

KEY DETAILS

Net Assets	£474.9m
Inception Date	26 October 2012
NAV Total Return Since Inception	31.39%
NAV Per Share (£)	£1.2404
Share Price (Mid Market) (£)	£1.2913
Ex-Div (16 July 2015)	2.1p
Management Fee	-
Performance Fee	-
Annual Donation (% of NAV)	1%
Financial Year End	31 March
SEDOL	B8P59C0
ISIN	GG00B8P59C08
Bloomberg Ticker	BACT:LN

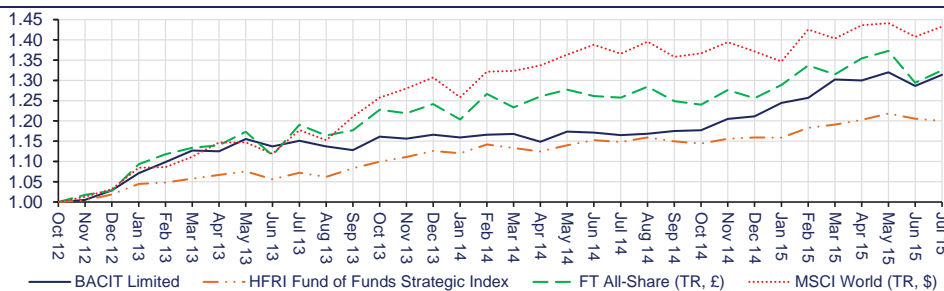
INVESTMENT METHODOLOGY

BACIT Limited ("BACIT") targets attractive medium to long term returns by investing in leading long only and alternative investment funds with proven managers and across multiple asset classes. The composition of the investment portfolio will vary over time in terms of asset classes, strategies, managers and funds; BACIT intends to be invested in at least 15 distinct investment funds or managed account strategies over time. Further, BACIT invests in the CRT Pioneer Fund LP (the "Pioneer Fund") and may also invest in other drug development and medical innovation projects undertaken by The Institute of Cancer Research, subject to limitations on the amount of its NAV that it may invest in such projects in any year.

BACIT invests only where the relevant investment manager provides investment capacity on a "gross return" basis, meaning that BACIT and its subsidiaries (the "Group") do not bear the impact of management or performance fees on its investments. This does not apply to the investment in the Pioneer Fund. Investing on a "gross return" basis is achieved by the relevant manager or fund agreeing not to charge management or performance fees, by rebating or donating to the Group any management or performance fees charged or otherwise arranging for the Group to be compensated so as effectively to increase its investment by the amount of any such fees. BACIT does not charge its investors fees. However, it donates 1% of NAV each year to charity (50% to The Institute of Cancer Research and 50% to The BACIT Foundation).

NAV TOTAL RETURN VERSUS INDICES

as at 31 July	1M	3M	YTD
BACIT Limited			
Share Price	-0.86%	5.63%	11.80%
NAV Total Return	2.15%	1.07%	8.46%
MSCI World (TR, \$)	1.80%	-0.23%	4.47%
HFRIFOFS Index	-0.42%	-0.18%	3.54%
FT All-Share (TR, £)	2.40%	-2.18%	5.49%



PERFORMANCE (% TOTAL RETURN)*

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2015	2.73	1.01	3.58	-0.16	1.53	-2.56	2.15	-	-	-	-	-	8.46
2014	-0.55	0.58	0.13	-1.64	2.18	-0.20	-0.51	0.26	0.58	0.17	2.36	0.55	3.91
2013	4.12	2.55	2.58	-0.16	2.69	-1.57	1.24	-1.23	-0.78	2.94	-0.42	0.82	13.32
2012	-	-	-	-	-	-	-	-	-	-	0.53	2.34	2.89

* Returns are inclusive of dividend distributions

COMPANY INFORMATION

Structure	Closed End Investment Company
Domicile	Guernsey
Listing	London Stock Exchange
Website	www.bacittd.com
Investment Manager	BACIT (UK) Limited
Administrator	Northern Trust International
Custodian	Northern Trust (Guernsey) Ltd
Registrar	Capita Registrars (Guernsey) Limited
Corporate Broker	J.P. Morgan Cazenove

TOP 10 HOLDINGS

Fund	Investment Manager	Strategy	Asset Class	% of NAV
1 Polar Capital Japan Alpha	Polar Capital	Long Bias	Equities	8.4%
2 Majedie UK Equity	Majedie Asset Management	Long Bias	Equities	5.8%
3 Woodford Patient Capital	Woodford Capital	Long Bias	Equities	5.5%
4 Tower Master Fund	Ten Five Capital Management	Hedge	Equities	5.4%
5 SW Mitchell European	SW Mitchell Capital	Hedge	Equities	5.3%
6 Maga Smaller Companies UCITS	Otus Capital Management	Hedge	Equities	5.2%
7 Polygon European Equity Opportunity	Polygon Global Partners	Hedge	Equities	4.9%
8 Sinfonietta	Symphony Financial Partners	Hedge	Macro	4.6%
9 The SFP Value Realization Fund	Symphony Financial Partners	Long Bias	Equities	4.4%
10 Parity Value	Parity Asset Management Limited	Hedge	Macro	4.1%
Total				53.4%

CHARITIES SUPPORTED BY BACIT (DURING THE YEAR ENDED 31 MARCH 2015)

The BACIT Foundation

The charitable objects of The BACIT Foundation relate primarily to the prevention, treatment, cure and ultimately eradication of cancer, but also cover diseases allied to cancer, and such other charitable objects and organisations as the Foundation may from time to time consider desirable.

The Institute Of Cancer Research

The Institute of Cancer Research, London, is one of the world's most influential cancer research institutes, with an outstanding record of achievement dating back more than 100 years. Today, the ICR is ranked as the UK's leading academic research centre, and leads the world in isolating cancer-related genes and discovering new targeted drugs for personalised cancer treatment. The ICR employs leading scientists from over 50 countries around the world and since 2005 alone, 16 drug development candidates have been discovered based on ICR research, 6 of which have progressed into phase 1 clinical trials. The ICR has charitable status and relies on support from partner organisations, charities and donors to fund its research and innovation.

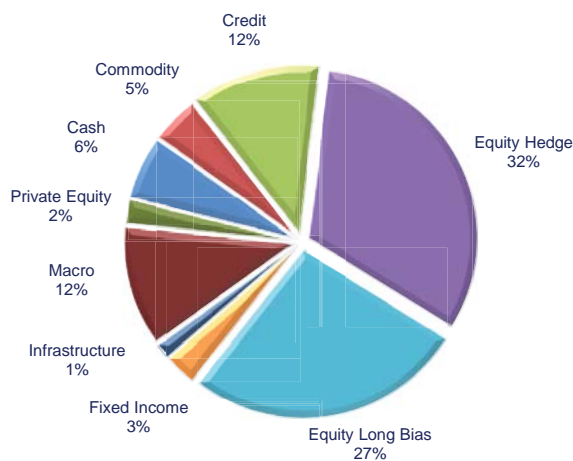
All Charities

Alzheimer's Research UK
The Alzheimer's Society
Beating Bowel Cancer
Butterfly Thyroid Cancer Trust
Child Bereavement UK
Downside Up
The Egmont Trust
The Institute Of Cancer Research
The James Wentworth-Stanley Memorial Fund

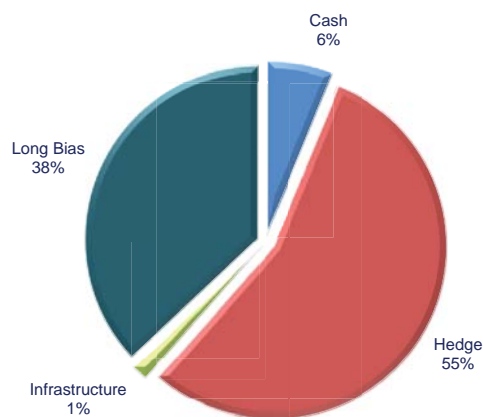
JDRF (The Juvenile Diabetes Research Foundation)
The Louis Dundas Centre For Children's Palliative Care
Maggie's
Marie Curie Cancer Care
NSPCC
The Rwanda Hope Foundation
Scope
SSAFA Forces Help
Women For Women International

BACIT Limited

ASSET ALLOCATION (% OF NAV)

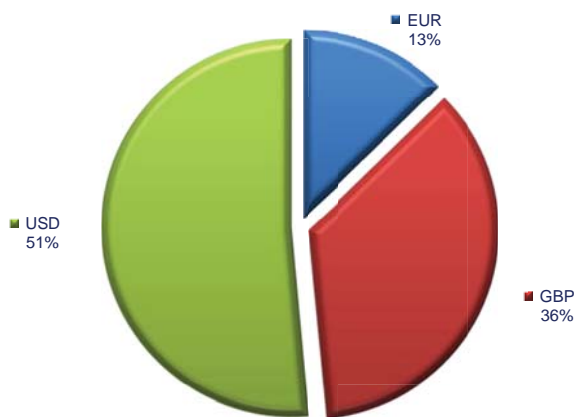


FUND STRATEGY ALLOCATION (% OF NAV)

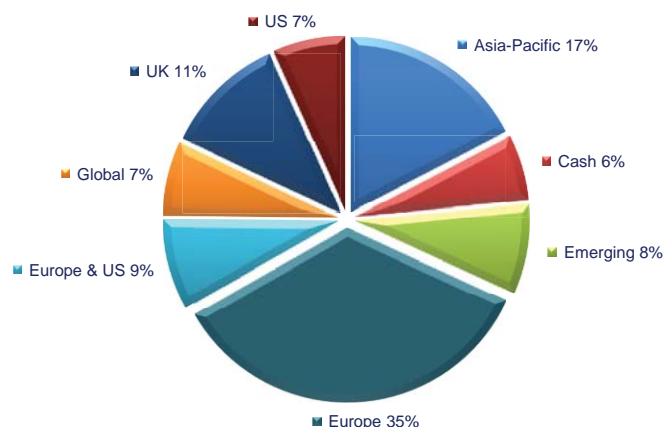


DENOMINATION OF INVESTMENTS (% OF NAV)

US\$ Unhedged, € Hedged into GBP



STRATEGY GEOGRAPHICAL FOCUS (% OF NAV)



NAV PERFORMANCE ANALYSIS

Inception	26 October 2012
NAV (£m)	£474.9
1 Month Return	2.15%
3 Month Return	1.07%
YTD Return	8.46%
Last 12 Months Return	12.76%
NAV Total Return Since Inception	31.39%
Annualised Return Since Inception	10.44%
Annualised Volatility Since Inception	5.64%
Sharpe Ratio	1.7
Best Month	4.12%
Worst Month	-2.56%
% Positive Months	67%
Largest Drawdown	-2.56%

ALLOCATION LIMITS

	Current	Limit	% of Limit	
Asset Class	Equity Hedge	32%	80%	40%
Manager	Polygon Global Partners	10%	30%	33%
Fund	Polar Capital Japan Alpha	8%	20%	42%

INDEX ANALYSIS OF NAV PERFORMANCE

Monthly comparative	MSCI World (TR, \$)	FT All-Share (TR, £)	HFRIFOS Index
Alpha	8%	7%	5%
Beta	0.18	0.32	0.80
Correlation	0.29	0.58	0.52
Outperformance in Down Markets*	89%	92%	55%

*This measures the percentage of months when the benchmark falls, that BACIT outperforms it.

DATA SOURCES:

Data has been sourced from Bloomberg, Northern Trust, the Company's administrator, and the underlying funds.

IMPORTANT INFORMATION AND LEGAL DISCLAIMER

This fact sheet contains information regarding BACIT Limited's (the "Company's") performance and outlook. The information contained in the fact sheet is unaudited, and the reported NAVs of the underlying funds may have been subject to deductions in respect of management and performance fees which will not apply to the Company's investment. This fact sheet is provided for information purposes only and does not constitute an invitation or offer to subscribe for or purchase shares in the Company. The material provided is not intended to provide a sufficient basis on which to make an investment decision. Past performance is no guarantee of future returns and estimated results, performance or achievements may materially differ from actual results. All investments are subject to risk. Prospective investors are advised to seek expert legal, financial, tax and other professional advice before making any investment decisions.

Information and opinions presented in the material contained on these pages relating to the Company and its investments have been obtained or derived from sources believed by the Company to be reliable, but the Company makes no representation as to their accuracy or completeness. Except as required by applicable law, the Company expressly disclaims any obligations to update or revise such estimates to reflect any change in expectations, new information, subsequent events or otherwise.

Alzheimer's Society Research Programme: An annual update prepared for The BACIT Foundation

Alzheimer's Society is extremely grateful for The BACIT Foundation's generous gift of £92,243 in September 2014 to support research into the cause, cure, care and prevention of all types of dementia.

There are **850,000** people living with dementia in the UK, and this is expected to rise to one million by 2021. We are the only UK based organisation investing into the cause, cure, care and prevention of all types of dementia.

Dementia costs the country £26.3 billion a year – more than cancer, diabetes or heart disease, yet spending on cancer research is seven times higher. To respond effectively to the urgent health and social care challenges of dementia it is necessary to address decades of under-investment in dementia research. Alzheimer's Society has increased our funding for research to significantly strengthen our understanding of dementia, deliver better care and support for people affected by the condition, and enable us to explore new areas which could hold the key to finding a cure.

In 2014/15 Alzheimer's Society **more than doubled our annual investment** in research to over £9 million.

We awarded **41 research grants**, more than in any other single year.

Our research portfolio grew to **103 projects**, our largest ever.

The knowledge we gain will help us improve the quality of life of people living with dementia today and ensure a better tomorrow for future generations. We are only able to achieve this thanks to the generosity of supporters like The BACIT Foundation.

In this report, we hope to bring you up to date with some exciting new projects and important developments in our research programme, and demonstrate the difference your donation is making to the lives of thousands of people affected by dementia.

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Dementia Research Leaders

The under-investment in dementia research has made it difficult to attract skilled researchers to work, and remain, in the field. To start harnessing the talent that we know exists, we launched Dementia Research Leaders (DRL) in January 2014 to attract early-career researchers to the sector. DRL provides training, funding opportunities and career pathways to inspire and enable the brightest minds to pursue their careers in dementia research.

A variety of funding opportunities are available through DRL, covering all stages in a researcher's career. This will ensure more researchers stay in the field and dementia research will benefit from greater resources, new ideas and fresh approaches.

Since the launch we have invested £6.5 million in DRL, which has significantly boosted interest and capacity in dementia research in the UK, laying the foundation for a strong and dedicated research community. Earlier this year, Alzheimer's Society was shortlisted for a prestigious Charity Award in recognition of the DRL programme's achievements and promise to date.

Case Study: Revolutionising Alzheimer's Diagnosis - Sarah Westwood, PhD Studentship

Sarah Westwood received a DRL grant that enabled her to undertake a PhD at Kings College London to investigate the potential for using a simple blood test to detect Alzheimer's disease long before the symptoms appear. Sarah hopes to identify blood-based bio-markers that signal the key hallmarks of Alzheimer's, such as brain atrophy and cognitive decline, much earlier than we are currently able to make a diagnosis.



"I have found dementia research to be an exciting field to be involved in. There is still a lot that we don't know about dementia and so new ideas and interesting results are reported all the time. There is great potential to make a difference."

The potential benefits are huge. Blood tests are quick and minimally invasive so could revolutionise our ability to both diagnose and monitor Alzheimer's progression. They could also provide invaluable information to speed-up new drug development and support efforts to prevent the disease.

Sarah first became interested in dementia research whilst studying for her Masters. Thanks to DRL she was able to pursue her interest further with her PhD. Sarah says she has been inspired by her experience and motivated to continue her impactful and rewarding research on bio-markers and Alzheimer's disease. She is now furthering her research in a postdoctoral position at the University of Oxford.

Doctoral Training Centres

In 2015 we have taken our initiative to equip and inspire young researchers a step further by creating a new network of Doctoral Training Centres (DTCs) at universities across the UK. The DTC model has boosted research capacity and output in a range of fields, from science and technology to healthcare and economics. The centres bring together elite researchers to develop the skills and expertise required to respond to some of the world's biggest challenges. For the first time we are harnessing this approach to specialised bio-medical and care-related dementia research.

DTCs in Numbers:

We are investing **£3.6 million** in eight DTCs.

Participating universities are committing a **further £1.6 million**.

DTCs are currently supporting **53 PhD studentships** – more than we funded in the past 30

Investing in genetic research at the University of Sussex DTC

Researchers at the University of Sussex DTC are investigating a gene which increases the risk of Alzheimer's disease by up to 10 times. Thanks to a £700,000 partnership between Alzheimer's Society and the University, a team of eight PhD students will unpick the role of the APOE4 gene in the development of Alzheimer's.

One team will investigate if the effect of education level on the risk of developing Alzheimer's is different for people with APOE4. Higher education is seen as protective against the symptoms of dementia, as it is thought that it helps the brain to compensate for the underlying changes caused by dementia onset, but it is uncertain whether this effect is also seen in people with APOE4.

Gathering a wealth of inter-disciplinary knowledge: Upcoming research across the DTCs

- Scientists at four Scottish Universities – Edinburgh, Aberdeen, St Andrews and Dundee – will investigate how heart health and high-fat diets affect the risk of developing dementia.
- By researching how to help people with dementia take more calculated risks in daily life, such as travelling on their own, the University of Southampton DTC aims to help them maximise their self-control and independence for longer.
- At Newcastle University researchers will collaborate to improve our understanding of the distressing non-cognitive symptoms experienced by people with Dementia with Lewy Bodies.
- PhD students at the Universities of Nottingham and Worcester will explore how creative art activities can improve the quality of life and well-being of people affected by dementia.
- DTC studies are also taking place at the Universities of Bradford (how the transitions between care settings affect people with dementia); Exeter (dysfunctional brain networks); and Cambridge (the relationship between lifestyle and cognitive health).



“People with dementia deserve nothing less than an all-out fight back against the condition and our Doctoral Training Centres will help us to enlist the right people to lead it.” – Dr Doug Brown, Alzheimer’s Society

The range of themes being investigated across the centres promises to vastly improve our understanding of dementia. Some of these studies could provide important insights into the underlying physical changes that lead to dementia and its symptoms. These could help diagnose more people at an earlier stage and develop better treatments or prevention methods. Other DTC studies promise to deliver knowledge that could refine best practices for dementia care, safety and risk assessment. This should lead to real improvements in the day-to-day quality of life and well-being of people with dementia and their carers.

Drug Discovery Programme

Treatments for dementia are very limited – in the UK there are only four drugs that can temporarily alleviate symptoms or slow their progression, and they only work for some people. It can take up to 20 years and hundreds of millions of pounds to develop a new drug. Drug Discovery has the potential to deliver more effective drug treatments in 5-10 years at a fraction of the cost through 'drug repurposing', taking drugs already in use for other conditions and testing their potential as treatments for dementia.

The approach has already proved successful for other conditions such as cancer, where effective new treatments are being delivered to patients. Repurposed drugs are known to be safe so the normal early trial stages can be bypassed. We have identified a pool of drugs with the potential to treat dementia and the most promising are currently being tested or soon to begin testing.

Halting brain degeneration and finding out if a Viagra-like drug could treat dementia

At the University of Cambridge Dr Giovanni Mallucci has successfully used two licensed drugs, currently taken for conditions other than dementia, to halt brain degeneration in mice. Further studies are needed to understand the relevance for humans, but the results are very promising. If a link to the underlying causes of dementia in people is established a clinical trial could begin with a matter of years because the drugs are already licensed and known to be safe in humans.



A new study at the University of London is investigating whether Tadalafil, a drug for treating erectile dysfunction, could help prevent vascular dementia, the second most common form of dementia which accounts for around 110,000 cases in the UK. There are currently no treatments. Tadalafil works by dilating blood vessels and the researchers believe it could help stop the blood vessel damage that leads to vascular dementia by increasing blood flow to the brain.

Translating research into practice

Alzheimer's Society is unique in giving equal weighting to bio-medical and care related research. This means our research projects are diverse in scope and deliver knowledge that is responsive to the many challenges that arise from dementia. Ensuring that findings can be translated into practice is one of our priorities and in 2015 we are investing **£1 million** in implementation grants. These will enable the delivery and scaling-up of promising non-drug treatment programmes and services to improve the health and well-being of everyone affected by dementia.

Alzheimer's Society was cited as a funder in 89 published research papers in 2014/15 – an increase from 68 the year before.

Research plays a vital role in shining a light on experiences easily overlooked when responding to dementia, helping us to refocus and rethink how we approach the condition and help everyone affected by it. Below are some highlights from recent and ongoing projects that demonstrate the scope of our research. They show how insight gained from research can make a real difference to the quality of life of all whose lives are touched by dementia.

Providing psychological support to carers: Disseminating START (STrAtagies for RelaTives)

Between 70-80% of people with dementia are cared for at home by relatives or friends. It is vital that carers receive support to protect their own well-being and that of the person they care for, but almost half of carers do not receive enough support and 40% experience depression or anxiety.

Psychologists at UCL developed START, a manual-based training programme for carers to promote good mental health through coping strategies. After two years carers who were given this support were seven times less likely to feel depressed and reported a higher quality of life than carers who had not received START. In light of these encouraging results Alzheimer's Society awarded the researchers a grant to make the manual more widely available.

The researchers are now delivering a 'train the trainers' programme for psychologists to promote START. So far 160 people have been trained across the UK. The grant will also support qualitative data gathering about carers lives to inform future interventions. The researchers have received enquiries from other countries about START and are also optimistic of identifying transferable opportunities to help carers of people with other conditions.

Capturing the experiences of young people affected by dementia

Over 40,000 people in the UK have early onset dementia, but little is known about how this affects their children, who may be young, adolescents or already in early adulthood. Researchers at the University of Sheffield are documenting the experiences of children affected by dementia to develop new interventions to help them cope.

Preliminary results show that feelings of isolation are common in younger children of a parent with dementia. This can stem from the widely held misperception that dementia is only associated with old age and the lack of awareness of the impact it has on younger people. Children also reported particular difficulty in reconciling their experience of having a parent with dementia whose behaviour changes significantly, and the dominant notion that people with dementia are still the same as they were before. This can lead to guilt and anxiety in the child and impede coping strategies.



Pain missed in hospital patients with dementia

Dr Elizabeth Sampson investigated how pain affects and is reported by people with dementia during stays in hospital. Although 57% of patients studied were observed to experience pain, only 40% were able to report it. The findings suggest that people with dementia are not receiving adequate pain relief in hospital. Undetected pain could also explain some of the behaviours associated with dementia, such as aggression and apathy, which are misunderstood by care staff and can lead to patients receiving inadequate care. Dr Sampson's findings will inform a number of initiatives underway to rethink approaches to care and develop new training methods for staff to care for patients with dementia in hospitals and other care settings.

Thank you

It can be difficult at times to chart the progress of research, as answers usually give rise to more questions. Our aim is to ensure that we have the best and the brightest minds asking the right questions that will ultimately deliver the answers that will transform the lives of people affected by dementia and help us achieve our goal of a dementia free world.

We have made important progress in 2014/15 towards ensuring that all of our work is increasingly responsive to the scale of the challenge. Our progress would not have been possible without The BACIT Foundation's support so thank you once again for this wonderful generosity and for continuing to be part of our journey to improve the lives of everyone affected by dementia.

Eimear Hale | Senior Philanthropy Manager

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