

Electric & General Investment Trust plc: As at 28.02.10

International / Equity Growth

Investment Manager's Commentary

Stock markets continue to consolidate and the economic environment remains uncertain. There have been some positive statistics, but there has also been some late weakening in both the US and the eurozone, where confidence has waned. Investors remain uneasy about the outlook for global economic growth and are apprehensive about the withdrawal of fiscal stimulus in the US, following the recent rise in the discount rate, and over the prospect of quantitative easing coming to an end in the UK. Other on-going worries include fears over the impact on Europe of the Greek debt crisis and of any slowdown in Chinese growth. Equity markets, however, have become accustomed to climbing a wall of fear and valuations, which remain very reasonable, seem to us to discount the concerns. Sterling was weak against the major currencies due to worsening opinion polls, a poor Public Sector Borrowing Requirements ("PSBR") figure for January (normally a strongly positive month because of tax receipts) and continuing worries over the growth outlook. It also suffered from being the next in line for speculative attack after Greece. The weakness of Sterling and the Euro and the strength of the Dollar and the Yen impacted performance of the Company during February. We believe the currency relationships are becoming stretched and expect pressure on Sterling to reduce over time. During the month we finished buying Alliance Data Systems and added to the holdings in Exelon and Royal Bank of Scotland at good prices. Cairn Energy was sold



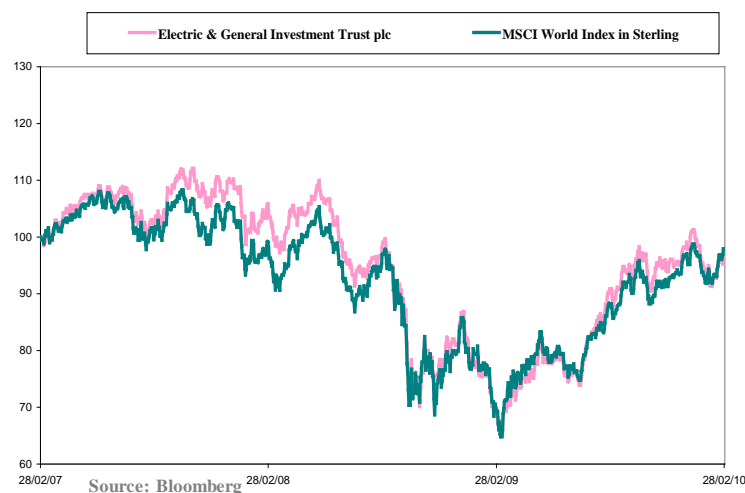
and the proceeds used to fund a new investment in Husky Energy. Two other new purchases were made: Banco Santander and Oracle Corp. Banco Santander is the largest bank in Spain and one of the ten largest banks in the World. It owns Abbey National and Alliance & Leicester in the UK and Sovereign Bancorp in the USA. Its Brazilian business and its UK mortgage operation have performed well and the US is gently recovering. Husky Energy is an integrated Canadian Oil & Gas company, majority-controlled by Hutchison Whamoa and Li Ka-Shing. Its interests are primarily in Canada, where it has traditional production around Calgary, experience in heavy oil in Alberta as well as operations off the coast of Labrador. Husky Energy is a 50 per cent owner in the Sunrise oil sands project alongside BP. This is one of the world's largest in-situ oil sands projects, with potential reserves of 3.7 billion barrels. Oracle is one of the world's largest software companies. It is the number one provider of databases (the technology that stores information for corporates, websites and government) worldwide, and number two in enterprise applications (software for accounting, supply chain and sales management). Over the last ten years, Oracle has successfully bought and integrated smaller competitors. At the beginning of 2010, it acquired Sun Microsystems, the creator of the Java programming language.

Source: THS Partners

Top Ten Holdings (as at close 28.02.10)

1	NESTLE CHF0.1 (REG)	3.12%
2	SNC LAVALIN GROUP COM NPV CAD	2.90%
3	HUTCHISON WHAMPOA HKD0.25	2.22%
4	HSBC HLDGS ORD USD0.5	2.16%
5	SCHIBSTED ASA NOK1	2.15%
6	NEWS CORPORATION COM USD0.01 CLS B	2.03%
7	INTEL CORP COM USD0.001	2.03%
8	VODAFONE GROUP ORD USD0.11428571	1.98%
9	BNP PARIBAS EUR2	1.95%
10	FRANCE TELECOM EUR4	1.95%

NAV per Share Performance 01.02.07 (rebased to £100) to 28.02.10



Discrete Annual Performance (%) 12 Months Ending

	December 2009	December 2008	December 2007	December 2006	December 2005
Ordinary Price	14.89	-23.67	4.62	10.78	21.17
NAV	15.18	-22.49	10.95	12.38	24.35
Morgan Stanley Capital International World Index in Sterling	13.04	-19.81	5.30	3.46	20.29

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.

Cumulative Performance to 28.02.10 (%)

Capital NAV Per Share (P)	Ordinary Share Price (P)	1 Month %	YTD %	1 Year %	3 Year %	5 Year %	10 Year %
427.99	362.00	Ordinary Price	1.12	-2.75	33.21	-11.27	-35.64
Yield	Discount	NAV	3.76	-1.48	39.32	-3.61	-31.49
2.31%	-15.42%	Morgan Stanley Capital International World Index in Sterling	6.55	2.89	41.32	-2.11	-11.03

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

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Investment Objective

The Company's investment objective is to maximise total return while pursuing a progressive dividend policy, where achievable, within the over-riding objective of capital growth.

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).

Fund Details

Total Gross Assets:

£287.0m (As at 28.02.10)

Dealing:

Daily (Stockmarket)

NAV Frequency:

Daily

Legal Status:

UK Investment trust

Type of Fund

Closed-end fund

Listing:

London Stock Exchange

Dividends:

March, October

Investment Manager:

Taube Hodson Stonex Partners LLP

Stockbroker:

JPMorgan Cazenove Limited

Administrator:

BNP Paribas Securities Services

Registrar:

Computershare Investor Services PLC

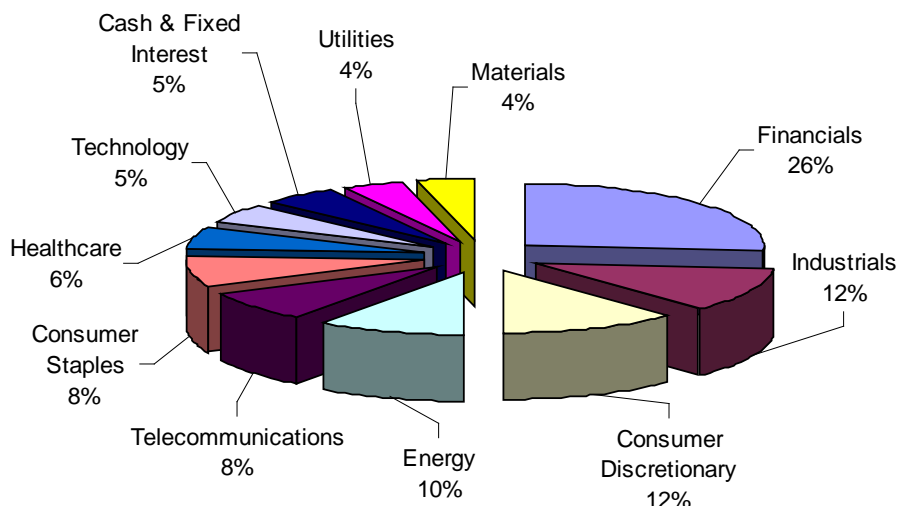
Wrapped Products

The shares of Electric & General Investment Trust plc ("Electric & General") are offered within the BNP Paribas Electric & General Savings Scheme and ISA. Further details can be obtained from the 'How to Save' section of the Electric & General website on www.electricandgeneral.com or by calling the Investor Helpline on 0845 358 1113.

Important Information

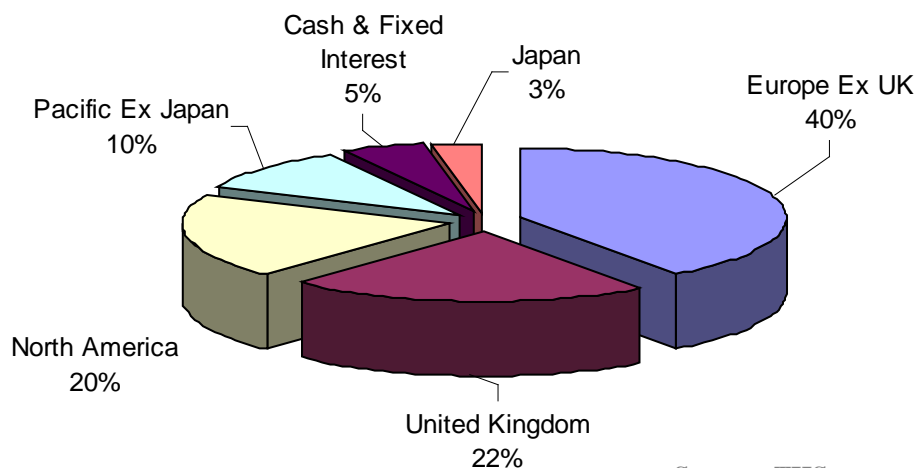
The prices of shares in investment trusts and income received from them can go down as well as up and investors may not get back the full amount invested. Past performance is no guarantee of future performance. Quoted yields are not guaranteed. Changes in the rates of currency exchanges may have an adverse effect on the value or price of the shares. Investments in a currency other than your own currency will be subject to movements in foreign exchange rates. Reference to any specific securities should not be construed as a recommendation to buy or sell these securities but is included for the purposes of illustration only. Investors should also note that the views expressed may no longer be current and may have already been acted upon. Investment trusts can borrow money to make additional investments on top of shareholders' funds (gearing). The use of gearing can lead to volatility in the NAV, meaning that a relatively small movement, down or up, in the value of a company's assets will result in a magnified movement, in the same direction, of that NAV. Share price performance is not the same as NAV performance and investors may not realise returns the same as NAV performance. The Company may invest in emerging markets which tend to be more volatile than more established stock markets and the value of your investment could move sharply up or down. If you have any questions about the suitability of this investment for your portfolio, you should contact an independent financial adviser. Nothing in this factsheet should be construed as advice nor be considered an offer or solicitation to deal in investments. Issued by Taube Hodson Stonex Partners LLP which is authorised and regulated by the Financial Services Authority, (Firm No 480219). Registered office: Cassini House, 1st Floor, 57-59 St. James's Street, London, SW1A 1LD (OC333502).

Sector Allocation



Source: MSCI Sectors

Geographical Allocation



Source: THS