

# Electric & General Investment Trust PLC: As at 31.12.07

International / Equity Growth

## Manager's Commentary

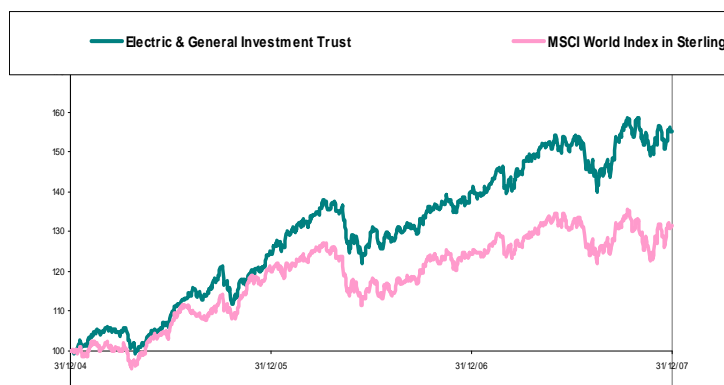
In spite of the ongoing anxiety caused by the American sub-prime crisis and the inter-bank credit crunch, there was a year-end rally in many of the world's major stock markets and the US dollar. The move in the US dollar helped the MSCI World Index to show a particularly strong performance, exceeding 2% over the month, with the Company not quite keeping up due to its relatively low exposure to the US dollar. We start 2008 with the outlook for the global economy still fairly unclear. There are no direct signs yet that the banking problems are knocking on into the real economy in the US and Europe but business leaders are nervous and confidence is fairly fragile. However, global growth still looks to be in excess of 4% for the coming year and interest rates are coming down, albeit with the central Bankers looking over their shoulders and worrying about inflation. Against this background we remain fairly cautious but we are now beginning to see opportunities to make (further) gradual investments in companies we know well. Three new holdings were started during the month, Bank of China, NTT and Japan Retail Fund.

Taube Hodson Stonex Partners Limited is authorised and regulated by the Financial Services Authority.

### Top Ten Holdings (as at close 31st December 2007)

1	EXELON CORPORATION COM USD NPV	2.14%
2	VODAFONE GROUP USD0.11428571	2.09%
3	NEWCREST MINING A\$0.50	2.09%
4	SNC LAVALIN GROUP COM NPV CAD	1.94%
5	ROYAL DUTCH SHELL EUR0.07 'B' SHS	1.93%
6	FRANCE TELECOM EUR4	1.91%
7	HUTCHISON WHAMPOA HKD0.25	1.89%
8	RIO TINTO ORD GBP0.10	1.88%
9	NESTLE SA CHF1 (REGD)	1.83%
10	CARREFOUR EUR2.50	1.77%

NAV per share Performance 01.01.05 (rebased to £100) to 31.12.07



### Trust Performance to 31.12.07

NAV per share (p)	Ordinary Share price (p)		1 Month	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR
488.3	424.50	<b>Ordinary Price</b>	0.35%	4.62%	4.62%	40.45%	110.67%	48.43%
<b>Yield</b>	<b>Discount</b>	<b>NAV</b>	1.14%	10.95%	10.95%	55.04%	97.04%	56.53%
1.72%	-13.07%	<b>Morgan Stanley Capital International World Index in Sterling</b>	2.18%	5.71%	5.60%	31.30%	62.67%	40.60%

Note: Price is month-end mid-price. Benchmark is not total return index.  
Source: Bloomberg.

Past Performance is not a guide to the future. The value of the shares and the income from them can go down as well as up and you may not get back the full amount originally invested.

### Company Objective

The Company is a closed-end fund. The aim of the Company is to produce above average capital growth by investing in an international portfolio of companies.

### Charges

Basic Management Fee: 0.4% of net assets per annum. Performance Fee: 10% of the outperformance versus the MSCI World Index in Sterling over the relevant performance period (maximum of 0.6% in a period of increase and 0.2% in a period of decrease of net assets)

### Total Gross Assets:

£326.0m (As at 31.12.07)

### Dealing:

Daily (Stockmarket)

### NAV Frequency:

Daily

### Legal Status:

UK Investment trust

### Listing:

London Stock Exchange

### Dividends:

March, October

### Investment Manager:

Taube Hodson Stonex Partners Limited

### Stockbroker:

JPMorgan Cazenove Limited

### Administrator:

BNP Paribas Fund Services UK Limited

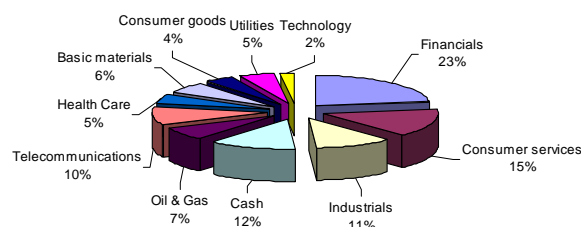
### Registrar:

Computershare Investor Services plc

### Wrapped Products

The shares of Electric & General Investment Trust Plc ("Electric & General") are offered within the BNP Paribas Electric & General Savings Scheme, ISA and PEP. Further details can be obtained from the Share Saving Scheme section of the Electric & General website on [www.electricandgeneral.com](http://www.electricandgeneral.com) or by calling the Investor Helpline on 0845 358 1113.

### Sector Allocation



### Geographical Allocation

