

Company No:
3568405

ALLIANZ DRESDNER INCOME GROWTH INVESTMENT TRUST plc

INTERIM ACCOUNTS (unaudited)

for the nine months to 31st March 2005



Allianz Dresdner Income Growth Investment Trust plc

REVENUE ACCOUNT

for the nine months to 31st March 2005

| | | 2005 £ |
|--|---|-----------------|
| Income from Fixed Asset Investments | | |
| Franked dividends from UK equities | | 1,885,862 |
| Overseas dividends | | 5,719 |
| | | <hr/> 1,891,581 |
| Other Income | | |
| Deposit interest | | 16,396 |
| Underwriting commission | | 1,338 |
| | | <hr/> 1,909,315 |
| Gross Revenue | | |
| Investment management fee | 1 | (73,626) |
| Administrative expenses | 2 | (189,719) |
| | | <hr/> 1,645,970 |
| Return before Finance Costs and Taxation | | |
| Finance costs of borrowings | 3 | (335) |
| | | <hr/> 1,645,635 |
| Return on Ordinary Activities before Taxation | | |
| Taxation | 4 | 0 |
| | | <hr/> 1,645,635 |
| Return on Ordinary Activities after Taxation | | |
| Dividends on Ordinary Shares | 5 | (1,093,704) |
| | | <hr/> 551,931 |
| Transfer to reserves | | |
| Return per Ordinary Share | 6 | 4.97p |

The Notes on pages 3 to 6 form part of these accounts

Allianz Dresdner Income Growth Investment Trust plc

BALANCE SHEET
as at 31st March 2005

| | | 2005 £ | 2005 £ |
|---|----|------------------|-------------------|
| Fixed Assets | | | |
| Investments | 7 | | 57,133,399 |
| Current Assets | | | |
| Debtors | 8 | 952,654 | |
| Cash | | 736,936 | |
| | | <u>1,689,590</u> | |
| Creditors | | | |
| Amounts falling due in less than one year | 8 | <u>(696,700)</u> | |
| Net Current Assets | | | 992,890 |
| Total Net Assets | | | <u>58,126,289</u> |
| Capital and Reserves | | | |
| Called up Share Capital | 9 | | 7,657,065 |
| Share Premium | 10 | | 48,550,092 |
| Capital Reserves | | | |
| Realised | 11 | (2,846,640) | |
| Unrealised | 11 | 3,681,166 | |
| | | <u>834,526</u> | |
| Revenue Reserve | 12 | | 1,084,606 |
| Shareholders' Funds | 13 | | <u>58,126,289</u> |

Approved by the Board of Directors on

1.4.05

2005 and signed on its behalf by:-



The Notes on pages 3 to 6 form part of these accounts

STATEMENT OF ACCOUNTING POLICIES
for the nine months to 31st March 2005

- i) The accounts have been prepared under the historical cost convention, modified to include the revaluation of investments, and in accordance with the applicable accounting standards. The financial statements have been prepared under the requirements of S272 of the Companies Act.
- ii) Income - Equity dividends are accounted for on an ex-dividend basis and are stated net of any associated tax credit. Deposit interest receivable is accounted for on an accruals basis. Underwriting commission is recognised when the issue underwritten closes.
- iii) Investment management fee - The investment management fee is charged to revenue and capital in the ratio 30:70 to reflect the Company's investment policy and prospective income and capital growth.
- iv) Valuation - Investments are included in the Balance Sheet at middle market prices and a Capital Reserve has been established to reflect differences between value and book cost. Unrealised differences between the value and book cost of investments at the period end are taken to the Unrealised Capital Reserve. Net gains and losses arising on realisation of investments are taken directly to the Realised Capital Reserve.
- vi) Taxation - Where expenses are allocated between capital and revenue, any tax relief obtained in respect of those expenses is allocated between capital and revenue, using the Company's effective rate of corporation tax for the accounting period.
- vii) Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date. Where deferred tax assets are likely to be considered irrecoverable, no provision is made.

NOTES TO THE ACCOUNTS

for the nine months to 31st March 2005

| | 2005 £ | 2005 £ | 2005 £ |
|------------------------------------|----------------|----------------|--------------|
| 1 Investment management fee | Revenue | Capital | Total |
| Investment management fee | 73,626 | 171,794 | 245,420 |

The investment management fee is based on 0.50% per annum of the Company's quarterly total assets calculated after deduction of current liabilities and any funds in the portfolio managed by RCM (UK) Limited or any associate.

| 2 Administrative expenses | 2005 £ |
|----------------------------------|----------------|
| Directors' fees | 45,040 |
| Other administrative expenses | 144,679 |
| | <u>189,719</u> |

| 3 Finance costs of borrowings | 2005 £ |
|--------------------------------------|------------|
| On bank overdraft | <u>335</u> |

| 4 Taxation | 2005 £ |
|--------------------|-----------|
| UK corporation tax | 0 |
| Overseas tax | 0 |
| | <u>0</u> |

| 5 Dividends on Ordinary Shares | 2005 £ |
|---|------------------|
| Dividends on Ordinary Shares of 5p: | |
| First interim 1.65p (paid 17th December 2004) | 546,852 |
| Second interim 1.65p (payable 1st April 2005) | 546,852 |
| | <u>1,093,704</u> |

| 6 Return per Ordinary Share | 2005 £ |
|--|------------------|
| Return on Ordinary Activities after Taxation | <u>1,645,635</u> |
| Return per Ordinary Share | 4.97p |

The Return per Ordinary Share is based on 33,142,522 Ordinary Shares in issue.

NOTES TO THE ACCOUNTS (continued)
for the nine months to 31st March 2005

| 7 Investments | 2005 £ |
|---|-------------------------|
| Listed on the London Stock Exchange at market valuation | <u>57,133,399</u> |
| Market value of investments brought forward | 52,626,074 |
| Unrealised losses brought forward | <u>1,560,281</u> |
| Cost of investments brought forward | 54,186,355 |
| Additions at cost | 10,575,053 |
| Disposals at cost | <u>(11,309,175)</u> |
| Cost of investments at 31st March 2005 | 53,452,233 |
| Unrealised gains at 31st March 2005 | 3,681,166 |
| Market value of investments at 31st March 2005 | <u>57,133,399</u> |

| 8 Debtors and Creditors | 2005 £ |
|---|-------------------------|
| Debtors - | |
| Accrued income | 650,411 |
| Other debtors | 302,243 |
| | <u>952,654</u> |
| Creditors - amounts falling due in less than one year | |
| Dividends on Ordinary Shares of 5p: Second interim 1.65p (payable 1st April 2005) | (546,852) |
| Other creditors | (149,848) |
| | <u>(696,700)</u> |

| 9 Share Capital | 2005 £ |
|---|-------------------------|
| Authorised | |
| 145,000,000 Ordinary Shares of 5p each | 7,250,000 |
| 105,000,000 Zero Dividend Preference Shares of 25p each | 26,250,000 |
| | <u>33,500,000</u> |
| Allotted and fully paid | |
| 33,142,522 Ordinary Shares of 5p each | 1,657,126 |
| 23,999,757 Zero Dividend Preference Shares of 25p each | 5,999,939 |
| | <u>7,657,065</u> |

| 10 Share Premium | 2005 £ |
|-------------------------------|-------------------------|
| Balance at 1st July 2004 | 48,550,092 |
| Movement in period | 0 |
| Balance as at 31st March 2005 | <u>48,550,092</u> |

NOTES TO THE ACCOUNTS (continued)
for the nine months to 31st March 2005

| | 2005 |
|--|--------------|
| | £ |
| 11 Capital Reserves | |
| Realised - | |
| Balance at 1st July 2004 | (2,787,435) |
| Net losses on realisation of investments | (47,991) |
| Investment management fee | (171,794) |
| Other capital expenses | (4,420) |
| Special dividends | 165,000 |
| | <hr/> |
| Balance as at 31st March 2005 | (2,846,640) |
| Unrealised - | |
| Invested funds as at 31st March 2005 | |
| At valuation | 57,133,399 |
| At cost | (53,452,233) |
| | <hr/> |
| Balance as at 31st March 2005 | 3,681,166 |
| | <hr/> |
| | 2005 |
| | £ |
| 12 Revenue Reserve | |
| Balance at 1st July 2004 | 532,675 |
| Profit for the period | 551,931 |
| | <hr/> |
| Balance as at 31st March 2005 | 1,084,606 |
| | <hr/> |
| | 2005 |
| | £ |
| 13 Reconciliation of Movements in Shareholders' Funds | |
| Revenue reserves | |
| Revenue profit available for distribution | 1,645,635 |
| Dividends appropriated in the period | (1,093,704) |
| | <hr/> |
| Transfer from distributable reserves | 551,931 |
| Other reserves | |
| Net capital gains transferred to capital reserves | 5,182,242 |
| | <hr/> |
| Net increase in Shareholders' Funds | 5,734,173 |
| Opening Shareholders' Funds | 52,392,116 |
| | <hr/> |
| Closing Shareholders' Funds | 58,126,289 |
| | <hr/> |