

# British Empire

Securities and General Trust p.l.c.

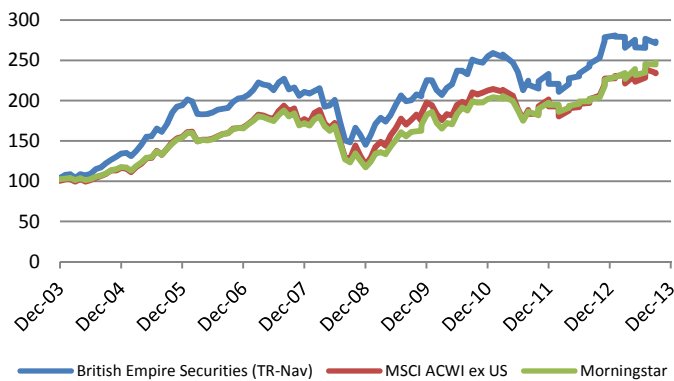
Investment Objective: To achieve capital growth through a focused portfolio of investments, particularly in companies whose share prices stand at a discount to estimated underlying net asset value.

## Performance

This investment management report relates to performance figures to 31 December 2013.

	Month	Financial Yr* to date	Calendar Yr to date
<b>BTEM NAV<sup>1</sup></b>	0.5%	2.7%	7.6%
<b>MSCI ACWI Ex US<sup>3</sup></b>	-0.2%	2.5%	13.6%
<b>Morningstar Global Growth<sup>1</sup></b>	1.1%	4.9%	21.2%
<b>MSCI World<sup>1</sup></b>	1.0%	5.7%	25.0%

Performance December 2003 - December 2013



Source: Bloomberg, Morningstar

## Statistics

	Value	% 1 mo	% 1 yr	% 3 yr	% 5 yr
Price (£) <sup>2</sup>	485.0	-0.6	5.1	7.9	63.6
Net Asset Value <sup>1</sup>	544.8	-1.3	5.5	1.5	48.5
Net Asset Value Total Return <sup>1</sup>		0.5	7.6	11.1	68.3
MSCI ACWI ex US <sup>3</sup>		-0.2	13.6	11.4	62.2
Morningstar Global Growth <sup>3</sup>		1.1	21.2	23.8	83.5

Annual Returns (%)	2013	2012	2011	2010	2009
Price <sup>1</sup>	5.1	17.8	-12.8	18.5	27.9
MSCI ACWI ex US (£) <sup>3</sup>	13.6	12.5	-12.1	11.8	29.2
MSCI World <sup>1</sup>	25.0	11.4	-4.3	15.9	16.5

<sup>1</sup> Source: Morningstar.

<sup>2</sup> Source: Morningstar. Share price total return is on a mid-to-mid basis, with net income re-invested.

<sup>3</sup> From 1<sup>st</sup> October 2013 the lead benchmark was changed to the MSCI ACWI ex US (£) Index. The investment management fee was changed to 0.7% of net assets and the performance related fee eliminated.

## Top Ten Equity Holdings

	%
Vivendi	7.93
Investor AB	5.88
Jardine Matheson	5.64
Groupe Bruxelles Lambert	4.79
Aker	4.57
Sofina	3.79
First Pacific Co	3.34
Dundee Corp	2.82
NB Private Equity Partners	2.53
Gagfah SA	2.49
<b>TOTAL</b>	<b>43.78</b>

## Major Movers

	Percent change	Percent of Assets
<b>Largest Risers</b>		
Investment AB Kinnevik-B Shs	15.51%	1.45%
Dream Unlimited-CL A Sub Vot	11.62%	1.67%
<b>Largest Fallers</b>		
Dogan Sirketler Grubu Hldgs	-14.29%	1.53%
Hudson's Bay Co	-12.75%	1.88%

## Capital Structure

Ordinary Shares	160,014,089
8 1/8% Debenture stock 2023 <sup>#</sup>	£15,000,000

## Gross Assets/Gearing

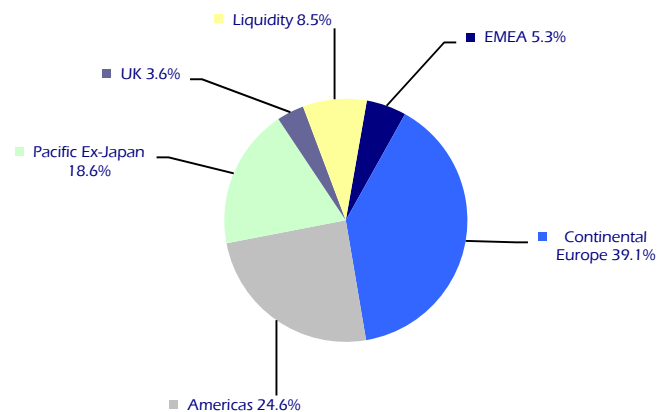
Gross Assets	£856mil.
Debt	£18.5mil.
Actual Gearing (Debt less cash divided by net asset value)	-8.7%

\*British Empire Securities & General Trust financial year commences on the 1st October. All figures published before the fiscal results announcement are AVI estimates and subject to change.

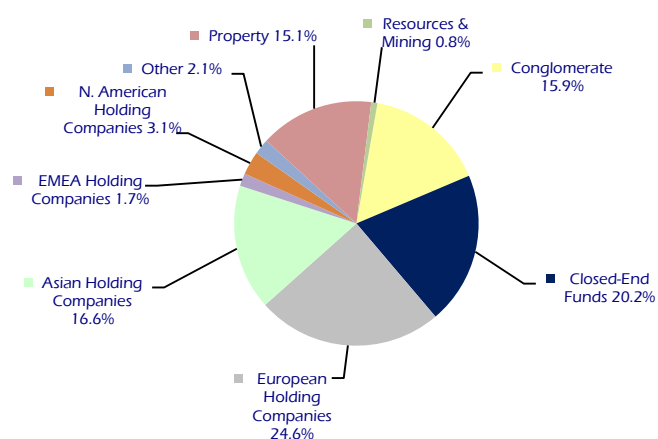
\*\* Last audited figure updated annually

# Book Values updated annually

## Risk Region Breakdown (% of total assets)



## Sector Breakdown (% of invested assets)



## Further Information

Investment Manager – John Pennink and Joe Bauernfreund, AVI Ltd.  
+44 20 7659 4800 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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