

## Corporate Objective

to deliver long-term capital growth, while preserving shareholders' capital;

to invest without the constraints of a formal benchmark, but to deliver for shareholders increases in capital value in excess of the relevant indices over time.

## Investment Policy

to invest in a widely diversified, international portfolio across a range of asset classes, both quoted and unquoted;

to allocate part of the portfolio to exceptional managers in order to ensure access to the best external talent available.

## Financial summary

The net asset value per share (NAV) at 31 May 2014 was 1,384 pence, equating to an NAV total return of 1.1% since the start of the year. Our share price total return for the year to date was 4.9%, with our month-end discount being 5.5%, much improved from 9.0% at the year-end. NAV total return for the month of May was 2.6%, driven by strong performance by both our internally managed stock book and our external quoted equity fund managers. We have also seen improved valuations coming through from our unquoted fund investments.

| Performance                          | YTD  | 1 year | 3 years | 5 years | 10 years |
|--------------------------------------|------|--------|---------|---------|----------|
| NAV per share total return           | 1.1% | 4.5%   | 16.5%   | 58.8%   | 153.5%   |
| Share price total return             | 4.9% | 8.5%   | 6.7%    | 52.5%   | 149.9%   |
| MSCI All Country World Index (50% £) | 3.4% | 10.9%  | 31.4%   | 85.6%   | 109.5%   |
| RPI plus 3.0%                        | 2.1% | 5.3%   | 18.8%   | 39.3%   | 84.3%    |

## Key Details as at 31 May 2014

|                            |                  |
|----------------------------|------------------|
| Net assets                 | £2,146m          |
| NAV per share (diluted)    | 1,384p           |
| Share price                | 1,308p           |
| Discount                   | -5.5%            |
| Ongoing Charges % *        | 0.83%            |
| Gearing                    | 15.3%            |
| Shares in issue            | 155,351,431      |
| Financial year-end         | 31 December 2014 |
| Last dividend payment date | 29 April 2014    |
| Last dividend paid         | 14.7p per share  |

\* As at 31 December 2013

## Currency Exposure

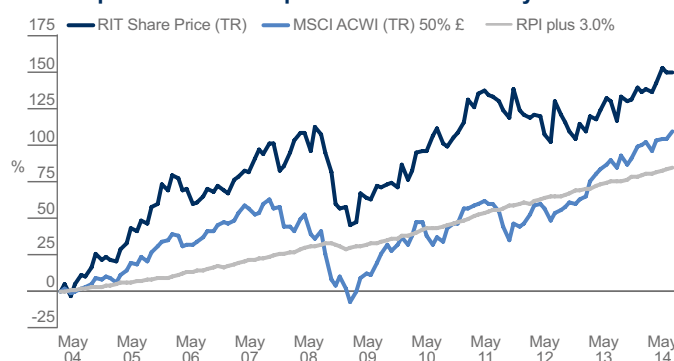
(% of NAV)

|                  |     |
|------------------|-----|
| US Dollar        | 47% |
| British Pound    | 51% |
| Mexican Peso     | 2%  |
| Indian Rupee     | 3%  |
| Swiss Franc      | 1%  |
| South Korean Won | 1%  |
| Norwegian Krone  | 1%  |
| Brazilian Real   | -1% |
| Euro             | -7% |
| Other            | 2%  |

## NAV per share total return performance over ten years

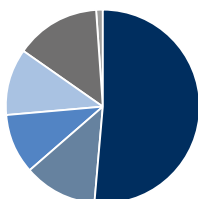


## Share price total return performance over ten years



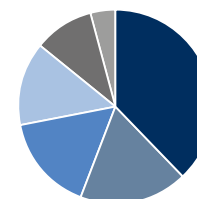
## Asset Allocation (% of NAV)

|   |      |
|---|------|
| Quoted Equities - Long-only Equities      | 51%  |
| Quoted Equities - Hedge Equities          | 15%  |
| Private Investments - Direct              | 13%  |
| Private Investments - Funds               | 14%  |
| Absolute Return & Credit                  | 17%  |
| Real Assets                               | 4%   |
| Net Liquidity / Borrowings / Other Assets | -14% |



## Geographical Exposure (% of NAV)\*

|                                  |      |
|----------------------------------|------|
| North America                    | 40%  |
| United Kingdom                   | 19%  |
| Global                           | 18%  |
| Emerging markets                 | 16%  |
| Europe                           | 11%  |
| Japan                            | 6%   |
| Liquidity, Borrowings & Currency | -10% |



\*The above table excludes the notional exposure through derivatives, including for example, those relating to Japanese futures which adds 2.0% and US futures which adds 2.5% to the above exposure.