

## BlackRock Greater Europe Investment Trust plc May 2015 Factsheet

### Performance (as at 31.05.2015)

Sterling:	1 M %	3 M %	1 Y %	3 Y %	Launch %
Net Asset Value – undiluted	0.2	4.9	6.1	67.1	223.1
Net Asset Value – diluted	0.2	4.2	5.5	65.5	220.1
Share Price	0.6	7.7	4.6	70.5	213.4
FTSE World Europe ex UK	-0.2	2.8	4.7	70.2	156.5

### Annual Performance to the Last Quarter End\*

	31/03/14	31/03/13	31/03/12	31/03/11	31/03/10
	31/03/15	31/03/14	31/03/13	31/03/12	31/03/11
NAV Performance	4.6%	16.8%	22.2%	-10.9%	16.0%
Share Price Performance	6.4%	16.7%	21.1%	-7.4%	15.4%

Performance statistics sources: BlackRock and Datastream. Performance figures are calculated on a mid market basis in sterling terms with income reinvested on the ex-dividend date.

\* Performance is based on cum-income undiluted NAVs with income reinvested.

- ▶ Past performance is not a guide to future performance and should not be the sole factor of consideration when selecting a product.
- ▶ The latest performance data can be found on the BlackRock Investment Management (UK) Limited website at [blackrock.co.uk/brge](http://blackrock.co.uk/brge).

The performance of the Company's portfolio, or Net Asset Value ('NAV') performance, is not the same as share price performance and shareholders may not realise returns which are the same as NAV performance.

### NAV ('Net Asset Value') Undiluted / Diluted

A company's undiluted NAV is its available shareholders' funds divided by the number of shares in issue (excluding treasury shares), before making any adjustment for any potentially dilutive securities which the Company may have in issue, such as subscription shares, convertible bonds or treasury shares. A diluted NAV is calculated on the assumption that holders of any convertibles have converted, subscription shares have been exercised and treasury shares are re-issued at the mid-market price, to the extent that the NAV per share is higher than the price of each of these shares or securities and that they are 'in the money'. The aim is to ensure that shareholders have a full understanding of the potential impact on the Company's NAV if these instruments had been exercised on a particular date.

## Gearing

- ▶ Investment companies can borrow to purchase additional investments. This is called 'gearing'. It allows investment companies to take advantage of a long-term view on a sector or to take advantage of a favourable situation or a particularly attractive stock without having to sell existing investments.
- ▶ Gearing works by magnifying the company's performance. If a company 'gears up' and then markets rise and the returns on the investments outstrip the costs of borrowing, the overall returns to investors will be even greater. But if markets fall and the performance of the assets in the portfolio is poor, then losses suffered by the investor will also be magnified.

## Company Objective

To achieve capital growth, through investment in a focused portfolio constructed from a combination of the securities of large, mid and small capitalisation European companies, together with some investment in the developing markets of Europe.

## Key Risk Factors

All financial investments involve an element of risk. Therefore, the value of your investment and the income from it will vary and your initial investment amount cannot be guaranteed.

Overseas investments will be affected by currency exchange rate fluctuations.

The Company's investments may be subject to liquidity constraints, which means that shares may trade less frequently and in small volumes, for instance smaller companies. As a result, changes in the value of investments may be more unpredictable. In certain cases, it may not be possible to sell the security at the last market price quoted or at a value considered to be fairest.

The Company invests in economies and markets which may be less developed. Compared to more established economies, the value of investments may be subject to greater volatility due to increased uncertainty as to how these markets operate.

The Company may from time to time utilise gearing (see opposite).

## NMPI Status

The Company currently conducts its affairs so that its securities can be recommended by IFAs to ordinary retail investors in accordance with the FCA's rules in relation to non-mainstream investment products and intends to continue to do so for the foreseeable future. The securities are excluded from the FCA's restrictions which apply to non-mainstream investment products because they are shares in an investment trust.

## Comments from the Fund Managers

- During the month, the Company's NAV rose by 0.2% and the share price increased by 0.6%. For reference, the FTSE World Europe ex UK Index was down 0.2% during the period.
- European markets posted positive returns in May, as the effects of ECB quantitative easing continued. Market leadership came from the information technology sector, with utilities and telecoms also performing. As commodities retraced their strong April and concerns resurfaced about the pace of fixed capital formation in China, the materials, industrials and energy sectors lagged. European macro-economic data continued to develop positively overall, with PMI's gaining, led by the periphery and solid GDP numbers. Continuing expectations of a US rate hike and Mario Draghi's reiterated call for Eurozone countries to reform their economies, helped the Euro fall from a mid-month peak of 1.145 against the US dollar.
- Stock selection drove the Company's performance in May, when compared with the reference index, with sector allocation also additive. The Company's very low exposure to the oil & gas sector contributed to returns as this sector resumed the downward momentum seen earlier in the year; however, with concerns over capital expenditure in China, the Company's higher exposure to the industrials sector detracted from returns.
- Ryanair performed well during the month after delivering strong full year results and positive forward guidance. Results show forward bookings for the summer are running 4% ahead of last year and revenues per seat up 6%, indicating the relative success of the brand's new corporate strategy. Despite the financial sector being flat over the month, with underwhelming Q1 results announced from a number of Spanish, German and French banks, the Company saw stock specific returns from a number of positions within the sector. KBC Groep and Intesa realised gains amid strong Q1 results. Not holding Syngenta detracted from performance as the share price rallied 15% during the month on news of a bid from Monstanto.
- At the end of the period, the Company had higher weightings when compared with the reference index to financials, consumer services, technology, industrials and health care. The Company had lower exposure to basic materials, consumer goods, telecoms, oil & gas and utilities.

## Outlook

- European equities have performed strongly since the beginning of the year, driven by the tailwinds coming from the supportive ECB action, the depreciation of the Euro and the lower oil price. After seven years of underperformance relative to the S&P, we believe European equities have the market conditions to support sustained outperformance this year. Not only have we seen a pick-up in economic data in the region with consumer confidence increasing, unemployment falling and PMI's remaining well above 50, we have also seen 1Q 2015 reported earnings surprise on the upside, leading to earnings revisions turning positive for the first time since early 2010. Although momentum remains strong in Europe in our view, it is worth bearing in mind that markets are likely to remain volatile, with the recent bond sell-off being a good reminder of this and with the uncertainty around the Greek negotiations being the nearer term source of potential further volatility. Active management and careful stock-picking will remain critical in the current market context in our view, given that Europe continues to offer a number of companies with attractive valuations, superior dividend yields and potentially significant upside potential.

Sources: BlackRock, Factset and Datastream

Reference to the names of each company mentioned in this communication are merely for explaining the investment strategy, and should not be construed as investment advice or investment recommendation of those companies.

## Fund Information (as at 31.05.2015)

Net Asset Value (capital only)	261.43p
Net Asset Value (including income)	264.67p
Net Asset Value (capital only)*	259.24p
Net Asset Value (including income)*	261.96p
Share price	255.00p
Subscription Share price	19.00p
Net gearing	2.4%
Net yield**	1.9%
Discount to NAV (including income)	3.7%
Discount to NAV (including income)*	2.7%
Total Assets (including income)	£285.8m
Issued capital – Ordinary Shares***	105,743,866
Subscription Shares	20,565,777

\*Diluted for subscription shares and treasury shares.

\*\*Based on a final dividend of 3.20p for the year ended 31 August 2014 and an interim dividend of 1.65p per share for the year ending 31 August 2015.

\*\*\*Excluding 5,561,653 shares held in treasury.

The Company's ongoing charges, calculated as a percentage of average net assets (for the year ended 31 August 2014) and using expenses, excluding performance fees and interest costs, after relief for any taxation were:

0.94%

## Country Analysis (as at 31.05.2015)

	% of Total Assets
France	18.6
Switzerland	15.5
Italy	11.4
Netherlands	8.7
Germany	8.4
Sweden	8.2
Ireland	7.3
Denmark	5.5
Spain	4.6
Belgium	3.6
Finland	3.1
Turkey	2.8
Russia	2.5
Net current liabilities	(0.2)
<b>TOTAL</b>	<b>100.0</b>

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## Sector Analysis (as at 31.05.2015)

	% of Total Assets
Financials	34.4
Industrials	18.9
Consumer Goods	13.0
Health Care	8.6
Consumer Services	8.3
Technology	6.5
Basic Materials	4.0
Utilities	2.5
Telecommunications	2.0
Oil & Gas	2.0
Net current liabilities	(0.2)
<b>TOTAL</b>	<b>100.0</b>

## Ten Largest Investments (as at 31.05.2015)

Company	Country of Risk	% of Total Assets
Novartis	Switzerland	5.3
Novo-Nordisk	Denmark	4.7
KBC Groep	Belgium	3.6
Banco Santander	Spain	3.1
Bayer	Germany	2.8
ASML	Netherlands	2.8
LVMH Moët Hennessy	France	2.7
AXA	France	2.7
Heineken	Netherlands	2.5
Enel	Italy	2.5

**BlackRock has not considered the suitability of this investment against your individual needs and risk tolerance. To ensure you understand whether this product is suitable, please read the Key Features document and the current Annual and Half Yearly Financial Reports which provide more information about the risk profile of the investment.**

**If after reading this factsheet you have any questions or would like any additional information, please contact your financial adviser or speak to our Investor Services Team.**

The purpose of this factsheet is to provide summary information concerning the Company and does not constitute a recommendation to buy or sell its shares. If you are in any doubt as to the suitability of any of our funds for your investment needs, please contact your Financial Adviser. Issued by BlackRock Investment Management (UK) Limited (authorised and regulated by the Financial Conduct Authority). Registered office: 12 Throgmorton Avenue, London, EC2N 2DL. Registered in England No. 2020394. Tel: 020 7743 3000. For your protection, telephone calls are usually recorded. BlackRock is a trading name of BlackRock Investment Management (UK) Limited.

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## Financial Calendar

Year end:	31 August
Results announced:	April (half yearly) October (final)
AGM:	December
Dividends paid:	December (final) May (interim)

## Key Company Details

### Fund Characteristics:

Alternative Investment Fund Manager (with effect from 2 July 2014):	BlackRock Fund Managers Limited
Fund Managers	Vincent Devlin Sam Vecht
Launch Date	20 September 2004
Dealing Currencies	Sterling
AIC Sector	Europe
Reference Index	FTSE World Europe ex UK
Traded	London Stock Exchange
Savings plan and stocks and shares NISA:	Available via BlackRock. Please see the Investment Trust brochure and Key Features document for more information.

### Fund Codes:

#### Ordinary Share Codes:

ISIN	GB00B01RDH75
Sedol	B01RDH7
Bloomberg	BRGE:LN
Reuters	BRGE.L
Ticker	BRGE/LON

#### Subscription Share Codes:

ISIN	GB00B99HJ527
Sedol	B99HJ52
Bloomberg	BRGS:LN
Reuters	BRGS.L
Ticker	BRGS/LON

- BlackRock Greater Europe Investment Trust plc will not invest more than 15% of its gross assets in other listed investment trusts.
- BlackRock Greater Europe Investment Trust plc is traded on the London Stock Exchange and dealing may only be through a member of the Exchange.

## Contact us

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