

PREMIER ENERGY AND WATER TRUST PLC

Interim Management Statement for the Quarter ended 30 September 2014

Investment Objective

The Company's investment objectives are to achieve a high income from its portfolio and to realise long-term growth in the capital value of the portfolio. The Company will seek to achieve these objectives by investing principally in the equity and equity related securities of companies operating primarily in the energy and water sectors, as well as other infrastructure investments.

Financial Highlights

Share price and NAV returns

	30 September 2014	30 June 2014	% change
Zero Dividend Preference share NAV*	204.89p	201.65p	+1.6%
Mid price	212.00p	210.88p	+0.5%
Ordinary share NAV*	188.88p	202.05p	-6.5%
Mid price	182.00p	185.00p	-1.6%

* Calculated in accordance with the Articles of Association

Total return performance

	Total return % Quarter ended 30 September 2014
Total Assets *	-1.3%
FTSE All-World Utilities Index Total Return (£)	0.6%
FTSE All-World Index Total Return (£)	3.2%
FTSE All- Share Total Return (£)	-1.0%

* Total return performance, adjusted for any dividends distributed and declared.

Material Events and Transactions

Reorganisation and extension of life

On 25 July 2014 the Company announced proposals to extend the life of the Company and to implement a reorganisation of the Company through a scheme of arrangement under Part 26 of the Companies Act 2006 (the "Scheme") (the "Proposals"). The proposals involved:

- replacing the ZDP Shares with new ZDP Shares issued by a newly incorporated subsidiary of the Company pursuant to the Scheme, such new ZDP Shares to be admitted to the standard listing segment of the Official List of the UKLA and to trading on the London Stock Exchange's main market;
- the rights of the new ZDP Shares being substantially similar to the rights attached to the ZDP Shares;

- amending the Articles to allow the Company to continue without a fixed life whilst including a provision to allow holders of ordinary shares an opportunity to vote on the continued existence of the Company every five years (from 2020); and
- the renewal of the Board's authority to issue new ordinary shares in the Company on a non-pre-emptive basis, subject to certain parameters, to replace the authorities granted by Shareholders at the Company's annual general meeting held in May 2014.

The Proposals were subject, inter alia, to approval by shareholders as set out in the Circular published on 1 August 2014 and on 27 August 2014 the Company announced that at the Court Meeting, ZDP Class Meeting, Ordinary Class Meeting and General Meeting ("the Meetings"), all held on that day, all resolutions were duly passed.

On 16 September 2014 the Company announced that the Court had approved the Scheme and Reduction of Capital and had issued Court Orders confirming the same. The Scheme and the Reduction of Capital became effective on 17 September 2014. Accordingly, application was made to the UK Listing Authority to cancel the Company's ZDP Shares listed on the Official List and admission to trading on the Main Market of the LSE with effect from 8.00 a.m. on 17 September 2014, and application was made by the Company's wholly owned subsidiary, PEWT Securities ("PEWT Securities"), for the admission of 21,180,373 New ZDP Shares to the standard listing segment of the Official List and to trading on the Main Market with effect from 8.00 a.m. on 17 September 2014.

Half Year Report

The half year report to 30 June 2014 was mailed to shareholders on 13 August 2014.

Dividends

On 24 July 2014, the Company declared a second interim dividend for the year ending 31 December 2014 of 2.65p per Ordinary share comprised of a base dividend of 1.9p, and an additional dividend of 0.75p per Ordinary share in accordance with the policy announced in August 2013 to run down the Company's revenue reserve. This second interim dividend was paid on 30 September 2014 to members on the register at the close of business on 29 August 2014.

On 16 October 2014 the Company declared a third interim dividend for the year ending 31 December 2014 of 2.65p per Ordinary share comprised of a base dividend of 1.9p and an additional dividend of 0.75p per Ordinary share in accordance with the policy announced in August 2013 which was to run down the Company's revenue reserve by the fixed wind up date of 31 December 2015. This third interim dividend will be paid on 31 December 2014 to members on the register at the close of business on 5 December 2014. The Ordinary shares will be marked ex-dividend on 4 December 2014. Following the approval by shareholders to extend the life of the Company in September 2014, the Company no longer has a fixed wind up date. The Directors intend however, subject to unforeseen circumstances, to continue to distribute an additional 0.75p per share every quarter until the end of 2015 (with the last such distribution being paid on 31 March 2016) at which point the revenue reserve will have been substantially reduced.

Largest Holdings (% of Gross Assets)

Company	Country	Valuation % of total
OPG Power Ventures	India	9.7%
Renewable Energy Generation	UK	6.5%
China Power Intl. Development	China	4.6%
Huaneng Power International	China	3.9%
Ecofin Power & Water 6% 2016 CB	UK	3.6%
SSE	UK	3.4%
GDF Suez	France	3.3%
Tenaga Nasional Berhad	Malaysia	3.2%
Enerjis	Chile	3.1%
Fortune Oil	China	3.1%

The Board is not aware of any significant events or transactions which have occurred since 30 September 2014 to the date of the publication of this statement which would have a material impact on the financial position of the Company.

At 31 October 2014 the Zero Dividend Preference share NAV was 206.00p and the Ordinary share NAV was 191.92p.

Further Information

Daily prices, Company announcements, Report and Accounts and monthly fact sheets are available via www.premierfunds.co.uk.

6 November 2014