

Rotterdam, 16 May 2011

Press Release European Assets Trust NV

Interim Management Statement

For the three month period from 31 December 2010 to 31 March 2011

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.

Total return# for the three month period to 31 March 2011

	Euro	Sterling
Net asset value per share	4.1%	7.5%
Market price per share	4.6%	8.0%
HSBC Smaller Europe (ex UK) Index	3.1%	6.6%

Dividends

The Board has announced dividends of Euro 0.51 per share for the year to 31 December 2011 payable in three instalments in January, May and August. This represents an 18 per cent increase on the Euro dividend paid last year. The January dividend was paid on 28 January 2011 and amounted to Euro 0.17 per share (£0.1432 per share in Sterling terms). The May dividend has been announced at a rate of Euro 0.17 per share and will be paid on 27 May 2011.

	As at 31 Mar 2011 Euro	As at 31 Dec 2010 Euro	As at 31 Mar 2011 Sterling	As at 31 Dec 2010 Sterling
Capital return				
Net assets (shareholders' funds)	€128.8m	€126.6m	£114.0m	£108.5m
Net asset value per share - basic	€8.66	€8.49	766.9p	727.4p
Net asset value per share – treasury*	€8.62	€8.45	763.1p	723.8p
Market price per share	€7.50†	€7.33†	664.0p	628.5p
HSBC Smaller Europe (ex UK) Index	390.24	379.58	345.48	325.24
Discount to treasury net asset value			13.0%	13.2%
Gearing (100 = nil geared position)‡			104	101

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.

‡ - 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 reinvested.

Review of the period to 31 March 2011

European markets had another positive quarter rising 6.6% in Sterling terms and 3.1% in Euro terms. There was however some volatility as investors had to absorb the impact of firstly unrest in the Middle East and Africa and then the appalling tragedy of earthquake and ensuing tsunami in Japan. Ultimately though, news at the micro level was enough to drive the market up further; annual results were well received and corporate activity continued to provide a stimulus to valuations. Looking forward, whilst we think the corporate environment will become a little more challenging, as the weight of fiscal consolidation comes to bear, we are positive on the medium term outlook for European Small Cap equities. The need for scale and efficiency in this environment and the strength of corporate balance sheets should provide further ammunition for corporate activity, while valuations are at attractive levels.

The Company's portfolio rose 7.5% in Sterling terms during the quarter, which was ahead of the benchmark's return. The portfolio has undergone a significant evolution this year, following change of the lead manager in June. This is now completed. Shareholders in European Asset Trust are invested in quality businesses, with good underlying economics, that are trading at good valuations. We also believe that the portfolio can benefit from the corporate activity that we expect to continue, particularly in the small and mid cap market.

Over the three months ended 31 March 2011 the Company purchased 50,000 Ordinary Shares to be held in treasury for a total consideration of £322,000 representing 0.3% of the Ordinary Shares in issue at the beginning of the period. During the period the Company also issued 6,091 Ordinary Shares from treasury via scrip dividend.

April 2011

During the month of April 2011 the net asset per share total return rose by 5.5% and the share price by 5.6% in Sterling terms. This compares favourably to the Sterling total return of the HSBC Smaller Europe (ex UK) Index of 2.4% during the same period.

Top Ten Holdings

Company	Country	31 Mar 2011 percentage of net assets
Glanbia	Ireland	5.1
C&C Group	Ireland	3.5
Topdanmark	Denmark	3.5
Exact	Netherlands	3.4
Viscofan	Spain	3.1
Lindt and Sprungli	Switzerland	3.0
EFG International	Switzerland	3.0
Ansaldo	Italy	3.0
Davide Campari - Milano	Italy	2.9
Azimut	Italy	2.8
Total		<hr/> 33.3 <hr/>

Geographical Analysis

Country	31 Mar 2011 percentage of net assets	31 Dec 2010 percentage of net assets
Germany	20.2	18.4
Ireland	17.5	17.2
Italy	12.3	10.3
Spain	11.9	12.6
Netherlands	10.6	9.6
Switzerland	7.7	6.5
Denmark	5.8	5.5
France	5.8	9.9
Belgium	2.5	2.5
Sweden	2.0	4.2
Austria	2.2	2.3
Norway	2.2	1.9
Finland	2.2	-
Greece	1.4	-
Net current liabilities (includes borrowings)	(4.3)	(0.9)
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 2011 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, or at www.fandc.com.

This interim management statement has been prepared solely to provide information to meet regulatory requirements.

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