

Investor Information

Directors

HA Stevenson (Chairman)
 Sir John Banham
 RA Barfield
 ADAW Forbes
 Sir Bob Reid
 P J Scott Plummer

Managers

Dresdner RCM Global Investors (UK)
 Ltd (regulated by IMRO),
 represented by Nigel Lanning
 Telephone: 020 7475 2700

Secretary and Registered Office

Nicola Schragger von Allishofen ACIS
 10 Fenchurch Street,
 London EC3M 3LB
 Registered Number: 28276

Registrars

Capita IRG plc
 Bourne House, 34 Beckenham Road,
 Beckenham, Kent BR3 4TU
 Telephone: 020 8639 2000

Results

Half-yearly announced mid September.
 Full-year announced in mid March.
 Reports and Accounts posted to
 shareholders in early April.
 Annual General Meeting held in mid
 May.

Ordinary Dividends 2000/2001

Dividend	Payment Date
First interim	4.10p 24.08.00
Second interim	4.10p 10.11.00
Third interim	23.02.01
Final	18.05.01

Website

Further information about the Trust is
 available on the Dresdner RCM website:
www.dresdnerrcm-its.co.uk

its campaign

The Company is a participant in the
 Association of Investment Trust
 Companies' its campaign.

Net Asset Value

The Net Asset Value of the Ordinary
 Shares is calculated weekly and the top
 ten holdings are announced monthly.
 They are published on the London Stock
 Exchange TOPIC service and are also
 available from the Investment Trust
 Helpline on request.

Savings Plan

Through the Dresdner RCM Investment
 Trust Savings Plan shareholders are
 able to make additional investments in
 the Trust at low cost. Investments can be
 in the form of a regular monthly payment
 or an individual lump sum. A selling
 facility is also available.

Investment Trust Maxi ISA

Shares in the Trust are also available
 through the Dresdner RCM Investment
 Trust Individual Savings Account (ISA).
 Full details of both plans are available
 from the Managers on request.
 Investment Trust Helpline: 020 7475
 5832.

Shareholders' Enquiries

Capita IRG maintain the share register.
 In the event of queries regarding their
 holdings of shares, lost certificates,
 dividend cheques, registered details,
 etc., shareholders should contact the
 registrars. Any general enquiries about
 the Company should be directed to the
 Secretary.

A member of the Association of Investment Trust
 Companies.
 Category: UK Income Growth

Investment Objective

To provide an above average level of income and income growth together with long term growth of
 capital through a policy of investing mainly in higher yielding UK FTSE 100 companies.

Benchmark

The Trust's investment performance is assessed by comparison with other investment trusts within the
 UK Income Growth sector. In addition, it is benchmarked against the FTSE 100 Index, reflecting the
 emphasis within the portfolio, as well as the FTSE 350 Higher Yield Index, reflecting the Trust's high yield
 objective.

Trust Performance

Revenue	for the six months ending	% change
	31.07.00	31.07.99
Revenue	£10.54m	£13.04m†
Available for Ordinary Dividend	£7.97m	£11.08m
Earnings per Ordinary Share	7.79p	10.83p
Dividend per Ordinary Share	8.20p	7.90p
Assets	At 31.07.00	At 31.01.00
Total Assets attributable to Ordinary Shareholders	£441.09m	£390.32m
Net Asset Value per Ordinary Share	431.1p	381.4p
Ordinary Share Price	373.0p	337.0p
Discount of Net Asset Value to Ordinary Share price	13.5%	11.6%

The discount represents the difference between the share price and the Net Asset Value per share,
 expressed as a percentage of the Net Asset Value per share.

†Restated in accordance with Financial Reporting Standard 16 "Current Taxation".

Interim Report

Net Asset Value

The net asset value per Ordinary Share was 431.1p at 31st July 2000, an increase of 13.0% when compared with the equivalent figure at the end of the last financial year. This improvement compares favourably with the 1.5% growth recorded by the FTSE 100 Index. The FTSE 350 Higher Yield Index rose by 11.8% over the same period. Since early March 2000, there has been a marked out-performance by "old economy" shares. The Trust has taken advantage of these conditions, helped by the full investment of the proceeds from last December's Bond issue.

Earnings per Share

The Board announced in the last Annual Report in March 2000 that the Trust would pursue a widened investment policy, such that the portfolio's yield objective would accommodate a broader spread of companies. In the first six months of the current financial year earnings per share have fallen by 28.1% to 7.79p per share compared with the same period last year. If last year's special dividend receipts of 1.31pps are excluded, the underlying fall is 18.2%. This reflects the investment policy outlined above, together with the exceptionally high incidence of dividend receipts in the first half of 1999/2000.

Interim Dividend

The Board is recommending a second quarterly dividend of 4.10p net per Ordinary Share, payable on 10th November 2000 to shareholders on the register at the close of business

on 6th October 2000. The total for the first half of the current financial year is 8.20p net, representing an increase of 3.8% over the same period last year. The Board has forecast a total dividend of not less than 16.40p net per Ordinary Share for the year ended 31st January 2001, an increase of 2.5% on the total dividend of 16.00p in respect of the year ended 31st January 2000.

Share Buy Backs

The Trust took powers at the last Annual General Meeting to buy back its Ordinary Shares. In August 2000 it purchased 50,000 of its Ordinary Shares and the Directors will continue to use this authority when appropriate and in the interests of shareholders to do so.

Outlook

On 8th September 2000 the NAV per share stood at 435.51p. In the UK, interest rates appear to be at or near their peak for the current cycle and, by reference to a number of benchmarks, the equity market is good value by international standards. On this basis the outlook is encouraging.

Board Changes

On 8th May 2000 Mr Colin Black retired as Chairman and from the Board and Mr Hugh Stevenson took over as Chairman on that date.

By Order of the Board

NJ Schrage von Allshofen
Company Secretary
10 Fenchurch Street
London EC3M 3LB
12th September 2000

Cash Flow Statement

	Six months to July 2000	Six months to July 1999	Year to January 2000
	£'000s	£'000s	£'000s
Net cash inflow from operating activities	8,579	11,979	20,942
Servicing of finance			
Interest paid	(4,387)	(3,506)	(7,340)
Dividends paid on preference stock	(21)	(21)	(43)
Net cash outflow on servicing of finance	(4,408)	(3,527)	(7,383)
Taxation			
UK income tax repaid	426	514	48
Advance corporation tax recovered	-	-	142
Net tax repaid	426	514	190
Financial investment			
Purchase of fixed asset investments	(155,076)	(180,603)	(444,356)
Sale of fixed asset investments	171,508	178,139	412,048
Net cash inflow (outflow) from financial activities	16,432	(2,464)	(32,308)
Equity dividends paid	(8,284)	(8,278)	(16,362)
Net cash inflow (outflow) before financing	12,745	(1,776)	(34,921)
Financing			
Issue of secured bonds	-	-	28,943
Sterling loans raised (repaid)	1,878	(439)	(497)
Expenses associated with share buy back	(4)	-	-
Net cash inflow (outflow) from financing	1,874	(439)	28,446
Increase (decrease) in cash	14,619	(2,215)	(6,475)

Interim Statement

This interim statement has been neither audited nor reviewed by the Company's auditors. The interim statement has been prepared using the same accounting policies as those adopted in the annual accounts for the year ended 31st January 2000.

Expenses and finance costs have been allocated to capital and revenue on the basis of 65%:35% respectively.

The Statement of Total Return for the year to 31st January 2000 has been extracted from the published accounts of the Company at that date which have been delivered to the Registrar of Companies. The Auditors' opinion on those accounts was unqualified and did not contain a statement under Section 237(2) or (3) of the Companies Act 1985.

The Return per Ordinary Share is based on revenue or capital return to Ordinary Shareholders, as appropriate, and on 102,328,936 Ordinary Shares, being those in issue throughout the period.

The Net Asset Value has been calculated on the basis of a closing price for Smith and Nephew on 31st July 2000 of 253p. The directors believe that this is a more accurate reflection of the mid-market value of Smith & Nephew on the 31st July, than a "rogue" price of 386p, which was recorded as the official closing price. As announced on 3rd August 2000, the latter price would have produced an NAV of 435.65p per Ordinary Share rather than 431.31p per share.

Twenty Largest Equity Holdings as at 31st July 2000

	Valuation £'000s	% of Total Assets*	Principal Activities
BP Amoco	29,784	5.4	Oil and gas
BT	26,460	4.8	Telecommunications
Shell Transport & Trading	19,296	3.5	Oil and gas
Glaxo Wellcome	19,220	3.5	Pharmaceuticals
Vodafone Airtouch	17,700	3.2	Telecommunications
Imperial Tobacco	15,600	2.8	Tobacco
CGNU	12,084	2.2	Insurance
#British Aerospace	11,757	2.1	Aerospace and defence
National Grid	11,508	2.1	Electricity and telecommunications
Lloyds TSB	11,324	2.0	Banking
Royal Bank of Scotland	10,520	1.9	Banking
Scottish & Southern Energy	9,864	1.8	Electricity
Abbey National	9,737	1.8	Banking
Johnson Matthey	9,500	1.7	Metal processing
Standard Chartered	8,959	1.6	Banking
Bank of Scotland	8,900	1.6	Banking
Scottish & Newcastle	8,568	1.5	Brewing and leisure
Associated British Foods	8,468	1.5	Food and grocery products
Smith & Nephew	8,453	1.5	Health care
British Energy	8,400	1.5	Electricity
	<u>266,102</u>	<u>48.0</u>	

Consists of Convertible Preference Shares

* Total Assets include current liabilities

Portfolio Analysis as at 31st July 2000

	UK %	Other %	Total %
Listed Equities	99.5	-	99.5
Unlisted Equities	-	0.1	0.1
Total Equities	99.5	0.1	99.6
Net Current Assets	0.4	-	0.4
Total Assets	99.9	0.1	100.0

Statement of Total Return

	Six months to 31st July 2000		Six months to 31st July 1999		Year ended 31st January 2000	
	Revenue £'000s	Capital £'000s	Revenue £'000s	Capital £'000s	Revenue £'000s	Capital £'000s
Net gains (losses) on investments						
- Realised	-	20,699	-	25,635	-	8,314
- Unrealised	-	34,090	-	7,856	-	(38,723)
Income from fixed asset investments	10,325	54,789	12,913†	33,491	22,356	(30,409)
Other income	219	-	129	-	234	-
Investment management fee	(401)	(745)	(406)	(753)	(780)	(1,448)
Other expenses	(351)	-	(174)	-	(552)	-
Net return before finance costs and taxation	9,792	54,044	12,462	32,738	21,258	(31,857)
Finance costs of borrowings	(1,640)	(3,006)	(1,286)	(2,367)	(2,650)	(4,877)
Return before taxation	8,152	51,038	11,176	30,371	18,608	(36,734)
Taxation						
UK corporation tax	(159)	159	(72)†	72	(221)	220
Return after taxation	7,993	51,197	11,104	30,443	18,387	(36,514)
Dividends on Preference Stock	(22)	-	(22)	-	(43)	-
Return attributable to Ordinary Shareholders	7,971	51,197	11,082	30,443	18,344	(36,514)
Dividends on Ordinary Shares (see below)	(8,390)	-	(8,084)	-	(16,372)	-
Transfer (from) to reserves	(419)	51,197	2,998	33,441	1,972	(34,542)
Return per Ordinary Share	7.79p	50.03p	10.83p	29.75p	17.93p	(17.75p)

The revenue column of this statement is the profit and loss account of the Company.

Dividends on Ordinary Shares:

	2000 £'000s
First interim	4,10p
Second interim	4,10p
Third interim	-
Final	-
	8.20p
	8,390

Net Asset Statement

	at 31st July 2000 £'000s
Fixed asset investments	552,004
Net current assets (liabilities)	2,373
	554,377
Long term borrowings	(112,104)
Preference share capital	(1,178)
	441,095
Net assets attributable to Ordinary Shareholders	441,095
Net asset value per Ordinary Share*	431.1p

*The net asset value is based on 102,328,938 Ordinary Shares in issue at 31st July 2000, 31st January 2000 and 31st July 1999.

	Six months to 31st July 1999		Year ended 31st January 2000	
	Revenue £'000s	Capital £'000s	Revenue £'000s	Capital £'000s
	-	25,635	-	8,314
	-	7,856	-	(38,723)
	12,913†	33,491	22,356	(30,409)
	129	-	234	-
	(406)	(753)	(780)	(1,448)
	(174)	-	(552)	-
	12,462	32,738	21,258	(31,857)
	(1,286)	(2,367)	(2,650)	(4,877)
	11,176	30,371	18,608	(36,734)
	(72)†	72	(221)	220
	11,104	30,443	18,387	(36,514)
	(22)	-	(43)	-
	11,082	30,443	18,344	(36,514)
	(8,084)	-	(16,372)	-
	2,998	30,443	1,972	(34,542)
	10.83p	29.75p	17.93p	(17.75p)

	1999 £'000s	2000 £'000s
	4,042	4,042
	4,042	3,95p
	-	3,95p
	-	4,05p
	-	4,144
	-	4,144
	8,084	16,00p
		16,372

†Restated in accordance with FRS 16 "Current Taxation".

	at 31st July 1999 £'000s	at 31st January 2000 £'000s
	550,175	508,246
	(7,550)	(4,517)
	542,625	503,729
	(83,147)	(112,234)
	(1,178)	(1,178)
	458,300	390,317
	447.9p	381.4p