

January 2012



Phil Doel
Fund Manager

Trust aims

To achieve a total return in excess of a composite index, weighted as to 80% FTSE All-Share Index and 20% FTSE World (ex-UK) Index, by investing principally in a diversified international portfolio of equities and equity related securities. Within this overall objective, the Company aims to maintain a progressive dividend policy which will be dependent upon, inter alia, the rate of revenue growth within the investment portfolio and the level of dividend cover.

Trust highlights

- Established in 1898 and managed by F&C ever since.
- Among the largest investment trusts in its sector.
- Pays dividends four times a year.

Benchmark

80% FTSE All-Share Index / 20% FTSE All-World (ex-UK) Index.

Average annual return

Average annual return figure over 5 years 0.76%

Key details

Fund Type	Investment Trust
Launch Date	1898
Total assets	£437.2 million
Share price	115.00p
NAV	121.85p
Discount/Premium(-/+)	-5.6%
Dividend Payment Dates	Jan, Apr, Jul, Oct
Net dividend yield	5.3%
Actual gearing*	107.0
Management fee rate**	0.40%
Total expenses**	0.59%
Year end	30 September
Sector	Global Growth and Income
Currency	Sterling
Website	www.british-assets.co.uk

Standardised performance

	2010/2011	2009/2010	2008/2009	2007/2008	2006/2007
Shareprice	-10.8%	27.0%	31.1%	-29.3%	-1.1%

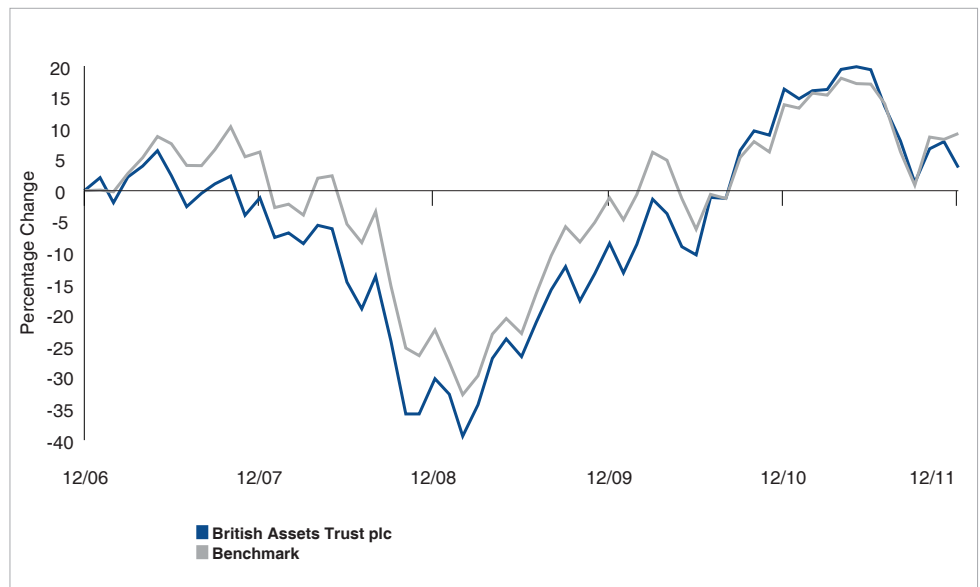
Cumulative performance

	1 Month	Year to date	1 Year	3 Years	5 Years
Shareprice	-3.9%	-10.8%	-10.8%	48.5%	3.7%
Benchmark	0.9%	-4.1%	-4.1%	40.6%	9.2%

Source: Lipper. Basis: share price, percentage growth, bid to bid, net income reinvested. Basis in accordance to the regulations of the FSA.

Past performance is not a guide to future performance. The standardised performance table refers to 12 month periods ending 31 December. The cumulative performance table refers to cumulative periods ending 31.12.2011

Fund performance



Top ten holdings

Holdings	Sector/Country	%
GlaxoSmithKline	Pharmaceuticals & Biotech	4.6%
Vodafone	Mobile Telecommunications	3.9%
Royal Dutch Shell	Oil & Gas Producers	3.4%
BP	Oil & Gas Producers	3.4%
British American Tobacco	Tobacco	2.9%
Tesco	Food & Drug Retailer	2.5%
HSBC	Banks	2.4%
Standard Chartered	Banks	2.3%
Scottish & Southern	Electricity	2.0%
AstraZeneca	Pharmaceuticals & Biotech	1.7%
Total		29.1%

British Assets Trust plc

Continued

January 2012

Trust geographical breakdown

Asset allocation	%
Corporate Bonds	11.1%
UK	67.9%
Global High Yield	14.7%
North America	4.7%
Europe	4.5%
Japan	1.7%
Pacific (ex Japan)	3.2%
Other	0.6%
Global Emerging	5.0%
Asia	2.9%
Latin America	1.3%
Europe	0.5%
Other	0.3%
Cash	1.3%

Manager's commentary

British Assets Trust NAV Total Return was 0.9%, compared with a rise of 0.9% for the composite benchmark index – which is now 80% FTSE All-Share/20% FTSE World ex UK. The FTSE All-Share rose 0.8% and the FTSE World ex UK rose 1.0%.

A quieter month after the eurozone dramas of October and November. A tough consumer environment continued in the UK with multiple businesses failing or dependent on their banks to survive – recent examples have included Thomas Cook, Thorntons, Blacks Leisure, HMV and La Senza. Economic forecasts for 2012 continued to deteriorate in Europe, but the ongoing resilience we have commented on in the US and subtle easing of monetary policy in China both indicated somewhat less gloomy conditions in the near term.

Whilst mindful of opportunities presented by recent volatility, we remain of the view a more sustainable solution will be required for equities to make material headway against the tough economic outlook in the wider European markets and hence we are retaining a cautious overall approach as we rebuild the near term dividend cover of the trust.

Trust codes

Sedol	
F&C BAT - GBP	0129756

All data as at 31.12.11 unless otherwise stated.

The yield is calculated on an historic basis using the actual dividends paid during the company's last financial year and the closing share price as at the end of the relevant month.

All information is sourced from F&C, unless otherwise stated. All percentages are based on gross assets. * (Total assets-cash and fixed interest)/shareholders' funds. ** Management fee rate is based on total assets. Total expenses is based on shareholders' funds, as at the end of September 2011. The share price may either be below (at a discount) or above (at a premium) the NAV. Discounts and premiums vary continuously. Performance information excludes any product charges which can be found in the 'Key Features' document for the relevant product. Stock market and currency movements may cause the value of investments and the income from them to fall as well as rise and investors may not get back the amount originally invested. Where investments are made in emerging markets, unquoted securities or smaller companies, their potential volatility may increase the risk to the value of, and the income from the investment. If markets fall, gearing can magnify the negative impact on performance. The fact sheet is issued and approved by F&C Management Limited. Authorised and regulated in the UK by the Financial Services Authority (FSA). Registered office: Exchange House, Primrose Street, London EC2A 2NY. Registered in England & Wales No 517895.