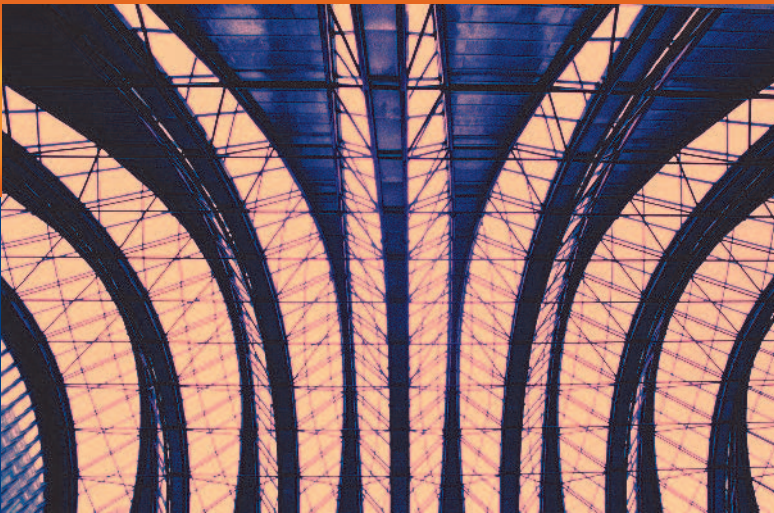


05

Murray Income Trust PLC

Interim Report

Six months ended 31 December 2005



Aberdeen

Objective

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

Key Facts

As at 31 December 2005

	31 December 2005	31 December 2004 (restated)*	30 June 2005 (restated)*
Total assets	£463,730,000	£402,878,000	£417,563,000
Equity Shareholders' interests	£440,730,000	£382,878,000	£401,563,000
Net Asset Value per Ordinary share	664.0p	556.8p	598.8p
Share price of Ordinary share	610.5p	496.3p	545.5p
Discount to Net Asset Value on Ordinary shares	8.1%	10.9%	8.9%

* Restated to reflect the changes in accounting policies (see note 1).

Performance	Six months to 31 December 2005	Six months to 31 December 2004	Year to 30 June 2005
Net Asset Value total return per Ordinary share	13.2%	13.2%	23.6%
Share price total return per Ordinary share	13.9%	15.1%	28.7%
FTSE All-Share Index	12.8%	9.7%	18.7%

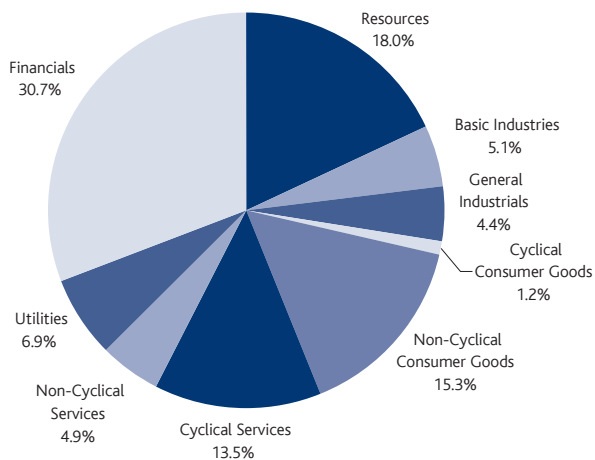
Financial Calendar

13 April 2006	Second interim dividend payable
14 July 2006	Third interim dividend payable
September 2006	Announcement of results for the year ending 30 June 2006
September 2006	Annual Report posted to Shareholders
October 2006	Annual General Meeting
October 2006	Final dividend payable for the year ended 30 June 2006
February 2007	Announcement of Interim Results
March 2007	Interim report posted to Shareholders

Total Equity Distribution

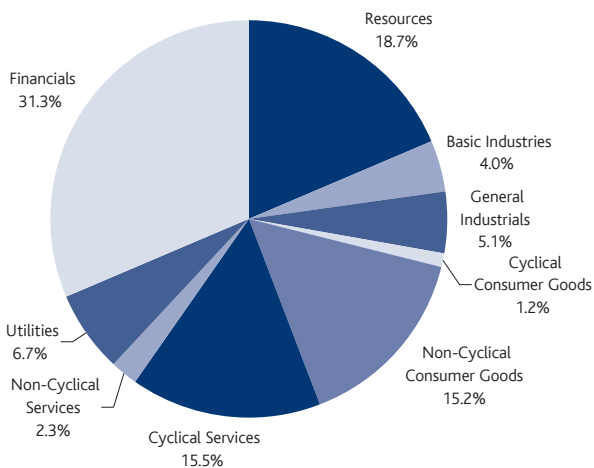
Distribution of Investments

As at 31 December 2005



Distribution of Investments

As at 30 June 2005



Interim Review

Performance

The six months to 31 December 2005 was another good period for the UK stock market, with the Net Asset Value Total Return for the Company rising 13.2%. This compares favourably against the benchmark, the FTSE All-Share Index, which rose by 12.8%.

Background

The market continued to push higher during the first six months of the Company's financial year against a backdrop of muted economic growth.

Responding to slowing economic activity, the Monetary Policy Committee of the Bank of England decided in August to cut UK base rates from 4.75% to 4.5%. Despite this move, however, the UK economy weakened further during the second half of 2005 as lower house price inflation and gently rising unemployment took their toll on consumer confidence and expenditure. For 2005 as a whole the economy grew at 1.7%, the lowest pace of growth for ten years.

To compound matters, the lacklustre performance of the economy was accompanied by a year on year rise in the Consumer Price Index by 2.5% in September. This figure was well above the Bank of England's inflation target and represented a ten year high for the CPI. When viewed in this light, it is perhaps understandable why interest rates were not cut further in the face of weakening economic activity.

When this sluggish economic background is considered alongside certain other unexpected events, such as the terrible terrorist incidents in London during July, devastating hurricanes in the United States, and the ongoing rise in commodity prices, the market's performance during the period seems all the more impressive.

This can largely be put down to events at the individual company level, where respectable profit growth and corporate activity have been very much in evidence. Indeed, the latter has been a key theme over the past eighteen months and shows little sign of slowing. Since July, Deutsche Post has bought the logistics company, Exel; Saint Gobain of France bought the plasterboard manufacturer, BPB; and Spain's Telefonica bought the mobile phone operator O2. There has been consolidation in the house-building sector; P&O was the subject of a takeover battle which was subsequently won by DPW; and Hilton Group sold its hotel business to Hilton Corp. of the United States. There was also strong takeover speculation surrounding numerous other companies including Scottish Power, Centrica and BOC.

Activity

During the six months a number of new positions were introduced to the portfolio. An initial stake was taken in William Morrison Supermarkets. The company's problems are well documented post the acquisition of Safeway, but the Manager believes the shares are well supported by solid asset backing and offer an attractive risk/reward trade-off. A holding in BAA was also purchased, which offers an attractive yield and steady dividend growth.

The pub operator Mitchells & Butlers and life insurer Resolution were added to the portfolio. The former is regarded as one of the best operators in its sector since its de-merger from Six Continents in April 2003. Again, the business has solid asset backing and financial flexibility to undertake earnings-enhancing acquisitions or share buy-backs. Resolution is the holding company for the Britannic group of companies. While the shares have performed well, the Manager believes consolidation of closed life funds is in its infancy and Resolution will be a major beneficiary of this trend. Additionally, management has committed to dividend growth of at least 11% per annum over the next few years.

A holding in HMV was introduced and while the shares have not yet performed as expected, recent private equity interest in the company has highlighted potential value in the shares.

Bunzl and Smiths Industries were sold during the period due to stretched valuations. Proceeds from the sale of HBOS were redistributed across the remaining holdings in the banking sector that offer, in our view, more compelling long term investments and Boots was sold due to a lack of growth opportunities for the business. Pleasingly, a substantial profit was booked on the sale of P&O following a bid approach for the company.

In recognition of the strong gains in the market and the backdrop of slowing economic growth, it was felt prudent to introduce an element of protection into the portfolio. This was done through the purchase of a 12 month put option which will increase in value should the market decline. Although the position is small it will protect around 16% of the portfolio in the event of a significant market correction.

Financial Statements for the six months ended 31 December 2005

Rather than adopting International Financial Reporting Standards ("IFRS"), the Board has decided to continue to adopt UK Generally Accepted Accounting Principles ("UK GAAP") and therefore to comply with the new Financial Reporting Standards issued as part of the programme to converge UK GAAP with IFRS. Figures for the 6 months ended 31 December 2004 and the year ended 30 June 2005 have been restated accordingly. Full details of the changes are provided in the Supplementary Information at the end of the Financial Statements.

Gearing

At the end of the interim period the Company's gearing stood at 5%, broadly unchanged from the level at the end of the last financial year.

Dividend

A first interim dividend of 4.7p was paid on 18 January 2006 to Shareholders on the register at close of business on 14 December 2005. A second interim dividend of 4.7p will be paid on 13 April 2006 to Shareholders on the register as at the close of business on 17 March 2006. The third interim dividend of 4.7p will be paid on 14 July 2006 to Shareholders on the register as at the close of business on 16 June 2006.

The interim dividends show an increase of 4.4% on those paid during the last financial year and, as the key reporting season for UK companies approaches, the outlook for dividend growth remains solid.

Treasury Shares

At the Annual General Meeting in October 2005, shareholders approved the authority for the company to hold shares bought back as Treasury shares rather than cancel them immediately. As of 27 February 2006 the number of ordinary shares bought back and held in Treasury was 230,000. To date, no shares have been reissued from treasury.

Outlook

The outlook for the economy is mixed. Unemployment continues to trend up, but thankfully CPI inflation has fallen back to 2% and should ensure UK base rates remain around current levels for the foreseeable future. There are also signs that the housing market has stabilised with the prospect for modest low to mid-single digit house price inflation this year. If this transpires, it is likely that the worst of the UK consumer's retrenchment is over and economic growth should improve slightly on last year's out-turn.

Since the market's lows in March 2003, we have enjoyed a period of strong profit growth, which in recent months has been especially impressive in light of rising input costs. While most companies have, thus far, been successful in absorbing those costs, we are now seeing evidence that the ongoing rise in the price of oil and other commodities is beginning to impact corporate profitability. As a result, we expect company earnings to grow more slowly in the coming year.

After healthy gains in the second half of 2005 and a good start to 2006, a period of consolidation in the market seems likely. The market remains reasonably well underpinned, however, by low absolute levels of interest rates and the corporate activity that such rates help to facilitate.

By order of the Board
Aberdeen Asset Management PLC
Secretary

28 February 2006

Summary of Investment Changes

For the six months ended 31 December 2005

	Valuation 30 June 2005		Transactions	Appreciation	Valuation 31 December 2005	
	£'000	%	£'000	£'000	£'000	%
Equities						
United Kingdom	417,552	100.0	(624)	45,525	462,453	99.7
Total investments	417,552	100.0	(624)	45,525	462,453	99.7
Net current assets	11	-	1,266	-	1,277	0.3
Total assets	417,563	100.0	642	45,525	463,730	100.0

Note: Opening positions have been restated to reflect change in accounting policies.

Summary of Net Assets

As at 31 December 2005

	Valuation 31 December 2005	
	£'000	%
Equities	462,453	104.9
Net current assets	1,277	0.3
Borrowings	(23,000)	(5.2)
Equity Shareholders' interest	440,730	100.0

Share Capital

As at 31 December 2005

Ordinary shares of 25p each	66,371,458
Treasury shares of 25p each	45,000

Twenty Largest Investments

As at 31 December 2005

Investment	Sector	Valuation £'000	Total assets %
Royal Dutch Shell	Oil & Gas	31,712	6.8
BP Amoco	Oil & Gas	29,248	6.3
HSBC Holdings	Banks	25,424	5.5
Barclays	Banks	20,242	4.4
Royal Bank of Scotland Group	Banks	19,375	4.2
GlaxoSmithKline	Pharmaceuticals	17,799	3.8
British American Tobacco	Tobacco	14,895	3.2
Aviva	Life Assurance	14,558	3.1
Anglo American	Mining	12,884	2.8
Diageo	Beverages	12,638	2.7
Lloyds TSB Group	Banks	12,359	2.7
Slough Estates	Real Estate	11,910	2.6
Centrica	Utilities – Other	11,033	2.4
Rio Tinto	Mining	9,558	2.1
BOC Group	Chemicals	8,923	1.9
BBA Group	Engineering & Machinery	8,790	1.9
BT Group	Telecommunication Services	8,705	1.9
Vodafone Group	Telecommunication Services	8,660	1.9
Unilever	Food Producers & Processors	8,534	1.8
Scottish Power	Electricity	8,098	1.7
Top twenty investments		295,345	63.7

Income Statement

(formerly the Statement of Total Return)

Six months ended
31 December 2005
(unaudited)

	Notes	Revenue £'000	Capital £'000	Total £'000
Gains on investments		–	45,525	45,525
Investment income		6,662	–	6,662
Other income		54	–	54
Investment management fees		(672)	(672)	(1,344)
Other expenses		(433)	–	(433)
Net return before finance costs and taxation		5,611	44,853	50,464
Finance costs of borrowings		(279)	(278)	(557)
Return attributable to equity Shareholders		5,332	44,575	49,907
Return per Ordinary share (pence)		8.0	67.1	75.1

The total column of this statement represents the profit and loss of the Company.

The financial statements have been restated to reflect the change to accounting policies as set out in the accompanying notes.

All items in the above statement derive from continuing operations.

Ordinary dividends on equity shares (£'000)	3	6,881	–	6,881
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Six months ended 31 December 2004 (unaudited) (restated)			Year ended 30 June 2005 (audited) (restated)		
Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
–	40,197	40,197	–	66,145	66,145
6,329	–	6,329	16,333	–	16,333
98	–	98	200	–	200
(634)	(634)	(1,268)	(1,287)	(1,287)	(2,574)
(404)	–	(404)	(881)	–	(881)
5,389	39,563	44,952	14,365	64,858	79,223
(342)	(342)	(684)	(654)	(654)	(1,308)
5,047	39,221	44,268	13,711	64,204	77,915
7.3	56.9	64.2	20.0	93.7	113.7
6,366	–	6,366	12,473	–	12,473

Balance Sheet

Notes	As at 31 December 2005 (unaudited) £'000	As at 31 December 2004 (unaudited) (restated) £'000	As at 30 June 2005 (audited) (restated) £'000
Fixed assets			
Investments designated as held-at-fair-value	462,453	401,942	417,552
Current assets			
Debtors	1,162	959	1,455
Cash	3,639	3,399	2,700
	4,801	4,358	4,155
Creditors: amounts falling due within one year	(3,524)	(3,422)	(4,144)
Net current assets	1,277	936	11
Total assets less current liabilities	463,730	402,878	417,563
Creditors: amounts falling due after more than one year			
Bank loan	(23,000)	(20,000)	(16,000)
Net assets	440,730	382,878	401,563
Capital and reserves			
Called-up share capital	16,593	17,192	16,765
Share premium account	7,955	7,955	7,955
Capital redemption reserve	5,008	4,410	4,836
Capital reserve – realised	272,528	266,093	262,455
Capital reserve – unrealised	123,364	72,954	92,721
Revenue reserve	15,282	14,274	16,831
Equity Shareholders' funds	440,730	382,878	401,563
Net asset value per Ordinary share (pence)	664.0	556.8	598.8

The financial statements have been restated to reflect the change to accounting policies as set out in the accompanying notes.

Reconciliation of Movements in Shareholders' Funds

Six months ended 31 December 2005

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve –realised £'000	Capital reserve –unrealised £'000	Revenue reserve £'000	Total £'000
Balance at 30 June 2005 (restated)	16,765	7,955	4,836	262,455	92,721	16,831	401,563
Repurchase of shares	(172)	–	172	(3,859)	–	–	(3,859)
Net return on ordinary activities after taxation	–	–	–	13,932	30,643	5,332	49,907
Dividends paid	–	–	–	–	–	(6,881)	(6,881)
Balance at 31 December 2005	16,593	7,955	5,008	272,528	123,364	15,282	440,730

Six months ended 31 December 2004

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve –realised £'000	Capital reserve –unrealised £'000	Revenue reserve £'000	Total £'000
Balance at 30 June 2004 (restated)	17,391	7,955	4,210	262,238	41,050	15,593	348,437
Repurchase of shares	(199)	–	200	(3,461)	–	–	(3,460)
Net return on ordinary activities after taxation	–	–	–	7,316	31,904	5,047	44,267
Dividends paid	–	–	–	–	–	(6,366)	(6,366)
Balance at 31 December 2004	17,192	7,955	4,410	266,093	72,954	14,274	382,878

Year ended 30 June 2005

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve –realised £'000	Capital reserve –unrealised £'000	Revenue reserve £'000	Total £'000
Balance at 30 June 2004 (restated)	17,391	7,955	4,210	262,238	41,050	15,593	348,437
Repurchase of shares	(626)	–	626	(12,316)	–	–	(12,316)
Net return on ordinary activities after taxation	–	–	–	12,533	51,671	13,711	77,915
Dividends paid	–	–	–	–	–	(12,473)	(12,473)
Balance at 30 June 2005	16,765	7,955	4,836	262,455	92,721	16,831	401,563

Cash Flow Statement

	Six months ended 31 December 2005 (unaudited) £'000	Six months ended 31 December 2004 (unaudited) £'000	Year ended 30 June 2005 (audited) £'000
Investment income received	6,971	7,110	16,601
Interest received	53	99	198
Investment management fees paid	(1,331)	(1,264)	(2,568)
Cash paid to and on behalf of Directors	(35)	(39)	(72)
Other cash payments	(377)	(400)	(789)
Net cash inflow from operating activities	5,281	5,506	13,370
Servicing of finance			
Bank and loan interest paid	(552)	(708)	(1,351)
Net cash outflow from servicing of finance	(552)	(708)	(1,351)
Financial investment			
Purchase of fair value investments	(54,024)	(59,227)	(93,962)
Sales of fair value investments	54,293	87,458	132,887
Net cash inflow from financial investment	269	28,231	38,925
Management of liquid resources			
Cash placed on short-term deposit	–	(3,045)	(104)
Net cash outflow from management of liquid resources	–	(3,045)	(104)
Equity dividends paid	(6,797)	(6,408)	(12,570)
Net cash (outflow)/inflow before financing	(1,799)	23,576	38,270
Financing			
Drawdown/(repayment of loans)	7,000	(20,000)	(24,000)
Repurchase of shares	(4,262)	(3,461)	(11,913)
Net cash inflow/(outflow) from financing	2,738	(23,461)	(35,913)
Net increase in cash	939	115	2,357

Notes to the Accounts

1. Accounting policies

The accounts have been prepared under the historical cost convention, as modified to include the revaluation of investments and in accordance with applicable Accounting Standards and with the Statement of Recommended Practice for "Financial Statements of Investment Trust Companies".

For the accounting period beginning on 1 July 2005 the Company had the option to prepare its financial statements in accordance with International Financial Reporting Standards ("IFRS"), as adopted by the International Accounting Standards Board ("IASB"). The Board has elected to continue to adopt UK Generally Accepted Accounting Principles ("UK GAAP") and therefore with the new Financial Reporting Standards issued as part of the programme to converge UK GAAP with IFRS. Figures for the period ended 31 December 2004 and year ended 30 June 2005 have been restated accordingly.

The same accounting policies used for the year ended 30 June 2005 have been applied with the following exceptions:

- Investments are measured initially at cost and are recognised at trade date. For financial assets acquired, the cost is the fair value of the consideration, with changes in fair value going to the profit and loss account. Subsequent to initial recognition investments are valued at fair value. For listed investments this is assumed to be bid market prices.
- Under FRS 21 "Events after the Balance Sheet Date", dividends should only be accrued in the accounts if they are a liability at the Balance Sheet date. No provision has been made for the second interim dividend for the period ended 31 December 2005. As the final dividend for the year is approved by the Shareholders at the AGM each year, no provision has been made for the final dividend for the year ended 30 June 2005.

The impact of these changes are shown in notes 2 and 3.

	As at 30 June 2005 (audited) £'000	As at 31 December 2004 (unaudited) £'000	As at 30 June 2004 (audited) £'000
2. Reconciliation of Balance Sheets			
Net assets previously reported	397,812	379,791	345,138
Restatement of investments at bid value	(8)	(8)	(5)
Reversal of provision of second interim dividend	–	3,095	–
Reversal of provision of 2004 final dividend	–	–	3,304
Reversal of provision of 2005 final dividend	3,759	–	–
Restated net assets	401,563	382,878	348,437

	Six months ended 31 December 2004 (unaudited) £'000	Year ended 30 June 2005 (audited) £'000
3. Reconciliation of the Income Statements		
Total transfer to reserves per original reported Statement of Total Return	38,114	64,990
Change from mid to bid basis at 30 June 2004	5	5
Change from mid to bid basis at 31 December 2004	(8)	–
Change from mid to bid basis at 30 June 2005	–	(8)
Add interim dividends on Ordinary shares	6,157	–
Add 2005 dividends on Ordinary shares	–	12,928
Restated total transfer to reserves	44,268	77,915

Notes to the Accounts – continued

Ordinary dividends on equity shares deducted from reserves:

	Six months ended 31 December 2005 (unaudited) £'000	Six months ended 31 December 2004 (unaudited) £'000	Year ended 30 June 2005 (audited) £'000
2004 final dividend paid – 4.75p	–	3,271	3,271
2005 first interim dividend paid – 4.50p	–	3,095	3,095
2005 second interim dividend paid – 4.50p	–	–	3,070
2005 third interim dividend paid – 4.50p	–	–	3,037
2005 final dividend paid – 5.65p	3,759	–	–
2006 first interim dividend paid – 4.70p	3,122	–	–
	6,881	6,366	12,473

	Six months ended 31 December 2005 (unaudited) p	Six months ended 31 December 2004 (unaudited) (restated) p	Year ended 30 June 2005 (audited) (restated) p
4. Return per share			
Revenue return	8.0	7.3	20.0
Capital return	67.1	56.9	93.7
Total return	75.1	64.2	113.7

The figures are based on the following attributable assets:

	Six months ended 31 December 2005 (unaudited) £'000	Six months ended 31 December 2004 (unaudited) (restated) £'000	Year ended 30 June 2005 (audited) (restated) £'000
Revenue return	5,332	5,047	13,711
Capital return	44,575	39,221	64,204
Total return	49,907	44,268	77,915

Weighted average number of Ordinary shares in issue	66,468,871	68,992,331	68,511,130
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	As at 31 December 2005 (unaudited)	As at 31 December 2004 (unaudited) (restated)	As at 30 June 2005 (audited) (restated)
5. Net asset value per share			
Attributable net assets (£'000)	440,730	382,878	401,563
Number of Ordinary shares in issue	66,371,458	68,767,046	67,057,458
NAV per Ordinary share (p)	664.0	556.8	598.8

6. Transaction costs

The following transaction costs were incurred during the period:

	Six months ended 31 December 2005	Six months ended 31 December 2004	Year ended 30 June 2005
	£'000	£'000	£'000
Purchases	346	410	655
Sales	96	160	249
	442	570	904

7. The financial information for the six months ended 31 December 2005 and 31 December 2004 comprises non- statutory accounts within the meaning of Section 240 of the Companies Act 1985. The financial information for the year ended 30 June 2005 has been extracted from published account that have been delivered to the Registrar of Companies and on which the report of the auditors was unqualified. The interim accounts have been prepared on the same basis as the annual accounts, with the exception of the disclosures in note 1.

Information for Investors

Aberdeen Investment Trust Share Plan

Aberdeen Asset Managers Limited ("AAM") runs a Share Plan ("the Plan") which covers a number of investment companies under its management including Murray Income Trust PLC. 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 £250 per trust, while regular savers may invest from just £100 per month. Investors simply pay Government Stamp Duty (currently 0.5%) on entry. 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.

Aberdeen Investment Trust Individual Savings Account

The Aberdeen Investment Trust ISA (the "ISA") has been available from 6 April 1999. Investors can hold two components within an ISA: stocks and shares (including Investment Trusts) and cash. AAM offers both a Mini and Maxi stocks and shares ISA, but does not offer the cash component.

Maxi ISA

An investment of up to £7,000 can be made in a Maxi ISA in the tax year 2005/2006.

Mini ISA

An investment of up to £4,000 can be made in a stocks and shares Mini ISA in the tax year 2005/2006.

There are no brokerage or initial charges for the Aberdeen Investment Trust ISA, although investors will suffer the bid-offer spread, which can be a significant amount. Investors only pay Government Stamp Duty (currently 0.5%) on purchases. Selling costs are £15 + VAT. The annual ISA management charge is £24 + VAT, calculated monthly and deducted from income half yearly. Under current legislation, trusts can grow free of income or capital gains tax. In the case of dividends from equity assets held within an ISA or a PEP, a 10% tax credit was reclaimed until 5 April 2004, when the tax credit was abolished.

Trust Information

Details of all of our trusts and the ISA and share plan are available on our investment trust website: www.investments.co.uk.

You can also request trust and plan information from our Brochure Line on 0500 00 40 00 or by email to inv.trusts@aberdeen-asset.com

The information above is issued and has been approved for the purposes of the Financial Services and Markets Act 2000 by Aberdeen Asset Managers Limited, 10 Queens Terrace, Aberdeen AB10 1YG, which is authorised and regulated by the Financial Services Authority.

Corporate Information

Directors

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A J M Coats
M Glen
N A Honebon
H van der Klugt

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J P Morgan Chase Bank

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Solicitors

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