

# British Empire

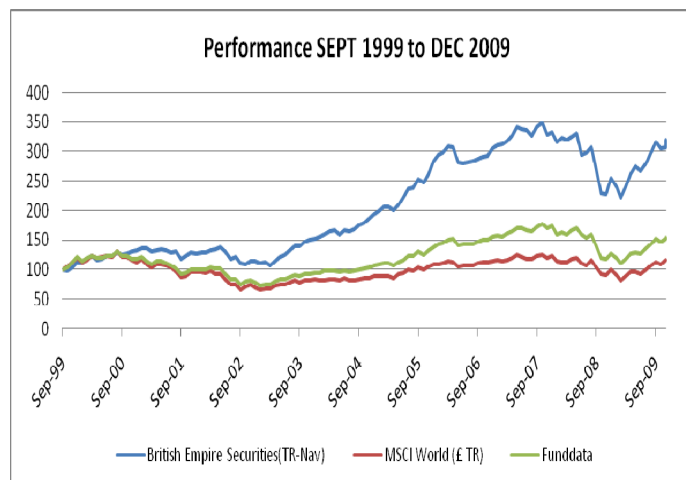
Securities and General Trust p.l.c.

Investment Objective: To achieve capital growth through a focused portfolio of investments, particularly in companies whose share prices stand at a discount to estimated underlying net asset value.

## Performance

This investment management report relates to performance figures to 31 December 2009.

	Month	Financial Yr* to date	Calendar Yr to date
<b>BTEM NAV<sup>1</sup></b>	3.6%	0.6%	25.0%
<b>Benchmark<sup>3</sup></b>	4.1%	3.9%	24.5%
<b>MSCI World<sup>1</sup></b>	3.5%	3.2%	16.5%



Source: Bloomberg, Fundamental Data

## Statistics

	Value	% 1 mo	% 1 yr	% 3 yr	% 5 yr
Price (€) <sup>2</sup>	451.1	4.7	27.9	-3.3	47.1
Net Asset Value <sup>1</sup>	448.0	2.3	22.9	-0.2	53.5
Net Asset Value Total Return <sup>1</sup>		3.6	25.0	4.6	64.2
Benchmark <sup>3</sup> (€)		4.1	24.5	1.9	47.9

Annual Returns (%)	2009	2008	2007	2006	2005
Price <sup>1</sup>	27.9	-22.3	-2.8	0.3	51.7
MSCI World <sup>1</sup>	16.5	-17.4	7.7	5.8	23.0

1 Source: Fundamental Data.

2 Source: Fundamental Data. Share price total return is on a mid-to-mid basis, with net income re-invested.

3 Fundamental Data Investment Trust Global Growth Index official Benchmark from 1<sup>st</sup> October 2008

## Top Ten Equity Holdings

	%
GBL	5.74
Sofina	5.33
Investor AB	5.25
Vivendi	5.17
Jardine Strategic	5.02
Jardine Matheson	4.22
Deutsche Wohnen	3.65
Electra Private Equity	2.99
Paris Orléans	2.52
Barrick Gold	2.30
TOTAL	42.19

## Major Movers

Largest Risers	Percent change	Percent of Assets
Anadolu Anonim	17.39%	0.67%
Aksigorta	15.56%	2.25%

Largest Fallers	Percent change	Percent of Assets
Yamana Gold	-14.22%	1.59%
BIP	-8.00%	1.22%

## Capital Structure

Ordinary Shares	160,080,089
10 3/8% Debenture stock 2011 <sup>#</sup>	£8,483,440
8 1/8% Debenture stock 2023 <sup>#</sup>	£15,000,000
Equities index unsecured loan stock 2013 units <sup>**</sup>	2,584,457

## Gross Assets/Gearing

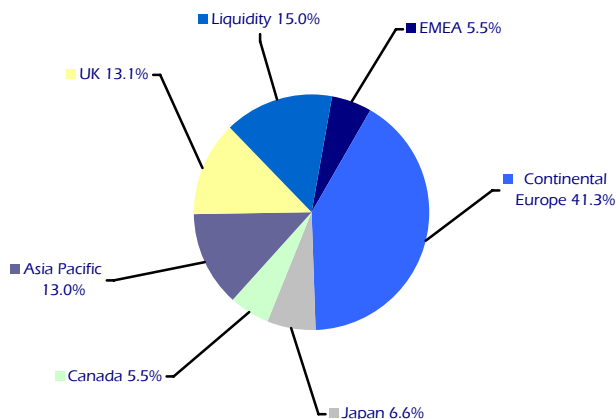
Gross Assets	£753mil.
Debt	£28.3mil.
Actual Gearing (Debt less cash divided by net asset value)	-11.8%

\*British Empire Securities & General Trust financial year commences on the 1st October.

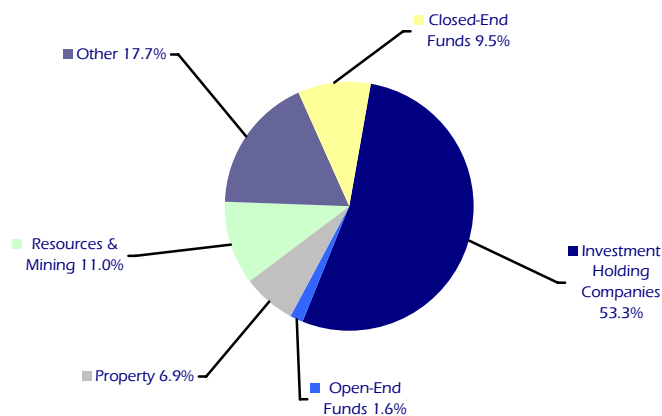
\*\* Last audited figure updated annually

<sup>#</sup> Book Values updated annually

## Geographic Breakdown (% of total assets)



## Sector Breakdown (% of total assets)



## Further Information

Investment Manager – John Pennink, AVI Ltd.  
+44 20 7647 2900 info@assetvalueinvestors.com

The share price can be found under 'INVESTMENT COMPANIES' in The Financial Times, The Times, The Daily Telegraph, The Scotsman and The Evening Standard.

Information may be found on the following websites:  
[www.british-empire.co.uk](http://www.british-empire.co.uk) or [www.assetvalueinvestors.com](http://www.assetvalueinvestors.com)

## Risk Factors you should consider before investing

Investment in the British Empire Securities and General Trust plc (the "Trust") carries risks, which are more fully described in the Key Features Document. Listed below are some of the key risks:

Investors are reminded that past performance is not a guide to future performance and that their capital will be at risk and they may therefore lose some or all of the amounts that they choose to invest in the Trust.

The Trust utilises gearing techniques (leverage) which exaggerate market movements both down and up and which could mean sudden and large falls in market value.

Movements in exchange rates can impact both the level of income received and the capital value of your investment. If the currency of your residence strengthens against the currency in which the underlying investments of the fund are made, the value of your investment will reduce and vice versa.

As with all stock exchange investments the value of investment trust shares will immediately fall by the difference between the buying and selling prices.

Where investments are made in emerging market, unquoted securities or smaller companies, their potential volatility may increase the risk to the value of, and the income from the investment.

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