

No fees have been charged in the case of investments managed or advised by the Aberdeen Asset Management Group. Up to 31 December 2015 the management agreement was terminable on the expiry of one year's written notice. On termination the Manager would be entitled to receive fees which would otherwise have been due up to that date.

The promotional activities fee was based on a current annual amount of £425,000, effective 1 October 2015, previously £500,000, payable quarterly in arrears. During the year £485,000 (2014 – £504,000) of fees were earned by the Manager, with a balance of £104,000 (2014 – £122,000) being payable to AFML at the year end.

Corporate Information

The Company's Manager is Aberdeen Asset Managers Limited, a subsidiary of Aberdeen Asset Management PLC, whose group companies as at 31 December 2015 had approximately £290.6bn of assets under management. It manages assets on behalf of a wide range of clients including 93 investment companies and other closed-ended funds, which had combined total assets of over £15.7bn.

Daito Trust Construction operates building construction and property leasing businesses. The Company plans and constructs private apartments and commercial buildings mainly for land owners throughout Japan.

Information about the Investment Manager

Aberdeen Asset Managers Limited

The Company's Manager is Aberdeen Asset Managers Limited, a subsidiary of Aberdeen Asset Management PLC, whose group companies as at 31 December 2015 had approximately £290.6bn of assets under management. It manages assets on behalf of a wide range of clients including 93 investment companies and other closed-ended funds, which had combined total assets of over £15.7bn.

The Manager has its headquarters in Aberdeen and invests globally, operating from over 37 offices in 25 different countries. Its investment teams are generally based in the markets or regions in which they invest; in the UK its main investment centres are in London and Edinburgh.

The Senior Investment Manager

Bruce Stout and the Global Equity Team

Bruce Stout and Aberdeen's Global Equity team are responsible for managing Murray International Trust PLC. The investment management team is responsible for the construction of global equity portfolios. Bruce Stout is a senior investment manager on the Global equities team. Bruce joined Aberdeen Asset Managers Limited (or acquired companies) in 1987 and has held a number of roles including investment manager on the emerging markets team.

The Investment Process, Philosophy and Style

Long term investment success demands a clear focus and a sound structure. The Manager has as its primary objective in managing Murray International Trust PLC the delivery of consistent outperformance against the benchmark based on the concept of seeking growth at a reasonable price. To achieve this, a disciplined investment process has been developed as detailed on page 7. However, to meet the different performance objectives mandated for specific funds, there is built-in flexibility. Key decisions are implemented consistently across all funds and portfolio risk limits are set and closely monitored. A continuous watch is kept over critical factors that influence investment decisions, so that when views change, action is taken swiftly and decisively to reposition portfolios.

Stock Selection

The investment management team, led by Bruce Stout, has responsibility for portfolio construction across all regional segments. Working closely with the relevant underlying desks in each case, portfolio construction is an interactive process. The Manager utilises a "Global Equity Buy List" which is constructed by each of the specialist country desks. This list contains all buy (and hold) recommendations for each desk, which are then used as the investment universe. If a stock no longer meets the criteria to be included on the Buy List, it is sold within 30 days. This process enables the investment manager to better reflect top down themes that emerge from the global equity strategy and investment themes meetings that take place monthly.

Risk Controls

Integral to the investment process is regular provision, by a specialised team, of performance and risk analysis data to ensure that funds are operated within the terms of their mandate. As well as market price risk inherent in all portfolio investment, Murray International Trust is also exposed to risk from movements in foreign exchange rates and changes in interest rates. Market price risk is managed by strict adherence to parameters set for portfolio construction. The foreign exchange risk involved may be hedged by the use of forward currency contracts. Interest rate risk lies with the portfolio holdings of fixed income securities and on-call deposits. A detailed risk profile of the Company is given in note 17 to the financial statements

Investor Information

AIFMD

The Company has appointed Aberdeen Fund Managers Limited as its alternative investment fund manager and BNY Mellon as its depositary under the AIFMD. 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 the website murray-intl.co.uk. The periodic disclosures required to be made by the AIFM under the AIFMD are set out on page 81.

Benchmark

The Company's benchmark is a composite index comprising 40% of the FTSE World UK Index and 60% of the FTSE World ex-UK Index.

Website

Further information on the Company can be found on its own dedicated website: murray-intl.co.uk. This allows web users to access information on the Company's share price performance, capital structure, stock exchange announcements and monthly reports.

Investor Warning

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

These callers do not work for Aberdeen and any third party making such offers has no link with Aberdeen. Aberdeen never makes these types of offers and does not 'cold-call' investors in this way. If investors have any doubt over the veracity of a caller, they should not offer any personal information, end the call and contact Aberdeen's investor services centre using the details provided below.

Dividend Tax Allowance

From April 2016 dividend tax credits will be replaced by an annual £5,000 tax-free allowance on dividend income across an individual's entire share portfolio. 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 continue to 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 total dividend income received to HMRC. It is the shareholder's responsibility to include all dividend income when calculating any tax liability.

Keeping You Informed

For internet users, detailed data on the Company, including price, performance information and a monthly fact sheet is available from the Trust's website (murray-intl.co.uk) and the TrustNet website (trustnet.co.uk). Alternatively you can call 0500 00 00 40 (free when dialling from a UK landline) for trust information.

If you have any questions about your Company, the Manager or performance, please telephone the AAM Customer Services Department (direct private investors) on 0500 00 00 40. Alternatively, internet users may email AAM at inv.trusts@aberdeen-asset.com or write to Aberdeen Investment Trusts, PO Box 11020, Chelmsford, Essex CM99 2DB.

Shareholder Enquiries

In the event of queries regarding their holdings of shares, lost certificates dividend payments, registered details, etc shareholders holding their shares in the Company directly should contact the registrars, Capita Asset Services at The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU or Tel: 0371 664 0300 Lines are open 8.30a.m. to 5.30 p.m. (London Time) Monday to Friday. Calls may be recorded and monitored randomly for security and training purposes.

Changes of address must be notified to the registrars in writing. Any general enquiries about the Company should be directed to the Company Secretary, Murray International Trust PLC, 40 Princes Street, Edinburgh EH2 2BY or by emailing investment.trust.company.secretarial@aberdeen-asset.com.

Direct

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

Aberdeen's Investment Plan for Children

Aberdeen 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%) on all purchases. Selling costs are £10 + VAT. There is no restriction on how long an investor need invest in the Children's Plan, and regular savers can stop or suspend participation by instructing AAM in writing at any time. In common with other schemes of this type, all investments are held in nominee accounts. Investors have full voting and other rights of share ownership.

Aberdeen's Investment Trust Share Plan

AAM 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%). 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 AAM in writing at any time. In common with other schemes of this type, all investments are held in nominee accounts. Investors have full voting and other rights of share ownership.

Stocks and Shares ISA

An investment of up to £15,240 can be made in the tax year 2015/2016.

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

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

Pre-investment Disclosure Document (PIDD)

The AIFMD requires Aberdeen Fund Managers Limited, as the alternative investment fund manager of Murray International Trust PLC, to make available to investors certain information prior to such investors' investment in the Company. The Company's PIDD is available for viewing at

www.murray-intl.co.uk/en/itmurrayinternational/literature

Literature Request Service

For literature and application forms for the Company and the Aberdeen Group's investment trust products, please contact:

Telephone: 0500 00 40 00
Email: aam@lit-request.com

For information on the Investment Plan for Children, Share Plan, ISA or ISA Transfer please contact:

Aberdeen Investment Trust Administration

PO Box 11020
Chelmsford
Essex, CM99 2DB
Telephone: 0500 00 00 40
(free when dialling from a UK landline)

Terms and conditions for the AAM managed savings products can also be found under the literature section of invtrusts.co.uk

Online Dealing details

Investor information

There are a number of other ways in which you can buy and hold shares in this investment company.

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 You Invest
Alliance Trust Savings
Barclays Stockbrokers
Charles Stanley Direct
Halifax Share Dealing
Hargreave Hale
Idealing
Selftrade
The Share Centre
Stocktrade
Hargreaves Lansdown
TD Direct
Interactive Investor

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

Investor Information continued

investments. To find a private client stockbroker visit the Wealth Management Association at thewma.co.uk

Independent Financial Advisers

To find an adviser who recommends 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 www.fca.org.uk/firms/systems-reporting/register/search
Email: register@fca.org.uk

Suitable for Retail/NMPI Status

The Company's securities are intended for investors primarily in the UK (including retail investors), professional-advised private clients and institutional investors who are wanting to benefit from the growth prospects of global companies by investment in a relatively risk averse investment trust 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 so that its securities can be recommended by a financial adviser to ordinary retail investors in accordance with the Financial Conduct Authority's (FCA) rules in relation to non-mainstream pooled investments (NMPIs) and intends to continue to do so for the foreseeable future.

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

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 78 to 80 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 Fund Managers Limited which is authorised and regulated by the Financial Conduct Authority

AIFMD Disclosures (unaudited)

Aberdeen and the Company are required to make certain disclosures available to investors in accordance with the Alternative Investment Fund Managers Directive ('AIFMD'). Those disclosures that are required to be made pre-investment are included within a pre-investment disclosure document ('PIDD') which can be found on the Company's website murray-intl.co.uk. There have been no material changes to the disclosures contained within the PIDD since first publication in 2014.

The periodic disclosures as required under the AIFMD to investors are made below:

- Information on the investment strategy, geographic and sector investment focus and principal stock exposures are included in the Strategic Report.
- None of the Company's assets are subject to special arrangements arising from their illiquid nature.
- The Strategic Report, note 17 to the Financial Statements and the PIDD together set out the risk profile and risk management systems in place. There have been no changes to the risk management systems in place in the period under review and no breaches of any of the risk limits set, with no breach expected.
- There are no new arrangements for managing the liquidity of the Company or any material changes to the liquidity management systems and procedures employed by AFML.
- all authorised Alternative Investment Fund Managers are required to comply with the AIFMD Remuneration Code. In accordance with the Remuneration Code, the AIFM's remuneration policy is available from the Company Secretaries, Aberdeen Asset Management PLC on request (see contact details on page 87) and the remuneration disclosures in respect of the AIFM's reporting period for the year ended 30 September 2015 are available on the Company's website.

Leverage

The table below sets out the current maximum permitted limit and actual level of leverage for the Company:

	Gross method	Commitment method
Maximum level of leverage	**2.50:1**	**2.00:1**
Actual level at 31 December 2015	1.18:1	1.18:1

There have been no breaches of the maximum level during the period and no changes to the maximum level of leverage employed by the Company. There is no right of re-use of collateral or any guarantees granted under the leveraging arrangement. Changes to the information contained either within this Annual Report or the PIDD in relation to any special arrangements in place, the maximum level of leverage which AFML may employ on behalf of the Company; the right of use of collateral or any guarantee granted under any leveraging arrangement; or any change to the position in relation to any discharge of liability by the Depositary will be notified via a regulatory news service without undue delay in accordance with the AIFMD.

The above information above 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 Fund Managers Limited which is authorised and regulated by the Financial Conduct Authority

Glossary of Terms and Definitions

AFML	Aberdeen Fund Managers Limited is a wholly owned subsidiary of Aberdeen Asset Management PLC and acts as the Alternative Investment Fund Manager for the Company. AFML is authorised and regulated by the Financial Conduct Authority.
AAM	Aberdeen Asset Managers Limited has been delegated responsibility for day to day management. AAM is authorised and regulated by the Financial Conduct Authority.
AIC	The Association of Investment Companies - the AIC is the trade body for closed-ended investment companies (theaic.co.uk).
AIFMD	The Alternative Investment Fund Managers Directive - The AIFMD is European legislation which created a European-wide framework for regulating managers of 'alternative investment funds' (AIFs). It is designed to regulate any fund which is not a UCITS fund and which is managed and/or marketed in the EU. The Company has been designated as an AIF.
Benchmark	The Company's benchmark is a composite index comprising 40% of the FTSE World UK Index and 60% of the FTSE World ex-UK Index.
B Ordinary shares	B Ordinary shares carry the same rights as the Ordinary shares. The difference is that B Ordinary shareholders receive their dividends by means of a capitalisation issue as opposed to a cash dividend. With effect from the payment of the final dividend in 2007, the capitalisation issue received by B Ordinary shareholders has been made every time a dividend is paid on the Ordinary shares. B Ordinary shareholders also have the right to convert their shares into Ordinary shares once a year. More details regarding this are shown on page 86. There are significantly fewer B Ordinary shares in issue compared to the number of Ordinary shares in issue (lower liquidity). This can result in significantly less trading in the B Ordinary shares on the Stock Exchange resulting in situations where the price of the B Ordinary shares may vary materially from that of the Ordinary shares and therefore the discount or premium can be out of line with that of the Ordinary shares. **B Ordinary shareholders' attention is drawn to the Circular accompanying this Annual Report containing proposals for a final conversion opportunity for B Ordinary shareholders in 2016.**
Discount	The amount by which the market price per share of an investment trust is lower than the NAV per share. The discount is normally expressed as a percentage of the NAV per share.
Disclosure and Transparency Rules or DTRs	The DTRs contain requirements for publishing and distributing annual financial reports, half-yearly financial reports and other regulatory statements, and are applicable to investment companies which are listed on the main market of the London Stock Exchange.
Dividend Cover	Revenue return per share divided by dividends per share expressed as a ratio.
Dividend Entitlements	The Ordinary shares carry the right to receive the revenue profits (including accumulated revenue reserves) of the Company available for distribution as dividend and determined to be distributed by way of interim and/or final dividend and at such times as the Directors may determine. At the same time as any interim or final dividend is declared on the Ordinary shares the Directors shall resolve to capitalise an aggregate sum which shall be applied in paying up in full at par unissued B Ordinary shares in the Company and that such B Ordinary shares shall be allotted and distributed credited as fully paid up.
Financial Conduct Authority or FCA	The FCA issues the Listing Rules and is responsible for the regulation of AFML.

Investment Manager or Manager	The Company's Alternative Investment Fund Manager is Aberdeen Fund Managers Limited ("AFML") which is authorised and regulated by the Financial Conduct Authority Day to day management of the portfolio is delegated to Aberdeen Asset Managers Limited ("AAM"). AAM and AFML are collectively referred to as the "Investment Manager" or the "Manager".
Listing Rules	The FCA's Listing Rules are a set of regulations that are applicable to all companies that are listed on the London Stock Exchange.
Net Asset Value or NAV	The value of total assets less liabilities. Liabilities for this purpose includes current and long-term liabilities. The NAV divided by the number of shares in issue produces the NAV per share.
Net Gearing/(Cash)	Net gearing/(cash) is calculated by dividing total assets (as defined below) less cash or cash equivalents by shareholders' funds expressed as a percentage.
Ongoing Charges	Ratio of expenses as percentage of average daily shareholders' funds calculated as per the AIC's industry standard method
PIDD	Pre-Investment Disclosure Document. Aberdeen and the Company are required to make certain disclosures available to investors in accordance with the AIFMD. Those disclosures that are required to be made pre-investment are included within a pre-investment disclosure document ('PIDD'), a copy of which can be found on the Company's website.
Premium	The amount by which the market price per share of an investment trust exceeds the NAV per share. The premium is normally expressed as a percentage of the NAV per share.
Prior Charges	The name given to all borrowings including debentures, long term loans and short term loans and overdrafts that are to be used for investment purposes, reciprocal foreign currency loans, currency facilities to the extent that they are drawn down, index-linked securities, and all types of preference or preferred capital and the income shares of split capital trusts, irrespective of the time until repayment.
Total assets	The total assets less current liabilities as shown on the Balance Sheet with the addition of Prior Charges (as defined above).
Total Return	Total Return involves reinvesting the net dividend in the month that the share price goes xd. The NAV Total Return involves investing the same net dividend in the NAV of the Company on the date to which that dividend was earned, eg quarter end, half year or year end date.
UCITS	UCITS stands for Undertakings for Collective Investments in Transferable Securities and relates to mutual funds located in the European Union.
Voting Rights	In accordance with the Articles of Association of the Company, on a show of hands, every member (or duly appointed proxy) present at a general meeting of the Company has one vote; and, on a poll, every member present in person or by proxy shall have 89 votes for every 25p nominal amount of Ordinary or B Ordinary shares held.
Winding-Up Entitlements	On a winding up of the Company, any surplus assets available after payment of all debts and satisfaction of all liabilities of the Company shall be applied in repaying the Ordinary and B Ordinary shareholders the amounts paid up on such shares. Any surplus shall be divided among the holders of Ordinary and B Ordinary shares pari passu according to the amount paid up on such shares respectively.

Your Company's Recent Share Capital History

Issued Share Capital at 31 December 2015

127,601,952	Ordinary shares of 25p each
910,364	B Ordinary shares of 25p each

B Ordinary Share Capitalisation Issues

Year ended 31 December 2010	37,252 B Ordinary shares issued by way of capitalisation in lieu of 3rd interim, final, 1st and 2nd interim dividends
Year ended 31 December 2011	34,772 B Ordinary shares issued by way of capitalisation in lieu of 3rd interim, final, 1st and 2nd interim dividends
Year ended 31 December 2012	39,036 B Ordinary shares issued by way of capitalisation in lieu of 3rd interim, final, 1st and 2nd interim dividends
Year ended 31 December 2013	38,101 B Ordinary shares issued by way of capitalisation in lieu of 3rd interim, final, 1st and 2nd interim dividends
Year ended 31 December 2014	42,624 B Ordinary shares issued by way of capitalisation in lieu of 3rd interim, final, 1st and 2nd interim dividends
Year ended 31 December 2015	45,352 B Ordinary shares issued by way of capitalisation in lieu of 3rd interim, final, 1st and 2nd interim dividends

B Ordinary Share Conversions

30 June 2010	290,732 Ordinary shares issued following the conversion of B Ordinary shares
30 June 2011	1,997 Ordinary shares issued following the conversion of B Ordinary shares
30 June 2012	5,726 Ordinary shares issued following the conversion of B Ordinary shares
30 June 2013	2,465 Ordinary shares issued following the conversion of B Ordinary shares
30 June 2014	3,194 Ordinary shares issued following the conversion of B Ordinary shares
30 June 2015	110,051 Ordinary shares issued following the conversion of B Ordinary shares

New Ordinary Share Issuance

Year ended 31 December 2010	7,975,500 Ordinary shares issued for cash
Year ended 31 December 2011	7,966,775 Ordinary shares issued for cash
Year ended 31 December 2012	10,145,888 Ordinary shares issued for cash
Year ended 31 December 2013	3,840,500 Ordinary shares issued for cash
Year ended 31 December 2014	2,232,500 Ordinary shares issued for cash
Year ended 31 December 2015	130,000 Ordinary shares issued for cash

General

Shareholder Information

Stock Exchange Codes

Class of security	SEDOL	ISIN
Ordinary shares of 25p each	0611190	GB0006111909
B Ordinary shares of 25p each	0611208	GB0006112089

Annual General Meeting

The Annual General Meeting will be held on 26 April 2016 at 12.30 p.m. at the Mermaid Conference Centre, Puddle Dock, Blackfriars, London EC4V 3DB.

Market prices of allotted capital at 6 April 1965

41/2% Cumulative Preference shares of £1	62.5p
Ordinary shares of 25p (adjusted for scrip issue)	18.965p
31/4% Debenture stock 1967 or after	£46.50

Market prices of allotted capital at 31 March 1982

41/2% Cumulative Preference shares of £1	32p
Ordinary shares of 25p (adjusted for 1 for 2 scrip issue in April 1983)	54.5p
B Ordinary shares of 25p (adjusted for 1 for 2 scrip issue in April 1983)	53.5p
31/4% Debenture stock 1967 or after	£22.50

Electronic Communications

The Directors are keen to encourage the use of electronic communications. Any shareholders wishing to receive future communications from the Company electronically should contact Capita Asset Services at The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU or Tel: 0371 664 0300 (lines are open 8.30am-5.30pm Mon-Fri).

Annual Conversion Opportunity for B Ordinary Shares

B Ordinary shares may be converted into Ordinary shares of the Company on 30 June in each year, by return of the B Ordinary share certificates, duly completed on the reverse no later than 23 June and no earlier than 26 May in any year, to the Company's registrar, Capita Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU. Uncertificated shareholders will require to give a stock withdrawal instruction, and advise the Company's registrar, Capita Asset Services, of the request to convert, no less than one week and no more than five weeks prior to the relevant conversion date.

B Ordinary shareholders' attention is drawn to the Circular accompanying this Annual Report containing proposals for a final conversion opportunity for B Ordinary shareholders in 2016.

History

Murray International Trust PLC started its life in 1907 as The Scottish Western Investment Company Limited. The Scottish Western of the early days was very highly geared but it was mainly invested in bonds, though the international spread resembled today's, with countries such as Argentina, China, Japan, Canada and many others appearing in the portfolio. Although the range of currencies was much smaller, multi currency or even gold-backed bonds were commonplace, as many of the era's bond certificates show. The big move into equities came after the 1930s slump, when bond defaults forced the purchase of higher yielding equities to fund the costs of the Company's gearing. The Managers were not slow to spot an opportunity, but it started as Hobson's choice, and was only later hailed as brilliant foresight.

In 1929 just under 20% of the assets were in equities, in 1940 38%, in 1948 51% of the assets, which were still only £2.65 million. After deducting the preference shares (which were repaid in 1999) and debentures, the Company was effectively over 100% geared into equities by the start of the great post war boom. After a number of amalgamations, the Company emerged as a generalist investment trust. However, there was an excess of trusts with a similar broad remit, so towards the end of the 1970s the Board defined the investment brief more narrowly as the achievement of growth in income and capital through a well diversified portfolio. Symbolised by the name change from Murray Western to Murray International Trust PLC in 1984, the focus has since been on a relatively high yielding portfolio of equities in a well diversified mix of world markets.

In 2008 the Board circulated to all shareholders a short booklet to commemorate the centenary of the incorporation of the Company on 18 December 1907. Further copies are available on the website www.murray-intl.co.uk/en/itmurrayinternational/literature or from the Company Secretary.

Shareholder Information

Income and Corporation Taxes Act 1988 Section 251(2)

The share prices for tax purposes to be placed on B Ordinary shares issued in lieu of cash dividends are:

11 April 1980	50.5p	27 May 1997	448.0p	15 May 2009	582.5p	16 August 2013	1265.0p
09 April 1981	77.5p	22 May 1998	502.0p	14 August 2009	617.5p	15 November 2013	1292.5p
16 April 1982	74.5p	26 May 1999	439.9p	13 November 2009	697.5p	18 February 2014	1355.0p
08 April 1983	82.5p	22 May 2000	490.0p	16 February 2010	684.0p	16 May 2014	1395.0p
06 April 1984	85.2p	25 May 2001	469.5p	14 May 2010	742.0p	15 August 2014	1425.0p
26 April 1985	112.5p	24 May 2002	427.5p	16 August 2010	756.0p	17 November 2014	1320.0p
02 May 1986	162.5p	23 May 2003	297.5p	15 November 2010	777.0p	18 February 2015	1050.0p
02 May 1987	182.5p	21 May 2004	340.0p	17 February 2011	850.0p	15 May 2015	1025.0p
03 June 1988	162.5p	20 May 2005	420.0p	16 May 2011	886.0p	17 August 2015	825.0p
02 June 1989	213.5p	19 May 2006	580.0p	16 August 2011	849.0p	17 November 2015	725.0p
25 June 1990	235.5p	14 August 2007	644.0p	15 November 2011	884.0p	18 February 2016	725.0p
31 May 1991	217.5p	15 November 2007	675.5p	17 February 2012	975.0p		
29 May 1992	232.5p	14 February 2008	712.0p	16 May 2012	898.5p		
28 May 1993	282.5p	16 May 2008	730.0p	16 August 2012	1010.5p		
31 May 1994	328.5p	14 August 2008	677.5p	15 November 2012	1025.0p		
31 May 1995	343.5p	14 November 2008	537.5p	18 February 2013	1162.5p		
28 May 1996	415.5p	16 February 2009	555.0p	16 May 2013	1262.5p		

Capitalisation of B Ordinary Shares

UK resident individuals who receive further B Ordinary shares by way of capitalisation of dividends pursuant to the Articles will be treated as receiving gross income of an amount that, when reduced by income tax at the dividend ordinary rate (10 per cent) is equal to the market value of the B Ordinary shares received. Basic rate taxpayers will not require to pay further income tax. Those paying tax at the higher rate or additional rate will be liable to pay income tax at their marginal rate as if the market value of the B Ordinary shares were a cash dividend.

B Ordinary shareholders' attention is drawn to the Circular accompanying this Annual Report containing proposals for a final conversion opportunity for B Ordinary shareholders in 2016.

Financial Calendar

26 April 2016	Annual General Meeting at the Mermaid Conference Centre, London at 12.30 p.m.
18 May 2016	Payment of proposed final dividend for 2015 (15.0p)
August 2016	Half yearly results announced
17 August 2016	Payment of first interim dividend
17 November 2016	Payment of second interim dividend
18 February 2017	Payment of third interim dividend

General

Contact Addresses

Directors

K J Carter (Chairman)
Lady Balfour of Burleigh CBE (Senior Independent Director)
J D Best
M Campbell
P W Dunscombe
D Hardie

Secretaries and Registered Office

Aberdeen Asset Management PLC
40 Princes Street
Edinburgh
EH2 2BY

Registered in Scotland as an investment company
Company Number SC006705

Manager

Aberdeen Asset Managers Limited
Customer Services Department: 0500 00 00 40 (free when dialling from a UK landline)

AIFM

Aberdeen Fund Managers Limited

Registrars

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

Tel: 0831 664 0300
(lines are open 8.30am-5.30pm Mon-Fri)
Tel International: (+44 208 639 3399)
e-mail shareholderenquiries@capita.co.uk
website www.capitaassetservices.com

Depositary

BNY Mellon Trust & Depositary (UK) Limited
BNY Mellon Centre
160 Queen Victoria Street
London
EC4V 4LA

Auditor

Ernst & Young LLP or EY

Trustee of the Debenture Stockholders

Bank of Scotland plc

Broker

Stifel Nicolaus Europe Limited (formerly Oriel Securities)

Website

murray-intl.co.uk

United States Internal Revenue Service FATCA Registration Number (GIIN)

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Points of Contact

The Chairman, the Senior Independent Director and the Company Secretary at the registered office of the Company

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www.fsc.org
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