

Rotterdam, 5 May 2010

## Press Release European Assets Trust NV

### INTERIM MANAGEMENT STATEMENT

#### FOR THE THREE MONTH PERIOD FROM 31 DECEMBER 2009 TO 31 MARCH 2010

##### Investment Objective

The investment objective of the Company is to achieve growth of capital through investment in quoted medium-sized companies in Europe, excluding the United Kingdom.

A high distribution policy has been adopted and dividends have been paid mainly out of other reserves.

##### Performance summary

	As at 31 March 2010 Euro	As at 31 December 2009 Euro	As at 31 March 2010 Sterling	As at 31 December 2009 Sterling	Sterling % Change
<b>Capital return</b>					
Total assets (less current liabilities)	€114.6m	€110.1m	£102.2m	£97.8m	4.5
Net asset value per share - basic	€7.56	€7.23	674.4p	642.1p	5.0
Net asset value per share – treasury*	€7.52	€7.19	670.8p	638.9p	5.0
Market price per share	€6.83†	€6.55†	609.0p	582.0p	4.6
HSBC Smaller Europe (ex UK) Index	344.85	318.82	307.26	283.26	8.5
Discount to treasury net asset value			9.2%	8.9%	
Gearing (100 = nil geared position) ‡			96	98	

##### Total return# for the three month period to 31 March 2010

	Euro	Sterling
Net asset value per share	6.6%	7.1%
Market price per share	6.5%	7.0%
HSBC Smaller Europe (ex UK) Index	8.6%	9.0%

Sources: F&C Investment Business Limited, Datastream.

\* - In accordance with the AIC calculation method where shares are held in treasury; subject to the Company's resale policy, including limiting dilution to 0.5 per cent of net asset value per annum. Based on shares held in treasury since the liquidity enhancement policy was put in place in 2005.

† - London Stock Exchange prices converted into Euros at relevant exchange rate during the year.

‡ - Gearing: The gearing ratio indicates the extra amount by which shareholders' funds would rise or fall if total assets were to rise or fall and is the ratio of total assets (less fixed interest and cash assets) to shareholders' funds.

# - Total return means capital performance with dividends added back

##### Review for the three months to 31 March 2010

The continental European smaller company asset class continued its run of strong gains in the three months ending 31<sup>st</sup> March 2010. It was not all plain sailing however with bouts of nervousness brought on by the developing sovereign debt problems experienced by peripheral nations in the Eurozone.

Companies' annual results statements were generally positive but sales momentum remains lacklustre for many.

The Company's net asset value total return over the period registered a decent increase but fell short of the rise in the benchmark index. The portfolio remains focused on companies in sectors with a more defensive profile; there are also presently no holdings in Greece as the Geographical Analysis below shows.

Over the three months ended 31 March 2010 the Company purchased 75,000 Ordinary Shares to be held in treasury for a total consideration of £430,000 representing 0.49% of the Ordinary Shares in issue at the beginning of the period. During the period the Company also issued 6,366 Ordinary Shares from treasury via the Company's scrip dividend. Since the period end the Company has purchased a further 50,000 Ordinary Shares to be held in treasury for a total consideration of £304,000.

### **Dividends**

The Board has announced dividends of Euro 0.432 per share for the year to 31 December 2010 payable in three instalments in January, May and August. The January dividend was paid on 29 January 2010 and amounted to Euro 0.144 per share (£0.125 per share in Sterling terms). The May dividend has been announced at a gross rate of Euro 0.17 (net rate – Euro 0.1445) per share and will be paid on 28 May 2010.

### **Top Ten Holdings**

<b>Company</b>	<b>Country</b>	<b>31 March 2010 percentage of total assets</b>
Norkom	Ireland	5.0
Partners Group	Switzerland	4.1
Andritz	Austria	3.7
Meda	Sweden	3.5
Faiveley	France	3.3
Tod's	Italy	3.2
Rhoen Klinikim	Germany	3.2
Rheinmetall	Germany	3.2
DCC	Ireland	3.1
C&C Group	Ireland	3.1
Total		<hr/> 35.4 <hr/>

## Geographical Analysis

Country	31 March 2010 percentage of total assets	31 December 2009 percentage of total assets
Ireland	15.8	14.2
France	13.7	12.5
Spain	13.2	12.9
Italy	11.6	11.3
Germany	10.3	11.9
Switzerland	8.5	10.3
Sweden	6.4	5.3
Austria	4.9	4.6
Denmark	4.7	4.8
Netherlands	2.7	2.4
Finland	2.1	2.7
Belgium	2.0	3.0
Greece	-	2.4
Net current assets	4.1	1.7
Total	<u>100.0</u>	<u>100.0</u>

The Board is not aware of any significant events or transactions which have occurred since 31 March 2010 and the date of publication of this statement which would have a material impact on the financial position of the Company.

## Daily and Key Information

Further information regarding the Company, including daily net asset values published since the end of the period and monthly factsheets, can be found at the Company's website [www.europeanassets.co.uk](http://www.europeanassets.co.uk), or at [www.fandc.com](http://www.fandc.com).

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