

VALUE AND INCOME TRUST PLC

PRELIMINARY ANNOUNCEMENT OF THE RESULTS FOR THE HALF YEAR TO 30 SEPTEMBER 2002

(UNAUDITED)

SUMMARY

	30 September 2002	30 September 2001	31 March 2002
Net Asset Value per Share	147.0p	165.2p	185.3p
Share Price	127.0p	132.5p	152.5p
Dividend per Share	2.9p (interim)	2.8p (interim)	5.6p (total)

Value and Income Trust invests in higher yielding, less fashionable areas of the UK commercial property and equity markets, particularly in medium and smaller sized companies. It aims for long term real growth in dividends and capital values without undue risk.

VIT's defensive, high-yielding portfolio has fallen by less than the equity market as a whole over the past six months. VIT's share price is down by 16.3% and the net asset value by 20.7%, while the FTSE All Share Index is down by 29.6%. VIT's 4.6% net dividend yield is well above average, and it has risen faster than retail prices for sixteen consecutive years.

An interim dividend of 2.9p has been declared (+3.6%) and the board expects to recommend a final dividend of 2.9p next May (also +3.6%).

The formal results which follow at the end of this Announcement are presented in the format recommended in the AITC's Statement of Recommended Practice for Accounts of Investment Trust companies as utilised in preparing the Annual Report for the year to 31 March 2002.

The Interim Report will be posted to shareholders on 6 November 2002. Copies can be obtained from OLIM Limited, Pollen House, 10-12 Cork Street, London W1S 3NP or Edinburgh Fund Managers plc, Donaldson House, 97 Haymarket Terrace, Edinburgh, EH12 5HD.

Enquiries: Matthew Oakeshott or Angela Lascelles
OLIM Limited
Tel: 0207 439 4400 / Fax: 0207 734 1445

CONSOLIDATED STATEMENT OF TOTAL RETURN (UNAUDITED)
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2002

	Six months to 30 September 2002			Six months to 30 September 2001		
	Revenue	Capital	Total	Revenue	Capital	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Income						
Income from Investments	2,153	-	2,153	2,007	-	2,007
Rental Income	1,56	-	1,56	1,65	-	1,65
Other Income	161	-	161	91	-	91
	<u>3,877</u>	<u>-</u>	<u>3,877</u>	<u>3,751</u>	<u>-</u>	<u>3,751</u>
Expenses						
Investment Management Fee	(209)	(209)	(418)	(194)	(194)	(388)
Administrative Expenses	(163)	-	(163)	(174)	-	(174)
	<u>3,505</u>	<u>(209)</u>	<u>3,296</u>	<u>3,383</u>	<u>(194)</u>	<u>3,189</u>
Capital Profits/(Losses)						
Net realised gains on Investments	-	1,699	1,699	-	247	247
Movement in unrealised Appreciation	-	(19,365)	(19,365)	-	(5,978)	(5,978)
	<u>-</u>	<u>(17,666)</u>	<u>(17,666)</u>	<u>-</u>	<u>(5,731)</u>	<u>(5,731)</u>
Net return before finance costs and taxation	<u>3,505</u>	<u>(17,875)</u>	<u>(14,370)</u>	<u>3,383</u>	<u>(5,925)</u>	<u>(2,542)</u>
Interest payable and similar charges	(1,751)	-	(1,751)	(1,751)	-	(1,751)
	<u>1,754</u>	<u>(17,875)</u>	<u>(16,121)</u>	<u>1,632</u>	<u>(5,925)</u>	<u>(4,293)</u>
Return on ordinary activities before taxation	<u>1,754</u>	<u>(17,875)</u>	<u>(16,121)</u>	<u>1,632</u>	<u>(5,925)</u>	<u>(4,293)</u>
Taxation	-	-	-	-	-	-
	<u>1,754</u>	<u>(17,875)</u>	<u>(16,121)</u>	<u>1,632</u>	<u>(5,925)</u>	<u>(4,293)</u>
Return attributable to Equity shareholders	<u>1,754</u>	<u>(17,875)</u>	<u>(16,121)</u>	<u>1,632</u>	<u>(5,925)</u>	<u>(4,293)</u>
Ordinary dividends	(1,321)	-	(1,321)	(1,275)	-	(1,275)
	<u>433</u>	<u>(17,875)</u>	<u>(17,442)</u>	<u>357</u>	<u>(5,925)</u>	<u>(5,568)</u>
Return per ordinary share	<u>3.85p</u>	<u>(39.24p)</u>	<u>(35.39p)</u>	<u>3.58p</u>	<u>(13.00p)</u>	<u>(9.42p)</u>

**SUMMARISED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2002
(UNAUDITED)**

	30 September 2002 £'000	31 March 2002 £'000	30 September 2001 £'000
Total Investments	99,983	112,139	107,893
Net Current Assets	<u>2,541</u>	<u>7,839</u>	<u>2,955</u>
Total Assets less Current Liabilities	102,524	119,978	110,848
Creditors due after one year	<u>(35,575)</u>	<u>(35,587)</u>	<u>(35,599)</u>
Total Net Assets	<u>66,949</u>	<u>84,391</u>	<u>75,249</u>

**CASH FLOW STATEMENT
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2002 (UNAUDITED)**

	Six months to 30 September 2002 £'000	Six months to 30 September 2001 £'000
Operating activities		
Net cash inflow from operating activities	2,791	2,780
Taxation		
Tax paid	-	(172)
Returns on investments and servicing of finance		
Interest paid	(1,763)	(1,763)
Financial investment		
Purchase of investments	(19,152)	(10,860)
Sale of investments	12,450	12,751
Net cash (outflow)/inflow from financial investment	(6,702)	1,891
Equity dividends paid	(1,275)	(1,230)
NET CASH (OUTFLOW)/INFLOW	<u>(6,949)</u>	<u>1,506</u>
(DECREASE)/INCREASE IN CASH	<u>(6,949)</u>	<u>1,506</u>

Notes:

- (1) The revenue column of the statement of total return is the income account of the Group.
- (2) The position as at 31 March 2002 is an abridged version from the full accounts for that year, which received an unqualified audit report and which have been filed with the Registrar of Companies.
- (3) The interim dividend will be paid on 3 January 2003 to shareholders on the register at close of business on 13 December 2002. The ex-dividend date is 11 December 2002.
- (4) The Interim Report will be issued on 6 November 2002. Copies may be obtained from OLIM Limited, Pollen House, 10/12 Cork Street, London W1S 3NP or Edinburgh Fund Managers plc, Donaldson House, 97 Haymarket Terrace, Edinburgh, EH12 5HD.