MITHRAS

Investment Trust plc

Annual Financial Report

31 December 2015

Mithras Investment Trust plc (the "Company") is a private equity investment trust managed by Mithras Capital Partners LLP ("MCP").

The Company's investment objective, approved by shareholders in January 2009, is to follow a realisation strategy which aims to crystallise value for shareholders in a manner which seeks to achieve a balance between returning cash to shareholders and maximising the value of the Company's portfolio.

In December 2012, the Board announced that the core strategy of returning capital to shareholders would be achieved through a series of tender offers.

The Company's investment portfolio consists of a commitment to Mithras Capital Fund LP ("MCF"), which is invested in European and United States based limited partnership buyout funds.

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Financial Summary

Group Financial Highlights

	Year ended 31 December 2015	Year ended 31 December 2014	% change compared to previous year
Net assets attributable to owners of the Company	**£33.7 million**	£37.8 million	(10.8)
Number of Ordinary shares in issue at end of period	**19,490,606**	23,342,043	(16.5)
Net Asset Value ("NAV") per Ordinary share	**173.0 pence**	162.1 pence	6.7
Mid market share price			
31 December	**146.5 pence**	142.5 pence	2.8
1 March[1]	**145.5 pence**		
Discount	**15.3%**	12.1%	(3.2)
Cash distributions to shareholders during the period (dividends paid plus tender offers)			
– Dividends paid	**£0.2 million**	£0.3 million	
– Tender offer proceeds	**£6.1 million**	£6.7 million	
	£6.3 million	£7.0 million	
– Tender offer proceeds per Ordinary share	**25.8 pence**	24.0 pence	
– Proposed dividends[2]	**1.0 pence**	1.0 pence	
Total return before tax	**£2.3 million**	£0.6 million	
Ongoing charges (annualised)[3]	**1.4%**	1.1%	
Total expense ratio (annualised)[4]	**2.1%**	1.8%	

[1] Being the last practical date prior to approval of the Annual Financial Report.

[2] Proposed dividends, if approved by shareholders at the Annual General Meeting ("AGM"), are paid in the calendar year following proposal. Further information can be found in note 9 to the Financial Statements on page 55 and in the Financial Calendar on page 71.

[3] The ongoing charges figures have been calculated using the Association of Investment Companies' ("AIC") recommended methodology and relate to the ongoing costs of running the Company. Subsidiary expenses, such as those incurred by MCP and non-recurring fees are therefore excluded from the calculation.

[4] The ratio reflects the ongoing expenses for the Group. This follows the AIC guidance in calculating ongoing charges, but includes ongoing expenses of all subsidiaries.

Performance (Total Return) at 31 December 2015

	1 Year %	3 Year %	5 Year %	Since Flotation %
Share price	3.5	32.9	36.4	324.4
NAV*	7.3	23.0	22.6	331.8
FTSE All-Share Index	1.0	23.4	33.8	326.4

* Returns based on NAV per share adjusted for dividends paid. The return since flotation is based on Group total return after tax before dividends, attributable to owners on opening owners' equity.

Chairman's Statement

Highlights for the year

Against a background of continued volatility in financial markets, the Company had a positive year of cash generation and NAV growth. The Company's NAV increased from 162.1 pence per share to 173.0 pence per share, an increase of 6.7% although performance was again impacted by the continued weakness of the Euro relative to Sterling during the year. Excluding the impact of any currency movements during the year, the Company's NAV at 31 December 2015 would have been 176.3 pence per share.

The Company benefitted from a largely favourable, although volatile, market environment for private equity exits, with a particularly strong mergers and acquisitions market. Cash distributions received by the Company amounted to £8.4 million. In June 2015 the Company completed its fourth tender offer returning £6.1 million to shareholders. The Company has now returned a gross total of £25.8 million to shareholders by way of tender offers. This equates to a capital return of 87.4 pence per share and has entailed the cancellation of approximately 46% of the original shares in issue.

The number of underlying portfolio companies decreased significantly from 64 to 53 during the year. This compares to the original total of 88 portfolio companies. Despite this reduction, the Company's remaining portfolio still provides shareholders a diversified exposure in terms of deal size, sector and geography. We do not expect MCF to call significant further capital from the Company as any future add-on investments to existing portfolio companies are likely to be funded directly by the underlying portfolio companies.

During the year, the Company's share price rose from 142.5 pence per share to 146.5 pence per share. The discount increased slightly from 12.1% to 15.3% largely as a result of the increasingly uncertain market environment towards the end of the year.

Update on the Realisation Strategy

The Board continues to believe that the current strategy of returning cash to shareholders by way of tender offers at close to NAV is the best way to maximise value for shareholders. After allowing for expected commitments to portfolio funds and other costs, the Company had a net cash position of £5.6 million as at 31 December 2015. In addition, two previously announced portfolio company realisations completed at the end of February 2016 with the Company receiving a total of £2.4 million from MCF giving a strong start to the year in terms of cash generation.

In line with the realisation strategy, the Board monitors closely the balance between the prospects of further NAV growth and cash generation and the ongoing costs of running the Company relative to NAV. The Company's costs for 2015 decreased slightly although the Company's ongoing cost ratio rose from 1.1% to 1.4% during the year as a consequence of the overall reduction in net assets following the recent tender offers. This cost ratio is still comparable with our listed private equity peer group.

Chairman's Statement

Whilst the Board believes that the prospects for NAV growth and cash generation from the portfolio remain strong, it remains open to value-enhancing offers. Any such offers will continue to be evaluated against the core strategy of tender offers.

Transfer of Interest in MCF

In July 2015, Legal & General Assurance Society Limited ("LGAS") sold its £55 million commitment in MCF to Pomona Capital VIII, LP. This transfer of interest in MCF has no direct impact on the Company. LGAS, which remains the Company's largest shareholder, continues to support the current realisation strategy being followed by the Company. Pomona Capital, with which the Investment Manager has enjoyed a positive relationship for several years, has also indicated its support of the Company's realisation strategy.

Outlook

Despite a clear deterioration in the macro economic environment during the course of the year, the managers of the underlying funds are continuing to report that trading performance of their underlying portfolio companies is generally strong.

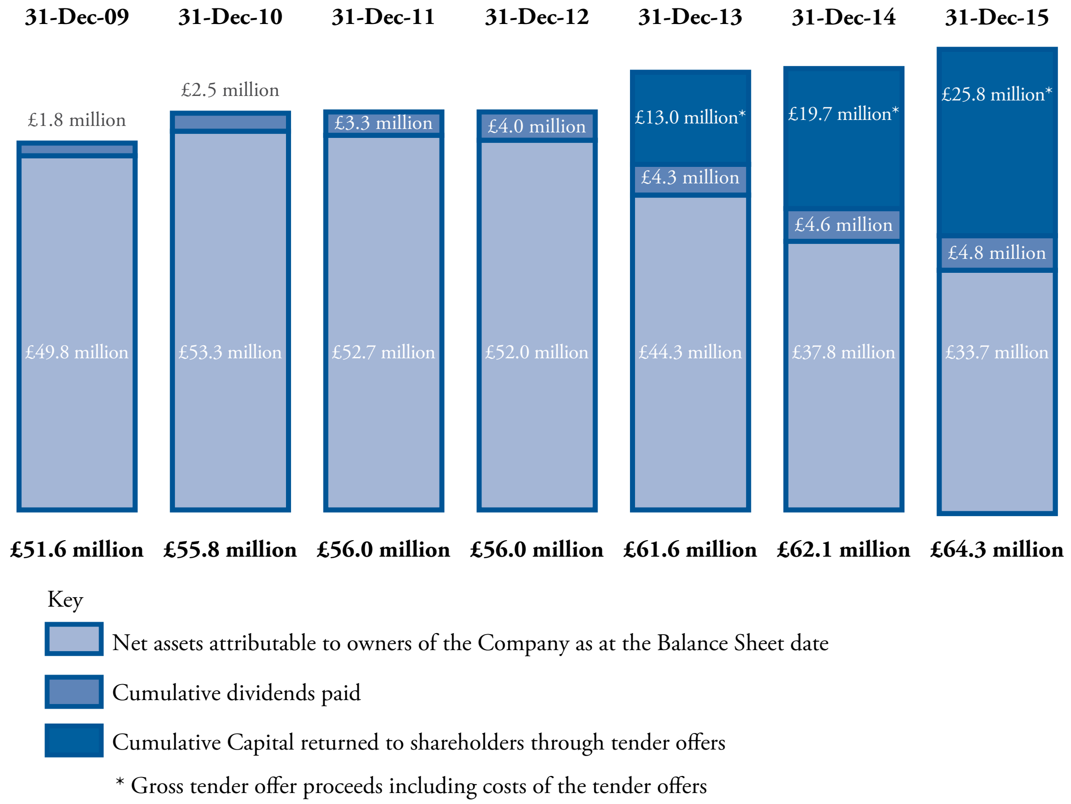
Financial markets have been particularly volatile in the opening weeks of 2016 with a further decline in investor confidence largely as a result of depressed oil and commodity prices and concerns about growth prospects, especially in China. This environment of volatility and sensitivity to actions by central banks and political developments, including Brexit, looks likely to continue.

Although the overall private equity exit environment has weakened, it is still positive. In particular, the outlook for secondary buyouts remains buoyant with generally supportive European debt markets and a significant amount of unspent private equity commitments.

William Maltby
Chairman
2 March 2016

Investment Manager's Review

Net Assets and Cumulative Distributions to Shareholders following the approval of the Realisation Strategy (January 2009)



Summary Financial Information following approval of Realisation Strategy

	Net Assets** £m	NAV p	Share price p	Discount %	Dividends paid per Ordinary share* p	Tender offer proceeds per Ordinary share p
31 December 2009	49.8	137.2	69.0	49.7	5.0	–
31 December 2010	53.3	146.8	112.5	23.4	2.0	–
31 December 2011	52.7	145.1	99.5	31.4	2.0	–
31 December 2012	52.0	143.1	112.5	21.4	2.0	–
31 December 2013	44.3	160.4	137.5	14.3	1.0	37.6
31 December 2014	37.8	162.1	142.5	12.1	1.0	24.0
31 December 2015	33.7	173.0	146.5	15.3	1.0	25.8
					14.0	87.4

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

** Attributable to owners of the Company.

Investment Manager's Review

CONTINUED

Results and Performance for the Year

In 2015, the Company's share price increased from 142.5 pence per share to 146.5 pence per share, an increase of 2.8%, during a period of continued uncertainty within financial markets. The Group's NAV increased from 162.1 pence per share to 173.0 pence per share during the year and the Group's total return for the year was 7.3% (2014: 1.7%) which compares to the Group's benchmark, the FTSE All-Share Index's return of 1.0% (2014: 1.2%). This performance was encouraging given that more than 70% of MCF's current portfolio reports in Euros and that the Euro weakened by a further 5.3% relative to Sterling during the year.

In line with the Company's realisation strategy, it will continue to pay a level of dividend required to maintain investment trust status although shareholders should continue to expect the majority of future returns to be capital in nature. Accordingly, the Board has recommended a final dividend totalling 1.0 pence per Ordinary share (2014: 1.0 pence). If approved by shareholders, the proposed final dividend will be paid on 6 May 2016 to shareholders on the register on 11 March 2016.

Investment Activity

Investment activity during 2015 was limited given MCF's fully invested position. MCF drew down a total of £1.1 million by way of capital calls or retained distribution proceeds. ***CVC Europe V*** completed its final new deal, acquiring Skybet in March 2015 and also called funds for add-on investments to Quiron, the Spanish healthcare operator, and Vedici, a French private hospital operator. ***Doughty Hanson V, PAI Europe V*** and ***OCM Principal Opportunities Fund IV*** all made add-on acquisitions to existing portfolio companies, including TMF Group, R&R Ice Cream and AdvancePierre Foods, although these acquisitions were typically funded directly by these portfolio companies.

Realisations and Repayments

The continuation of a generally positive environment for private equity exits meant that 2015 was another good year for distributions with MCF making gross distributions to the Company totalling £8.4 million (2014: £7.8 million). These distribution proceeds comprised several full or partial exits, as well as refinancing and dividend recapitalisation proceeds. Whilst the level of distributions was ahead of 2014, there were also a number of pending exits at the year end, notably ***PAI Europe V's*** proposed sales of Swissport and Hunkemoeller which completed in February 2016 and have ensured a positive start to the year from a cash perspective.

CVC Europe V was the most active underlying fund in terms of exits and realisation proceeds, distributing a total of £5.3 million to the Company. ***CVC Europe V*** sold Pilot Travel Centers, R Cable, Skrill and Virgin Active to trade buyers, with each exit returning in excess of 2.0x cost; completed the sell down of previously listed investments in Evonik, Merlin Entertainments and Cerved; and distributed partial disposal or recapitalisation proceeds from Sunrise (post IPO), Abertis and Continental Foods respectively.

Doughty Hanson V distributed £1.8 million following completion of the sale of Eurofiber at c.2.5x cost. ***PAI Europe V*** distributed £0.7 million after completing its second full exit by selling its residual stake in Atos for a total return of 2.0x cost. ***OCM Principal Opportunities Fund IV*** provided a number of smaller distributions during the course of 2015 following the sale of some small non-core holdings. Disappointingly, ***Riverside Europe III*** portfolio company Tensator went into administration which resulted in a full write off for MCF.

Investment Manager's Review

CONTINUED

As at 31 December 2015, the Company's portfolio comprised 53 portfolio investments with the largest investment equating to approximately 10% of NAV. The average hold period for the remaining portfolio has increased from 4.6 to 5.6 years.

Liquidity and Outstanding Commitments

The Group's liquidity position remains strong and the Group's cash balance as at 31 December 2015 was £6.8 million (2014: £6.3 million).

Excluding subsidiary company cash balances, the Company's cash balance was £6.3 million. This compares to maximum outstanding commitments of £3.7 million, of which only £0.7 million is expected to be drawn. This gives a net surplus cash position of £5.6 million as at 31 December 2015.

Outlook

The financial market volatility that we saw during 2015 is likely to continue in the short term and the Company's performance will continue to be sensitive to movements in the value of the Euro relative to Sterling. The Company generated strong cash returns in 2015 as market conditions remained largely supportive for private equity exits. Despite the macro-economic environment having become more challenging, we expect the portfolio to continue to generate positive cash returns given the healthy pipeline of potential exits and maturing portfolio, which in turn should lead to further progress with the Company's realisation strategy.

Mithras Capital Partners LLP
Investment Manager
2 March 2016

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Investment Trust plc

Consolidated Investment Portfolio
At 31 December 2015

Investments at Fair Value	Fair value £'000	% of Portfolio
MCF limited partnership fund investments		
OCM Principal Opportunities Fund IV	6,985	26
CVC European Equity Partners V	6,294	23
PAI Europe V	5,386	20
Riverside Europe Fund III	4,385	16
Doughty Hanson & Co V	3,528	13
Net current assets held in MCF	484	2
Directors' revaluation adjustment	156	–
Total investment portfolio	27,218	100
Geographical spread of investments by fund currency exposure		
Continental Europe (EUR)	19,611	72
North America (USD)	7,123	26
United Kingdom (GBP)	484	2
Total investment portfolio	27,218	100

Listed below are the ten largest underlying investments by value which account for 54% 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
AdvancePierre Foods	Food & Beverage	United States	OCM Principal Opportunities Fund IV	2008	10%
TMF Group	Services	Netherlands	Doughty Hanson & Co V	2008	10%
Diatron	Healthcare	Hungary	Riverside Europe Fund III	2005	6%
Cyanco Holdings	Basic Resources	United States	OCM Principal Opportunities Fund IV	2008	5%
Swissport	Travel, Leisure & Retail	Switzerland	PAI Europe V	2011	5%
OrthoD Group	Healthcare	United Kingdom	Riverside Europe Fund III	2008	5%
Quironsalud	Healthcare	Spain	CVC European Equity Partners V	2011	4%
Cerba European Lab	Healthcare	France	PAI Europe V	2010	3%
Xella	Building Materials & Others	Germany	PAI Europe V	2008	3%
Fu Sheng	Basic Resources	Taiwan	OCM Principal Opportunities Fund IV	2007	3%

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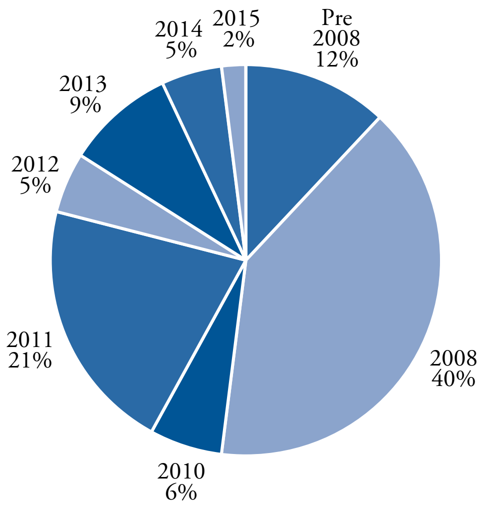
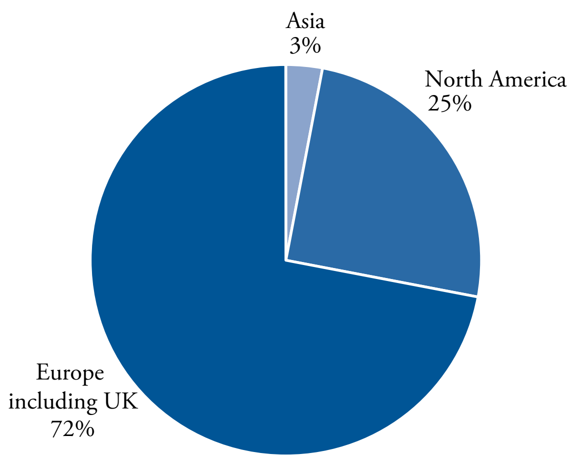
Consolidated Investment Portfolio Analysis

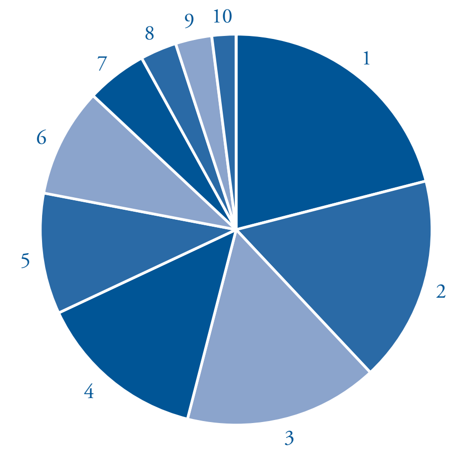
Underlying Investments by Year of Investment (by valuation)



Underlying Investments by Continent (by valuation)

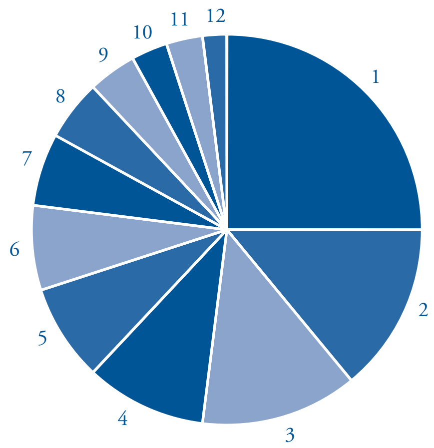


Underlying Investments by Sector (by valuation)



1	Healthcare	21%
2	Travel, Leisure & Retail	17%
3	Services	16%
4	Food & Beverage	14%
5	Basic Resources	10%
6	Industrial Goods & Services	9%
7	Building Materials & Others	5%
8	Oil, Gas & Chemicals	3%
9	Telecoms, Media & Technology	3%
10	Financial Services & Insurance	2%

Underlying Investments by Country (by valuation)



1	North America	25%
2	UK	14%
3	Benelux	13%
4	France	10%
5	Germany	8%
6	Scandinavia	7%
7	Hungary	6%
8	Switzerland	5%
9	Spain	4%
10	Other Europe	3%
11	Taiwan	3%
12	Rest of World	2%

Portfolio Review – Mithras Capital Fund LP

Mithras Capital Fund LP

Mithras Capital Fund LP

The Company has a commitment of £55.0 million to MCF, a private equity fund-of-funds managed by MCP, which held its final close in March 2008 raising a total of £120.0 million. MCF made commitments to five funds ("Underlying Funds"), mostly European buyout funds, which provide exposure across the whole range of the buyout market from the lower end through to the large segment of the market. MCF closed its commitment period on 24 July 2008 and no new commitments have been made since that date. The size of MCF was subsequently reduced to £110.0 million following a release of LP commitments totalling £10.0 million in April 2010.

The Company, through its commitment to MCF, has investment exposure to the following Underlying Funds: OCM Principal Opportunities Fund IV, Riverside Europe Fund III, Doughty Hanson & Co V, PAI Europe V and CVC European Equity Partners V. Details of these Underlying Fund investments can be found on pages 10 and 11.

Financial Position of MCF

As at 31 December 2015, MCF was valued at fair value based upon the latest available reports received from the general partners of the Underlying Funds. As part of the fair valuation process performed by MCP, a more up-to-date indication of fair value at 31 December 2015 has been sought from all underlying managers and this has been reflected as a Directors' valuation adjustment in the year end valuation for MCF.

The Company's investment in MCF at 31 December 2015 was as follows:

	31 December 2015	31 December 2014
Number of underlying portfolio companies	**53**	64
Fair value (£ million)	**27.2**	32.0
Cost (£ million)	**26.3**	28.8
Commitment to MCF (£ million)	**55.0**	55.0
Percentage of commitment drawn by MCF	**93.3%**	91.4%
Maximum undrawn commitment to MCF (£ million)	**3.7**	4.7
Percentage holding in MCF	**50.0%**	50.0%
Amounts called by MCF since inception (£ million)	**51.3**	50.3
Amounts distributed by MCF since inception (£ million)	**42.8**	34.5

The latest available audited Financial Statements for MCF at 31 December 2014 stated:

	31 December 2014
Allocation of net profit attributable to MCF limited partners (£ million)	**3.1**
Net assets attributable to MCF limited partners (£ million)	**65.4**

Portfolio Review – Underlying Funds within MCF

OCM Principal Opportunities Fund IV ("OCM POF IV")

Company's share of OCM POF IV (via MCF)	31 December 2015	31 December 2014
Fair value (£ million)	**7.0**	6.3
Number of Investments	**16**	18
Commitment (US$ million)	**20.0**	20.0
Percentage of commitment drawn	**90.0%**	90.0%
Holding in OCM POF IV	**0.6%**	0.6%

OCM POF IV is a US$3.3 billion private equity fund which made special situation private equity and distress for control investments in medium-sized companies that it believed were undervalued, possibly due to some kind of distress, which offered an opportunity for growth with an attractive risk/return profile. OCM POF IV structured investments with a view to obtaining control or significant influence. OCM POF IV's investment focus was predominantly on US opportunities although up to 35% could be invested in non-US opportunities. The investment period for OCM POF IV has expired meaning no new investments can be made.

CVC European Equity Partners V ("CVC Europe V")

Company's share of CVC Europe V (via MCF)	31 December 2015	31 December 2014
Fair value (£ million)	**6.3**	8.0
Number of Investments	**21**	27
Commitment (€ million)	**15.0**	15.0
Percentage of commitment drawn	**95.3%**	89.3%
Holding in CVC Europe V	**0.1%**	0.1%

CVC Europe V is a €10.7 billion private equity fund which sought to generate long-term capital appreciation primarily by investing in large European buyouts or other similar transactions where it could exert control. CVC Europe V targeted companies which typically exhibited at least one of the following characteristics: a strong market position or product portfolio; a realistic business plan and a persuasive strategy for achieving it; or an opportunity for cash flow and profit growth internally or through acquisition. The investment period for CVC Europe V has expired meaning no new investments can be made.

PAI Europe V ("PAI V")

Company's share of PAI V (via MCF)	31 December 2015	31 December 2014
Fair value (£ million)	**5.4**	5.6
Number of Investments	**9**	10
Commitment (€ million)	**7.5**	7.5
Percentage of commitment drawn	**91.0%**	91.0%
Holding in PAI V	**0.3%**	0.3%

PAI V is a €2.7 billion private equity fund which made controlling equity investments in medium-sized private and public companies headquartered in Europe, with typical equity investments of between €100 million – €300 million. PAI V focused on buying market-leading companies in one of five core sectors: business services, food & consumer goods, general industrials, healthcare and retail & distribution. PAI V particularly focused on investing in consolidating sub-sectors or markets where growth could be sustained through both financial and economic cycles. The investment period for PAI V has expired meaning no new investments can be made.

PORTFOLIO REVIEW – UNDERLYING FUNDS WITHIN MCF

CONTINUED

Riverside Europe Fund III ("REF III")

Company's share of REF III (via MCF)	31 December 2015	31 December 2014
Fair value (£ million)	**4.4**	5.3
Number of Investments	**4**	5
Commitment (€ million)	**15.0**	15.0
Percentage of commitment drawn	**96.7%**	96.3%
Holding in REF III	**4.7%**	4.7%

REF III is a €320 million private equity fund which followed a pan-European buy and build strategy focused on the lower mid-market. REF III targeted niche-leading companies with an initial enterprise value of between €10 million – €75 million and aimed to grow the businesses acquired over a period of three to seven years by a combination of making acquisitions and adopting measures to improve earnings growth. Riverside's philosophy was to buy small companies, grow them into larger companies and exit them at medium to large company multiples. The investment period for REF III has expired meaning no new investments can be made.

Doughty Hanson & Co V ("DH V")

Company's share of DH V (via MCF)	31 December 2015	31 December 2014
Fair value (£ million)	**3.5**	5.2
Number of Investments	**3**	4
Commitment (€ million)	**15.0**	15.0
Percentage of commitment drawn	**78.3%**	79.2%
Holding in DH V	**0.5%**	0.5%

DH V is a €3.0 billion private equity fund which made controlling equity investments in market leading, cash generative businesses which were headquartered in Europe or whose operations were primarily based in Europe. DH V targeted businesses where the enterprise value at acquisition was in the range of €250 million – €1 billion. These were typically family owned businesses with strong management teams where there was potential for equity value enhancement through improved revenue growth, market positioning, operating efficiencies and acquisitions. The investment period for DH V has expired meaning no new investments can be made

Strategic Report

Introduction

The Directors present their Strategic Report on the Group for the year ended 31 December 2015. The Strategic Report contains a review of the Company's strategy and business model as well as the principal risks and challenges it faces, an analysis of its performance during the financial year and its future developments.

Pages 2 to 15 inclusive (together with the sections of the Annual Financial Report incorporated by reference) consist of a Strategic Report that has been prepared in accordance with Section 414A of the Companies Act 2006 (the "Act").

Business Model

The Group comprises the Company and its wholly owned subsidiaries, details of which together with the principal activities can be found in note 17 on pages 59 and 60.

The Company is incorporated in England and Wales as a public limited company and is domiciled in the United Kingdom. It is an investment company as defined by Section 833 of the Act and its Ordinary shares are listed and traded on the London Stock Exchange.

The Company has been approved by HM Revenue & Customs ("HMRC") as an investment trust in accordance with Section 1158 Corporation Tax Act 2010 ("CTA") and in the opinion of the Directors, continues to meet the eligibility criteria to qualify as an investment trust. As an investment trust, the Company is exempt from Corporation Tax on capital gains and given the Company's current portfolio, the shares are eligible for inclusion in an Individual Savings Account.

Objective and Investment Policy

The Company's investment objective, approved by shareholders in January 2009, is to follow a realisation strategy which aims to crystallise value for shareholders in a manner which seeks to achieve a balance between returning cash to shareholders and maximising the value of the Company's portfolio.

The Company will not make any new investments but will continue to meet its existing outstanding commitment to MCF. The Company will retain sufficient cash resources to meet all outstanding obligations. Realised cash may be invested in "AAA" rated money market funds pending its return to shareholders in accordance with the Company's investment objective.

Performance

An outline of performance, market background, investment activity and portfolio strategy during the year under review, as well as the outlook, is provided in the Chairman's Statement on pages 2 and 3 and the Investment Manager's Review on pages 4 to 6.

Measuring Performance – Key Performance Indicators

A number of performance measures are considered by the Board and MCP in assessing the Company's success in achieving its objectives. The Key Performance Indicators ("KPIs") used to measure the progress and performance of the Company over time are established industry measures and are as follows:

- Cash distributed to shareholders;
- Movement in NAV;
- Movement in share price;
- Ongoing charges;
- Total expense ratio; and
- Dividends per share.

Strategic Report
CONTINUED

These KPIs are provided in the Group Financial Highlights summary on page 1.

Financial Risk Management

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. MCP has overall responsibility for managing the financial risks and the framework for monitoring and coordinating these risks. The risk management framework is monitored by the Board. The Group's financial risk management objectives and processes used to manage these risks have not changed from the previous year and the policies are set out in note 20 to the Financial Statements on pages 62 to 64.

Principal Risks and Uncertainties

The Board, in conjunction with MCP, has established a risk management framework within the context of the Company's overall objective. The Board and the Audit Committee are responsible for the risk management framework, which enables the Company to assess the overall risk and exposure of the Company and to review and monitor such risk. The Board confirms that it has carried out a robust assessment of the principal risks facing the Company as noted below together with how they are being managed or mitigated.

General Risks Associated with Investment in Private Equity:

The Group invests in private equity through its exposure to MCF which mitigates some of these general risks through diversification. Such investments are illiquid and might be difficult to realise, particularly within a short timeframe.

Financial Risks:

By its nature as an investment trust, the Company's business activities are exposed to market risk (which includes price risk and currency risk), credit risk, liquidity risk and interest rate risk. This is monitored by the Board. Details of these risks and how they are managed are set out in note 20 to the Financial Statements on pages 62 to 64.

Operational Risks:

As the Company's main functions are delegated to MCP and third party service providers, operational risk would arise from failures of internal control of those service providers. This would include, for example, non-compliance with statutes and regulations governing the functions of the Company. Operational risks are regularly assessed by the Board, which receives timely reports from MCP and its main service providers as to the internal control processes in place within those organisations. These serve to minimise the risk exposure to the Company. Further details regarding the Group's internal controls and management of risks are set out within the Corporate Governance Statement on page 25.

Investment and Strategy Risks:

The Board considers at each meeting the performance of the investment portfolio and has established investment restrictions and guidelines within which MCP operates.

Strategic Report

CONTINUED

Valuation Risks:

The Group's exposure to valuation risk mainly comprises movements in the value of its underlying investments. The Company's investment in MCF is valued at fair value by the Directors in accordance with the current International Private Equity and Venture Capital ("IPEV") Guidelines. Valuation risks are mitigated by a comprehensive review of underlying investments carried out by MCP bi-annually. These valuations are then considered and approved by the Audit Committee and the Board.

Regulatory Risks:

A breach of the CTA could result in the Company losing its status as an investment trust and becoming subject to Corporation Tax on capital gains. MCP monitors the CTA qualification criteria and provides a report to the Board at each meeting. As an entity listed on the London Stock Exchange, the Company must also comply with the Listing, Prospectus and Disclosure and Transparency Rules (the "Rules") of the Financial Conduct Authority ("FCA") as well as the Act. MCP and the Company Secretary provide regular reports to the Board on compliance with relevant provisions and report breaches without delay. The Board relies on MCP, the Company Secretary and professional third party advisers to ensure compliance with laws and regulations.

In particular, under the Rules, the Company is required to maintain at least 25% of its shares in "public hands". The definition of "public hands" excludes any holdings by shareholders owning more than 5% of the issued share capital as well as the Directors own shareholdings. Details of the Company's substantial shareholders are disclosed on page 18. Any inadvertent breach of this test could result in the Company's share listing being suspended and the loss of investment trust status.

Corporate Governance and Shareholder Relations Risks:

Details of the Company's compliance with corporate governance best practice guidelines, including compliance with the AIC Code of Corporate Governance (the "AIC Code") and the maintenance of good communication with shareholders, are set out in the Corporate Governance Statement on pages 21 to 25.

Longer Term Viability Statement

In accordance with provision C.2.2 of the 2014 revision of the UK Corporate Governance Code ("the Code"), the Directors have assessed the viability prospect of the Company over a longer period than the 12 months required by the "Going Concern" provision. The Board conducted this review for a period of two years. This assessment has been made with reference to the Company's realisation strategy and the principal risks and uncertainties as noted above, faced by the Company and how these are managed.

The Company's realisation strategy is modelled on a two year basis and is built on an underlying fund by fund basis using a bottom up model. The model makes certain assumptions concerning the exit plans and cash flow profile of the remaining portfolio as well as the costs of running the Company and assumes that the Company continues with its core strategy of returning capital to shareholders by way of tender offers. These assumptions are stress tested in a robust downside scenario to reflect the Company's principal risks which are adverse currency movements and a lack of secondary market liquidity. The Board reviews the results of this modelling on a quarterly basis at each Board meeting.

Based upon the results of this analysis and taking into account the Company's current position and principal risks and uncertainties, the Directors have a reasonable expectation that the Company will continue to operate and meet its liabilities, as they fall due, for the next two years.

Strategic Report
CONTINUED

Going Concern

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 year ended 31 December 2015. 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.

Social and Environmental Policy

As an investment trust, the Company has no direct social, community, employee, human rights or environmental responsibilities. The Company's principal responsibility is to follow the realisation strategy approved by shareholders in 2009.

Anti-Bribery Policy

The Company is committed to the practice of responsible behaviour and to complying with all laws, regulations and other requirements which govern the conduct of its activity. The Company is committed to instilling a strong anti-corruption culture and is committed to compliance with anti-bribery legislation including, but not limited to, the Bribery Act 2010.

Gender Representation on the Board

The composition of the Board as at 31 December 2015 is set out on page 16. During the year under review, there were three male Directors and one female Director on the Board. The Board's approach to diversity is set out in the Corporate Governance Statement on page 24.

Main Trends and Future Developments

Details of the Company's key developments during the year ended 31 December 2015, together with its prospects for the future, are set out in the Chairman's Statement on pages 2 and 3 and the Investment Manager's Review on pages 4 to 6.

By Order of the Board
BNP Paribas Secretarial Services Limited
Company Secretary
2 March 2016

Board of Directors

Chairman

William Maltby (Chairman of the Board, the Management Engagement and Nomination Committees)

William is a senior adviser to the Investment Banking Division of Deutsche Bank. Previously he was vice chairman of Investment Banking at Deutsche Bank where he worked for more than 25 years as a corporate financier. He qualified as a Chartered Accountant with Peat Marwick Mitchell and has a law degree from Cambridge University. Appointed 2005.

Directors

Miriam Greenwood OBE DL

Miriam is a qualified Barrister who has spent more than 25 years working for a number of leading banks and financial institutions. With four partners she established SPARK Advisory Partners four years ago, as an independent corporate advisory business. She is a non-executive director of Eclipse Shipping Limited, SMS plc and is currently chair of OFGEM's Expert Panel on the Gas Network Innovation Competition. She is a deputy lieutenant of the City of Edinburgh and in 2000 was awarded an OBE for services to corporate finance. Appointed 2012.

John Mackie CBE (Senior Independent Director)

Following an early career in retail management he qualified as a Chartered Accountant with Arthur Andersen & Co in Glasgow. He then spent five years with 3i Group before joining Morgan Grenfell Private Equity in 1990 as a founder director. He was chief executive of the British Venture Capital Association from 2000-2006 and a partner in Parallel Private Equity LLP until 2011. He was also chairman of Henderson Private Equity Investment Trust plc, a non-executive director of Baronsmead VCT plc and is chairman of two advisory boards at early stage technology investment funds. Appointed 2012.

David Shearer (Chairman of the Audit Committee)

David is an experienced non-executive director, corporate financier and turnaround specialist and was previously senior partner for Scotland & Northern Ireland and a UK Executive Board member of Deloitte LLP. He is chairman of Liberty Living Group, Aberdeen New Dawn Investment Trust plc and the Scottish Edge Fund and senior independent director of STV Group plc. He was previously the co chairman of Martin Currie (Holdings) Limited, chairman of Crest Nicholson plc and Mouchel Group and a non-executive director of City Inn Limited in each case standing down after completing the financial restructuring of these businesses. He was also a non-executive director of Renold plc, Superglass Holdings plc and Scottish Financial Enterprise and a governor of The Glasgow School of Art. He is a Chartered Accountant. Appointed 2007.

All Directors are members of the Nomination, Audit and Management Engagement Committees and are non-executive. No Remuneration Committee has been established. All Directors are independent of MCP in accordance with the provisions of the AIC Code.

Directors' Report

The Directors present their Annual Financial Report and the audited Financial Statements of the Group for the year ended 31 December 2015 incorporating the Corporate Governance Statement on pages 21 to 25. Details of the Company's key developments during the year ended 31 December 2015, together with its prospects for the future, are set out in the Chairman's Statement on pages 2 and 3 and the Investment Manager's Review on pages 4 to 6.

Information Disclosed in the Strategic Report

The following matters required to be disclosed in this report under the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 are covered in the Strategic Report (inclusive of the Chairman's Statement and the Investment Manager's Review) on pages 2 to 6: the Company's status, objectives, policies, dividend, financial risk management, the Company's exposure to risks and the current and future developments (this is not intended to be a detailed forecast) as well as important events affecting the Group since the year end.

Share Capital

Details of changes in the Company's share capital during the year are set out in note 15 on pages 58 and 59 of the Financial Statements.

As at the date of this Report, the Company had 19,490,606 Ordinary shares of 2p in issue. In June 2015, the Company purchased 16.5% of the issued share capital (equivalent to 3,851,437 Ordinary shares) from shareholders under a Fourth Tender Offer. No shares are held in Treasury. Accordingly the total number of voting rights in the Company at the date of this Report is 19,490,606.

Dividend

Details of the Board's final dividend recommendation for the year ended 31 December 2015 are set out in the Investment Manager's Review on page 5.

Directors

The Directors of the Company who held office at the end of 2015 and up to the date of signing these Financial Statements are set out on page 16 (including their biographical details).

In accordance with the AIC Code, Mr Maltby is subject to annual re-election as he has served more than nine years on the Board. The Nomination Committee, having reviewed his performance as Director and his contribution to the operation of the Company, concluded that the Company benefited from his services and his performance continued to be effective and demonstrated his commitment to the role (including time for Board and Committee meetings and any other duties.) Accordingly, the Committee recommended to the Board that a resolution be put to shareholders for his re-election as a Director. No Director has a contract of service with the Company.

Directors' and Officers' Liability Insurance/ Directors' Indemnity

The Company maintains insurance in respect of directors' and officers' liabilities in relation to their acts on behalf of the Company. Pursuant to the Articles of Association the Company is obliged to indemnify each Director (or other officer) of the Company from and against any loss, liability or expense that they may incur in relation to the Company. Accordingly, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Act.

Management and Significant Agreements

The Group's investments are self-managed by MCP, which was appointed as Investment Manager under an Agreement effective from 1 April 2009 with the Company. Under this Agreement, MCP receives a fixed management fee of £64,000 per annum (2014: £64,000) payable by the Company. The Investment Management Agreement between the Company and MCP may be terminated by either party at not less than twelve months' written notice without penalty.

In accordance with the Alternative Investment Fund Management Directive ("AIFMD"), the Board approved the appointment of MCP as the Company's Alternative Investment Fund Manager ("AIFM") following the effective authorisation of MCP as an AIFM by the FCA with effect from 1 July 2014 under the AIFMD transition rules. As MCP is considered to be sub-threshold, MCP has reduced reporting obligations under AIFMD.

Directors' Report

CONTINUED

During 2014 the Board put in place a retention arrangement with Mr Boylan such that on completion of the Realisation Strategy a sum of £200,000 will be paid to Mr Boylan. In consideration for this, the Company will acquire the 15% minority interest in the Investment Manager held by Mr Boylan.

The Company and MCP are supported by Capita Sinclair Henderson Limited trading as Capita Asset Services who provide administration and accounting services for the Company. The Agreement between the Company and Capita Sinclair Henderson Limited may be terminated by either party giving twelve months' written notice at any time.

Company secretarial services are provided by BNP Paribas Securities Services S.C.A. who delegate this activity to their wholly owned subsidiary, BNP Paribas Secretarial Services Limited. The Agreement between the Company and BNP Paribas Securities Services S.C.A. may be terminated by either party giving not less than six months' written notice at any time.

Continuing Appointment of MCP

Having reviewed MCP's performance, the Board is satisfied with MCP's continued ability to produce satisfactory results. Accordingly, the Board believes that the continued appointment of MCP, on its current terms, is in the interest of shareholders. Such a review is carried out on an annual basis.

Mr Boylan is the chairman of MCP and Mr Mackie is the Company's designated representative. Mr Mackie receives a fee of £5,000 per annum from MCP.

Substantial Shareholdings

As at the year end and up to the date of this Report, the Company has determined that the following held interests of 3% or more of the voting rights attaching to the Company's issued share capital.

Beneficial Owner	No. of Shares as at 1 March 2016	% of Voting Rights as at 1 March 2016	No. of Shares as at 31 December 2015	% of Voting Rights as at 31 December 2015
Legal & General Assurance Society Limited	6,529,034	33.50	6,529,034	33.50
C G Asset Management Limited	2,285,502	11.73	2,285,502	11.73
Troy Asset Management Limited	2,153,233	11.05	2,153,233	11.05
East Riding of Yorkshire Council	1,834,506	9.41	1,834,506	9.41
A R B Johnson	1,256,169	6.44	1,256,169	6.44
South Yorkshire Pensions UK Fund Authority	787,334	4.04	787,334	4.04

The Listing Rules require the Company to maintain at least 25% of its shares in "public hands". The definition of "public hands" excludes any holdings by shareholders owning more than 5% of the issued share capital as well as the Directors own shareholdings. Any inadvertent breach of this test could result in the Company's share listing being suspended and the loss of investment trust status. As at 31 December 2015, the Company had 27.31% of its Ordinary share capital in public hands. As the Company continues to return capital to shareholders by way of tender offers, the Directors will continue to monitor the 25% threshold with the aim of ensuring the shares in public hands test is met.

Directors' Report

CONTINUED

Takeover Directive Disclosure Requirements

- The Company's capital structure is summarised in note 15 on pages 58 and 59 and the voting rights are summarised on page 66. There are no restrictions concerning the transfer of securities in the Company and there are no limitations between holders of securities regarding their transfer known to the Company;
- no restrictions exist on voting rights, including: limitations on voting rights of holders of a given percentage or number of votes; deadlines for existing voting rights; arrangements by which, with the Company's cooperation, financial rights carried by securities are held by a person other than the holder of the securities;
- the rules concerning the appointment and replacement of Directors are contained in Sections 154 to 169 of the Act and the Company's Articles of Association. The rules concerning the amendment of the Articles are contained within the Company's Articles of Association, which provide that a special resolution must be passed at a general meeting of the Company. The rules concerning the power to issue or buy back the Company's shares are contained in Sections 549 to 657 and Sections 690 to 708 of the Act respectively and within Articles 7 and 6 respectively of the Company's Articles of Association; no agreements exist to which the Company is party that may affect its control following a takeover bid; and
- no agreements exist between the Company and its Directors providing for compensation for loss of office that may occur because of a takeover bid.

Greenhouse Gas Emissions

All of the Company's activities are outsourced to third parties. As such it does not have any physical assets, property, employees or operations of its own and does not generate any greenhouse gas or other emissions.

Independent Auditors

During the year, the Company undertook a competitive tender process for the position of statutory auditor following completion of the 2015 Interim Review by PricewaterhouseCoopers LLP. Subsequent to this tender process, the Audit Committee recommended to the Board that BDO LLP be appointed as the Company's external Auditors for the Group with effect from 23 October 2015. Accordingly, resolutions are to be proposed at the forthcoming AGM for their appointment, and to authorise the Directors to agree their remuneration for the ensuing year. There are no existing contractual obligations that restrict the choice of Auditor.

Disclosure of Information to Auditors

The Directors at the date of approval of this Report, as listed on page 16, confirm that:

- to the best of their knowledge and belief, there is no relevant information of which the Company's Auditors are unaware; and
- each Director has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's Auditors are aware of that information.

The above confirmation is given and should be interpreted in accordance with the provision of Section 418 of the Act.

DIRECTORS' REPORT

CONTINUED

Annual General Meeting

The twenty-sixth AGM of the Company will be held on Wednesday, 27 April 2016 at the offices of BNP Paribas Fortis, 5 Aldermanbury Square, London EC2V 7BP at 12.00 noon. The business to be transacted at the meeting is detailed in the Notice of Meeting on pages 65 to 69.

Share Buy Backs

The Board is seeking approval at the AGM to renew the authority for the Company to repurchase up to 14.99% of the Company's shares for cancellation. The Board has no intention to hold any repurchased shares in Treasury. Following approval of the realisation strategy by shareholders, it is unlikely that the Board would seek to utilise this authority. Full details are included in the Explanatory Notes to the Notice of Meeting on page 69.

At the date of this Report and Accounts, the Company still had authority to buy back up to 3,498,972 Ordinary Shares from the authority granted to it by Shareholders at the AGM in April 2015, which expires at the forthcoming AGM.

Notice of General Meeting

The Board is seeking approval at the AGM to allow the Company to hold general meetings, other than an AGM, on 14 clear days' notice. This is permitted under the Act provided that a special resolution is passed by the shareholders approving this notice period and providing that the Company offers the facility to shareholders to vote by electronic means. The Board intends that this shorter notice period would not be used as a matter of routine, but would only be used where the flexibility was justified by the business of the meeting and it was in the best interests of shareholders as a whole.

Recommendation

The Directors consider that passing the resolutions proposed at the AGM will be in the best interests of the Company and shareholders as a whole and unanimously recommend that shareholders vote in favour of each of these resolutions, as they intend to do so, in respect of their own beneficial and non-beneficial holdings which amount in aggregate to 104,349 Ordinary shares of 2 pence each representing 0.54% of the voting rights of the Company.

On behalf of the Board
Mithras Investment Trust plc
Company Number: 2478424
William Maltby
Chairman
2 March 2016

Corporate Governance Statement

Introduction

The Board and the Investment Manager are committed to high standards of corporate governance. The Board is accountable to the Company's shareholders for good governance and this statement describes how the Company applies the principles identified in the Code issued in September 2014, which is available on the FRC's website, www.frc.org.uk. The Board has established corporate governance procedures, that it believes are appropriate for an investment trust company and that enable the Company to comply with the relevant principles of the Code and, where appropriate, with the principles of the AIC Code, which can be found on the AIC's website, www.theaic.co.uk. Given its focus on private equity and in line with other private equity investment managers, it has been concluded that MCP is not required to report against the UK Stewardship Code published in September 2012.

Statement of Compliance

The Board considers that throughout the year ended 31 December 2015, it complied with the principles of the AIC Code insofar as they apply to the Company's business.

This Corporate Governance Statement, together with the Management Report and Statement of Directors' Responsibilities set out on pages 33 and 34, demonstrates how the Company has complied with the AIC Code.

Board Responsibilities

The Directors collectively have a duty to promote the long-term success of the Company. To this end, the Board is responsible for determining the strategic direction of the Company. It meets at least four times per year to review the performance of the Company's investments, the financial position of the Company, its performance in line with the agreed investment objective and all other important issues to ensure control is maintained over the Company's affairs and that it operates within a framework of prudent and effective controls. All the Directors are non-executive and most of the Company's day-to-day responsibilities are delegated to MCP and third party service providers. Therefore, a schedule of matters specifically reserved for the Board for its decision has been adopted. There is a clear division of responsibility between the Chairman, the Directors, MCP and the third party service providers. No one individual has unfettered powers of decision making. The Chairman is responsible for leading the Board and ensuring its effectiveness in all aspects of its role, promoting a culture of openness and debate by facilitating the effective contribution of Directors and for ensuring that the Directors receive accurate, timely and clear information. MCP and the Company Secretary liaise with the Chairman prior to each meeting to agree agenda content and papers to be submitted to the Board and Committee meetings. The Chairman also ensures that there is regular communication with shareholders. The Chairman at the time of his appointment was, and remains, independent of MCP.

Corporate Governance Statement

CONTINUED

The Board has delegated the following responsibilities to MCP: development of strategic plans and the taking of decisions as to the management of the Company's investment portfolio. The Board takes responsibility for the content of major corporate communications. The Board has formalised arrangements under which the Directors, in furtherance of their duties, may take independent professional advice at the Company's expense. The Company Secretary is responsible for advising the Board, through the Chairman, on all governance matters and ensuring compliance with applicable rules, regulations and Company procedures. The Directors have access to the advice and services of the Company Secretary through its appointed representatives. The appointment and removal of the Company Secretary is a matter for the whole Board.

Directors and Directors' Independence

At the year end the Board comprised the Chairman and three Directors all of whom are non-executive Directors. There is no chief executive position within the Company.

The Board considers that all Directors are independent in character and judgement and comply with the criteria for independence as set out in the AIC Code. All Directors are equally responsible under the law for the proper conduct of the Company's affairs. In addition, they are responsible for ensuring that their policies and operations are in the best interests of all the Company's shareholders and that the interests of the creditors and suppliers to the Company are properly considered.

The Board is satisfied that it is of sufficient size, with an appropriate balance of skills and expertise, and that no individual or group of individuals is, or has been, in a position to dominate decision-making.

Conflicts of Interest

The Board has approved a policy on Directors' conflicts of interest and a Register of Conflicts of Interest has been compiled and approved by the Board. The Directors have also undertaken to notify the Chairman and the Company Secretary as soon as they become aware of any new actual or potential conflict of interest that would need to be considered and approved by the disinterested Directors and added to the Register, which is reviewed annually by the Board. The Board can impose limits or conditions when giving authorisation if the Directors consider this to be appropriate.

Professional Development

The Company has a full, formal and tailored induction programme, which covers the Group's investment strategy, policies and practices. As the Company is following the realisation strategy approved by shareholders, it is envisaged that the Directors currently serving will remain in place for the life of the Company. Throughout their time in office, the Directors are continually updated on the Group's business, the regulatory environment in which it operates and other changes affecting the Group by its advisers through written briefings and at Board meetings.

In addition, the Chairman reviews the training and development needs of each Director annually, as part of the evaluation process outlined below.

Corporate Governance Statement

CONTINUED

Board Evaluation

The Directors recognise the importance of the AIC Code's recommendations in respect of evaluating the performance of the Board as a whole, the Committees of the Board and the individual Directors. The Board has adopted a questionnaire to be used as a basis for this formal and rigorous annual evaluation. The evaluations take place in two stages. First, the evaluation of individual Directors is led by the Chairman, and the evaluation of the Chairman's performance is led by the Senior Independent Director. Secondly, the Board evaluates its own performance and that of its Committees.

The Board evaluation considers attendance, the balance of skills, experience, independence and knowledge of the Board, its diversity, including gender, how the Board works together as a unit, and other factors relevant to its effectiveness including the Board's ability to challenge MCP's recommendations.

The Chairman uses the feedback from the discussion to make recommendations to improve performance where necessary. The Board considers annually, in the absence of the Chairman, matters pertaining to his performance.

It was concluded that the performance of the Directors was satisfactory in all areas and they were confident in their ability to make effective contributions and to demonstrate commitment to their roles.

Re-election

Directors are appointed subject to the provisions of the Act and the Company's Articles of Association. The re-appointment of a Director is reviewed by the Nomination Committee prior to a Director seeking re-election at an impending AGM. Re-appointment is not automatic and is subject to a review of performance. All Directors are subject to election by shareholders at the first AGM after their appointment. Thereafter, all Directors are subject to re-election in accordance with the Articles of Association and the AIC Code. No Director will serve more than three years in office without shareholder approval.

Information Flows

The Board is regularly provided with information to enable it to discharge its duties, including information on regulatory changes and internal controls. MCP provides such information as requested by the Board in addition to timely clarification or amplification of specific issues from time to time. The Company Secretary is responsible for ensuring good information flows.

Board Committees

In order to enable the Directors to discharge their duties, three Board Committees, with written terms of reference, have operated throughout the year. Committee membership is set out on page 16. Attendance at the meetings of the various Committees is restricted to members and those persons expressly invited to attend. BNP Paribas Secretarial Services Limited acts as Company Secretary to each Committee. Copies of the terms of reference for the Board Committees are available from the Company Secretary and are on the Company's website, www.mithrasinvestmenttrust.com.

Corporate Governance Statement

CONTINUED

Meeting Attendance

	Scheduled Board Meetings	Audit Committee Meetings	Nomination Committee Meeting	Management Engagement Committee Meeting
Total Number of Meetings	4	3	1	1
W J Maltby	4	3	1	1
M Greenwood	4	3	1	1
J Mackie	4	3	1	1
D J B Shearer	4	3	1	1

Nomination Committee

The Nomination Committee has defined terms of reference and comprises all members of the Board. The Committee is chaired by Mr Maltby and on occasions when the Committee is reviewing the performance of the Chairman, the Senior Independent Director chairs the meeting. The Committee meets at least annually and, having regard to the realisation strategy which the Company is following, considers succession planning and the balance of skills and experience on the Board. Directors' independence and diversity of the Board, including gender, is also considered.

The Board recognises the objectives of the Davies Report, "Women on Boards", aimed at improving the performance of corporate boards by encouraging the appointment of the best qualified people who come from a range of differing perspectives and backgrounds. As the Company is currently following the realisation strategy, approved by shareholders, it is envisaged that the Directors' currently serving will remain in place for the life of the Company. Therefore, the Board sees limited merit in adopting a policy or target for diversity.

Management Engagement Committee

The Management Engagement Committee was established to review the performance of MCP and third party service providers, as well as to review their terms of engagement and to ensure the management contract is competitive and reasonable for the shareholders. On this basis, the Board does not consider it necessary to obtain an independent appraisal of the Investment Manager's services.

The Committee meets annually and is chaired by Mr Maltby. As the Board is considered small for the purposes of the AIC Code, the Committee consists of all the Directors of the Company.

Communication with Shareholders

The Board aims to ensure that shareholders are kept informed of developments in the Company's business through its published Annual and Interim Financial Reports. This information was supplemented by the publication of Interim Management Statements during the six months between the Annual and Interim Financial Report periods and these were announced to the London Stock Exchange, as well as being available on the Company's website.

Corporate Governance Statement

CONTINUED

The Directors are always available to enter into dialogue with shareholders and the Company places a great deal of importance upon such communications. MCP, together with the Chairman if requested, is available to meet with the Company's shareholders to discuss matters of the Group's investment strategy, performance and governance. Discussions with shareholders are reported to the Board. It is the intention of the Board that the Annual Financial Report for the year ended 31 December 2015 and Notice of the AGM be issued to shareholders so as to provide at least twenty working days' notice of the AGM. Shareholders wishing to lodge questions in advance of the AGM are invited to do so by writing to the Company Secretary at the Registered Office address given on page 73.

Internal Controls and Management of Risk

In accordance with the Provision C.2.3, the AIC Code and related guidance, the Directors are responsible for monitoring and reviewing the Group's systems of internal controls and risk management.

This encompasses monitoring of all controls, which the Board has identified as including business, financial, operational, compliance and risk management. Internal controls systems are designed to meet the particular needs of the Group and the risks to which it is exposed. They are designed to manage rather than eliminate the risk of failure to achieve business objectives and by their very nature provide reasonable but not absolute assurance against material misstatement or loss. The principal risks faced by the Group and how they are managed are set out on pages 13 to 15. The Board confirms that it has carried out a robust assessment of the Group's internal controls and risk management systems for the year under review, taking into account all matters leading up to the date of the approval of the Financial Statements.

During the course of its review of the system of internal controls, the Board has not identified nor been advised of any significant failings or weaknesses in material controls. MCP, the Fund Administrator and the Company Secretary have established internal control frameworks to provide reasonable assurance on the effectiveness of the internal controls operated on behalf of their clients. MCP reports to the Board on the operation of its internal controls and risk management, insofar as it impacts on the Group. In addition, it reports on compliance within the terms of its delegated authority under the Investment Management Agreement on a quarterly basis. The Company Secretary also reports any breaches of law and regulation as and when they arise. This enables the Board to address any issues of concern regarding the management of the Group promptly.

The Company does not have an internal audit function as it employs no staff and delegates most of its operations to MCP and third parties. The Audit Committee reviews at least annually whether an internal audit function is required.

The Company does not have a whistleblowing policy in place. The Company delegates its main functions to MCP and third party providers who have such policies in place and the Audit Committee is happy to accept that these policies meet industry standards.

On behalf of the Board
BNP Paribas Secretarial Services Limited
Company Secretary
2 March 2016

MITHRAS
Investment Trust plc

Audit Committee Report

Audit Committee

The Audit Committee is chaired by Mr Shearer. The other members comprise all the Directors, namely Miss Greenwood and Messrs Mackie and Maltby. All members of the Committee have recent and relevant financial and investment experience as a result of their current or recent employment in the financial services and other industries. As the Chairman of the Committee, Mr Shearer has relevant and recent financial experience in financial services and as audit chair across a range of listed and unlisted companies as well as being a Chartered Accountant. Messrs Mackie and Maltby are also Chartered Accountants.

The Audit Committee operates within clearly defined terms of reference, which are reviewed annually and provides a forum through which the Company's external Auditors report to the Board. Copies of the terms of reference for the Audit Committee are available from the Company Secretary and are on the Company's website, www.mithrasinvestmenttrust.com

The Audit Committee convened three meetings during the year ended 31 December 2015 and considered the following significant issues:

Issue considered	How the issue was addressed
Accuracy and integrity of the Financial Statements	Consideration of draft Annual Financial Report, letters of representation and the audit plan, together with a review of the appropriateness of accounting policies and regulatory developments during the year.
Review of internal control systems and risks	Review of a summary risk map and regular risk climate updates, policies and procedures in place.
Shares in "public hands" test	Communication with shareholders, provision within tender offer documentation and inclusion of risk within risk map.
Valuation of underlying funds	Review of individual funds and the valuation methodology applied.

At the request of the Board the Audit Committee considered whether the 2015 Annual Financial Report and accounts were fair, balanced and understandable and whether they provided the necessary information for shareholders to assess the Company's performance, business model and strategy. The Audit Committee were satisfied that, taken as a whole, the Annual Financial Report and accounts were fair, balanced and understandable.

Effectiveness of the External Audit Process

The Committee annually reviews the performance of the Company's external Auditors. In doing so the Committee considers a range of factors including the quality of service, the Auditors' specialist expertise, the length of tenure of the current audit firm and when a tender process was last conducted. The provision of non-audit services and the level of audit fee are also considered.

During the year under review and at the request of the Board, the Audit Committee undertook a competitive tender process and subsequent to the process recommended to the Board that BDO LLP be appointed as the Company's external Auditors for the Group.

There are no contractual obligations restricting the choice of external Auditors. As the Company has no employees, there is no dedicated resource to the Audit Committee. However, representatives from Capita Asset Services, who produced the financial information for the Company for the year ended 31 December 2015, are invited to attend and present on issues as required. In addition, representatives of the Company's Auditors, attend the Audit Committee meeting at which the draft Annual Financial Report is reviewed and are given the opportunity, should they so wish, to speak to the Audit Committee members without the presence of MCP.

Audit Committee Report
CONTINUED

Provision of Non-Audit Services

The Audit Committee regularly monitors the non-audit services provided to the Group by its external Auditors, and has developed a formal policy on auditor independence to ensure that such services do not impair the independence or objectivity of the Auditors. The non-audit services provided during the year by PricewaterhouseCoopers LLP who resigned with effect from 23 October 2015, were tax compliance services and review of the Interim Financial Report. In order to safeguard auditor independence, non-audit services are carefully monitored, in particular the level of non-audit fees to ensure this does not become excessive when compared to the level of the audit fee.

The Company's policy with respect to non-audit services is to allow the external auditors to perform services when these would not compromise Auditor independence, are assurance related and are connected to audit work and where auditor knowledge would be advantageous in carrying out the services.

Details of the amounts paid to the external Auditors during the financial year, for audit and other services, are set out in note 7 to the Financial Statements on page 53.

David Shearer
Chairman of the Audit Committee
2 March 2016

Directors' Report on Remuneration

Introduction

The Directors present their Report on remuneration for the year ended 31 December 2015, in accordance with Section 420 to 422 of the Act. This Report also meets the relevant FCA Rules and describes how the Board has applied the principles relating to Directors' remuneration.

The Directors' Remuneration Policy must be approved by a binding shareholder vote at least every three years, or less if the Company wishes to change its remuneration policy. It was approved by shareholders on 7 May 2014 at the Company's AGM and is set out below under "Directors' Remuneration Policy" and includes the table entitled "Component Parts of the Directors' Remuneration".

The Company's Auditors are required to report on certain information within this Report. Where information set out below has been audited, it is indicated as such. The Auditors' opinion is included within the Independent Auditors' Report on pages 35 to 39.

Directors' Remuneration Policy

The Board is comprised entirely of independent, non-executive Directors and as a whole considers the remuneration of Directors. Accordingly, it has not appointed a separate Remuneration Committee. As Mr Maltby has considerable industry knowledge, the Board considers his chairmanship of this function to be desirable, notwithstanding the AIC Code, and to be in the interests of the Company.

The Company's Articles of Association limit the aggregate fees payable to Directors to £200,000 per annum. The Company's policy is that fees payable to the Directors should reflect the time spent on the Company's affairs and the responsibilities borne by the Directors and should be sufficient to motivate and retain candidates of a high calibre to deliver the realisation strategy and the Company's investment objectives as set out on page 12.

The component parts of the Directors' Remuneration are set out in the table below.

Component Parts of the Directors' Remuneration

	Year ended 31 December 2015	Year ended 31 December 2014
Chairman base fee	**£35,000**	£35,000
Non-executive Director base fee	**£25,000**	£25,000
Additional fee for the Chairman of the Audit Committee	**£5,000**	£5,000
Additional fee for the Senior Independent Director	**£2,500**	£2,500

The Company's policy is for the Chairman of the Board, the Chairman of the Audit Committee and the Senior Independent Director to be paid higher fees than the other Directors, to reflect their more onerous roles.
Directors' fees are paid up to the date of termination of their appointment, with no exit payments or compensation for loss of office payments applicable.
As the Company has no employees, there are no comparisons to be made between this Directors' Remuneration Policy and a policy on the remuneration of employees.
Directors' are entitled to claim expenses in respect of duties undertaken in connection with the management of the Company.
Fees are paid quarterly in arrears.

Directors' Report on Remuneration

CONTINUED

The Board considers any comments received from shareholders on the remuneration policy on an ongoing basis and if appropriate, takes these into consideration when reviewing remuneration.

As the Company is currently following the realisation strategy, approved by shareholders, it is envisaged that the Directors' currently serving will remain in place for the life of the Company.

No Director has a contract of service with the Company. The terms and conditions of the appointment of the Directors are set out in the Letters of Appointment which are available for inspection at the Company's Registered Office during normal business hours and at the location of the AGM during the Meeting. A Director may resign by providing notice in writing to the Board at any time; there is no fixed notice period.

Directors' Annual Remuneration Report

This Report sets out how the Directors' Remuneration Policy was implemented during the year ended 31 December 2015.

The Board as a whole has reviewed the level of fees paid to Directors and has no immediate intention of increasing the current levels of remuneration payable to Directors.

The amounts, set out in the table below, were paid by the Company to the Directors for services as Directors in respect of the year ended 31 December 2015 and the previous financial year.

Single Total Figure of Remuneration for each Director (Audited)

The Directors who served during 2015 and 2014 received the following emoluments:

	Total Fees[1]	
	2015	2014
	£	£
Director		
W J Maltby	**35,000**	35,000
M Greenwood	**25,000**	25,000
J Mackie	**27,500**	27,500
D J B Shearer	**30,000**	30,000
	117,500	117,500

[1] No aspect of the Directors' remuneration, past or present, is performance-related in light of the Directors' non-executive status. As a result, no Director is entitled to any bonuses, benefit in kind, share options, long-term incentives, pension or other retirement benefit.

Directors' Report on Remuneration

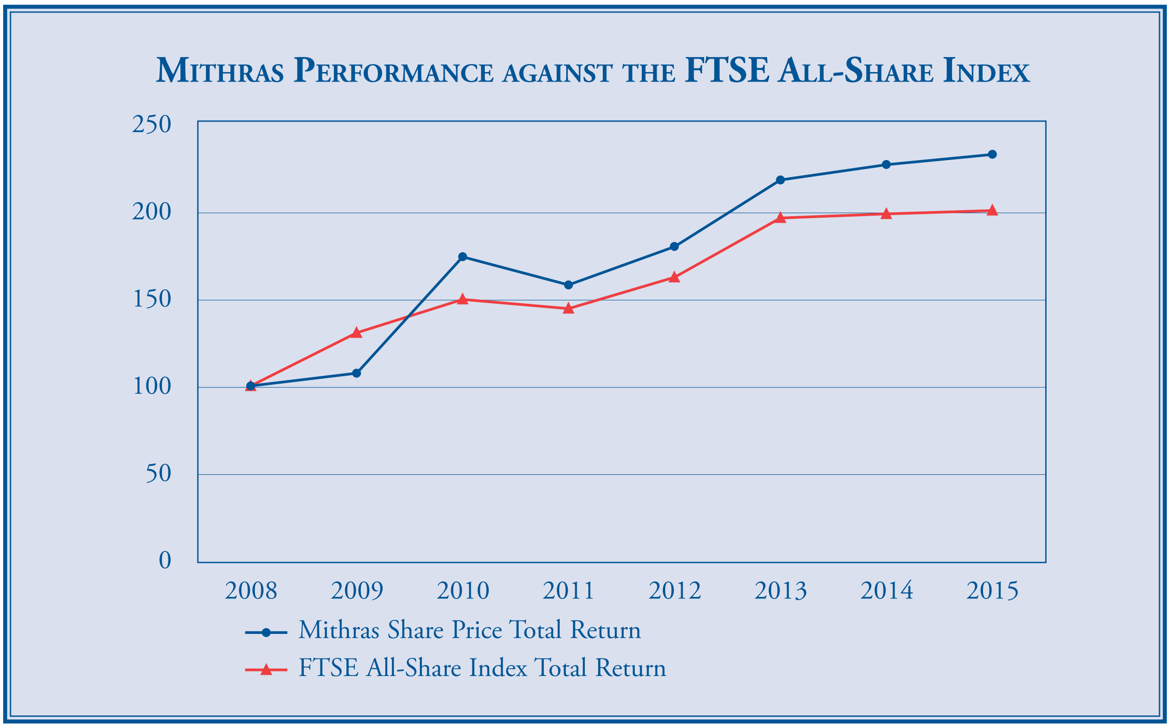
CONTINUED

Consideration of Matters relating to Directors' Remuneration

The Board reviewed the level of fees paid to Directors during the year. No external advice was sought in considering the level of Directors' fees. However the Company Secretary provided an analysis of fees payable to other investment trust companies with comparable activities which was taken into consideration.

Performance Graph

The performance graph below charts the cumulative share price total return (assuming that all dividends are reinvested) to shareholders since 31 December 2008. This return is compared to the cumulative total shareholder return on a notional investment in the FTSE All-Share Index, which is the portfolio benchmark against which the Company's performance is measured. The data has been rebased to 100 as at 31 December 2008.



DIRECTORS' REPORT ON REMUNERATION

CONTINUED

Expenditure by the Company on Directors' Remuneration compared with Distributions to Shareholders

The table below compares the remuneration paid to Directors to distributions to shareholders, during the year under review and the prior financial year, by way of dividends and tender offers. In considering these figures, shareholders should take into account the realisation strategy approved by shareholders.

Directors' Beneficial and Family Interests in Shares

Neither the Company's Articles of Association nor the Directors' Letters of Appointment require any Director to own shares in the Company. The interests of the Directors and their connected persons in the shares of the Company is shown below.

DIRECTORS' REMUNERATION COMPARED WITH DISTRIBUTIONS TO SHAREHOLDERS

	2015 £	2014 £	% change compared to previous year
Aggregate spend on Directors' fees*	**117,500**	117,500	0.0
Distribution to shareholders:			
(a) dividends	**233,000**	276,000	(15.6)
(b) tender offers	**6,012,000**	6,624,000	(9.2)
Aggregate distribution	**6,245,000**	6,900,000	(9.5)

* As the Company has no employees the total spend on remuneration comprises solely of Directors' fees.

DIRECTORS' BENEFICIAL AND FAMILY INTERESTS (AUDITED)

	At 31 December 2015 Ordinary shares		At 31 December 2014 Ordinary shares	
	Beneficial	Non-beneficial	Beneficial	Non-beneficial
W J Maltby	**51,027**	**13,430**	61,110	16,083
M Greenwood	**13,032**	–	15,776	–
J D Mackie	**13,430**	–	16,083	–
D J B Shearer	**13,430**	–	16,083	–

There have been no changes to the above holdings between 31 December 2015 and the date of this Report.

No Director, nor any persons connected with them, had a material interest in any of the Group's transactions, arrangements or agreements during the year ended 31 December 2015.

Directors' Report on Remuneration

CONTINUED

Statement of Implementation of Directors' Remuneration Policy

The Board does not envisage that there will be any significant changes to the implementation of the Directors' Remuneration Policy during the current financial year compared to how it was implemented during the year ended 31 December 2015.

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) Regulation 2013, we confirm that the above Directors' Report on Remuneration summarises, as applicable, for the year ended 31 December 2015:

a) the major decisions on Directors' remuneration;

b) any substantial changes relating to Directors' remuneration made during the year; and

c) the context in which those changes occurred and decisions taken.

Shareholder Approval

Shareholders will be asked to approve the Directors' Annual Remuneration Report annually, as previously, by an advisory vote and an ordinary resolution to approve the Report will be put to shareholders at the forthcoming AGM.

At the AGM held on 28 April 2015, votes cast (including the votes cast at the Chairman's discretion) in respect of the Directors' Remuneration Report were 17,842,305 (99.98%) in favour, 3,139 (0.02%) against, and no votes were withheld.

At the AGM held on 7 May 2014, votes cast (including the votes at the Chairman's discretion) in respect of the Directors' Remuneration Policy were 21,562,461 (99.98%) in favour, 3,737 (0.02%) against and 1,298 votes were withheld.

Recommendation

The Board considers the resolution to be proposed at the forthcoming AGM to be in the best interests of the Company and shareholders as a whole. Accordingly, the Board unanimously recommends to shareholders that they vote in favour of resolution 2 in the Notice of Meeting, as they intend to do so in respect of their own beneficial holdings.

On behalf of the Board
William Maltby
Chairman
2 March 2016

Management Report and Statement of Directors' Responsibilities

Listed companies are required by the FCA's Rules to include a management report in their Annual Financial Statements. The information required to be in the management report for the purposes of the FCA's Rules is included in the Strategic Report on pages 12 to 15 inclusive (together with the sections of the Annual Financial Report incorporated by reference) and the Directors' Report on pages 17 to 20. Therefore, a separate management report has not been included.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Financial Report, the Directors' Report on Remuneration 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 prepared the Group and Company Financial Statements in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union ("EU"). 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 Group and the Company and of the profit or loss of the Group for that period. In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable IFRSs as adopted by the EU have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- prepare a Strategic Report and a Directors' Report on Remuneration which complies with the requirements of the Act.

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 the Group and enable them to ensure that the Financial Statements and the Report on Directors' Remuneration comply with the Act and, as regards the Group Financial Statements, Article 4 of the IAS Regulation. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Having taken advice from the Audit Committee, the Directors consider that the Annual Financial Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy. The Directors have reached these conclusions through a process which is described in the Report of the Audit Committee on pages 26 and 27.

Management Report and Statement of Directors' Responsibilities

CONTINUED

Each of the Directors, whose names and functions are listed on page 16 confirm that, to the best of their knowledge:

- the Group Financial Statements, which have been prepared in accordance with IFRSs as adopted by the EU, give a true and fair view of the assets, liabilities, financial position and profit of the Group; and
- the Strategic Report as contained within the Annual Financial Report includes a fair review of the development and performance of the business and the position of the Company and Group, together with a description of the principal risks and uncertainties that it faces.

On behalf of the Board
William Maltby
Chairman
2 March 2016

Independent Auditors' Report to the Members of Mithras Investment Trust plc

Our opinion on Financial Statements

In our opinion:

- the Financial Statements give a true and fair view of the state of the Group's and the Company's affairs as at 31 December 2015 and of the Group's profit for the year then ended;
- the Group Financial Statements have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union;
- the Company Financial Statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and the Financial Statements have been prepared in accordance with the requirements of the Companies Act 2006 and, as regards the Group Financial Statements, Article 4 of the IAS Regulation

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.

What our opinion covers

We have audited the Financial Statements of Mithras Investment Trust plc for the year ended 31 December 2015 which comprise the Group Statement of Comprehensive Income, the Group and Company Balance Sheet, the Group and Company Statement of Changes in Equity, the Group and Company Statements of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and IFRSs as adopted by the European Union and, as regards the Company's Financial Statements, as applied in accordance with the provisions of the Companies Act 2006.

Respective responsibilities of Directors and Auditor

As explained more fully in the Statement of Directors' Responsibilities, 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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

A description of the scope of an audit of Financial Statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate

Independent Auditors' Report to the Members of Mithras Investment Trust plc

CONTINUED

An overview of the scope of the audit including our assessment of the risk of material misstatement

Our audit approach was developed by obtaining an understanding of the Group's activities, the key functions undertaken on behalf of the Board by the Investment Manager and the overall control environment. The Group audit team performs a full scope audit on all the companies included in the Consolidated Financial Statements.

Based on this understanding we assessed those aspects of the Group's transactions and balances which were most likely to give rise to a material misstatement. We tailored our audit approach to address the specific risks in order to provide an opinion on the Financial Statements as a whole, and any comments we make on the results of our procedures should be read in this context. We detail below the risks which we considered to have the greatest effect on the overall audit strategy including the allocation of resources in the audit, and our audit response: This is not a complete list of all risks identified.

Valuation and existence of private equity fund investments

The Investment portfolio comprises of unquoted investments in five private equity funds, detailed in the Portfolio Review on pages 10 and 11, held through the Company's investment in Mithras Capital Fund LP ('MCF').

The investments are included in the Financial Statements at fair value based on the Directors' valuation with reference to IPEV Guidelines. The valuation of investments is a key accounting estimate and there is a high level of estimation uncertainty and significant judgements involved in determining the unquoted investment valuations which may be subject to management override.

We have obtained the Investment Manager's valuation of the five funds in MCF as at 31 December 2015. We have obtained and agreed the unaudited third quarter investor statements prepared by the fund General Partners which form the starting point of the Investment Manager's year end valuation. We have verified the cash flow movements between the third and fourth quarter investor statements by agreeing the cash inflows to distribution notices and bank statements and agreeing cash outflows to capital call notices and bank statements.

We obtained and reviewed the Directors' revaluation adjustment to the fourth quarter independent fund manager valuation. We met with the Investment Manager and Directors to discuss and challenge the estimation uncertainty in the valuations.

We also assessed the accuracy and the basis of calculation of the prior year valuations by reference to the underlying audited Financial Statements of each of the funds.

We have confirmed MCF's commitment and percentage ownership in each of the five funds at 31 December 2015 directly with the fund.

Independent Auditors' Report to the Members of Mithras Investment Trust plc

CONTINUED

Listing rules share in public hands test

UK Listing Rule 6.1.19 (3) requires that a Company maintains at least 25% of its shares in 'public hands'. A breach of this rule could result in the Company's shares being suspended from the London Stock Exchange and the loss of its investment trust status. As the shares are traded on the London Stock Exchange, a breach of this threshold is outside the control of the Directors but we have documented and considered the actions taken by the Directors, as documented on page 18, to ensure that they address the Listing Rules requirements.

We have obtained the share register at the year end, as well as at a sample of points through the year, including immediately after the tender offer in June 2015, and we recalculated the percentage ownership in 'public hands'.

The Audit Committee's consideration of these risks is set out on page 26.

Materiality in context

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements on our audit and on the financial statements. We define planning materiality as the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the Financial Statements. We also determine a level of performance materiality which we use to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the Financial Statements as a whole.

We determined final materiality for the Financial Statements as a whole to be £0.5 million. In determining this, we based our assessment on a percentage of non-current assets. On the basis of our risk assessment, together with our assessment of the Group's control environment, our judgement is that performance materiality for the Financial Statements should be 60% of materiality, namely £0.3 million. Our objective in adopting this approach is to ensure that total detected and undetected audit differences do not exceed our final materiality of £0.5 million for the Financial Statements as a whole.

We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £10,000, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

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 Directors' Report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements.

Independent Auditors' Report to the Members of Mithras Investment Trust plc

CONTINUED

Statement regarding the Directors' assessment of principal risks, going concern and longer term viability of the company

We have nothing material to add or to draw attention to in relation to:

- the Directors' confirmation in the Annual Financial 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 Financial 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;
- the Directors' explanation in the Annual Financial 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following:

Under the ISAs (UK and Ireland), we are required to report to you if, in our opinion, information in the Annual Financial 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
- is otherwise misleading.

In particular, we are required to consider whether we have identified any inconsistencies between our knowledge acquired during the audit and the Directors' statement that they consider the Annual Financial Report is fair, balanced and understandable and whether the Annual Financial Report appropriately discloses those matters that we communicated to the Audit Committee which we consider should have been disclosed.

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or

Independent Auditors' Report to the Members of Mithras Investment Trust plc
CONTINUED

- the parent 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 require for our audit.

Under the Listing Rules we are required to review:

- the Directors' statements in relation to going concern and longer term viability, set out on pages 14 and 15 respectively; 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 nothing to report in respect of these matters.

Vanessa-Jayne Bradley (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom
2 March 2016

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

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Investment Trust plc

Consolidated Statement of Comprehensive Income for the year ended 31 December 2015

		2015			2014		
	Notes	**Revenue return £'000**	**Capital return £'000**	**Total return £'000**	Revenue return £'000	Capital return £'000	Total return £'000
Income							
Net gains on investments	4	**–**	**1,920**	**1,920**	–	609	609
Investment income	5	**602**	**–**	**602**	298	–	298
Other income	6	**461**	**–**	**461**	468	–	468
		1,063	**1,920**	**2,983**	766	609	1,375
Expenses							
Operating expenses	7	**(729)**	**–**	**(729)**	(735)	–	(735)
Profit before taxation		**334**	**1,920**	**2,254**	31	609	640
Taxation	8	**(20)**	**–**	**(20)**	114	–	114
Profit and total comprehensive income for the year		**314**	**1,920**	**2,234**	145	609	754
Attributable to:							
Owners of the Company	10	**282**	**1,920**	**2,202**	113	609	722
Non-controlling Interests		**32**	**–**	**32**	32	–	32
Basic and diluted earnings per Ordinary share (pence)	10	**1.3**	**9.1**	**10.4**	0.4	2.2	2.6

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

The Company has elected to take the exemption in Section 408 of the Act, in order not to present the Company's Income Statement and Statement of Comprehensive Income.

The notes on pages 47 to 64 form an integral part of these Financial Statements.

Consolidated Statement of Changes In Equity for the year ended 31 December 2015

	Notes	Share capital £'000	Capital redemption reserve £'000	Realised capital reserve £'000	Unrealised capital reserve £'000	Revenue reserve £'000	Total equity attributable to owners of the Company £'000	Non-controlling Interest £'000	Total equity £'000
31 December 2013		552	283	46,501	(7,777)	4,758	44,317	21	44,338
Profit and total comprehensive Income for the year		–	–	–	–	113	113	181	294
Contributions by and distributions to owners									
Dividends	9	–	–	–	–	(276)	(276)	–	(276)
Compensation to key management personnel	7	–	–	–	–	–	–	(149)	(149)
Retention due to key management personnel	19	–	–	(200)	–	–	(200)	–	(200)
Gains on disposal of investments	11	–	–	3,012	–	–	3,012	–	3,012
Fair value movements	11	–	–	–	(2,403)	–	(2,403)	–	(2,403)
Profit share paid to members in a subsidiary	19	–	–	–	–	–	–	(32)	(32)
Cost of shares purchased for cancellation under tender offer		(85)	85	(6,718)	–	–	(6,718)	–	(6,718)
Total contribution by and distributions to owners		(85)	85	(3,906)	(2,403)	(276)	(6,585)	(181)	(6,766)
31 December 2014		**467**	**368**	**42,595**	**(10,180)**	**4,595**	**37,845**	**21**	**37,866**
Profit and total comprehensive Income for the year		**–**	**–**	**–**	**–**	**282**	**282**	**32**	**314**
Contributions by and distributions to owners									
Dividends	9	**–**	**–**	**–**	**–**	**(233)**	**(233)**	**–**	**(233)**
Gains on disposal of investments	11	**–**	**–**	**4,189**	**–**	**–**	**4,189**	**–**	**4,189**
Fair value movements	11	**–**	**–**	**–**	**(2,269)**	**–**	**(2,269)**	**–**	**(2,269)**
Profit share paid to members in a subsidiary	19	**–**	**–**	**–**	**–**	**–**	**–**	**(32)**	**(32)**
Cost of shares purchased for cancellation under tender offer		**(77)**	**77**	**(6,096)**	**–**	**–**	**(6,096)**	**–**	**(6,096)**
Total contribution by and distributions to owners		**(77)**	**77**	**(1,907)**	**(2,269)**	**(233)**	**(4,409)**	**(32)**	**(4,441)**
31 December 2015		**390**	**445**	**40,688**	**(12,449)**	**4,644**	**33,718**	**21**	**33,739**

The notes on pages 47 to 64 form an integral part of these Financial Statements.

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Investment Trust plc

Company Statement of Changes In Equity for the year ended 31 December 2015

	Notes	Share capital £'000	Capital redemption reserve £'000	Realised capital reserve £'000	Unrealised capital reserve £'000	Revenue reserve £'000	Total equity £'000
31 December 2013		552	283	63,096	(20,097)	483	44,317
Profit and total comprehensive Income for the year		–	–	–	–	190	190
Contributions by and distributions to owners							
Dividends	9	–	–	–	–	(276)	(276)
Retention due to key management personnel	19	–	–	(200)	–	–	(200)
Gains on disposal of investments	11	–	–	3,012	–	–	3,012
Fair value movements	11	–	–	–	(2,448)	–	(2,448)
Investment management fee	19	–	–	(32)	–	–	(32)
Cost of shares purchased for cancellation under tender offer		(85)	85	(6,718)	–	–	(6,718)
Total contribution by and distributions to owners		(85)	85	(3,938)	(2,448)	(276)	(6,662)
31 December 2014		**467**	**368**	**59,158**	**(22,545)**	**397**	**37,845**
Profit and total comprehensive Income for the year		**–**	**–**	**–**	**–**	**167**	**167**
Contributions by and distributions to owners							
Dividends	9	**–**	**–**	**–**	**–**	**(233)**	**(233)**
Gains on disposal of investments	11	**–**	**–**	**4,189**	**–**	**–**	**4,189**
Fair value movements	19	**–**	**–**	**–**	**(2,122)**	**–**	**(2,122)**
Investment management fee		**–**	**–**	**(32)**	**–**	**–**	**(32)**
Cost of shares purchased for cancellation under tender offer		**(77)**	**77**	**(6,096)**	**–**	**–**	**(6,096)**
Total contribution by and distributions to owners		**(77)**	**77**	**(1,939)**	**(2,122)**	**(233)**	**(4,294)**
31 December 2015		**390**	**445**	**57,219**	**(24,667)**	**331**	**33,718**

The notes on pages 47 to 64 form an integral part of these Financial Statements.

MITHRAS
Investment Trust plc

Consolidated Balance Sheet as at 31 December 2015

	Notes	2015 £'000	2014 £'000
Non-current assets			
Investments at fair value through profit or loss	11	**27,218**	31,979
Current assets			
Receivables	12	**21**	23
Current tax receivable		**58**	40
Cash and cash equivalents	13	**6,824**	6,251
		6,903	6,314
Total assets		**34,121**	38,293
Current liabilities			
Payables	14	**(140)**	(211)
Current tax liability		**(42)**	(16)
		(182)	(227)
Total assets less current liabilities		**33,939**	38,066
Non-current liabilities			
Retention due to key management personnel	19	**(200)**	(200)
Net assets		**33,739**	37,866
Equity attributable to owners of the Company			
Share capital	15	**390**	467
Capital redemption reserve		**445**	368
Capital reserve		**28,239**	32,415
Revenue reserve		**4,644**	4,595
Equity attributable to owners of the Company		**33,718**	37,845
Non-controlling Interest		**21**	21
Total equity		**33,739**	37,866
Net assets per Ordinary share (pence)			
– basic and diluted	16	**173.0**	162.1

The Financial Statements on pages 40 to 64 were approved by the Board of Directors and authorised for issue on 2 March 2016.

The notes on pages 47 to 64 form an integral part of these Financial Statements.

They were signed on the Board's behalf by:

William Maltby
Chairman
Mithras Investment Trust plc
Company Number: 2478424

David Shearer
Chairman of the Audit Committee

MITHRAS
Investment Trust plc

Company Balance Sheet as at 31 December 2015

	Notes	**2015 £'000**	2014 £'000
Non-current assets			
Investments at fair value through profit or loss	11	**27,785**	32,399
Current assets			
Receivables	12	**12**	14
Cash and cash equivalents	13	**6,253**	5,824
		6,265	5,838
Total assets		**34,050**	38,237
Current liabilities			
Payables	14	**(132)**	(192)
Total assets less current liabilities		**33,918**	38,045
Non-current liabilities			
Retention due to key management personnel	19	**(200)**	(200)
Net assets		**33,718**	37,845
Equity attributable to owners of the Company			
Share capital	15	**390**	467
Capital redemption reserve		**445**	368
Capital reserve		**32,552**	36,613
Revenue reserve		**331**	397
Total equity		**33,718**	37,845

The Financial Statements on pages 40 to 64 were approved by the Board of Directors and authorised for issue on 2 March 2016.

The notes on pages 47 to 64 form an integral part of these Financial Statements.

They were signed on the Board's behalf by:

William Maltby
Chairman
Mithras Investment Trust plc
Company Number: 2478424

David Shearer
Chairman of the Audit Committee

Consolidated Cash Flow Statement for the year ended 31 December 2015

	Notes	2015 £'000	2014 £'000
Cash flows from operating activities			
Investment income received		**602**	298
Interest income received		**21**	28
Investment management fees received		**440**	440
Cash paid to service providers		**(613)**	(572)
Compensation to key management personnel		**(149)**	(149)
Taxation (paid)/received		**(13)**	10
Purchase of investments	11	**(1,112)**	(2,044)
Sale of investments	11	**7,793**	7,645
Net cash flow from operating activities		**6,969**	5,656
Cash flows from financing activities			
Equity dividends paid	9	**(233)**	(276)
Profit share distributed to Non-controlling Interest	19	**(32)**	(32)
Tender offer proceeds		**(6,131)**	(6,748)
Net cash flow from financing activities		**(6,396)**	(7,056)
Net increase/(decrease) in cash and cash equivalents		**573**	(1,400)
Cash and cash equivalents at beginning of year	13	**6,251**	7,651
Cash and cash equivalents at end of year	13	**6,824**	6,251

The notes on pages 47 to 64 form an integral part of these Financial Statements.

MITHRAS
Investment Trust plc

Company Cash Flow Statement
for the year ended 31 December 2015

	Notes	2015 £'000	2014 £'000
Cash flows from operating activities			
Investment income received		**602**	568
Interest income received		**21**	27
Investment management fees paid		**(64)**	(64)
Cash paid to service providers		**(450)**	(427)
Taxation received		**3**	50
Purchase of investments	11	**(1,112)**	(2,044)
Sale of investments	11	**7,793**	7,645
Net cash flows from operating activities		**6,793**	5,755
Cash flows from financing activities			
Equity dividends paid	9	**(233)**	(276)
Tender offer proceeds		**(6,131)**	(6,748)
Net cash flow from financing activities		**(6,364)**	(7,024)
Net increase/(decrease) in cash and cash equivalents		**429**	(1,269)
Cash and cash equivalents at beginning of year	13	**5,824**	7,093
Cash and cash equivalents at end of year	13	**6,253**	5,824

The notes on pages 47 to 64 form an integral part of these Financial Statements.

Notes to the Financial Statements

1. General Information

The Company is a company incorporated and domiciled in the United Kingdom. The Consolidated Financial Statements of the Group for the year ended 31 December 2015 comprise the Company and its subsidiaries, Mithras Investments Limited ("MIL"), Mithras Capital Holdings Limited ("MCH"), Mithras Capital Partners LLP ("MCP"), Mithras Capital Partners GP Limited ("MCGP") and Mithras Capital Scottish GP LLP ("MCSGP"), together referred to as the "Group". The nature of the Group's operations and its principal activities are set out in note 3 Segment Reporting on page 51 and in the Strategic Report on pages 12 to 15. The Group's organisational structure is disclosed in note 17 on pages 59 and 60.

2. Summary of Significant Accounting Policies

A summary of the principal accounting policies, all of which have been applied consistently throughout the year, is set out below.

a) Basis of Preparation

The Consolidated Financial Statements of the Group have been prepared in accordance with IFRS, as adopted by the EU.

The preparation of Financial Statements requires management to make estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenue and expenses during the year. The valuation of unquoted investments requires estimates and assumptions. The nature of the estimations means that actual outcomes could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The Consolidated Financial Statements have been prepared on the historic cost basis, except for the revaluation of financial assets at fair value through profit or loss. Investments are held at fair value with unrealised gains and losses on investments and impairment of investments recognised in the Consolidated Statement of Comprehensive Income and allocated to capital. Gains and losses on investments sold are calculated as the difference between sale proceeds and cost and allocated to capital. All other assets and liabilities are held at carrying amounts, which approximate to their fair values unless otherwise stated.

In determining the analysis of total income and expenses as between capital return and revenue return, the Directors have followed the guidance contained in the Statement of Recommended Practice (the "SORP") for investment trusts issued by the AIC as revised in 2014, to the extent that this is not inconsistent with the requirements of IFRS.

To reflect the activities of an investment trust company, supplementary information which analyses the Consolidated Statement of Comprehensive Income between items of a revenue and capital nature has been presented alongside the Consolidated Statement of Comprehensive Income. In accordance with the Company's status as a UK investment company under Section 833 of the Act, net capital returns may not be distributed by way of dividend.

b) New IFRSs, Interpretations and Amendments Not Yet Effective

None of the new standards, interpretations or amendments which are effective for the first time in the Financial Statements has had a material impact on the Financial Statements.

The following relevant standards and interpretations were issued by the IASB or the IFRIC before the period end but are as yet not effective for the 2015 year end:

IFRS 9 Financial Instruments (effective for annual periods beginning on or after 1 January 2018)*

* Not yet endorsed by the EU

The Group is currently assessing the impact, if any, that these standards will have on the presentation of, and recognition in its consolidated results in future periods.

2. Summary of Significant Accounting Policies *continued*

c) Basis of Consolidation

The Consolidated Financial Statements incorporate the results of the Company and its subsidiaries. Inter-company transactions, balances and unrealised gains and losses on transactions between Group companies are eliminated. Where necessary, the accounting policies of subsidiaries have been aligned to ensure consistency with the policies adopted by the Group.

The Company controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

d) Presentation of Consolidated Statement of Comprehensive Income

In order to reflect better the activities of an investment trust company and in accordance with the SORP, supplementary information which analyses the income statement and statement of comprehensive income between items of a revenue and capital nature has been presented. Additionally, the net revenue is the measure the Directors believe appropriate in assessing the Group's compliance with certain requirements set out in Section 1158 of the CTA. As permitted by Section 408 of the Act, the Company has not presented its own income statement, however its profit for the year was £167,000 (2014: £190,000).

e) Financial Instruments

Investments

Purchases and sales of investments are accounted for at the settlement date for unquoted investments. On initial recognition, being the date that the Group commits to purchase the investments, the Group and the Company have designated all investments, including investments in the subsidiaries, as held at fair value through profit or loss, with all gains and losses reflected in the Consolidated Statement of Comprehensive Income, including foreign currency gains and losses on translation of investments at the Balance Sheet date. The Group manages and evaluates the performance of these investments on a fair value basis in accordance with its investment strategy and information about the Group is provided internally on this basis to the entity's key management personnel.

The Group invests in unquoted limited partnerships through MCF. These investments are stated at Directors' valuation with reference to IPEV Guidelines which is in accordance with the valuations provided by the managers of those funds. Valuations of the funds are reported to the Company quarterly and are incorporated in the Company's Financial Statements when received. The valuation methodology used by these funds is that the underlying investments are valued at fair value determined in accordance with the relevant limited partnership agreements.

Investments made via MCF are valued at the manager's valuation where this is consistent with the requirement to use fair value. The Board and MCP perform a review of the valuations provided by MCP. The valuations are based on the latest available information provided by the underlying managers of the private equity funds, to which MCF is committed and these valuations may not be co-terminus with the year end of the Company. Valuations are adjusted where more up-to-date indications of fair value become available.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held with banks or "AAA" rated money market liquidity fund investments.

2. Summary of Significant Accounting Policies *continued*

f) Receivables

Other receivables are short-term in nature and are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less provision for estimated irrecoverable amounts.

g) Payables

Accrued expenses are recognised initially at fair value and subsequently stated at amortised cost using the effective interest method.

h) Revenue Recognition

Investment income includes dividends and interest on investments, while interest income on cash and cash equivalents is shown as a component of other income in the revenue return column of the Consolidated Statement of Comprehensive Income.

Income from limited partnership funds is recognised when the income is distributed and received. The limited partnership funds allocate income once a year, after the general partners' priority profit share has been allocated in the partnerships' annual tax returns.

Investment management fee income is accrued over the period for which the service is provided. Interest income is recognised on a time proportion basis using the effective interest method.

i) Expenses

All expenses are accounted for on an accruals basis. In respect of the analysis between revenue and capital items presented within the Consolidated Statement of Comprehensive Income, all expenses have been presented as revenue items except as follows:

(i) Expenses which are incidental to the disposal of an investment are deducted from the disposal proceeds of the investment.

(ii) Expenses are presented as capital items where a connection with the maintenance or enhancement of the value of the investments can be demonstrated. The investment management fee has been allocated 50% to revenue and 50% to capital. Tax relief attributable to the investment management fees charged to capital is credited to the capital return. The Directors consider this apportionment to be appropriate, having regard to the quantum of investment management fee which is also an intercompany transaction eliminated on consolidation.

The Directors consider the retention arrangement to be capital in nature and this amount has been charged in full to the Capital Reserve.

(iii) Transaction costs are disclosed within the net gains and losses on investments.

j) Foreign currency transactions and translation

The Company's functional and reporting currency is Sterling. Transactions in currencies other than Sterling are translated at the rates of exchange prevailing on the dates of the transactions. At each Balance Sheet date, financial assets and liabilities denominated in foreign currencies are translated at the rates prevailing. Gains and losses arising on translation are included in the Consolidated Statement of Comprehensive Income and presented as revenue or capital as appropriate.

k) Non-controlling Interest

The interest of the non-controlling member is stated as the non-controlling member's proportion of the fair values of the assets and liabilities recognised. Subsequently, the Non-controlling Interest represents the proportion of profit or loss for the year and net assets not held by the Group and are presented separately in the Consolidated Statement of Comprehensive Income and within Total Equity in the Consolidated Balance Sheet, separately from shareholders' equity.

NOTES TO THE FINANCIAL STATEMENTS

CONTINUED

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *CONTINUED*

l) Taxation

Tax recognised in the Consolidated Statement of Comprehensive Income represents the sum of current tax and deferred tax charged or credited in the year. In line with the recommendations of the SORP, the tax effect of different items of expense is allocated between revenue and capital on the same basis as the particular item to which it relates, using the marginal method.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Investment trusts which have approval under section 1158 of the CTA are not liable for taxation on capital gains.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the asset is realised or the liability settled based on tax rates that have been enacted or substantively enacted by the Balance Sheet date.

m) Dividends

Dividends paid to the Company's shareholders are recognised as a liability in the period in which the dividends are approved by the Company's shareholders.

n) Reserves

(i) Capital Redemption Reserve – the nominal value of shares bought back for cancellation is added to this reserve. This reserve is non-distributable.

(ii) Realised and Unrealised Capital Reserve – an accumulation of holding gains and losses, gains and losses on the disposal of investments and exchange adjustments to overseas currencies are taken to the Capital Reserve together with the proportion of management fees and taxation allocated to capital.

(iii) Revenue Reserve – the net profit arising in the revenue column of the Statement of Comprehensive Income is added to this reserve. Dividends paid during the year may be deducted from this reserve.

3. Segment Reporting

	Year ended 31 December 2015			Year ended 31 December 2014		
	Investing activities £'000	**Private equity fund-of-funds management £'000**	**Consolidated £'000**	Investing activities £'000	Private equity fund-of-funds management £'000	Consolidated £'000
Net gains on investments	**1,920**	**–**	**1,920**	609	–	609
Investment income	**602**	**–**	**602**	298	–	298
Interest income	**21**	**–**	**21**	28	–	28
Other income	**–**	**440**	**440**	–	440	440
Operating expenses	**(452)**	**(277)**	**(729)**	(459)	(276)	(735)
Profit before taxation	**2,091**	**163**	**2,254**	476	164	640
Taxation	**(20)**	**–**	**(20)**	114	–	114
Profit for the year	**2,071**	**163**	**2,234**	590	164	754
Segment assets	**33,967**	**154**	**34,121**	38,135	158	38,293
Segment liabilities	**(364)**	**(18)**	**(382)**	(406)	(21)	(427)
Net segment assets	**33,603**	**136**	**33,739**	37,729	137	37,866

The Group makes investments in to various geographical areas and the information about the total gains and losses and income on investments and their fair value, analysed by geographical location, is presented in notes 4 and 5 on page 52 and note 11 on pages 56 to 58 to the Financial Statements.

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 investment activities and private equity fund-of-funds management. The Board assesses the performance of the Group based upon the KPI's as stated in the Strategic Report on pages 12 to 15.

Investing activities represent the Group and 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.

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Notes to the Financial Statements
CONTINUED

4. Net Gains on Investments

	Group Year ended 31 December 2015 Total £'000	Group Year ended 31 December 2014 Total £'000
Realised gains on disposal based on carrying values at previous Balance Sheet date	**4,189**	3,012
Unrealised loss on investments held at fair value through profit and loss	**(2,269)**	(2,403)
	1,920	609
Segmental Analysis		
Continental Europe	**1,080**	(1,314)
North America	**1,127**	1,765
Asia	**(40)**	26
United Kingdom	**(247)**	132
	1,920	609

The total fair value movement estimated using a valuation methodology detailed in note 2 on page 48 was an increase of £2,269,000 (2014: £2,403,000 increase).

5. Investment Income

	Group Year ended 31 December 2015 Total £'000	Group Year ended 31 December 2014 Total £'000
Interest income on unquoted investments	**386**	259
Dividend income on unquoted investments	**216**	39
	602	298
Segmental Analysis		
Continental Europe	**602**	225
North America	**–**	73

6. Other Income

	Group Year ended 31 December 2015 Revenue return £'000	Capital return £'000	Total £'000	Group Year ended 31 December 2014 Revenue return £'000	Capital return £'000	Total £'000
Investment management fee income*	**440**	**–**	**440**	440	–	440
Deposit interest	**21**	**–**	**21**	27	–	27
Other operating income	**–**	**–**	**–**	1	–	1
	461	**–**	**461**	468	–	468

* Investment management fee income is derived from priority profit share paid by MCF to MCGP.

7. Operating Expenses

	Group Year ended 31 December 2015 £'000	Group Year ended 31 December 2014 £'000
Current Auditors' remuneration – audit of the Consolidated and Parent Company Financial Statements	**29**	–
Previous Auditors' remuneration – audit of the Consolidated and Parent Company Financial Statements	**–**	39
Current Auditors' remuneration – audit of the Company's subsidiaries	**21**	–
Previous Auditors' remuneration – audit of the Company's subsidiaries	**–**	29
Current Auditors' remuneration – audit related assurance services	**2**	–
Previous Auditors' remuneration – audit related assurance services	**17**	19
Previous Auditors' remuneration – tax compliance services	**–**	7
Directors' emoluments	**118**	118
Compensation to key management personnel (note 19)	**149**	149
Other administrative expenses	**393**	374
	729	735

Compensation to key management personnel includes payments made to members of MCP but excludes payments made to Directors of the Company, which are disclosed separately.

All expenses include VAT where applicable, with the exception of audit fees for the current auditors which are shown gross.

Auditors' remuneration for other assurance services relate to the interim review of £17,000 (2014: £17,000), and fees relating to regulatory reporting of £2,000 (2014: £2,000). There were no other non-audit services provided by the auditors.

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 3 on page 51.

NOTES TO THE FINANCIAL STATEMENTS
CONTINUED

8. TAXATION

	Group Year ended 31 December 2015			Group Year ended 31 December 2014		
	Revenue return £'000	**Capital return £'000**	**Total £'000**	Revenue return £'000	Capital return £'000	Total £'000
UK Corporation Tax:						
Current tax for the year	**41**	**–**	**41**	16	–	16
Withholding tax	**(3)**	**–**	**(3)**	(50)	–	(50)
Adjustments for prior periods	**(18)**	**–**	**(18)**	(80)	–	(80)
Tax expense/(credit)	**20**	**–**	**20**	(114)	–	(114)

Factors affecting the current tax charge for the year:

The effective current tax rate for the year is lower (2014: lower) than the standard rate of Corporation Tax of 20.25% (2014: 21.5%). The differences are explained below:

	Group Year ended 31 December 2015			Group Year ended 31 December 2014		
	Revenue return £'000	**Capital return £'000**	**Total £'000**	Revenue return £'000	Capital return £'000	Total £'000
Profit before taxation	**334**	**1,920**	**2,254**	31	609	640
UK Corporation Tax:	**68**	**389**	**457**	7	131	138
Effects of:						
Adjustments for prior periods	**(18)**	**–**	**(18)**	(80)	–	(80)
Expenses not allowable for tax	**–**	**–**	**–**	–	13	13
Income not taxable	**(44)**	**–**	**(44)**	(66)	–	(66)
Utilisation of tax losses	**(17)**	**–**	**(17)**	(48)	–	(48)
Difference between taxable and accounting gains and losses	**34**	**(389)**	**(355)**	123	(144)	(21)
Withholding tax	**(3)**	**–**	**(3)**	(50)	–	(50)
Tax expense/(credit)	**20**	**–**	**20**	(114)	–	(114)

8. Taxation *continued*

The Group has net unrelieved realised and unrealised losses and expenses carried forward of £23,091,000 (2014: £22,408,000). No deferred tax asset has been recognised in respect of these losses or expenses as at 31 December 2015 or 31 December 2014, as it is considered unlikely that there will be any suitable profits emerging in future periods against which to relieve them.

The potential deferred tax asset unrecognised as at 31 December 2015 is £4,618,000 (2014: £4,538,000).

In line with the recommendations of the SORP, the allocation method used to calculate the tax relief on expenses charged to capital is the "marginal" basis. Under this basis, to the extent that taxable income is capable of being offset by expenses arising in the revenue account, no tax relief is taken in the form of expenses charged to the capital account.

9. Dividends

The final dividend of 1.0 pence per Ordinary share, for the year ended 31 December 2014, was paid on 15 May 2015 on 23,342,043 shares.

	Year ended 31 December 2015 £'000	Year ended 31 December 2014 £'000
Final dividend: 1.0 pence (2014: 1.0 pence) per Ordinary 2 pence share	**233**	276

The Company proposes the following dividend for the year ended 31 December 2015 and is subject to approval by shareholders at the forthcoming AGM. This proposed dividend, which forms the basis of Section 1158 of the CTA, has not been included as a liability in these Financial Statements.

	Year ended 31 December 2015 £'000	Year ended 31 December 2014 £'000
Proposed final dividend: 1.0 pence (2014: 1.0 pence) per Ordinary 2 pence share	**195**	233

Notes to the Financial Statements
CONTINUED

10. Earnings per Ordinary Share

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

	Year ended 31 December 2015			Year ended 31 December 2014		
	Revenue return £'000	**Capital return £'000**	**Total £'000**	Revenue return £'000	Capital return £'000	Total £'000
Earnings for the purposes of basic and diluted earnings per share being net profit attributable to owners	**282**	**1,920**	**2,202**	113	609	722
Basic and diluted earnings per Ordinary share (pence)	**1.3**	**9.1**	**10.4**	0.4	2.2	2.6

The weighted average number of Ordinary shares for the purpose of calculating the basic and diluted earnings per share was 21,200,011 (2014: 27,424,298).

11. Investments at Fair Value Through Profit and Loss

Investments at Fair Value Through Profit and Loss

Group	**Group Year ended 31 December 2015 Total £'000**	Group Year ended 31 December 2014 Total £'000
Opening cost at beginning of year	**28,769**	31,358
Gains at beginning of year	**3,210**	5,613
Opening fair value at beginning of year	**31,979**	36,971
Movements in the year:		
Purchases at cost	**1,112**	2,044
Sales – proceeds	**(7,793)**	(7,645)
– gains on disposal (note 4)	**4,189**	3,012
Unrealised fair value movements	**(2,269)**	(2,403)
Closing fair value at end of year	**27,218**	31,979
Closing cost at end of year	**26,277**	28,769
Gains at end of year	**941**	3,210
Closing fair value at end of year	**27,218**	31,979
Segmental Analysis		
Continental Europe	**19,611**	24,877
North America	**6,273**	5,383
Asia	**850**	988
United Kingdom	**484**	731
Fair value at 31 December	**27,218**	31,979

11. Investments at Fair Value Through Profit and Loss *continued*

	Company Year ended 31 December 2015			Company Year ended 31 December 2014		
	Limited partnerships £'000	**Equity £'000**	**Total £'000**	Limited partnerships £'000	Equity £'000	Total £'000
Opening cost at beginning of year	**28,769**	**13,970**	**42,739**	31,358	13,970	45,328
Gains/(losses) at beginning of year	**3,210**	**(13,550)**	**(10,340)**	5,613	(13,505)	(7,892)
Opening fair value at beginning of year	**31,979**	**420**	**32,399**	36,971	465	37,436
Movements in the year:						
Purchases at cost	**1,112**	**–**	**1,112**	2,044	–	2,044
Sales – proceeds	**(7,793)**	**–**	**(7,793)**	(7,645)	–	(7,645)
– gains on disposal (note 4)	**4,189**	**–**	**4,189**	3,012	–	3,012
Unrealised fair value movements	**(2,269)**	**147**	**(2,122)**	(2,403)	(45)	(2,448)
Closing fair value at end of year	**27,218**	**567**	**27,785**	31,979	420	32,399
Closing cost at end of year	**26,277**	**13,970**	**40,247**	28,769	13,970	42,739
Gains/(losses) at end of year	**941**	**(13,403)**	**(12,462)**	3,210	(13,550)	(10,340)
Closing fair value at end of year	**27,218**	**567**	**27,785**	31,979	420	32,399

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 2015 and 2014.

The Company values the underlying investments in the five private equity funds in which it invests in by reference to such investments' NAVs in line with the valuation methodology described in note 2 on page 48. Where considered appropriate, the Investment Manager adjusts these NAVs as audited NAVs as at 31 December 2015 are not available by the time these financial statements are authorised for issue. These adjustments represent unobservable inputs that result in the private equity funds being classified as level 3 in the fair value hierarchy. Given the number of underlying investments, the Directors have not presented a sensitivity analysis at an individual input level for these investments as they do not deem it to be material. The Investment Manager does not prepare an aggregated input sensitivity analysis at a private equity fund level for all of the funds' investments.

The Company's subsidiaries are shown at fair value and classified within level 3 of the fair value hierarchy for 2015 and 2016.

NOTES TO THE FINANCIAL STATEMENTS

CONTINUED

11. INVESTMENTS AT FAIR VALUE THROUGH PROFIT AND LOSS *CONTINUED*

The Directors have not presented a sensitivity analysis for the investments in subsidiaries as they do not deem it to be material.

There were no transfers between levels for the year ended 31 December 2015, nor for the year ended 31 December 2014.

Refer to note 17 on page 59 and 60 of the financial statements for details of the subsidiary undertakings.

12. RECEIVABLES

	Group		Company	
	31 December 2015 £'000	31 December 2014 £'000	**31 December 2015 £'000**	31 December 2014 £'000
Prepayments and accrued income	**21**	23	**12**	14
Loan to subsidiary	**–**	–	**12,247**	12,247
Less impairment of loan to subsidiary	**–**	–	**(12,247)**	(12,247)
	21	23	**12**	14

13. CASH AND CASH EQUIVALENTS

	Group		Company	
	31 December 2015 £'000	31 December 2014 £'000	**31 December 2015 £'000**	31 December 2014 £'000
Cash at bank and in hand	**624**	751	**53**	324
Money market liquidity funds	**6,200**	5,500	**6,200**	5,500
	6,824	6,251	**6,253**	5,824

14. PAYABLES

	Group		Company	
	31 December 2015 £'000	31 December 2014 £'000	**31 December 2015 £'000**	31 December 2014 £'000
Accruals	**140**	176	**93**	127
Tender offer expenses	**–**	35	**–**	35
Other payables	**–**	–	**39**	30
	140	211	**132**	192

15. SHARE CAPITAL

	Group and Company 31 December 2015		Group and Company 31 December 2014	
	Number	**£'000**	Number	£'000
Issued and fully paid: Ordinary shares of 2 pence each				
Balance at beginning of year	**23,342,043**	**467**	27,623,719	552
Cancellation of shares	**(3,851,437)**	**(77)**	(4,281,676)	(85)
Balance at end of year	**19,490,606**	**390**	23,342,043	467

15. Share Capital *continued*

During the year ended 31 December 2015, 3,851,437 shares were purchased under the fourth tender offer at a cost of £6,096,000 (includes stamp duty). Further details can be found in the Investment Manager's Review and Directors' Report on pages 4 and 17.

The Company has one class of Ordinary share which carries no right to fixed income.

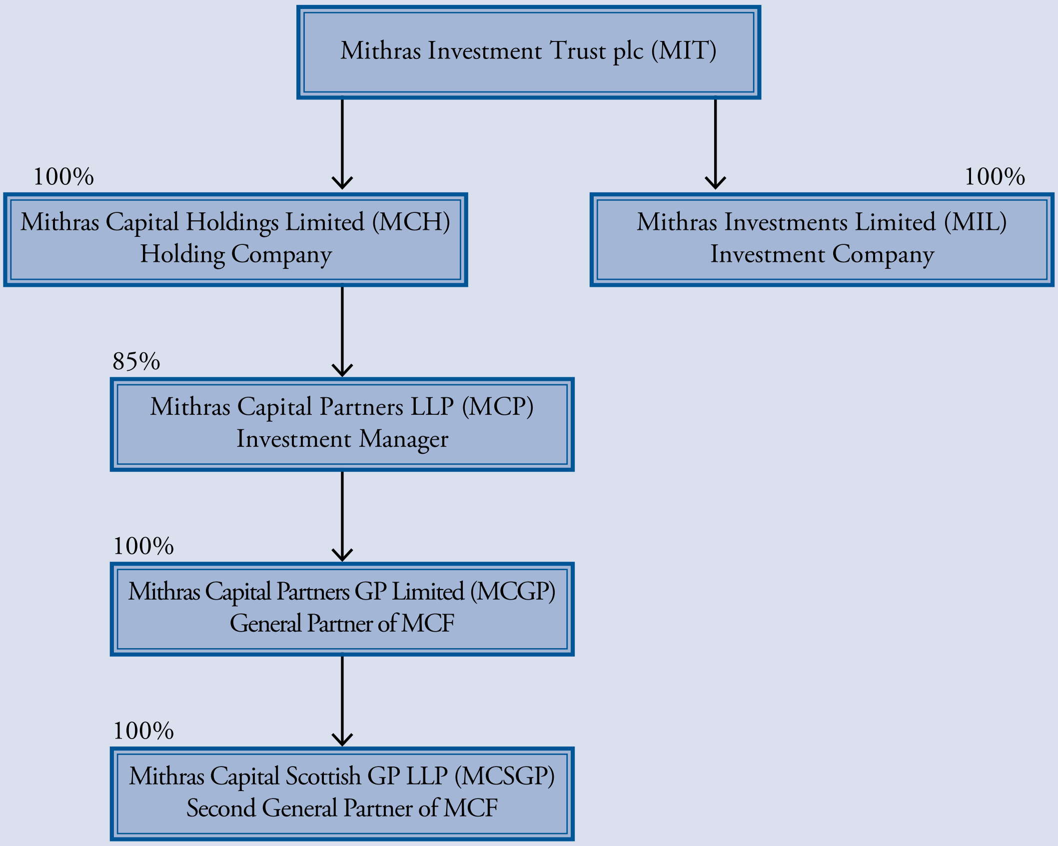
16. Net Assets per Ordinary Share

The basic total net assets per Ordinary share is based on the net assets attributable to owners shown in the Consolidated Balance Sheet at 31 December 2015 and on 19,490,606 (2014: 23,342,043) Ordinary shares, being the number of Ordinary shares in issue at 31 December 2015.

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 on page 43.

17. Group Structure and Subsidiary Undertakings

The Group Structure at 31 December 2015 was as follows:



Notes to the Financial Statements

continued

17. Group Structure and Subsidiary Undertakings *continued*

The following were subsidiary undertakings of the Company at 31 December 2015:

	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
MCS GP[5]	Scotland	85

[1] A subsidiary of the Company, incorporated on 19 January 1990, to carry on business as an investment company. MIL has net liabilities of £12,286,000 as at 31 December 2015.

[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.

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

[5] A subsidiary of MCGP, incorporated on 21 November 2014, to carry on the business of providing investment management services.

During the year the Company received a dividend of £nil (2014: £270,000) from MCH.

No dividends were paid by the other subsidiaries during the year (2014: £nil).

The Company holds ordinary equity in each of its subsidiaries.

18. 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 had a maximum outstanding commitment of £3.7 million to MCF at 31 December 2015 (2014: £4.7 million). This will take the form of capital calls.

19. Related Party Transactions and Disclosures

The following note provides details of the Group and Company's related party disclosures and related party transactions during the year:

(a) Under the Investment Management Agreement, dated 27 March 2009, the Company paid fees of £64,000 (2014: £64,000) to MCP, of which £16,000 was outstanding at 31 December 2015 (2014: £16,000).

(b) LGAS held 33.50% of the Ordinary share capital of the Company as at 31 December 2015 (2014: 33.84%). The Company announced on 23 July 2015 that LGAS had sold its 49.99% stake in MCF to Pomona Capital, VIII LP.

(c) Mr Boylan, the Managing Partner and Designated Member of MCP, in his personal capacity held 0.36% (2014: 0.30%) of the Ordinary share capital of the Company as at 31 December 2015. Mr Boylan is a member of MCP and has a profit entitlement of 15% of the profits in MCP (2014: 15%).

(d) Under a Retention Arrangement dated 5 November 2014 Mr Boylan would become entitled, on completion of the realisation strategy, to a sum of £200,000 in consideration for acquiring his 15% minority interest in MCP (referred to as the Non-controlling Interest within the Consolidated Financial Statements). The circumstances that will give rise to the completion of the realisation strategy could vary depending upon the choice of exit route taken by the Company and the arrangement is subject to good leaver provisions.

(e) The compensation payable to key management personnel (which includes members of MCP but excludes Directors of the Company) amounted to £149,000 (2014: £149,000) paid as guaranteed drawings. Profit share distributed to the Non-controlling Interests (members of MCP) amounted to £32,000 (2014: £32,000). The compensation payable to the Directors can be found in note 7 on page 53.

(f) The Company invests in MCF, which is managed by MCP. A carried interest scheme operates for the benefit of the founder partners in the scheme. The founder partners are Ms Gillian Brown, Mr Adrian Johnson and Mr Boylan. Carried interest of 10% of investment profits could become payable once MCF has returned all capital contributed by investors as well as exceeding a net IRR of 8% per annum. As at 31 December 2015, MCF's net fund IRR was 6.3% and therefore no provision for carried interest has been made against the valuation of MCF. No carried interest payments were made during the period or have been since the inception of MCF.

20. Financial Instruments, Capital and Risk Management

The Company's financial instruments comprise investments in private equity limited partnerships, cash and cash equivalents and receivables and payables. All investments are designated financial assets at fair value through profit or loss upon initial recognition. The Company's current objective is to follow the realisation strategy approved by shareholders. Where references are made to the Group, they are inclusive of the Company unless specifically stated.

Financial Risk Management

The Company's investment activities expose it to various types of risks that are associated with the financial instruments and markets in which it invests. The significant financial risks to which the Company is exposed are market risk, credit risk, liquidity risk and interest rate risk.

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. MCP has overall responsibility for managing the financial risks and the framework for monitoring and coordinating these risks. This risk management framework is monitored by the Board. The Group's financial risk management objectives and processes used to manage these risks have not changed from the previous period and the policies are set out below:

Market Risk

a) Price Risk

This is the risk that the value of a financial instrument will change as a result of changes to market prices and is one that is fundamental to the Company's objective. Some of this risk is mitigated by diversifying the portfolio across business sectors, asset classes and geographies. Details of the Company's investment portfolio at the Balance Sheet date are disclosed in the Consolidated Investment Portfolio on page 7. The Company's portfolio is monitored by MCP on an on-going basis and by the Board quarterly. All of the Company's investments are in unquoted limited partnership funds which are held at fair value, in accordance with the Company's valuation policy, the details of which are given in note 2(e) on page 48 Investments and are level 3 investments as detailed in note 11 on pages 56 to 58.

Changes in market conditions that give rise to price risk include changes in earnings multiples used in valuing unquoted equity investments. A 5% increase in the valuation of investments at 31 December 2015 would have increased the net assets attributable to the Company's shareholders and the total return for the year by £1,361,000 (2014: £1,599,000), a 5% decrease in value would have decreased the net assets attributable to the Company's shareholders and the total return for the year by an equivalent amount. The use of a 5% value for the increase or decrease in the valuation of investments is based upon the past experience of valuation movements.

b) Currency Risk

The Company's portfolio comprises underlying investments made through MCF all of which are denominated in currencies other than Sterling. Therefore, the value of the Company's portfolio is sensitive to movements in foreign exchange rates. MCP monitors the Company's exposure to foreign currencies and reports to the Board regularly. The Company's policy is not to hedge foreign currency risk.

The Company's performance is sensitive to fluctuations in foreign exchange rates. The analysis below for the Company shows the foreign currency risk exposure and the sensitivity based upon a percentage change in exchange rates, which have been determined based upon the market volatility of exchange rates over the last year.

20. Financial Instruments, Capital and Risk Management *continued*

Currency	Foreign currency equity investments and currency assets £'000
31 December 2015	
Euro	**19,611**
US Dollar	**7,123**
	26,734
31 December 2014	
Euro	24,877
US Dollar	6,371
	31,248

Currency	Change in exchange rates %	2015 Effects of exchange rate increase £'000	2015 Effects of exchange rate decrease £'000	2014 Effects of exchange rate increase £'000	2014 Effects of exchange rate decrease £'000
Euro	+/-10	**(1,783)**	**2,179**	(2,262)	2,764
US Dollar	+/-10	**(648)**	**791**	(579)	708
		(2,431)	**2,970**	(2,841)	3,472

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party. Investments in money market liquidity funds are made in three Sterling "AAA" rated financial institutions and the credit rating of each institution is monitored by MCP. None of the Company's money market liquidity funds or cash deposits were past their due date or impaired. Should the credit rating or position of a financial institution's money market liquidity fund deteriorate significantly, MCP would move the money market liquidity fund investment to another "AAA" rated financial institution. Credit risk is monitored by MCP which reports to the Board quarterly.

The Company's maximum credit risk exposure as at 31 December 2015 was £6,824,000 (2014: £6,251,000).

There are no past due or impaired receivables other than those disclosed in note 12 on page 58. The Company has no collateral held as security.

Notes to the Financial Statements

continued

20. Financial Instruments, Capital and Risk Management *continued*

Liquidity Risk

The Company has significant investment commitments in private equity limited partnerships which are inherently illiquid. The Company has an outstanding commitment to MCF, the majority of which is likely to be called, in the form of capital calls, over the next one to three years. The Company aims to manage its affairs to ensure sufficient cash is available to meet contractual commitments as and when they are called and also seeks to have cash available to meet short-term financial needs. Cash and cash equivalents are available on demand. The Company's liquidity management policy involves projecting cash flows and considering the level of liquidity required to meet short and long-term financial needs. The Company has the power to seek new borrowing arrangements, both short and long-term, should it be deemed necessary.

As at 31 December 2015, the Group's financial liabilities amounted to £140,000 (2014: £211,000) which were due in less than one year and £200,000 (2014: £200,000) which were due in more than one year. The Company's financial liabilities amounted to £132,000 (2014: £192,000) which were due in less than one year and £200,000 (2014: £200,000) which were due in more than one year. This £200,000 relates to the retention agreement which is due on completion of the realisation strategy. This is expected to be between 1 and 3 years.

Interest Rate Risk

Interest rate movements may affect the level of income receivable on cash deposits or institutional liquidity funds. MCP monitors the level of exposure to interest rate risk and reports to the Board regularly. The Company has no borrowings and its liabilities are therefore not affected by changes in interest rates. The Company's policy is not to hedge interest rate risk.

A 0.25% increase, in the interest rate for Cash and Cash equivalents at 31 December 2015 would have increased the net assets attributable to the Group and Company's shareholders and the total return for the year by £17,000 (2014: £16,000) for the Group and £16,000 (2014: £15,000) for the Company. A 0.25% decrease in value would have decreased the net assets attributable to the Group and Company's shareholders and the total return for the year by an equivalent amount.

Capital Management

The Company is funded through shareholders' equity and reserves. The Group's equity is analysed into its various components in the Statement of Changes in Equity. Capital is managed so as to maximise the return to shareholders while maintaining an appropriate capital base to allow the Group to operate effectively in the marketplace and to sustain future development of the business. The Company pays such dividends as are required to maintain its investment trust status.

The Company's capital requirement is reviewed regularly by the Board.

MCP is regulated by the FCA and must meet stipulated capital requirements to operate. At 31 December 2015, MCP's capital was above the regulatory capital requirements by £136,000 (2014: £137,000).

Notice of Meeting

Notice is hereby given that the Annual General Meeting ("AGM") of Mithras Investment Trust plc will be held at the offices of BNP Paribas Fortis, 5 Aldermanbury Square, London, EC2V 7BP on Wednesday, 27 April 2016 at 12.00 noon. You will be asked to consider and, if thought fit, pass the following ordinary resolutions:

Ordinary business:

1. To receive the Annual Financial Report for the year ended 31 December 2015.

2. To approve the Directors' Report on Remuneration for the year ended 31 December 2015.

3. To declare that a final dividend of 1 pence per Ordinary share be paid for the year ended 31 December 2015.

4. To re-elect Mr William Maltby as a Director of the Company.

5. To appoint BDO LLP as Auditors of the Company, to hold office until conclusion of the next AGM at which Financial Statements are laid before the Company.

6. To authorise the Directors to determine the remuneration of BDO LLP.

Special business:

To consider and, if thought fit, to pass the following resolutions as special resolutions.

7. THAT, the Company be and is hereby generally and unconditionally authorised in accordance with Section 701 of the Companies Act 2006 (the "Act") to make one or more market purchases (within the meaning of Section 693(4) of the Act) of Ordinary shares of 2 pence each in the capital of the Company provided that:

   (a) the maximum number of Ordinary shares hereby authorised to be purchased shall be 2,921,642 Ordinary shares, representing 14.99% of the issued Ordinary share capital immediately following the passing of this resolution;

   (b) the minimum price which may be paid for each Ordinary share shall be 2 pence;

   (c) the maximum price (exclusive of expenses) which may be paid for an Ordinary share, in respect of a share certified to be purchased on any day, shall be not more than 5% above the average of the middle market quotations for an Ordinary share as derived from the Daily Official List of the London Stock Exchange for the 5 business days immediately before the purchase is made; and

   (d) unless varied, revoked or renewed, the authority hereby conferred shall expire at the conclusion of the AGM of the Company in 2017 or, if earlier, on the expiry of 15 months from the date of the passing of this resolution, save that the Company may, prior to such expiry, enter into a contract to purchase Ordinary shares under the authority conferred by this resolution which will or may be completed or executed wholly or partly after such expiry.

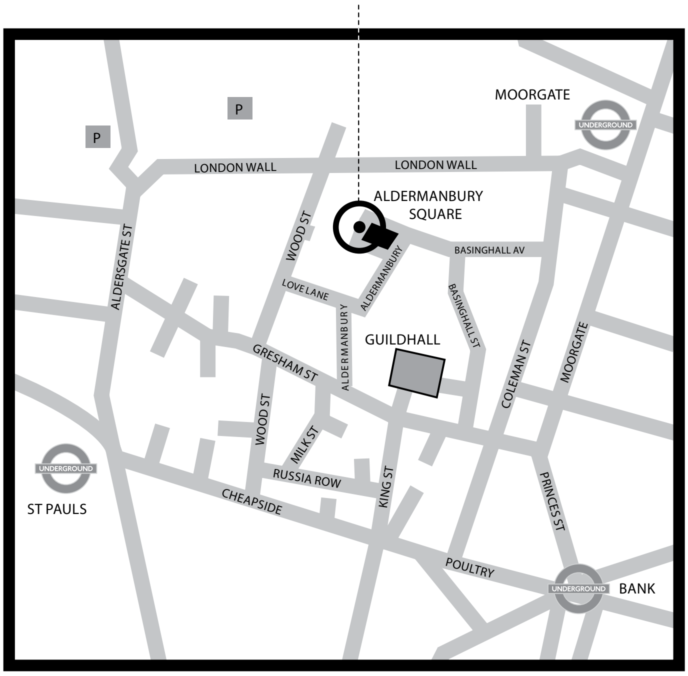
8. THAT, a general meeting, other than an AGM, may be called on not less than 14 clear days' notice.

Registered Office
55 Moorgate, London EC2R 6PA
Registered in England & Wales, No. 2478424

By order of the Board
BNP Paribas Secretarial Services Limited
2 March 2016

Annual General Meeting Location Map

BNP PARIBAS FORTIS, 5 ALDERMANBURY SQUARE, LONDON EC2V 7BP



Notes

1. In accordance with Regulation 41(i) of the Uncertified Securities Regulations 2001, only persons entered on the Register of Members of the Company by 6.00 pm on Monday, 25 April 2016 (the "Voting Record Date") or their duly appointed proxies, shall have the right to attend or vote at the aforementioned meeting. If the meeting is adjourned to a time not more than 48 hours after the specific time applicable to the original meeting, that time will also apply for the purpose of entitlement of Members to attend and vote (and for the purpose of determining the number of votes they may cast) at the adjourned meeting. If however the meeting is adjourned for a longer period of time, to be so entitled, Members must be entered on the Company's Register of Members at the time which is not later than 6.00 pm two days prior to the adjourned meeting or, if the Company gives notice of the adjourned meeting, at a time specified in the notice.

2. Pursuant to Section 324 of the Act, a Member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote in their place. A proxy need not also be a Member of the Company. To be valid, the forms of proxy should be completed and lodged with the Company's Registrars, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA not less than 48 hours before the time appointed for holding the meeting or the adjourned meeting. Lodgement of the form of proxy will not preclude a Member from attending and voting at the meeting. To appoint more than one proxy, (an) additional proxy form(s) may be obtained by contacting Equiniti Limited on 0371 384 2498. Lines open 8.30am to 5.30pm, Monday to Friday or the overseas helpline +44 121 415 7047 or you may copy the form of proxy.

3. Members (and any proxies or corporate representatives appointed) agree, by attending the meeting, that they are expressly requesting and are willing to receive any communications relating to the Company's securities made at the meeting.

4. Any person to whom this notice is sent who is a person nominated under Section 146 of the Act to enjoy information rights (a "Nominated Person") may, under an agreement between him or her and the shareholder by whom he or she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he or she, under any such agreement, has a right to give instructions to the shareholder as to the exercise of the voting rights. The statement of the rights of shareholders in relation to the appointment of proxies in this note does not apply to Nominated Persons. The right prescribed in this note can only be exercised by shareholders of the Company.

5. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM to be held on Wednesday, 27 April 2016 and any adjournment(s) thereof by using the procedures described in the CREST Manual on the Euroclear website, (www.euroclear.com). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

   In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA19) by 12.00 noon on Monday, 25 April 2016. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

6. You may not use any electronic address provided either in this Notice of Meeting or any related documents (including the form of proxy) to communicate with the Company for any purposes other than those expressly stated.

7. The following documents will be available for inspection at the Registered Office of the Company during usual business hours on any weekday (except Public Holidays) until the date of the meeting and at the place of the meeting for a period of 15 minutes prior to and during the meeting:

   (a) a statement of all transactions of each Director and of their family interests in the share capital of the Company;

   (b) the Articles of Association; and

   (c) Letters of Appointment of non-executive Directors.

8. The biography of the Directors offering themselves for re-election are set out on page 16 of the Report.

NOTICE OF MEETING
CONTINUED

9. As at 2 March 2016 the Company's issued share capital consisted of 19,490,606 Ordinary shares of 2 pence each. Accordingly, the total number of the voting rights of the Company as at 2 March 2016 was 19,490,606.

10. If the Chairman, as a result of any proxy appointments, is given discretion as to how the votes of those proxies are cast and the voting rights in respect of those discretionary proxies, when added to the interests of the Company's securities already held by the Chairman, result in the Chairman holding such number of voting rights that he has a notifiable obligation under the Disclosure and Transparency Rules, the Chairman will make the necessary notifications to the Company and the FCA. As a result, any Member holding 3% or more of the voting rights in the Company who grants the Chairman a discretionary proxy in respect of some or all of those voting rights and so would otherwise have a notification obligation under the Disclosure and Transparency Rules, need not make a separate notification to the Company and the FCA.

11. The Annual Financial Report will be available on the Company's website, www.mithrasinvestmenttrust.com, from the date of the announcement of the Company's Annual Financial Results to the market. The Annual Financial Report contains details of the total number of shares in the Company in which Members are entitled to exercise voting rights, along with the total number of votes that Members are entitled to exercise at the meeting in respect of each share class.

12. Shareholders are advised that they have the right to have questions answered at the AGM. The Company must cause to be answered any such question relating to the business being dealt with at the AGM but no such answer need be given if:

    (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;

    (b) the answer has already been given on the Company's website (www.mithrasinvestmenttrust.com) in the form of an answer to a question; or

    (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered. The Board encourages shareholders to submit any questions they may wish to raise at the AGM in writing to the Company Secretary in advance of the meeting. The Company Secretary can be contacted by writing to: BNP Paribas Secretarial Services Limited, 55 Moorgate, London EC2R 6PA.

13. As soon as practicable following the AGM, the results of the proxy voting at the meeting and the number of proxy votes received for and against and the number of votes withheld, in respect of each resolution, as well as a result of any poll, will be announced via a Regulatory Information Service and placed on the Company's website.

14. Under Section 527 of the Act, Members meeting the threshold requirements set out in that Section have the right to require the Company to publish on a website a statement setting out any matter relating to:

    (a) the audit of the Company's Financial Statements (including the Auditor's Report and the conduct of the audit) that are to be laid before the AGM; or

    (b) any circumstances connected with an Auditor of the Company ceasing to hold office since the previous meeting at which an Annual Financial Report was laid in accordance with Section 437 of the Act.

    The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with Sections 527 or 528 of the Act. Where the Company is required to place a statement on a website under Section 527 of the Act, it must forward the statement to the Company's Auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required under Section 527 of the Act to publish on a website.

15. A map of the location of the AGM venue is shown on page 66 and will assist shareholders who wish to attend the AGM. A proxy form will be sent to each registered shareholder with the Annual Financial Report and this Notice of Meeting, and instructions on how to vote will be contained thereon.

Notice of Meeting

CONTINUED

16. Shareholders have the right, under Section 338 of the Act, to require the Company to give its shareholders notice of a resolution which the shareholders wish to be moved at an AGM of the Company. Additionally, shareholders have the right under Section 338A of the Act to require the Company to include a matter (other than a proposed resolution) in the business to be dealt with at the AGM. The Company is required to give such notice of a resolution or include such matter once it has received requests from shareholders representing at least 5% of the total voting rights of all the shareholders who have a right to vote at the AGM or from at least 100 shareholders with the same right to vote who hold shares in the Company on which there has been paid up an average sum per shareholder of at least £100. This request must be received by the Company not later than six weeks before the AGM (or, if later, the time at which notice is given of the AGM). In the case of a request relating to Section 338A of the Act, the request must be accompanied by a statement setting out the grounds for the request.
17. A copy of this notice, and other information required by Section 311A of the Act, can be viewed and/or downloaded at www.mithrasinvestmenttrust.com and, if applicable, any Members' statements, resolutions or matters of business received by the Company after the date of this notice will be available on the Company's website, www.mithrasinvestmenttrust.com.

Explanatory Notes

You will find on pages 65 to 69 a Notice convening the AGM of the Company for Wednesday, 27 April 2016.

This explanatory note gives further information on certain resolutions which will be proposed at the meeting set out in the Notice.

This resolution will be proposed as a special resolution:

Resolution 7 – General authority to make market purchases of the Company's Ordinary shares.

The Directors will seek a general authority from shareholders for the Company to make market purchases of up to 14.99% of the Ordinary shares then in issue, with the authority expiring at the conclusion of the Company's next AGM or, if earlier, 15 months after the passing of the relevant resolution. As required by the Listing Rules, the maximum price which may be paid by the Company to buy back a share pursuant to such authority is the higher of (i) 5% over the average of the middle market prices of the Ordinary shares according to the Daily Official List of the London Stock Exchange for the five business days immediately before the date on which the Company agrees to buy the Ordinary shares and (ii) the higher of the price of the last independent trade and the highest current independent bid on the trading venue where the purchase is carried out, (in each case exclusive of expenses).

The Board believes that the ability to make market purchases of the Company's Ordinary shares is a valuable mechanism which may be used to enhance shareholder value. However, following the realisation strategy approved by shareholders, it is unlikely that the authority to make market purchases of the Company's Ordinary shares would be utilised. Purchases of Ordinary shares will be made at the discretion of the Board. Any such Ordinary shares bought by the Company will be cancelled.

This resolution will be proposed as a special resolution:

Resolution 8 – Notice of General Meetings

The Company is currently able to call general meetings (other than AGMs) on 14 clear days' notice. The Board is proposing resolution 8 as a special resolution at the AGM so that the Company can continue to be able to convene general meetings on 14 clear days' notice. The Board intends that this shorter notice period would not be used as a matter of routine, but would only be used where the flexibility was justified by the business of the meeting and if it was in the best interests of shareholders as a whole. If resolution 8 is passed, the authority to convene general meetings on 14 clear days' notice will remain effective until the Company's next AGM, when it is intended that a similar resolution will be proposed. The notice period for AGMs will remain 21 clear days.

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**.

Financial Calendar

Announcement of Final Results for the year ended 31 December 2015

- **2 March 2016**

Annual General Meeting

- **27 April 2016**

Announcement of Interim Results for the half year ended 30 June 2016

- **July 2016**

Payment of Dividends on Ordinary Shares

Declared 2015:

- **Final dividend of 1.0 pence** — **Paid on 15 May 2015 to shareholders on the Register of Members on 20 March 2015.**

Proposed 2016:

- **Final dividend of 1.0 pence** — **Payable on 6 May 2016 to shareholders on the Register of Members on 11 March 2016.**

Shareholder Helpline

0371 384 2498
Lines are open from 8.30 am to 5.30 pm Monday to Friday.

Overseas holders should call +44 121 415 7047.

MITHRAS
Investment Trust plc

Notes

Advisers

Investment Manager
Mithras Capital Partners LLP
1 Northumberland Avenue
Trafalgar Square
London WC2N 5BW
Authorised and regulated by the Financial Conduct Authority

Company Secretary and Registered Office
BNP Paribas Secretarial Services Limited
55 Moorgate
London EC2R 6PA
Tel: 020 7410 5971
Email: secretarialservice@uk.bnpparibas.com

Registrars
Equiniti Limited
Aspect House
Spencer Road
Lancing
West Sussex BN99 6DA
Tel: 0371 384 2498
Overseas helpline: +44 121 415 7047
Lines open 8.30am to 5.30pm, Monday to Friday.
www.shareview.co.uk

Statutory Auditors
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London W1U 7EU

Financial Advisers and Stockbroker
Winterflood Investment Trusts
The Atrium Building
Cannon Bridge House
25 Dowgate Hill
London EC4R 2GA

Bankers
Royal Bank of Scotland plc
Corporate Banking Office
PO Box 39952
2 1/2 Devonshire Square
London EC2M 4XJ

Fund Administrator
Capita Sinclair Henderson Limited
Trading as Capita Asset Services –
Fund Solutions
Beaufort House
51 New North Road
Exeter EX4 4EP

Solicitors
Charles Russell Speechlys LLP
6 New Street Square
London EC4A 3LX