

MITHRAS
INVESTMENT TRUST plc

Interim Report and Financial Statements
30 June 2013

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MITHRAS PROFILE

Objective

The objective of Mithras Investment Trust plc (the “Company”) is to follow the realisation strategy approved by shareholders in accordance with the Company’s strategic objectives.

Strategy

The Company’s strategic objectives are:

- to crystallise value for shareholders through the continued management of the portfolio either to maturity or earlier by identifying favourable value-enhancing proposals when market opportunities and financial conditions permit;
- to return surplus cash generated from distributions to shareholders through a core strategy of tender offers, supplemented by appropriate other mechanisms such as share buy backs, capital distributions and dividends subject to a retention of no more than 15% of investment income; and
- to manage the Company efficiently and with low ongoing charges.

Investment Policy

The Company’s investment policy is to invest, via its commitment to the Mithras Capital Fund LP (“MCF”), predominantly in European limited partnership buyout funds and in United States focused limited partnership buyout funds.

The Company will make no new investments.

No individual underlying portfolio company within any fund to which the Company is committed will represent more than 15% of the Company’s gross assets.

The Company does not intend to use gearing to meet its strategy.

Capital Gains

As the Company is an investment trust, capital appreciation within the Company is free of tax.

Registered in England and Wales

Company Number: 2478424

FINANCIAL SUMMARY

GROUP FINANCIAL HIGHLIGHTS

	Six months ended 30 June 2013	Six months ended 30 June 2012	Year ended 31 December 2012
Net assets	£46.8 million	£51.3 million	£52.0 million
Number of Ordinary shares in issue at end of period	31,569,962	36,287,312	36,287,312
Net Asset Value ("NAV") per Ordinary share	148.0 pence	141.3 pence	143.1 pence
Mid market quoted share price	125.5 pence	101.5 pence	112.5 pence
Discount	15.2%	28.2%	21.4%
Cash distributions to shareholders during the period (dividends paid plus tender offers)			
– Dividends paid	£0.4 million	£0.7 million	£0.7 million
– Tender offer proceeds	£6.7 million	–	–
	£7.1 million	£0.7 million	£0.7 million
Total return before tax	£2.1 million	(£0.7 million)	£0.0 million
Net dividends declared per Ordinary share	–	–	2.0 pence
Ongoing charges (annualised)*	1.04%	1.02%	0.97%
Total expense ratio (annualised)*	1.54%	1.66%	1.56%

* The ongoing charges figures have been calculated using the Association of Investment Companies' ("AIC") recommended methodology. The total expense ratio uses the same basis, but includes all Group (as defined in note 1) expenses.

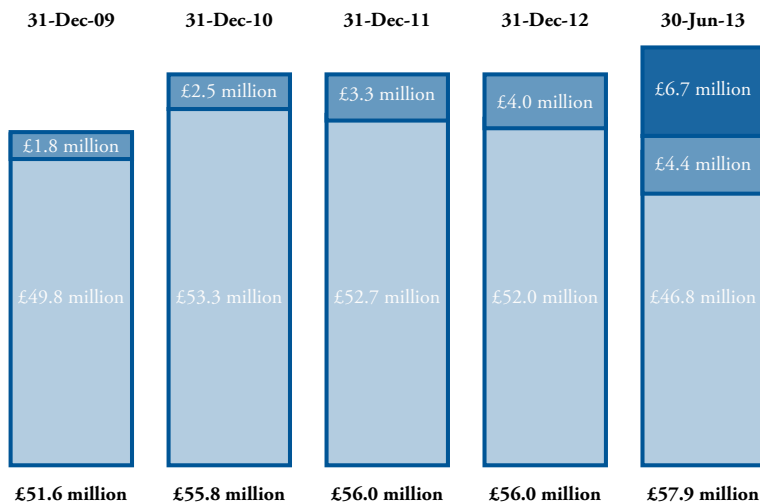
PERFORMANCE (TOTAL RETURN) AT 30 JUNE 2013

	6 month %	1 Year %	3 Year %	5 Year %	Since Flotation %
Share Price	12.4	24.6	35.2	8.3	240.4
NAV*	4.1	5.4	8.3	17.3	299.1
FTSE All-Share Index	8.5	17.9	43.5	38.2	274.8

* Group total return after tax before dividend, attributable to owners on opening owners' funds.

INVESTMENT MANAGER'S REVIEW

NET ASSETS AND CUMULATIVE DISTRIBUTIONS TO SHAREHOLDERS FOLLOWING THE APPROVAL OF THE REALISATION STRATEGY (JANUARY 2009)



Key

- Net assets as at the Balance Sheet date
- Cumulative dividends paid
- Capital returned to shareholders through tender offers

SUMMARY FINANCIAL INFORMATION FOLLOWING APPROVAL OF REALISATION STRATEGY

	Net Assets £m	NAV P	Share Price P	Dividends paid per Ordinary share* P	Tender offer proceeds per Ordinary share P
31 December 2009	49.8	137.2	69.0	5.0	–
31 December 2010	53.3	146.8	112.5	2.0	–
31 December 2011	52.7	145.1	99.5	2.0	–
31 December 2012	52.0	143.1	112.5	2.0	–
30 June 2013	46.8	148.0	125.5	1.0	18.6
				12.0	18.6

* This is the dividend in pence per Ordinary share paid during the calendar year, declared in the previous year.

INVESTMENT MANAGER'S REVIEW CONTINUED

Overview of Results for the Six Months ended 30 June 2013

The Company's NAV increased from 143.1 pence per share to 148.0 pence per share in the six months ended 30 June 2013, an increase of 3.4%, and this is after the payment of the final dividend of 1.0 pence per share in May 2013.

During the same period, the share price increased from 112.5 pence to 125.5 pence, an increase of 11.6%, and the discount narrowed from 21.4% to 15.2%. The Company's total return for the period was 4.1%, which compared to an increase of 8.5% in the Company's benchmark, the FTSE All-Share Index.

In June 2013, the Company completed its initial tender offer to shareholders, returning a total of £6.7 million to shareholders, equating to a capital return of 18.6 pence per share.

After completing the initial tender offer, the Company's cash balance of £6.7 million at 30 June 2013 was £1.5 million greater than the Company's current expected level of outstanding commitments of £5.2 million.

Initial Tender Offer

Further to the announcement at the May 2013 Annual General Meeting ("AGM"), the Company completed its initial tender offer on 26 June 2013 and bought back a total of 13% of the Ordinary shares in issue at a tender price of 143.0511 pence, returning £6.7 million of cash in aggregate. The initial tender offer received strong support with 88% of shareholders tendering their shares. As a result, the basic entitlement of all shareholders who validly tendered their shares was accepted but only approximately 0.5% of excess tenders were able to be satisfied.

Dividend

As reported in the 2012 Annual Financial Report and approved by shareholders at the May 2013 AGM, a final dividend of 1.0 pence per share (2012: 2.0 pence final) was paid in May 2013 in respect of the year ended 31 December 2012. Shareholders should continue to expect the bulk of future returns to be in the form of capital distributions rather than income distributions.

INVESTMENT MANAGER'S REVIEW CONTINUED

Investment Activity within MCF

Given the relatively fully invested status of the MCF portfolio, investment activity within MCF during the first six months of 2013 noticeably slowed with new investment activity concentrated on the two remaining underlying funds still actively making new investments, PAI Europe V and CVC Europe V. MCF utilised existing cash resources and retained distributions totalling £1.4 million to meet this investment activity.

PAI Europe V, the most active underlying fund during the first half of the year, completed the acquisition of IPH, a European distributor of industrial supplies and ADB Airfield Solutions, the world leader in airfield ground lighting. PAI Europe V also announced the acquisition of R&R Ice Cream, a leading European ice cream manufacturer, which was subsequently funded and completed in July 2013. Following completion of the R&R Ice Cream deal, PAI Europe V is now 93% invested. As a consequence, it is now effectively fully invested with further capital calls only likely in respect of follow-on acquisitions by existing portfolio companies.

CVC Europe V completed the acquisitions of Cerved, a provider of credit and business information and ista, the leading global provider of submetering services. In addition CVC Europe V invested further additional equity to continue the growth strategy of Avolon Aerospace, the aircraft leasing business.

As a result of this further investment activity within CVC Europe V, this fund is now 75% invested.

The majority of the Company's future investment activity will be focused on CVC Europe V given that the other four underlying funds within MCF are now effectively fully invested, with further investment limited to follow-on investments in existing portfolio companies. During the six months to 30 June 2013, the Company's percentage of commitment drawn by MCF increased from 84.7% to 87.3%.

Realisations from MCF

The Company's relatively mature investment portfolio has continued to benefit from positive debt and equity market conditions. The Company received distribution proceeds totalling £3.6 million during the first half of 2013, with most of the distribution proceeds coming from **OCM Principal Opportunities Fund IV**. OCM Principal Opportunities Fund IV has taken advantage of the continued strong performance of Claire's Stores with a significant portion of its debt investment either being sold or called for repayment, as well as receiving proceeds from a dividend recapitalisation at Cyanco and the repayment of shareholder loans within Stock Spirits Group.

INVESTMENT MANAGER'S REVIEW CONTINUED

CVC Europe V has also been actively pursuing exit opportunities. Two portfolio companies within the CVC Europe V portfolio, Evonik and bpost, were listed on the German and Belgium stock exchanges respectively during the period. Whilst the Company has only received partial distribution proceeds in respect of both listings, the Company remains well placed to receive further cash proceeds as and when CVC Europe V decides to exit fully from either company. Both *Riverside Europe III* and *Doughty Hanson V* are currently exploring further exit opportunities and the most advanced of these, the sale of Vue Entertainment, is due to complete by the end of August 2013. The remaining portfolio continues to be well positioned to provide further exit opportunities.

Liquidity and Outstanding Commitments

The Group's net cash and cash equivalent position decreased during the period from £12.5 million to £7.2 million principally due to the initial tender offer of £6.9 million (including costs) but also after taking account of net inflows from MCF after investment

activity as well as the 1.0 pence dividend paid in May 2013. Excluding subsidiary company cash balances, the Company's cash balance of £6.7 million compares to a maximum outstanding commitment to MCF of £7.0 million. As is typical with private equity fund investments, the Company does not expect the maximum outstanding commitment of £7.0 million to be fully drawn and the current expectation is that up to £5.2 million will be drawn. In the past, the Company's NAV growth has been impacted by the drag of significant cash balances retained to meet outstanding commitments. As net commitments to MCF continue to fall, the impact of the cash drag will diminish accordingly.

Revaluations and Provisions

During the six months to 30 June 2013, the Company reported an unrealised valuation increase of £2.1 million. Underlying fund valuations are relatively unchanged but the Company has benefitted from foreign exchange movements with the Euro and US Dollar strengthening by 5.4% and 6.7% respectively against Sterling.

INVESTMENT MANAGER'S REVIEW *CONTINUED*

Principal Risks and Uncertainties

The Group's investment activities expose it to various types of risks that are associated with its investment commitments to private equity limited partnerships. The principal risks are market price risk, currency risk and liquidity risk in respect of these investments. Other key risks faced by the Company include investment strategy, management resources, regulatory, operational and financial risks. These risks, and the way in which they are managed, are described in more detail under the heading "Principal Risks and Uncertainties" within the Business Review in the Company's Annual Financial Report for the year ended 31 December 2012 as well as in note 22 entitled "Financial Instruments, Capital and Risk Management". The Company's principal risks and uncertainties have not changed materially since the date of that report.

Outlook

The Company has enjoyed a positive start to 2013, having been able to complete its first return of capital to shareholders through a tender offer. A continuation of recent favourable market conditions should provide good exit and cash generation opportunities for our mature portfolio, although we remain susceptible to periods of volatility in the debt and equity markets as evidenced by recent comments made by the Federal Reserve in June 2013 concerning quantitative easing. The portfolio continues to move closer to becoming fully invested and we believe the invested portfolio is well placed to deliver NAV growth in the short and medium term.

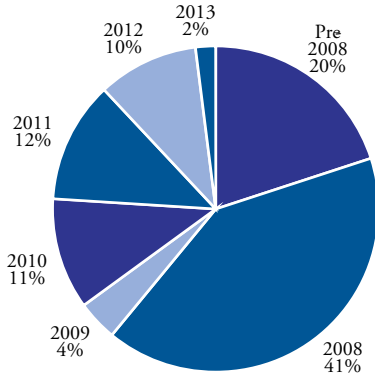
Mithras Capital Partners LLP
Investment Manager
24 July 2013

CONSOLIDATED INVESTMENT PORTFOLIO AT 30 JUNE 2013

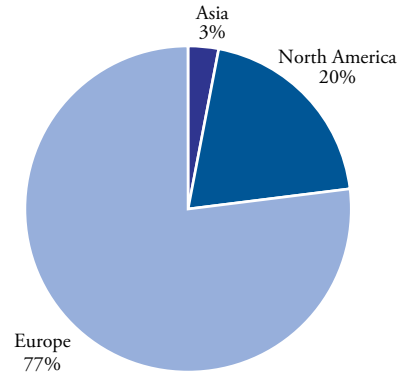
Investments	Fair value £'000	% of Portfolio			
MCF limited partnership fund investments					
CVC European Equity Partners V	8,794	22			
OCM Principal Opportunities Fund IV	8,644	22			
Doughty Hanson & Co V	8,159	20			
Riverside Europe Fund III	7,398	19			
PAI Europe V	6,120	15			
Net current assets held in MCF	689	2			
Total investment portfolio	39,804	100			
Geographical spread of investments by fund currency exposure					
Continental Europe	30,471	76			
North America	8,644	22			
United Kingdom	689	2			
Total investment portfolio	39,804	100			
Listed below are the ten largest underlying investments by value which account for 40% of the consolidated investment portfolio. All of these investments are held indirectly through the Company's commitment to MCF.					
Top Ten Largest Underlying Investments within MCF					
Portfolio Company	Sector	Country	Underlying Fund	Year of Investment	% of Portfolio
TMF Group	Services	Netherlands	Doughty Hanson & Co V	2008	5%
Cyanco Holdings	Basic Resources	United States	OCM Principal Opportunities Fund IV	2008	4%
Diatron	Healthcare	Hungary & Austria	Riverside Europe Fund III	2005	4%
Tensator	Industrial Goods & Services	United Kingdom	Riverside Europe Fund III	2008	4%
Atos	Technology	France	PAI Europe V	2008	4%
Avanza	Travel & Leisure	Spain	Doughty Hanson & Co V	2007	4%
Quiron	Healthcare	Spain	Doughty Hanson & Co V	2012	4%
AdvancePierre Foods	Food & Beverage	United States	OCM Principal Opportunities Fund IV	2008	4%
Evonik	Chemicals	Germany	CVC European Equity Partners V	2008	4%
Stock Spirits	Food & Beverage	United Kingdom	OCM Principal Opportunities Fund IV	2007	3%

CONSOLIDATED INVESTMENT PORTFOLIO ANALYSIS

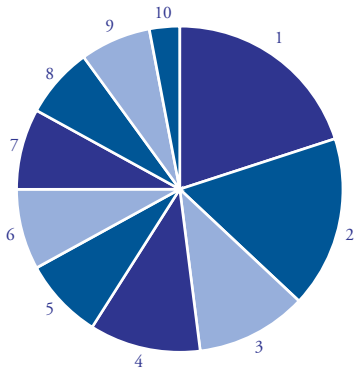
Underlying Investments by Year of Investment (by valuation)



Underlying Investments by Continent (by valuation)

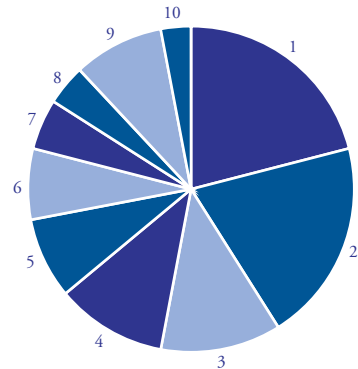


Underlying Investments by Sector (by valuation)



1	Travel, Leisure & Retail	20%
2	Healthcare	17%
3	Industrial Goods & Services	11%
4	Telecoms, Media & Technology	11%
5	Food & Beverage	8%
6	Services	8%
7	Basic Resources	8%
8	Building Materials & Others	7%
9	Oil, Gas & Chemicals	7%
10	Financial Services & Insurance	3%

Underlying Investments by Country (by valuation)



1	UK	21%
2	North America	20%
3	Spain	12%
4	Benelux	11%
5	France	8%
6	Germany	7%
7	Scandinavia	5%
8	Switzerland	4%
9	Other Europe	9%
10	Rest of World	3%

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		Six months ended 30 June 2013		
		Revenue return £'000	Capital return £'000	Total £'000
Notes		<u> </u>	<u> </u>	<u> </u>
Income				
	9	–	2,158	2,158
		235	–	235
	5	240	–	240
		<u>475</u>	<u>2,158</u>	<u>2,633</u>
Expenses				
	6	(391)	(129)	(520)
		84	2,029	2,113
		–	–	–
		84	2,029	2,113
		28	(176)	(148)
		<u>112</u>	<u>1,853</u>	<u>1,965</u>
Profit and total comprehensive income for the period				
Attributable to:				
		96	1,853	1,949
		16	–	16
Basic and diluted earnings per				
	8	0.3	5.1	5.4

The total column of this statement represents the Consolidated Statement of Comprehensive Income, prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the EU. The supplementary revenue return and capital return columns are both prepared under the guidance published by the AIC.

The notes on pages 16 to 24 form an integral part of these Condensed Consolidated Interim Financial Statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME *CONTINUED*

		Six months ended 30 June 2012		
		Revenue	Capital	Total
		return	return	Total
Notes		£'000	£'000	£'000
Income				
	9	–	(506)	(506)
		5	–	5
	5	245	–	245
		<u>250</u>	<u>(506)</u>	<u>(256)</u>
Expenses				
	6	(432)	–	(432)
		(182)	(506)	(688)
		(17)	–	(17)
		<u>(199)</u>	<u>(506)</u>	<u>(705)</u>
		73	–	73
		<u>(126)</u>	<u>(506)</u>	<u>(632)</u>
Loss and total comprehensive loss for the period				
Attributable to:				
		(133)	(506)	(639)
		7	–	7
Basic and diluted earnings per				
	8	<u>(0.4)</u>	<u>(1.4)</u>	<u>(1.8)</u>

The total column of this statement represents the Consolidated Statement of Comprehensive Income, prepared in accordance with IFRS as adopted by the EU. The supplementary revenue return and capital return columns are both prepared under the guidance published by the AIC.

The notes on pages 16 to 24 form an integral part of these Condensed Consolidated Interim Financial Statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Special distributable reserve £'000	Capital reserve on investments sold £'000	Capital reserve on investments held £'000	Revenue reserve £'000	Non- controlling interest £'000	Total £'000
At 1 January 2013	726	8,598	109	–	49,110	(11,497)	4,889	19	51,954
Profit before compensation to key management personnel	–	–	–	–	–	–	96	87	183
Dividends paid (note 7)	–	–	–	–	–	–	(363)	–	(363)
Compensation to key management personnel	–	–	–	–	–	–	–	(71)	(71)
Profit share paid to members in a subsidiary	–	–	–	–	–	–	–	(17)	(17)
Gains on disposal of investments	–	–	–	–	30	–	–	–	30
Taxation charged to capital	–	–	–	–	(176)	–	–	–	(176)
Cancellation of share premium	–	(8,598)	–	8,598	–	–	–	–	–
Tender offer	(94)	–	94	(6,782)	–	–	–	–	(6,782)
Tender offer costs	–	–	–	–	(129)	–	–	–	(129)
Fair value movements	–	–	–	–	–	2,128	–	–	2,128
At 30 June 2013	632	–	203	1,816	48,835	(9,369)	4,622	18	46,757

The notes on pages 16 to 24 form an integral part of these Condensed Consolidated Interim Financial Statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY CONTINUED

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve on investments sold £'000	Capital reserve on investments held £'000	Revenue reserve £'000	Non- con- trolling interest £'000	Total £'000
At 1 January 2012	726	8,598	109	47,388	(9,311)	5,140	15	52,665
(Loss)/profit before compensation to key management personnel	–	–	–	–	–	(133)	108	(25)
Dividends paid (note 7)	–	–	–	–	–	(726)	–	(726)
Compensation to key management personnel	–	–	–	–	–	–	(101)	(101)
Profit share paid to members in a subsidiary	–	–	–	–	–	–	(12)	(12)
Gains on disposal of investments	–	–	–	233	–	–	–	233
Fair value movements	–	–	–	–	(739)	–	–	(739)
At 30 June 2012	<u>726</u>	<u>8,598</u>	<u>109</u>	<u>47,621</u>	<u>(10,050)</u>	<u>4,281</u>	<u>10</u>	<u>51,295</u>

The notes on pages 16 to 24 form an integral part of these Condensed Consolidated Interim Financial Statements.

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET

		Audited	
	30 June	31 December	30 June
	2013	2012	2012
Notes	£'000	£'000	£'000
Non-current assets			
Investments	9	39,804	39,594
		43,920	
Current assets			
Trade and other receivables		30	20
Cash and cash equivalents		7,236	12,548
		7,266	12,568
		7,632	
Total assets		47,070	52,162
		51,552	
Current liabilities			
Trade and other payables		(271)	(193)
Current tax liability		(42)	(15)
		(313)	(208)
		(257)	
Total assets less current liabilities		46,757	51,954
		51,295	
Equity attributable to owners of the Company			
Share capital		632	726
Share premium account		–	8,598
Capital redemption reserve		203	109
Special distributable reserve		1,816	–
Capital reserve		39,466	37,613
Revenue reserve		4,622	4,889
		46,739	51,935
Equity attributable to owners of the Company		46,739	51,935
Non-controlling interest		18	19
		46,757	51,954
Total equity		46,757	51,954
		51,295	
Net assets per Ordinary share (pence)			
– basic and diluted	10	148.0	143.1
		141.3	

The notes on pages 16 to 24 form an integral part of these Condensed Consolidated Interim Financial Statements.

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT

		Six months ended 30 June 2013 £'000	Six months ended 30 June 2012 £'000
	Notes		
Cash flows from operating activities			
Investment income received		235	5
Interest income received		21	29
Investment management fees received		218	219
Operating expenses		(361)	(385)
Compensation to key management personnel		(71)	(101)
Taxation paid		(121)	(17)
Purchase of non-current investments	9	(1,426)	(3,542)
Sale of non-current investments	9	3,374	2,290
Net cash flow from operating activities		1,869	(1,502)
Cash flows from financing activities			
Equity dividends paid		(363)	(726)
Profit share distributed to non-controlling interests		(17)	(12)
Tender offer		(6,801)	–
Net cash flow from financing activities		(7,181)	(738)
Net decrease in cash and cash equivalents		(5,312)	(2,240)
Cash and cash equivalents at beginning of period		12,548	9,844
Cash and cash equivalents at end of period		7,236	7,604

The notes on pages 16 to 24 form an integral part of these Condensed Consolidated Interim Financial Statements.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Mithras Investment Trust plc (the “Company”) is a Company incorporated and domiciled in the United Kingdom. The Condensed Consolidated Interim Financial Statements of the Group for the six months ended 30 June 2013 comprise the Company and its subsidiaries, Mithras Investments Limited (“MIL”), Mithras Capital Holdings Limited (“MCH”), Mithras Capital Partners LLP (“MCP”) and Mithras Capital Partners GP Limited (“MCGP”), together referred to as the “Group”. The nature of the Group’s operations and its principal activities are set out in note 4 Segment Reporting on page 17. The Group’s organisational structure is disclosed further in note 11 on page 22.

2. STATEMENT OF COMPLIANCE

These Condensed Consolidated Interim Financial Statements have been prepared in accordance with the Disclosure & Transparency and Listing Rules of the Financial Conduct Authority (“FCA”) and with International Accounting Standard 34, ‘Interim Financial Reporting’ as adopted by the EU. They do not include all the information required for a full Annual Financial Report and should be read in conjunction with the Consolidated Financial Statements of the Group for the year ended 31 December 2012, which have been prepared in accordance with IFRS as adopted by the EU. The Company has reviewed the guidance issued by the Financial Reporting Council (“FRC”) in order to determine whether the going concern basis should be used in preparing the Financial Statements for the six months ending 30 June 2013. In doing so, the Directors have reviewed the likely operational costs and cash flows for the Company for the twelve months from the date of this Report and are of the opinion that the Company has adequate resources to continue in operational existence for the foreseeable future. The Directors have agreed that it is appropriate to continue to adopt the going concern basis in the preparation of the Financial Statements, as after due consideration, no material uncertainties that may cast significant doubt about the ability of the Company to continue as a going concern have been identified by the Directors.

The Condensed Consolidated Interim Financial Statements were authorised and approved for issue by the Board of Directors on 24 July 2013.

The Condensed Consolidated Interim Financial Statements do not comprise Statutory Accounts within the meaning of Section 434 of the Companies Act 2006. Statutory Accounts for the year ended 31 December 2012 were approved by the Board of Directors on 6 March 2013 and delivered to the Registrar of Companies. The report of the Auditors on those Financial Statements was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under Section 498 of the Companies Act 2006.

The Interim Report and Financial Statements are being sent to shareholders and copies will be made available to the public at the Registered Office of the Company at 55 Moorgate, London EC2R 6PA and on the Company’s website www.mithrasinvestmenttrust.com.

NOTES TO THE INTERIM FINANCIAL STATEMENTS CONTINUED

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the Annual Financial Report for the year ended 31 December 2012. Those standards which have become applicable during the period have had no significant impact on the Company.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

4. SEGMENT REPORTING

The chief operating decision-maker has been identified as the Board of Directors. The Board reviews the Group's internal reporting in order to assess performance and allocate resources. The Board has determined the operating segments based on these reports.

The Board considers the operating segments to be between the investment activities and private equity fund-of-funds management. The Board assesses the performance of the operating segments based upon the KPI's as stated in the Directors' Report on page 15 of the 2012 Annual Financial Report.

Investing activities represent the Group and Parent Company's operations and commitment to MCF. Comprehensive income for this segment is derived from gains and losses on investments, income from investments, interest income and other income. The private equity fund-of-funds management business is undertaken by MCP. Revenue for this segment is primarily derived from management services provided to MCF.

	Investing activities £'000	Private equity fund-of-funds management £'000	Consolidated £'000
30 June 2013			
Net gains on investments	2,158	–	2,158
Investment income	235	–	235
Interest income	22	–	22
Other income	(24)	242	218
Operating expenses	(387)	(133)	(520)
Profit before finance costs and tax	2,004	109	2,113
Finance costs	–	–	–
Taxation	(148)	–	(148)
Profit for the period	1,856	109	1,965
Segment assets	46,930	140	47,070
Segment liabilities	(299)	(14)	(313)
Net segment assets at 30 June 2013	46,631	126	46,757

NOTES TO THE INTERIM FINANCIAL STATEMENTS CONTINUED

4. SEGMENT REPORTING CONTINUED

30 June 2012	Investing activities £'000	Private equity fund-of-funds management £'000	Consolidated £'000
Net losses on investments	(506)	–	(506)
Investment income	5	–	5
Other income	–	245	245
Other operating expenses	(260)	(172)	(432)
(Loss)/profit before finance costs and tax	(761)	73	(688)
Finance costs	(17)	–	(17)
Taxation	73	–	73
(Loss)/profit for the period	(705)	73	(632)
Segment assets	51,433	119	51,552
Segment liabilities	(243)	(14)	(257)
Net segment assets at 30 June 2012	51,190	105	51,295

5. OTHER INCOME

	Six months ended 30 June 2013 £'000	Six months ended 30 June 2012 £'000
Investment management fee income*	218	219
Deposit interest	22	26
	240	245

*Investment management fee income is derived from priority profit share paid by MCF to MCGP with 50% of this income paid by Legal and General Assurance Society Limited (“LGAS”) an entity outside of the Group.

NOTES TO THE INTERIM FINANCIAL STATEMENTS CONTINUED

6. OPERATING EXPENSES

	Six months ended 30 June 2013			Six months ended 30 June 2012		
	Revenue return	Capital return	Total	Revenue return	Capital return	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Auditors' remuneration – audit of the Consolidated and Parent Company Financial Statements	18	–	18	18	–	18
Auditors' remuneration – audit of the Company's subsidiaries	13	–	13	13	–	13
Auditors' remuneration – audit related assurance services	18	–	18	18	–	18
Auditors' remuneration – tax compliance services	4	–	4	4	–	4
Directors' emoluments	77	–	77	68	–	68
Tender offer costs	–	129	129	–	–	–
Other administrative expenses	190	–	190	210	–	210
Compensation to key management personnel	71	–	71	101	–	101
	391	129	520	432	–	432

All expenses include VAT where applicable.

Auditors' remuneration for audit related assurance services relate to the interim review of £17,000 (2012: interim review £17,000) and fees relating to regulatory reporting of £1,000 (2012: £1,000).

Auditors' remuneration also included £4,000 (2012: £4,000) relating to tax compliance services.

There were no other non-audit services provided by the auditors other than those disclosed above.

Other administrative expenditure includes: administration fees, legal and professional fees, general office costs and other miscellaneous expenses.

The split of expenses incurred by the Company and MCP is disclosed in note 4 on page 17.

NOTES TO THE INTERIM FINANCIAL STATEMENTS CONTINUED

7. EQUITY DIVIDENDS

The following dividends were declared by the Company:

	Six months ended 30 June 2013 £'000	Six months ended 30 June 2012 £'000
Final paid: 1.0 pence (2012: 2.0 pence) per Ordinary 2 pence share	<u>363</u>	<u>726</u>

The final dividend of 1.0 pence per Ordinary share, for the year ended 31 December 2012, was paid on 24 May 2013 on 36,287,312 shares.

8. EARNINGS PER ORDINARY SHARE

The calculation of the basic and diluted earnings per Ordinary share is based on the following data:

	Six months ended 30 June 2013			Six months ended 30 June 2012		
	Revenue return £'000	Capital return £'000	Total £'000	Revenue return £'000	Capital return £'000	Total £'000
Earnings for the purpose of basic earnings per Ordinary share being net profit/(loss) attributable to owners	<u>96</u>	<u>1,853</u>	<u>1,949</u>	<u>(133)</u>	<u>(506)</u>	<u>(639)</u>
Weighted average number of Ordinary shares for the purpose of calculating basic earnings per Ordinary share			<u>36,156,998</u>			<u>36,287,312</u>

There is no dilution effect and therefore no difference between the diluted earnings per Ordinary share and the basic earnings per Ordinary share stated above.

NOTES TO THE INTERIM FINANCIAL STATEMENTS CONTINUED

9. MOVEMENTS IN INVESTMENTS

	Six months ended 30 Jun 2013 £'000	Year ended 31 Dec 2012 £'000	Six months ended 30 Jun 2012 £'000
Fair value at start of period	39,594	43,174	43,174
Movement in the period:			
Purchases at cost	1,426	3,994	3,542
Sales – proceeds	(3,374)	(7,114)	(2,290)
– gains on disposal	30	1,726	233
Fair value movements	2,128	(2,186)	(739)
Fair value at end of period	39,804	39,594	43,920
Opening cost	37,693	39,087	39,087
Closing cost	35,775	37,693	40,572
Analysis of net gain/(loss) on investments			
Gains on disposals	30	1,726	233
Fair value movements	2,128	(2,186)	(739)
	2,158	(460)	(506)

The Company is required 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 has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2); and
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The level of the fair value hierarchy, within which the fair value measurement is categorised, is determined on the basis of the lowest level input that is significant to the fair value of the investment.

All investments of the Group and Company are classified within level 3 for the six months ended 30 June 2013 and for the 2012 financial year.

Investments classified within level 3 have significant unobservable inputs. Level 3 instruments include investments in private equity funds and corporate debt securities. As observable prices are not available for these securities, the Company has used valuation techniques to derive fair value.

There were no transfers between levels for the six months ended 30 June 2013.

NOTES TO THE INTERIM FINANCIAL STATEMENTS *CONTINUED*

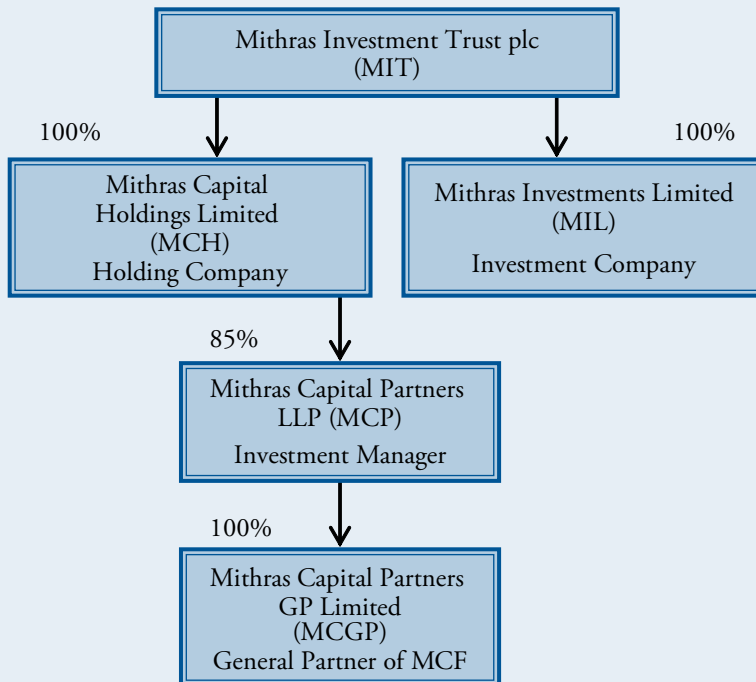
10. NET ASSETS PER ORDINARY SHARE

The basic total net assets per Ordinary share is based on the net assets attributable to owners shown in the Balance Sheet as at 30 June 2013, and on 31,569,962 Ordinary shares, being the number of Ordinary shares in issue at 30 June 2013 (30 June 2012: 36,287,312; 31 December 2012: 36,287,312).

There is no dilution effect and therefore no difference between the diluted total net assets per Ordinary share and the basic total net assets per Ordinary share stated above.

11. GROUP STRUCTURE AND SUBSIDIARY UNDERTAKINGS

The Group structure at 30 June 2013 was as follows:



NOTES TO THE INTERIM FINANCIAL STATEMENTS *CONTINUED*

11. GROUP STRUCTURE AND SUBSIDIARY UNDERTAKINGS *CONTINUED*

The following were subsidiary undertakings of the Company at 30 June 2013:

	Country of operation, registration and incorporation	Holdings and voting rights %
MIL ¹	England	100
MCH ²	England	100
MCP ³	England	85
MCGP ⁴	Scotland	85

¹ A subsidiary of the Company, incorporated on 19 January 1990, to carry on business as an investment company.

² A subsidiary of the Company, incorporated on 6 February 2007, to carry on the business of a holding company.

³ A subsidiary of MCH, acquired on 30 March 2007, to carry on the business of providing investment management services. MCH has an entitlement to 85% of the profits and voting rights of MCP.

⁴ A subsidiary of MCP, incorporated on 9 June 2006, to carry on the business of providing investment management services.

12. GUARANTEES AND COMMITMENTS

(a) Guarantees

The Company has agreed to provide such financial support to MIL as it may require to continue trading as a going concern.

(b) Commitments

The Company has a maximum outstanding commitment of £7.0 million to MCF at 30 June 2013 (30 June 2012: £8.7 million; 31 December 2012: £8.4 million).

13. RELATED PARTY TRANSACTIONS AND DISCLOSURES

During the six months ended 30 June 2013, the Group and Company entered into the following transactions with related parties:

- (a) Under the Investment Management Agreement, dated 27 March 2009, the Company paid fees of £32,000 (inclusive of VAT) to MCP (30 June 2012: £32,000; 31 December 2012: £64,000), of which £16,000 was outstanding at 30 June 2013 (30 June 2012: £16,000; 31 December 2012: £16,000).
- (b) The Company invests in MCF, which is managed by MCP. A carried interest scheme operates for the founder partners in the scheme, whereby any gains achieved through the carried interest associated with MCF are conditional upon a certain minimum return being generated for investors. No carried interest payments were made during the period ended 30 June 2013 (30 June 2012: £nil; 31 December 2012: £nil).

NOTES TO THE INTERIM FINANCIAL STATEMENTS *CONTINUED*

13. RELATED PARTY TRANSACTIONS AND DISCLOSURES *CONTINUED*

- (c) LGAS held 34.5% of the Ordinary share capital of the Company as at 30 June 2013 (30 June 2012: 34.7%; 31 December 2012: 34.7%).
- (d) Mr Boylan, the Managing Partner and Designated Member of MCP, in his personal capacity held 0.2% (30 June 2012: 0.2%; 31 December 2012: 0.2%) of the Ordinary share capital of the Company as at 30 June 2013. Mr Boylan is a member of MCP and has a profit entitlement of 15% of the profits in MCP (30 June 2012: 10%; 31 December 2012: 15%).
- (e) The compensation payable to key management personnel (which includes members of MCP but excludes Directors of the Company) amounts to £71,000 (30 June 2012: £101,000; 31 December 2012: £172,000) paid as guaranteed drawings. Profit share distributed to the non-controlling interests (members of MCP) amounted to £17,000 (30 June 2012: £12,000; 31 December 2012: £23,000).

DIRECTORS' RESPONSIBILITIES STATEMENT

In respect of the Interim Report and Financial Statements for the six months ended 30 June 2013, we confirm that to the best of our knowledge:

- The Interim Report and Financial Statements have been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting" issued by the International Accounting Standards Board as adopted by the EU;
- The Investment Manager's Review includes a true and fair review of the information required by:
 - (a) DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of the important events that have occurred during the first six months of the financial year and their impact on the Interim Report and Financial Statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
 - (b) DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last Annual Financial Report that could do so.

On behalf of the Board
Mithras Investment Trust plc
Company Number: 2478424

William Maltby
Chairman
24 July 2013

INDEPENDENT REVIEW REPORT TO MITHRAS INVESTMENT TRUST PLC¹

INTRODUCTION

We have been engaged by the company to review the Interim Report and Financial Statements in the half-yearly financial report for the six months ended 30 June 2013, which comprises the Unaudited Condensed Consolidated Statement of Comprehensive Income, Unaudited Condensed Consolidated Statement of Changes in Equity, Unaudited Condensed Consolidated Balance Sheet, Unaudited Condensed Consolidated Cash Flow Statement and the related notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

DIRECTORS' RESPONSIBILITIES

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

As disclosed in note 2, the annual financial statements of the group are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting", as adopted by the European Union.

OUR RESPONSIBILITY

Our responsibility is to express to the company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review. This report, including the conclusion, has been prepared for and only for the company for the purpose of the Disclosure and Transparency Rules of the Financial Conduct Authority and for no other purpose. We do not, in producing this report, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



INDEPENDENT REVIEW REPORT TO MITHRAS INVESTMENT TRUST PLC *CONTINUED*

SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2013 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

PricewaterhouseCoopers LLP

Chartered Accountants

London

24 July 2013

¹ The Financial Statements are published on www.mithrasinvestmenttrust.com, which is a website managed by the Company's Investment Manager, MCP. The Directors are responsible for the integrity of the Company's website and the Investment Manager maintains the website. The work carried out by the Auditors does not involve consideration of the maintenance and integrity of this website or any other website upon which the Financial Statements may be published and accordingly, the Auditors accept no responsibility for any changes that may occur to the Financial Statements following presentation on a website. Visitors to any website containing the Financial Statements need to be aware that legislation in the United Kingdom governing the preparation and dissemination of the Financial Statements may differ from legislation in their jurisdiction.

MONITORING YOUR HOLDING

Shareholders wishing to monitor their shareholdings are able to do so via the internet, using Equiniti Registrar's Shareview Service.

The Shareview Service gives you:

- direct access to data held for you on the share register including recent share movements and dividend details; and
- the ability to change your address or dividend payment instructions online.

It is easy to sign up for the Shareview Service – you just need the 'shareholder reference' number printed on your dividend stationery. When you log on to the Shareview Service for the first time you will be sent a User ID and PIN.

The Shareview Service is:

- **Easy to use**

You just need your User ID and PIN to log on. Information about your shareholding is displayed clearly and conveniently and is updated regularly. Registration takes only a few minutes.

- **Secure**

Data transferred to your browser is encrypted and other internet users cannot gain access to your portfolio without your User ID and PIN.

- **Free**

As long as you have a PC and access to the internet, this service is free.

For more details on the Shareview Service and practical help on transferring shares or updating your details, visit **www.shareview.co.uk**.

SHAREHOLDER INFORMATION

FINANCIAL CALENDAR

Year end 31 December

Results Announced:

- Annual March
- Interim July

Annual General Meeting May

PAYMENT OF DIVIDENDS ON ORDINARY SHARES

Declared 2012:

- Final dividend of 2.0 pence Paid on 25 May 2012 to shareholders on the Register of Members on 23 March 2012.

Declared 2013:

- Final dividend of 1.0 pence Paid on 24 May 2013 to shareholders on the Register of Members on 15 March 2013.

SHAREHOLDER HELPLINE

0871 384 2498

Calls cost 8 pence per minute plus network extras.

Lines are open from 8.30 am to 5.30 pm Monday to Friday.

Overseas holders should call +44 121 415 7047

DIRECTORS AND ADVISERS

DIRECTORS

William Maltby (Chairman)
Fabian French
Miriam Greenwood OBE DL
John Mackie CBE (Senior Independent Director)
David Shearer (Audit Committee Chairman)

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Calls cost 8p per minute plus network extras.
Lines open 8.30am to 5.30pm, Monday to Friday.
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