

## Authorised Corporate Director's Annual Short Report for the year ended 30th April 2014

### Investment Objective

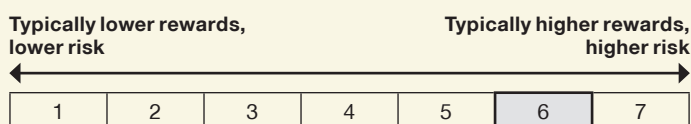
The Fund aims to achieve capital growth.

### Investment Policy

To invest in any economic sector of countries in the Far East, Australasia and the Indian sub-continent, either directly or indirectly. The Fund may or may not be invested in all these areas at all times. Investment will be mainly in shares of companies.

### Risk and Reward Profile<sup>1</sup>

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.



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. 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 relevant material risks: 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, particularly in emerging markets, involve a risk of loss if the custodian becomes insolvent or breaches duties of care. The Fund invests in emerging markets where

difficulties in trading could arise, resulting in a negative impact on the value of your investment. 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 capital value of the Fund. We are aware that the Scottish Referendum Vote in September 2014 introduces elements of political uncertainty which may have practical consequences. We will continue to closely monitor these developments.

### Investment Report

For the year to 30th April 2014 the return on A Net Accumulation Shares was -1.7%<sup>2</sup> compared to the return on the MSCI All Country Asia ex-Japan Index of -6.2%<sup>3</sup>, in sterling terms. We believe that shorter-term performance measurements are of limited relevance in assessing investment ability and would suggest that five years is a more sensible time frame over which to judge performance.

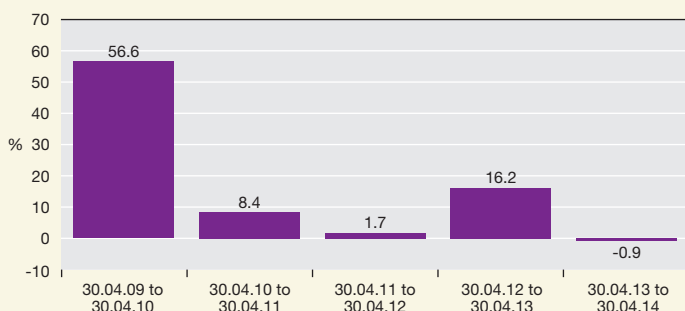
The market was weak over the period, led by several of the ASEAN (Association of Southeast Asian Nations) countries, noticeably Indonesia and Thailand, who experienced significant currency depreciations. Relative performance of the Fund was good, driven by stock selection. Sarine Technologies, a monopoly producer of high end diamond processing equipment was our top performer, while a number of our tech holdings including Tech Mahindra Ltd, Tencent Holdings and NAVER Corp, all performed well as their growth continued to surprise on the upside.

The portfolio continues to have a strong bias toward technology companies which has been increased over the period. The Fund has also increased its weighting in India where we believe the economic situation is looking favourable, political change in the country could have profound long-term positive benefits, and there are a number of attractively priced companies.

We continue to have an optimistic outlook for Asia and envisage key growth drivers over the next decade including Chinese reforms, innovation and the rise of the Asian consumer. Our portfolio has significant exposure to these areas, especially innovation, and we are excited about the prospects for our investments over the next five years.

Roderick Snell, 22nd May 2014

### Past Performance<sup>4</sup>



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. Please note these returns differ from the return quoted in the Investment Report, which is based on the closing net asset value at the year end. Performance figures for the other share classes in issue can be obtained by calling Client Relations. 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 30.04.14	Net Asset Value per Share 30.04.13
A Net Accumulation	349.5p	355.4p
B Net Income	314.8p	319.6p
B Net Accumulation	383.8p	386.9p
C Net Income	316.2p	321.0p
C Net Accumulation	415.1p	415.8p

### Distributions (for the Calendar Year)

Share Class	Net Income per Share Period to 30.04.14	Net Income per Share Year to 31.12.13
A Net Accumulation	0.00p	1.48p
B Net Income	2.16p	3.82p
B Net Accumulation	2.75p	4.60p
C Net Income	4.23p	5.76p
C Net Accumulation	5.48p	7.33p

### Ongoing Charges Figures (for the Financial Year)<sup>5</sup>

Share Class	Ongoing Charges Figure 30.04.14	Ongoing Charges Figure 30.04.13
A Net Accumulation	1.63%	1.69%
B Net Income	0.80%	0.84%
B Net Accumulation	0.73%	0.83%
C Net Income	0.15%	0.19%
C Net Accumulation	0.15%	0.19%

### Highest and Lowest Prices (for the Calendar Year)

Share Class	Highest Price per Share 2014	Lowest Price per Share 2014	Highest Price per Share 2013	Lowest Price per Share 2013
A Net Accumulation	365.2p	339.4p	383.0p	320.9p
B Net Income	330.9p	307.1p	344.6p	289.4p
B Net Accumulation	400.7p	371.9p	417.1p	350.3p
C Net Income	334.4p	310.0p	346.2p	291.3p
C Net Accumulation	433.2p	401.6p	448.5p	377.3p

<sup>1</sup>Further 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.

<sup>2</sup>Source: Baillie Gifford & Co Ltd, closing net asset value, net income accumulated. <sup>3</sup>Source: FE, net income. <sup>4</sup>Source: FE, 10am dealing prices, net income accumulated.

<sup>5</sup>The ongoing charges figure is based on the expenses for the financial year and may vary from year to year. It excludes the cost of buying and selling assets for the Fund. Until 31st March 2014 the ACD's annual fee was calculated on a monthly basis which could lead to distortions in the calculated ongoing charges figure when a share class was expanding or contracting. From 1st April 2014 the ACD's annual fee is calculated on a daily basis. You should be aware that past performance is not a guide to future performance.

## Major Holdings

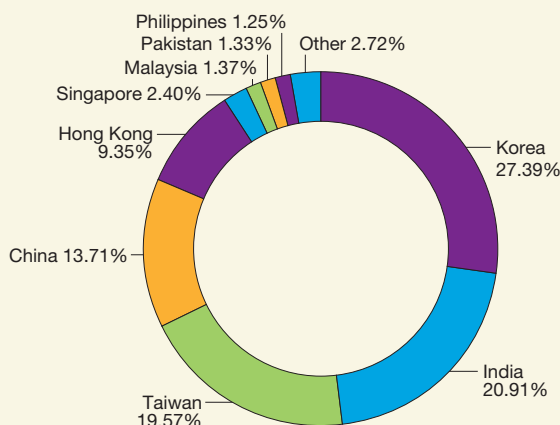
The Fund's 10 largest holdings at the end of this year and the previous year end are shown below.

Holdings	% of Fund Value as at 30.04.14
1 Samsung Electronics	6.74
2 TSMC	5.17
3 Tencent Holdings	3.55
4 Tech Mahindra Ltd	2.88
5 Mediatek	2.62
6 SK Hynix Inc	2.58
7 Sarine Technologies	2.40
8 Hyundai Mobis	2.20
9 NAVER Corp	2.08
10 China Petroleum & Chemicals Corporation	1.89

Holdings	% of Fund Value as at 30.04.13
1 Samsung Electronics	8.35
2 TSMC	4.54
3 Security Bank	3.69
4 Tencent Holdings	2.54
5 PT Modern Internasional	2.28
6 Hyundai Mobis	2.19
7 Central Pattana NVDR	2.10
8 CNOOC Ltd	2.06
9 Puregold Price Club	1.79
10 Apollo Hospitals Enterprise	1.77

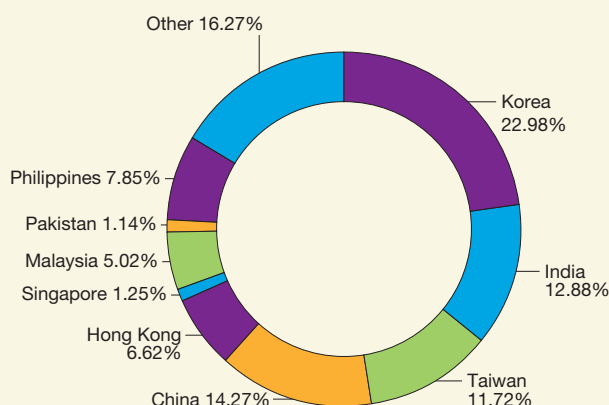
## Classification of Investments

### 30th April 2014



Net assets: £63,631,000

### 30th April 2013



Net assets: £52,048,000

## 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 Client Relations.

### Protected Cell Regime

With effect from 12th December 2013, the ACD moved the ICVC to the 'protected cell regime'. The new rules limit the recourse of creditors to just the assets of the relevant sub-fund and not all the sub-funds of the umbrella company.

### Other Information

The Fund is a UCITS retail scheme under the Financial Conduct Authority's Collective Investment Schemes Sourcebook ('COLL'). Shareholders are not liable for the debts of the Fund 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.bailliegifford.com](http://www.bailliegifford.com) or email us at [trustenquiries@bailliegifford.com](mailto:trustenquiries@bailliegifford.com). Any comments expressed in this report should not be taken as a recommendation or advice.

### Amendment to the Depositary's Fee

With effect from 1st February 2014, the fee charged by the Depositary was reduced from a rate of 0.045% plus VAT per annum of the first £50,000,000 and a sliding scale thereafter, to a flat rate of 0.01% plus VAT per annum.

## Fund Charges and Costs

We are obliged to quote performance based on the Class A Shares, which have the highest ACD's annual fee. Our Class B Shares carry a lower ACD's annual fee as well as a lower initial charge, than the equivalent Class A Shares, and associated distributions may be higher than the equivalent Class A Shares. If you have any questions on the merits of a conversion to the Class B Shares we would suggest that you contact a financial adviser. Performance numbers for Class B Shares are available by contacting the Client Relations Team on 0800 917 2113.

A further explanation of charges and costs relating to the Fund can be found in the Enhanced Disclosure of Fund Charges and Costs document on our website.

### Fund Facts

XD Date: 30th April.

Distribution Payment Date: 30th June.

### Minimum Investment Levels

The minimum initial investment is £1,000 for Class A Shares (£50 per month for the Monthly Savings Plan) and £10,000 for Class B Shares (£500 per month for the Monthly Savings Plan). 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 Prospectus.

### Authorised Corporate Director ('ACD')

Baillie Gifford & Co Limited  
(Authorised and regulated by the Financial Conduct Authority, Financial Services Register No. 119179)  
Calton Square,  
1 Greenside Row,  
Edinburgh EH1 3AN

### Depositary

National Westminster Bank Plc  
(Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, Financial Services Register No. 121878)  
Trustee & Depositary Services,  
The Younger Building,  
3 Redheughs Avenue,  
Edinburgh EH12 9RH

### Investment Manager

Baillie Gifford & Co  
(Authorised and regulated by the Financial Conduct Authority, Financial Services Register No. 142597)  
Calton Square,  
1 Greenside Row,  
Edinburgh EH1 3AN

### Auditor

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

### Registrar

Baillie Gifford Savings Management Limited  
(Authorised and regulated by the Financial Conduct Authority, Financial Services Register No. 150233)  
Calton Square,  
1 Greenside Row,  
Edinburgh EH1 3AN