

Baillie Gifford American Fund

a sub-fund of Baillie Gifford Overseas Growth Funds ICVC



Authorised Corporate Director's Annual Short Report for the year ended 30th April 2012

Investment Objective

The Fund aims to maximise the value of its shares through capital growth.

Investment Policy

To invest in any economic sector, either directly or indirectly, of the United States of America. From time to time investment may also be made in any economic sector in Canada, either directly or indirectly. Investment will be mainly in shares in companies.

Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

Typically lower rewards, lower risk			Typically higher rewards, higher risk			
←					→	
1	2	3	4	5	6	7

Please note that even the lowest risk class can lose you money and that extreme adverse market circumstances can mean you suffer severe losses in all cases. Some risks which can't be easily measured may not be fully captured by the Risk and Reward Indicator. The Fund is classified in the category above because it invests in company shares which generally provide higher rewards and higher risks than other investments, such as bonds or cash. The indicator does not take into account the following material risks of investing in this Fund: Investment markets can go down as well as up and market conditions can change rapidly. The value of an investment in the Fund, and any income from it, can fall as well as rise and you may not get back the amount invested. Custody of assets may involve a risk of loss if the custodian becomes insolvent or breaches duties of care. Where possible, all charges are taken from the Fund's revenue. Where there is insufficient revenue, the remainder will be taken from capital. This will reduce the value of the Fund.¹

Investment Report

For the year to 30th April 2012 the return on A Net Accumulation Shares was 10.8%² compared to the return on the S&P 500 Composite Index of 7.3%², in sterling terms. Apple, Home Depot (DIY retailing) and O'Reilly Automotive (car parts distribution) were the most helpful contributors to investment performance.

The recovery in the domestic economy was the main feature of the period under review, with small businesses spending on capital equipment and hiring again, and with consumer confidence benefiting from rising employment. A much strengthened banking system was instrumental in this, as was the Federal Reserve's policy of maintaining very low interest rates. Even the depressed housing market has started to recover region by region, helped by affordability that is at highly attractive levels. The European debt crisis has continued to be the main threat to economic growth, but low inflation in the US means further monetary stimulus is likely if downside risks to growth increase.

Our positive outlook has been reflected in a portfolio shift towards companies that should benefit from a revival in the domestic economy. We bought a new holding in Harley-Davidson, the iconic motorcycle manufacturer, where a new management team are making improvements to the operational efficiency of the business. We continued to increase our banking exposure, adding First Republic Bank, a specialist mortgage lender that is gaining market share through exceptional relationship based service.

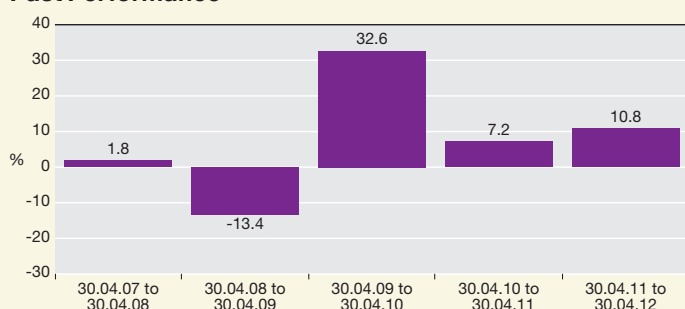
The other area of activity has been in the information technology sector, which continues to be a fertile area for stock idea generation because many American technology companies lead the world in innovation, and have excellent long-term growth opportunities. This is true of the portfolio's three new semiconductor holdings, Altera, Xilinx and Analog Devices, as well as of recent purchase Teradata, whose unique technologies enable huge amounts of data to be analysed very quickly.

To fund these purchases we sold two industrial holdings, United Technologies and Johnson Controls, whose international growth was slowing. In addition, sales were made on valuation grounds of two healthcare stocks that have been successful investments for the Fund, Intuitive Surgical and Edwards Lifesciences.

We remain optimistic about the prospects for the portfolio's focused selection of North American growth stocks.

Mick Brewis and team, 11th May 2012

Past Performance²



The performance figures shown in this graph are for Class A Net Accumulation Shares. Performance figures reflect the ACD's annual fee of 1.5%, but exclude any initial charge paid. More recent performance for Class A Net Accumulation Shares and the other share classes in issue can be obtained by calling the ACD. Your call may be recorded for training or monitoring purposes. You should be aware that past performance is not a guide to future performance.

Net Asset Values (as at the Year End)

Share Class	Net Asset Value per Share 30.04.12	Net Asset Value per Share 30.04.11
A Net Accumulation	212.8p	193.9p
B Net Income	218.4p	198.2p
B Net Accumulation	231.9p	209.6p
C Net Accumulation	251.1p	225.4p

Distributions (for the Calendar Year)

Share Class	Net Income per Share 2012	Net Income per Share 2011
A Net Accumulation	0.00p	0.00p
B Net Income	0.84p	1.34p
B Net Accumulation	0.91p	1.41p
C Net Accumulation	2.45p	2.84p

Ongoing Charges Figures (for the Financial Year)

Share Class	Ongoing Charges Figure 30.04.12	Ongoing Charges Figure 30.04.11
A Net Accumulation	1.54%	1.51%
B Net Income	0.70%	0.68%
B Net Accumulation	0.69%	0.68%
C Net Accumulation	0.05%	0.05%

Highest and Lowest Prices (for the Calendar Year)

Share Class	Highest Price per Share 2012	Lowest Price per Share 2012	Highest Price per Share 2011	Lowest Price per Share 2011
A Net Accumulation	218.9p	196.4p	204.3p	163.5p
B Net Income	225.3p	201.9p	209.1p	167.5p
B Net Accumulation	238.3p	213.6p	221.2p	177.1p
C Net Accumulation	257.8p	230.7p	238.2p	190.9p

Fund Facts

XD Date: 30th April

Distribution Payment Date: 30th June

¹Further details of the risks associated with investing in the Fund can be found in the Prospectus which is available by calling Client Relations on 0800 917 2113.

²Source: FE, bid to bid (10am prices), net income reinvested. You should be aware that past performance is not a guide to future performance.

Major Holdings

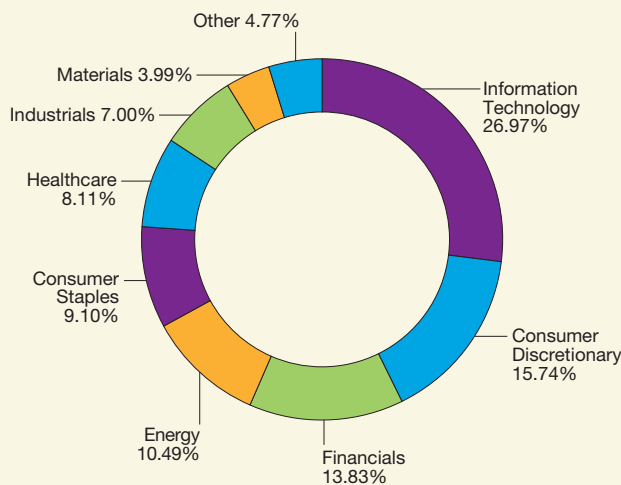
The Fund's 10 largest holdings at the end of this year and the previous year end are shown below.

Holdings	% of Fund Value as at 30.04.12
1 Apple	8.10
2 eBay	4.59
3 F5 Networks	4.33
4 Home Depot	4.28
5 Progressive	3.78
6 O'Reilly Automotive	3.74
7 Bed Bath & Beyond	3.56
8 Exxon Mobil	3.39
9 Brown-Forman B	3.19
10 Monsanto Company	3.16

Holdings	% of Fund Value as at 30.04.11
1 Apple	5.85
2 Oracle Corp	5.51
3 Schlumberger	4.84
4 Apache Corp	4.68
5 Danaher	4.37
6 Progressive	4.30
7 Exxon Mobil	3.88
8 Walgreen	3.63
9 Monsanto Company	3.55
10 Linear Technology	2.69

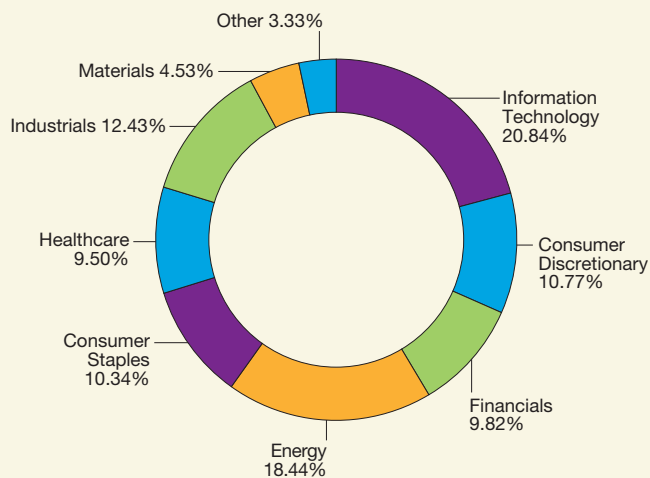
Classification of Investments

30th April 2012



Net assets: £222,723,000

30th April 2011



Net assets: £169,081,000

Report and Accounts

Copies of the annual and interim Long Report and Financial Statements of the Fund are available free of charge on request by calling the ACD.

Other Information

The Fund is a UCITS retail scheme under the Financial Services Authority's Collective Investment Schemes Sourcebook ('COLL'). Shareholders are not liable for the debts of the ICVC beyond the amount subscribed. The information in this report is designed to enable shareholders to make an informed judgement on the activities of the Fund during the year it covers and the result of those activities at the end of the year. For more information about the activities and performance of the Fund during this and previous years, please call Client Relations: 0800 917 2113 (fax 0131 275 3955) or visit our website at www.baillieghifford.com or e-mail us at trutenquiries@baillieghifford.com. Any comments expressed in this report should not be taken as a recommendation or advice.

Minimum Investment Levels

The minimum initial investment is £1,000 for Class A Shares (£50 per month for the Monthly Savings Plan) and £250,000 for Class B Shares. Class C Shares are only available to persons to whom an associate of the ACD provides services under an investment management agreement. Details of the minimum holding and redemption levels can be found in the Supplementary Information Document and full Prospectus.

Replacement of Simplified Prospectus

As part of a European Directive³ the Simplified Prospectus ('SP') will be replaced by the Key Investor Information Document ('KIID') together with a Supplementary Information Document ('SID'). The KIID is designed to replace the SP and to provide investors with clearer information. The SID ought to be read in conjunction with the KIID. This document includes additional information which an investor needs to be aware of and which is not in the new KIID. We replaced the SP with the KIID with effect from 4th June 2012.

³Directive 2009/65/EC of the European Parliament and of the Council of 13th July 2009.

Authorised Corporate Director

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Edinburgh EH12 9LD

Investment Manager

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Edinburgh EH1 3AN

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20 Castle Terrace,
Edinburgh EH1 2EG

Registrar

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