



BARING EMERGING EUROPE PLC

DECEMBER 2011

SUMMARY FUND OBJECTIVE

The investment objective of the Trust is to achieve long-term capital growth, principally through investment in Emerging European securities. (Please refer to the Prospectus for the full investment objective and policy.)

MANAGER'S COMMENTS

Performance Summary

The last month of the year saw a generally weak environment in stock markets as growth worries persisted. Against this backdrop, the Russian stock market underperformed emerging peers as Russian citizens took their anger about alleged vote manipulation in the Duma elections to the streets. The recent volatility in the foreign exchange markets was amplified in the case of the Hungarian Forint when the parliament effectively abolished what was left of the Central Bank's political independence. This prompted the International Monetary Fund to break off talks about financial support, and pushed the Forint to multi-year lows.

Strategy / Portfolio Positioning

The Fund's Russian holdings form an integral part of the portfolio, as we believe the combination of resilient domestic growth and attractive share price valuations will prove a winning formula going forward. The Turkish market continued to decline in December as the Central Bank remained focused on supporting the Turkish Lira which caused short term interest rates to rise, in turn, this has led to further weakness in the banking sector.

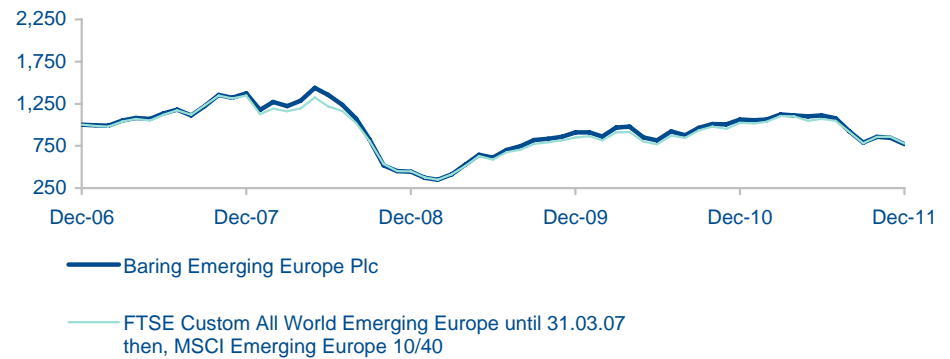
Market Outlook

While the ongoing protests in Russia have increased the perceived risk associated with the Russian market, they have also ended the stifling era of political stagnation. We welcome political evolution, and note that more transparency could be of enormous benefit to minority shareholders. At the end of a generally disappointing year for Emerging European equities, we believe the growth potential for the largest part of the Fund's investment region remains intact while, importantly, the banking sector remains sound, well capitalised and liquid. This, together with the fact that Emerging Europe remains one of the most attractively valued regions in the world, should provide a supportive backdrop for investment performance from here.

FUND INFORMATION ¹

Fund Manager	Matthias Siller
Fund Type	Closed-Ended Investment Trust Company
Total Fund size (Mn)	£221.9
Launch Date	Jan 1994
NAV price ⁴	£6.8
Mid-Price	£6.3
Discount to NAV	7.07%
Listing	London SE
Min Investment	N/A
Min Subsequent Inv	N/A
Management Charges	0.8%
Performance Fee ³	10% of the amount by which the change in the company's NAV exceeds change in benchmark.
Year end	30th September
ISIN	GB0032273343
Bloomberg Code	BEE LN
Lipper ID	71000959
Benchmark Index ²	MSCI Emerging Europe 10/40

HISTORIC PERFORMANCE ² (CASH VALUE OF £1000)



Past performance is no indication of current or future performance. The performance data does not take account of the commissions and costs incurred on the issue and redemption of units. The chart shown above should be viewed in conjunction with the rolling 12 month performance table below.

CALENDAR YEAR PERFORMANCE (£) ²

% Change	Fund	Index
2011	-30.7	-23.9
2010	+18.0	+21.7
2009	+82.8	+69.2
2008	-55.4	-54.1
2007	+35.1	+32.5

ROLLING 12 MONTH PERFORMANCE (£) ²

% Change	Fund
31 December 2010 - 31 December 2011	-30.7
31 December 2009 - 31 December 2010	+18.0
31 December 2008 - 31 December 2009	+82.8
31 December 2007 - 31 December 2008	-55.4
31 December 2006 - 31 December 2007	+35.1

PERFORMANCE (£) ²

% Change	Fund	Index
1 month	-8.7	-9.1
3 months	-2.4	-0.3
YTD	-30.7	-23.9
1 year	-30.7	-23.9

ANNUALISED PERFORMANCE (£) ²

% Change	Fund	Index
3 years annualised	+14.3	+16.2
5 years annualised	-2.1	-1.0
10 years annualised	+15.5	+15.2
SI annualised	+15.2	+6.9

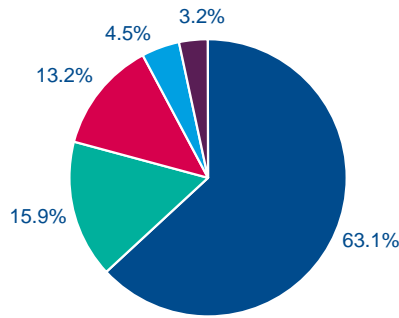


Ratings are subject to change.

Index return source: MSCI

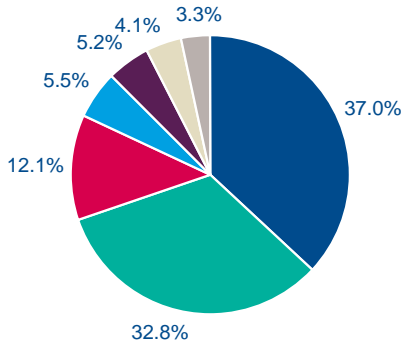
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COUNTRY BREAKDOWN ¹



- Russia = 63.1%
- Turkey = 15.9%
- Poland = 13.2%
- Others* = 4.5%
- United Kingdom = 3.2%

SECTOR BREAKDOWN ¹



- Energy = 37.0%
- Financials = 32.8%
- Materials = 12.1%
- Others* = 5.5%
- Industrials = 5.2%
- Consumer Discretionary = 4.1%
- Consumer Staples = 3.3%

*Including a cash weight of 1.0%

TOP 10 HOLDINGS ¹

	(%)
Sberbank of Russia OJSC	11.2
Gazprom	9.1
Rosneft OJSC	8.9
Lukoil	8.7
Turkiye Garanti Bankasi	4.2
NovaTek OAO	4.0
VTB Bank	3.8
Powszechna Kasa Polski	3.4
Eurocash S.A.	3.0
Turkiye Halk Bankasi	2.9

NOTES

¹ Unless otherwise stated, all fund portfolio figures within this factsheet are as at the end of the month shown at the top of page one.
Source: Barings/Northern Trust.

² Performance figures are shown in sterling on a NAV per share basis. Please note that the use of an index is for comparative purposes only.
Baring Emerging Europe Plc (BEEP) was launched on 17/12/2002. The past performance figures are that of Baring Emerging Europe Trust (BEET), undiluted NAV, up to 16/12/2002. From this point onwards the track record reflects the performance of BEEP. In effect the performance is an aggregate of the two funds. Source: Barings

³ Performance Fee - 10% of the amount by which the change in the company's net asset value exceeds the change in the benchmark. The performance fee payable in respect of any performance period will be capped at 0.6% of the NAV of the company on the first day of the relevant performance period. ** Current benchmark effective from 1st April 2007. Prior to this date the fund was shown against a customised FTSE benchmark with Turkey restricted to 30% of market capitalisation.

⁴ The NAV price is a single price for dealing which is a mid-price. For purchases, an initial charge is added to the NAV price.

Baring Emerging Europe Plc (BEEP) was launched on 17/12/2002. BEEP was launched in connection with the scheme of reconstruction of the Baring Emerging Europe Trust (BEET). Baring Asset Management Limited (Authorised and regulated by the Financial Services Authority) is the investment manager of BEEP and was the investment manager of BEET for the entire period of past performance stated. BEEP was launched with the same Investment Objective as BEET. Under the terms of the reconstruction of BEET, the initial portfolio composition of BEEP initially replicated that of BEET. BEEP is now denominated in Sterling, whereas BEET was denominated in US\$.

IMPORTANT INFORMATION

The fund is managed by Baring International Fund Managers (Ireland) Limited. This document is approved and issued by Baring Asset Management Limited, authorised and regulated by the Financial Services Authority and in jurisdictions other than the UK it is provided by the appropriate Baring Asset Management company/affiliate whose name(s) and contact details are specified herein. This is not an offer to sell or an invitation to apply for any product or service of Baring Asset Management and is by way of information only. Before investing in any product, we recommend that recipients who are not professional investors contact their financial adviser.

All relevant documents relating to the product, such as Report and Accounts and Prospectus should be read. The information in this document does not constitute investment, tax, legal or other advice or recommendation or, an offer to sell or an invitation to apply for any product or service of Baring Asset Management.

Investment involves risk. The value of any investments and any income generated may go down as well as up and is not guaranteed. **Past performance is not a guide to future performance.** Where yields have been quoted they are not guaranteed. Changes in rates of exchange may have an adverse effect on the value, price or income of an investment. There are additional risks associated with investments (made directly or through investment vehicles which invest) in emerging or developing markets. Investments in higher yielding bonds issued by borrowers with lower credit ratings may result in a greater risk of default and have a negative impact on income and capital value. Income payments may constitute a return of capital in whole or in part. Income may be achieved by foregoing future capital growth. We reasonably believe that the information contained herein from 3rd party sources, as quoted, is accurate as at the date of publication. The information and any opinions expressed herein may change at any time. This document may include internal portfolio construction guidelines.

As guidelines the fund is not required to and may not always be within these limits. These guidelines are subject to change without prior notice and are provided for information purposes only.

This document may include forward looking statements which are based on our current opinions, expectations and projections. We undertake no obligation to update or revise any forward looking statements. Actual results could differ materially from those anticipated in the forward looking statements.

Compensation arrangements under the Financial Services and Markets Act 2000 of the United Kingdom will not be available in respect of any offshore fund. Shares in the Fund are not available in any jurisdiction in which the offer or sale would be prohibited; in particular the Fund may not be sold directly or indirectly in the US or to a US person. Subscriptions will only be received and shares issued on the basis of the current prospectus.

Version 07/SD

GLOSSARY OF INVESTMENT TERMS

We produce a glossary to assist you in case you find any of the investment terms we've used in this factsheet unfamiliar. This is available from our website www.baring.com/uk/individualinvestors or free on request by calling +44 (0) 845 082 2479.



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