

# Half Year Report & Accounts

for the six months ended  
30 June 2015

**Fundsmith Emerging Equities Trust plc**



**Fundsmith**

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## Financial Calendar

|                                 |             |
|---------------------------------|-------------|
| Financial Year End              | 31 December |
| Final Results Announced         | March       |
| Half Year End                   | 30 June     |
| Half Year End Results Announced | August      |
| Annual General Meeting          | May         |

**aic**

The Association of  
Investment Companies

A member of the Association of Investment Companies.

# Company Summary

Fundsmith Emerging Equities Trust plc aims to provide shareholders with an attractive return by investing in a portfolio of shares issued by listed or traded companies which have the majority of their operations in, or revenue derived from, developing economies\* and which provide direct exposure to the rise of the consumer classes in those countries.

## Company Summary

### The Company

The Company is an investment trust and its shares are premium listed on the Official List and traded on the main market of the London Stock Exchange. The Company is a member of the Association of Investment Companies.

Total assets less current liabilities as at 30 June 2015 were £187.7 million and the market capitalisation was £188.6 million.

### Management

The Company employs Fundsmith LLP (“Fundsmith”) as Investment Manager and Alternative Investment Fund Manager (“AIFM”).

Performance is measured against the MSCI Emerging and Frontier Markets Index measured on a net sterling adjusted basis.

### Capital Structure

As at 30 June 2015 the Company held in issue 19,337,921 Ordinary Shares of 1p each.

### Gearing

The Company will, in the ordinary course of business, not have gearing. However, it has the power to borrow using short-term banking facilities to raise funds for short-term liquidity purposes or for discount management purposes including the purchase of its own shares, provided that the maximum gearing represented by such borrowings shall be limited to 15% of the Company's net assets at the time of draw down of such borrowings. The Company is not currently geared.

### ISA Status

The Company's shares are eligible for Individual Savings Accounts (“ISAs”) and for Junior ISAs.

### Retail Investors advised by IFAs

The Company currently conducts its affairs so that its shares can be recommended by Independent Financial Advisers (“IFAs”) in the UK to ordinary retail investors in accordance with the Financial Conduct Authority (“FCA”) rules in relation to non-mainstream investment products and intends to continue to do so. The shares are excluded from the FCA's restrictions which apply to non-mainstream investment products because they are shares in an investment trust.

\*See glossary on page 20 for further information.

Further details of the Company's investment policy are set out on page 5.

## Financial Highlights

|   | <b>Period from<br/>1 July 2015 to<br/>25 August 2015</b> | <b>Six months to<br/>30 June<br/>2015</b> | <b>Period from<br/>inception* to<br/>31 December<br/>2014</b> |
|---|--|---|---|
| <b>NAV per share</b>                        | -9.3%  | -2.6%                                     | -0.3%   |
| <b>Share price</b>                          | -7.7%  | -9.0%                                     | +7.2%   |
| <b>Emerging Market Equities<sup>†</sup></b> | -18.1%   | +1.9%                                     | +0.5%   |

\*25 June 2014

†MSCI Emerging and Frontier Markets Index, measured on a net sterling adjusted basis

# Chairman's Statement

I am pleased to report on your Company's progress in 2015 and its financial position as at 30 June 2015, just over a year after its launch and being the mid-point of the current financial year, and also on its net revenue and capital movements in the six months to that date. I also draw your attention to the Investment Manager's commentary beginning on page 6 of this report.

## Performance

During the period under review and to 25 August 2015, the latest practicable date prior to printing this report, emerging markets have experienced high levels of volatility, especially recently. During the first half of the Company's financial year the Company generated a loss per share of 26.17 pence, comprising a revenue loss of 2.33 pence and a capital loss of 23.84 pence per share. This loss is equivalent to 2.6% of the Net Asset Value ("NAV") per share at the beginning of the period. The market value of each share fell by 9% over the period at the end of which it had a 0.4% premium to the NAV per share. Over the same period the Company's investment benchmark, the MSCI Emerging and Frontier Markets Index, measured on a net sterling adjusted basis, rose by 1.9%. The reason for the underperformance relative to the benchmark was the high initial level of cash and liquidity investments as the funds raised at launch in June 2014 continued to be carefully phased for investment in target investee company shares. Additionally, there was a disproportionately small participation in the strong performance in both the Indian and Chinese stock markets, the latter rising strongly in the closing month of the period.

However, since the half year end and in contrast, significant falls in the Chinese stock market have led to the Company outperforming the benchmark. Since 30 June, the Company's NAV per share has fallen 9.3% and the benchmark has fallen 18.1%. In addition, whereas at 30 June 2015, 15% of the total investment portfolio was still held in Liquidity Funds, as at 25 August 2015, the balance held in cash and Liquidity Funds had fallen to 5.7% of the total investment portfolio, leaving just a further £9.6m to be placed in underlying companies.

## Revenue and Dividends

The investment return to shareholders is expected to be achieved through capital growth of underlying investee company values and any incoming dividends will first be applied to defray expenses of management and administration. In the half year now reported, just over £1.2 million revenue was received after local taxation, whilst expenses totalled almost £1.7 million. The Board's policy is to pay such dividends as required to maintain UK investment trust status. Thus no interim dividend will be declared.

## Outlook

The investment portfolio will soon be completed. The Investment Manager's policy, as set out in their report, does not anticipate any material changes from time to time in its composition. Of course, this is subject to continued monitoring and search for information on any changes in the long term activities and prospects of investee companies. With the deployment of substantially all of the proceeds from the Company's launch soon to be completed, the Board looks forward to the future development and progress of the Company and the potential to increase its size given the availability of attractive investment opportunities and at a time when the share rating permits.

The policy of not hedging currency exposures inherent in the portfolio continues and the benchmark is expressed in sterling. The Investment Manager will continue to focus on those Developing Economies as specified in the launch prospectus; focusing on long-established, well-managed companies with cash generative brands of consumer staple products. These investments are anticipated to deliver investment performance in excess of the benchmark over the long term.

## Martin Bralsford

Chairman

28 August 2015

# Investment Policy

## Investment Approach and Policy

The Company will maintain a portfolio diversified by issuer concentration and it is anticipated that the Company's initial portfolio will comprise 35 to 55 investments once the net proceeds, raised at the Company's launch, are substantially invested.

The Company will comply with the following restrictions at the time each investment is made:

- (i) not more than 5% of the Company's gross assets can be invested in shares issued by any single company. This limit rises to 10% in respect of up to 40% of gross assets;
- (ii) not more than 40% of the Company's gross assets can be invested in shares issued by companies domiciled in any single jurisdiction;
- (iii) not more than 20% of the Company's gross assets can be in deposits held with a single bank or financial institution. In applying this limit all uninvested cash (except cash representing distributable income or credited to a distribution account that the Depositary holds) should be included;
- (iv) not more than 20% of the Company's gross assets can consist of shares and approved money market instruments issued by the same group. When applying the limits set out in (i) this provision would allow the Company to invest not more than 5% in the shares of each of four group member companies, or 10% in two of them (if applying the 40% limit);
- (v) the Company's holdings in any combination of shares or deposits issued by a single company or fund must not exceed 20% of the Company's gross assets overall;
- (vi) the Company must not acquire shares issued by a company and carrying rights to vote at a general meeting of that company if the Company has the power to influence significantly the conduct of business of that company (or would be able to do so after the acquisition of the shares). The Company is to be taken to have power to influence significantly if it exercises or controls the exercise of 20% or more of the voting rights in that company;
- (vii) the Company must not acquire shares which do not carry a right to vote on any matter at a general meeting of the company that issued them and represent more than 10% of these securities issued by that company; and
- (viii) not more than 10% of the Company's gross assets at the time an investment is made can be invested in other closed ended investment funds which are listed on the London Stock Exchange.

Uninvested cash or surplus capital or assets may be invested on a temporary basis in:

- cash or cash equivalents, money market instruments, bonds, commercial paper or other debt obligations with banks or other counterparties having a single-A (or equivalent) or higher credit rating as determined by an internationally recognised rating agency; or
- any "government and public securities" as defined for the purposes of the FCA rules.

In general, the Company will not use portfolio management techniques such as interest rate hedging and credit default swaps. However, the Company may use currency hedging, through derivatives if necessary, as a portfolio management technique. Whilst the Company, generally, will not hedge its currency exposure, it does reserve the right to do so in the circumstances where, in the opinion of the Investment Manager, a significant depreciation of a currency has become likely but the Investment Manager wishes to continue owning the companies in the portfolio denominated in that currency and where the cost of hedging that currency is unlikely, in the opinion of the Investment Manager, to extinguish any gains from hedging.

# Investment Manager's Review

Fundsmith Emerging Equities Trust plc ("FEET") has been in existence for a year.

It is probably a good idea to recap on our original investment proposition when we launched. This had two elements:

## **Investment Proposition 1**

FEET will be invested using the same strategy as the Fundsmith Equity Fund but with one added dimension: the companies invested in by FEET will have the majority of their operations in, or revenues derived from, Developing Economies and will provide direct exposure to the rise of the consumer classes in those countries. This rise is a well-established trend with a predictable pattern of development and has a long way to run.

## **Investment Proposition 2**

We believe a favourable entry point for our strategy of investing in consumer stocks in Developing Economies lies ahead as a result of two major developments:

1. The end of Quantitative Easing ("QE") in the United States which might lessen the flow of funds into Developing Economies and even lead funds to return to the United States.
2. The economic slowdown in China and its knock-on effect in countries which are dominated by commodity exports, most of which are also Developing Economies.

Proposition 2 has largely come true in the past year with turmoil in Chinese markets, and poor economic performance in much of Latin America and significant parts of Africa such as Nigeria and South Africa.

There have also been events which we did not foresee which have contributed to this trend, such as the effect on the Russian economy from sanctions imposed by the US and the EU as a result of events in Ukraine.

At 30 June 2015 the funds which we had raised were 85% invested. We could have invested more rapidly, but chose not to for three reasons:

1. In a few stocks of companies that we wish to own, liquidity has been poor and we are reserving some of our cash in the hope that we will be able to complete our stake purchase.
2. Caution about the likely timescale and course of the problem in Developing Economies predicted in Proposition 2 above especially since we have yet to see the impact of a possible rise in US interest rates.
3. Narendra Modi's election as Prime Minister of India the month before we launched, which sent the Indian stock market soaring on a wave of optimism and made it difficult to buy the stocks we like on reasonable ratings.

However, you will have seen the recent weakness, and we expect further weakness, in stock markets in Developing Economies, including India where the realisation seems to be dawning that company results are not yet keeping pace with the hype. As a result, we expect to be fully invested in the near future and as at 25 August 2015 FEET was over 94% invested.

## How has FEET fared during its first year of inception?

|   | Total Return 1.1.15 to 30.6.15 % | Inception* to 30.6.15 % |
|---|----------------------------------|-------------------------|
| FEET NAV per share                          | -2.6                             | -2.4                    |
| FEET Share Price                            | -9.0                             | -2.5                    |
| Emerging and Frontier Equities <sup>1</sup> | +1.9                             | +2.5                    |
| UK Bonds <sup>2</sup>                       | -1.2                             | +6.5                    |
| Cash <sup>3</sup>                           | +0.3                             | +0.5                    |

\*25 June 2014

1 MSCI Emerging and Frontier Markets Index, measured on a net sterling adjusted basis (source: www.msci.com)

2 Bloomberg/EFFAS Bond Indices UK Govt 5-10 year (source: Bloomberg)

3 Three Month £ LIBOR Interest Rate (source: Bloomberg)

Both the NAV per share and the share price have, to 30 June 2015, underperformed the benchmark of the MSCI Emerging and Frontier Markets Index, measured on a net sterling adjusted basis. This is attributable to the fact that we were only partially invested, and in particular did not participate fully in the spectacular performance of the Indian stock market which was up by 10% over the period, or the more recent bubble in Chinese equities. Not only do we have a small exposure to China, but stocks of the sort that we own by and large did not take part in this. If you are buying a share for maximum excitement in a wild bull run, manufacturers of nappies, noodles and soy sauce are unlikely to be your chosen vehicles when e-commerce plays are available.

However, this has changed since 30 June with FEET's NAV starting to outperform its benchmark. Since 30 June, our NAV has fallen 9.3% and the benchmark index has fallen 18.1%.

In terms of contribution to the performance for the six months ended 30 June 2015, the table below shows the top five contributors to and detractors from our performance.

| Top Five Contributors        | Country of Incorporation | Contribution % | Of which Currency % |
|------------------------------|--------------------------|----------------|---------------------|
| Godrej Consumer Products Ltd | India                    | +0.33          | -0.08               |
| Procter & Gamble Hygiene     | India                    | +0.14          | -0.03               |
| Magnit PJSC                  | Russian Federation       | +0.12          | -0.07               |
| Eastern Tobacco              | Egypt                    | +0.11          | -0.07               |
| Shoprite Holdings Ltd        | South Africa             | +0.11          | -0.07               |

| Top Five Detractors               | Country of Incorporation | Contribution % | Of which Currency % |
|-----------------------------------|--------------------------|----------------|---------------------|
| Indofood CBP Sukses Makmur Tpx PT | Indonesia                | -0.35          | -0.09               |
| Foshan Haitian Flavouring         | China                    | -0.33          | -0.07               |
| Vitasoy Intl Holdings Ltd         | Hong Kong                | -0.30          | -0.08               |
| Unilever Indonesia Tbk PT         | Indonesia                | -0.26          | -0.09               |
| Philippine Seven Corp             | Philippines              | -0.24          | -0.06               |



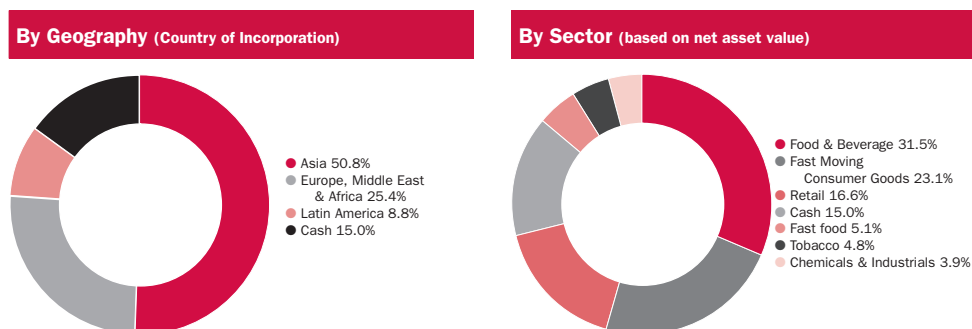
# Investment Manager's Review

One thing worth noting is that for all of these stocks, including those which are net positive contributors to performance, currency has been a negative impact. This is an expression of the problems which have become apparent in Developing Economies and it seems likely to remain a headwind to our performance until those conditions improve.

We would normally expect to provide some comment on the level of portfolio turnover and the overall cost of the fund to investors, including the cost of dealing. However, this seems inappropriate in this period given that portfolio turnover was 42.6% as we invested much of the cash raised.

## What does FEET own?

The following charts show the regional and sector breakdown of assets:



We only own stocks which provide consumer necessities or small ticket luxuries such as cosmetics. The few companies we have in Chemicals and Industrials mostly supply consumers with goods such as adhesives and paint.

Our portfolio is dominated by Asia and more particularly by India. We have relatively low exposure to Latin America and the Europe, Africa and Middle East exposure is all in Africa.

## FEET owns stocks in 50 companies. What are the characteristics of the companies FEET owns?

| Valuation          |       | Portfolio facts     |       |
|--------------------|-------|---------------------|-------|
| LTM PE ratio       | 36.6x | No. of holdings     | 50    |
| LTM NFCF yield     | 3.3%  | Top 10              | 28.5% |
| LTM Dividend yield | 1.8%  | Top 20              | 52.8% |
|                    |       | Median Mkt Cap (£m) | 2,880 |
|                    |       | Median Co Founded   | 1958  |

LTM = Last Twelve Months

NFCF = Neutral Free Cash Flow (see glossary)

One thing we are sure about is that FEET owns shares in good companies – companies which have returns on capital and profit margins which are vastly superior to the companies in the benchmark index and which convert far more of their profits into cash. They accomplish this with much lower resort to debt or leverage than the companies in the benchmark index. If these characteristics persist then sooner or later they will be reflected in the share prices.

But what about valuation? It's all very well. The companies in the portfolio are on a Neutral Free Cash Flow ("NFCF") yield of 3.3%. Neutral in the sense that we assume that capital expenditure equals depreciation. In reality their capital expenditures are much higher than depreciation because they are growing relatively rapidly, so that if we took their free cash flow after actual capital expenditure it would make them seem uninvestable.

Comparing this NFCF yield with the rest of the MSCI Emerging and Frontier Markets Index is close to impossible, since the index contains a significant proportion of companies whose cash flows are not comparable with our portfolio, most notably banks.

However, NFCF yield compares with revenues at our companies that are currently growing at about 10% per annum and their earnings and cash flows are growing a bit more rapidly. This is a slowdown from the rates of growth they have seen in recent years, but it is still a rate of growth which can only be dreamt of by companies operating in the developed world. If these growth rates can be maintained or bettered in future, and if our companies can continue investing at their fantastic rate of return on capital, then the current valuation should not be a problem.

**Terry Smith**

Fundsmith LLP  
Investment Manager  
28 August 2015

# Interim Management Report

## Principal Risks and Uncertainties

A review of the half year and the outlook for the Company can be found in the Chairman's Statement on page 4 and in the Investment Manager's Review on page 6 to page 9. The principal risks and uncertainties faced by the Company remain unchanged and fall into the following broad categories: investment and strategy; market; accounting, legal and regulatory; corporate governance and shareholder relations; operational; financial; political and economic. Information on the risks relating to the Company is given in the Company's issuance prospectus dated 25 May 2014 and the annual report for the period ended 31 December 2014.

## Related Party Transactions

During the first six months of the current financial year, no transactions with related parties have taken place which have materially affected the financial position or the performance of the Company.

## Going Concern

The Directors believe, having considered the Company's investment objective, risk management policies, capital management policies and procedures, and the nature of the portfolio and the expenditure projections, that the Company has adequate resources, an appropriate financial structure and suitable management arrangements in place to continue in operational existence for the foreseeable future. For these reasons, they consider there is reasonable evidence to continue to adopt the going concern basis in preparing the accounts.

## Directors' Responsibilities

The Board of Directors confirms that, to the best of its knowledge:

- (i) the condensed set of financial statements contained within the half year report has been prepared in accordance with the applicable International Accounting Standards (IAS) 34; and
- (ii) the interim management report includes a fair review of the information required by 4.2.7R and 4.2.8R of the UK Listing Authority Disclosure and Transparency Rules.

In order to provide these confirmations, and in preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable IFRS have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business;

and the Directors confirm that they have done so.

The half year report was approved by the Board on 28 August 2015 and the above responsibility statement was signed on its behalf by:

**Martin Bralsford**

Chairman

## Investment Portfolio

## Investments held as at 30 June 2015

| Security                                | Country of Incorporation | Fair value £'000 | % of investments |
|---|--------------------------|------------------|------------------|
| Marico Ltd                              | India                    | 5,544            | 3.5%             |
| Godrej Consumer Products Ltd            | India                    | 5,473            | 3.4%             |
| Emami Ltd                               | India                    | 4,748            | 3.0%             |
| Universal Robina Corp                   | Philippines              | 4,627            | 2.9%             |
| East African Breweries Ltd              | Kenya                    | 4,447            | 2.8%             |
| Eastern Tobacco                         | Egypt                    | 4,206            | 2.6%             |
| Shoprite Holdings Ltd                   | South Africa             | 4,167            | 2.6%             |
| Magnit PJSC                             | Russian Federation       | 4,151            | 2.6%             |
| Mr Price Group Ltd                      | South Africa             | 4,147            | 2.6%             |
| Dabr India Ltd                          | India                    | 4,025            | 2.5%             |
| <b>Top 10 Investments</b>               |                          | <b>45,535</b>    | <b>28.5%</b>     |
| Vitasoy Intl Holdings Ltd               | Hong Kong                | 3,990            | 2.5%             |
| Nestlé India Ltd                        | India                    | 3,970            | 2.5%             |
| Want Want China Holdings Ltd            | Cayman Islands           | 3,913            | 2.5%             |
| Ambev SA                                | Brazil                   | 3,882            | 2.4%             |
| Sun Art Retail Group Ltd                | Hong Kong                | 3,834            | 2.4%             |
| Famous Brands Ltd                       | South Africa             | 3,824            | 2.4%             |
| Grupo Lala SAB de CV                    | Mexico                   | 3,811            | 2.4%             |
| Britannia Industries Ltd                | India                    | 3,794            | 2.4%             |
| Jollibee Foods Corp                     | Philippines              | 3,785            | 2.4%             |
| Nigerian Breweries Plc                  | Nigeria                  | 3,783            | 2.4%             |
| <b>Top 20 Investments</b>               |                          | <b>84,121</b>    | <b>52.8%</b>     |
| Guinness Nigeria Plc                    | Nigeria                  | 3,775            | 2.4%             |
| Colgate-Palmolive (India)               | India                    | 3,775            | 2.4%             |
| Hindustan Unilever Ltd                  | India                    | 3,707            | 2.3%             |
| Asian Paints Ltd                        | India                    | 3,492            | 2.2%             |
| Hengan Intl Group Co Ltd                | Cayman Islands           | 3,490            | 2.2%             |
| Procter & Gamble Hygiene                | India                    | 3,435            | 2.2%             |
| Foshan Haitian Flavouring A             | China                    | 3,431            | 2.1%             |
| Hypermarcas SA                          | Brazil                   | 3,385            | 2.1%             |
| Bim Birlesik Magazalar AS               | Turkey                   | 3,338            | 2.1%             |
| GlaxoSmithKline Consumer Healthcare Ltd | India                    | 3,289            | 2.1%             |
| <b>Top 30 Investments</b>               |                          | <b>119,238</b>   | <b>74.9%</b>     |

# Investment Portfolio

## Investments held as at 30 June 2015 – continued

| Security                          | Country of Incorporation | Fair value £'000 | % of investments |
|-----------------------------------|--------------------------|------------------|------------------|
| Forus SA                          | Chile                    | 3,272            | 2.1%             |
| Unilever Indonesia TBK PT         | Indonesia                | 3,252            | 2.0%             |
| Indofood CBP Sukses Makmur Tpx PT | Indonesia                | 3,236            | 2.0%             |
| Big C Supercenter PCL             | Thailand                 | 3,111            | 1.9%             |
| Philippine Seven Corp             | Philippines              | 2,903            | 1.8%             |
| Nestlé Nigeria Plc                | Nigeria                  | 2,598            | 1.6%             |
| Sa Sa International Holdings      | Cayman Islands           | 2,287            | 1.4%             |
| Souza Cruz SA                     | Brazil                   | 2,273            | 1.4%             |
| Pidilite Industries Ltd           | India                    | 2,187            | 1.4%             |
| Tiger Brands Ltd                  | South Africa             | 2,131            | 1.3%             |
| <b>Top 40 Investments</b>         |                          | <b>146,488</b>   | <b>91.8%</b>     |
| Spur Corp Ltd                     | South Africa             | 2,021            | 1.3%             |
| Unilever Nigeria PLC              | Nigeria                  | 1,883            | 1.2%             |
| Havells India Ltd                 | India                    | 1,718            | 1.1%             |
| Nestlé Pakistan Ltd               | Pakistan                 | 1,565            | 1.0%             |
| Ceylon Tobacco Co Plc             | Sri Lanka                | 1,430            | 0.9%             |
| Nestlé Lanka Plc                  | Sri Lanka                | 1,390            | 0.9%             |
| Edita Food Industries*            | Egypt                    | 1,377            | 0.9%             |
| British American Tobacco          | Bangladesh               | 1,104            | 0.6%             |
| Bajaj Corp Ltd                    | India                    | 463              | 0.2%             |
| Fan Milk Ltd                      | Ghana                    | 165              | 0.1%             |
| <b>Top 50 Investments</b>         |                          | <b>159,604</b>   | <b>100.0%</b>    |

\* includes Edita Food Industries SAE equating to 0.1% of investments and Edita Food Industries Reg S equating to 0.8% of investments.

With the exception of liquidity funds, all portfolio holdings are in equities

### Portfolio Breakdown

|                 |                |               |
|-----------------|----------------|---------------|
| Equities        | 159,604        | 85.4%         |
| Liquidity Funds | 27,334         | 14.6%         |
|                 | <b>186,938</b> | <b>100.0%</b> |

Liquidity funds consist of investments in money market funds, with the aim of protecting capital while earning income, until the Company is fully invested.

## Income Statement (Unaudited)

for the six months ended 30 June 2015

|  | (Unaudited)<br>Six months ended<br>30 June 2015 |                  |                | (Unaudited)<br>Six months ended<br>30 June 2014 |                  |                | (Audited)<br>Period ended<br>31 December 2014 |                  |                |
|--|---|------------------|----------------|---|------------------|----------------|---|------------------|----------------|
|  | Revenue<br>£'000                                | Capital<br>£'000 | Total<br>£'000 | Revenue<br>£'000                                | Capital<br>£'000 | Total<br>£'000 | Revenue<br>£'000                              | Capital<br>£'000 | Total<br>£'000 |
| <b>Investment income</b>                                   |   |                  |                |   |                  |                |   |                  |                |
| Dividend income  | 1,316   | 0                | 1,316          | 4   | 0                | 4              | 1,051   | 0                | 1,051          |
| Other operating income                                     | 5   | 0                | 5              | 0   | 0                | 0              | 7   | 0                | 7              |
| <b>Total income</b>  | <b>1,321</b>                                    | <b>0</b>         | <b>1,321</b>   | <b>4</b>  | <b>0</b>         | <b>4</b>       | <b>1,058</b>                                  | <b>0</b>         | <b>1,058</b>   |
| <b>(Losses)/gains on investments</b>                       |   |                  |                |   |                  |                |   |                  |                |
| (Losses)/gains on investments held through profit and loss | 0   | (4,084)          | (4,084)        | 0   | (77)             | (77)           | 0   | 1,464            | 1,464          |
| (Losses) on foreign exchange transactions                  | 0   | (211)            | (211)          | 0   | 0                | 0              | 0   | (138)            | (138)          |
|  | 0   | (4,295)          | (4,295)        | 0   | (77)             | (77)           | 0   | 1,326            | 1,326          |
| <b>Expenses</b>  |   |                  |                |   |                  |                |   |                  |                |
| Management fees  | (1,196)   | 0                | (1,196)        | (40)  | 0                | (40)           | (1,239)                                       | 0                | (1,239)        |
| Other expenses including dealing costs                     | (464)   | (316)            | (780)          | (19)  | 0                | (19)           | (428)   | (356)            | (784)          |
| <b>(Loss)/profit before finance costs and tax</b>          | <b>(339)</b>                                    | <b>(4,611)</b>   | <b>(4,950)</b> | <b>(55)</b>                                     | <b>(77)</b>      | <b>(132)</b>   | <b>(609)</b>                                  | <b>970</b>       | <b>361</b>     |
| Finance costs  | 0   | 0                | 0              | 0   | 0                | 0              | 0   | 0                | 0              |
| <b>(Loss)/profit before tax</b>                            | <b>(339)</b>                                    | <b>(4,611)</b>   | <b>(4,950)</b> | <b>(55)</b>                                     | <b>(77)</b>      | <b>(132)</b>   | <b>(609)</b>                                  | <b>970</b>       | <b>361</b>     |
| Tax  | (111)   | 0                | (111)          | 0   | 0                | 0              | (61)  | 0                | (61)           |
| <b>(Loss)/profit for the period</b>                        | <b>(450)</b>                                    | <b>(4,611)</b>   | <b>(5,061)</b> | <b>(55)</b>                                     | <b>(77)</b>      | <b>(132)</b>   | <b>(670)</b>                                  | <b>970</b>       | <b>300</b>     |
| <b>(Loss)/earnings per share (basic and diluted) (p)</b>   | <b>(2.33)</b>                                   | <b>(23.84)</b>   | <b>(26.17)</b> | <b>(0.28)</b>                                   | <b>(0.40)</b>    | <b>(0.68)</b>  | <b>(3.46)</b>                                 | <b>5.01</b>      | <b>1.55</b>    |

The Company does not have any income or expenses which are not included in the profit for the half year. Accordingly the “profit for the period” is also the “total comprehensive income for the period”, as defined in IAS 1 (revised) and no separate Statement of Comprehensive Income has been presented.

All of the profit and total comprehensive income for the period is attributable to the owners of the Company.

The “Total” column of this statement represents the Company’s Income Statement, prepared in accordance with International Financial Reporting Standards (IFRS). The “Revenue” and “Capital” columns are supplementary to this and are prepared under guidance published by the Association of Investment Companies.

All items in the above statement derive from continuing operations.

# Statement of Changes in Equity (Unaudited)

for the six months ended 30 June 2015

|                                | Share<br>Capital<br>£'000 | Share<br>Premium<br>£'000 | Capital*<br>Reserve<br>£'000 | Retained*<br>Earnings<br>£'000 | Total<br>£'000 |
|--------------------------------|---------------------------|---------------------------|------------------------------|--------------------------------|----------------|
| Balance at 1 January 2015      | 193                       | 0                         | 193,277                      | (670)                          | 192,800        |
| Loss for the period            | 0                         | 0                         | (4,611)                      | (450)                          | (5,061)        |
| <b>Balance at 30 June 2015</b> | <b>193</b>                | <b>0</b>                  | <b>188,666</b>               | <b>(1,120)</b>                 | <b>187,739</b> |

for the six months ended 30 June 2014

|                                | Share<br>Capital<br>£'000 | Share<br>Premium<br>£'000 | Capital*<br>Reserve<br>£'000 | Retained*<br>Earnings<br>£'000 | Total<br>£'000 |
|--------------------------------|---------------------------|---------------------------|------------------------------|--------------------------------|----------------|
| Balance at 1 January 2014      | 0                         | 50                        | 0                            | 0                              | 50             |
| Loss for the period            | 0                         | 0                         | (77)                         | (55)                           | (132)          |
|                                | 0                         | 50                        | (77)                         | (55)                           | (82)           |
| Issue of Share Capital         | 193                       | 192,257                   | 0                            | 0                              | 192,450        |
| <b>Balance at 30 June 2014</b> | <b>193</b>                | <b>192,307</b>            | <b>(77)</b>                  | <b>(55)</b>                    | <b>192,368</b> |

\* Capital Reserves and Retained Earnings are considered distributable.

## Statement of Financial Position (Unaudited)

as at 30 June 2015

|  | (Unaudited)<br>30 June<br>2015<br>£'000 | (Unaudited)<br>30 June<br>2014<br>£'000 | (Audited)<br>31 December<br>2014<br>£'000 |
|--|---|---|---|
| <b>Non-Current Assets</b>                              |   |   |   |
| Investments held at fair value through profit and loss | 186,938                                 | 184,051                                 | 188,908                                   |
|  | 186,938                                 | 184,051                                 | 188,908                                   |
| <b>Current Assets</b>                                  |   |   |   |
| Receivables  | 181                                     | 6,645                                   | 194                                       |
| Cash and cash equivalents                              | 2,692                                   | 4,703                                   | 5,693                                     |
|  | 2,873                                   | 11,348                                  | 5,887                                     |
| <b>Total assets</b>                                    | 189,811                                 | 195,399                                 | 194,795                                   |
| <b>Current Liabilities</b>                             |   |   |   |
| Trade and other payables                               | (2,072)                                 | (3,031)                                 | (1,995)                                   |
|  | (2,072)                                 | (3,031)                                 | (1,995)                                   |
| <b>Total assets less current liabilities</b>           | 187,739                                 | 192,368                                 | 192,800                                   |
| <b>Equity Attributable to Equity Shareholders</b>      |   |   |   |
| Ordinary share capital                                 | 193                                     | 193                                     | 193                                       |
| Share premium  | 0                                       | 192,307                                 | 0   |
| Capital reserves                                       | 188,666                                 | (77)                                    | 193,277                                   |
| Retained earnings                                      | (1,120)                                 | (55)                                    | (670)                                     |
| <b>Total equity</b>                                    | 187,739                                 | 192,368                                 | 192,800                                   |
| <b>Net asset value per share (p)</b>                   | 970.83                                  | 994.77                                  | 997.00                                    |



# Statement of Cash Flows (Unaudited)

for the six months ended 30 June 2015

|   | (Unaudited)<br>Six months<br>ended<br>30 June<br>2015<br>Revenue<br>£'000 | (Unaudited)<br>Six months<br>ended<br>30 June<br>2014<br>Capital<br>£'000 | (Audited)<br>Period<br>ended<br>31 December<br>2014<br>Total<br>£'000 |
|---|---|---|---|
| <b>Cash Flows from Operating Activities</b>                 |   |   |   |
| (Loss)/profit before taxation                               | (5,061)   | (132)   | 300   |
| <b>Adjustments for:</b>                                     |   |   |   |
| Purchases of investments                                    | (71,221)  | (184,128)   | (293,771)   |
| Sale of investments   | 69,107  | 0   | 106,327   |
| Loss/(gain) on investments                                  | 4,084   | 77  | (1,464)   |
| Operating cash flows before movements in working capital    | (3,091)   | (184,183)   | (188,608)   |
| Decrease/(increase) in receivables                          | 13  | (6,595)   | (194)   |
| Increase in payables  | 77  | 3,031   | 1,995   |
| <b>Net cash outflow from operating activities</b>           | <b>(3,001)</b>  | <b>(187,747)</b>  | <b>(186,807)</b>  |
| <b>Cash Flows from Financing Activities</b>                 |   |   |   |
| Proceeds from issue of new shares                           | 0   | 193,329   | 193,379   |
| Issue costs relating to new shares                          | 0   | (879)   | (879)   |
| <b>Net cash inflow from financing activities</b>            | <b>0</b>  | <b>192,450</b>  | <b>192,500</b>  |
| <b>Net (Decrease)/Increase in Cash and Cash Equivalents</b> | <b>(3,001)</b>  | <b>4,703</b>  | <b>5,693</b>  |
| Cash and cash equivalents at start of the period            | 5,693   | 0   | 0   |
| <b>Cash and cash equivalents at end of the period</b>       | <b>2,692</b>  | <b>4,703</b>  | <b>5,693</b>  |

# Notes to the Financial Statements

## 1. General Information

Fundsmith Emerging Equities Trust plc is a company incorporated on 31 October 2013 in the United Kingdom under the Companies Act 2006.

### Principal Activity

The principal Activity of the Company is that of an investment company within the meaning of Section 833 of the Companies Act 2006.

The Company commenced activities on admission to the London Stock Exchange on 25 June 2014.

## 2. Significant Accounting Policies

- A Basis of preparation – the financial statements have been prepared under the historical cost convention (modified to include investments at fair value through profit or loss) on a going concern basis and in accordance with applicable International Financial Reporting Standards as adopted by the EU (IFRS) and with the Statement of Recommended Practice ‘Financial Statements of Investment Trust Companies and Venture Capital Trusts’ issued in December 2014. They have also been prepared on the assumption that approval as an investment trust will continue to be granted. The company is a UK listed company with a predominantly UK shareholder base. The results and the financial position of the company are expressed in sterling, which is the functional and presentational currency of the company. The accounting policies have been disclosed consistently and in line with Companies Act 2006.
- B Income from investments (other than capital dividends), including taxes deducted at source, is included in revenue by reference to the date on which the investment is quoted ex-dividend, or where no ex-dividend date is quoted, when the company’s right to receive payment is established. Special dividends are credited to capital or revenue, according to the circumstances. Income from underwriting commission is recognised as earned.
- C Interest receivable and payable, management fees, and other expenses are treated on an accruals basis.
- D The management fee is recognised as a revenue item in the income statement. All other expenses are charged to revenue except where they directly relate to the acquisition or disposal of an investment, in which case, they are added to the cost of the investment or deducted from the sale proceeds.
- E Investments – investments have been designated upon initial recognition as fair value through profit or loss. Investments are recognised and de-recognised at trade date where a purchase or sale is under a contract whose terms require delivery within the time frame established by the market concerned, and are initially measured at fair value. Subsequent to initial recognition, investments are valued at fair value. For listed investments, this is deemed to be bid market prices. Gains and losses arising from changes in fair value are included in net profit or loss for the year as a capital item in the income statement and are ultimately recognised in the capital reserve.
- F Transaction costs incurred on the purchase and disposal of investments are recognised as a capital item in the income statements.

# Notes to the Financial Statements

## 2. Significant Accounting Policies (continued)

- G Monetary assets and liabilities expressed in foreign currencies are translated into sterling at rates of exchange ruling at the date of the balance sheet or at the related forward contract rate. Transactions in foreign currency are converted to sterling at the rate ruling at the date of the transaction or, where forward foreign currency contracts have been taken out, at contractual rates and included as an exchange gain or loss in the capital reserve or the revenue account depending on whether the gain or loss is of a capital or revenue nature.
- H Cash at bank and in hand comprises cash and demand deposits which are readily convertible to a known amount of cash and are subject to insignificant risk of changes in value. Other debtors and creditors (excluding borrowings) do not carry any interest, are short-term in nature and are accordingly stated at nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.
- I Equity dividends payable to shareholders are recognised when the shareholders right to receive them is established.
- J Capital reserve – gains or losses on realisation of investments and changes in fair values of investments are transferred to the capital reserve. Any changes in fair values of investments that are not readily convertible to cash are treated as unrealised gains or losses within the capital reserve.
- K Taxation – the charge for taxation is based upon the revenue for the year and is allocated according to the marginal basis between revenue and capital using the Company's effective rate of corporation tax for the accounting period.
- L Deferred taxation – deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more or a right to pay less tax in future have occurred at the balance sheet date measured on an undiscounted basis and based on enacted tax rates. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying temporary differences can be deducted. Timing differences are differences arising between the company's taxable profits and its results as stated in the accounts which are capable of reversal in one or more subsequent periods. Due to the company's status as an investment trust company, and the intention to continue meeting the conditions required to obtain approval in the foreseeable future, the company has not provided deferred tax on any capital gains and losses arising on the revaluation or disposal of investments.
- M Issue costs – These have been offset against the proceeds of share issues and dealt with in the share premium account.

### 3. Losses/gains on Investments

|  | (Unaudited)<br>Six months<br>ended<br>30 June<br>2015<br>£'000 | (Unaudited)<br>Six months<br>ended<br>30 June<br>2014<br>£'000 | (Audited)<br>Period<br>ended<br>31 December<br>2014<br>£'000 |
|--|--|--|--|
| Net (losses)/gains realised on sale of investments | (3,621)  | 7  | 120  |
| Movement in investment holding gains               | (463)  | (84)   | 1,344  |
|  | <b>(4,084)</b>   | <b>(77)</b>  | <b>1,464</b>   |

### 4. Income

|                    | (Unaudited)<br>Six months<br>ended<br>30 June<br>2015<br>£'000 | (Unaudited)<br>Six months<br>ended<br>30 June<br>2014<br>£'000 | (Audited)<br>Period<br>ended<br>31 December<br>2014<br>£'000 |
|--------------------|--|--|--|
| UK dividends       | 122  | 4  | 213  |
| Overseas dividends | 1,194  | 0  | 838  |
|                    | <b>1,316</b>   | <b>4</b>   | <b>1,051</b>   |

# Glossary of Terms

## **Alternative Investment Fund Managers Directive (AIFMD)**

Agreed by the European Parliament and the Council of the European Union and transposed into UK legislation, the AIFMD classifies certain investment vehicles, including investment companies, as Alternative Investment Funds (“AIFs”) and requires them to appoint an Alternative Investment Fund Manager (“AIFMD”) and depositary to manage and oversee the operations of the investment vehicle. The Board of the Company retains responsibility for strategy, operations and compliance and the Directors retain a fiduciary duty to shareholders.

## **Developing Economy**

Any country other than those listed in the MSCI World Index (the countries listed in the MSCI World Index as at the date of this Half-Year Report being Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the UK and the US).

## **Discount or Premium**

A description of the difference between the share price and the net asset value per share. The size of the discount or premium is calculated by subtracting the share price from the net asset value per share and is usually expressed as a percentage (%) of the net asset value per share. If the share price is higher than the net asset value per share the result is a premium. If the share price is lower than the net asset value per share, the shares are trading at a discount.

## **Gearing**

In simple terms gearing is borrowing. An investment trust can borrow money to invest in additional investments for its portfolio. The effect of the borrowing on the shareholders’ assets is called ‘gearing’. If the Company’s assets grow shareholders’ assets grow proportionately more because the debt remains the same. But if the value of the Company’s assets falls, the situation is reversed. Gearing can therefore enhance performance in rising markets but can adversely impact performance in falling markets.

Gearing represents borrowings at par less cash and cash equivalents expressed as a percentage of shareholders’ funds.

Potential gearing is the company’s borrowings expressed as a percentage of shareholders’ funds.

## **Leverage**

The AIFM Directive (the “Directive”) has introduced the obligation on the Company and its AIFM in relation to leverage as defined by the Directive. The Directive leverage definition is slightly different to the Association of Investment Companies method of calculating gearing and is as follows; any method by which the AIFM increases the exposure of an AIF it manages whether through borrowing of cash or securities, or leverage embedded in derivative positions.

There are two methods for calculating leverage under the Directive – the Gross Method and the Commitment Method. The process for calculating exposure under each methodology is largely the same, except where certain conditions are met, the Commitment Method enables instruments to be netted off to reflect ‘netting’ or ‘hedging’ arrangements and entity exposure is effectively reduced.

The Board has set the leverage limit for both the Gross basis and the Commitment basis at 115%. These limits are monitored by both the Board and the AIFM.

**Net Asset Value (NAV)**

The value of the Company's assets, principally investments made in other companies and cash being held, minus any liabilities. The NAV is also described as 'shareholders' funds'. The NAV is often expressed in pence per share after being divided by the number of shares which have been issued. The NAV per share is unlikely to be the same as the share price which is the price at which the Company's shares can be bought or sold by an investor. The share price is determined by the relationship between the demand and supply of the shares.

**Neutral Free Cash Flow**

An entity has neutral free cash flow if its expenses equal its income.

**Price Earnings Ratio (PE Ratio)**

A Company's share price divided by the amount of profit it makes for each share in a 12-month period.

# How to Invest

## Investment Platforms

The Company's shares are traded openly on the London Stock Exchange and can be purchased through a stock broker or other financial intermediary. The shares are available through savings plans (including Investment Dealing Accounts, ISAs, Junior ISAs and SIPPs) which facilitate both regular monthly investments and lump sum investments in the Company's shares. There are a number of investment platforms that offer these facilities. A list of some of them, that is not comprehensive nor constitutes any form of recommendation, can be found below:

|                        |   |
|------------------------|---|
| AJ Bell Youinvest      | <a href="http://www.youinvest.co.uk/">http://www.youinvest.co.uk/</a>   |
| Alliance Trust Savings | <a href="http://www.alliancetrustsavings.co.uk/">http://www.alliancetrustsavings.co.uk/</a>   |
| Barclays Stockbrokers  | <a href="https://www.barclaysstockbrokers.co.uk/Pages/index.aspx">https://www.barclaysstockbrokers.co.uk/Pages/index.aspx</a>   |
| Charles Stanley Direct | <a href="https://www.charles-stanley-direct.co.uk/">https://www.charles-stanley-direct.co.uk/</a>   |
| Club Finance           | <a href="http://www.clubfinance.co.uk/">http://www.clubfinance.co.uk/</a>   |
| Fast Trade             | <a href="http://www.fastrade.co.uk/wps/portal">http://www.fastrade.co.uk/wps/portal</a>   |
| FundsDirect            | <a href="http://www.fundsdirect.co.uk/Default.asp?">http://www.fundsdirect.co.uk/Default.asp?</a>   |
| Halifax Share Dealing  | <a href="http://www.halifax.co.uk/Sharedealing/">http://www.halifax.co.uk/Sharedealing/</a>   |
| Hargreaves Lansdown    | <a href="http://www.hl.co.uk/">http://www.hl.co.uk/</a>   |
| HSBC                   | <a href="https://investments.hsbc.co.uk/">https://investments.hsbc.co.uk/</a>   |
| iDealing               | <a href="http://www.idealing.com/">http://www.idealing.com/</a>   |
| IG Index               | <a href="http://www.igindex.co.uk/">http://www.igindex.co.uk/</a>   |
| Interactive Investor   | <a href="http://www.iii.co.uk/">http://www.iii.co.uk/</a>   |
| IWEB                   | <a href="http://www.iweb-sharedealing.co.uk/share-dealing-home.asp">http://www.iweb-sharedealing.co.uk/share-dealing-home.asp</a>   |
| James Brearley         | <a href="http://www.jbrearley.co.uk/Marketing/index.aspx">http://www.jbrearley.co.uk/Marketing/index.aspx</a>   |
| Natwest Stockbrokers   | <a href="http://www.natweststockbrokers.com/nw/products-and-services/share-dealing.ashx">http://www.natweststockbrokers.com/nw/products-and-services/share-dealing.ashx</a> |
| Saga Share Direct      | <a href="https://www.sagasharedirect.co.uk/">https://www.sagasharedirect.co.uk/</a>   |
| Selftrade              | <a href="http://www.selftrade.co.uk/">http://www.selftrade.co.uk/</a>   |
| The Share Centre       | <a href="https://www.share.com/">https://www.share.com/</a>   |
| Saxo Capital Markets   | <a href="http://uk.saxomarkets.com/">http://uk.saxomarkets.com/</a>   |
| TD Direct Investing    | <a href="http://www.tddirectinvesting.co.uk/">http://www.tddirectinvesting.co.uk/</a>   |

## Capita Asset Services – Share Dealing Service

A quick and easy share dealing service is available to existing shareholders through the Company's Registrar, Capita Asset Services, to either buy or sell shares. An online and telephone dealing facility provides an easy to access and simple to use service.

There is no need to pre-register and there are no complicated forms to fill in. The online and telephone dealing service allows you to trade 'real time' at a known price which will be given to you at the time you give your instruction.

To deal online or by telephone all you need is your surname, shareholder reference number, full postcode and your date of birth. Your shareholder reference number can be found on your latest statement or certificate where it will appear as either a 'folio number' or 'investor code'. Please have the appropriate documents to hand when you log on or call, as this information will be needed before you can buy or sell

shares. The Maximum deal size for online trades is £25,000. Deals in excess of this amount can be transacted by telephone. Charges will be confirmed at the time of dealing.

For further information on this service please contact: [www.capitadeal.com](http://www.capitadeal.com) (online dealing) or +44(0)371 664 0445 (Telephone dealing).

Calls are charged at the standard geographic rate and will vary by provider. Calls outside the UK will be charged at the applicable international rate. Lines are open from 8.00 a.m. to 4.30 p.m. Monday to Friday.

## Risk Warnings

- Past performance is no guarantee of future performance.
- The value of your investment and any income from it may go down as well as up and you may not get back the amount invested. This is because the share price is determined, in part, by the changing conditions in the relevant stockmarkets in which the Company invests and by the supply and demand for the Company's shares.
- As the shares in an investment trust are traded on a stockmarket, the share price will fluctuate in accordance with supply and demand and may not reflect the underlying net asset value of the shares; where the share price is less than the underlying value of the assets, the difference is known as the 'discount'. For these reasons, investors may not get back the original amount invested.
- Although the Company's financial statements are denominated in sterling, all of the holdings in the portfolio are currently denominated in currencies other than sterling and therefore they may be affected by movements in exchange rates. As a result, the value of your investment may rise or fall with movements in exchange rates.
- Investors should note that tax rates and reliefs may change at any time in the future.
- The value of ISA and Junior ISA tax advantages will depend on personal circumstances. The favourable tax treatment of ISAs and Junior ISAs may not be maintained.



# Company Information

## Directors

Martin Bralsford (Chairman)  
David Potter (Chairman of the Management Engagement Committee)  
John Spencer (Chairman of the Audit Committee)

## Company Registration Number

08756681 (Registered in England)  
The Company is an investment company as defined under Section 833 of the Companies Act 2006.  
The Company was incorporated in England on 31 October 2013 as FEET plc.

## Website

[www.feetplc.co.uk](http://www.feetplc.co.uk)

## Registered Office

33 Cavendish Square,  
London W1G 0PW

## Investment Manager and AIFM

Fundsmith LLP  
52-54 Gracechurch Street,  
London EC3V 0EH  
Website: [www.fundsmith.co.uk](http://www.fundsmith.co.uk)

Authorised and regulated by the Financial Conduct Authority

## Company Secretary

Frostrow Capital LLP  
25 Southampton Buildings,  
London WC2A 1AL  
Telephone: 0203 008 4910  
E-Mail: [info@frostrow.com](mailto:info@frostrow.com)  
Website: [www.frostrow.com](http://www.frostrow.com)

Authorised and regulated by the Financial Conduct Authority.

## Administrator

State Street Bank and Trust Company  
20 Churchill Place  
Canary Wharf  
London E14 5HJ

## Depository

State Street Trustees Limited  
20 Churchill Place  
Canary Wharf  
London E14 5HJ

## Custodian and Banker

State Street Bank and Trust Company  
20 Churchill Place  
Canary Wharf  
London E14 5HJ

## Independent Auditor

Deloitte LLP  
2 New Street Square,  
London EC4A 3BZ

## Stockbrokers

Investec Bank plc  
2 Gresham Street,  
London EC2V 7QP

## Registrars

Capita Asset Services  
The Registry,  
34 Beckenham Road, Beckenham,  
Kent BR3 4TU  
Telephone (in UK): 0871 664 0300†  
Telephone (from overseas): +44 208 639 3399  
Facsimile: +44 (0) 1484 600911  
E-Mail: [shareholderenquiries@capita.co.uk](mailto:shareholderenquiries@capita.co.uk)  
Website: [www.capitaassetservices.com](http://www.capitaassetservices.com)

Please contact the Registrars if you have a query about a certificated holding in the Company's shares.

† Calls cost 10p per minute plus network extras and may be recorded for training purposes. Lines are open from 8.30 a.m.-5.30 p.m. Monday-Friday.

The Company's net asset value per share is announced daily on the TrustNet website at [www.trustnet.com](http://www.trustnet.com)

## Solicitors

Travers Smith  
10 Snow Hill  
London EC1A 2AL

## Identification Codes

|         |           |   |              |
|---------|-----------|---|--------------|
| Shares: | SEDOL     | : | BLSNND1      |
|         | ISIN      | : | GB00BLSNND18 |
|         | BLOOMBERG | : | FEET LN      |
|         | EPIC      | : | FEET         |

## Foreign Account Tax Companies Act ("FATCA")

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