

**2CG Funds Plc**  
**2CG European Income Fund**

**Report to Investors**

Year ended 31 December 2012

	<b>Retail shares</b>	<b>Institutional Shares (A)</b>	<b>Institutional Shares (B)</b>
	£	£	£
<b>Distributions per share</b>			
13 August 2012	£ 0.0368	£ 0.0424	£ 0.0386
01 February 2013	£ 0.0032	£ 0.0048	£ 0.0033
<b>Excess of reported income over distributions</b>	<b>£ 0.0000</b>	<b>£ 0.0000</b>	<b>£ 0.0000</b>

The fund had reporting status under the Offshore Funds (Tax) Regulations 2009 (the "Regulations") throughout the year ended 31 December 2012 and retains that status at the date of this report.

In the year ended 31 December 2012 the fund had an excess of reported income over distributions per share as set out by share class above. UK tax payers who held an interest in the fund at 31 December 2012 must record this income (if any) in their Self-Assessment tax returns as being received on 30 June 2013 or, in the case of corporates, such earlier date as the income is recognised in the entity's accounts. The total income to be recognised is based on the number of units held by that tax payer on 31 December 2012.

The fund made distributions in respect of the year ended 31 December 2012 as set out by share class above.