

# STRATEGIC REPORT / INVESTMENT PORTFOLIO

AT 30 SEPTEMBER 2018

Company	Nature of business	% of investee company	IRR (%; GBP) <sup>1</sup>	ROI (%; GBP) <sup>2</sup>	Cost £'000 <sup>3</sup>	Valuation £'000	% of total assets less current liabilities
<b>Pershing Square Holdings</b>	Investment Company	1.3	2.9	3.1	64,799	<b>66,556</b>	6.5%
<b>EXOR</b>	Investment Holding Company	0.5	20.3	31.7	44,032	<b>57,338</b>	5.6%
<b>Fondul Proprietatea</b>	Investment Company	4.1	15.8	31.6	44,690	<b>52,825</b>	5.1%
<b>Pargesa</b>	Investment Holding Company	1.1	14.6	40.0	39,463	<b>52,725</b>	5.1%
<b>Jardine Strategic</b>	Investment Holding Company	0.2	3.4	4.1	52,795	<b>52,463</b>	5.1%
<b>Riverstone Energy</b>	Investment Company	4.8	14.6	35.0	38,369	<b>51,697</b>	5.0%
<b>Wendel</b>	Investment Holding Company	0.9	19.3	47.3	36,843	<b>49,561</b>	4.8%
<b>Tetragon Financial</b>	Investment Company	3.6	10.2	17.4	45,463	<b>48,807</b>	4.7%
<b>Tokyo Broadcasting System</b>	Asset-backed Company	1.6	8.1	10.3	41,445	<b>45,060</b>	4.4%
<b>Third Point Offshore</b>	Investment Company	4.8	(0.6)	(0.7)	46,618	<b>44,276</b>	4.3%
<b>Top ten investments</b>					<b>454,517</b>	<b>521,308</b>	<b>50.6%</b>
<b>Swire Pacific 'B'</b>	Investment Holding Company	1.1	6.8	11.9	41,167	<b>43,298</b>	4.2%
<b>Symphony International Holdings</b>	Investment Company	15.7	17.0	66.3	26,636	<b>42,652</b>	4.1%
<b>Oakley Capital Investments</b>	Investment Company	10.8	44.4	17.2	36,607	<b>42,624</b>	4.1%
<b>JPEL Private Equity</b>	Investment Company	17.5	28.9	81.1	20,269	<b>41,336</b>	4.0%
<b>Investor AB 'A'</b>	Investment Holding Company	0.3	14.0	106.0	10,795	<b>32,474</b>	3.2%
<b>NB Private Equity Partners</b>	Investment Company	2.9	19.3	106.5	17,391	<b>32,435</b>	3.1%
<b>Cosan Ltd</b>	Investment Holding Company	2.4	(25.1)	(21.6)	39,464	<b>30,481</b>	3.0%
<b>Aker ASA</b>	Investment Holding Company	0.5	19.1	168.1	5,536	<b>22,902</b>	2.2%
<b>Fujitec*</b>	Asset-backed Company	2.4	(14.0)	(2.4)	22,879	<b>22,273</b>	2.2%
<b>Vietnam Phoenix Fund 'C'</b>	Investment Company	25.1	20.2 <sup>4</sup>	51.8 <sup>4</sup>	20,065	<b>22,011</b>	2.1%
<b>Top twenty investments</b>					<b>695,326</b>	<b>853,794</b>	<b>82.8%</b>
<b>Kato Sangyo*</b>	Asset-backed Company	1.4	6.7	5.2	13,639	<b>14,219</b>	1.4%
<b>Kanaden*</b>	Asset-backed Company	4.5	(21.4)	(10.5)	12,831	<b>11,414</b>	1.1%
<b>Toshiba Plant Systems*</b>	Asset-backed Company	0.7	22.5	18.5	8,138	<b>11,070</b>	1.1%
<b>Nishimatsuya Chain*</b>	Asset-backed Company	1.9	(8.9)	(8.4)	11,608	<b>10,435</b>	1.0%
<b>Daiwa Industries*</b>	Asset-backed Company	2.5	(5.0)	(3.3)	11,139	<b>10,400</b>	1.0%
<b>Teikoku Sen-I*</b>	Asset-backed Company	1.8	116.8	42.7	7,117	<b>10,155</b>	1.0%
<b>GP Investments</b>	Investment Company	14.6	(15.7)	(35.7)	14,739	<b>9,525</b>	0.9%
<b>Pasona Group*</b>	Asset-backed Company	2.0	43.7	26.7	7,432	<b>9,305</b>	0.9%
<b>Yamato Kogyo*</b>	Asset-backed Company	0.5	16.1	18.4	7,143	<b>8,315</b>	0.8%
<b>Tachi-S*</b>	Asset-backed Company	1.7	(14.7)	(16.9)	8,622	<b>7,088</b>	0.7%
<b>Top thirty investments</b>					<b>797,734</b>	<b>955,720</b>	<b>92.7%</b>

\* Constituent of Japanese Special Situations basket.

<sup>1</sup> Internal rate of return. Calculated from inception of British Empire's investment. Refer to Glossary on page 88 for further details.

<sup>2</sup> Return on investment. Calculated from inception of British Empire's investment. Refer to Glossary on page 88 for further details.

<sup>3</sup> Cost. Refer to Glossary on page 88 for further details.

<sup>4</sup> ROIs and IRRs for Vietnam Phoenix Class 'C' include the returns for the predecessor investment in DWS Vietnam and the now-exited spin-off investment in Vietnam Phoenix Class 'B'.

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<b>Melco Holdings*</b>	Asset-backed Company	1.1	15.4	12.7	6,108	<b>6,797</b>	0.7%
<b>SK Kaken*</b>	Asset-backed Company	0.5	(18.5)	(15.0)	6,247	<b>5,257</b>	0.5%
<b>Mitsuboshi Belting*</b>	Asset-backed Company	0.7	48.4	11.4	4,115	<b>4,578</b>	0.4%
<b>Nissan Shatai*</b>	Asset-backed Company	0.4	(13.6)	(6.9)	4,389	<b>4,067</b>	0.4%
<b>Better Capital (2009)</b>	Investment Company	2.0	26.4	50.7	1,962	<b>3,935</b>	0.4%
<b>Vietnam Property</b>	Investment Company	15.4	6.6	52.8	632	<b>3,763</b>	0.4%
<b>Nakano Corporation*</b>	Asset-backed Company	2.2	6.4	6.3	3,456	<b>3,613</b>	0.3%
<b>Ashmore Global Opportunities – GBP</b>	Investment Company	12.5	5.2	10.2	1,166	<b>1,934</b>	0.2%
<b>Sekisui Jushi*</b>	Asset-backed Company	0.1	n/a	1.3	596	<b>601</b>	0.1%
<b>Total equity investments</b>					<b>826,405</b>	<b>990,265</b>	<b>96.1%</b>
<b>Total investments</b>					<b>826,405</b>	<b>990,265</b>	<b>96.1%</b>
<b>Net current assets</b>						<b>40,576</b>	<b>3.9%</b>
<b>Total assets less current liabilities</b>						<b>1,030,841</b>	<b>100.0%</b>

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