ELECTRIC & GENERAL INVESTMENT TRUST plc (the "Company")

Preliminary Unaudited Results for the period from 1 June 2006 to 30 June 2007

Chairman's Statement

Policy and Objective
The Company's objective is to maximise total return whilst pursuing a progressive dividend policy. The Investment Manager invests internationally in a relatively concentrated portfolio. They do not aim to replicate the global indices, but look to invest in strong businesses with good growth prospects.

Benchmark
The benchmark against which the portfolio performance is measured is the MSCI World Index (Sterling excluding income), thus emphasising the global nature of the portfolio.

Change of Accounting Reference Date
As stated in the Interim Report, the Board has taken the decision to extend the Company's accounting reference date from 31 May to 30 June to facilitate more effective performance reporting.

Performance
For the thirteen months ended 30 June 2007, the net asset value ("NAV") of the Company (excluding income) increased by 18.77%, which compares to an increase of 12.79% in the MSCI World Index (Sterling excluding income). Over the same period the Company's share price increased by 13.38%, the difference in performance being made up by the discount to NAV having increased from 5.20% to 10.07% per share.

Dividend
The Board recommends that shareholders approve a final dividend of 5.19 pence per ordinary share, making a total of 7.19 pence per ordinary share for the period under review. This final dividend is recommended for payment to shareholders on the register as at 14 September 2007, payable on 18 October 2007.

Share Buy Back
During the year the discount to NAV widened and at one point reached 11.40%. The Board felt that the discount had become excessive in comparison to its peer group consisting of other international investment trusts. Market purchases of stock were made to the total of 202,122 ordinary shares at an average price of 426.65 pence and discount of 10.16%.
This has so far had the desired effect of bringing the discount closer in line with other comparable investment trusts.

Market Background
Most of the world's major equity markets reached highs during the last few months of the period under review. Continued strong global growth and high levels of takeover activity buoyed the markets despite higher interest rates dampening the cost and availability of bond finance for private equity deals. This in turn meant that the cash flow calculations that underpin these transactions became less favourable. Central bankers in both the United States ("US") and Europe continue to warn about inflation and higher interest rates may be with us for longer than many anticipated.

The other main feature of the year has been the pronounced weaknesses of the US Dollar and the Yen, both of which pose problems, but of a rather different nature. The weakness of the US Dollar may well begin to start some trade friction, especially in Europe.
There is also a fear that some countries with large US Dollar holdings may wish to diversify into other currencies. To some extent, this is being seen in the Gulf as a number of oil producing states are requesting payment in currencies other than the US Dollar. The Yen poses a rather different problem in that the size of the Yen "carry trade" (foreign businesses and speculators borrowing Yen because the interest rates are so low) may at some stage unravel and cause financial turbulence.

During the period under review, the Investment Manager has taken advantage of the weakness of the US Dollar by gradually building up the Company's North American portfolio. In the past six months purchases have been made in Williams-Sonoma and Carnival Corporation, both companies being consumer related and out of favour.
Williams-Sonoma is an up-market retailer of home furnishings. It supplies kitchenware under its own name and household accessories under the Pottery Barn brand. It is also the country's biggest internet retailer in these sectors.
Carnival Corporation is the world's largest cruise ship operator trading under various brand names such as P&O Princess and Cunard.
Also worthy of note is the purchase of Exelon, the electric utility, which is the US' largest nuclear generator and which follows on from the developing theme that nuclear generators have an automatic edge once carbon trading

comes into play. Coal, oil and gas-fired rivals will have to buy carbon credits to offset CO_2 emissions, whereas a nuclear utility will not.
One of the best performing stocks in the portfolio during the year has been Electricité de France, the French nuclear generator, which is already benefiting from the European carbon trading system.

The only major market to disappoint during the period under review has been Japan. The underlying economy is now beginning to look reasonably healthy, with the country recently reporting record monthly trade surpluses. However, the consumer still feels very fragile and uninterested in spending money. Politics appear stagnant with Japan's new Prime Minister, Shinzo
Abe, losing his power base and unable to implement a number of important reforms, and there has been heated debate between politicians and the Central Bank as to the speed at which interest rates should rise. Whilst Japan has one of the highest savings rates in the world, at present, Japanese individuals earn virtually no interest on money in the bank and, until this changes, consumer spending will be muted. However, major changes are afoot in some of Japan's largest corporate entities.
There is a growing interest in producing shareholder returns, much of which has been generated by Japan's own savings industry, in particular its Pension Funds.
To this end a new investment was made in Tokyu Corporation, a conglomerate based around a commuter train network in Tokyo, which was referred to in the Company's most recent Interim Report, and also Mitsubishi Heavy Industries, which over the years has been very reluctant to explain its businesses but is now becoming rather more investor friendly.
As well as being the largest supplier of arms to the Japanese Government, where it stands to gain from increased military spending, the company has a wide range of activities which includes the manufacture of ships, desalination plants and power stations, including nuclear power, where it has worldwide manufacturing capabilities. It also has some substantially under-valued assets on its balance sheet, particularly land. A holding was also purchased in Nikko Cordial, which had a joint venture with Citicorp in one of Japan's major investment banks. Nikko Cordial also owns a substantial fund management business and venture capital operation and subsequently suffered some accounting problems that led to a takeover by Citicorp at an advantageous price.

One of the themes in the portfolio is investment in drug wholesalers. The Investment Manager saw how Alliance Boots helped the UK Government bring down their drugs bill by switching medicines to generics that, in most cases, are far cheaper than their branded equivalents. This seems to be a worldwide phenomenon. During the period under review a new position was started in Alfresa Holdings in Japan, which is the number two after Mediceo Paltec; a stock that is also held in the portfolio. A holding in Celesio, the German equivalent, was also purchased and an addition was made to the position in CVS Caremark, one of the main wholesalers and pharmacists in the US.
These companies tend to trade on much lower margins than their large pharmaceutical counterparts who are finding themselves under attack from politicians as governments face increasing bills for medicines due to populations in most of the developed world.

With interest rates rising, it was felt that property share values had peaked and, to that end, the Company's holdings in Westfield Group in Australia and Mitsubishi Estates in Japan were sold. The Investment Manager also sold Hilton Hotels at a good profit, although there has recently been a bid at a somewhat higher price than that at which the shares were sold.
One of the other property related investments in the portfolio, Florida East Coast Industries, which runs the main railway in Florida
in addition to being the primary commercial developer in the state, has recently accepted a takeover bid from Fortress at almost double the price it was purchased at just under two years ago.

The European economies have picked up as we had hoped. There has been a notable change in the political climate with the election of French President Nicolas Sarkozy, which has undoubtedly helped market sentiment. The telecommunications sector, which forms part of the Company's main exposure in Europe, was most unpopular just two years ago but now some of its latent assets in the form of mobile telephone operations, particularly in the developing world, are being recognised by the market. The Investment Manager has begun to take profits in the sector, particularly in Teliasonera, the Nordic telecommunications provider, which has major mobile interests in Russia and Turkey.

Following the telecommunications theme, Hutchison Telecom sold its Indian associate to Vodafone at a very good price.
The company has since repaid some of its share capital but kept some of the money it received to invest in new areas of operation.
Having sold some shares earlier in the period at a good profit, the Investment Manager has now bought back the Company's previous position.
When looking at mobile telephone valuations, the Investment Manager has found that there are some interesting values in Africa and the Middle East and new holdings have been purchased in Telkom SA and MTN Group. The Company also participated in the new issue of Clearwire, a start up mobile telephone business, which has just announced a joint venture with Sprint to build the first US WiMAX network.

During the period under review the Company's exposure to the United Kingdom ("UK") has been reduced slightly as the economy looks in danger of overheating. Property prices, both commercial as well as residential, have made London and the South East of England probably the most expensive place in the world to live and do business. The UK portion of the portfolio has a distinct bias toward companies with large and growing overseas earnings.
A new holding was started in Prudential, whose UK business is being re-structured and who also has interesting operations and joint ventures in the Far East and India, as well as Jackson National, its US life insurance operation. As well as the takeover of Alliance Boots, the portfolio has lost BAA to a takeover by Ferrovial of Spain. The Investment Manager was surprised that there was no Government intervention in the BAA bid, given that airports are a key piece of the UK's infrastructure, especially in London where the Olympic Games will be held in 2012.

During the last six months other new investments include Svenska Handelsbanken, the conservatively run Swedish bank, and Aegon, the Dutch insurer, both of which were purchased purely on a valuation basis.

A new investment has been made in UCBH, a Californian bank which caters to the Chinese populations in California and New York, which looks to be an interesting way of participating in the growth in trade between the US and China.
The Chinese stock market has begun to look very expensive. The Company's holding in Bank of Communications was sold at a very good profit, which leaves only one remaining direct Chinese investment in PICC Property and Casualty; the largest motor insurer in China, which should grow well as Chinese motor vehicle ownership increases.

One unlisted investment has been made in Scandinavian Property Development, which should be floated on the Norwegian stock market in 2008.
The company owns the old Oslo airport situated on an island close to the city, which has interesting development potential, both for up-market housing and retail.

Prospects
Now that we are in the fifth year of a bull market, everyone must be aware that the equity markets are fairly mature. Whilst the world economy remains robust, the current strategy of being reasonably invested but not courting undue risk looks sound.
If the Investment Manager sees conditions changing for the worse, a more defensive strategy will be deployed.

There may be some economic consequences from the credit contraction that is now going on, but the extent of this will not be known for the next few months. At the time of writing, the equity markets fear the worst and worry that a slow-down in the US economy will spread to the rest of the world. Whilst these concerns are real, many companies – particularly larger companies with strong balance sheets – should be largely unaffected. Global equity valuations are also modest by historical standards, which gives a degree of comfort. With a good geographical spread and the bulk of the portfolio in larger companies with good earning prospects, there remain grounds to be cautiously optimistic.

Annual General Meeting ("AGM")
The Company's AGM this year will be held at the offices of JPMorgan Cazenove Limited, 20 Moorgate, London EC2R 6DA on Thursday, 11 October 2007 at 12 noon. Full details of the business to be conducted at the AGM are set out in the Notice of Meeting that will be despatched to shareholders with the Annual Report and Accounts for the period ended 30 June 2007.

Naturally, your Board welcome your attendance at the forthcoming AGM, not least because it provides an excellent opportunity for shareholders to put questions to the Directors and the Investment Manager. Should you have a query that requires a detailed or technical response, I would urge you to submit it to the Company Secretary in advance of the AGM to ensure the most thorough response. For those of you who are unable to attend the AGM, the Board would encourage you to submit your proxy votes.

Lindsay Bury
Chairman
5 September 2007

INCOME STATEMENT

for the period from 1 June 2006 to 30 June 2007

	Period ended 30 June 2007			Year ended 31 May 2006		
	Revenue £'000	**Capital £'000**	**Total £'000**	Revenue £'000	Capital £'000	Total £'000
Gains on investments	**-**	**49,984**	**49,984**	-	50,233	50,233
Income	**8,114**	**-**	**8,114**	6,623	-	6,623
Foreign exchange gains	**-**	**(10)**	**(10)**	-	434	434
Other interest receivable and similar income	**455**	**-**	**455**	238	-	238
Investment management fee	**(701)**	**(701)**	**(1,402)**	(537)	(538)	(1,075)
Performance fee	**-**	**(1,513)**	**(1,513)**	-	(1,682)	(1,682)
Administrative expenses	**(527)**	**-**	**(527)**	(498)	-	(498)
Net return on ordinary activities before interest payable and taxation	**7,341**	**47,760**	**55,101**	5,826	48,447	54,273
Interest payable	**(198)**	**(595)**	**(793)**	(200)	(598)	(798)
Net return on ordinary activities before taxation	**7,143**	**47,165**	**54,308**	5,626	47,849	53,475
Taxation	**(940)**	**365**	**(575)**	(1,344)	845	(499)
Net return on ordinary activities after taxation	**6,203**	**47,530**	**53,733**	4,282	48,694	52,976
Return per ordinary share (pence):						
Basic	**9.47**	**72.54**	**82.01**	6.54	74.32	80.86

The total column of this statement represents the profit and loss account of the Company.

All revenue and capital items in the above statement derive from continuing operations. No operations were acquired or discontinued during the period under review.

The Company has no recognised gains or losses other than those recognised in the income statement above.

The accompanying notes are an integral part of the financial statements.

BALANCE SHEET

at 30 June 2007

	As at 30 June 2007 £'000	As at 31 May 2006 £'000
Investments		
Investments at fair value through profit or loss	**316,576**	267,486
	------------	------------
Current assets		
Debtors	**3,025**	4,620
Cash and short term deposits	**8,837**	4,887
	------------	------------
	11,862	9,507
Creditors: amounts falling due within one year	**(4,651)**	(1,686)
	------------	------------
Net current assets	**7,211**	7,821
	------------	------------
Total assets less current liabilities	**323,787**	275,307
	------------	------------
Creditors: amounts falling due after more than one year		
Debentures	**(7,000)**	(7,000)
Provision for liabilities and charges	**(1,239)**	(1,795)
	------------	------------
Net assets	**315,548**	266,512
	=======	=======
Capital and reserves		
Called up share capital	**3,266**	3,276
Share premium account	**19,937**	19,937
Capital redemption reserve	**1,441**	1,431
Realised reserves	**219,706**	199,385
Unrealised reserves	**57,300**	30,955
Revenue reserve	**13,898**	11,528
	------------	------------
Equity shareholders' funds	**315,548**	266,512
	=======	=======
Net asset value per ordinary share (pence):		
Basic	**483.09**	406.76
	=======	=======

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

For the period from 1 June 2006 to 30 June 2007

	Share capital £'000	Share premium £'000	Redemption reserve £'000	Capital reserve-realised £'000	Capital reserve-unrealised £'000	Revenue reserve £'000	Total £'000
Balance at 31 May 2006	3,276	19,937	1,431	199,385	30,955	11,528	266,512
Return on ordinary activities after taxation	-	-	-	21,185	26,345	6,203	53,733
Purchase of own shares for cancellation	(10)	-	10	(864)	-	-	(864)
Dividends paid	-	-	-	-	-	(3,833)	(3,833)
Balance at 30 June 2007	3,266	19,937	1,441	219,706	57,300	13,898	315,548

For the year ended 31 May 2006

	Share capital £'000	Share premium £'000	Redemption reserve £'000	Capital reserve-realised £'000	Capital reserve-unrealised £'000	Revenue reserve £'000	Total £'000
Balance at 31 May 2005	3,276	19,937	1,431	166,400	15,246	12,389	218,679
Return on ordinary activities after taxation	-	-	-	32,985	15,709	4,282	52,976
Dividends paid	-	-	-	-	-	(5,143)	(5,143)
Balance at 31 May 2006	3,276	19,937	1,431	199,385	30,955	11,528	266,512

CASH FLOW STATEMENT

for the period from 1 June 2006 to 30 June 2007

	Period ended 30 June 2007 £'000	Year ended 31 May 2006 £'000
Return on ordinary activities before taxation	**55,101**	54,273

Adjustments for:		
Realised gains on investments	**(23,639)**	(34,524)
Unrealised gains on investments	**(26,345)**	(15,709)
Effect of foreign exchange rates	**10**	(434)
(Increase)/decrease in accrued income	**(5)**	100
(Increase)/decrease in other debtors	**(1,616)**	21
Tax on unfranked investment income	**(666)**	(483)
Increase in creditors	**1,569**	1,669
	-----------------	-----------------
Net cash inflow from operating activities	**4,409**	4,913
Servicing of finance		
Debenture interest paid	**(815)**	(752)
Bank overdraft and loan interest paid	**21**	(33)
	-----------------	-----------------
Net cash outflow from servicing of finance	**(794)**	(785)
Financial investment		
Purchases of investments	**(134,586)**	(154,702)
Sales of investments	**139,628**	151,667
	-----------------	-----------------
Net cash inflow/(outflow) from financial investment	**5,042**	(3,035)
	-----------------	-----------------
Equity dividends paid	**(3,833)**	(5,143)
	-----------------	-----------------
Net cash inflow/(outflow) before financing	**4,824**	(4,050)
Financing		
Purchase of own ordinary shares	**(864)**	-
	-----------------	-----------------
Increase/(decrease) in cash	**3,960**	(4,050)
	==========	==========
Reconciliation of net cash flow to movements in net funds		
Increase/(decrease) in cash as above	**3,960**	(4,050)
Exchange movements	**(10)**	434
	-----------------	-----------------
Movement in net funds in the period	**3,950**	(3,616)
Net funds at start of period	**(2,113)**	1,503
	-----------------	-----------------
Net funds at end of period	**1,837**	(2,113)
Represented by:		
Cash	**8,837**	4,887
Debt due after more than one year	**(7,000)**	(7,000)
	-----------------	-----------------
	1,837	(2,113)
	==========	==========

The preliminary announcement was approved by the Board on Wednesday, 5 September 2007.

NOTES TO THE ACCOUNTS
for the period from 1 June 2006 to 30 June 2007

1. Accounting Policies
Basis of preparation and going concern
The financial statements have been prepared in accordance with applicable UK Generally Accepted Accounting Practice (UK GAAP) and with the Statement of Recommended Practice ‘Financial Statements of Investment Companies’ (issued January 2003 and revised in December 2005). They have also been prepared on the assumption that approval as an investment trust will continue to be granted. The financial statements have been prepared on a going concern basis.

This Preliminary Announcement is prepared on the same basis as set out in the previous years accounts.

2. Income

	Period ended 30 June 2007 £'000	Year ended 31 May 2006 £'000
Income from investments		
UK listed – franked	**2,119**	1,453
Dividend income	**4,622**	4,215
Interest income	**1,373**	955
	8,114	6,623
Other interest receivable and similar income		
Bank interest	**399**	226
Treasury bill interest	**55**	-
Other income & underwriting commission	**1**	12
	455	238
Total income	**8,569**	6,861

3. Dividends

	Period Ended 30 June 2007 £'000	Year ended 31 May 2006 £'000
Amounts recognised as distributions to equity holders in the period:		
Final dividend for 2006: 3.85p (2005: 3.15p)	**2,523**	2,064
Special dividend for 2006: nil (2005: 2.85p)	**-**	1,867
Interim dividend for 2007: 2.00p (2006: 1.85p)	**1,310**	1,212
	----------------	--------------
	3,833	5,143
	========	========

The proposed final dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements.

We set out below the total dividends paid and proposed in respect of the financial period, which is the basis on which the requirements of Section 842 of the Income and Corporation Taxes Act 1988 are considered. The revenue available for distribution by way of dividend for the year is £6,203,000 (2006: £4,282,000).

	Period ended 30 June 2007 £'000	Year ended 31 May 2006 £'000
Interim dividend for 2007: 2.00p (2006: 1.85p)	**1,310**	1,212
Proposed final dividend for 2007: 5.19p (2006: 3.85p)	**3,390**	2,523
	--------------	--------------
	4,700	3,735
	========	========

4. Return per Ordinary Share

The return per ordinary share is based on the following figures:

	Period ended 30 June 2007			Year ended 31 May 2006		
	Revenue Pence	**Capital Pence**	**Total Pence**	Revenue Pence	Capital Pence	Total Pence
Basic	**9.47**	**72.54**	**82.01**	6.54	74.32	80.86
	=======	**=======**	**======**	=======	=======	=======

The total return per ordinary share is calculated on ordinary activities after taxation of £53,733,000 (2006: £52,976,000) and on 65,519,405 (2006: 65,520,296) ordinary shares, being the weighted average number of shares in issue during the period.

The revenue return per ordinary share is calculated on the net revenue on ordinary activities after taxation of £6,203,000 (2006: £4,282,000) and on 65,519,405 (2006: 65,520,296) ordinary shares, being the weighted average number of ordinary shares in issue during the period.

The capital return per ordinary share is calculated on the net capital return for the year of £47,530,000 (2006: £48,694,000) and on 65,519,405 (2006: 65,520,296) ordinary shares, being the weighted average number of ordinary shares in issue during the period.

5. Net Asset Value per Ordinary Share

	As at 30 June 2007	**As at 31 May 2006**
Net assets attributable	£315,548,000	£266,512,000
Number of ordinary shares in issue at period end	65,318,174	65,520,296
NAV per ordinary share (pence)	483.09	406.76
	===========	===========

The net asset value per share at 30 June 2007, adjusted to include the debenture stock at market value rather than at par is 481.13p (2006: 463.97p).

6. The figures and financial information for the year ended 31 May 2006 are extracted from the latest published accounts and do not constitute the statutory accounts for that year as defined in Section 240 of the Companies Act 1985. Those accounts have been delivered to the Registrar of Companies and included the report of the auditors which was unqualified and did not contain a statement either under Section 237(2) or Section 237(3) of the Companies Act 1985.

The financial information disclosed for the period ended 30 June 2007 does not constitute statutory accounts for that period as defined in section 240 of the Companies Act 1985.

7. The Annual Report and Accounts for the period ended 30 June 2007 will be posted to shareholders in September 2007 and thereafter copies will be available upon request at the Company's registered office: 55 Moorgate, London EC2R 6PA. The Company's AGM will be held at 12 noon on Thursday, 11 October 2007 at the offices of JPMorgan Cazenove Limited, 20 Moorgate, London EC2R 6DA.

5 SEPTEMBER 2007

All enquiries in the first instance to:

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