



Impax Environmental Markets plc ("IEM", or the "Company") - Annual Report

For the year ended 31 December 2009

Highlights

- Another strong year - 28.0% rise in diluted net asset value (excluding income) to 126.5p per Ordinary Share at 31 December 2009 which is the highest annual return since launch in 2002
- Share price rose 40.1% from 85.0p to 119.1p. Over the same period, the MSCI World and the MSCI World Small Cap Indices rose by 14.6% and 27.9% respectively
- During the last five years to 31 December 2009, the diluted NAV (excluding income) rose 64.9% compared to 18.6% for the MSCI World Index and 26.3% for the MSCI World Small Cap Index
- The environmental sector has recovered well, further assisted by global stimulus funding and longer term environmental policies

Richard Bernays, Chairman of Impax Environmental Markets plc said:

"I am pleased to report that Impax Environmental Markets plc has completed another strong year. Following the past two years of high volatility and unprecedented economic upheaval, we are encouraged by the resilience of the Company's long term investment thesis. Although December's climate change conference in Copenhagen attracted the most media attention, there were important positive developments in other areas and the Board believe that the Company remains well positioned to benefit from the opportunities presented.

"Since we launched the Company in 2002, market capitalisation has increased seven fold from £49.1 million to £363.2 million, making it the largest environmental investment trust and a leading specialist investment trust."

The Annual Report has been posted to shareholders and is also available on www.impax.co.uk

A copy of the Annual Report has been sent to the UK Listing Authority, and will shortly be available for inspection at the UK Listing Authority's Viewing Facility, which is situated at:

Financial Services Authority
25 The North Colonnade
Canary Wharf
London E14 5HS

Tel. no. 020 7676 1000

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