

Interim Management Statement (Unaudited)

Over the quarter to 31 December 2009 the Company's net asset value per Ordinary share, excluding revenue for the period, increased by 1.9%, compared with an increase of 0.2% in the Company's benchmark, the FTSE World Index – Europe (ex UK) in sterling terms. The net asset value per Ordinary share, including revenue, increased by 2.2%.

Market Background

European equity markets delivered modest gains during the final quarter of 2009, consolidating their strong performance of the previous two quarters. Corporate earnings surprised positively in the main, although some doubts persisted as to whether this progress can continue at the same rate into 2010, particularly as the scope for further corporate cost-cutting diminishes and earnings growth becomes increasingly reliant on improving underlying demand. The positive market sentiment was tested briefly in November by worries over banks' exposure to Dubai's financial problems. Despite increasing concerns over the finances of some eurozone nations, notably Greece, European equities ended the year on a high, as investors took comfort from fresh signs that the recovery among the continent's major economies is gaining traction.

Economic Background

With France and Germany having emerged from recession during the second quarter, November brought confirmation that the eurozone had returned to growth during the third quarter. The improving global economic backdrop was reflected in the 16-nation region's Gross Domestic Product numbers; data showed that third-quarter exports rose by 2.9%, compared with three months earlier. Rising demand for exports has been a particular driver of Germany's economic recovery. With the eurozone's largest economies benefiting from a steady but restrained recovery, the European Central Bank took an important step towards withdrawing some of the unprecedented stimulus measures which had been introduced when the banking crisis threatened to engulf the region's economy.

Investment Strategy

With markets continuing their upward trajectory towards the year end, we found the case for investing in cyclical stocks to be very strong. However, we also considered that there was merit in investing in defensive stocks due to their compelling valuations and attractive dividend yields. We therefore neutralised our marginal cyclical bias held at 30 September 2009 and moved to a broadly equal balance between cyclical and defensive stocks.

Notable new purchases over the three-month period include life insurer Axa and utility provider Veolia Environnement. The opportunity to invest in Axa was taken after its rights issue, which we considered to be a good entry point, as the funds raised go some way towards repairing the company's balance sheet. We took a position in waste management specialist Veolia Environnement following a positive meeting with the company's management. After a long cycle of earnings downgrades, we anticipate a change in the direction of the stock's performance. The company has also appointed a new chief executive officer, adding to its attraction. Elsewhere in the portfolio, having participated in Enel's rights issue earlier in the year, we have slowly reduced our position and disposed of the remaining holding in December. We also sold our relatively small holding in car manufacturer BMW, but retain our favoured positions in Daimler, Renault and Volkswagen.

Investment Outlook

The recent macro developments prompted our decision to neutralise the portfolio. Despite a decent January US ISM (Institute for Supply Management) Manufacturing Survey – a leading indicator of economic turnarounds, we expect the market to present more challenges now than it has over the past six months. We continue to find good value in selected defensive and cyclical stocks but do not subscribe to the possibility of a V-shaped recovery, particularly where job creation is lacking. The portfolio's positioning reflects our cautious outlook over the coming months, in spite of the very compelling valuation of European equities.

Performance

	At 31 December					
	<u>2009</u>	<u>3 months</u>	<u>1 year</u>	<u>3 years</u>	<u>5 years</u>	<u>10 years</u>
Net Asset Value per Ordinary share *	670.5p	2.2%	15.0%	12.8%	72.0%	46.6%
Benchmark **	373.7	0.2%	15.4%	-4.9%	33.9%	4.8%
Mid-market Price per Ordinary share	642.0p	4.7%	16.7%	11.8%	89.1%	34.6%
Gearing	106%					

Source: Thomson Reuters Datastream/Gartmore

*Inclusive of current year revenue. Please note that comparative Net Asset Values used for periods of more than three years exclude undistributed revenue. **FTSE World Europe ex UK Index in sterling terms (capital only).

Gartmore European Investment Trust p.l.c. *continued*

Ten Largest Investments at 31 December 2009	Market Value £'000	% of Gross Assets	Sector Breakdown at 31 December 2009	% of Portfolio
Telefónica	7,289	3.9	Financials	26.7
Nestlé	7,122	3.8	Consumer Goods	18.4
Total	5,727	3.0	Industrials	13.4
Roche	5,479	2.9	Basic Materials	8.5
Banco Santander	5,404	2.9	Telecommunications	7.5
ArcelorMittal	4,950	2.6	Health Care	7.5
Société Générale	4,690	2.5	Oil & Gas	6.8
E.ON	4,584	2.4	Utilities	6.2
Novartis	4,474	2.4	Consumer Services	2.8
Bayer	4,307	2.3	Technology	2.2

At 31 December 2009, the Company's portfolio comprised 84 equity investments.

Financial Position (including undistributed revenue)	(Unaudited)	(Audited)
	As at 31 December 2009 £m	As at 30 September 2009 £m
Investments	186.4	185.7
Cash and other net current assets	1.7	2.5
Bank loan	(10.7)	(11.4)
Net Assets attributable to Ordinary shares	177.4	176.8
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Material Events and Transactions

Over the three-month period to 31 December 2009, the Company repurchased 441,018 Ordinary shares, to be held in treasury, at a cost of £2,719,000, and cancelled 500,000 treasury shares. Since 31 December 2009, the Company has purchased a further 170,569 shares, to be held in treasury and has cancelled 500,000 treasury shares.

An interim dividend, in lieu of a final dividend, of 14.0 pence per Ordinary share in respect of the year ended 30 September 2009 was paid on 29 January 2010 to shareholders on the register on 8 January 2010.

Further Price and Performance Information

The Company's Ordinary shares are listed on the London Stock Exchange and the closing mid-market price of these shares is published in the Financial Times under 'Investment Companies'. Real-time share price information is available on 09058 171 690. Calls are charged at 75p per minute from a BT landline. The Company's Net Asset Value is calculated daily and can be viewed on the London Stock Exchange website at <http://www.londonstockexchange.com> and via a link from the Company's web site at <http://www.gartmore.co.uk>.

Further information can be obtained from Gartmore as follows:

Investor helpline: 0800 289 336 (Calls are free from a BT landline)

Internet address: <http://www.gartmore.co.uk>

Email address: helpline@gartmore.com

For latest performance information, please refer to the Gartmore website, www.gartmore.co.uk. The Company's discrete area on the site can be accessed via the "Fund range" menu or directly using www.gartmoreeuropeaninvtrust.co.uk or www.gartmoreeuropeaninvtrust.com

Gartmore Investment Limited
Company Secretary
10 February 2010