

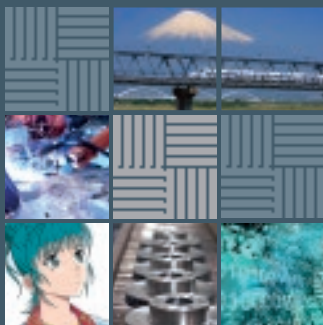
BAILLIE GIFFORD SHIN NIPPON PLC

Investing in new
opportunities in Japan



Annual Report and Financial Statements
31 January 2014





Shin Nippon's objective is to pursue long term capital growth through investment principally in small Japanese companies.

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THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the action you should take you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom or, if not, from another appropriately authorised financial adviser.

If you have sold or otherwise transferred all of your ordinary shares in Baillie Gifford Shin Nippon PLC, please forward this document and the accompanying form of proxy as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was or is being effected for delivery to the purchaser or transferee.

Notes

None of the views expressed in this document should be construed as advice to buy or sell a particular investment. Investment trusts are UK public listed companies and as such comply with the requirements of the UK Listing Authority. They are not authorised or regulated by the Financial Conduct Authority.

Baillie Gifford Shin Nippon PLC currently conducts its affairs, and intends to continue to conduct its affairs, so that the Company's Ordinary Shares can be recommended by Independent Financial Advisers (IFAs) to ordinary retail investors in accordance with the rules of the Financial Conduct Authority (FCA) in relation to non-mainstream investment products.

The Trust's Ordinary Shares are excluded from the FCA's restrictions that apply to non-mainstream investment products because they are shares in an investment trust.

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Financial Highlights – Year to 31 January 2014

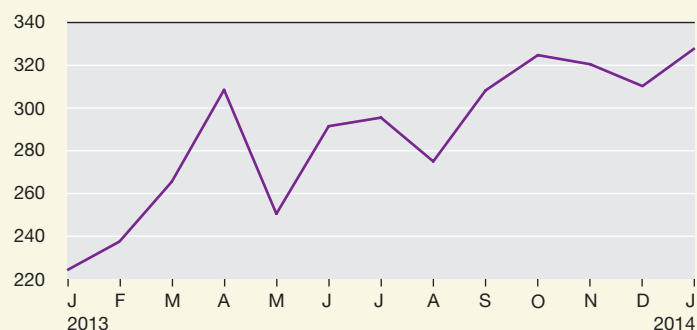
Share Price +46.4%

NAV +45.5%

Benchmark +17.3%

Share Price (pence)

— Share price

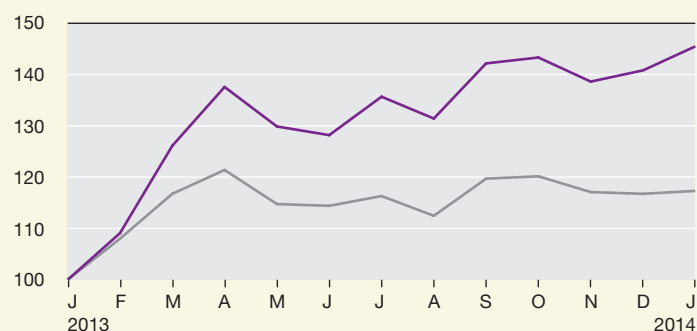


NAV and Comparative Index

(figures rebased to 100 at 31 January 2013)

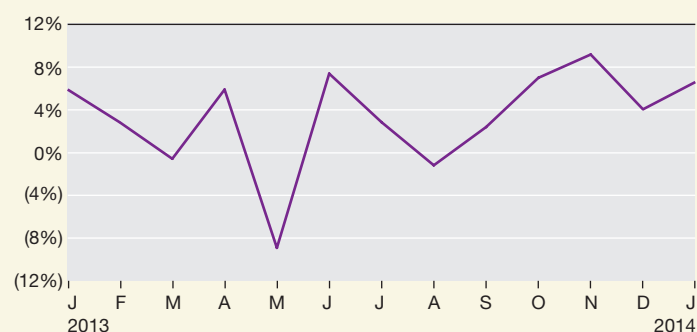
— NAV (after deducting borrowings at fair value)

— Comparative Index*



Premium/(Discount)

— Premium/(Discount) (after deducting borrowings at fair value) plotted as at month end dates



* The comparative index is the MSCI Japan Small Cap Index (total return and in sterling terms). Prior to 1 February 2010 the comparative index comprised a composite of the Tokyo Second Section Index, the TOPIX Small Index and the JASDAQ Index, weighted by market capitalisation, in sterling terms.

Source: Thomson Reuters Datastream/Baillie Gifford & Co.

Past performance is not a guide to future performance.

Strategic Report

This Strategic Report, which includes pages 2 to 19 and incorporates the Chairman's Statement has been prepared in accordance with the Companies Act 2006. This report is a new requirement and contains many of the disclosures previously contained within the Business Review section of the Directors' Report.

Chairman's Statement

Performance

Your Board reviews performance mainly over rolling three year periods. I am pleased to report that in the three year period to 31 January 2014 Shin Nippon's net asset value per share rose 72.0%, significantly more than the 21.9% increase in the Company's comparative index (MSCI Japan Small Cap Index total return in sterling terms). Our share price rose by 100.9% over this period. Our yen borrowings were beneficial to performance and stock selection was very strong.

Over the year to 31 January 2014 Shin Nippon's net asset value per share rose 45.5%, also significantly above the 17.3% rise in the Company's comparative index. The share price rose by 46.4% in the year. Stock selection was extremely good in the year and borrowings were helpful to performance. The 13.7% weakening of the yen against GBP was adverse for sterling based investors, but its weakness has improved the margins of Japanese exporters and has encouraged overseas and domestic investors to return to the market.

I am delighted that our strong performance was recognised at the Investment Week Investment Trust of the Year Awards in November where we were voted the 'Best Overseas Smaller Companies Trust'.

Share Issuance

The share price stood at a premium to net asset value throughout most of the year and ended the year at a premium of 6.6%. During this period the opportunity was taken to issue 4.02m shares (12.3% of our share capital at 31 January 2013) raising £11.4m. These shares were all issued at a premium to net asset value, which averaged 4.6%. Over the year this resulted in an enhancement of net asset value of 0.7% per share. In approving these share issues we are mindful that in increasing the size of the Company our shares are likely to have improved liquidity and be more attractive to a wider range of shareholders.

Borrowing and Hedging

During the year we reviewed our borrowing arrangements. We have negotiated a new loan facility of ¥3.35bn. This is a 7 year facility from ING expiring in November 2020. Gearing at 31 January 2014 was 11% compared to 10% at January last year. The gearing is likely to be maintained as the Managers continue to find interesting Japanese smaller company investments.

The Company undertook no currency hedging in the period, but we continue to monitor the situation.

Revenue

Although portfolio income continued to benefit from dividend growth this factor was more than offset by higher expenses and finance costs. The Company's revenue earnings per share

declined from a loss of 0.07p to a loss of 0.69p. The uplift in net asset value over the year resulted in higher absolute fees payable to the Managers. Finance costs increased due to interest payable on the increased yen borrowings.

It is pleasing to note that a new management fee structure was agreed with Baillie Gifford & Co which was effective from 1 April 2013 (see page 37 for details of the management fee arrangements). Had the former structure been in place for the full year, approximately a further £186,000 would have been payable to the Managers. The Board continues to monitor the Company's expenses carefully.

AGM

At this year's AGM the Board is seeking to renew the facility to issue new shares (and to reissue any shares held in treasury, of which there are currently none), of up to 25% of the Company's issued share capital for cash, on a pre-emptive basis, but only at a premium to net asset value so enhancing net asset value for existing shareholders.

There has been notable demand for the Company's shares over the past 15 months resulting in them trading at a premium, often substantial, to the underlying net asset value. To ensure that the premium does not reach a level that dissuades investment from regular savers and those wishing to take a new holding, the Company envisages issuing further shares into the market in an attempt to redress the recent imbalance between supply and demand. The Board has contemplated more substantive one off issuance events, such as a 'C' share issue, but considers supplying natural market demand, as and when it materialises, to be in the best interest of existing shareholders. The Board is also mindful that at current market levels the Managers' investment philosophy and process is not compromised by extensive levels of cash requiring investment.

Approval will also be sought to renew the authority to buy back shares. This would enable the Board to buy back shares if the discount to net asset value is substantial in absolute terms or in relation to its peers, should that be deemed to be desirable. Any such activity would be net asset value enhancing for remaining shareholders.

Governance

Your Board and Manager have spent a very large amount of time during the year ensuring that our processes and procedures will be compliant with the new Alternative Investment Fund Managers Directive to be implemented later this year. We are minded to appoint Baillie Gifford and Co Ltd as our Alternative Investment Fund Manager under this legislation, and will make a formal decision about this later in the year. Personally, I am very doubtful that this legislation will bring any real benefit to our Company or to

the Investment Trust sector. However, the requirement to appoint a depositary will provide additional oversight and should mitigate risk in a number of areas, particularly those of custody and cash monitoring.

Over the years we have been very keen to ensure that we refresh your Board in a sensible fashion. With this in mind I have informed my colleagues of my intention to stand down from the Chair and Board at the AGM in 2015. They will identify and recruit my successor in the coming months so that there can be a suitable period of continuity during the transition.

Outlook

In my report to you last year I commented that “The Japanese political environment had a rare positive impact on the market over the last year”. I am delighted to be able to report that this has continued. Prime Minister Abe has continued to pursue his growth agenda, and there are encouraging signs that his policies are being implemented gradually and are having an impact. The programme of consumption tax increases is now agreed at least for April 2014; there are signs that monetary easing is stimulating Japan out of its long period of deflation and that the 2% inflation target could be met; exporters are delighted by the weakness in the yen and there are encouraging signs that companies will begin to increase wages. There are some negatives of course, and the principal one is arguably the deteriorating diplomatic relations between Japan and China due mainly to the ongoing altercation about the Senkaku Islands (known as the Diaoyu Islands in China).

This political and economic background has encouraged many international and domestic investors into the Japanese market and contributed to the large market rise we have seen. My point in writing about these developments is to caution that should Abe and his Government falter in these plans then there must be a risk that these inflows could easily reverse. We have no particular insight to believe that this may happen in the short term at least, but I feel it would be remiss not to highlight the pronounced market risk.

However, the more important point I want to stress is that Baillie Gifford Shin Nippon is very much a stock picking fund. The strategy is to identify and invest in smaller companies that have competitive advantage, strong managements and potential for growth. It is not founded on the fundamentals of the Japanese market itself. I am pleased to report that the Managers are still finding attractive companies in which we can invest and, despite the sharp market rise, share price ratings are not excessive. More information about our portfolio is contained in the Managers’ detailed report on page 9.

Barry M Rose
21 March 2014

Year's Summary

	31 January 2014	31 January 2013	% change
Total assets (before deduction of bank loan)	£133.8m	£77.1m	
Bank loan	£19.8m	£8.0m	
Shareholders' funds	£114.0m	£69.1m	
Net asset value per ordinary share (after deducting borrowings at fair value)	307.8p	211.6p	45.5
Net asset value per ordinary share (after deducting borrowings at par value)	310.7p	211.7p	46.8
Share price†	328.0p	224.1p	46.4
MSCI Japan Small Cap Index*			17.3
Yen/sterling exchange rate	167.61	144.69	(13.7)
Premium (after deducting borrowings at fair value)	6.6%	5.9%	
Premium (after deducting borrowings at par value)	5.6%	5.9%	
Revenue earnings per ordinary share	(0.69p)	(0.07p)	
Ongoing charges	1.19%	1.53%	

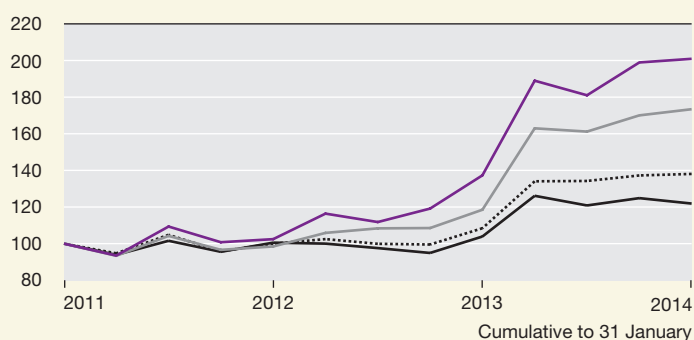
Year to 31 January	2014	2014	2013	2013
Year's high and low	High	Low	High	Low
Net asset value per ordinary share (after deducting borrowings at fair value)	314.9p	206.4p	211.6p	174.8p
Net asset value per ordinary share (after deducting borrowings at par value)	317.4p	206.6p	211.7p	175.0p
Share price	340.3p	221.0p	224.1p	160.5p
Premium/(discount) (after deducting borrowings at fair value)	10.5%	(10.9%)	7.3%	(11.1%)
Premium/(discount) (after deducting borrowings at par value)	10.4%	(10.9%)	7.2%	(11.1%)

	31 January 2014	31 January 2013
Net return per ordinary share		
Revenue return	(0.69p)	(0.07p)
Capital return	96.62p	35.53p
Total return	95.93p	35.46p

†At mid market price.

Three Year Performance

(figures rebased to 100 at 31 January 2011)



Source: Thomson Reuters Datastream/Morningstar/Baillie Gifford & Co.

— Shin Nippon share price#
 — Shin Nippon NAV#
 Peer Group NAV#
 — Comparative Index*

Total return. NAV data is after deducting borrowings at par value. AIC peer group comprises: Atlantis Japan Growth, Fidelity Japanese Values, JP Morgan Japanese Smaller Companies and Prospect Japan; data is unweighted.

* The comparative index is the MSCI Japan Small Cap Index (total return and in sterling terms).

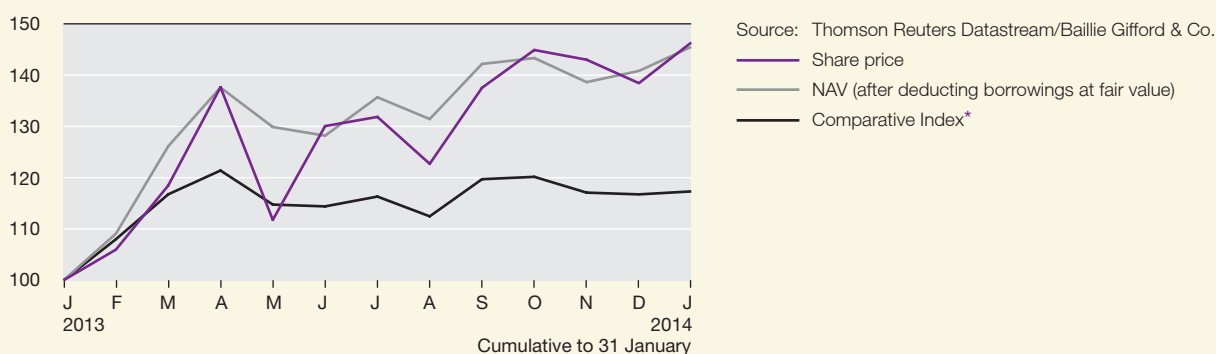
Past performance is not a guide to future performance.

Performance Summary

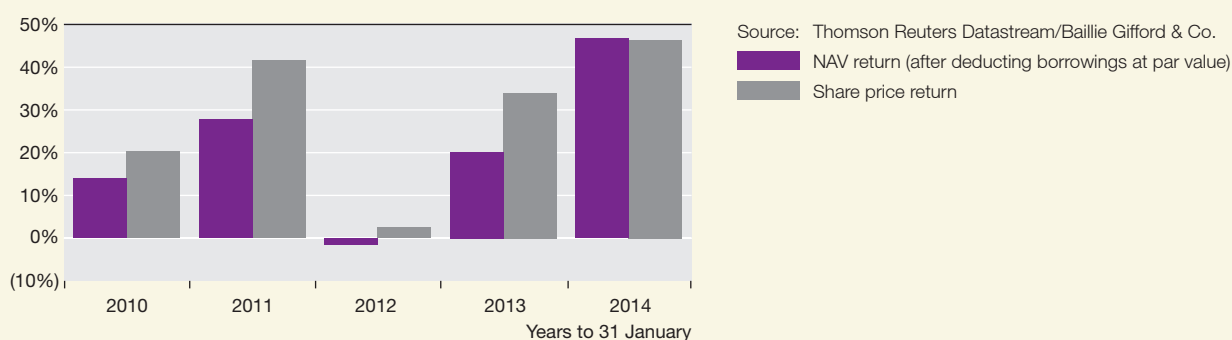
The following charts indicate how an investment in Shin Nippon has performed relative to its comparative index, peer group and its underlying net asset value over one and five year periods to 31 January 2014.

One Year Performance

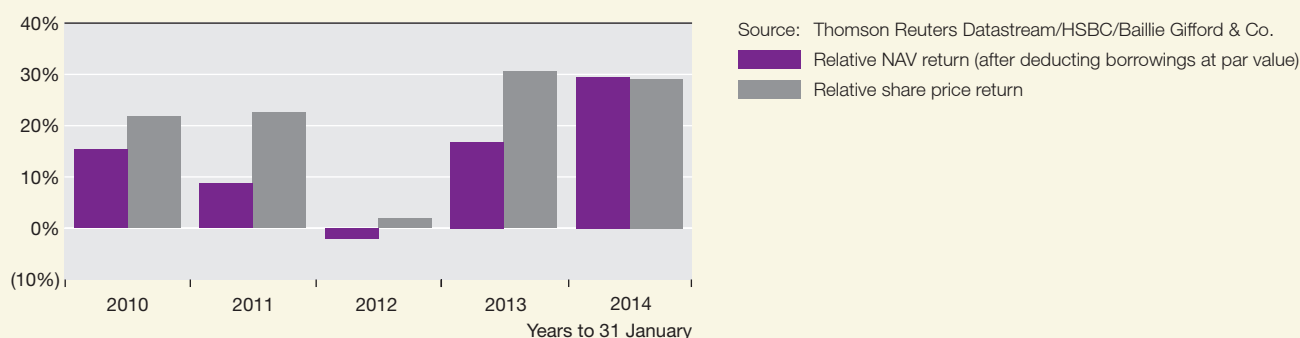
(figures rebased to 100 at 31 January 2013)



Annual change in Net Asset Value and Share Price



Annual change in Net Asset Value and Share Price relative to the Comparative Index*

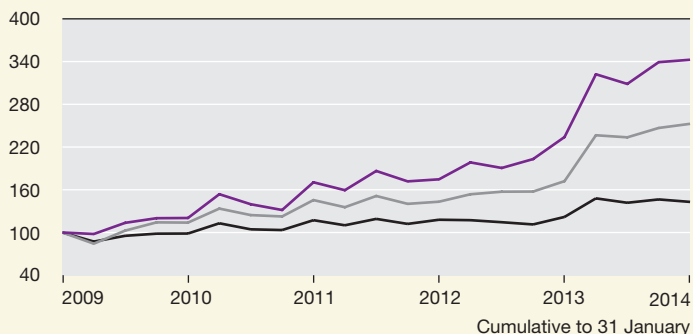


* The comparative index is the MSCI Japan Small Cap Index (total return and in sterling terms). Prior to 1 February 2010 the comparative index comprised a composite of the Tokyo Second Section Index, the TOPIX Small Index and the JASDAQ Index, weighted by market capitalisation, in sterling terms.

Past performance is not a guide to future performance.

Five Year Performance

(figures rebased to 100 at 31 January 2009)



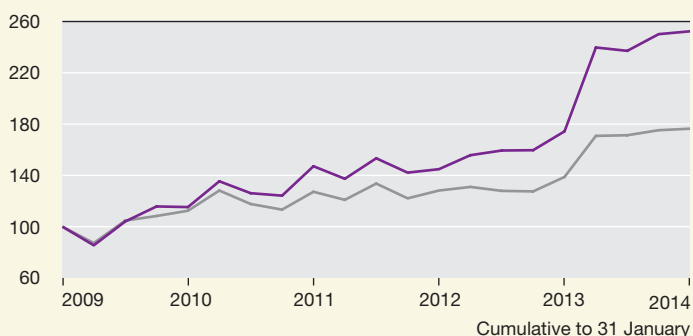
Source: Thomson Reuters Datastream/HSBC/Baillie Gifford & Co.

— Share price
— NAV (after deducting borrowings at par value)
— Comparative Index*

* The comparative index is the MSCI Japan Small Cap Index (total return and in sterling terms). Prior to 1 February 2010 the comparative index comprised a composite of the Tokyo Second Section Index, the TOPIX Small Index and the JASDAQ Index, weighted by market capitalisation, in sterling terms. For the purpose of the graph the returns on these indices for their respective periods have been linked together to form a single comparative index.

Five Year Peer Group Performance

(figures rebased to 100 at 31 January 2009)



Source: Morningstar/Baillie Gifford & Co.

— Shin Nippon
— Peer Group*

NAV total return (after deducting borrowings at par value) in sterling terms.

* AIC peer group comprises: Atlantis Japan Growth, Fidelity Japanese Values, JP Morgan Japanese Smaller Companies and Prospect Japan.

Data is unweighted.

(Discount)/premium to Net Asset Value

(plotted on a monthly basis)



Source: Thomson Reuters Datastream/Baillie Gifford & Co.

— Shin Nippon (discount)/premium

The (discount)/premium is the difference between Shin Nippon's underlying net asset value per share (after deducting borrowings at par value) and its quoted share price expressed as a percentage of the net asset value per share.

Past performance is not a guide to future performance.

Business Review

Business and Status

The Company is an investment company within the meaning of section 833 of the Companies Act 2006. The Company carries on business as an investment trust.

The Company has obtained approval as an investment trust from HM Revenue & Customs for accounting periods commencing on or after 1 February 2012 and has continued to conduct its affairs so as to comply with the ongoing requirements of section 1158.

Objective and Policy

Baillie Gifford Shin Nippon's objective is to pursue long term capital growth through investment principally in small Japanese companies which are believed to have above average prospects for growth. The Board and Managers currently consider a small company to be one that has either market capitalisation or turnover less than ¥150 billion. The Company is classified by the AIC within its Japanese Smaller Companies sector.

The portfolio is constructed through the identification of individual companies which offer long term growth potential, typically over a three to five year horizon. The portfolio is actively managed and does not seek to track the comparative index, hence a degree of volatility against the index is inevitable.

In constructing the equity portfolio a spread of risk is achieved by diversifying the portfolio through investment in 40 to 75 holdings. Although sector concentration and the thematic characteristics of the portfolio are carefully monitored, there are no maximum limits to deviation from comparative index stock or sector weights.

On acquisition, no holding shall exceed 3% of the portfolio and any holding that as a result of good performance exceeds 5% of the portfolio is subject to particular scrutiny. A holding greater than 5% will continue to be held where the Managers are convinced of the ongoing merits of the investment case.

The Company may invest in UK and Overseas domiciled pooled funds, including UK listed investment trusts, that invest principally in Japanese securities. On acquisition, no more than 15% of the Company's gross assets will be invested in such companies or funds.

From time to time, fixed interest holdings, or non equity investments, may be held on an opportunistic basis. The Company may use derivatives which will be principally, but not exclusively, for the purpose of efficient portfolio management (i.e. for the purpose of reducing, transferring or eliminating investment risk in its investments, including protection against currency risks).

The Company recognises the long term advantages of gearing. Although the Company may have maximum equity gearing of 50% of shareholders' funds, the Board would seek to have a maximum equity gearing level of 30% of shareholders' funds at the time of drawdown.

Borrowings are typically invested in securities when it is considered that investment grounds merit the Company taking a geared position to securities. Gearing levels, and the extent of equity gearing, are discussed by the Board and Managers at every Board meeting. The Managers are tasked with ensuring that gearing is managed efficiently and within the parameters set by the Board and any loan covenants.

A detailed analysis of the Company's Investment Portfolio is set out on pages 17 and 18 and in the Managers' Report and Review of Investments on pages 9 to 13.

Performance

At each Board meeting, the Directors consider a number of performance measures to assess the Company's success in achieving its objectives.

Key Performance Indicators

The key performance indicators (KPIs) used to measure the progress and performance of the Company over time are established industry measures and are as follows:

- the movement in net asset value per share compared to the comparative index;
- the movement in the share price;
- the discount/premium of the share price to the net asset value per share; and
- the ongoing charges.

These are also compared against the Company's peers. Performance is assessed over periods of one, three and five years.

A historical record of the KPIs is shown on pages 4 to 6 and on page 19.

Financials

The net asset value per share (after deducting borrowings at fair value) increased by 45.5% during the year, compared to an increase in the comparative index of 17.3%, and the share price moved from a premium to net asset value of 5.9% to a premium of 6.6%. During the year the Company issued 4,019,980 shares at a premium under its blocklisting facility for proceeds of £11.4 million.

Dividend

The revenue reserve remains in deficit and no revenue profits were generated in the current year. Consequently the Company will not pay a dividend.

Principal Risks

As explained on page 22 there is an ongoing process for identifying, evaluating and managing the risks faced by the Company. The principal risks associated with the Company are as follows:

Market Risk – The Company's assets consist of listed securities and its principal risks are therefore market related and include market risk (comprising currency risk, interest rate risk and other price risk), liquidity risk and credit risk. An explanation of those risks and how they are managed is contained in note 19 to the financial statements on pages 42 to 45.

Regulatory Risk – failure to comply with applicable legal and regulatory requirements such as the tax rules for investment companies, the UKLA Listing Rules and the Companies Act could lead to suspension of the Company's Stock Exchange listing, financial penalties, a qualified audit report or the Company being subject to tax on capital gains. Baillie Gifford's Internal Audit and Compliance Departments provide regular reports to the Audit Committee on Baillie Gifford's monitoring programmes.

Major regulatory change could impose disproportionate compliance burdens on the Company. In such circumstances representation is made to ensure that the special circumstances of investment trusts are recognised.

Operational/Financial Risk – failure of the Managers' accounting systems or those of other third party service providers could lead to an inability to provide accurate reporting and monitoring or a misappropriation of assets. The Managers have a comprehensive business continuity plan which facilitates continued operation of the business in the event of a service disruption or major disaster. The Board reviews the Managers' Report on Internal Controls and the reports by other key third party providers are reviewed by the Managers on behalf of the Board.

Discount/Premium Volatility – the discount/premium at which the Company's shares trade can change. The Board monitors the level of discount/premium and the Company has authority to buy back or issue shares when deemed to be in the best interest of all shareholders.

Gearing Risk – the Company may borrow money for investment purposes (sometimes known as 'gearing'). If the investments fall in value, any borrowings will magnify the extent of this loss. If borrowing facilities are not renewed, the Company may have to sell investments to repay borrowings.

All borrowings require the prior approval of the Board and gearing levels are discussed by the Board and Managers at every meeting. Covenant levels are monitored regularly. The Company's investments are in listed securities that are readily realisable.

Political Risk – the Board is aware that the Scottish Referendum Vote introduces elements of political uncertainty which may have practical consequences; developments will be monitored closely and considered by the Board and Managers.

Employees, Human Rights and Community Issues

The Board recognises the requirement to provide information about employees, human rights and community issues. As the Company has no employees, all its Directors are non-executive and all its functions are outsourced, these requirements do not apply to the Company.

Gender Representation

The Board comprises five Directors, four male and one female. The Company has no employees. The Board's policy on diversity is set out on page 22.

Environmental Social and Governance Policy

Details of the Company's policy on socially responsible investment can be found under Corporate Governance and Stewardship on page 24.

The Strategic Report which includes pages 2 to 19 was approved by the Board on 21 March 2014.

Barry M Rose
Chairman

Managers' Report

Last year's Managers' report noted increased entrepreneurial activity in Japan and suggested that this might lead to greater commercialisation of the undoubted innovation taking place within Japanese research laboratories. Since then there has been further evidence of Japan's ability to generate world leading research, notably in the fields of robotics and biotechnology, while positive signs regarding the monetisation of these breakthroughs has emerged. Google's purchase of a Tokyo University-related humanoid robot company hints that Japan is finally managing to adapt its vast industrial robotics knowledge base to other emerging applications.

Encouragingly, the profile of Japan's leading entrepreneurs, who act as inspirational role-models to the founders of start-ups, also continues to blossom. One of the strands of 'Abenomics', as the current government's growth plan has become known, highlights some of the newer industries (that many of these entrepreneurs' companies dominate) as key growth markets and drivers for the Japanese economy. Several of these role-models have become involved in advising the government on progressive policy changes that could increase growth opportunities for other 'new economy' businesses. It seems like a world away from the 'old' Japan where up-and-coming entrepreneurs with disruptive business practices were regularly stymied by regulators focussed on protecting sleepy incumbents. There is increasing acceptance, and even praise, of successful self-made businesspeople within Japanese society, something we hope will encourage more of Japan's most talented to set up their own companies. The resurgent IPO market should encourage this trend and broadens the choice of potential holdings for Shin Nippon. Last year witnessed the largest number of new listings since 2007 as many companies in new, expanding industries, previously prevented from listing by weak market conditions, finally came to market.

Most of Shin Nippon's holdings operate in expanding niches that are largely unaffected by the vacillations of the broader economy. Nonetheless, the greater sense of optimism, as the Japanese economy recovers, and the potential increased appetite for measured risk-taking, as inflation returns, should benefit the business start-up environment. Regulatory efforts to reduce personal liability, in the case of a start-up business bankruptcy, may also stimulate new business creation in the long term. The positive impact on national pride and general confidence from winning the 2020 Olympics, after a long period struggling to deal with the rising prowess of China, should not be underestimated.

Performance

The MSCI Japan Small Cap Index (total return in sterling terms) rose by 17.3% over the year while Shin Nippon's net asset value per share (after deducting borrowings at fair value) rose by 45.5%. Japanese markets rose strongly in local currency terms over the year, as investors reacted positively to the Government and Central Bank's concerted efforts to kick-start the economy. These moves contributed to the continued weakening in the yen, reducing moderately sterling based returns. Over the year, the Company's gearing had a positive impact on performance.

The e-commerce market in Japan, as elsewhere in the world, continues to expand rapidly and several of the best performing holdings benefited from this positive background. Japan's belated shift to a smartphone dominated mobile market has accelerated

this trend. Internet advertising company F@N Communications was the largest positive contributor to performance over the year. It provides affiliate marketing services to help big advertisers, particularly e-commerce companies, identify the most productive small specialist websites/blogs on which to place adverts. If a customer clicks through and purchases a product, F@N Communications earns a lucrative commission fee. Profits have been growing because the company has developed a strong presence in the nascent, but rapidly expanding, mobile telephone advertising market.

GMO Payment Gateway is one of the leading providers of digital payment processing services, facilitating transactions on over 40,000 small websites in Japan. Growth expectations for the company were continually increased over the course of 2013 as more websites signed up to use the services, boosting the outlook for recurring annual fees. In addition, the company collects revenues related to the number of transactions that are processed and its customers' websites appear to have been performing very well. It has also been adding new value-added services to allow customers to analyse the performance of different parts of their websites.

Start Today, Japan's dominant online apparel retailer, had a much stronger year after struggling a little as Japan transitioned to a smartphone environment. Rather than just offering a simpler version of its PC website, the company has started to improve its mobile offering to take advantage of some of the inherent consumer benefits of mobile internet. The latest Start Today mobile app has proved very popular with fashion conscious users who can now scan the barcodes of clothes in shops to upload images and then visualise how they look with other items. Images can be shared with friends and if the user decides to go ahead and make a purchase, they can do so easily through the app.

Several holdings that have been building their websites, with the intention of becoming the de facto online marketplace for their particular industry, also performed well. Infomart operates a web-based platform that allows restaurants to order their supplies online from multiple suppliers through one convenient website. Restaurants are able to make significant efficiency gains by not having to phone different suppliers every day with orders. The website has the added advantage of allowing restaurants to monitor food traceability closely, which has been more of a concern since the Fukushima nuclear incident.

Next's real estate focused website provides the broadest selection of listings for rental apartments and homes to buy in Japan. The revenue model was changed a few years ago and is now aligned more to the number of enquiries generated through the website. Next's profits have been increasing sharply as activity in the property market has picked up, driven by the belief that real estate prices may well have bottomed and in part by people buying new homes ahead of the planned increase in consumption tax later this year.

After performing strongly in 2012, Endo Lighting, the commercial LED lighting manufacturer, was the worst contributor to performance. Having shifted much of its production to what at the time were low cost manufacturing bases overseas, it has suffered from cost increases as the yen has weakened.

Past performance is not a guide to future performance.

Portfolio

Annualised turnover within the portfolio was 14.4%, consistent with our long term, patient investment approach. However, several new holdings, in exciting companies with high growth potential, were taken over the course of the year.

Oisix operates the most popular organic grocery website in Japan. The penetration rate for organic food in Japan has been increasing from a very low rate, a trend that has been accelerated by food contamination scares in recent years. Oisix has a strong first mover advantage thanks to its exclusive relationships with the limited number of organic farmers in Japan. The company's low risk business model means that fruit and vegetables are only picked after an online order has been placed.

Jeol is a specialist manufacturer of high-powered microscopes and other scientific analysis equipment. The company has strong global market shares for its niche products and demand should rise over the medium term as funding for numerous nanotechnology research projects increases both in Japan and overseas.

Yume No Machi operates several websites, the most interesting of which aggregates takeaway menu information and allows customers to order their meal deliveries online. The popularity of this service has risen sharply since the introduction of the company's mobile phone app. As more users download the app, more takeaway facilities sign up to have their menus included on the site, creating a virtuous circle. Yume No Machi earns a base fee from the restaurant and then receives a percentage fee for every meal ordered over the service.

Zuiko is one of the leading manufacturers of diaper manufacturing machines globally. These large scale machines are remarkably difficult to make and Zuiko has strong relationships with the leading diaper makers. The company generally receives orders as their customers expand into Emerging Markets where the outlook for diaper demand is attractive given rising incomes and hygiene standards. Three quarters of Zuiko's revenues are now from outside Japan, while increasing demand for adult diapers supports demand amongst ageing populations in developed markets.

Outlook

Although cognisant that risks exist, economic conditions within Japan are much healthier than they have been in recent years, with positive signs that the Bank of Japan's aggressive actions may be helping to defeat deflation. Shin Nippon's holdings are generally making good progress, in terms of profit growth, and we are encouraged that the choice of businesses that might meet our criteria for high growth potential is broadening. The positive entrepreneurship trends that we have observed in the start-up market are gradually producing more investable, high-growth listed businesses. Given the low turnover within the portfolio, it is interesting to note that we have held eight businesses listed within the last three years. Shin Nippon continues to focus on the most dynamic smaller businesses in Japan; innovative young companies that are creating entirely new markets and disruptive new businesses that are gaining share from pedestrian incumbents.

Review of Investments

A review of some of the Company's new acquisitions together with a list of the ten largest investments is given below and on the following two pages.

New Holdings

Yume No Machi

1.2% of total assets

Yume No Machi operates several websites, the most interesting of which aggregates takeaway menu information and allows customers to order their meals online. The popularity of this service has risen sharply since the introduction of the company's mobile phone app. Yume No Machi earns a base fee from the restaurant and then receives a percentage fee from every meal ordered over the service.

Zuiko

1.0% of total assets

Zuiko is one of the leading manufacturers of diaper manufacturing machines globally. These large scale machines are difficult to make and Zuiko has strong commercial relationships with the leading diaper makers which are now expanding into Emerging Markets. Due to rising incomes, the outlook for demand in these regions is very strong. Three quarters of Zuiko's revenues are from outside Japan.



Oisix

1.0% of total assets

Oisix operates the most popular organic grocery website in Japan. Demand in Japan for organic food has been increasing from a very low level, a trend that has been accelerated by the food contamination scares since the Fukushima nuclear incident. Oisix has exclusive relationships with the limited number of organic farmers in Japan and hence a strong first mover advantage.

Jeol

1.0% of total assets

Jeol is a specialist manufacturer of high-powered microscopes and other scientific analysis equipment. The company has strong global market shares in its niche products and should benefit given the investment being made in nanotechnology research around the world. Recent new product launches should also contribute to market share gains.

WDB Holdings

0.5% of total assets

WDB is a temporary staffing agency focused on R&D laboratory workers for the Japanese pharmaceutical and food industries. Demand for these workers is rising as the economy and corporate profits recover. However, more interestingly, the majority of the agency's workers are women who gave up full-time positions to have children; making it easier for mothers to return to the workplace is a key priority for Abe's government and WDB should be well placed to grow as the provision of childcare improves in Japan.

Top 10

F@N Communications

2.9% of total assets

F@N Communications is a leading provider of affiliate marketing services in the online/mobile environment in Japan. The company aggregates the details of many small specialist websites which seek advertising revenues and introduces them to the larger advertisers. F@N Communications earns commissions based on the number of customers who click through the advert to enter the advertisers' websites. As such it benefits not just from the rise in e-commerce but also from the increasing demand for more sophisticated online advertising techniques.

MonotaRO

2.6% of total assets

MonotaRO sells a huge variety of everyday business necessities directly to small Japanese companies through its website. In the past, small businesses had to deal with a vast array of different wholesalers and suppliers on a regular basis. MonotaRO's website has several million different items available to order. Most products are available for next day delivery and MonotaRO can normally offer lower prices because they are ordering in bulk. The number of registered customers is rising whilst a greater proportion of higher margin private brand products are being sold.

Digital Garage

2.5% of total assets

Digital Garage is an internet holding company. The company has an investment portfolio of early stage internet companies in Japan and America where it has strong connections. Several of the company's holdings have listed this year; one of the longer term holdings, Kakaku.com is Japan's leading price comparison website. Digital Garage also offers online marketing and payment services which often help develop their start-up companies into more commercially viable operations.

Nihon M&A Center

2.4% of total assets

Nihon M&A provides merger advice to small and medium sized businesses in Japan. Many elderly business founders in Japan with no natural successor are looking for solutions to secure the long term future of their company. There are also many companies in Japan with strong balance sheets looking to consolidate within their industry to make operations more efficient. Nihon M&A earns a fee if it successfully introduces two companies that end up merging. The company has a strong pipeline of new deals due to strong links with local banks and tax accountants.

Don Quijote

2.2% of total assets

Don Quijote operates a chain of large discount stores. The company's unique format provides enjoyment to customers as they search through the huge selection of discounted products, including clothes, household goods, cosmetics, packaged food and electronics. The majority of customers visit the stores in the evenings, many viewing the experience as a form of low cost entertainment similar to a treasure hunt. Don Quijote's strength lies in its efficient supply chain management system which allows it to set prices at low levels to attract customers. The company has purchased several underperforming retail chains at extremely low valuations and management is integrating them into the supply chain system to improve profitability.

Iriso Electronics

2.2% of total assets

Iriso Electronics is a specialist manufacturer of connectors, predominantly for electronic applications in cars. The company's strong relationship with its customers and the increasing use of electronics within cars should ensure growth in the longer term. Iriso suffered losses in the period immediately after the global recession, but a combination of cost reduction and recovering demand have helped profits to recover strongly.

CyberAgent

2.1% of total assets

CyberAgent is an internet holding company with exposure to internet advertising, online gaming/social media and internet start-up investments. The company is benefiting from the shift in advertising budgets to the internet and is currently experiencing rapid growth in its mobile advertising business. CyberAgent's venture capital arm also seems to be involved in a number of new entrepreneurial companies in the internet sector. Encouragingly, the company recently sold a non-core internet foreign exchange business to focus on its core businesses.



CyberAgent
CyberAgent's mobile advertising business is growing rapidly as advertising budgets shift online.



M3's website facilitates cost-effective marketing for pharmaceutical companies and more efficient time management for doctors.

M3

2.1% of total assets

M3 is a Japanese company that provides online marketing support for pharmaceutical companies. It runs a medical website with an interactive portal that doctors can log into and pick up targeted email messages about relevant new drug developments. This online marketing is much cheaper for the pharmaceutical companies than face-to-face contact through sales representatives and allows for more efficient time-management by doctors. Growth has been rapid in Japan and M3 is now starting to show signs of success in replicating the business model overseas. The company has obtained a worthwhile foothold in the US in several areas such as cardiology and oncology, while some small acquisitions in Europe will help the company develop its network of doctors there.

Asahi Intecc

2.1% of total assets

Asahi Intecc is a medical equipment company that specialises in high precision guidewires that are used in non-surgical treatment of narrowed or blocked arteries. The company's high-end products are gaining share globally now that the company has taken more control of its overseas distribution. In addition to this, the overall market is growing because non-surgical treatments are viewed as less risky and cheaper than heart surgery. The company has recovered quickly following flood damage to some of its production facilities in Thailand and is well positioned to grow in the rapidly expanding Chinese market.

Start Today

2.0% of total assets

The Japanese e-commerce market continues to expand rapidly and Start Today has emerged as the leading online apparel retailer. The company's shopping mall style website is aimed at fashion conscious consumers and handles items from over a thousand brands. The huge variety of garments and accessories on offer has allowed Start Today to achieve a dominant position within its niche market. The rising number of site members attracts more brands to the site, creating a virtuous circle. The expanding scale of operations has allowed the company to develop a strong distribution network which facilitates next day delivery. In the long run Start Today's market could double if the penetration of online apparel purchasing reaches the levels witnessed in some overseas markets.

Portfolio Performance Attribution for the Year to 31 January 2014*

Computed relative to the comparative index†

Portfolio breakdown	Index asset allocation		Shin Nippon asset allocation		Performance# Shin Nippon		Contribution to relative return %	Contribution attributable to:		
	31.01.13 %	31.01.14 %	31.01.13 %	31.01.14 %	Shin Nippon %	Index %		Stock selection %	Asset allocation %	Gearing %
Consumer Discretionary	20.2	18.8	23.2	26.5	52.5	16.9	6.5	6.7	(0.2)	–
Consumer Staples	9.9	8.9	8.0	5.2	10.7	4.7	0.8	0.5	0.3	–
Energy	0.5	0.7	1.3	1.5	17.6	12.0	0.1	0.1	–	–
Financials	19.7	18.8	10.3	8.8	21.8	6.9	2.3	1.8	0.5	–
Health Care	5.0	5.4	15.2	13.1	29.2	8.0	1.8	2.2	(0.4)	–
Industrials	22.8	24.7	21.5	17.4	18.9	22.5	(0.7)	(0.5)	(0.2)	–
Information Technology	10.5	11.4	18.0	24.9	89.5	46.8	8.3	5.8	2.5	–
Materials	11.2	11.1	1.7	1.0	1.1	15.6	–	(0.1)	0.1	–
Telecommunication Services	–	–	0.8	1.6	232.2	–	1.2	1.3	(0.1)	–
Utilities	0.2	0.2	–	–	–	(9.4)	–	–	–	–
Total (excluding gearing)	100.0	100.0	100.0	100.0	42.4	17.3	21.4	18.7	2.3	–
Impact of gearing					3.4		3.4	–	–	3.4
Total (including gearing)‡	100.0	100.0	100.0	100.0	47.3	17.3	25.6	18.7	2.3	3.4

Past performance is not a guide to future performance.

Source: Baillie Gifford & Co/StatPro.

Contributions cannot be added together, as they are geometric; for example to calculate how a return of 47.3% against an index return of 17.3% translates into a relative return of 25.6%, divide the portfolio return of 147.3 by the index return of 117.3 and subtract one.

* The performance attribution table is based on total assets.

† The comparative index for the year to 31 January 2014 was the MSCI Japan Small Cap index, total return and in sterling terms.

The returns are total returns (net income reinvested), calculated on a monthly linked method.

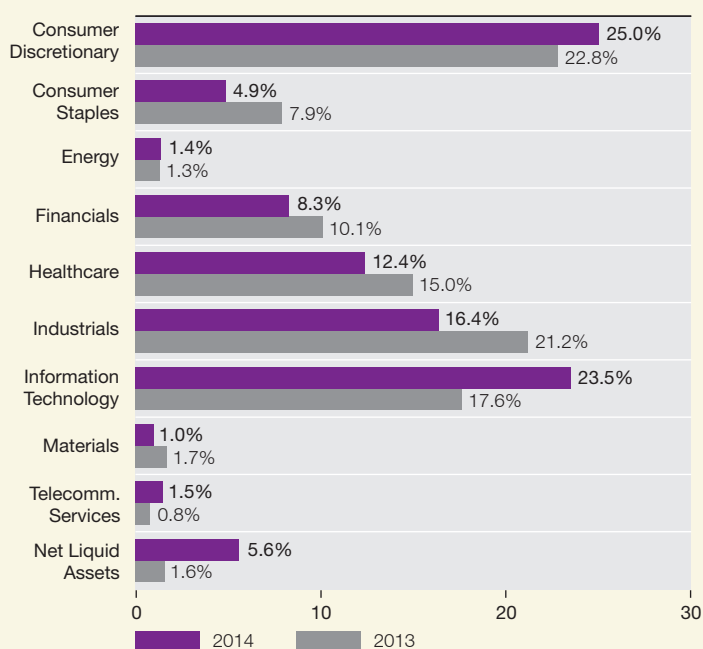
‡ The total return performance of 47.3% excludes expenses and therefore differs from the NAV return (after deducting borrowings at par value) of 46.8% as a result.

Investment Changes

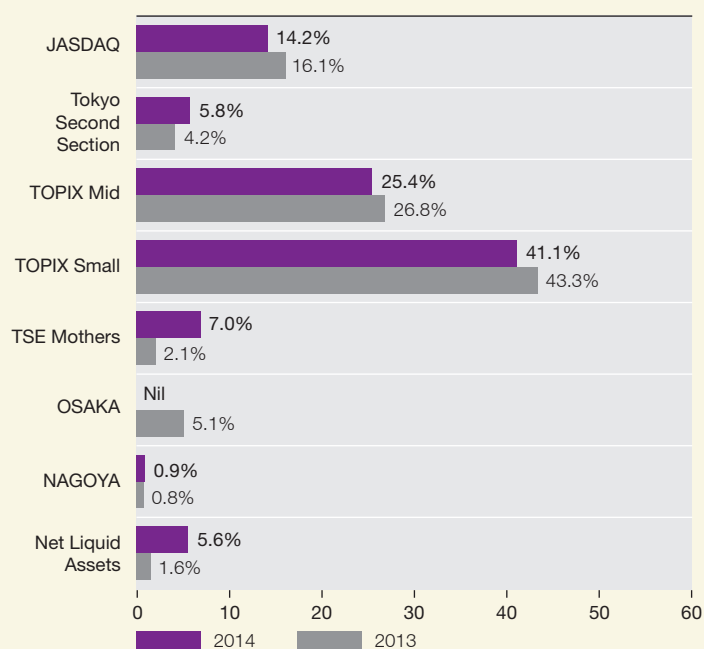
	Valuation at 31 January 2013 £'000	Net acquisitions/ (disposals) £'000	Appreciation/ (depreciation) £'000	Valuation at 31 January 2014 £'000
Equities:				
Consumer Discretionary	17,378	5,796	10,271	33,445
Consumer Staples	6,024	–	559	6,583
Energy	1,020	757	109	1,886
Financials	7,819	1,917	1,322	11,058
Healthcare	11,556	1,700	3,338	16,594
Industrials	16,467	3,340	2,148	21,955
Information Technology	13,613	4,165	13,717	31,495
Materials	1,316	48	(56)	1,308
Telecommunication Services	624	–	1,433	2,057
Total investments	75,817	17,723	32,841	126,381
Net liquid assets	1,257	6,272	(82)	7,447
Total assets	77,074	23,995	32,759	133,828
Bank loans	(7,948)	(13,047)	1,128	(19,867)
Shareholders' funds	69,126	10,948	33,887	113,961

Distribution of Total Assets

Industry

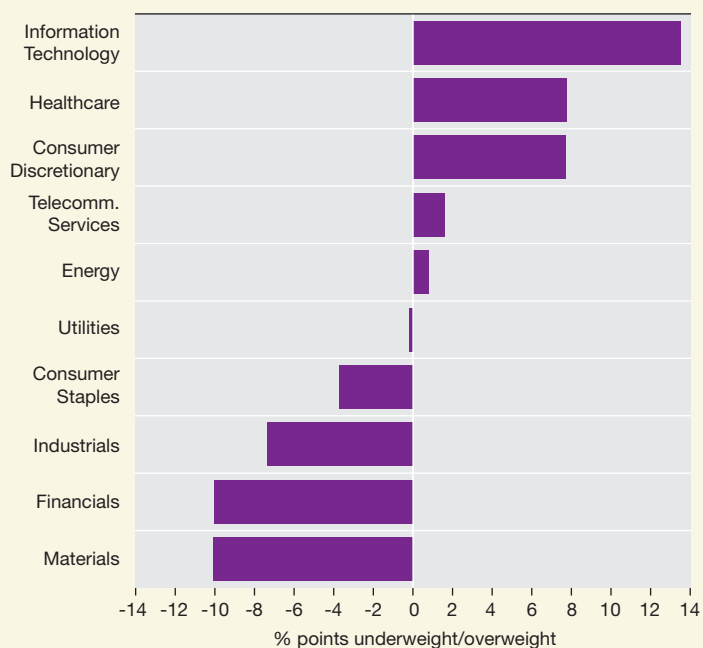


Listings



Portfolio Weightings

Relative to comparative index



Twenty Largest Equity Holdings

Name	Business	2014 Value £'000	2014 % of total assets	2013 Value £'000
F@N Communications	Internet advertising services	3,904	2.9	992
MonotaRO	Online business supplies	3,413	2.6	3,007
Digital Garage	Internet business incubator	3,358	2.5	1,144
Nihon M&A Center	M&A advisory services	3,233	2.4	1,697
Don Quijote	Discount store chain	2,969	2.2	2,372
Iriso Electronics	Specialist electronic connectors	2,921	2.2	1,058
CyberAgent	Internet advertising and content	2,846	2.1	–
M3	Online medical database	2,812	2.1	1,606
Asahi Intecc	Specialist medical equipment	2,783	2.1	1,391
Start Today	Internet fashion retailer	2,626	2.0	1,438
Next	Online real estate information	2,622	2.0	1,038
Asics	Sports shoes and clothing	2,475	1.8	1,627
GMO Payment Gateway	Online payment processing	2,431	1.8	594
Message	Provides nursing services for the elderly	2,381	1.8	1,989
Japan Exchange Group	Stock exchange operator	2,355	1.8	1,409
Nabtesco	Robotic components	2,277	1.7	2,011
Nakanishi	Dental equipment	2,194	1.6	1,758
SMS	Online nurse recruitment	2,103	1.6	800
Infomart	Internet platform for restaurant supplies	2,059	1.5	328
Wirelessgate	Wireless communication services	2,057	1.5	624
		53,819	40.2	26,883

List of Investments at 31 January 2014

Name	Where listed	Business	Value £'000	% of total assets
Consumer Discretionary				
Ahresty	TOKYO 2nd	Diecast products for auto industry	793	0.6
Asics	TOPIX Mid	Sports shoes and clothing	2,475	1.8
CyberAgent	TSE Mothers	Internet advertising and content	2,846	2.1
Don Quijote	TOPIX Mid	Discount store chain	2,969	2.2
First Juken	TOPIX Small	Residential property developer	1,927	1.4
H.I.S.	TOPIX Small	Discount travel agency	1,965	1.5
Iida Group	TOPIX Small	Residential property developer	1,428	1.1
JP Holdings	TOPIX Small	Operates child-care facilities	1,878	1.4
Kenko.com	TSE Mothers	Online pharmacy	1,231	0.9
Next	TOPIX Small	Online real estate information	2,622	2.0
Nifco	TOPIX Mid	Industrial fastener manufacturer	1,991	1.5
Nippon Seiki	TOKYO 2nd	Manufactures automotive components	1,302	1.0
Oisix	TSE Mothers	Organic food website	1,334	1.0
Shoei	TOKYO 2nd	Manufactures motor cycle helmets	1,517	1.1
Start Today	TOPIX Mid	Internet fashion retailer	2,626	2.0
T-Gaia	TOPIX Small	Mobile telephone retailer	1,625	1.2
Unipres	TOPIX Mid	Manufactures automotive components	1,330	1.0
Yume No Machi	JASDAQ	Online meal delivery service	1,586	1.2
			33,445	25.0
Consumer Staples				
Calbee	TOPIX Mid	Branded snack foods	1,038	0.8
Cocokara Fine	TOPIX Small	Drugstore chain	1,392	1.0
Cosmos Pharmaceuticals	TOPIX Mid	Drugstore chain	1,368	1.0
Pigeon	TOPIX Mid	Baby care products	1,997	1.5
Pola Orbis Holdings	TOPIX Mid	Manufactures a wide range of cosmetic products	788	0.6
			6,583	4.9
Energy				
Modec	TOPIX Small	Oil extraction equipment	1,886	1.4
			1,886	1.4
Financials				
77 Bank	TOPIX Mid	Bank	1,115	0.8
Aeon REIT	TOPIX Small	Real estate investment trust	266	0.2
Dream Incubator	TOPIX Small	Early stage business support	745	0.5
Industrial & Infrastructure Fund	TOPIX Small	Real estate investment trust	919	0.7
Japan Exchange Group	TOPIX Mid	Stock exchange operator	2,355	1.8
Japan Securities Finance	TOPIX Small	Securities financing	1,624	1.2
Sawada Holdings	JASDAQ	Securities brokerage	748	0.6
Takara Leben	TOPIX Small	Leasing and management of real estate	1,721	1.3
Tokyu Fudosan	TOPIX Mid	Real estate brokerage	1,565	1.2
			11,058	8.3
Healthcare				
Asahi Intecc	TOKYO 2nd	Specialist medical equipment	2,783	2.1
EPS	TOPIX Small	Clinical testing services	1,869	1.4
Jeol	TOPIX Small	Manufacturer of scientific instruments	1,314	1.0
M3	TOPIX Mid	Online medical database	2,812	2.1
Message	JASDAQ	Provides nursing services for the elderly	2,381	1.8
Nakanishi	JASDAQ	Dental equipment	2,194	1.6
Nikkiso	TOPIX Small	Industrial pumps and medical equipment	1,863	1.4
Sysmex	TOPIX Mid	Manufactures equipment for clinical testing	1,378	1.0
			16,594	12.4

Name	Where listed	Business	Value £'000	% of total assets
Industrials				
Aeon Delight	TOPIX Small	Building maintenance company	1,362	1.0
Endo Lighting	TOPIX Small	Energy efficient lighting	771	0.6
Fuji Machine Manufacturing	NAGOYA	Semiconductor manufacturing equipment	1,189	0.9
Hamakyorex	TOPIX Small	Third party logistics	1,752	1.3
Harmonic Drive	JASDAQ	Robotic components	1,026	0.8
Hoshizaki Electric	TOPIX Mid	Commercial kitchen equipment	1,463	1.1
MonotaRO	TOPIX Small	Online business supplies	3,413	2.6
Nabtesco	TOPIX Mid	Robotic components	2,277	1.7
Nihon M&A Center	TOPIX Small	M&A advisory services	3,233	2.4
OSG	TOPIX Mid	Cutting tool manufacturer	1,859	1.4
Toshiba Plant Systems and Services	TOPIX Small	Plant engineering company	1,537	1.1
WDB Holdings	TOPIX Small	Human resource services	736	0.5
Zuiko	TOKYO 2nd	Manufacturing equipment	1,337	1.0
			21,955	16.4
Information Technology				
ASAHI Net	TOPIX Small	Internet service provider	411	0.3
Bit-isle	TOPIX Small	Data centre operator	703	0.5
Brainpad	TOPIX Small	Business data analysis	1,005	0.8
Capcom	TOPIX Mid	Software developer	1,362	1.0
Digital Garage	JASDAQ	Internet business incubator	3,358	2.5
Dwango	TOPIX Small	Online video service	1,027	0.8
Enplas	TOPIX Small	Plastic components for electronics industry	1,528	1.1
F@N Communications	JASDAQ	Internet advertising services	3,904	2.9
GMO Payment Gateway	TOPIX Small	Online payment processing	2,431	1.8
Horiba	TOPIX Mid	Manufacturer of measuring instruments	1,212	0.9
Infomart	TSE Mothers	Internet platform for restaurant supplies	2,059	1.5
Iriso Electronics	JASDAQ	Specialist electronic connectors	2,921	2.2
Istyle	TOPIX Small	Cosmetics website	814	0.6
Maruwa	TOPIX Small	Ceramic and electronic part manufacturer	1,966	1.5
Nuflare Technology	JASDAQ	Semiconductor manufacturing equipment	863	0.6
Optex	TOPIX Small	Infrared detection devices	926	0.7
Poletowin Pitcrew	TOPIX Small	Game testing and internet monitoring	2,002	1.5
SIIX Corp	TOPIX Small	Out-sourced overseas production	900	0.7
SMS	TOPIX Small	Online nurse recruitment	2,103	1.6
			31,495	23.5
Materials				
Chugoku Marine Paints	TOPIX Small	Marine paint production	1,308	1.0
			1,308	1.0
Telecommunication Services				
Wirelessgate	TSE Mothers	Wireless communication services	2,057	1.5
			2,057	1.5
Total investments			126,381	94.4
Net liquid assets			7,447	5.6
Total assets			133,828	100.0
Bank loans			(19,867)	(14.8)
Shareholders' funds			113,961	85.2

Ten Year Record

Capital

At 31 January	Total assets* £'000	Bank loans £'000	Shareholders' funds £'000	Net asset value per share† p	Share price p	(Discount)/ premium# %
2004	51,371	7,266	44,105	144.1	126.8	(12.0)
2005	68,586	14,350	54,236	177.2	165.8	(6.4)
2006	101,015	13,938	87,077	284.6	304.0	6.8
2007	77,432	12,248	65,184	213.0	205.0	(3.8)
2008	56,518	11,354	45,164	145.2	129.3	(11.0)
2009	49,073	10,813	38,260	123.0	95.8	(22.1)
2010	51,486	7,917	43,569	140.1	115.3	(17.7)
2011	64,429	8,763	55,666	179.0	163.3	(8.8)
2012	64,362	9,557	54,805	176.2	167.3	(5.1)
2013	77,074	7,948	69,126	211.7	224.1	5.9
2014	133,828	19,867	113,961	310.7	328.0	5.6

* Total assets comprise total assets less current liabilities, before deduction of bank loans.

† Net asset value per ordinary share has been calculated after deducting borrowings at par value.

(Discount)/premium is the difference between Shin Nippon's quoted share price and its underlying net asset value (after deducting borrowings at par value) expressed as a percentage of net asset value.

Revenue

Year to 31 January	Gross revenue £'000	Available for ordinary shareholders £'000	Revenue earnings per ordinary share p	Ongoing charges‡ %
2004	524	(238)	(0.78)	1.52
2005	598	(392)	(1.28)	1.48
2006	780	(365)	(1.20)	1.25
2007	929	(258)	(0.84)	1.19
2008	1,119	4	0.01	1.44
2009	1,358	481	1.54	1.47
2010	868	24	0.08	1.55
2011	1,108	114	0.37	1.50
2012	1,219	98	0.32	1.49
2013	1,165	(22)	(0.07)	1.53
2014	1,259	(239)	(0.69)	1.19

‡ Calculated as total operating costs divided by average net asset value (with borrowings at fair value) in accordance with AIC guidelines. Figures prior to 2013 have not been recalculated as the change in methodology is not considered to result in a materially different figure. The 2009 figure excludes the impact of the VAT on management fees reclaimed during the year.

¶ Total assets (including all debt used for investment purposes) less all cash divided by shareholders' funds.

§ Total assets (including all debt used for investment purposes) divided by shareholders' funds.

Gearing Ratios

Gearing¶ %	Potential gearing§ %
12	16
9	26
9	16
18	19
17	25
18	28
17	18
13	16
14	17
10	11
11	17

Cumulative Performance (taking 2004 as 100)

At 31 January	Net asset value per share^	Share price	Comparative index**
2004	100	100	100
2005	123	131	126
2006	197	240	183
2007	148	162	134
2008	101	102	109
2009	85	76	125
2010	97	91	123
2011	124	129	147
2012	122	132	147
2013	147	177	152
2014	215	259	179

Compound annual returns

5 year	20.4%	27.9%	7.4%
10 year	8.0%	10.0%	6.0%

All warrants issued on the original subscription date were exercised by 9 May 1996. The warrants issued on 27 July 1994 were exercised/lapsed by 30 April 2005.

^ Net asset value per ordinary share has been calculated after deducting borrowings at par value.

** On 1 February 2010 the Company changed its comparative index from a composite index of the Tokyo Second Section Index, the TOPIX Small Index and the JASDAQ Index, weighted by market capitalisation, in sterling terms to the MSCI Japan Small Cap Index (total return and in sterling terms). For the purpose of the above table the returns on both indices for their respective periods have been linked together to form a single comparative index.

Past performance is not a guide to future performance.

Directors and Management

Members of the Board come from a broad variety of backgrounds. The Board can draw on a very extensive pool of knowledge and experience. Baillie Gifford & Co, a leading UK investment management firm, who act as Managers and Secretaries to the Company, have been involved in investment management since 1908.

Directors

Barry M Rose

Barry M Rose was appointed a Director in 1998 and became Chairman in 2009. He has wide experience of investing in international markets, including Japan. He was formerly a director of Scottish Provident Institution and was chief executive of Scottish Provident UK. He is currently a non-executive director of Aberdeen Smaller Companies High Income Trust plc and is chairman of Dimensional Imaging Limited and the Scottish charity, Circle.

P Francis Charig

Francis Charig was appointed a Director in 2005. He has considerable knowledge of the technology, information and financial sectors in Japan gained from his time amongst others, at the London Stock Exchange as Head of the TSBU, as Chairman & CEO of Tao Group and as the Chairman of the Open Contents Platform Association based in Tokyo. He was named a *World Economic Forum* Technology Pioneer in 2006. He is currently Chairman & CEO of sports information company, BetWiz Sports.

Iain A McLaren CA

Iain A McLaren was appointed a Director in 2009 and is Chairman of the Audit Committee. He has extensive experience of financial reporting, auditing, corporate governance and general management. He retired from KPMG in 2008 having been a partner for 27 years and was senior partner in Scotland from 1999 to 2004. He is currently senior independent director and chairman of the audit committee of Cairn Energy Plc. He is also chairman of Investors Capital Trust Plc, non-executive director of Edinburgh Dragon Trust plc and Ecofin Water & Power Opportunities plc and a director of a number of other companies.

Merryn R Somerset Webb

Merryn R Somerset Webb was appointed a Director in 2011. She is the editor-in-chief of UK personal finance magazine MoneyWeek, writes for the Financial Times and is a radio and television commentator on financial matters. She has a strong interest in and knowledge of Japan, is a director of Montanaro European Smaller Companies Trust plc and a trustee of the Daiwa Anglo Japanese Foundation.

Simon CN Somerville

Simon CN Somerville was appointed a Director in 2010. He has over 20 years' experience in Japanese and Asian equities. Having worked for over 14 years at Cazenove Fund Management, latterly as the head of Global Equities, he joined Jupiter Asset Management in 2005 where he is currently co-head of Asian equities.

The Directors listed above were in office during the year to 31 January 2014 and remained in office as at 21 March 2014.

All Directors are members of the Nomination and Audit Committees.

Managers and Secretaries

Shin Nippon is managed by Baillie Gifford & Co, an investment management firm formed in 1927 out of the legal firm Baillie & Gifford, WS, which had been involved in investment management since 1908.

Baillie Gifford & Co is one of the largest investment trust managers in the UK and currently manages eight investment trusts. Baillie Gifford & Co also manages unit trusts and open-ended investment companies, together with investment portfolios on behalf of pension funds, charities and other institutional clients, both in the UK and overseas. Funds under the management or advice of Baillie Gifford & Co total around £104 billion at 20 March 2014. Based in Edinburgh, it is one of the leading privately owned investment management firms in the UK, with 39 partners and a staff of around 780.

The manager of Shin Nippon is John MacDougall. He joined Baillie Gifford & Co in 2000 and has specialised in Japanese equities since 2001. There are currently 7 people in Baillie Gifford's Japan team.

The firm of Baillie Gifford & Co is authorised and regulated by the Financial Conduct Authority.

Directors' Report

The Directors present their Report together with the audited financial statements of the Company for the year to 31 January 2014.

Corporate Governance

The Board is committed to achieving and demonstrating high standards of Corporate Governance. This statement outlines how the principles of the 2012 UK Corporate Governance Code, (the 'Code') which can be found at www.frc.org.uk, and the principles of the Association of Investment Companies ('AIC') Code of Corporate Governance were applied throughout the financial year.

The AIC Code provides a framework of best practice for investment companies and can be found at www.theaic.co.uk.

Compliance

The Board confirms that the Company has complied throughout the year under review with the relevant provisions of the Code and the recommendations of the AIC Code except that there is no designated senior independent director.

The Directors do not believe that it is necessary to have a separate senior independent director due to the small size of the Board. Shareholders may address their concerns to any Board member.

The Board

The Board has overall responsibility for the Company's affairs. It has a number of matters reserved for its approval including strategy, investment policy, currency hedging, gearing, treasury matters, dividend and corporate governance policy. A separate strategy session is held annually. The Board also reviews the financial statements, investment transaction reports, revenue budgets and performance. Full and timely information is provided to the Board to enable the Board to function effectively and to allow Directors to discharge their responsibilities.

The Board comprises five Directors, all of whom are non-executive. The Chairman is responsible for organising the business of the Board, ensuring its effectiveness and setting its agenda. The executive responsibilities for investment management have been delegated to the Company's Managers and Secretaries, Baillie Gifford & Co, and in the context of a Board comprising entirely non-executive directors there is no chief executive officer.

The Directors believe that the Board has a balance of skills and experience that enable it to provide effective strategic leadership and proper governance of the Company. Information about the Directors, including their relevant experience, can be found on page 20.

The Directors recognise the importance of board succession planning. The composition of the Board and the plans for refreshment are reviewed regularly to ensure there is an appropriate balance of skills, experience, age and length of service.

There is an agreed procedure for Directors to seek independent professional advice if necessary at the Company's expense.

Appointments

The terms and conditions of Directors' appointments are set out in formal letters of appointment which are available for inspection on request.

Under the provisions of the Company's Articles of Association, a Director appointed during the year is required to retire and seek re-election by shareholders at the next Annual General Meeting. Directors are required to submit themselves for re-election at least once every three years and Directors who have served for more than nine years offer themselves for re-election annually.

Independence of Directors

All the Directors are considered by the Board to be independent of the Company and the Managers and free of any business or other relationship that could interfere with the exercise of their independent judgement.

The Board is of the view that length of service will not necessarily compromise the independence or contribution of Directors of an investment trust company, where continuity and experience can be of benefit to the Board. The Board concurs with the view expressed in the AIC Code that "independence stems from the ability to make those objective decisions that may be in conflict with the interests of management". Directors are, however, required to retire and, if appropriate, seek re-election at least every three years. Directors who have more than nine years' service submit themselves for re-election annually. The Board is not controlled by long serving Directors.

Mr BM Rose and Mr PF Charig have served on the Board for more than nine years. The Board believes strongly that Mr BM Rose and Mr PF Charig's independence and contribution to the Board has not been compromised by their length of service and that this has been evidenced by their actions and decisions. Following a formal performance evaluation on 13 January 2014, the Board believes that they continue to be independent. The Board considers that none of Mr BM Rose or Mr PF Charig's other commitments, as set out on page 20 of this report, interfere with the discharge of their duties to the Company and the Board is satisfied that they are capable of devoting sufficient time to the Company.

Meetings

There is an annual cycle of Board meetings which is designed to address, in a systematic way, overall strategy, review of investment policy, investment performance, marketing, revenue budgets, dividend policy and communication with shareholders. The Board considers that it meets sufficiently regularly to discharge its duties effectively.

Directors' Attendance at Meetings

	Board	Audit Committee	Nomination Committee
Number of meetings	5	2	1
BM Rose	5	2	1
PF Charig	5	2	1
IA McLaren	5	2	1
MR Somerset Webb	5	2	1
SCN Somerville	5	2	1

The table above shows the attendance record for the core Board and Committee meetings held during the year. Various ancillary meetings were held during the year.

Nomination Committee

The Nomination Committee consists of the whole Board and the Chairman of the Board is Chairman of the Committee. The Committee meets at least annually and at such other times as may be required. The Committee has written terms of reference that include reviewing the Board, identifying and nominating new candidates for appointment to the Board, Board appraisal, succession planning and training. The Committee also considers whether Directors should be recommended for re-election by shareholders. The Committee is also responsible for considering Directors' potential conflicts of interest and for making recommendations to the Board on whether or not the potential conflicts should be authorised.

Appointments to the Board are made on merit with due regard for the benefits of diversity including gender. The priority in appointing new Directors is to identify the candidate with the best range of skills and experience to complement existing Directors. The Board therefore does not consider it appropriate to set diversity targets.

The Committee's terms of reference are available on request from the Company and on the Company's website: www.shinnippon.co.uk.

Performance Evaluation

An appraisal of the Chairman, each Director and a performance evaluation and review of the Board as a whole and its Committees was carried out on 13 January 2014. The Chairman met individually with each Director after they had completed a performance evaluation questionnaire. The non-executive Directors reviewed the Chairman's performance.

The appraisals and evaluations considered amongst other criteria the balance of skills of the Board, training and development requirements, the contribution of individual Directors and the overall effectiveness of the Board and its Committees. Following this process it was concluded that the performance of each Director, the Chairman, the Board and its Committees continues to be effective and each Director remains committed to the Company.

A review of the Chairman's and other Directors' commitments was carried out and the Nomination Committee is satisfied that they are capable of devoting sufficient time to the Company. There were no significant increases to the Chairman's and Directors' other commitments during the year.

Induction and Training

New Directors appointed to the Board are provided with an induction programme which is tailored to the particular circumstances of the appointee. Regular briefings are provided on changes in regulatory requirements that could affect the Company and Directors. Directors receive other relevant training as necessary.

Remuneration

As all the Directors are non-executive, there is no requirement for a separate Remuneration Committee. Directors' fees are considered by the Board as a whole within the limits approved by shareholders. The Company's policy on remuneration is set out in the Directors' Remuneration Report on pages 27 and 28.

Internal Controls and Risk Management

The Directors acknowledge their responsibility for the Company's risk management and internal control systems and for reviewing their effectiveness. The systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable but not absolute assurance against material misstatement or loss.

The Board confirms that there is an ongoing process for identifying, evaluating and managing the significant risks faced by the Company in accordance with the guidance 'Internal Control: Revised Guidance for Directors on the Combined Code'.

The Directors confirm that they have reviewed the effectiveness of the Company's risk management and internal control systems and they have procedures in place to review their effectiveness on a regular basis. No significant weaknesses were identified in the year under review.

The practical measures to ensure compliance with regulation and company law, and to provide effective and efficient operations and investment management, have been delegated to the Managers and Secretaries, Baillie Gifford & Co, under the terms of the Management Agreement. The practical measures in relation to the design, implementation and maintenance of control policies and procedures to safeguard the assets of the Company and to manage its affairs properly, including the maintenance of effective operational and compliance controls and risk management have also been delegated to Baillie Gifford & Co. The Board acknowledges its responsibilities to supervise and control the discharge by the Managers and Secretaries of their obligations.

The Baillie Gifford & Co heads of Internal Audit and Compliance provide the Audit Committee with regular reports on Baillie Gifford & Co's monitoring programmes. The reporting procedures for these departments are defined and formalised within a service level agreement. Baillie Gifford & Co conduct an annual review of their system of internal controls which is documented within an internal controls report which complies with ISAE 3402 and Technical Release AAF 01/06 – Assurance Reports on Internal Controls of Service Organisations made available to Third Parties. This report is independently reviewed by Baillie Gifford & Co's auditors and a copy is submitted to the Audit Committee.

The Company's investments are segregated from those of Baillie Gifford & Co and its other clients through the appointment of Mizuho Corporate Bank Ltd and The Bank of New York Mellon as independent custodians of the Company's investments. The custodians prepare reports on their key controls and safeguards. The Mizuho internal controls report is issued by Ernst & Young Shin Nihon LLC and the Bank of New York Mellon report is issued by KPMG LLP.

A detailed risk map is prepared which identifies the significant risks faced by the Company and the key controls to manage these risks. These procedures ensure that consideration is given regularly to the nature and extent of the risks facing the Company and that they are being monitored actively. Where changes in risk have been identified during the year they also provide a mechanism to assess whether further action is required to manage the risks identified. The Board confirms that these procedures have been in place throughout the Company's financial year and continue to be in place up to the date of approval of this Report.

Accountability and Audit

The respective responsibilities of the Directors and the Auditors in connection with the Financial Statements are set out on pages 29 to 31.

Going Concern

In accordance with the Financial Reporting Council's guidance on going concern and liquidity risk, the Directors have undertaken a rigorous review of the Company's ability to continue as a going concern. The Company's principal risks are market related and include market risk, liquidity risk and credit risk. An explanation of these risks and how they are managed is contained in note 19 to the financial statements. 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 loan 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.

Audit Committee

An Audit Committee has been established consisting of all the Directors. Mr IA McLaren, a chartered accountant, is Chairman of the Audit Committee. The members of the Committee consider that they have the requisite financial skills and experience to fulfil the responsibilities of the Committee. Its authority and duties are clearly defined within its written terms of reference that are available on request from the Company and at www.shinnippon.co.uk.

The terms of reference are reviewed annually and were updated during the year to ensure best practice and compliance with the 2012 UK Corporate Governance Code.

The Committee's effectiveness is reviewed on an annual basis as part of the Board's performance evaluation process.

At least once a year the Committee meets with the external auditor without any representative of the Manager being present.

Main Activities of the Committee

The Committee met twice during the year and PricewaterhouseCoopers LLP, the external auditor, attended both meetings. Representatives from the Manager's Internal Audit and Compliance Departments also attended these meetings and provided reports on their monitoring programmes.

The matters considered, monitored and reviewed by the Committee during the course of the year included the following:

- The preliminary results announcement and the annual and half-yearly reports;
- The Company's accounting policies and practices;
- The fairness, balance and understandability of the Annual Report and whether it provided the information necessary for shareholders to assess the Company's performance, business model and strategy;
- The effectiveness of the Company's internal control environment;
- Reappointment, remuneration and engagement letter of the external auditor;
- The independence, objectivity and effectiveness of the external auditor;
- The need for the Company to have its own internal audit function;
- Internal controls reports received from the Managers and custodians;
- The terms of the Investment Management Agreement and the continuing appointment of the Manager; and
- The arrangements in place within Baillie Gifford & Co whereby their staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters.

Internal Audit

The Audit Committee carries out an annual review of the need for an internal audit function. The Committee receives monitoring updates from Baillie Gifford & Co's Business Risk & Internal Audit and Compliance departments every six months. The Committee seeks written assurance annually from the Company's key third party service providers that they have not been aware of any fraud or had any suspicions of fraud over the Company's financial year. The Committee continues to believe that the compliance and internal control systems and the internal audit function in place within the Investment Managers provide sufficient assurance that a sound system of internal control, which safeguards shareholders' investment and the Company's assets, is maintained. An internal audit function, specific to the Company, is therefore considered unnecessary.

Financial Reporting

The Committee considers that the most significant issues likely to impact the financial statements are the existence and valuation of investments, as they represent 94.4% of total assets, and the effectiveness of the system of internal controls.

All of the investments are in quoted securities and market prices are readily available from independent external pricing sources. The Committee reviewed the Managers' Report on Internal Controls which details the controls in place regarding recording and pricing of investments.

The Auditor confirmed to the Committee that the investments had been valued in accordance with the stated accounting policies. The value of all the investments as at 31 January 2014 had been agreed to external price sources and the portfolio holdings agreed to confirmations from the Company's custodian.

The Managers and Auditor confirmed to the Committee that they were not aware of any material misstatements.

The Committee reviewed the effectiveness of the Company's risk management and internal controls systems as described on page 22. No significant weaknesses were identified in the year under review.

External Auditor

To fulfil its responsibility regarding the independence of the external auditor, the Committee reviewed:

- The audit plan for the current year;
- A report from the auditor describing their arrangements to manage auditor independence and received confirmation of their independence; and

- The extent of non-audit services provided by the external auditors. Non-audit fees for the year to 31 January 2014 were £30,000 in connection with work performed as the Reporting Accountant on the publication of the prospectus on 21 May 2013. The Committee does not believe that this has impaired the Auditor's independence.

To assess the effectiveness of the external auditors, the Committee reviewed and considered:

- The Auditor's fulfilment of the agreed audit plan;
- Feedback from the Secretaries on the performance of the audit team; and
- The Audit Quality Inspection Report from the FRC.

To fulfil its responsibility for oversight of the external audit process the Committee considered and reviewed:

- The Auditor's engagement letter;
- The Auditor's proposed audit strategy;
- The audit fee; and
- A report from the Auditor on the conclusion of the audit.

PricewaterhouseCoopers LLP have been engaged as the Company's auditors for 29 years. During the year to 31 January 2008 the Committee carried out a formal review of the auditors and considered the services offered by alternative accounting firms. Following this review the Committee agreed the continuing appointment of PricewaterhouseCoopers LLP as auditors. The audit partners responsible for the audit are rotated every five years in accordance with professional and regulatory standards in order to protect independence and objectivity and to provide fresh challenge to the business. The current lead audit partner, Ms Catrin Thomas, has been in place for two years and will continue as partner until the conclusion of the 2017 audit. There are no contractual obligations restricting the Company's choice of independent auditor. Having carried out the review described above the Committee is satisfied that the Auditor remains independent and effective and as such has not considered it necessary to conduct a tender process for the appointment of auditor.

Relations with Shareholders

The Board places great importance on communication with shareholders. The Company's Investment Manager meets regularly with shareholders and their representatives and reports to the Board. The Company broker and the Managers' sales team also have regular contact with current and potential shareholders. The Chairman and Directors are available to meet with shareholders as appropriate. Shareholders wishing to communicate with any members of the Board may do so by writing to them at the address on the back cover.

The Company's Annual General Meeting provides a forum for communication with all shareholders. The level of proxies lodged for each resolution is announced at the meeting and is published at www.shinnippon.co.uk subsequent to the meeting. The notice period for the Annual General Meeting is at least twenty working days.

Shareholders and potential investors may obtain up-to-date information on the Company at www.shinnippon.co.uk.

Corporate Governance and Stewardship

The Company has given discretionary voting powers to the investment managers, Baillie Gifford & Co. The Managers vote against resolutions they consider may damage shareholders' rights or economic interests and report their actions to the Board.

The Company believes that it is in the shareholders' interests to consider environmental, social and governance (ESG) factors when selecting and retaining investments and have asked the Managers to take these issues into account. The Managers do not exclude companies from their investment universe purely on the grounds of ESG factors but adopt a positive engagement approach whereby matters are discussed with management with the aim of improving the relevant policies and management systems and enabling the Managers to consider how ESG factors could impact long term investment returns. The Managers' statement of compliance with the UK Stewardship Code can be found on the Managers' website at www.bailliegifford.com. The Managers' policy has been reviewed and endorsed by the Board.

The Managers are signatories to the United Nations Principles for Responsible Investment and the Carbon Disclosure Project and are also members of the Corporate Governance Association and International Corporate Governance Network.

Greenhouse Gas Emissions

All of the Company's activities are outsourced to third parties. The Company therefore has no greenhouse gas emissions to report from its operations, nor does it have responsibility for any other emissions producing sources under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013.

Conflicts of Interest

Each Director submits a list of potential conflicts of interest to the Nomination Committee on an ongoing basis. The Committee considers these carefully, taking into account the circumstances surrounding them and makes a recommendation to the Board on whether or not the potential conflicts should be authorised. Board authorisation is for a period of one year. Having considered the lists of potential conflicts there were no situations which gave rise to a direct or indirect interest of a Director which conflicted with the interests of the Company.

Bribery Act 2010

The Company has a zero tolerance policy towards bribery and is committed to carrying out business fairly, honestly and openly. The Managers also adopt a zero tolerance approach and have policies and procedures in place to prevent bribery.

Investment Managers

The Board as a whole fulfils the function of the Management Engagement Committee.

An Investment Management Agreement between the Company and Baillie Gifford & Co sets out the matters over which the Managers have authority in accordance with the policies and directions of, and subject to restrictions imposed by, the Board. The Management Agreement is terminable on not less than 6 months' notice or on shorter notice in certain circumstances. With effect from 1 April 2013 the annual management fee was changed to 0.95% on the first £50m of net assets and 0.65% on the remaining net assets, calculated and payable quarterly. The annual fee previously was 1.0% of net assets, calculated and

payable quarterly. Details of the fee arrangements with Baillie Gifford & Co are shown in note 3 on page 37. The Board reviews investment performance and monitors the arrangements for the provision of investment management and secretarial services to the Company on a continuous basis. A formal evaluation of the Managers by the Board is conducted annually. In addition, the Audit Committee formally reviews the management fees and the terms of the management agreement on an annual basis. The Board's annual evaluation considers, amongst others, the following topics as recommended by the AIC Guide 'Evaluation of the Manager':

- Quality of Team;
- Investment Management;
- Commitment of Manager;
- Managing the Company;
- Promotion;
- Shareholders; and
- Management Agreement.

Following the most recent evaluation in November 2013, the Board is in agreement that the continuing appointment of Baillie Gifford & Co as Managers, on the terms agreed, is in the interest of shareholders as a whole. This is due to: the strength and experience of the investment management team; the Managers' commitment to the investment trust sector as a whole and to the Japanese markets in particular; and very good long term investment performance in relation to investment policy and strategy. The Board also recognises the high quality of the Managers' secretarial, administrative and corporate governance functions.

The Board considers that maintaining a low ongoing charge ratio is in the best interest of shareholders. The Board continues to give careful consideration to the basis of the management fee.

Directors

Information about the Directors, including their relevant experience, can be found on page 20.

Mr BM Rose and Mr PF Charig, having served for more than nine years, are subject to annual re-election and will therefore be retiring and offering themselves for re-election at the Annual General Meeting.

Mr SCN Somerville, having served for three years since election to the Board will retire and offer himself for re-election at the Annual General Meeting.

Following formal performance evaluation, the performance of Mr BM Rose, Mr PF Charig and Mr SCN Somerville continues to be effective and each remains committed to the Company. Their contribution to the Board is greatly valued and the Board recommends their re-election to shareholders.

Director Indemnification and Insurance

The Company has entered into deeds of indemnity in favour of each of the Directors. The deeds cover any liabilities that may arise to a third party, other than the Company, for negligence, default or breach of trust or duty. The Directors are not indemnified in respect of liabilities to the Company, any regulatory or criminal fines, any costs incurred in connection with criminal proceedings in which the Director is convicted or civil proceedings

brought by the Company in which judgement is given against him or her. In addition, the indemnity does not apply to any liability to the extent that it is recovered from another person.

The indemnities were in force during the year and at the year end.

The Company maintains Directors' and Officers' Liability Insurance.

Major Interests in the Company's Shares

Name	No of ordinary 10p shares held at 31 January 2014	% of issue
South Yorkshire Pensions Authority	2,065,000	5.6
MAM Funds PLC (indirect)	1,990,000	5.4

There have been no changes to the major interests in the Company's shares intimated up to 19 March 2014.

Share Capital

Capital Structure

The Company's capital structure consists of 36,675,497 ordinary shares of 10p each at 31 January 2014 (2013 – 32,655,517 ordinary shares). There are no restrictions concerning the holding or transfer of the Company's ordinary shares and there are no special rights attached to any of the shares.

Capital Entitlement

On a winding up, after meeting the liabilities of the Company, the surplus assets will be paid to ordinary shareholders in proportion to their shareholdings.

Voting

Each ordinary shareholder present in person or by proxy is entitled to one vote on a show of hands and, on a poll, to one vote for every share held.

Information on the deadlines for proxy appointments can be found on page 47.

Share Issuance Authority

At the last Annual General Meeting, the Directors were granted authority to issue shares up to an aggregate nominal amount of £1,131,850, and to issue shares or sell shares held in treasury on a non-pre-emptive basis for cash up to an aggregate nominal amount of £339,555. These authorities are due to expire at the Annual General Meeting on 9 May 2014.

Resolution 9 in the Notice of Annual General Meeting seeks a general authority for the Directors to issue shares up to an aggregate nominal amount of £1,229,183.20. This amount represents 33.33% of the Company's total ordinary share capital in issue at 21 March 2014 and meets institutional guidelines. No issue of ordinary shares will be made pursuant to the authorisation in Resolution 9 which would effectively alter the control of the Company without the prior approval of shareholders in general meeting.

Resolution 10, which is proposed as a special resolution, seeks authority for the Directors to issue shares or sell shares held in treasury on a non-pre-emptive basis for cash (i.e. without first offering such shares to existing shareholders pro-rata to their existing holdings) up to an aggregate nominal amount of

£921,887.40 (representing 25% of the issued ordinary share capital of the Company as at 21 March 2014). The authorities sought in Resolutions 9 and 10 will continue until the conclusion of the Annual General Meeting to be held in 2015 or on the expiry of 15 months from the passing of the resolutions, if earlier.

The Company published a prospectus on 21 May 2013 to allow the issuance of ordinary shares to exceed 10% of the Company's issued share capital on a rolling twelve month basis (up to a maximum of 11,318,500 ordinary shares).

Such authorities will only be used to issue shares or re-sell shares from treasury at a premium to net asset value and only when the Directors believe that it would be in the best interests of the Company to do so. The Directors believe that the ability to buy-back shares at a discount and re-sell them or issue new shares at a premium are useful tools in smoothing supply and demand. During the year the Company issued 4,019,980 shares on a non pre-emptive basis at a premium to net asset value. Since 31 January 2014, a further 200,000 shares were issued on a non pre-emptive basis at a premium to net asset value for proceeds of £641,000 in the period up to 21 March 2014, being the last practicable date before the publication of this report.

No shares were held in treasury as at 21 March 2014.

Market Purchases of Own Shares

At the last Annual General Meeting, the Company was granted authority to purchase up to 5,089,931 ordinary shares (equivalent to 14.99% of its issued share capital), such authority to expire at the 2014 Annual General Meeting. The Directors are seeking shareholders' approval at the Annual General Meeting to renew the authority to make market purchases of up to 5,527,637 ordinary shares representing approximately 14.99% of the Company's ordinary shares in issue at the date of passing of the resolution, such authority to expire at the Annual General Meeting of the Company to be held in 2015.

No shares were bought back during the year under review.

The principal reasons for share buy-backs are:

- (i) to enhance net asset value for continuing shareholders by purchasing shares at a discount to the prevailing net asset value;
- (ii) to address any imbalance between the supply of and demand for the Company's shares that results in a discount of the quoted market price to the published net asset value per share.

The Company may hold bought-back shares 'in treasury' and then:

- (a) sell such shares (or any of them) for cash (or its equivalent under the Treasury Shares Regulations); or
- (b) cancel such shares (or any of them).

All buy-backs will initially be held in treasury. Shares will only be re-sold from treasury at a premium to the net asset value per ordinary share.

The Company shall not be entitled to exercise the voting rights attaching to treasury shares.

In accordance with the Listing Rules of the UK Listing Authority, the maximum price (excluding expenses) that may be paid on the exercise of the authority must not exceed the higher of:

- (i) 5 percent above the average closing price on the London Stock Exchange of an ordinary share over the five business days immediately preceding the date of purchase; and
- (ii) the higher of the last independent trade and the highest current independent bid on the London Stock Exchange.

The minimum price (exclusive of expenses) that may be paid will be 10p per share. Purchases of shares will be made within guidelines established, from time to time, by the Board. The Company does not have any warrants or options in issue. Your attention is drawn to Resolution 11 in the Notice of Annual General Meeting. This authority, if conferred, will only be exercised if to do so would result in an increase in net asset value per ordinary share for the remaining shareholders and if it is considered in the best interests of shareholders generally.

Recommendation

The Board unanimously recommends you to vote in favour of the resolutions to be proposed at the Annual General Meeting.

Disclosure of Information to Auditors

The Directors confirm that so far as each of the Directors is aware there is no relevant audit information of which the Company's auditors are unaware and the Directors have taken all the steps that they might reasonably be expected to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent Auditors

The auditors PricewaterhouseCoopers LLP are willing to continue in office and in accordance with section 489 and section 491(1) of the Companies Act 2006, resolutions concerning their reappointment and remuneration will be submitted to the Annual General Meeting.

On behalf of the Board
Barry M Rose
Chairman
21 March 2014

Directors' Remuneration Report

This report has been prepared in accordance with the requirements of the Companies Act 2006.

Statement by the Chairman

The requirements regarding the content of the Directors' Remuneration Report and its approval by shareholders have recently changed. Resolutions will be proposed at the forthcoming Annual General Meeting for the approval of the Directors' Remuneration Policy and the Annual Report on Remuneration as set out below. Thereafter, shareholders will be asked to approve the Annual Report on Remuneration each year and the Directors' Remuneration Policy every three years or sooner if an alteration to the policy is proposed.

The Board reviewed the level of fees during the year and it was agreed that the Chairman's fee would be increased from £25,000 per annum to £28,500 per annum, with effect from 1 August 2013 and that there would be no increase to the other Directors' fees.

Directors' Remuneration Policy

An ordinary resolution for the approval of the Remuneration Policy will be put to the members at the forthcoming Annual General Meeting. If approved by shareholders, the Directors' Remuneration Policy will be effective immediately upon the passing of the resolution.

The Board is composed wholly of non-executive Directors, none of whom has a service contract with the Company. There is no separate remuneration committee and the Board as a whole considers changes to Directors' fees from time to time. Baillie Gifford & Co, who have been appointed by the Board as Managers and Secretaries, provide comparative information when the Board considers the level of Directors' fees.

The Board's policy is that the remuneration of Directors should be set at a reasonable level that is commensurate with the duties and responsibilities of the role and consistent with the requirement to attract and retain Directors of the appropriate quality and experience. The Board believes that the fees paid to the Directors should reflect the experience of the Board as a whole, be fair and should take account of the level of fees paid by comparable investment trusts. Any views expressed by shareholders on the fees being paid to Directors will be taken into consideration by the Board when reviewing the Board's policy on remuneration.

The fees for the non-executive Directors are payable quarterly in arrears and are determined within the limit set out in the Company's Articles of Association which is currently £150,000 in aggregate. Any change to this limit requires shareholder approval. Non-executive Directors are not eligible for any other remuneration or benefits apart from the reimbursement of allowable expenses. There are no performance conditions relating to Directors' fees and there are no long-term incentive schemes or pension schemes. No compensation is payable on loss of office.

The basic and additional fees payable to Directors in respect of the year ended 31 January 2014 and the fees payable in respect of the year ending 31 January 2015 are set out in the table below. The fees payable to the Directors in the subsequent financial periods will be determined following an annual review of the Directors' fees. The total aggregate annual fees payable to the Directors shall not exceed £150,000 as set out in the Company's Articles of Association.

	Expected fees for year ending 31 Jan 2015 £	Fees as at 31 Jan 2014 £
Chairman's fee*	28,500	28,500
Non-executive Director fee	20,000	20,000
Additional fee for Chairman of the Audit Committee	2,500	2,500
Total aggregate annual fees that can be paid to the Directors in any year under the Directors' Remuneration Policy, as set out in the Company's Articles of Association	150,000	150,000

* The Chairman's fee increased from £25,000 to £28,500 per annum with effect from 1 August 2013.

Annual Report on Remuneration

An ordinary resolution for the approval of this report will be put to the members at the forthcoming Annual General Meeting.

The law requires the Company's Auditor to audit certain of the disclosures provided in this report. Where disclosures have been audited, they are indicated as such. The Auditor's opinion is included in their report on page 30.

Directors' Remuneration for the Year (audited)

The Directors who served during the year received the following remuneration in the form of fees. This represents the entire remuneration paid to the Directors.

Name	2014 £	2013 £
BM Rose	26,750	25,000
PF Charig	20,000	20,000
IA McLaren	22,500	22,500
MR Somerset Webb	20,000	20,000
SCN Somerville	20,000	20,000
	109,250	107,500

Sums Paid to Third Parties (audited)

The following Directors' fees were paid to third parties:

— SCN Somerville (paid to Jupiter Asset Management)

The payment was for making his services available as a Director of the Company.

Directors' Interests (audited)

Name	Nature of interest	Ordinary 10p shares held at 31 Jan 2014	Ordinary 10p shares held at 31 Jan 2013
BM Rose	Beneficial	51,882	51,882
PF Charig	—	—	—
IA McLaren	Beneficial	10,000	10,000
MR Somerset Webb	Beneficial	3,557	3,557
SCN Somerville	Beneficial	10,000	10,000

The Directors are not required to hold shares in the Company. The Directors at the year end, and their interests in the Company, were as shown above. There have been no changes intimated in the Directors' interests up to 20 March 2014.

Statement of Voting at Annual General Meeting

At the last Annual General Meeting, of the proxy votes received in respect of the Directors' Remuneration Report, 99.7% were in favour, 0.1% were against and votes withheld were 0.2%.

Relative Importance of Spend on Pay

As the Company has no employees, the Directors do not consider it appropriate to present a table comparing remuneration paid to employees with distributions to shareholders.

Directors' Service Details

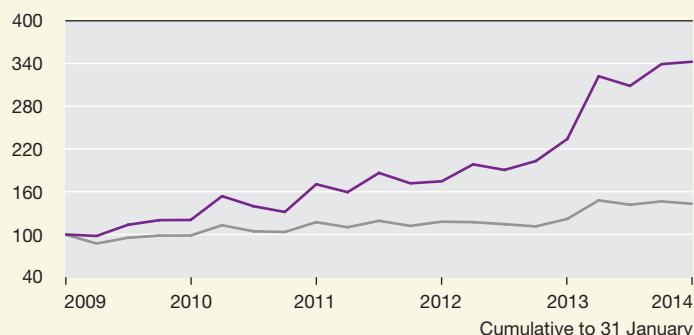
Name	Date of appointment	Due date for re-election
BM Rose	28 August 1998	AGM in 2014
PF Charig	25 February 2005	AGM in 2014
IA McLaren	16 January 2009	AGM in 2015
MR Somerset Webb	4 October 2011	AGM in 2015
SCN Somerville	17 June 2010	AGM in 2014

Company Performance

The following graph compares the total return (assuming all dividends are reinvested) to ordinary shareholders compared to the total shareholder return on a notional investment made up of shares in the component parts of the Company's comparative index. This index was chosen for comparison purposes as it is the index against which the Company has measured its performance over the period covered by the graph.

Performance Graph

(figures have been rebased to 100 at 31 January 2009)



Source: Thomson Reuters Datastream/HSBC/Baillie Gifford & Co.

— Baillie Gifford Shin Nippon's share price†

— Comparative Index*

† Total return (assuming net dividends are reinvested).

* The comparative index is the MSCI Japan Small Cap Index (total return and in sterling terms). Prior to 1 February 2010 the comparative index comprised a composite of the Tokyo Second Section Index, the TOPIX Small Index and the JASDAQ Index, weighted by market capitalisation, in sterling terms (this index was capital only due to the unavailability of total return data). For the purposes of the graph above the returns on these indices for their respective periods have been linked together to form a single comparative index.

Past performance is not a guide to future performance.

Approval

The Directors' Remuneration Report on pages 27 and 28 was approved by the Board of Directors and signed on its behalf on 21 March 2014.

Barry M Rose
Chairman

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report, the Directors' Remuneration Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors have delegated responsibility to the Managers for the maintenance and integrity of the Company's page on the Managers' website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Each of the Directors, whose names and functions are listed within the Directors and Management section, confirm that, to the best of their knowledge:

- the financial statements, which have been prepared in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) give a true and fair view of the assets, liabilities, financial position and net return of the Company;
- the annual report and financial statements taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy; and
- the Directors' Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

On behalf of the Board
Barry M Rose
Chairman
21 March 2014

Notes

The following notes relate to financial statements published on a website and are not included in the printed version of the Annual Report and Financial Statements:

- The maintenance and integrity of the Baillie Gifford website is the responsibility of Baillie Gifford; the work carried out by the auditors does not involve consideration of these matters and accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.
- Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent Auditor's Report

to the members of Baillie Gifford Shin Nippon PLC

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the Company's affairs as at 31 January 2014 and of its net return and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The financial statements, which are prepared by Baillie Gifford Shin Nippon PLC (the 'Company'), comprise:

- the Balance Sheet as at 31 January 2014;
- the Income Statement for the year then ended;
- the Reconciliation of Movements in Shareholders' Funds and the Cash Flow Statement for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in their preparation comprises applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ('ISAs (UK & Ireland)'). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the Directors; and
- the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Annual Report and Financial Statements (the 'Annual Report') to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Overview of our audit approach

Materiality

We set certain thresholds for materiality. These help us to determine the nature, timing and extent of our audit procedures

and to evaluate the effect of misstatements, both individually and on the financial statements as a whole.

Based on our professional judgement, we determined an overall materiality for the financial statements as a whole of £1,140,000 which is approximately 1% of Net Assets.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £57,000 as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Overview of the scope of our audit

The Company is a standalone Investment Trust Company and employs Baillie Gifford & Co (the 'Investment Manager') to manage its assets.

The financial statements, which remain the responsibility of the Directors, are prepared on their behalf by the Investment Manager.

In establishing the overall approach to our audit we assessed the risk of material misstatement, taking into account the nature, likelihood and potential magnitude of any misstatement. As part of our risk assessment, we considered the Company's interaction with the Investment Manager, and we assessed the control environment in place at the organisation, to the extent relevant to our audit of the Company.

Following this assessment, we applied professional judgement to determine the extent of testing required over each balance in the financial statements.

Areas of particular audit focus

In our audit, we tested and examined information, using sampling and other auditing techniques, to the extent we considered necessary to provide a reasonable basis for us to draw conclusions. We obtained audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

We considered the following areas to be those that required particular focus in the current year. This is not a complete list of all risks or areas of focus identified by our audit. We discussed these areas of focus with the Audit Committee. Their report on those matters that they considered to be significant issues in relation to the financial statements is set out on page 23.

Area of focus	How the scope of our audit addressed the area of focus
Valuation and existence of investments <i>We focused on this area because investments represent the principal element of the financial statements.</i>	The investment portfolio comprised of listed equity investments. We tested the valuation of the investment portfolio at 31 January 2014 by agreeing the valuation to independent third party sources. We tested the existence of the investment portfolio at 31 January 2014 by agreeing the holdings to an independent custodian confirmation.
Risk of management override of internal controls <i>ISAs (UK & Ireland) require that we consider management override of controls.</i>	We tested manual journal entries to determine whether adjustments were supported and appropriately authorised. We also built in an element of "unpredictability" into our detailed testing by testing immaterial or unusual items.

Going Concern

Under the Listing Rules we are required to review the Directors' statement, set out on page 23, in relation to going concern. We have no exceptions to report arising from our review.

As noted in the Directors' statement, the Directors have concluded that it is appropriate to prepare the financial statements using the going concern basis of accounting. The going concern basis presumes that the Company has adequate resources to remain in operation, and that the Directors intend it to do so, for at least one year from the date the financial statements were signed. As part of our audit we have concluded that the Directors' use of the going concern basis is appropriate.

However, because not all future events or conditions can be predicted, these statements are not a guarantee as to the Company's ability to continue as a going concern.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of Directors' remuneration specified by law have not been made. We have no exceptions to report arising from this responsibility.

Corporate Governance Statement

Under the Listing Rules we are required to review the part of the Corporate Governance Statement relating to the Company's compliance with nine provisions of the UK Corporate Governance Code ('the Code'). We have nothing to report having performed our review.

On page 29 of the Annual Report, as required by the Code Provision C.1.1, the Directors state that they consider the Annual Report taken as a whole to be fair, balanced and understandable and provides the information necessary for members to assess the Company's performance, business model and strategy. On page 23, as required by C.3.8 of the Code, the Audit Committee has set out the significant issues that it considered in relation to the financial statements, and how they were addressed. Under ISAs (UK & Ireland) we are required to report to you if, in our opinion:

- the statement given by the Directors is materially inconsistent with our knowledge of the Company acquired in the course of performing our audit; or
- the section of the Annual Report describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee.

We have no exceptions to report arising from this responsibility.

Other information in the Annual Report

Under ISAs (UK & Ireland), we are required to report to you if, in our opinion, information in the Annual Report is:

- materially inconsistent with the information in the audited financial statements; or
- apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Company acquired in the course of performing our audit; or
- is otherwise misleading.

We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the Directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 29, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Catrin Thomas (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Edinburgh
21 March 2014

Income Statement

For the year ended 31 January

	Notes	2014 Revenue £'000	2014 Capital £'000	2014 Total £'000	2013 Revenue £'000	2013 Capital £'000	2013 Total £'000
Gains on investments*	8	–	32,841	32,841	–	9,688	9,688
Currency gain†	13	–	858	858	–	1,378	1,378
Income	2	1,259	–	1,259	1,165	–	1,165
Investment management fee	3	(869)	–	(869)	(621)	–	(621)
Other administrative expenses	4	(301)	–	(301)	(283)	–	(283)
Net return before finance costs and taxation		89	33,699	33,788	261	11,066	11,327
Finance costs of borrowings	5	(231)	(15)	(246)	(201)	–	(201)
Net return on ordinary activities before taxation		(142)	33,684	33,542	60	11,066	11,126
Tax on ordinary activities	6	(97)	–	(97)	(82)	–	(82)
Net return on ordinary activities after taxation		(239)	33,684	33,445	(22)	11,066	11,044
Net return per ordinary share	7	(0.69p)	96.62p	95.93p	(0.07p)	35.53p	35.46p

* Gains on investments include gains and losses on disposals and holding gains and losses on the investment portfolio resulting from:

i) changes in the local currency fair value of the investments and, ii) movements in the yen/sterling exchange rate.

† Currency gains include: i) currency exchange gains and losses on yen bank loans, ii) exchange differences on the settlement of investment transactions and, iii) other exchange differences arising from the retranslation of cash balances.

The total column of this statement is the profit and loss account of the Company. The revenue and capital return columns are supplementary to this and are prepared under guidance published by the Association of Investment Companies.

All revenue and capital items in this statement derive from continuing operations.

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.

The accompanying notes on pages 36 to 45 are an integral part of the financial statements.

Balance Sheet

As at 31 January

	Notes	2014 £'000	2014 £'000	2013 £'000	2013 £'000
Fixed assets					
Investments	8		126,381		75,817
Current assets					
Debtors	9	202		432	
Cash and short term deposits	19	7,606		2,378	
		7,808		2,810	
Creditors					
Amounts falling due within one year	10	(361)		(1,553)	
Net current assets			7,447		1,257
Total assets less current liabilities			133,828		77,074
Creditors					
Amounts falling due after more than one year	11		(19,867)		(7,948)
Net assets			113,961		69,126
Capital and reserves					
Called up share capital	12		3,668		3,266
Share premium account	13		21,783		10,795
Capital redemption reserve	13		21,521		21,521
Capital reserve	13		71,682		37,998
Revenue reserve	13		(4,693)		(4,454)
Total shareholders' funds			113,961		69,126
Net asset value per ordinary share (after deducting borrowings at fair value)	14		307.8p		211.6p
Net asset value per ordinary share (after deducting borrowings at par value)	14		310.7p		211.7p

The Financial Statements on pages 32 to 45 of Baillie Gifford Shin Nippon PLC (Company Registration Number SCO93345) were approved and authorised for issue by the Board on 21 March 2014.

Barry M Rose
Chairman

The accompanying notes on pages 36 to 45 are an integral part of the financial statements.

Reconciliation of Movements in Shareholders' Funds

For the year ended 31 January 2014

	Notes	Called up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Shareholders' funds £'000
Shareholders' funds at 1 February 2013		3,266	10,795	21,521	37,998	(4,454)	69,126
Ordinary shares issued	13	402	10,988	–	–	–	11,390
Net return on ordinary activities after taxation	13	–	–	–	33,684	(239)	33,445
Shareholders' funds at 31 January 2014		3,668	21,783	21,521	71,682	(4,693)	113,961

For the year ended 31 January 2013

	Notes	Called up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Shareholders' funds £'000
Shareholders' funds at 1 February 2012		3,110	7,674	21,521	26,932	(4,432)	54,805
Ordinary shares issued		156	3,121	–	–	–	3,277
Net return on ordinary activities after taxation		–	–	–	11,066	(22)	11,044
Shareholders' funds at 31 January 2013		3,266	10,795	21,521	37,998	(4,454)	69,126

The accompanying notes on pages 36 to 45 are an integral part of the financial statements.

Cash Flow Statement

For the year ended 31 January

	Notes	2014 £'000	2014 £'000	2013 £'000	2013 £'000
Net cash inflow from operating activities	15		94		309
Servicing of finance					
Interest paid		(180)		(209)	
Breakage costs paid		(15)		–	
Net cash outflow from servicing of finance			(195)		(209)
Taxation					
Overseas tax paid		(89)		(82)	
Total tax paid			(89)		(82)
Financial investment					
Purchases of investments		(33,513)		(13,173)	
Sales of investments		14,767		10,775	
Exchange differences on settlement of investment transactions		(188)		(83)	
Net cash outflow from financial investment			(18,934)		(2,481)
Financing					
Ordinary shares issued		11,390		3,277	
Bank loan repaid		(6,882)		–	
Bank loan drawn down		19,926		–	
Net cash inflow from financing			24,434		3,277
Increase in cash	16		5,310		814

Reconciliation of Net Cash Flow to Movement in Net Debt

For the year ended 31 January

	Notes	2014 £'000	2013 £'000
Increase in cash	16	5,310	814
Net inflow from bank loans		(13,044)	–
Exchange movement on bank loans		1,128	1,609
Exchange differences on cash		(82)	(148)
Other non-cash changes		(3)	–
Movement in net debt in the year		(6,691)	2,275
Opening net debt		(5,570)	(7,845)
Closing net debt		(12,261)	(5,570)

The accompanying notes on pages 36 to 45 are an integral part of the financial statements.

Notes to the Financial Statements

1 Principal Accounting Policies

These financial statements have been prepared on the basis of the accounting policies set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of Accounting

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include the revaluation of fixed asset investments and derivative financial instruments at fair value through profit or loss, and on the assumption that approval as an investment trust under section 1158 of the Corporation Tax Act 2010 will be retained.

The financial statements have been prepared in accordance with the Companies Act 2006, applicable UK Accounting Standards and with the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' issued in January 2009.

In order to reflect better the activities of the Company and in accordance with guidance issued by the AIC, supplementary information which analyses the profit and loss account between items of a revenue and capital nature has been presented in the Income Statement.

The Company has only one material segment being that of an investment trust company, investing principally in small Japanese companies.

Financial assets and financial liabilities are recognised in the Company's balance sheet when it becomes a party to the contractual provisions of the instrument.

The Directors consider the Company's functional currency to be sterling as the Company's shareholders are predominantly based in the UK, and the Company and its investment manager, who are subject to the UK's regulatory environment are also UK based.

All of the Company's operations are of a continuing nature.

(b) Investments

Purchases and sales of investments are accounted for on a trade date basis.

Investments in securities are designated as valued at fair value through profit or loss on initial recognition and are measured at subsequent reporting dates at fair value. The fair value of listed investments is the last traded price which is equivalent to the bid price on Japanese markets.

The fair value of other unlisted investments is determined by the Directors based upon latest dealing prices, stockbroker valuations, net asset values and other information, as appropriate.

Changes in the fair value of investments and gains and losses on disposal are recognised as capital items in the Income Statement.

(c) Cash and Short Term Deposits

Cash and short term deposits include cash in hand and deposits repayable on demand. Deposits are repayable on demand if they can be withdrawn at any time without notice and without penalty or if they have a maturity or period of notice of not more than one working day.

(d) Income

- (i) Income from equity investments is brought into account on the date on which the investments are quoted ex-dividend or, where no ex-dividend date is quoted, when the Company's right to receive payment is established.
- (ii) Interest from fixed interest securities is recognised on an effective yield basis.
- (iii) Overseas dividends include withholding tax deducted at source.
- (iv) Interest receivable on bank deposits are recognised on an accruals basis.
- (v) If scrip is taken in lieu of dividends in cash, the net amount of the equivalent cash dividend is credited to the revenue account. Any excess in the value of the shares received over the amount of the cash dividend foregone is recognised as capital.

(e) Expenses

All expenses are accounted for on an accruals basis and are charged to the revenue account except where they relate directly to the acquisition or disposal of an investment, in which case they are added to the cost of the investment or deducted from the sale proceeds. Expenses directly relating to the issuance of shares are deducted from the proceeds of such issuance.

(f) Finance Costs

Long term borrowings are carried in the balance sheet at amortised cost, representing the cumulative amount of net proceeds after issue, plus accrued finance costs. The finance costs of such borrowings are allocated to the revenue account at a constant rate on the carrying amount.

Gains and losses on the repurchase or early settlement of debt are wholly charged to capital.

(g) Deferred Taxation

Deferred taxation is provided on an undiscounted basis on all timing differences which have originated but not reversed by the balance sheet date, calculated at the tax rates expected to apply when the timing differences reverse, based on what has been enacted or substantially enacted, relevant to the benefit or liability. Deferred tax assets are recognised only to the extent that it is more likely than not that there will be taxable profits from which underlying timing differences can be deducted.

(h) Foreign Currencies

Transactions involving foreign currencies are converted at the rate ruling at the time of the transaction. Monetary assets, liabilities and equity investments held at fair value in foreign currencies are translated at the closing rates of exchange at the balance sheet date, with the exception of forward foreign exchange contracts which are valued at the forward rate ruling at the balance sheet date. Any gain or loss arising from a change in exchange rate subsequent to the date of the transaction is included as an exchange gain or loss in the Income Statement and classified as a revenue or capital item as appropriate.

(i) Capital Reserve

Gains and losses on disposal of investments, changes in the fair value of investments held, exchange differences of a capital nature and the amount by which other assets and liabilities valued at fair value differ from their book cost are dealt with in this reserve. Purchases of the Company's own shares are also funded from this reserve.

2 Income

	2014 £'000	2013 £'000
Income from investments		
Listed overseas dividends	1,259	1,165
Total income	1,259	1,165
Total income comprises		
Dividends from financial assets designated at fair value through profit or loss	1,259	1,165
Total income	1,259	1,165

3 Investment Management Fee – all charged to revenue

	2014 £'000	2013 £'000
Investment management fee	869	621

Baillie Gifford & Co are employed by the Company as Managers and Secretaries under a management agreement which is terminable on not less than six months' notice or on shorter notice in certain circumstances. With effect from 1 April 2013 the annual management fee was changed to 0.95% on the first £50m of net assets and 0.65% on the remaining net assets, calculated and payable quarterly. The annual fee previously was 1.0% of net assets, calculated and payable quarterly.

4 Other Administrative Expenses

	2014 £'000	2013 £'000
General administrative expenses	197	157
Directors' fees (see Directors' Remuneration Report on pages 27 and 28)	109	108
Auditors' remuneration – statutory audit of the Company's financial statements	19	18
– for non-audit services (acting as reporting accountant on publication of prospectus)	30	–
	355	283
Share issuance expenses deducted from issuance proceeds (see note 13)	(54)	–
Other administrative expenses charged to revenue	301	283

5 Finance Costs of Borrowings

	2014 £'000	2013 £'000
Interest on bank loans	231	201
Loan breakage costs*	15	–
	246	201

* During the year the Company incurred costs of £15,000 relating to the early repayment of a bank loan which have been charged to capital.

6 Tax on Ordinary Activities

	2014 £'000	2013 £'000
Analysis of charge in year		
Overseas taxation	97	82
Factors affecting tax charge for year		
The tax assessed for the year is lower than the standard rate of corporation tax in the UK of 23.17% (2013 – 24.33%)		
The differences are explained below:		
Net return on ordinary activities before taxation	33,542	11,126
Net return on ordinary activities multiplied by the standard rate of corporation tax in the UK of 23.17% (2013 – 24.33%)	7,772	2,707
Effects of:		
Capital returns not taxable	(7,804)	(2,692)
Income not taxable	(284)	(279)
Overseas withholding tax	97	82
Taxable losses in year not utilised	316	264
Current tax charge for the year	97	82

As an investment trust, the Company's capital gains are not subject to tax.

The standard rate of Corporation Tax in the UK changed from 24% to 23% with effect from 1 April 2013. Accordingly, the Company's profits for the year to 31 January 2014 are taxed at an effective rate of 23.17%.

Factors that may affect future tax charges

At 31 January 2014 the Company had a potential deferred tax asset of £1,945,000 (2013 – £1,923,000) on taxable losses which are available to be carried forward and offset against future taxable profits. A deferred tax asset has not been recognised on these losses as it is considered unlikely that the Company will make taxable revenue profits in the future and it is not liable to tax on its capital gains. The potential deferred tax asset has been calculated using a corporation tax rate of 20% (2013 – 23%).

Due to the Company's status as an investment trust, and the intention to continue meeting the conditions required to retain approval for the foreseeable future, the Company has not provided for deferred tax on any capital gains and losses arising on the revaluation or disposal of investments.

7 Net Return per Ordinary Share

	2014 Revenue	2014 Capital	2014 Total	2013 Revenue	2013 Capital	2013 Total
Net return on ordinary activities after taxation	(0.69p)	96.62p	95.93p	(0.07p)	35.53p	35.46p

Revenue return per ordinary share is based on the net revenue loss on ordinary activities after taxation of £239,000 (2013 – loss of £22,000) and on 34,861,637 ordinary shares (2013 – 31,146,303) being the weighted average number of ordinary shares in issue during the year.

Capital return per ordinary share is based on the net capital gain for the financial year of £33,684,000 (2013 – net capital gain of £11,066,000) and on 34,861,637 ordinary shares (2013 – 31,146,303) being the weighted average number of ordinary shares in issue during the year.

There are no dilutive or potentially dilutive shares in issue.

8 Fixed Assets – Investments

	2014 £'000	2013 £'000
Financial assets at fair value through profit or loss		
Listed overseas – equity investments	126,381	75,817
Total investments in financial assets at fair value through profit or loss	126,381	75,817
		Listed equities £'000
Cost of investments held at 1 February 2013		54,456
Investment holding gains at 1 February 2013		21,361
Fair value of investments held at 1 February 2013		75,817
Movements in year:		
Purchases at cost		32,236
Sales – proceeds		(14,513)
– gains on sales		4,209
Changes in investment holding gains		28,632
Fair value of investments held at 31 January 2014		126,381
Cost of investments held at 31 January 2014		76,388
Investment holding gains at 31 January 2014		49,993
Fair value of investments held at 31 January 2014		126,381

The gains on sales of £4,209,000 and increase in investment holding gains of £28,632,000 include amounts relating to: i) changes in local currency fair value of the investments and, ii) movements in the yen/sterling exchange rate.

The purchases and sales proceeds figures above include transaction costs of £16,000 (2013 – £11,000) and £6,000 (2013 – £8,000) respectively. Of the gains on sales during the year of £4,209,000 (2013 – gains of £948,000), a net gain of £298,000 (2013 – net loss of £321,000) was included in the investment holding gains at the previous year end.

	2014 £'000	2013 £'000
Net gains on investments designated at fair value through profit or loss on initial recognition		
Gains on sales	4,209	948
Changes in investment holding gains	28,632	8,740
	32,841	9,688

9 Debtors

	2014 £'000	2013 £'000
Income accrued (net of withholding tax) and prepayments	186	174
Sales for subsequent settlement	–	254
Other debtors	16	4
	202	432

The debtors above are stated at amortised cost which is a reasonable approximation to fair value.

10 Creditors – amounts falling due within one year

	2014 £'000	2013 £'000
Purchases for subsequent settlement	–	1,277
Other creditors and accruals	361	276
	361	1,553

Included in creditors is £223,000 (2013 – £173,000) in respect of the investment management fee.

The creditors above are stated at amortised cost which is a reasonable approximation to fair value.

11 Creditors – amounts falling due after more than one year

	2014 £'000	2013 £'000
Bank loan	19,987	7,948
Arrangement fee	(123)	–
	19,864	7,948
Amortisation of arrangement fee during the year	3	–
Carrying value of bank loan	19,867	7,948

Borrowing facilities

During the year the Company repaid its borrowings with the Royal Bank of Scotland plc and drew down a 7 year loan with ING Bank N.V. for ¥3,350 million. The new loan incurred an arrangement fee of £123,000 which has been deducted from the proceeds of the loan and will be amortised over the duration of the loan.

The following fixed rate term loans have been arranged, which were fully drawn down:

At 31 January 2014

ING Bank N.V. – 7 year ¥3,350 million loan at 2.517% maturing 27 November 2020.

At 31 January 2013

The Royal Bank of Scotland plc – 3 year ¥1,150 million loan at 2.24% maturing 8 August 2014

The covenants relating to the ING Bank N.V. loan are as follows:

- (i) Total borrowings shall not exceed 35% of the Company's net asset value; and
- (ii) The Company's minimum net asset value shall be £58 million.

There were no breaches in loan covenants during the year.

No security has been provided in respect of the bank loans outstanding at 31 January 2013 or 2014.

The interest rate and maturity profiles of the bank loans are shown in note 19.

12 Called Up Share Capital

	2014 Number	2014 £'000	2013 Number	2013 £'000
Allotted and fully paid ordinary shares of 10p each	36,675,497	3,668	32,655,517	3,266

At 31 January 2014 the Company had authority to buy back 5,089,931 shares. No shares were bought back during the year. Share buy-backs are funded from the capital reserve.

During the year the Company issued 4,019,980 shares on a non pre-emptive basis at a premium to net asset value for proceeds of £11.4m. Between 1 February 2014 and 21 March 2014 the Company issued a further 200,000 shares on a non pre-emptive basis at a premium to net asset value for proceeds of £641,000.

13 Capital and Reserves

	Called up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total shareholders' funds £'000
At 1 February 2013	3,266	10,795	21,521	37,998	(4,454)	69,126
Ordinary shares issued – gross proceeds	402	11,042	–	–	–	11,444
Share issuance expenses	–	(54)	–	–	–	(54)
Net gain on disposal of investments	–	–	–	4,209	–	4,209
Changes in investment holding gains	–	–	–	28,632	–	28,632
Exchange differences on bank loans	–	–	–	1,128	–	1,128
Exchange differences on settlement of investment transactions	–	–	–	(188)	–	(188)
Other exchange differences	–	–	–	(82)	–	(82)
Finance costs charged to capital	–	–	–	(15)	–	(15)
Net revenue return for the year	–	–	–	–	(239)	(239)
At 31 January 2014	3,668	21,783	21,521	71,682	(4,693)	113,961

The capital reserve includes investment holding gains of £49,993,000 (2013 – gains of £21,361,000) as disclosed in note 8.

14 Net Asset Value per Ordinary Share

The net asset value per ordinary share and the net asset value attributable to the ordinary shareholders at the year end (deducting borrowings at par) were as follows:

	2014	2013	2014 £'000	2013 £'000
Ordinary shares	310.7p	211.7p	113,961	69,126

Net asset value per ordinary share is based on the net assets as shown above and on 36,675,497 (2013 – 32,655,517) ordinary shares, being the number of ordinary shares in issue at the year end.

Deducting borrowings at fair value would have the effect of reducing the net asset value per ordinary share from 310.7p to 307.8p. Taking the market price of the ordinary shares at 31 January 2014 of 328.0p, this would have given a premium to net asset value of 6.6% as against 5.6% on the basis of deducting borrowings at par. At 31 January 2013 the net asset value after deducting borrowings at fair value was 211.6p. Taking the market value of the ordinary shares at 31 January 2013 of 224.1p, this would have given a premium to net asset value of 5.9%. The basis of deducting borrowings at par would also have given a premium to net asset value of 5.9%.

15 Reconciliation of Net Return before Finance Costs and Taxation to Net Cash Inflow from Operating Activities

	2014 £'000	2013 £'000
Net return before finance costs and taxation	33,788	11,327
Gains on investments	(32,841)	(9,688)
Currency gains	(858)	(1,378)
Increase in accrued income and prepayments	(32)	(6)
Increase in creditors	37	54
Net cash inflow from operating activities	94	309

16 Analysis of Change in Net Debt

	At 1 February 2013 £'000	Cash flows £'000	Exchange movement £'000	Other non-cash changes £'000	At 31 January 2014 £'000
Cash and short term deposits	2,378	5,310	(82)	–	7,606
Loans due after one year	(7,948)	(13,044)	1,128	(3)	(19,867)
	(5,570)	(7,734)	1,046	(3)	(12,261)

17 Contingent Liabilities, Guarantees and Financial Commitments

There were no contingent liabilities, guarantees or financial commitments at either year end.

18 Related Party Transactions

The Directors' fees for the year are detailed in the Directors' Remuneration Report on page 27. No Director has a contract of service with the Company. During the years reported no Director was interested in any contract or other matter requiring disclosure under section 412 of the Companies Act 2006.

19 Financial Instruments and Risk Management

As an Investment Trust, the Company invests in small Japanese company securities and makes other investments so as to achieve its investment objective of long term capital growth. The Company borrows money when the Board and Managers have sufficient conviction that the assets funded by borrowed monies will generate a return in excess of the cost of borrowing. In pursuing its investment objective, the Company is exposed to various types of risk that are associated with the financial instruments and markets in which it invests and could result in a reduction in the Company's net assets.

These risks are categorised as market risk (comprising currency risk, interest rate risk and other price risk), liquidity risk and credit risk. The Board monitors closely the Company's exposures to these risks but does so in order to reduce the likelihood of a permanent loss of capital rather than to minimise the short term volatility.

The Company may enter into derivative transactions as explained in the Objective and Policy on page 7. No such transactions were undertaken in the year under review.

The risk management policies and procedures outlined in this note have not changed substantially from the previous accounting period.

Market Risk

The fair value or future cash flows of a financial instrument or other investment held by the Company may fluctuate because of changes in market prices. This market risk comprises three elements – currency risk, interest rate risk and other price risk. The Board of Directors reviews and agrees policies for managing these risks and the Company's Investment Managers both assess the exposure to market risk when making individual investment decisions and monitor the overall level of market risk across the investment portfolio on an ongoing basis. Details of the Company's investment portfolio are shown in note 8.

(i) Currency Risk

The Company's assets, liabilities and income are principally denominated in yen. The Company's functional currency and that in which it reports its results is sterling. Consequently, movements in the yen/sterling exchange rate will affect the sterling value of those items.

The Investment Managers monitor the Company's yen exposure (and any other overseas currency exposure) and report to the Board on a regular basis. The Investment Managers assess the risk to the Company of the overseas currency exposure by considering the effect on the Company's net asset value and income of a movement in the rates of exchange to which the Company's assets, liabilities, income and expenses are exposed. However, the country in which a company is listed is not necessarily where it earns its profits. The movement in exchange rates on overseas earnings may have a more significant impact upon a company's valuation than a simple translation of the currency in which the company is quoted.

Yen borrowings are used periodically to limit the Company's exposure to anticipated future changes in the yen/sterling exchange rate which might otherwise adversely affect the value of the portfolio of investments. The Company may also use forward currency contracts, although none have been used in the current or prior year.

19 Financial Instruments and Risk Management (continued)

Currency Risk (continued)

Exposure to currency risk through asset allocation, which is calculated by reference to the currency in which the asset or liability is quoted, is shown below.

At 31 January 2014	Investments £'000	Cash and deposits £'000	Bank loans £'000	Other debtors and creditors * £'000	Net exposure £'000
Yen	126,381	7,546	(19,867)	93	114,153
Total exposure to currency risk	126,381	7,546	(19,867)	93	114,153
Sterling	–	60	–	(252)	(192)
	126,381	7,606	(19,867)	(159)	113,961

* Includes net non-monetary assets of £11,000.

At 31 January 2013	Investments £'000	Cash and deposits £'000	Bank loans £'000	Other debtors and creditors * £'000	Net exposure £'000
Yen	75,817	2,318	(7,948)	(905)	69,282
Total exposure to currency risk	75,817	2,318	(7,948)	(905)	69,282
Sterling	–	60	–	(216)	(156)
	75,817	2,378	(7,948)	(1,121)	69,126

* Includes net non-monetary assets of £11,000.

Currency Risk Sensitivity

At 31 January 2014, if sterling had strengthened by 10% against the yen, with all other variables held constant, total net assets and net return on ordinary activities after taxation would have decreased by £11,415,000 (2013 – £6,928,000). A 10% weakening of sterling against the yen, with all other variables held constant, would have had a similar but opposite effect on the financial statement amounts.

(ii) Interest Rate Risk

Interest rate movements may affect directly the level of income receivable on cash deposits. They may also impact upon the market value of the Company's investments as the effect of interest rate movements upon the earnings of a company may have a significant impact upon the valuation of that company's equity.

The possible effects on fair value and cash flows that could arise as a result of changes in interest rates are taken into account when making investment decisions and when entering borrowing agreements.

The Board reviews on a regular basis the amount of investments in cash and the income receivable on cash deposits.

The Company finances part of its activities through borrowings at approved levels. The amount of such borrowings and the approved levels are monitored and reviewed regularly by the Board.

The interest rate risk profile of the Company's financial assets and liabilities at 31 January 2014 is shown overleaf. There was no significant change to the interest rate risk profile during the year.

Financial Assets

	2014 Fair value £'000	2014 Weighted average interest rate	2013 Fair value £'000	2013 Weighted average interest rate
Cash:				
Yen	7,546	nil	2,318	nil
Sterling	60	0.01%	60	0.01%
	7,606		2,378	

The cash deposits generally comprise overnight call or short term money market deposits and earn interest at floating rates based on prevailing bank base rates.

19 Financial Instruments and Risk Management (continued)

Interest Rate Risk (continued)

Financial Liabilities

The interest rate risk profile of the Company's financial liabilities at 31 January was:

	2014 Book value £'000	2014 Weighted average interest rate	2014 Weighted average period until maturity	2013 Book value £'000	2013 Weighted average interest rate	2013 Weighted average period until maturity
Bank loans:						
Yen denominated – fixed rate	19,867	2.5%	82 months	7,948	2.2%	18 months

An interest rate risk sensitivity analysis has not been performed as the Company does not hold bonds and has borrowed funds at a fixed rate of interest.

(iii) Other Price Risk

Changes in market prices other than those arising from interest rate risk or currency risk may also affect the value of the Company's net assets. The Company's exposure to changes in market prices relates to the fixed asset investments as disclosed in note 8.

The Board manages the market price risks inherent in the investment portfolio by ensuring full and timely access to relevant information from the Investment Managers. The Board meets regularly and at each meeting reviews investment performance, the investment portfolio and the rationale for the current investment positioning to ensure consistency with the Company's objectives and investment policies. The portfolio does not seek to reproduce the index, investments are selected based upon the merit of individual companies and therefore performance may well diverge from the comparative index.

Other Price Risk Sensitivity

A full list of the Company's investments is shown on pages 17 to 18. In addition, a list of the 20 largest holdings together with various analyses of the portfolio by industrial sector and exchange listing are shown on pages 15 and 16.

110.9% of the Company's net assets are invested in Japanese quoted equities (2013 – 109.7%). A 10% increase in quoted equity valuations at 31 January 2014 would have increased total net assets and net return on ordinary activities after taxation by £12,638,000 (2013 – £7,582,000). A decrease of 10% would have had an equal but opposite effect. This analysis does not include the effect on the management fee of changes in quoted equity valuations.

Liquidity Risk

This is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. Liquidity risk is not significant in normal market conditions as the majority of the Company's assets are in investments that are readily realisable.

The Company's investment portfolio is in Japanese small-cap equities which are typically less liquid than larger capitalisation stocks. The Managers monitor the liquidity of the portfolio on an ongoing basis and relevant guidelines are in place.

The Board provides guidance to the Investment Managers as to the maximum exposure to any one holding (see Objective and Policy on page 7).

The maturity profile of the Company's financial liabilities at 31 January was:

	2014 £'000	2013 £'000
In less than one year:		
– accumulated interest	510	181
In more than one year but not more than five years:		
– repayment of loan	–	7,948
– accumulated interest	2,040	93
In more than five years:		
– repayment of loan	19,987	–
– accumulated interest	929	–
	23,466	8,222

The Company has the power to take out borrowings, which gives it access to additional funding when required.

19 Financial Instruments and Risk Management (continued)

Credit Risk

This is the risk that a failure of a counterparty to a transaction to discharge its obligations under that transaction could result in the Company suffering a loss. This risk is managed as follows:

- The Company's listed investments are held on its behalf by Mizuho Corporate Bank Ltd and the Bank of New York Mellon as the Company's custodians. Bankruptcy or insolvency of the custodians may cause the Company's rights with respect to securities held by the custodian to be delayed. The Investment Managers monitor the Company's risk by reviewing the custodians' internal control reports and reporting their findings to the Board;
- Investment transactions are carried out with a large number of brokers whose creditworthiness is reviewed by the Investment Managers. Transactions are ordinarily undertaken on a delivery versus payment basis whereby the Company's custodian bank ensures that the counterparty to any transaction entered into by the Company has delivered on its obligations before any transfer of cash or securities away from the Company is completed;
- The creditworthiness of the counterparty to transactions involving derivatives, structured notes and other arrangements, wherein the creditworthiness of the entity acting as broker or counterparty to the transaction is likely to be of sustained interest, are subject to rigorous assessment by the Investment Managers; and
- At 31 January 2014 and 2013, all cash deposits were held with the custodian banks. The credit risk of the custodians is reviewed as detailed above. Cash may also be held at banks that are regularly reviewed by the Managers. If the credit rating of a bank where a cash deposit was held fell significantly, the Managers would endeavour to move the cash to an institution with a superior credit rating.

Credit Risk Exposure

The maximum exposure to credit risk at 31 January was:

	2014 £'000	2013 £'000
Cash and deposits	7,606	2,378
Debtors	191	421
	7,797	2,799

None of the Company's financial assets are past due or impaired.

Fair Value of Financial Assets and Financial Liabilities

The Company's investments are stated at fair value and the Directors are of the opinion that the reported values of the Company's other financial assets and liabilities approximate to fair value with the exception of the long term borrowings which are stated at amortised cost. The fair value of the loans is shown below.

	2014 Book value £'000	2014 Fair * value £'000	2013 Book value £'000	2013 Fair * value £'000
Fixed rate yen bank loans	19,867	20,945	7,948	7,990

* The fair value of each bank loan is calculated by reference to a Japanese government bond of comparable yield and maturity.

Capital Management

The Company does not have any externally imposed capital requirements other than the loan covenants detailed in note 11 on page 40. The capital of the Company is the ordinary share capital as detailed in note 12. It is managed in accordance with its investment policy in pursuit of its investment objective, both of which are detailed on page 7, and shares may be repurchased or issued as explained on pages 25 and 26.

Fair Value of Financial Instruments

Fair values are measured using the following fair value hierarchy:

Level 1 – reflects financial instruments quoted in an active market.

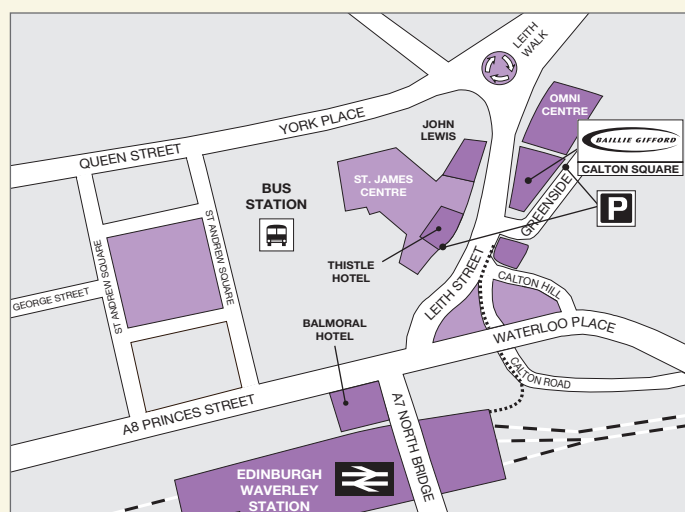
Level 2 – reflects financial instruments whose fair value is evidenced by comparison with other observable current market transactions in the same instrument or based on a valuation technique whose variables includes only data from observable markets.

Level 3 – reflects financial instruments whose fair value is determined in whole or in part using a valuation technique based on assumptions that are not supported by prices from observable market transactions in the same instrument and not based on available observable market data.

The valuation techniques used by the Company are explained in the accounting policies on page 36.

The financial assets designated as valued at fair value through profit or loss are all categorised as Level 1 in the above hierarchy. None of the financial liabilities are designated at fair value through profit or loss in the financial statements.

Notice of Annual General Meeting



The Annual General Meeting of the Company will be held at the offices of Baillie Gifford & Co, Calton Square, 1 Greenside Row, Edinburgh EH1 3AN, on Friday, 9 May 2014 at 1.30pm.

If you have any queries as to how to vote or how to attend the meeting, please call us on 0800 027 0133.

Baillie Gifford may record your call.



By Rail:

Edinburgh Waverley – approximately a 5 minute walk away



By Bus:

Lothian Buses local services include:

1, 5, 7, 8, 10, 12, 14, 15, 15A, 16, 22, 25, 34

..... Access to Waverley Train Station on foot

Notice is hereby given that the twenty ninth Annual General Meeting of Baillie Gifford Shin Nippon PLC will be held at the offices of Baillie Gifford & Co, Calton Square, 1 Greenside Row, Edinburgh EH1 3AN, on 9 May 2014 at 1.30pm for the following purposes:

Ordinary Business

To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions:

1. To receive and adopt the Financial Statements of the Company for the year ended 31 January 2014 with the Reports of the Directors and of the Independent Auditors thereon.
2. To approve the Directors' Remuneration Policy.
3. To approve the Directors' Annual Report on Remuneration for the year ended 31 January 2014.
4. To re-elect Mr BM Rose as a Director.
5. To re-elect Mr PF Charig as a Director.
6. To re-elect Mr SCN Somerville as a Director.
7. To reappoint PricewaterhouseCoopers LLP as Independent Auditors of the Company.
8. To authorise the Directors to determine the remuneration of the Independent Auditors of the Company.
9. That, in substitution for any existing authority, but without prejudice to the exercise of any such authority prior to the date hereof, the Directors of the Company be and they are hereby generally and unconditionally authorised in accordance with Section 551 of the Companies Act 2006 (the 'Act') to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company ('Securities') provided that such authority shall be limited to the allotment of shares and the grant of rights in respect of shares with an aggregate nominal value of up to £1,229,183.20 (representing 33.33% of the Company's total issued share capital as at 21 March 2014), such authority to expire at the conclusion of the next Annual General Meeting of the Company after the passing of

this resolution or on the expiry of 15 months from the passing of this resolution, whichever is the earlier, unless previously revoked, varied or extended by the Company in a general meeting, save that the Company may at any time prior to the expiry of this authority make an offer or enter into an agreement which would or might require Securities to be allotted or granted after the expiry of such authority and the Directors shall be entitled to allot or grant Securities in pursuance of such an offer or agreement as if such authority had not expired.

To consider and, if thought fit, to pass resolutions 10 and 11 as Special Resolutions:

10. That, subject to the passing of Resolution 9 above, and in substitution for any existing power but without prejudice to the exercise of any such power prior to the date hereof, the Directors of the Company be and they are hereby generally empowered, pursuant to Section 570 of the Companies Act 2006 (the 'Act'), to allot equity securities (as defined in Section 560 of the Act), including the grant of rights to subscribe for, or to convert securities into ordinary shares held by the Company as treasury shares (as defined in Section 724 of the Act) for cash pursuant to the authority given by Resolution 9 above as if Section 561(1) of the Act did not apply to any such allotment of equity securities, provided that this power:
 - (a) expires at the conclusion of the next Annual General Meeting of the Company after the passing of this Resolution or on the expiry of 15 months from the passing of this Resolution, whichever is the earlier, save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement as if the power conferred hereby had not expired; and
 - (b) shall be limited to the allotment of equity securities up to an aggregate nominal value of £921,887.40 being approximately 25% of the nominal value of the issued share capital of the Company, as at 21 March 2014.

11. That, in substitution for any existing authority but without prejudice to the exercise of any such authority prior to the date hereof, the Company be and is hereby generally and unconditionally authorised, pursuant to and in accordance with Section 701 of the Companies Act 2006 (the 'Act') to make market purchases (within the meaning of Section 693(4) of the Act) of fully paid ordinary shares of 10 pence each in the capital of the Company ('ordinary shares') (either for retention as treasury shares for future reissue, resale, transfer or cancellation), provided that:

- (a) the maximum aggregate number of ordinary shares hereby authorised to be purchased is 5,527,637 being approximately 14.99% of the issued ordinary share capital of the Company as at the date of the passing of this Resolution;
- (b) the minimum price (excluding expenses) which may be paid for each ordinary share is 10 pence;
- (c) the maximum price (excluding expenses) which may be paid for each ordinary share shall not be more than the higher of:
 - (i) 5 per cent above the average closing price on the London Stock Exchange of an ordinary share over the five business days immediately preceding the date of purchase; and
 - (ii) the higher of the last independent trade and the highest current independent bid on the London Stock Exchange; and
- (d) unless previously varied, revoked or renewed by the Company in a general meeting, the authority hereby conferred shall expire at the conclusion of the Company's Annual General Meeting to be held in respect of the year ending 31 January 2015, save that the Company may, prior to such expiry, enter into a contract to purchase ordinary shares under such authority which will or might be completed or executed wholly or partly after the expiration of such authority and may make a purchase of ordinary shares pursuant to any such contract.

By order of the Board
Baillie Gifford & Co
Managers and Secretaries
4 April 2014

Notes

1. As a member you are entitled to appoint a proxy or proxies to exercise all or any of your rights to attend, speak and vote at the AGM. A proxy need not be a member of the Company but must attend the AGM to represent you. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You can only appoint a proxy using the procedure set out in these notes and the notes to the proxy form. You may not use any electronic address provided either in this notice or any related documents (including the circular and proxy form) to communicate with the Company for any purpose other than those expressly stated.
2. To be valid any proxy form or other instrument appointing a proxy, together with any power of attorney or other authority under which it is signed or a certified copy thereof, must be received by post or (during normal business hours only) by hand at the Registrars of the Company at Computershare Investor Services PLC, The Pavilions, Bridgewater Road, Bristol, BS99 6ZY or www.investorcentre.co.uk/eproxy no later than 48 hours (excluding non-working days) before the time of the meeting or any adjourned meeting.
3. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual and/or by logging on to the website www.euroclear.com/CREST. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
4. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's registrar (ID 3RA50) no later than 48 hours (excluding non-working days) before the time of the meeting or any adjournment. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the Company's registrar is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

5. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
6. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
7. The return of a completed proxy form or other instrument of proxy will not prevent you attending the AGM and voting in person if you wish.
8. Shareholders participating in the Baillie Gifford Investment Trust Share Plan, Children's Savings Plan or the Baillie Gifford Investment Trust ISA who wish to vote and/or attend the meeting must complete and return the enclosed reply-paid Form of Direction.
9. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 and Section 311 of the Companies Act 2006 the Company specifies that to be entitled to attend and vote at the Annual General Meeting (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the Register of Members of the Company no later than 48 hours (excluding non-working days) prior to the commencement of the AGM or any adjourned meeting. Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
10. Any person to whom this notice is sent who is a person nominated under Section 146 of the Companies Act 2006 to enjoy information rights (a 'Nominated Person') may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
11. The statement of the rights of shareholders in relation to the appointment of proxies in Notes 1 and 2 above does not apply to Nominated Persons. The rights described in those Notes can only be exercised by shareholders of the Company.
12. The members of the Company may require the Company to publish, on its website, (without payment) a statement (which is also passed to the auditors) setting out any matter relating to the audit of the Company's financial statements, including the auditors' report and the conduct of the audit. The Company will be required to do so once it has received such requests from either members representing at least 5% of the total voting rights of the Company or at least 100 members who have a relevant right to vote and hold shares in the Company on which there has been paid up an average sum per member of at least £100. Such requests must be made in writing and must state your full name and address and be sent to the Company at Calton Square, 1 Greenside Row, Edinburgh, EH1 3AN.
13. Information regarding the Annual General Meeting, including information required by Section 311A of the Companies Act 2006, is available from the Company's page of the Managers' website at www.shinnippon.co.uk.
14. Members have the right to ask questions at the meeting in accordance with Section 319A of the Companies Act 2006.
15. As at 21 March 2014 (being the last practicable date prior to the publication of this notice) the Company's issued share capital consisted of 36,875,497 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 21 March 2014 were 36,875,497 votes.
16. Any person holding 3% or more of the total voting rights of the Company who appoints a person other than the Chairman of the meeting as his proxy will need to ensure that both he and his proxy complies with their respective disclosure obligations under the UK Disclosure and Transparency Rules.
17. No Director has a contract of service with the Company.

Further Shareholder Information

Baillie Gifford Shin Nippon is an investment trust. Investment trusts offer investors the following:

- participation in a diversified portfolio of shares;
- constant supervision by experienced professional managers; and
- the Company is free from capital gains tax on capital profits realised within its portfolio although investors are still liable for capital gains tax on profits when selling their investment.

How to Invest

The Company's shares are traded on the London Stock Exchange. They can be bought by placing an order with a stockbroker, by asking a professional adviser to do so, or through the Baillie Gifford savings vehicles (see pages 50 and 51 for details). If you are interested in investing directly in Baillie Gifford Shin Nippon, you can do so online. There are a number of companies offering real time online dealing services – find out more by visiting the investment trust pages at www.bailliegifford.com.

Sources of Further Information on the Company

The price of shares is quoted daily in the Financial Times and can also be found on the Company's page on Baillie Gifford's website at www.shinnippon.co.uk, Trustnet at www.trustnet.co.uk and on other financial websites. Company factsheets are also available on the Baillie Gifford website and are updated monthly. These are available from Baillie Gifford on request.

Baillie Gifford Shin Nippon Share identifiers

ISIN GB0000706274

Sedol 0070627

Ticker BGS

The ordinary shares of the Company are listed on the London Stock Exchange and their price is shown in the Financial Times and The Scotsman.

Key Dates

The Annual Report and Financial Statements are normally issued in March or early April and the AGM is normally held at the end of April or during May.

Capital Gains Tax

The cost for capital gains taxation purposes to shareholders who subscribed for ordinary shares (with warrants attached) is apportioned between the ordinary shares and the warrants on the following basis:

	Apportioned cost	First day of dealing value
Cost of each ordinary share	47.25p	44.5p
Cost of fraction for warrant	2.75p	13.5p
	<u>50.00p</u>	

The cost for capital gains tax purposes to shareholders who subscribed for the conversion shares, subsequently converted into new ordinary shares (with warrants attached) is apportioned between the ordinary shares and the warrants as set out in the placing and offer document dated 18 May 1994.

The attributable costs are:

	Apportioned cost	First day of dealing value
Cost of each ordinary share	164.81p	178.00p
Cost of each warrant 2005	76.85p	83.0p

If shareholders are in any doubt as to their personal taxation position they should consult their professional advisers.

Share Register Enquiries

Computershare Investor Services PLC maintains the share register on behalf of the Company. In the event of queries regarding shares registered in your own name, please contact the Registrars on 0870 889 3223.

This helpline also offers an automated self-service functionality (available 24 hours a day, 7 days a week) which allows you to:

- hear the latest share price;
- confirm your current share holding balance; and
- order Change of Address and Stock Transfer forms.

By quoting the reference number on your share certificate you can check your holding on the Registrar's website at www.investorcentre.co.uk.

They also offer a free, secure, share management website service which allows you to:

- view your share portfolio and see the latest market price of your shares;
- calculate the total market price of each shareholding;
- view price histories and trading graphs;
- change address details; and
- use online dealing services.

To take advantage of this service, please log in at www.investorcentre.co.uk and enter your Shareholder Reference Number and Company Code (this information can be found on your share certificate).

Electronic Proxy Voting

If you hold stock in your own name you can choose to vote by returning proxies electronically at www.investorcentre.co.uk/eproxy.

If you have any questions about this service please contact Computershare on 0870 889 3223.

CREST Proxy Voting

If you are a user of the CREST system (including a CREST Personal Member), you may appoint one or more proxies or give an instruction to a proxy by having an appropriate CREST message transmitted. For further information please refer to the CREST Manual.

Where this has been received in a country where the provision of such a service would be contrary to local laws or regulations, this should be treated as information only.

These financial statements have been approved by the Directors of Baillie Gifford Shin Nippon PLC. Baillie Gifford Savings Management Limited (BGSM) is the ISA Manager of the Baillie Gifford Investment Trust ISA and the Manager of the Baillie Gifford Investment Trust Share Plan and Children's Savings Plan. BGSM is wholly owned by Baillie Gifford & Co. Both are authorised and regulated by the Financial Conduct Authority. Baillie Gifford only provides information about its products and does not provide investment advice. The staff of Baillie Gifford and Baillie Gifford Shin Nippon's Directors may hold shares in Baillie Gifford Shin Nippon and may buy or sell such shares from time to time.

Analysis of Shareholders at 31 January

	2014 Number of shares held	2014 %	2013 Number of shares held	2013 %
Institutions	9,611,667	26.2	10,354,889	31.7
Intermediaries	22,681,307	61.8	17,315,320	53.0
Individuals*	2,274,755	6.2	3,074,657	9.4
Baillie Gifford				
Share Plans/ISA	1,966,144	5.4	1,870,682	5.8
Marketmakers	141,624	0.4	39,969	0.1
	36,675,497	100.0	32,655,517	100.0

* Includes all holdings under 5,000 shares.

Cost-effective Ways to Buy and Hold Shares in Baillie Gifford Shin Nippon



The Investment Trust ISA and Share Plan brochure available at www.shinnippon.com



Press advertisement for The Baillie Gifford Children's Savings Plan

Baillie Gifford Savings Management Limited offers a number of plans that enable you to buy and hold shares in Baillie Gifford Shin Nippon cost-efficiently. Purchases and sales are normally subject to a dealing price spread and Government stamp duty of 0.5% is payable on purchases.

The Baillie Gifford Investment Trust Share Plan

- No initial charge
- No annual wrapper charge
- Normally cheaper than dealing through a stockbroker
- Invest a lump sum from £250 or monthly from just £30
- No maximum investment limits
- Stop and start saving at any time with no charge
- Twice weekly dealing (usually Tuesday and Friday)
- A withdrawal charge of just £22

The Baillie Gifford Investment Trust ISA

- Tax-efficient investment
- No set-up charge
- Flat rate annual management charge currently of £32.50 + VAT
- Lump sum investment from £2,000 currently up to a maximum of £11,520 each year
- Save monthly from £100
- A withdrawal charge of just £22

ISA Transfers

- Transfer existing ISAs from other plan managers into the Baillie Gifford ISA
- Consolidate your plans into a managed global investment
- Minimum transfer value £2,000

The Baillie Gifford Children's Savings Plan

- An excellent way for parents, grandparents or other adults to invest for a child
- No initial charge
- No annual wrapper charge
- The option of a designated account or a bare trust in favour of the child
- Flexible investment options: lump sum from £100 or monthly saving from just £25
- A withdrawal charge of just £22

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 www.bailliegifford.com/oms. 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, except where there is more than one holder;
- switch between investment trusts, except where there is more than one holder;
- set up a direct debit to make regular investments;
- sell part or all of your holdings, except where there is more than one holder; and
- update certain personal details e.g. address and telephone number.

* Please note that a bare trust cannot be opened via OMS. A bare trust application form must be completed. Certain restrictions apply where there is more than one holder.

Further information

If you would like more information on any of the plans described, please contact the Baillie Gifford Client Relations Team. (See contact details on page 53).

Risks

Past performance is not a guide to future performance.

Baillie Gifford Shin Nippon is listed on the stock market. As a result the value of the shares can fall as well as rise and you may not get back the amount you invested. You should view your investment as long term.

As Baillie Gifford Shin Nippon 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.

Baillie Gifford Shin Nippon 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.

Baillie Gifford Shin Nippon can make use of derivatives. The use of derivatives may impact on its performance.

Baillie Gifford Shin Nippon 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.

Baillie Gifford Shin Nippon invests in smaller companies which are generally considered higher risk as changes in their share prices may be greater and the shares may be harder to sell. Smaller companies may do less well in periods of unfavourable economic conditions.

The Company's exposure to a single market and currency may increase risk.

Charges are deducted from income. Where income is low the expenses may be greater than the total income received, meaning the Company may not pay a dividend and the capital value would be reduced.

The generation of income is less important than the aim of achieving capital growth and it is unlikely that the company will provide a steady, or indeed any, income.

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.

Investment Trusts are UK public listed companies and as such comply with the requirements of the UK Listing Authority. They are not authorised or regulated by the Financial Conduct Authority.

The information and opinions expressed in this document are subject to change without notice.

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

Further details of the risks associated with investing in the Company, including how charges are applied, can be found at www.shinnippon.co.uk, or by calling Baillie Gifford on 0800 917 2112.

This information has been issued and approved by Baillie Gifford & Co and does not in any way constitute investment advice.

Glossary of Terms

Total Assets

Total assets less current liabilities, before deduction of all borrowings.

Net Asset Value

Also described as shareholders' funds. Net Asset Value (NAV) is the value of total assets less liabilities (including borrowings). The NAV per share is calculated by dividing this amount by the number of ordinary shares in issue.

Discount/Premium

As stockmarkets and share prices vary, an investment trust's share price is rarely the same as its NAV. When the share price is lower than the NAV per share it is said to be trading at a discount. The size of the discount is calculated by subtracting the share price from the NAV per share and is usually expressed as a percentage of the NAV per share. If the share price is higher than the NAV per share, this situation is called a premium.

Ongoing Charges

The total expenses (excluding interest) incurred by the Company as a percentage of the average net asset value (with debt at fair value).

Gearing

At its simplest, gearing is borrowing. Just like any other public company, an investment trust can borrow money to invest in additional investments for its portfolio. The effect of the borrowing on the shareholders' assets is called 'gearing'. If the Company's assets grow, the shareholders' assets grow proportionately more because the debt remains the same. But if the value of the Company's assets falls, the situation is reversed. Gearing can therefore enhance performance in rising markets but can adversely impact performance in falling markets.

Gearing represents its cash borrowings at par less cash and cash equivalents expressed as a percentage of shareholders' funds.

Potential gearing is the Company's borrowings expressed as a percentage of shareholders' funds.

Communicating with Shareholders



Trust Magazine

Trust Magazine

Trust is the Baillie Gifford investment trust magazine which is published three times a year. It provides an insight to our investment approach by including interviews with our fund managers, as well as containing investment trust news, investment features and articles about the trusts managed by Baillie Gifford, including Baillie Gifford Shin Nippon. *Trust* plays an important role in helping to explain our products so that readers can really understand them. For a copy of *Trust*, please contact the Baillie Gifford Client Relations Team.

An online version of *Trust* can be found at www.bgtrustonline.com.

Baillie Gifford Shin Nippon on the Web

Up-to-date information about Baillie Gifford Shin Nippon, including a monthly commentary, recent portfolio information and performance figures, can be found on the Company's page of the Managers' website at www.shinnippon.co.uk.

You can also find a brief history of Baillie Gifford Shin Nippon, an explanation of the effects of gearing and a flexible performance reporting tool.

Suggestions and Questions

Any suggestions on how communications with shareholders can be improved are welcomed, so please contact the Baillie Gifford Client Relations Team and give them your suggestions. They will also be very happy to answer questions that you may have, either about Baillie Gifford Shin Nippon or the plans described on pages 50 and 51.



A Shin Nippon web page at www.shinnippon.co.uk

Literature in Alternative Formats

It is possible to provide copies of the literature in alternative formats, such as large print or on audio tape. Please contact the Baillie Gifford Client Relations Team for more information.

Client Relations Team Contact Details

You can contact the Baillie Gifford Client Relations Team by telephone, email, fax or post:

Telephone: 0800 917 2112

Your call may be recorded for training or monitoring purposes.

E-mail: trustenquiries@bailliegifford.com

Website: www.bailliegifford.com

Fax: 0131 275 3955

Client Relations Team

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

Please note that Baillie Gifford is not permitted to give financial advice. If you would like advice or if you have any questions about the suitability of any of these plans for you, please ask an authorised intermediary.

Directors

Chairman:

BM Rose

PF Charig

IA McLaren

MR Somerset Webb

SCN Somerville

Managers, Secretaries and Registered Office

Baillie Gifford & Co

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EH1 3AN

Tel: 0131 275 2000

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Registrar

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Company Registration

No. SC093345