

Interim Results

F&C Capital & Income Inv Tst PLC 30 April 2003 Date: 30 April 2003 Contact: Julian Cane F&C Management Ltd
020 7628 8000 Emma Chilvers Lansons Communications 020 7294 3606 F&C CAPITAL AND INCOME
INVESTMENT TRUST PLC (formerly F&C PEP and ISA Investment Trust PLC) Unaudited Preliminary Statement
of Results for the six months to 31 March 2003 Company Objective To secure long-term capital and income growth
from a portfolio consisting mainly of FTSE All-Share companies and leading European companies. Highlights
Interim dividend increases by 2.5% to 2.05 pence per share. Over the last 5 years, net asset total return per
share of -17.8% is considerably better than the total return of -26.2% from the FTSE All-Share Index. At the
AGM earlier in the year, those voting decided: not to liquidate the Company, to change the name to F&C
Capital and Income Investment Trust, that the share buy-back programme should continue. This has meant
that the Company's shares did not stand at any material discount to net asset value over the last six months.

SUMMARY OF UNAUDITED RESULTS 31 March 30 Sept % 2003 2002 change Net assets £66.36m £70.06m
-5.3 Net asset value per share 133.31p 140.96p -5.4 Share price 133.00p 135.50p -1.8 6 months to 31 6 months to
31 % March 2003 March 2002 change Earnings per ordinary share 1.91p 2.11p -9.5 Dividend per ordinary share
2.05p 2.00p +2.5 F&C CAPITAL AND INCOME INVESTMENT TRUST PLC Unaudited Interim Statement of
Results for the six months to 31 March 2003 Chairman's Statement, Stock markets have continued to be difficult
during the six months under review from 30 September 2002 to 31 March 2003 as the FTSE All-Share index fell
3.7%. Your Company had mixed results against this benchmark as the net asset value per share fell by 5.4% while
the share price declined by 1.8%. The interim dividend is increased by 2.5% to 2.05 pence per share. Capital
Performance Share prices have been very volatile during the period, with gyrations being caused by the situation in
Iraq, economic and company specific news. After steep and prolonged falls in stock markets since their peaks in
2000, there was a strong rally during October and November of last year, partly as valuations looked more
attractive, and partly as it seemed as if conflict in Iraq could be avoided. The shares that rose fastest were in
general those that had performed worst as markets had fallen. Between the end of September and the end of
December, the Telecommunication Services and Software sectors rose 30% and 28% respectively, while some
more defensive sectors, such as Beverages, Food, Retail and Tobacco actually fell. Due to the positioning of the
portfolio, this was negative for performance. During the second quarter from January to March, the stock market
returned to its previous trend, with the FTSE All-Share declining by 8.3%; your Company's net asset value per
share fell in line with this. It should be remembered that although the cautious structure of the portfolio resulted in
performance lagging the index over six months, it has brought about substantially better performance than the
index over the longer term. Over the last five years, net asset total return per share (including gross dividends) of
-17.8%, whilst disappointing, is nonetheless considerably better than the total return of -26.2% from the FTSE All-
Share index (Source: Datastream). Dividend As a result of difficult economic and business conditions, many
companies are finding it hard to maintain or grow profits. This in turn has led many companies to cut their
dividends, with the consequence that the underlying implied dividend on the FTSE All-Share index has fallen by
1.3%. The 2.5% increase in the interim dividend compares favourably against this background. Although there has
been a fall in revenue and earnings during the first half, mainly due to the timing of dividend payments, internal
estimates indicate that both revenue and earnings will show a modest increase for the full year. The dividend
increase builds on the Company's record of steady progression over the last ten years. Discount to Net Asset
Value and Share Buy-Backs Following the commitment given to shareholders in September last year, the share
buy-back programme has continued to ensure that the Company's shares do not stand at any material discount to
net asset value. Over the half-year, 640,000 shares were purchased at an average discount to asset value
(including accumulated income) of almost 3.7%. The average discount over the period was only 1.8%. The share
price stood at a premium to net asset value for some periods and in order to meet demand for the shares, 718,000
new shares were issued. These were issued at a sufficient premium to net asset value to ensure that existing
shareholders were not diluted. By having the ability to issue shares at a premium, and purchase when at a
discount, the Board has been able to keep the share price trading fairly closely in line with the underlying net asset
value. The Company's shares were trading on 30 September 2002 at a discount to net asset value of 3.9%, and
this had narrowed to a discount of 0.2% at 31 March 2003. The result of this was that the share price declined less
than the net asset value. F&C CAPITAL AND INCOME INVESTMENT TRUST PLC Unaudited Interim Statement of
Results for the six months to 31 March 2003 Results of the AGM At the Company's AGM held earlier this year,
there were a number of important votes. The most important was that 97.5% of those voting decided not to

liquidate the Company, and as a result it will continue in its current form. Shareholders also voted to change the name of the Company to F&C Capital and Income Investment Trust and to allow the share buy-back programme to continue. These decisions should be beneficial in helping to attract new shareholders and in ensuring the share price does not trade at any material discount to net asset value. Outlook The military campaign in Iraq appears to be all but over and this is clearly positive as it will help to lift some short-term uncertainty. It does, however, mean that attention is likely to switch back to the economic and business fundamentals and these have continued to deteriorate. It is difficult at the moment to separate the indirect effects of the war on the economy through consumer and business confidence, and the slowdown caused by other reasons. Regardless of the cause, weakening economies in the UK and elsewhere will be adverse for most companies, particularly at a time when company profitability is at its lowest for nine years. On the more positive side, the sharp falls that stock markets have experienced in recent years, have led valuations to be more attractive than for many years, so share prices are already discounting a considerable amount of uncertainty and difficulty. Many companies' dividend yields, for example, are now greater than bank base rates and government bond yields, and this has historically provided very good support for equities.

Graham Ross Russell April 2003 F&C CAPITAL AND INCOME INVESTMENT TRUST PLC Unaudited Interim Statement of Results for the six months to 31 March 2003 Unaudited Statement of Total Return (incorporating the Revenue Account*) 6 months to 31 March 2003 6 months to 31 March 2002 Revenue Capital Total Revenue Capital Total Â£'000s Â£'000s Â£'000s Â£'000s Â£'000s Â£'000s Gains and losses on - (3,639) (3,639) - 10,402 10,402 investments Exchange gains and losses on (4) 11 7 4 (4) - currency balances Income 1,156 - 1,156 1,261 - 1,261 Management fee (82) (82) (164) (112) (112) (224) Other expenses (115) (4) (119) (89) (3) (92) Net return before finance costs and 955 (3,714) (2,759) 1,064 10,283 11,347 taxation Interest payable and similar (4) (4) (8) (2) (2) (4) charges Return on ordinary 951 (3,718) (2,767) 1,062 10,281 11,343 activities before taxation Taxation on ordinary activities (5) - (5) (5) - (5) Return attributable to equity 946 (3,718) (2,772) 1,057 10,281 11,338 shareholders Dividends on ordinary shares (equity) (1,011) - (1,011) (986) - (986) Amount transferred (from)/to (65) (3,718) (3,783) 71 10,281 10,352 reserves Return per ordinary share - 1.91 (7.51) (5.60) 2.11 20.53 22.64 pence * The revenue column of this statement is the profit and loss account of the Company. All revenue and capital items in the above statement derive from continuing activities.

F&C CAPITAL AND INCOME INVESTMENT TRUST PLC Unaudited Interim Statement of Results for the six months to 31 March 2003 Unaudited Balance Sheet 31 March 2003 31 March 2002 30 Sept 2002 Â£'000s Â£'000s Â£'000s Fixed assets Investments 68,366 97,966 70,419 Current assets Debtors 509 607 492 Taxation recoverable 14 16 19 Cash at bank and short-term 124 255 917 deposits 647 878 1,428 Current liabilities Creditors: amounts falling due within one year: Short-term loans (1,500) - - Other creditors (1,153) (1,238) (1,786) (2,653) (1,238) (1,786) Net current liabilities (2,006) (360) (358) Net assets 66,360 97,606 70,061 Capital and reserves Called up equity share capital 12,445 12,425 12,425 Capital redemption reserve 2,492 2,332 2,332 Share premium 17,190 16,394 16,394 Special reserve 17,810 18,705 18,704 Capital reserves 15,473 46,523 19,191 Revenue reserve 950 1,227 1,015 Total shareholders' funds 66,360 97,606 70,061 Net asset value per ordinary share - pence 133.31 196.39 140.96

Geographical distribution of the investments at 31 March 2003 was: UK 91% Europe 9% F&C CAPITAL AND INCOME INVESTMENT TRUST PLC Unaudited Interim Statement of Results for the six months to 31 March 2003 Unaudited Cash Flow Statement 6 months to 6 months to 31 March 2003 31 March 2002 Â£'000s Â£'000s Net cash inflow from operating activities 841 983 Interest paid (7) (4) Total tax paid (1) (4) Equity dividends paid (1,606) (1,578) Net cash (outflow)/inflow from purchases and sales of investments (1,523) 52 Net cash outflow before use of liquid resources and financing (2,296) (551) Decrease in short-term deposits 600 400 Net cash inflow from financing 1,496 79 Decrease in cash during the period (200) (72) The interim financial statements have been prepared on the basis of the accounting policies set out in the Company's financial statements at 30 September 2002. The Directors have declared an interim dividend of 2.05p (2002: 2.00p) per share payable on 30 May 2003 to shareholders registered on 9 May 2003. The Interim Report will be posted to shareholders in mid-May 2003. Copies may be obtained during normal business hours from the Company's Registered Office, Exchange House, Primrose Street, London EC2A 2NY. By order of the Board F&C Management Limited - Secretary 29 April 2003 This information is provided by RNS The company news service from the London Stock Exchange