

# Portfolio Update

The information contained in this release was correct as at **31 January 2026**. Information on the Company's up to date net asset values can be found on the London Stock Exchange website at:

<http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.

## **BLACKROCK GREATER EUROPE INVESTMENT TRUST PLC (LEI - 5493003R8FJ6I76ZUW55)**

All information is at **31 January 2026** and unaudited.

### **Performance at month end with net income reinvested**

	One Month	Three Months	One Year	Three Years	Launch (20 Sep 04)
Net asset value (undiluted)	0.9%	-1.2%	-2.8%	19.0%	779.4%
Share price	0.9%	-1.2%	-1.3%	19.8%	744.8%
FTSE World Europe ex UK	2.6%	6.0%	21.3%	46.6%	596.9%

**Sources: BlackRock and Datastream**

### **At month end**

Net asset value (capital only):	616.62p
Net asset value (including income):	618.47p
Share price:	586.00p
Discount to NAV (including income):	5.3%
Net gearing:	2.3%
Net yield <sup>1</sup> :	1.2%
Total assets (including income):	£573.1m
Ordinary shares in issue <sup>2</sup> :	92,661,158
Ongoing charges <sup>3</sup> :	0.95%

1 Based on a an interim dividend of 1.75p per share and a final dividend of 5.40p per share for the year ended 31 August 2025.

2 Excluding 25,267,780 shares held in treasury.

3 The Company's ongoing charges are calculated as a percentage of average daily net assets and using the management fee and all other operating expenses excluding finance costs, direct transaction costs, custody transaction charges, VAT recovered, taxation, write back of prior year expenses and certain non-recurring items for the year ended 31 August 2025.

<b>Sector Analysis</b>	<b>Total Assets (%)</b>	<b>Country Analysis</b>	<b>Total Assets (%)</b>
Industrials	40.9	France	22.5
Financials	18.9	Netherlands	18.9
Technology	17.6	Switzerland	14.8
Consumer Discretionary	13.8	Germany	6.9
Health Care	7.7	Ireland	6.2
Basic Materials	3.0	Spain	5.8
Utilities	0.4	Belgium	3.9
Net Current Liabilities	-2.3	Finland	3.7

-----	Sweden	3.1
100.0	Denmark	3.1
=====	United States	3.0
	United Kingdom	2.9
	Italy	2.6
	Norway	2.6
	Austria	2.3
	Net Current Liabilities	-2.3
		-----
		100.0
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#### Top 10 holdings

	<u>Country</u>	<u>Fund %</u>
Safran	France	6.9
ASML	Netherlands	6.2
Compagnie Financiere Richemont	Switzerland	4.5
Schneider Electric	France	4.4
Belimo	Switzerland	4.4
KBC Groep	Belgium	3.8
Allied Irish Banks (AIB)	Ireland	3.8
Lonza Group	Switzerland	3.8
BE Semiconductor	Netherlands	3.8
Kone	Finland	3.6

#### **Commenting on the markets, Stefan Gries and Brian Hall, representing the Investment Manager noted:**

During the month, the Company's NAV rose +0.9% and the share price rose +0.9%. For reference, the Europe ex UK market returned +2.6% during the period.

Momentum trades continued in January, with many of last year's outperformers contributing to market gains while familiar themes, such as AI disruption, wreaked further havoc on areas such as software, payments and information services businesses. We had trimmed the portfolio's exposure to this headwind in Q4'25 and have continued to decrease what we see as risk skewed to the downside, favouring to build on the portfolio's overweights to areas where earnings upside is increasingly well underpinned, such as the semiconductor cycle that continues to see evidence of strengthening.

The macro backdrop has also been supportive with Q4'25 global growth surprising to the upside. Strength in US GDP, +4.4% in 2025, has been important for confidence after concerns around tariffs and the consumer. The labour market there continues to plod along with no signs of anything particularly sinister. While hiring hasn't been overly strong, there has not been an increase in firings on the other side as seen by the NFP (nonfarm payroll) and initial jobless claims respectively. In Europe, Germany, Spain and France have all surprised to the upside in Q4'25. We are seeing more factory orders, higher business confidence, and consumer confidence improving. However, geopolitics remain a wild card that is likely to keep volatility elevated (e.g. US escalation in Venezuela, and rhetoric on Iran and Greenland) apparent in the FX market in January as the USD weakened again.

Sector allocation effects were positive in January driven by overweight positioning to industries benefiting from AI and European Defence spend while remaining underweight consumer staples.

The AI loser narrative continued into the new year, bringing down shares of positions including Adyen, RELX, SAP and Nemetschek. While we are awaiting results from most, we received a pre-release from Nemetschek showing a +17% year-on-year constant FX growth, 4% ahead of consensus expectations. SAP reported, disappointing the market with their current cloud backlog (CCB) as expectations were raised due to bullish communication from management in December. This has since been attributed to some more complicated deals being pushed out to 2026. We retain our fundamental view that the unique data bases these companies hold, make the barriers to AI disruption high. However, we must be pragmatic regarding the unknowns that come with rapid AI innovation.

For example, there may be the possibility for AI to imitate some of the services typically sold alongside the proprietary data. We are on high alert to any impacts this may have on company performance but are yet to see any. Equally, it's hard to dispel the market's concerns. We have reduced some of these holdings over the month as although we believe the companies are well positioned individually, it is difficult to identify a catalyst that would change market views and the significant volatility caused by AI loser basket trading is likely to remain in the meantime.

A position in Richemont detracted with shares down despite reporting excellent fiscal Q3 figures that included above-expectation organic growth of +14% in the key Jewellery Maison division. Shares suffered in part from the surging prices of precious metals, implying some pressure on gross margins and/or material price increases to offset; and in part from read across of more lackluster results from a peer.

Chemometec declined over the month despite limited company specific news. The backdrop for cell counting equipment manufacturing remains strong, but volatility in the share price can be expected for the mid-cap after strong gains in late 2025.

BE Semiconductor was the top contributor over the month. Semiconductor companies are starting to see a rush from customers to increase capacity to serve growing AI needs, creating tight memory prices which benefit the wafer fab equipment (WFE) names. A positive trading update from BESI shows strong order growth of +43% quarter-on-quarter and +105% year-on-year. Optimism for the broad industry also increased as ASML reported their largest booking quarter ever at €13.2 billion, well above consensus expectations of €6.95 billion.

A position in Belimo rose as the company reported excellent preliminary FY'25 figures during January, showing an impressive acceleration in organic sales growth to +26% in H2'25, arriving above guidance and market expectation driven both by the booming data centre business and a notable acceleration in the underlying 'core' business.

European defence companies bounced back after underperforming the market in the tail end of 2025, boosting the portfolio's holdings in Kongsberg and Thales. Headlines continue to influence European defence shares and the lack of progress on peace in addition to fresh geopolitical concerns from the US escalation of military action in Venezuela, Iran, and Greenland saw a recovery in the defence industry. Geopolitical headlines create volatility for these shares, however we remain focused on the long-term investment thesis for the sector - the requirement for Europe to rearm - which is not predicated on a single current conflict.

## **Outlook**

The global economy remains on solid footing, where the only significant imbalance we can see is within sovereign debt markets, but for now that remains contained with spreads at reasonable levels. We also have Germany spending again. While there is dearth of evidence that this is providing a benefit within corporates to date, it leaves an upside tailwind for the fiscal impulse to be felt later on in the year. Meanwhile, the consumer remains healthy in both balance sheet and profit and loss terms. Confidence in spending that wealth has been low, though there are catalysts to loosen the spending taps, particularly in the US as rates come down. The US 10-year yield should fall with disinflationary impacts across most US sectors, as well as disinflationary labour effects, leaving no reason to hold US rates at current levels. The easier financial conditions could also provide a long-awaited boost to activity within the industrial economy, which looks healthy as corporate leverage in Europe is as low as it's ever been and the US also sits at very low levels. We continue to see a resilient bottom-up picture which should support a change in market drivers in time once uncertainties clear, adding breadth to what has been a very narrowly driven market.

Europe remains home to many world-class franchises, companies owning core technologies that make them the enablers of some of the large transformational changes going on around us. We aim to align shareholder

capital to those businesses that are exposed to large and enduring spending streams. Overall, we retain our core exposure to companies with predictable business models, higher than average returns on capital, strong cash flow conversions and opportunities to reinvest that cash flow into future growth projects at high incremental returns.

26 February 2026

ENDS

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