

# The European Investment Trust plc

(formerly Foreign & Colonial Eurotrust PLC)

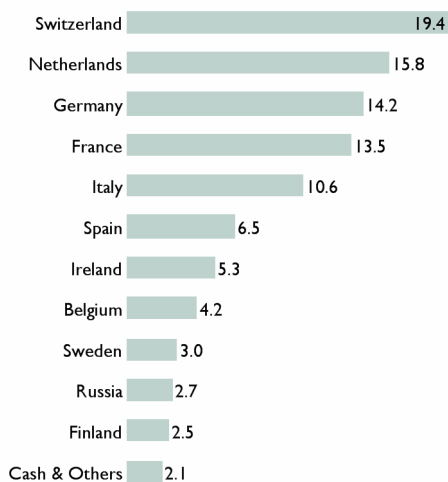
## INVESTMENT OBJECTIVE

The objective of The European Investment Trust plc is to achieve long-term capital growth through a diversified portfolio of Continental European securities.

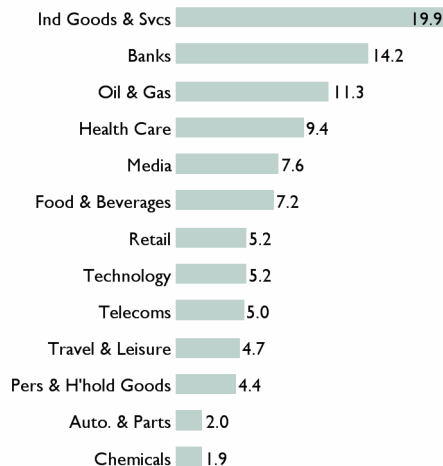
## PHILOSOPHY

Edinburgh Partners has a simple and clear investment philosophy. Through disciplined and intensive research we identify stocks which we consider are clearly undervalued. It is our belief that such undervaluation arises because the stock market's investment horizon is too short. We aim to provide our clients with an absolute return and stocks are therefore not included in our portfolio by reference to an index weighting. We believe that a stock price is driven by the company's future profits and so for every potential holding we forecast profits, cash flow and balance sheet over the next five years. We then apply our own valuation basis to these forecasts to produce an estimate of what the price should be. Only if this intrinsic price is well above the current share price would we consider buying the stock. As we are long-term investors we stress the need for patience in investing.

## GEOGRAPHIC ANALYSIS (%)



## INDUSTRIAL ANALYSIS (%)



## PERFORMANCE\* (%)

|        | 1 Mth | 3 Mths | 12 Mths | 2 Yrs** | 3 Yrs** | 5 Yrs** |
|--------|-------|--------|---------|---------|---------|---------|
| Shares | 10.8  | -9.5   | -7.1    | 2.5     | 8.7     | -3.4    |
| Nav    | 8.5   | -8.0   | -7.5    | 2.7     | 8.3     | -2.4    |
| Index  | 8.4   | -12.0  | -9.1    | 0.5     | 9.5     | 1.0     |

## TOP 10 HOLDINGS

| Company             | Sector           | %   |
|---------------------|------------------|-----|
| Ahold Kon.          | Retail           | 3.1 |
| Swedbank A          | Banks            | 3.0 |
| Sanofi              | Health Care      | 3.0 |
| ENI                 | Oil & Gas        | 2.9 |
| Total               | Oil & Gas        | 2.9 |
| Imtech              | Ind Goods & Svcs | 2.9 |
| DCC                 | Ind Goods & Svcs | 2.8 |
| Telecom Italia Rsp  | Telecoms         | 2.8 |
| Royal Dutch Shell A | Oil & Gas        | 2.7 |
| CAF                 | Ind Goods & Svcs | 2.7 |

## TRUST FEATURES

### MANAGER

Dale Robertson (from February 2010)

### INCEPTION DATE

28/06/1972

### YEAR END

30 September

### TOTAL ASSETS

£ 257.48 m

### NAV PER SHARE

607.25p

### SHARE PRICE\*

512.25p

### DISCOUNT TO NAV

15.6%

### GEARING (NET)\*\*

97.9%

### ANNUAL MANAGEMENT FEES

0.55% (based on market cap)

### DIVIDENDS

Annual: 2010 - 14.0p (including 3.0p special)

### SEDOL CODE

329501

### LISTING

London Stock Exchange

\*Quoted is the mid-market closing price on the London Stock Exchange on 31 October 2011

\*\* Total assets less cash and cash equivalents, divided by net assets, multiplied by 100

## INVESTMENT ENQUIRIES

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\*From February 2010 NAV returns are sourced from Edinburgh Partners and include dividends reinvested and current period income in line with the AIC. Prior to February 2010, the investment manager was F&C Management Limited (F&C) and NAV returns were sourced from F&C. Share price & Index performance figures are calculated monthly using total return figures sourced from Thomson Reuters Datastream. The index is FTSE All World Europe ex UK. Past performance is not a guide to future performance.

\*\*Returns shown in the table above for periods greater than 12 months are annualised.

The market value of, and the income derived from, the shares of the Company may fluctuate in accordance with: the values of the investments held by the Company, exchange rates between sterling and the currencies in which underlying investments are denominated, and other market conditions. The value of the Company's shares may also fluctuate with supply and demand for the shares on the stock exchange on which they are traded. There is no guarantee that the market price of the Company's shares will fully reflect the underlying net asset value. Investors may not get back the full value of their investment. There can be no guarantee that the investment objectives of the Company will be met. The levels of, and reliefs from, taxation applicable to investment trusts may change. The Company's portfolio is likely to be more concentrated than those of other investment funds and thus potentially carries a higher level of risk than a more diversified portfolio. There will be times when the Company's investment performance will be quite unlike that of any stock market index, which may or may not be to the advantage of the Company. The Company may borrow in order to make further investments. This is known as 'gearing'. The effect of gearing can enhance investment returns in rising markets but will have the opposite effect where underlying asset values are falling. At the date of this fact sheet the level of gearing employed by the Company is reflected in the Trust Features section. The Company may use derivatives principally to protect value in the portfolio and reduce costs. Investment gains may therefore be restricted in a rising market. This factsheet does not constitute an offer, invitation or solicitation to deal in securities. The information and opinions contained in this factsheet are subject to change without notice. The directors of the Company and employees of Edinburgh Partners Limited may have positions in the securities referred to in this factsheet and may deal in them from time to time. The Company is a UK public listed company. Its shares are listed on the London Stock Exchange and New Zealand Stock Exchange. The Company is not regulated or authorised by the Financial Services Authority. This factsheet has been issued and approved by Edinburgh Partners Limited, 12 Charlotte Square, Edinburgh EH2 4DJ. Registered office 12 Charlotte Square EH2 4DJ. Registered in Scotland Number SC243661. Authorised and regulated by the Financial Services Authority, 25 The North Colonnade, Canary Wharf, London, E14 5HS.