



**Active investment
working for your future**

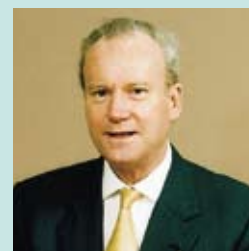
SAVINGS SCHEME

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Welcome to the world

Let's talk investments

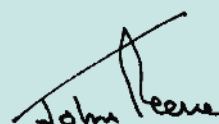


These days there are a plethora of investment opportunities. Shares, bonds, property, UK based or international, investing directly or through a fund. How can you sort the wood from the trees and make a sensible choice? Well, there's no easy answer, but I hope you might be intrigued by Temple Bar's perspective on the world of investment.

Why might Temple Bar be an attractive investment choice?

Temple Bar Investment Trust has a long history of professionally managed investment in the UK stockmarket. It traces its roots back to 1926, confronting the challenges of the Great Crash of the 1930s, the inflationary 1970s, the technology boom and bust of the 1990s, the bear market of 2000-2003 and the 2007-2008 credit crunch whose effects are still being felt. While short term losses could not be avoided on these occasions, Temple Bar has recovered strongly to post solid gains for long term investors. As a medium risk investment, it is expected to have a higher risk level than gilts and lower risk level than international equities.

I would like to thank you for letting me introduce Temple Bar to you and hope you enjoy the publication.

A handwritten signature in black ink that reads "John Reeve". The signature is stylized and written in a cursive-like font.

John Reeve, Chairman
Temple Bar Investment Trust PLC

of Temple Bar

Active investment working for your future and theirs

What drives us all to put money away for the future? When you ask around - as we've been doing here at Temple Bar - an astonishing range of reasons come to light.

One investor told us of his plans to help his granddaughter get onto the property ladder, when the time came. Others mentioned their need to meet regular bills, such as school fees. While some wanted to turn a pipe dream into reality... a trip to Australia, perhaps. A second home. An unforgettable family wedding.

Then there were those who simply wanted to be more comfortably-off in retirement. To be able to treat themselves and their families to the good things in life. Without having to fret about every last penny.

Yet, diverse as these investment goals turned out to be, they had two things in common. A desire for a better future for themselves and their loved ones. And the choice of Temple Bar to help them achieve it. Today, over 30,000 people trust us to manage their money.



Why this Investment Trust?

Of all the thousands of places you can invest these days, Investment Trusts remain enduringly popular.

Ours is one of the oldest Investment Trusts in the business, tracing its roots back to 1926. In a nutshell, we're a company which sets out to deliver both capital growth and income for our shareholders - and we do so by investing in a range of shares in other UK companies.

In this aim, we believe we've proved our mettle, over rather a long period of time - but judge for yourself from the statistics on **page 8**.

Of course, there are no guarantees of success in the future, but Temple Bar's impressive credentials are one of the reasons so many investors have joined forces with us.

Easy access and low costs

From our conversations with customers, it seems there are other important reasons behind people's decisions to choose Temple Bar. In the words of one investor:

"I invested using the Savings Scheme, and was impressed by the low management fees... I liked its simple structure."

And it's true. It is extremely simple to invest in the savings scheme from as little as £50 a month, or via a lump sum of £250 or more.

Even better, our low charges mean more of your money is going to work for you from day one. And as this investor notes, it's a factor that really counts:

"Temple Bar attracted me because of its low charges and good performance record."

Many investors find it reassuring to know that, as well as being able to get your hands on your money easily should you need to, there's no financial penalty for withdrawing your cash. However, please note that as explained on **page 10**, there's a difference between the buying and selling price at any point and the selling price will always be lower.

You'll find a full explanation of our charges on page 10.



Having an income to look forward to in retirement

Whether you're approaching retirement, or already there, one thing's for certain. You'll want to be able to get the most out of this period of your life... a time when many new opportunities present themselves, and when you'll want the resources to take full advantage.

Many of our investors told us that, after years of looking after their family responsibilities, they looked forward to focussing a little more on themselves. Travelling. Pursuing long-held ambitions. Buying that little place abroad.

Others said they were concerned to maintain their existing lifestyle. So that once the salary stopped appearing in the bank account, they weren't suddenly having to tighten their belts.

At Temple Bar, we understand the different demands that retirement places upon you. That's why our active investment approach is designed to help you meet those demands. There's the potential of a regular income stream in the form of dividends, as well as the opportunity for capital growth in the long term. So your money can work for you in two ways.

The attractions of a regular Dividend combined with Capital Growth

We all want different things from our investments, but for those of us who are looking for income, a dividend payment can be just the solution.

Temple Bar Investment Trust aims to give you a balance of income and growth, and so, if it is successful, the level of income paid out will grow over time.

Have a look on **page 8**, and you'll see, if you reinvested the dividends, how well Temple Bar has provided long term capital appreciation.

Over the last 25 years, we're proud to say we've increased our dividend payment every single year. This helps to maintain the 'real' value of our shareholders' income, though of course, it's possible that future dividends will decline in value.

Income, balanced with growth, is the way that we're aiming to enrich our shareholders' future.



Making it all happen



Fund manager
Alastair Mundy

What accounts for Temple Bar's considerable reputation in the marketplace? Not least, the skill of our fund manager, Alastair Mundy.

Alastair is very highly regarded in the professional investor community, and funds that he is responsible for have won a number of important awards. His style is known as contrarian.

Rather than follow fashion, he and his team look for companies that are cheap because they are being ignored. The shares he buys are chosen for their potential to deliver both an above average level of income, and long-term capital appreciation.

With Alastair at the helm, we are confident our long-established Trust and its investors' hopes are in good hands.

"Temple Bar has a long and successful history which I will seek to maintain. The approach we apply is to buy the shares of good quality companies which are currently out of favour, but which we judge to have certain fundamental strengths. We are long-term investors and are prepared to wait for the market's fashion to change. When it does, the shares we hold should show good gains for the benefit of all our investors."

*Alastair Mundy,
Temple Bar Fund Manager*

Temple Bar facts and figures

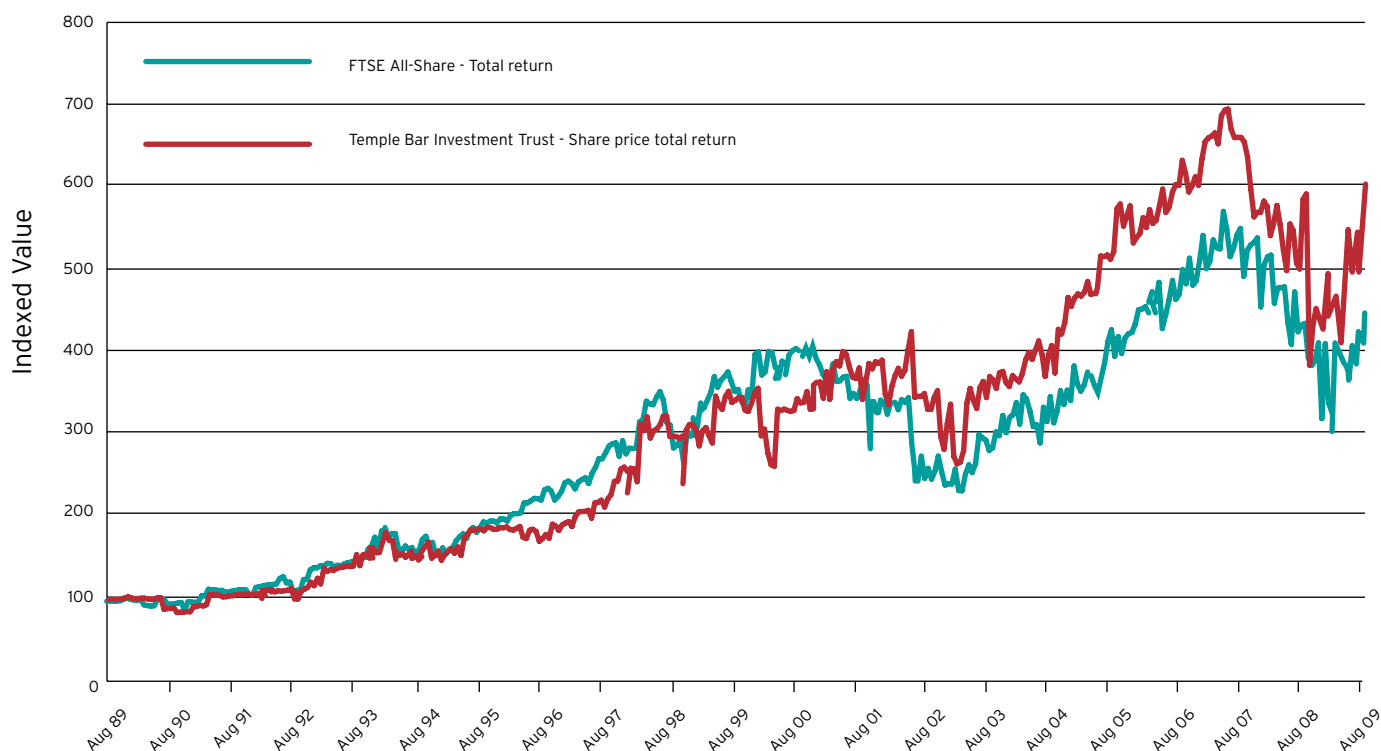
The results of our active investment

What is Active Investment?

It's an investment style that relies on the skill of a fund manager to select shares, rather than following the performance of an index such as the FTSE 100. We're proud of the returns we have achieved for investors over the years, but we think you should come to your own conclusions. On the next few pages, you'll find all the information you'll need to form an opinion of our past record of success.

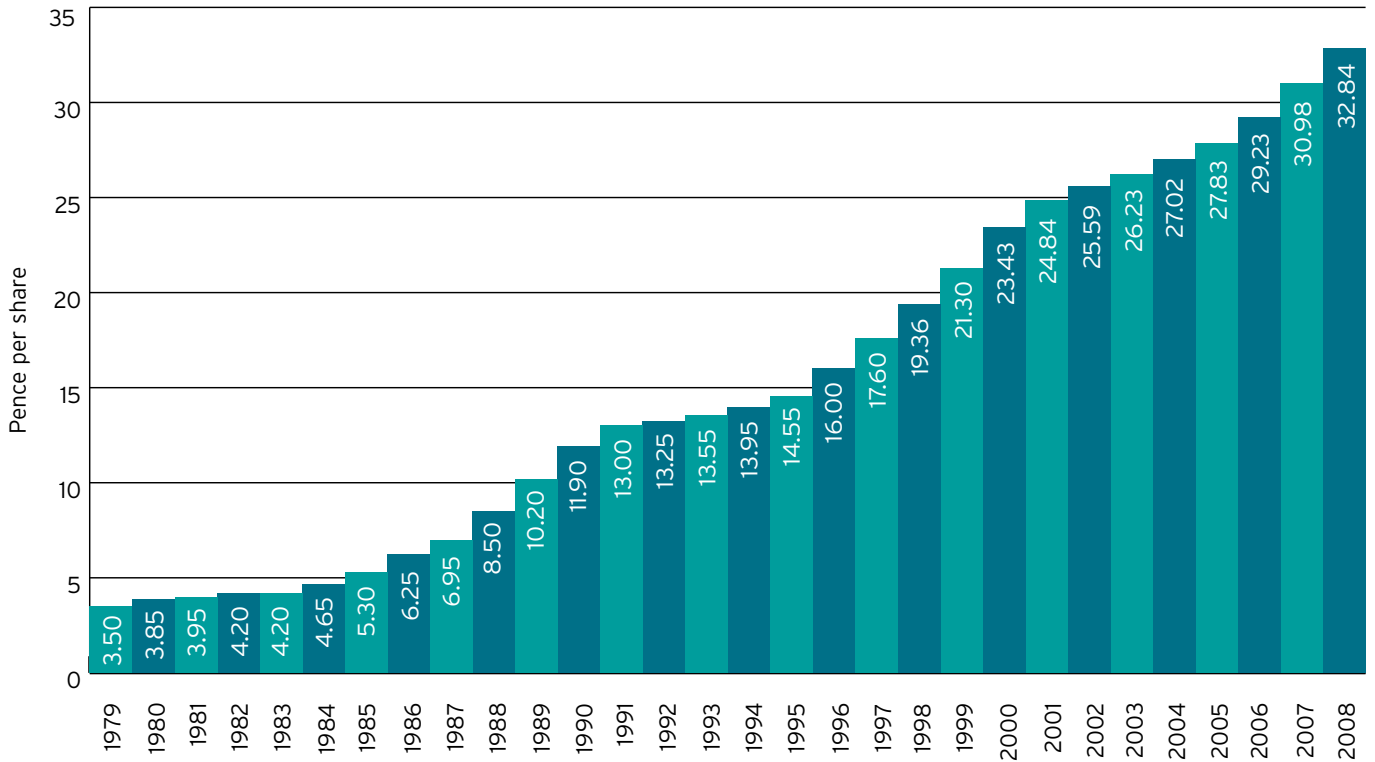
However, please bear in mind that it is just that - a past record. Past performance is not necessarily a guide to the future, and the value of Temple Bar's shares can fall as well as rise, so you may not get back the amount you invested; any income is not fixed - it can go up or down.

20 year share price total returns of Temple Bar vs. FTSE All-Share*

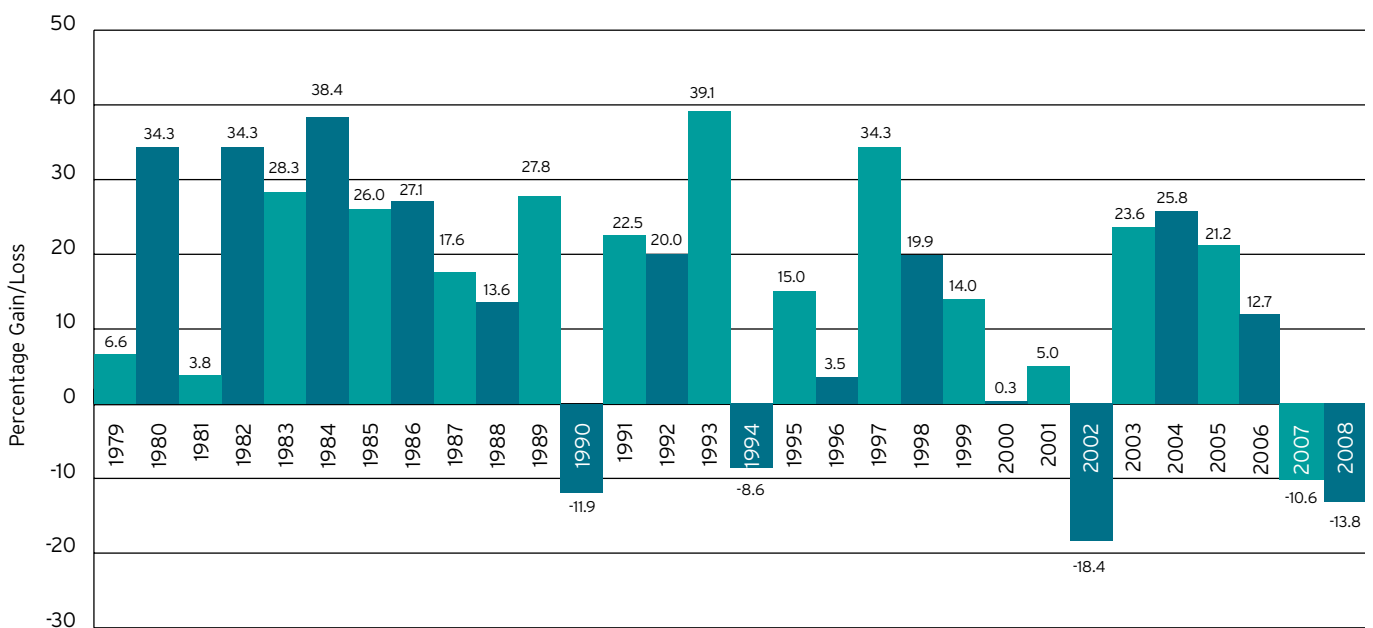


* Total return is a combination of capital gains or losses together with any reinvested dividends.

Temple Bar Annual Dividend Payments



Temple Bar Calendar Year Returns



Source for all data, Lipper total returns as at 31.08.09 net of UK basic rate tax

How it works

The facts on Investment Trusts

An Investment Trust is a company that invests in the shares of other companies. In Temple Bar's case these are predominantly companies whose shares are traded on the London Stock Exchange. These shares are selected by a professional fund manager. So your risk is spread across many different holdings. And you benefit from the hands-on expertise of a fund manager with many years experience.

How our charges work

For the Savings Scheme, there is no initial charge, no annual fee, and no exit charge when you decide to cash in your investment. Your costs are just the normal difference between the buying and selling price of Temple Bar's shares, plus the Government's 0.5% stamp duty on purchases. Do remember, though, that the Trust does have other costs to meet such as fees for the directors, investment managers and auditors; currently these are 0.48% p.a.

- The price of the Trust's shares is available every minute during the working day.
- The Trust has an independent Board who oversee the fund manager's activities on behalf of investors.

- The Trust borrows money to increase its investment exposure - known as 'gearing'. That gives the potential for better growth, but with more risk.

Discounts and premiums

With an Investment Trust, it is possible to work out what it is worth by adding up all its shareholdings, less any borrowings, to produce a 'net asset value', or NAV. However, the price at which the Trust's shares will trade in the marketplace is determined by supply and demand. From time to time, the share price may be higher than the net asset value, in which case they are said to be at a 'premium'. Alternatively, if they are lower, they are said to be at a 'discount'.

Some investors look to take advantage of the occasions when a Trust is trading at a large discount to its net asset value, as it means they are, in effect, buying £1 of underlying assets for less than £1; though they are also still putting their faith in the fund manager's skills over the long term. Some investors, on the other hand, might buy shares at a premium and the disadvantage here is that their shares, in the future, might trade at a discount in which case the investor could lose money.



Making an investment

It's simple to get active investment working for you

There are a number of ways you can choose to invest with us, but first of all please be sure to read the Key Features document for more detailed information. This is available on our website www.templebarinvestments.co.uk, or call us on 0800 389 2299.

The Temple Bar Savings Scheme

Our low cost Savings Scheme offers two ways to invest your money - regularly each month, or with individual lump sums. If you prefer, you can use a combination of the two. Regular savings start from as little as £50 per month, and you can invest lump sums of £250 or more, with subsequent investments from just £100.

Please also note that, if you take advice on investing in Temple Bar, you may agree to pay up to 3% commission to your financial adviser on purchase.

ISA

You can invest through a third party ISA.

Direct

You can also buy shares directly on the stockmarket, either through a traditional or online stockbroker.

We hope that you too will decide to join us as an investor.

Any questions?

For more information about the investment options contact:

0800 389 2299

info@investecmail.com

Why not take a look at our website for the latest information on our fund.

www.templebarinvestments.co.uk



Issued by Investec Asset Management Limited
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Phone calls may be recorded to confirm your instructions.
Investec Asset Management provides Temple Bar with investment management services.
Investec may have a position in Temple Bar.

Administrator

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