Edinburgh Worldwide Investment Trust plc

Half-Yearly Financial Report 30 April 2012

BAILLIE GIFFORD

Objective

Edinburgh Worldwide's objective is the achievement of long term capital growth by investing in listed companies throughout the world.

Comparative Index

The index against which performance is compared is the MSCI All Countries World Index (in sterling terms).

Principal Risks and Uncertainties

The principal risks facing the Company relate to the Company's investment activities. These risks are market risk (comprising currency risk, interest rate risk and other price risk), liquidity risk and credit risk. An explanation of these risks and how they are managed is contained in note 20 of the Company's Annual Report and Financial Statements for the year to 31 October 2011. The principal risks and uncertainties have not changed since the publication of the Annual Report which can be obtained free of charge from Baillie Gifford & Co (see contact details on the back cover of this report) and is available on the Edinburgh Worldwide page of the Managers' website: **www.edinburghworldwide.co.uk**. Other risks facing the Company include the following: gearing risk (the use of borrowing can magnify the impact of falling markets), the risk that the discount can widen, regulatory risk (that the loss of investment trust status or a breach of the UKLA Listing Rules could have adverse financial consequences and cause reputational damage), and operational/financial risk (failure of service providers' accounting systems could lead to inaccurate reporting or financial loss). Further information can be found on page 16 of the Annual Report.

Responsibility Statement

We confirm that to the best of our knowledge:

a) the condensed set of financial statements has been prepared in accordance with the Accounting Standards Board's statement 'Half-Yearly Financial Reports';

b) the Half-Yearly Management Report includes a fair review of the information required by Disclosure and Transparency Rules 4.2.7R (indication of important events during the first six months, their impact on the financial statements and a description of principal risks and uncertainties for the remaining six months of the year); and

c) the Half-Yearly Financial Report includes a fair review of the information required by Disclosure and Transparency Rules 4.2.8R (disclosure of related party transactions and changes therein).

By order of the Board

DAVID HL REID
Chairman

11 June 2012

Investment is made in companies
from around the world.

Summary of Unaudited Results

	30 April 2012	31 October 2011	% change
Total assets (before deduction of borrowings)	£189.3m	£179.6m	
Shareholders' funds	£160.0m	£149.6m	
Net asset value per ordinary share (after deducting borrowings at fair value)*	325.08p	304.24p	6.8
Share price	281.75p	264.00p	6.7
MSCI All Countries World Index (in sterling terms)	202.40	192.33	5.2
Discount (after deducting borrowings at fair value)*	13.3%	13.2%	

	Six months to 30 April 2012	Six months to 30 April 2011	% change
Revenue earnings per share	0.71p	0.83p	(14.5)
Interim dividend per share#	0.50p	0.50p	–

	Six months to 30 April 2012		Year to 31 October 2011	
Period's high and low	High	Low	High	Low
Share price	299.00p	232.00p	318.75p	239.25p
Net asset value (after deducting borrowings at fair value)	336.22p	270.22p	355.82p	270.21p
Discount (after deducting borrowings at fair value)	9.6%	16.9%	4.5%	15.3%

Notes

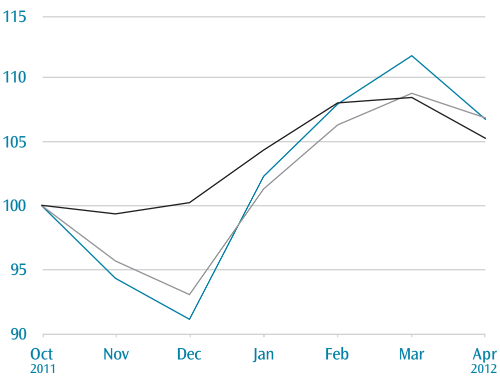
* Borrowings are deducted at fair value (the estimate of market worth).

\# See note 5 on page 14.

Past performance is not a guide to future performance.

Six Months Performance

(figures plotted on a monthly basis and rebased to 100 at 31 October 2011)



Source: Thomson Reuters Datastream/Baillie Gifford & Co

Share price

NAV (after deducting borrowings at fair value)

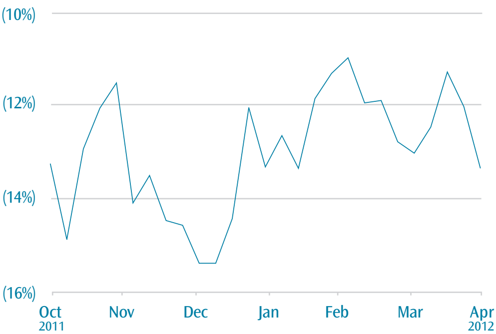
Benchmark*

Dividends are not reinvested.

*MSCI All Countries World Index (in sterling terms).

Discount to Net Asset Value

(plotted on a weekly basis)



Source: Thomson Reuters Datastream/Baillie Gifford & Co

Edinburgh Worldwide discount (after deducting borrowings at fair value)

The discount is the difference between Edinburgh Worldwide's quoted share price and its underlying net asset value calculated after deducting borrowings at fair value.

Past performance is not a guide to future performance.

Half-Yearly Management Report

We think it is useful to restate our aim as managers of Edinburgh Worldwide Investment Trust which is to run a concentrated portfolio of companies with good growth prospects for the long-term. It is now eight and a half years since Baillie Gifford started to manage the trust and since then in total return terms, the net asset value per share has increased by 118.0% and the share price by 138.3% while the MSCI All Countries World index (in sterling terms) has risen by 82.5%. We would reiterate our strong belief that five years and more is a sensible timeframe over which to judge performance.

For the record, over the period from 31 October 2011 to 30 April 2012, Edinburgh Worldwide's net asset value per share rose by 6.8% which compares to a 5.2% increase in the Index over the same period. The share price over the six months rose by 6.7% to 281.75p representing a discount of 13.3% to the net asset value at 30 April 2012 which compares to a discount of 13.2% at the beginning of the period.

The Directors have declared an interim dividend of 0.50p per share, unchanged from last year. The interim dividend will be paid on 19 July 2012 to shareholders on the register on 22 June 2012. The final dividend was 1.50p last year and the Directors will consider this year's payment over the remainder of the financial year.

There is a real danger in sounding like a stuck record in penning such comments but the bifurcation in markets remains very marked between the bottom-up evidence of companies trading very strongly and the top-down concerns which remain centred primarily on the Eurozone. Whilst not seeking to diminish the pain of austerity and the consequent political backlash, we think that on anything other than a very narrow timeframe it is far more important to focus on the growth which companies can achieve. Put simply, it is our strong belief that in five years' time no-one will be talking about Greece whether it is inside or outside the Euro. Any Euro break-up will undoubtedly cause some dislocations but good companies will continue to prosper regardless of political shenanigans. Such is the obsession with every small European development there is a grave danger of it drowning the news from elsewhere that China is far from collapsing and the US continues to show encouraging signs of recovery.

At the bottom-up level, if anything, the strong growth trends seen in the last couple of years have been accelerating. E-commerce continues to explode: Amazon is growing at its fastest pace in a decade as it widens the number of geographies and categories; PayPal is expanding rapidly as a payment mechanism online; Google's mobile business is soaring; Baidu continues to gain new advertising customers in China and Apple continues to shift more and more iPhones and iPads and hit record sales and profits. At the risk of hyperbole, we think we are living through a pretty seismic shift in how consumers and companies go about their daily business and this is creating some fantastic investment opportunities. Nowhere is this truer than in cloud computing where Salesforce continue to see very strong billings growth with much larger contract sizes becoming the norm.

Reassuringly, it is not just technology where growth is strong – in luxury Hermès had its strongest ever year since its foundation in 1841; in health care Intuitive Surgical's growth is underpinned by an increasing number of procedures and new areas where their robots can be used and in retail Whole Foods Market continues to display strong comparative store sales and steady physical expansion whilst Inditex's Zara brand is growing nicely in Asia. Also worthy of note are companies such as 3SBio, Belle and Hengdeli in China where share prices were weak in the second half of last year but the operational performance has remained strong and has started to be rewarded with a recovery in the price.

In terms of transactions, we have bought five new holdings over the last six months: Aggreko – the

UK-based provider of temporary power generators; Burberry Group – the high-end luxury brand; Gree – an online Japanese gaming company; Celltrion – a Korean manufacturer of generic, biologic drugs and Sanrio – the owner of the Hello Kitty and Mr Men children's brands. We have sold holdings in Teva, Turkish bank Garanti, MIPS Technologies and First Solar.

We remain firmly of the belief that the coalescence of several large changes is creating some very interesting growth opportunities for companies in several different areas. The prevailing macro gloom means that many of the valuations on these equities appear low relatively to their growth opportunities. As such we are happy to be geared into current market levels and equity gearing at the end of April stood at 15.2% which compares to 13.9% six months earlier. We remain optimistic that the rewards for the patient, long-term investor look very attractive.

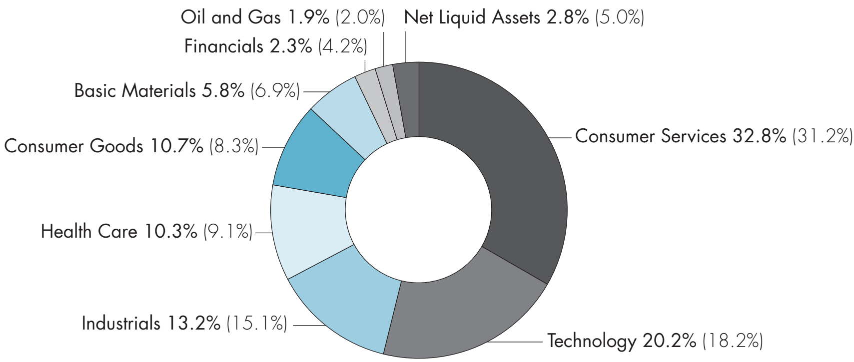
The principal risks and uncertainties facing the Company are set out on the inside front cover of this report.

By order of the Board

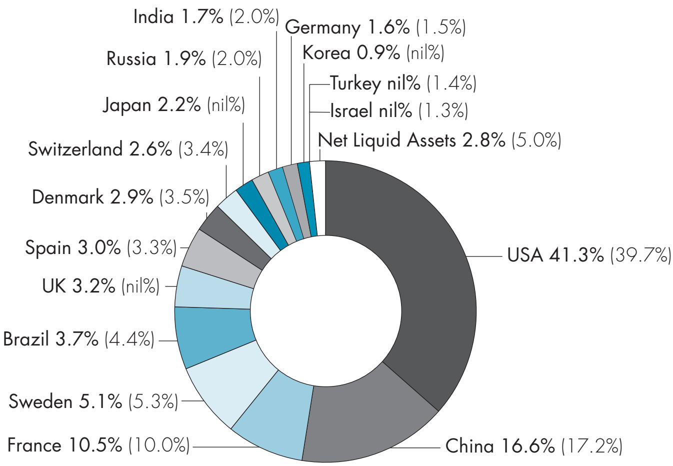
Baillie Gifford & Co
11 June 2012

Distribution of Total Assets*

Sectoral Analysis at 30 April 2012
(31 October 2011)



Geographical Analysis at 30 April 2012
(31 October 2011)



* Total net assets before deduction of bank loans.

Portfolio and Equity Performance at 30 April 2012 (unaudited)

Name	Business	Value £'000	% of total assets	Performance† Absolute %	Performance† Relative %
Equities					
Apple	Computing and media equipment	13,882	7.3	43.5	34.4
Amazon	Online retailer	13,695	7.2	8.0	1.2
eBay	Internet auction and payments	9,413	5.0	28.2	20.1
Baidu	Chinese online search engine	8,940	4.7	(5.9)	(11.8)
Tencent	Chinese social network	8,012	4.2	32.5	24.1
Intuitive Surgical	Robotic surgery	7,828	4.1	32.5	24.1
PPR	Luxury brand conglomerate	7,621	4.0	5.6	(1.0)
Whole Foods Market	Organic food stores	6,737	3.6	14.9	7.6
Google	Online search engine	6,618	3.5	1.4	(4.9)
Hermès	Luxury goods	6,471	3.4	3.0	(3.5)
Salesforce.com	Software	6,412	3.4	16.0	8.7
Atlas Copco	Industrial compressors and mining equipment	5,880	3.1	10.3	3.4
Inditex	Fashion retail	5,672	3.0	(1.5)	(7.7)
Vale (or CVRD)	Mining	5,557	2.9	(6.8)	(12.7)
Novozymes	Enzyme manufacturer	5,435	2.9	(12.8)	(18.3)
Illumina	Biotechnology equipment	4,259	2.2	47.3	38.0
New Oriental Education and Technology	English-language schools	4,009	2.1	(10.4)	(16.0)
Sandvik	Tools and mining equipment	3,736	2.0	12.9	5.8
Gazprom	Gas exploration and production	3,581	1.9	(1.7)	(7.9)
L'Oréal	Personal care	3,348	1.8	9.4	2.5
Deere	Farm and construction machinery	3,278	1.7	9.0	2.2
Housing Development Finance Corporation	Indian mortgage provider	3,251	1.7	(10.2)	(15.8)
BMW	Premium car manufacturer	3,095	1.6	14.7	7.5
Burberry	Luxury fashion	3,050	1.6	15.3*	8.0*
Aggreko	Power equipment rental	2,936	1.6	30.0*	21.8*
ABB	Power systems and automation	2,717	1.4	(2.6)	(8.7)
Belle International	Footwear – China	2,552	1.4	(2.7)	(8.9)
CFAO	African distribution	2,530	1.3	9.7	2.8
FLIR Systems	Infrared sensors	2,518	1.3	(14.7)	(20.1)

Name	Business	Value £'000	% of total assets	Performance† Absolute %	Relative %
Equities (continued)					
Straumann	Dental implants	2,299	1.2	(5.2)	(11.2)
Sanrio	Hello Kitty franchise owner	2,196	1.2	14.3*	7.1*
Hengdeli	Chinese watch retailer	2,168	1.2	(12.8)	(18.3)
iRobot	Military and domestic robots	2,039	1.1	(30.7)	(35.1)
Gree	Online gaming	1,833	1.0	(2.8)*	(9.0)*
3SBio	Chinese generic drugs	1,832	1.0	13.0	5.8
Seattle Genetics	Biotech cancer drugs	1,648	0.9	(10.7)	(16.3)
Celltrion	Biopharmaceuticals	1,623	0.9	(15.9)*	(21.2)*
ALL America Latina Logistica	Brazilian railways	1,588	0.8	(9.0)	(14.7)
Ctrip	Travel agent – China	1,567	0.8	(38.2)	(42.1)
Vanceinfo	Chinese IT outsourcing	1,190	0.6	10.9	3.9
Noah Holdings	Chinese wealth manager	1,132	0.6	(17.5)	(22.7)
Total equities		**184,148**	**97.2**		
Net liquid assets		**5,201**	**2.8**		
Total assets at fair value (before deduction of loans)		**189,349**	**100.0**		

† Absolute and relative performance has been calculated on a total return basis over the period 1 November 2011 to 30 April 2012. Absolute performance is in sterling terms; relative performance is against MSCI All Countries World Index (in sterling terms).

* Figures relate to part-period returns where the equity has been purchased during the period.
Source: Baillie Gifford & Co, StatPro.

Past performance is not a guide to future performance.

Income Statement (unaudited)

	For the six months ended 30 April 2012		
	Revenue £'000	Capital £'000	**Total £'000**
(Losses)/gains on sales of investments	–	(3,728)	**(3,728)**
Movements in investment holding gains	–	14,571	**14,571**
Currency gains/(losses)	–	594	**594**
Income from investments and interest receivable	923	–	**923**
Investment management fee (note 3)	(135)	(405)	**(540)**
Investment performance fee (note 3)	–	–	–
Other administrative expenses	(249)	–	**(249)**
Net return before finance costs and taxation	539	11,032	**11,571**
Finance costs of borrowings	(99)	(297)	**(396)**
Net return on ordinary activities before taxation	440	10,735	**11,175**
Tax on ordinary activities	(91)	–	**(91)**
Net return on ordinary activities after taxation	**349**	**10,735**	**11,084**
Net return per ordinary share (note 4)	**0.71p**	**21.91p**	**22.62p**
Dividends paid and proposed per ordinary share (note 5)	**0.50p**		

The total column of this statement is the profit and loss account of the Company.

All revenue and capital items in the above statement derive from continuing operations. No operations were acquired or discontinued during the period.

A Statement of Total Recognised Gains and Losses is not required as all gains and losses of the Company have been reflected in the above statement.

	For the six months ended 30 April 2011			For the year ended 31 October 2011		
	Revenue £'000	Capital £'000	**Total £'000**	Revenue £'000	Capital £'000	**Total £'000**
	–	8,140	**8,140**	–	13,826	**13,826**
	–	9,632	**9,632**	–	(14,681)	**(14,681)**
	–	(367)	**(367)**	–	(1,344)	**(1,344)**
	993	–	**993**	2,412	–	**2,412**
	(146)	(438)	**(584)**	(283)	(850)	**(1,133)**
	–	(42)	**(42)**	–	–	–
	(254)	–	**(254)**	(498)	–	**(498)**
	593	16,925	**17,518**	1,631	(3,049)	**(1,418)**
	(66)	(197)	**(263)**	(158)	(475)	**(633)**
	527	16,728	**17,255**	1,473	(3,524)	**(2,051)**
	(118)	–	**(118)**	(242)	–	**(242)**
	409	**16,728**	**17,137**	**1,231**	**(3,524)**	**(2,293)**
	0.83p	**34.14p**	**34.97p**	**2.51p**	**(7.19p)**	**(4.68p)**
	0.50p			**2.00p**		

Balance Sheet (unaudited)

	At 30 April 2012 £'000	At 30 April 2011 £'000	At 31 October 2011 £'000
Fixed assets			
Investments held at fair value through profit or loss	184,148	191,044	170,715
Current assets			
Debtors	587	442	209
Cash and short term deposits	5,059	3,381	9,122
	5,646	3,823	9,331
Creditors			
Amounts falling due within one year (note 6)	(445)	(25,552)	(425)
Net current assets/(liabilities)	5,201	(21,729)	8,906
Total assets less current liabilities	189,349	169,315	179,621
Creditors			
Amounts falling due after more than one year (note 6)	(29,360)	–	(29,981)
Total net assets	**159,989**	**169,315**	**149,640**
Capital and reserves			
Called up share capital	2,450	2,450	2,450
Share premium	82,180	82,180	82,180
Special reserve	35,220	35,220	35,220
Capital reserve	37,995	47,512	27,260
Revenue reserve	2,144	1,953	2,530
Shareholders' funds	**159,989**	**169,315**	**149,640**
Net asset value per ordinary share (after deducting borrowings at fair value) (note 6)	**325.08p**	**345.51p**	**304.24p**
Net asset value per ordinary share (after deducting borrowings at par)	**326.48p**	**345.51p**	**305.36p**
Ordinary shares in issue (note 7)	**49,004,319**	**49,004,319**	**49,004,319**

Reconciliation of Movements in Shareholders' Funds (unaudited)

For the six months ended 30 April 2012

	Called up share capital £'000	Share premium £'000	Special reserve £'000	Capital reserve * £'000	Revenue reserve £'000	**Shareholders' funds £'000**
Shareholders' funds at 1 November 2011	2,450	82,180	35,220	27,260	2,530	**149,640**
Net return on ordinary activities after taxation	–	–	–	10,735	349	**11,084**
Dividends paid during the period (note 5)	–	–	–	–	(735)	**(735)**
Shareholders' funds at 30 April 2012	**2,450**	**82,180**	**35,220**	**37,995**	**2,144**	**159,989**

For the six months ended 30 April 2011

	Called up share capital £'000	Share premium £'000	Special reserve £'000	Capital reserve * £'000	Revenue reserve £'000	**Shareholders' funds £'000**
Shareholders' funds at 1 November 2010	2,450	82,180	35,220	30,784	2,279	**152,913**
Net return on ordinary activities after taxation	–	–	–	16,728	409	**17,137**
Dividends paid during the period (note 5)	–	–	–	–	(735)	**(735)**
Shareholders' funds at 30 April 2011	**2,450**	**82,180**	**35,220**	**47,512**	**1,953**	**169,315**

For the year ended 31 October 2011

	Called up share capital £'000	Share premium £'000	Special reserve £'000	Capital reserve * £'000	Revenue reserve £'000	**Shareholders' funds £'000**
Shareholders' funds at 1 November 2010	2,450	82,180	35,220	30,784	2,279	**152,913**
Net return on ordinary activities after taxation	–	–	–	(3,524)	1,231	**(2,293)**
Dividends paid during the year (note 5)	–	–	–	–	(980)	**(980)**
Shareholders' funds at 31 October 2011	**2,450**	**82,180**	**35,220**	**27,260**	**2,530**	**149,640**

* The Capital reserve as at 30 April 2012 includes investment holding gains of £63,855,000 (30 April 2011 – gains of £73,596,000 and 31 October 2011 – gains of £49,283,000).

Condensed Cash Flow Statement (unaudited)

	Six months to 30 April 2012 £'000	Six months to 30 April 2011 £'000	Year to 31 October 2011 £'000
Net cash (outflow)/inflow from operating activities	(253)	3	864
Net cash outflow from servicing of finance	(398)	(241)	(589)
Total tax paid	(61)	(106)	(253)
Net cash (outflow)/inflow from financial investment	(2,616)	407	2,170
Equity dividends paid (note 5)	(735)	(735)	(980)
Net cash (outflow)/inflow before financing	(4,063)	(672)	1,212
Net cash inflow from bank loans	–	–	3,857
(Decrease)/increase in cash	**(4,063)**	**(672)**	**5,069**
Reconciliation of net cash (outflow)/inflow to movement in net debt			
(Decrease)/increase in cash in the period	(4,063)	(672)	5,069
Net cash inflow from bank loans	–	–	(3,857)
Exchange movement on bank loans	621	(283)	(1,321)
Movement in net debt in the period	(3,442)	(955)	(109)
Net debt at start of the period	(20,859)	(20,750)	(20,750)
Net debt at end of the period	**(24,301)**	**(21,705)**	**(20,859)**
Reconciliation of net return before finance costs and taxation to net cash (outflow)/inflow from operating activities			
Net return before finance costs and taxation	11,571	17,518	(1,418)
(Gains)/losses on investments	(10,843)	(17,772)	855
Currency (gains)/losses	(594)	367	1,344
Changes in debtors and creditors	(387)	(110)	83
Net cash (outflow)/inflow from operating activities	**(253)**	**3**	**864**

Notes to the Condensed Financial Statements (unaudited)

1 The condensed financial statements for the six months to 30 April 2012 comprise the statements set out on pages 8 to 12 together with the related notes on pages 13 and 14. They have been prepared on the basis of the same accounting policies as set out in the Company's Annual Report and Financial Statements at 31 October 2011 and in accordance with the ASB's Statement 'Half-Yearly Financial Reports' and have not been audited or reviewed by the Auditors pursuant to the Auditing Practices Board Guidance on 'Review of Interim Financial Information'.

The Company's assets, the majority of which are investments in quoted securities which are readily realisable, exceed its liabilities significantly. All borrowings require the prior approval of the Board. Gearing levels and compliance with borrowing covenants are reviewed by the Board on a regular basis. Accordingly the financial statements have been prepared on the going concern basis as it is the Directors' opinion that the Company will continue in operational existence for the foreseeable future.

2 The financial information contained within this Half-Yearly Financial Report does not constitute statutory accounts as defined in sections 434 to 436 of the Companies Act 2006. The financial information for the year ended 31 October 2011 has been extracted from the statutory accounts which have been filed with the Registrar of Companies. The Auditors' Report on those accounts was not qualified and did not contain a statement under sections 498(2) or (3) of the Companies Act 2006.

3 Related Party Transactions

Baillie Gifford & Co are appointed as Managers and Secretaries. The management agreement is terminable on not less than three months' notice. The fee in respect of each quarter is 0.2% of the market value of the Company's shares on each valuation date. In addition, Baillie Gifford are entitled to a performance fee, calculated annually in arrears. The performance fee is based on any out-performance of the net asset value per share by comparison to the MSCI All Countries World Index (in sterling terms) and is calculated as a percentage of the market value of the Company's shares. The fee is 5% of the out-performance between zero and 2%, and 10% of the out-performance thereafter. A performance fee could be payable in periods when the net asset value falls by a lesser rate than the comparative index.

In addition to the investment management fee, the Company also pays a secretarial fee to Baillie Gifford which is adjusted annually in line with the Retail Price Index. The secretarial fee for the six months to 30 April 2012 was £39,000 (six months to 30 April 2011 – £37,000; year to 31 October 2011 – £74,000).

	Six months to 30 April 2012 £'000	Six months to 30 April 2011 £'000	Year to 31 October 2011 £'000
4 Net return per ordinary share			
Revenue return on ordinary activities after taxation	349	409	1,231
Capital return on ordinary activities after taxation	10,735	16,728	(3,524)
Total return	**11,084**	**17,137**	**(2,293)**

Net return per ordinary share is based on the above totals of revenue and capital and on 49,004,319 ordinary shares, being the number of ordinary shares in issue during each period. There are no dilutive or potentially dilutive shares in issue.

Notes to the Condensed Financial Statements (unaudited)

		Six months to 30 April 2012 £'000	Six months to 30 April 2011 £'000	Year to 31 October 2011 £'000
5	**Dividends**			
	Amounts recognised as distributions in the period:			
	Previous year's final dividend of 1.50p (2010 – 1.50p), paid 8 February 2012	735	735	735
	Interim dividend for the year ended 31 October 2011 paid 21 July 2011	–	–	245
		735	**735**	**980**
	Dividends			
	Paid and proposed in respect of the financial period:			
	Interim dividend for the year ending 31 October 2012 of 0.50p (2011 – 0.50p)	245	245	245
	Final dividend (31 October 2011 – 1.50p)	–	–	735
		245	**245**	**980**

The interim dividend was declared after the period end date and has therefore not been included as a liability in the balance sheet. It is payable on 19 July 2012 to shareholders on the register at the close of business on 22 June 2012. The ex dividend date is 20 June 2012. The registrars offer a dividend reinvestment plan. The final date for the receipt of elections for the dividend reinvestment plan is 28 June 2012.

6 Creditors include borrowings of £29,360,000 (30 April 2011 – £25,086,000 and 31 October 2011 – £29,981,000) drawn down with a three year fixed rate loan facility expiring on 30 September 2014 in loans of €11.4m, US$16.35m and £10.0m (30 April 2011 – monthly renewable loans of US$11.3m, ¥450m, CHF10.5m and €8.7m; 31 October 2011 – fixed rate loans of €11.4m, US$16.35m and £10.0m).

The fair value of the bank loans at 30 April 2012 was £30,046,000 (30 April 2011 – £25,086,000; 31 October 2011 – £30,531,000.

7 The Company has authority to buy back its ordinary shares. In the six months to 30 April 2012 no ordinary shares were bought back therefore the Company's authority remains unchanged at 7,345,747 ordinary shares.

8 During the period the Company incurred transaction costs on purchases of investments of £35,000 (30 April 2011 – £37,000; 31 October 2011 – £61,000) and transaction costs on sales of £7,000 (30 April 2011 – £20,000; 31 October 2011 – £43,000).

9 None of the views expressed in this document should be construed as advice to buy or sell a particular investment.

Further Shareholder Information

Edinburgh Worldwide's shares are traded on the London Stock Exchange. They can be bought through a stockbroker, by asking a professional adviser to do so, or through the Baillie Gifford savings vehicles.

Baillie Gifford's Investment Trust Share Plan

You can invest a minimum of £250 or from £30 per month. The plan is designed to be a cost-effective way of saving on a regular or lump sum basis.

Baillie Gifford's Investment Trust ISA

You can invest in a tax efficient way by investing a minimum of £2,000 or from £100 per month or by transferring an ISA with a value of at least £2,000 from your existing manager.

Baillie Gifford's Children's Savings Plan

A cost-effective plan tailored especially to meet the requirements to save for children. You can invest a minimum of £100 or from £25 per month.

Online Management Service

You can open and manage your Share Plan, Children's Savings Plan* and/or ISA online, through our secure Online Management Service (OMS) which can be accessed through the Baillie Gifford website at **www.bailliegifford.com**. OMS enables you to apply for, open and administer a Baillie Gifford Investment Trust Share Plan or Investment Trust ISA online. As well as being able to view the details of your plan online, the service also allows you to:

- get current valuations;
- make lump sum investments;
- switch between investment trusts (except where there is more than one holder);
- set up a direct debit to make regular investments; and
- update certain personal details.

* Please note that a Bare Trust cannot be opened via OMS. A Bare Trust application form must be completed.

The information about the ISA, Share Plan and Children's Savings Plan has been approved by Baillie Gifford Savings Management Limited ('BGSM'). BGSM is the ISA Manager and the Manager of the Share Plan and Children's Savings Plan. BGSM is wholly owned by Baillie Gifford & Co. Both are authorised and regulated by the Financial Services Authority. Baillie Gifford only provides information about its products and does not provide investment advice. The staff of Baillie Gifford and Edinburgh Worldwide's Directors may hold shares in Edinburgh Worldwide and may buy or sell such shares from time to time.

Dividend Reinvestment Plan

Computershare operate a Dividend Reinvestment Plan which can be used to buy additional shares instead of receiving your dividend via cheque or into your bank account. For further information, log on to **www.investorcentre.co.uk** and follow the instructions, or telephone 0870 707 1694.

Risk Warnings

Past performance is not a guide to future performance.

Edinburgh Worldwide is a UK listed company. As a result, the value of its shares and any income from those shares can fall as well as rise and you may not get back the amount invested. You should view your investment as long term.

As Edinburgh Worldwide invests in overseas securities changes in the rates of exchange may also cause the value of your investment (and any income it may pay) to go down or up.

Edinburgh Worldwide invests in emerging markets which could encounter dealing, settlement and custody difficulties more than the main international markets.

Edinburgh Worldwide has borrowed money to make further investments (sometimes known as 'gearing'). The risk is that when this money is repaid by the Company, the value of the investments may not be enough to cover the borrowing and interest costs, and the Company will make a loss. If the Company's investments fall in value, any borrowings will increase the amount of this loss.

(Risk warnings continued on next page)

Risk Warnings (continued)

Edinburgh Worldwide can buy back its own shares. The risks from borrowing, referred to above, are increased when the Company buys back its shares.

Market values for securities which have become difficult to trade may not be readily available, and there can be no assurance that any value assigned to such securities will accurately reflect the price the Company might receive upon their sale.

The Company's concentrated portfolio and long term approach to investment may result in large movements in the share price.

Edinburgh Worldwide can make use of derivatives. The use of derivatives may impact on its performance.

Edinburgh Worldwide charges 75% of the investment management fee, 100% of the performance fee and 75% of borrowing costs to capital which reduces the capital value. Also, where income is low, the remaining expenses may be greater than the total income received, meaning the Company may not pay a dividend and the capital value would be further reduced.

As the aim of the Company is to achieve capital growth you should not expect a significant, or steady, annual income from the Company.

You should note that tax rates and reliefs may change at any time and their value depends on your circumstances.

The favourable tax treatment of ISAs may change.

The Company is listed on the London Stock Exchange and is not authorised or regulated by the Financial Services Authority.

The information and opinions expressed within this half-yearly financial report are subject to change without notice. This information has been issued and approved by Baillie Gifford & Co and does not in any way constitute investment advice.

Details of other risks that apply to investment in the savings vehicles shown on page 15 are contained in the product brochures.

Directors

Chairman:
DHL Reid

DAJ Cameron
WJ Ducas
The Hon. Kim Fraser
H James
HCT Strutt

Registrar

Computershare Investor
Services PLC
The Pavilions
Bridgwater Road
Bristol
BS99 6ZZ
Tel: 0870 707 1643

Banker

RBC Dexia Investor
Services Trust

Company Broker

JP Morgan Cazenove
10 Aldermanbury
London
EC2V 7RF

Independent Auditor

KPMG Audit Plc
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EG

Company Registration No. SC184775

Managers, Secretaries and Registered Office

Baillie Gifford & Co
Calton Square
1 Greenside Row
Edinburgh
EH1 3AN

Tel: 0131 275 2000

Further Information

Client Relations Team
Baillie Gifford Savings Management Limited
Calton Square
1 Greenside Row
Edinburgh EH1 3AN

Tel: 0800 027 0133
Your call may be recorded

E-mail: trustenquiries@bailliegifford.com
General website: www.bailliegifford.com
Company website: www.edinburghworldwide.co.uk

Fax: 0131 275 3955