

Electric & General Investment Trust plc: As at 31.03.10

International / Equity Growth

Investment Manager's Commentary

Equity markets performed well in March following a period of consolidation which had begun towards the end of last year. Some of the worries which were holding markets back continue to trouble observers but markets seem to be getting used to most of these issues and the increasing signs that the financial environment as well as the real economy are improving, have allowed some progress to be made. The Greek credit crisis, which has weighed on both the Euro and the mood generally throughout most of the first quarter, moved a step towards resolution when Eurozone leaders agreed a plan. As the period drew to a close, the improvement in the economy became increasingly apparent. In the US, better housing and employment figures and an increase in services sector activity were recently added to an already firm manufacturing sector. In the UK, house prices are now gradually rising, manufacturing is recovering and the current account recently showed a sharp improvement. In addition, the UK budget deficit has been revised down significantly, the savings ratio has begun to decline and Sterling, having defied the bears, may now be bottoming. The Eurozone and Japan are gradually recovering and emerging markets continue to be strong. During the month, we continued to buy Husky Energy and bought further shares in Yum! Brands. New investments were made in Pepsico and Syngenta. Pepsico has grown its global savoury snacks business to the point where it is a bigger contributor to revenues than the beverage business. The branded foods business includes the Frito Lay brands in North America, and Doritos, Quaker

and Walkers crisps in the UK. Drinks include the eponymous cola, Tropicana juices, Gatorade sports drinks and Lipton iced tea. Pepsico has lagged its peer Coca-Cola in emerging markets, but the company has now bought its two main bottling operations and is investing to use the strong global snacks distribution network to expand sales in the faster growing areas of the world. Syngenta is the world's largest crop protection business supplying pesticides and herbicides to farmers globally. Over the last year we have been investing in the new theme of agriculture. Our idea is that a growing and increasingly prosperous population in the developing world will want more food, particularly meat and dairy products. The Company already owns holdings in Bunge (grain and feed trading) and Potash Corp (which mines potassium fertilizer) and we have now added Syngenta to the list. Of particular interest is the second biggest division of Syngenta, which is the world's second largest producer of seed. Until now, Monsanto has made very good returns as it had a virtual monopoly of the most advanced GM seeds. Syngenta has now developed a competitive range of seeds containing the most important genetic traits. We expect that this division will now grow well. In March, the sales of AMP and Prudential were completed, with the majority of the holding in Prudential being sold before the price went down following the bid for AIG assets.

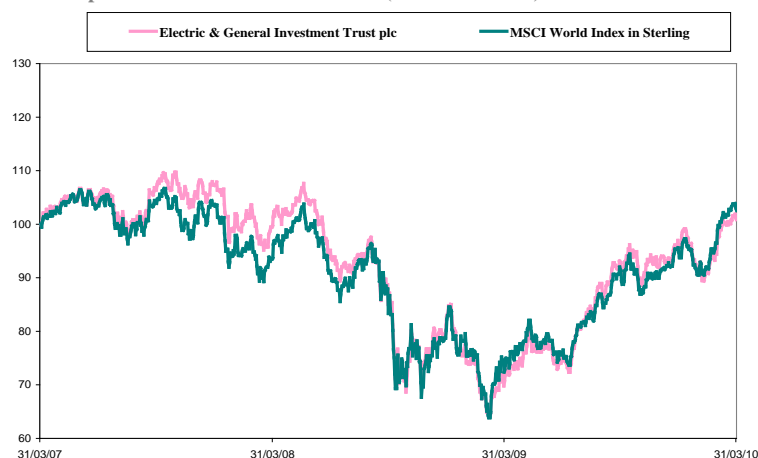


Source: THS Partners

Top Ten Holdings (as at close 31.03.10)

1	SNC LAVALIN GROUP COM NPV CAD	2.75%
2	NESTLE CHF0.1 (REG)	2.18%
3	INTEL CORP COM USD0.001	1.99%
4	SCHIBSTED ASA NOK1	1.99%
5	NEWS CORPORATION COM USD0.01 CLS B	1.99%
6	HUTCHISON WHAMPOA HKD0.25	1.96%
7	VODAFONE GROUP ORD USD0.11428571	1.93%
8	BNP PARIBAS EUR2	1.88%
9	ROYAL DUTCH SHELL B ORD SHS EUR0.07	1.82%
10	HSBC HLDGS ORD USD0.5	1.81%

NAV per Share Performance 01.04.07 (rebased to £100) to 31.03.10



Source: Bloomberg

Discrete Annual Performance (%) 12 Months Ending

	March 2010	March 2009	March 2008	March 2007	March 2006
Ordinary Price	38.16	-30.21	-2.87	4.24	28.57
NAV	42.77	-29.15	-0.31	6.38	30.40
Morgan Stanley Capital International World Index in Sterling	40.89	-22.33	-6.32	0.30	26.34

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 31.03.10 (%)

Capital NAV Per Share (P)	Ordinary Share Price (P)		1 Month %	YTD %	1 Year %	3 Year %	5 Year %	10 Year %
457.42	391.00	Ordinary Price	8.01	5.04	38.16	-6.35	25.52	-26.78
Yield	Discount	NAV	6.87	5.30	42.77	0.84	39.88	-23.01
2.56%	-14.52%	Morgan Stanley Capital International World Index in Sterling	6.31	9.38	40.89	2.52	29.91	-11.83

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:

£306.0m (As at 31.03.10)

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

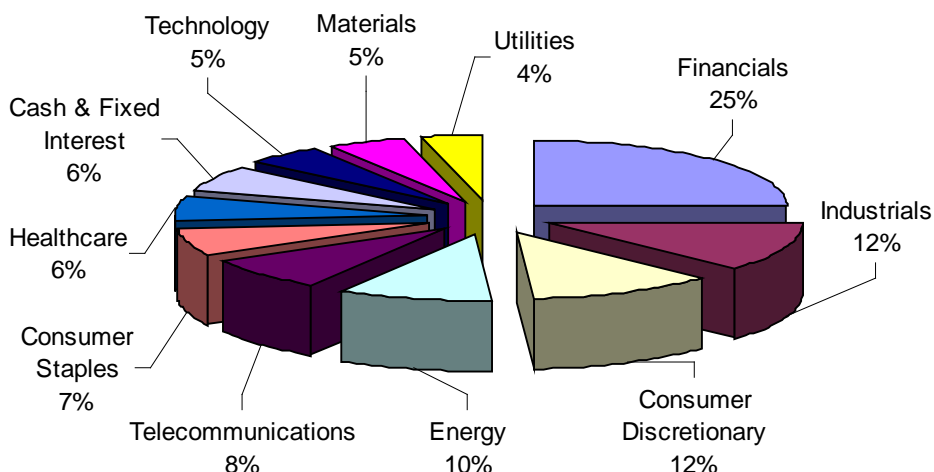
Wrapped Products

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

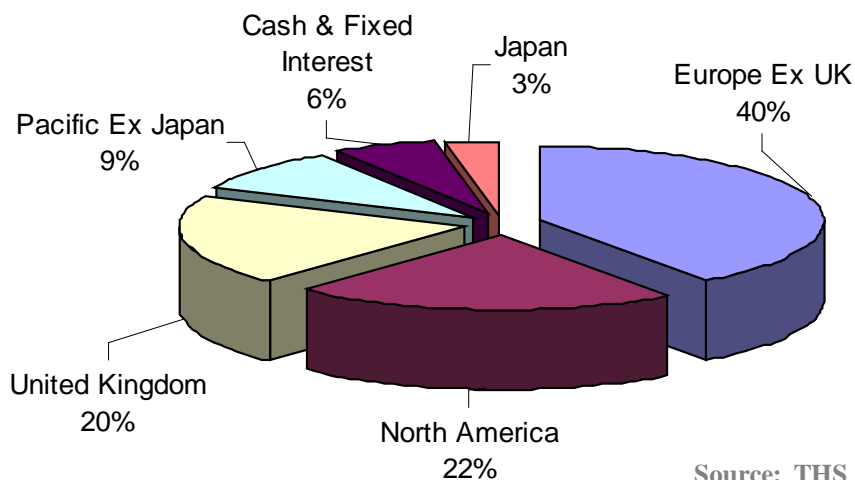
The prices of shares in investment trusts and income received from them can go down as well as up and investors may not get back the full amount invested. Past performance is no guarantee of future performance. Quoted yields are not guaranteed. Changes in the rates of currency exchanges may have an adverse 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