To: RNS

From: European Assets Trust NV

Date: 5 January 2017

Dividend announcement

- Sterling net asset value total return of 7.4 per cent over the year
- Total dividends declared for 2017 will be Euro 0.7884 per share (2016: Euro 0.912)
- Continued policy of 6 per cent yield on year end net asset value per share for annual distribution to shareholders.

The net asset value per share decreased over the year which resulted in a decrease in total dividends for the Company for 2017 to Euro 0.7884 per share (2016: Euro 0.912 per share, net of withholding tax).

The Board is pleased to confirm that the Company's stated distribution policy will be continued such that the annual dividend will be equivalent to 6 per cent of the net asset value per share at the end of the preceding year.

The 2017 dividends will be paid in three equal instalments of Euro 0.2628 per share on 31 January, 31 May and 31 August 2017.

Dividends are declared in Euros and paid in Sterling (registered shares) or in Euros (bearer shares). The Euro to Sterling exchange rate that will be applied will be selected for a date as close as practicably possible to each of the three payment dates. For illustrative purposes only, applying the exchange rate as at 31 December 2016 would result in the payment of total 2017 dividends of £0.673 per share (2016: actual payment of £0.731 per share, net of withholding tax).

The January dividend payment of Euro 0.2628 will be paid to shareholders on the register on 13 January 2017, having an ex-dividend date of 12 January 2017.

Scrip dividend option

Shareholders may elect to receive dividends by way of further shares in the Company rather than cash. Where shareholders so elect, they will receive shares based on the net asset value of the Company; the shares may trade in the market at a discount or premium to net asset value. Subject to personal circumstances, UK resident individual shareholders who receive a scrip dividend should not be liable to UK income tax. Instead, UK capital gains tax rules should apply.

Investment Performance and Review

The Company's net asset value total return (capital performance with dividends reinvested) per share was 7.4 per cent in Sterling (-7.3 per cent in Euros) for the year to 31 December 2016 (unaudited). This compares with the benchmark, the Euromoney Smaller European Companies (ex UK) Index, which produced a total return of 23.3 per cent in Sterling (6.4 per cent in Euros).

2016 was very challenging for our portfolio in what was a tumultuous year for investors with the surprise outcomes of the UK referendum and the US election dominating. 2017 promises further uncertainty with elections in Netherlands, France and Germany in addition to the ramifications of the results of the referendums in Italy and the UK. It is perhaps surprising, given this environment that our benchmark made good progress this year. The reason for this lies in the reasonable economic performance of the region and the first signs of profit recovery. It is the progress of this recovery that is likely to be the biggest determinant of returns for equity investors.

While stock picking let us down this year, and will always be the biggest determinant of our returns, the disappointing performance on this front was exacerbated by perhaps the most significant event of the year for European investors; Britain's decision to leave the European Union. While we will expand on this point in the annual report, our exposure to the UK economy through our Irish holdings has been particularly painful since June. We do however believe that the underlying business models of these holdings remain attractive and we still expect good returns from these businesses over the long term.

Despite the disappointing performance this year we believe that our philosophy of investing in good companies, run by proven management teams, at attractive prices will deliver over the longer term. Indeed, despite this year's relative returns, the performance since this strategy was put in place is still well above the benchmark.

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