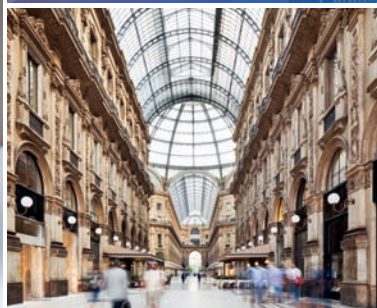




# Scottish Mortgage Investment Trust PLC

Your low cost choice for global investment



## Objective

Scottish Mortgage Investment Trust PLC is a low cost investment trust that aims to maximise total return over the long term from a focused and actively managed portfolio. It invests globally, looking for strong businesses with above-average returns.

## Benchmark

The portfolio benchmark against which performance is measured is the FTSE All-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 22 of the Company's Annual Report and Financial Statements for the year to 31 March 2012. The principal risks and uncertainties have not changed since the publication of the Annual Report and Financial Statements 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 Scottish Mortgage page of the Managers' website: [www.scottishmortgageit.com](http://www.scottishmortgageit.com). Other risks facing the Company include the following: gearing risk (the use of borrowings can magnify the impact of falling markets); regulatory risk (that the loss of investment trust status or a breach of applicable legal and regulatory requirements could have adverse financial consequences and cause reputational damage); operational/financial risk (failure of service providers' accounting systems could lead to inaccurate reporting or financial loss); and the risk to shareholders that the discount can widen. Further information can be found on page 21 of the Annual Report and Financial Statements.

## 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 the 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

John Scott  
Chairman

25 October 2012

## Summary of Unaudited Results

	30 September 2012	31 March 2012 (audited)	% change	
Total assets (before deduction of debentures, long and short term borrowings)	£2,354.2m	£2,378.3m		
Shareholders' funds	£1,992.3m	£2,012.3m		
Net asset value per ordinary share (after deducting borrowings at fair value)*	757.4p	768.7p		(1.5)
FTSE All-World Index (in sterling terms)	200.2	203.3		(1.5)
Share price	697.0p	708.0p		(1.6)
Discount (after deducting borrowings at fair value)	(8.0%)	(7.9%)		
	Six months to 30 Sept 2012	Six months to 30 Sept 2011	% change	
Revenue earnings per share	12.53p	10.83p		15.7
Interim dividend per share <sup>#</sup>	6.70p	6.20p		8.1
	Six months to 30 September 2012		Year to 31 March 2012	
Period's high and low	High	Low	High	Low
Share price	720.0p	624.0p	781.0p	565.0p
Net asset value (after deducting borrowings at fair value) <sup>†</sup>	778.6p	675.4p	861.6p	621.0p
Discount (after deducting borrowings at fair value) <sup>†</sup>	(2.7%)	(10.3%)	(2.7%)	(11.2%)
Average sector discount (AIC Global Growth Sector)	(10.6%)	(12.0%)	(9.1%)	(11.5%)

Past performance is not a guide to future performance.

### Notes

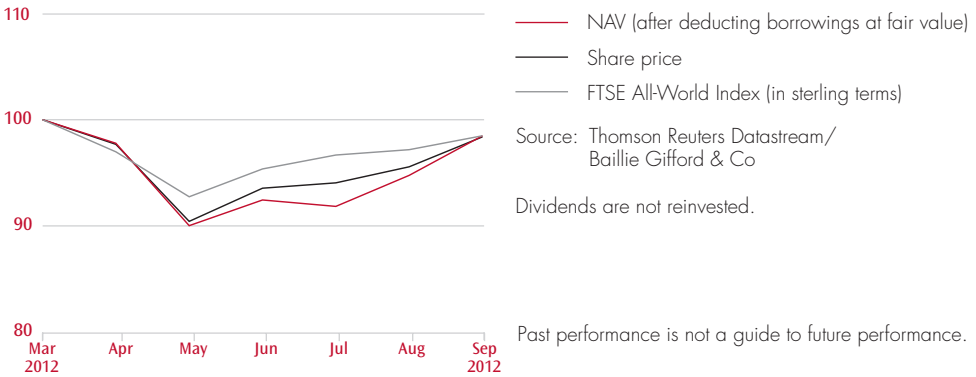
\* Borrowings are deducted at fair value (the estimate of market worth).

<sup>†</sup> Cum-income.

<sup>#</sup> See note 5, page 12.

## Six Months Performance

(figures plotted on a monthly basis and rebased to 100 at 31 March 2012)



# Half-Yearly Management Report

## Results

Net asset value (NAV) per share fell by 1.5% over the six months and the share price by 1.6%. The FTSE All-World Index in sterling terms also fell by 1.5%.

Performance over longer periods is more relevant given the approach adopted; the portfolio is not managed in a way that tries to time markets but instead the focus is on careful and deliberate consideration of existing and potential investments in companies. Over 3, 5 and 10 years the NAV total return (capital and dividends) per share was 41%, 17% and 217% respectively. Share price performance has been stronger due to a tightening of the discount over time and the figures for the same periods are 47%, 20% and 255%, respectively. These figures are ahead of those of the FTSE All-World Index which were 23%, 18% and 139%.

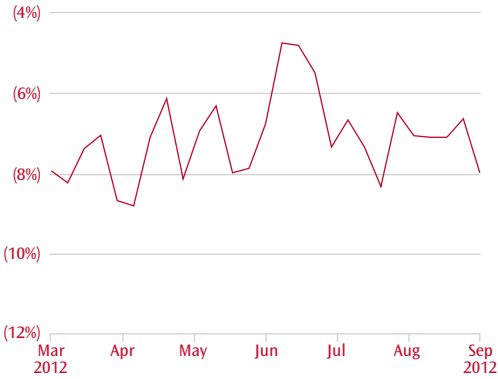
The opening events of the financial crisis took place about five years ago and subsequently markets fell very sharply. The effect of this can be seen in the long term figures where the five year returns are lower than those on either side. This base effect means that the five year figures will be volatile over the coming year until they work through the calculation.

## Earnings and Dividend

Most of Scottish Mortgage's earnings are received in the first half of its financial year. In this period they totalled 12.53p per share as opposed to 10.83p in the corresponding period in 2011. This 16% increase is indicative of a continuing healthy dividend stream from the portfolio. An increased interim dividend of 6.7p per share is proposed (6.2p at the interim stage in 2011), a rise that is well above inflation.

## Discount to Net Asset Value

(plotted on a weekly basis)



— Scottish Mortgage Discount  
(after deducting borrowings at fair value)

Source: Thomson Reuters Datastream/  
Baillie Gifford & Co

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

## The Portfolio and Markets

Since the end of July markets have had a firmer tone reflecting increased confidence in recovery prospects. They were also boosted by US Federal Reserve Bank and European Central Bank commitment to measures designed to restore long term equilibrium and encourage growth. In many cases, at company level, operating and financial performance is very good, innovation is high and the outlook appears promising.

Portfolio activity has been low. Holdings were taken in Alibaba Group (an unlisted Chinese online market site), Burberry (which is enjoying strong growth in China and where the opportunity was taken to acquire a holding on share price weakness) and Facebook (a controversial investment but one which has considerable scope to become increasingly profitable over the long term). The sale of Gazprom (a Russian gas supplier) was completed.

## Outlook

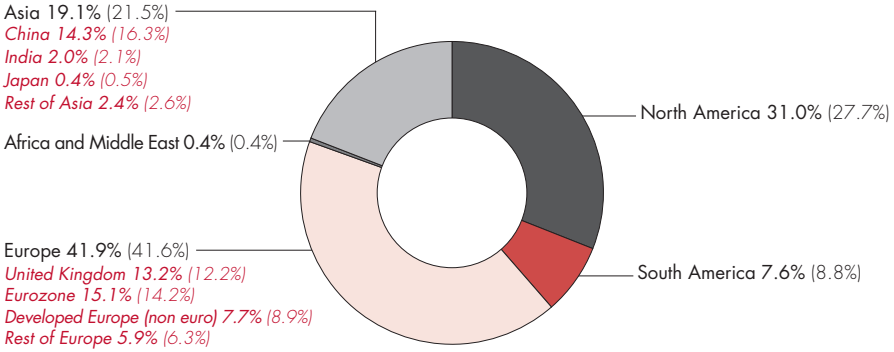
As ever, the fortunes and progress of individual companies determines long term performance and equity investment is not without risk and uncertainty. However, the opportunity set does not appear to be waning at all and is fertile ground for patient long term investors. The US presidential election, Eurozone developments, global political factors and the unexpected will, as always, occupy headlines. However, more important to shareholders is the Managers' abiding preoccupation with well managed companies that have a sustainable edge. Their optimistic mindset is neither fashionable nor diminishing.

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

# Distribution of Total Assets\*

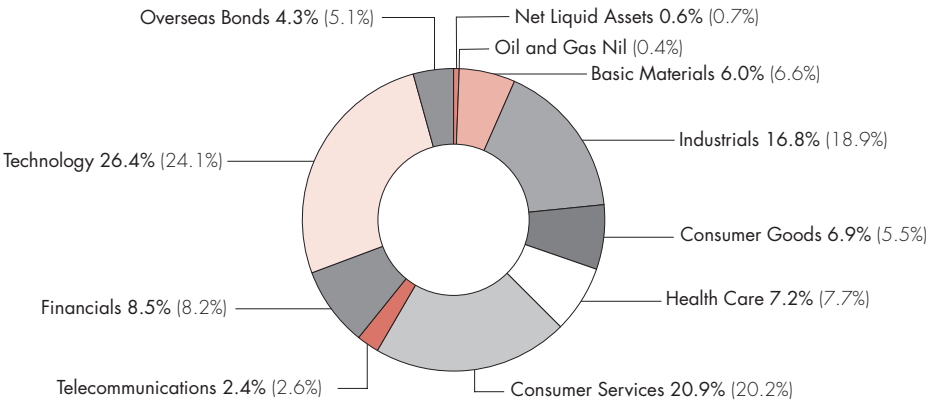
## Geographical Analysis at 30 September 2012

(31 March 2012)



## Sectoral Analysis at 30 September 2012

(31 March 2012)



\*Total assets before deduction of debentures, long and short term borrowings.

# Thirty Largest Holdings and Performance at 30 September 2012

Name	Business	Fair value £'000	% of total assets	Contribution to absolute performance % <sup>†</sup>
Amazon.com	Online retailer	192,220	8.2	2.4
Baidu	Online search engine	148,940	6.3	(2.0)
PPR	Luxury goods producer and retailer	120,593	5.1	(0.6)
Atlas Copco	Engineering	109,333	4.6	0.0
Brazil CPI Linked 2045	Brazilian government inflation linked bond	100,920	4.3	0.3
Tencent Holdings	Internet services	95,704	4.1	1.0
Google	Online search engine	82,267	3.5	0.6
Inditex	International clothing retailer	82,189	3.5	1.0
Salesforce	Cloud computing and hosting	65,125	2.8	(0.1)
Illumina	Biotechnology equipment	64,224	2.7	(0.4)
Apple	Computer technology	60,352	2.6	0.2
Intuitive Surgical	Surgical robots	59,143	2.5	(0.4)
Banco Santander	Banking	52,959	2.3	0.1
KGHM	Copper mining	52,440	2.2	0.6
Prudential	International insurance	50,505	2.2	0.2
Vale (CVRD)	Iron ore and nickel mining	48,964	2.1	(0.7)
Reckitt Benckiser	Consumer goods company	43,591	1.9	0.0
Rackspace Hosting	Cloud computing and hosting	41,191	1.8	0.3
Novozymes	Enzyme manufacturer	38,707	1.6	(0.1)
Whole Foods Market	Food retailer	37,484	1.6	0.3
Deere	Farm machinery	36,089	1.5	0.0
Rolls-Royce Group	Aerospace equipment	33,720	1.4	0.1
New Oriental Education & Technology	Education and training	31,134	1.3	(1.3)
Alibaba Group <sup>#</sup>	Online business-to-business trading platform	30,964	1.3	0.0 <sup>*</sup>
Aggreko	Power equipment rental	30,561	1.3	0.1
Telefonica O2 Czech Republic	Fixed and mobile telecoms	29,262	1.2	0.0
Telekomunikacja Polska	Fixed and mobile telecoms	28,767	1.2	0.0
Intertek Group	Business support providers	27,747	1.2	0.2
BASF	Chemicals	26,673	1.1	0.0
Fiat	Automobiles	26,543	1.1	(0.1)
		<b>1,848,311</b>	<b>78.5</b>	

<sup>†</sup> Contribution to absolute performance has been calculated on a total return basis over the period 1 April 2012 to 30 September 2012.

<sup>#</sup> Denotes holding in unlisted convertible preference shares.

<sup>\*</sup> 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 September 2012		
	Revenue £'000	Capital £'000	Total £'000
Gains/(losses) on sales of investments	–	64,428	<b>64,428</b>
Changes in investment holding gains and losses	–	(94,544)	<b>(94,544)</b>
Currency gains/(losses)	–	2,099	<b>2,099</b>
Income from investments and interest receivable	42,608	–	<b>42,608</b>
Other income	–	–	<b>–</b>
Investment management fee (note 3)	(1,831)	(1,831)	<b>(3,662)</b>
Other administrative expenses	(1,151)	–	<b>(1,151)</b>
<b>Net return before finance costs and taxation</b>	<b>39,626</b>	<b>(29,848)</b>	<b>9,778</b>
Finance costs of borrowings	(4,663)	(4,663)	<b>(9,326)</b>
<b>Net return on ordinary activities before taxation</b>	<b>34,963</b>	<b>(34,511)</b>	<b>452</b>
Tax on ordinary activities	(3,194)	–	<b>(3,194)</b>
<b>Net return on ordinary activities after taxation</b>	<b>31,769</b>	<b>(34,511)</b>	<b>(2,742)</b>
<b>Net return per ordinary share</b> (note 4)	<b>12.53p</b>	<b>(13.61p)</b>	<b>(1.08p)</b>
<b>Dividends paid and proposed per ordinary share</b> (note 5)	<b>6.70p</b>		

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

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

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 September 2011

For the year ended 31 March 2012 (audited)

Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
-	49,444	<b>49,444</b>	-	(11,862)	<b>(11,862)</b>
-	(461,647)	<b>(461,647)</b>	-	(83,078)	<b>(83,078)</b>
-	(248)	<b>(248)</b>	-	5,974	<b>5,974</b>
38,891	-	<b>38,891</b>	52,681	-	<b>52,681</b>
8	-	<b>8</b>	8	-	<b>8</b>
(1,848)	(1,848)	<b>(3,696)</b>	(3,632)	(3,632)	<b>(7,264)</b>
(1,268)	-	<b>(1,268)</b>	(2,380)	-	<b>(2,380)</b>
35,783	(414,299)	<b>(378,516)</b>	46,677	(92,598)	<b>(45,921)</b>
(4,692)	(4,692)	<b>(9,384)</b>	(9,401)	(9,401)	<b>(18,802)</b>
31,091	(418,991)	<b>(387,900)</b>	37,276	(101,999)	<b>(64,723)</b>
(3,319)	-	<b>(3,319)</b>	(3,803)	-	<b>(3,803)</b>
<b>27,772</b>	<b>(418,991)</b>	<b>(391,219)</b>	<b>33,473</b>	<b>(101,999)</b>	<b>(68,526)</b>
<b>10.83p</b>	<b>(163.34p)</b>	<b>(152.51p)</b>	<b>13.07p</b>	<b>(39.81p)</b>	<b>(26.74p)</b>

**6.20p**

**13.00p**

# Balance Sheet (unaudited)

	At 30 Sept 2012 £'000	At 30 Sept 2011 £'000	At 31 March 2012 (audited) £'000
<b>Fixed assets</b>			
Investments held at fair value through profit or loss	2,340,750	2,078,613	2,361,636
<b>Current assets</b>			
Debtors	10,328	13,500	8,321
Cash and short term deposits	7,556	22,826	20,855
	17,884	36,326	29,176
<b>Creditors</b>			
Amounts falling due within one year:			
Bank loans (note 6)	(61,308)	(116,087)	(112,802)
Other creditors	(4,385)	(17,767)	(12,493)
	(65,693)	(133,854)	(125,295)
<b>Net current liabilities</b>	(47,809)	(97,528)	(96,119)
<b>Total assets less current liabilities</b>	2,292,941	1,981,085	2,265,517
<b>Creditors</b>			
Amounts falling due after more than one year:			
Bank loans (note 6)	(149,539)	(104,635)	(102,015)
Debenture stocks	(151,067)	(151,279)	(151,179)
	(300,606)	(255,914)	(253,194)
	<b>1,992,335</b>	<b>1,725,171</b>	<b>2,012,323</b>
<b>Capital and reserves</b>			
Called up share capital	71,086	71,086	71,086
Capital redemption reserve	19,094	19,094	19,094
Capital reserve	1,809,718	1,546,874	1,844,229
Revenue reserve	92,437	88,117	77,914
<b>Shareholders' funds</b>	<b>1,992,335</b>	<b>1,725,171</b>	<b>2,012,323</b>
<b>Net asset value per ordinary share</b> (after deducting borrowings at fair value) (note 7)	<b>757.4p</b>	<b>648.7p</b>	<b>768.7p</b>
<b>Net asset value per ordinary share</b> (after deducting borrowings at par)	<b>787.7p</b>	<b>674.7p</b>	<b>795.6p</b>
<b>Ordinary shares in issue</b> (note 8)	<b>253,619,897</b>	<b>256,519,897</b>	<b>253,619,897</b>

# Reconciliation of Movements in Shareholders' Funds (unaudited)

For the six months ended 30 September 2012

	Share capital £'000	Capital redemption reserve £'000	Capital reserve † £'000	Revenue reserve £'000	Shareholders' funds £'000
Shareholders' funds at 1 April 2012	71,086	19,094	1,844,229	77,914	<b>2,012,323</b>
Net return on ordinary activities after taxation	–	–	(34,511)	31,769	<b>(2,742)</b>
Dividends paid during the period (note 5)	–	–	–	(17,246)	<b>(17,246)</b>
<b>Shareholders' funds at 30 September 2012</b>	<b>71,086</b>	<b>19,094</b>	<b>1,809,718</b>	<b>92,437</b>	<b>1,992,335</b>

For the six months ended 30 September 2011

	Share capital £'000	Capital redemption reserve £'000	Capital reserve † £'000	Revenue reserve £'000	Shareholders' funds £'000
Shareholders' funds at 1 April 2011	71,086	19,094	1,965,865	76,249	<b>2,132,294</b>
Net return on ordinary activities after taxation	–	–	(418,991)	27,772	<b>(391,219)</b>
Dividends paid during the period (note 5)	–	–	–	(15,904)	<b>(15,904)</b>
<b>Shareholders' funds at 30 September 2011</b>	<b>71,086</b>	<b>19,094</b>	<b>1,546,874</b>	<b>88,117</b>	<b>1,725,171</b>

For the year ended 31 March 2012 (audited)

	Share capital £'000	Capital redemption reserve £'000	Capital reserve † £'000	Revenue reserve £'000	Shareholders' funds £'000
Shareholders' funds at 1 April 2011	71,086	19,094	1,965,865	76,249	<b>2,132,294</b>
Net return on ordinary activities after taxation	–	–	(101,999)	33,473	<b>(68,526)</b>
Shares bought back (note 8)	–	–	(19,637)	–	<b>(19,637)</b>
Dividends paid during the year (note 5)	–	–	–	(31,808)	<b>(31,808)</b>
<b>Shareholders' funds at 31 March 2012</b>	<b>71,086</b>	<b>19,094</b>	<b>1,844,229</b>	<b>77,914</b>	<b>2,012,323</b>

† The Capital Reserve balance at 30 September 2012 includes investment holding gains on fixed asset investments of £660,706,000 (30 September 2011 – gains of £376,681,000 and 31 March 2012 – gains of £755,250,000).

## Condensed Cash Flow Statement (unaudited)

	Six months to 30 Sept 2012 £'000	Six months to 30 Sept 2011 £'000	Year to 31 March 2012 (audited) £'000
Net cash inflow from operating activities	29,315	29,681	44,484
Net cash outflow from servicing of finance	(9,499)	(9,288)	(18,803)
Total tax suffered	(2,534)	(2,997)	(3,858)
Net cash (outflow)/inflow from financial investment	(13,335)	8,012	37,155
Equity dividends paid (note 5)	(17,246)	(15,904)	(31,808)
<b>Net cash (outflow)/inflow before use of liquid resources and financing</b>	<b>(13,299)</b>	<b>9,504</b>	<b>27,170</b>
Shares bought back (note 8)	–	–	(19,637)
Net cash outflow from bank loans (note 6)	–	(1,377)	(1,377)
<b>(Decrease)/increase in cash</b>	<b>(13,299)</b>	<b>8,127</b>	<b>6,156</b>

### Reconciliation of net cash flow to movement in net debt

(Decrease)/increase in cash in the period	(13,299)	8,127	6,156
Decrease in bank loans (note 6)	–	1,377	1,377
Exchange movement on bank loans	3,970	(3,493)	2,412
Other non-cash changes	112	99	199

### Movement in net debt in the period

Net debt at start of the period	(345,141)	(355,285)	(355,285)
<b>Net debt at end of the period</b>	<b>(354,358)</b>	<b>(349,175)</b>	<b>(345,141)</b>

### Reconciliation of net return before finance costs and taxation to net cash inflow from operating activities

Net return on ordinary activities before finance costs and taxation	9,778	(378,516)	(45,921)
Net losses on investments	30,116	412,203	94,940
Currency (gains)/losses	(2,099)	248	(5,974)
Amortisation of fixed income book cost	–	(3)	(3)
Changes in debtors and creditors	(8,480)	(4,251)	1,442
<b>Net cash inflow from operating activities</b>	<b>29,315</b>	<b>29,681</b>	<b>44,484</b>

# Notes to the Condensed Financial Statements (unaudited)

- The condensed financial statements for the six months to 30 September 2012 comprise the statements set out on pages 6 to 10 together with the related notes on pages 11 and 12. 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 March 2012 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; accordingly, the Half-Yearly Financial Report has 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.
- 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 March 2012 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 statements under sections 498(2) or (3) of the Companies Act 2006.
- Baillie Gifford & Co are employed by the Company as investment managers and secretaries under a management agreement which can be terminated on not less than six months' notice, or on shorter notice in certain circumstances. The fee in respect of each quarter is 0.08% of total assets less current liabilities (excluding short term borrowings for investment purposes).

	Six months to 30 Sept 2012	Six months to 30 Sept 2011	Year to 31 March 2012 (audited)
	£'000	£'000	£'000
<b>4 Net return per ordinary share</b>			
Revenue return on ordinary activities after taxation	31,769	27,772	33,473
Capital return on ordinary activities after taxation	(34,511)	(418,991)	(101,999)
<b>Total net return</b>	<b>(2,742)</b>	<b>(391,219)</b>	<b>(68,526)</b>

Weighted average number of ordinary shares in issue	<b>253,619,897</b>	<b>256,519,897</b>	<b>256,199,678</b>
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The net return per ordinary share figures are based on the above totals of revenue and capital and the weighted average number of ordinary shares in issue during each period.

There are no dilutive or potentially dilutive shares in issue.

	Six months to 30 Sept 2012	Six months to 30 Sept 2011	Year to 31 March 2012 (audited)
	£'000	£'000	£'000
<b>5 Dividends</b>			
<b>Amounts recognised as distributions in the period:</b>			
Previous year's final dividend of 6.80p (2011 – 6.20p), paid 2 July 2012	17,246	15,904	15,904
Interim dividend for the year ended 31 March 2012 of 6.20p, paid 25 November 2011	–	–	15,904
	<b>17,246</b>	<b>15,904</b>	<b>31,808</b>

# Notes to the Condensed Financial Statements (unaudited)

	Six months to 30 Sept 2012	Six months to 30 Sept 2011	Year to 31 March 2012 (audited)
	£'000	£'000	£'000
5	<b>Dividends (cont.)</b>		
	<b>Dividends paid and proposed in the period:</b>		
	Interim dividend for the year ending 31 March 2013 of 6.70p (2012 – 6.20p)		
	16,993	15,904	15,904
	Final dividend for the year ended 31 March 2012		
	–	–	17,246
	<b>16,993</b>	<b>15,904</b>	<b>33,150</b>

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 23 November 2012 to shareholders on the register at the close of business on 9 November 2012. The ex dividend date is 7 November 2012. The Company's Registrars offer a Dividend Reinvestment Plan and the final date for elections for this dividend is 12 November 2012.

- 6 The bank loans falling due within one year comprise US\$99 million (30 September 2011 – US\$99 million and €61 million; 31 March 2012 – US\$99 million and €61 million).

The bank loans falling due in more than one year comprise US\$163 million and €61 million (30 September 2011 – US\$163 million; 31 March 2012 – US\$163 million).

During the period the bank loan of €61 million was repaid and a new two year loan of €61 million was drawn down.

- 7 The fair value of the borrowings at 30 September 2012 was £433,441,000 (30 September 2011 – £433,041,000; 31 March 2012 – £428,696,000).

	At 30 Sept 2012	At 30 Sept 2011	At 31 March 2012 (audited)
	No. of Shares	No. of Shares	No. of Shares
8	<b>Share Capital: Ordinary shares of 25p each</b>		
	Allotted, called up and fully paid		
	253,619,897	256,519,897	253,619,897
	Treasury shares		
	30,726,279	27,826,279	30,726,279
	<b>Total</b>	<b>284,346,176</b>	<b>284,346,176</b>

In the six months to 30 September 2012 there were no ordinary shares bought back (30 September 2011 no ordinary shares were bought back; in the year to 31 March 2012 a total of 2,900,000 ordinary shares were bought back at a total cost of £19,637,000). At 30 September 2012 the Company had authority to buy back 38,017,622 ordinary shares.

- 9 Transaction costs on purchases amounted to £180,000 (30 September 2011 – £754,000; 31 March 2012 – £968,000) and transaction costs on sales amounted to £80,000 (30 September 2011 – £546,000; 31 March 2012 – £669,000).

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

# Further Shareholder Information

Scottish Mortgage'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 lump sum or regular 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 also 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](http://www.bailliegifford.com/oms). 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.

Baillie Gifford Savings Management Limited is the ISA Manager, the Manager of the Baillie Gifford Investment Trust Share Plan and Children's Savings Plan. Baillie Gifford Savings Management Limited is wholly owned by Baillie Gifford & Co. Both are authorised and regulated by the Financial Services Authority and both are based at Calton Square, 1 Greenside Row, Edinburgh EH1 3AN. Baillie Gifford only provides information about its products and does not provide investment advice.

## Risk Warnings

- Past performance is not a guide to future performance.
- Scottish Mortgage is listed on the London Stock Exchange. As a result, the value of its shares and any income from them can fall as well as rise and investors may not get back the amount invested.
- Scottish Mortgage 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.
- Scottish Mortgage invests in emerging markets where difficulties in dealing, settlement and custody could arise, resulting in a negative impact on the value of your investment.
- Scottish Mortgage 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.
- Scottish Mortgage can buy back its own shares. The risks from borrowing, referred to above, are increased when a 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 Scottish Mortgage might receive upon their sale.
- Scottish Mortgage charges 50% of the investment management fee and 50% 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 Scottish Mortgage may not pay a dividend and the capital value would be further reduced.
- You should note that tax rates and reliefs may change at any time and their value depends on your circumstances.
- Details of other risks that apply to investment in the savings vehicles shown on this page are contained in the product brochures.

The staff of Baillie Gifford and/or the Directors of Scottish Mortgage may hold shares in Scottish Mortgage and may buy or sell such shares from time to time.

Scottish Mortgage Investment Trust PLC is a UK public listed company and as such complies with the requirements of the UK Listing Authority. It is not authorised or regulated by the Financial Services Authority.

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Dr MM Gray OBE DL  
Professor JA Kay FBA FRSE  
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## Managers, Secretaries and Registered Office

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