

Baillie Gifford Global Discovery Fund

a sub-fund of Baillie Gifford Overseas Growth Funds ICVC



Authorised Corporate Director's Interim Short Report for the period ended 31st October 2011

Investment Objective

To provide above average total returns over the long-term.

Investment Policy

To invest globally in transferable securities of companies considered to offer excellent future growth prospects. The Fund may also invest in money market instruments, cash and near cash. Up to (but no more than) 10% in value of the Fund may be invested in each of the following: collective investment schemes and deposits.

Risk Profile

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 investors may not get back the amount invested. The share price of smaller, immature companies may vary more than those of larger, more established companies and the shares may be harder to sell. Smaller, immature companies may do less well in periods of adverse economic conditions. The Fund's concentrated portfolio and long-term approach to investment may result in large movements in the share price. The Fund invests in overseas assets, priced in foreign currencies. Changes in the rates of exchange may cause the value of your shares to go down. Further details of the risks associated with investing in the Fund can be found in the Simplified Prospectus, copies of which are available at www.bailliegifford.com, or the full Prospectus which is available by calling the Authorised Corporate Director ('ACD').

Investment Report

In the six months to 31st October 2011 the return on A Net Accumulation Shares was -12.0%¹ compared to the return on the S&P Global Small Cap Index of -12.4%¹, in sterling terms. On the 1st of May 2011 'Baillie Gifford European Smaller Companies Fund' converted into 'Baillie Gifford Global Discovery Fund'. The reason behind this change is simple: Application of technology and the associated globalisation of trade are increasingly prominent themes for all businesses regardless of their size. This can relate to where a company sells its product, sources its components, or perceives its opportunities or threats. We believe the portfolio will benefit in the long run through considering a company's attractiveness in a genuinely global context and the adoption of a more holistic approach.

From August onwards global equity markets have been heavily influenced by public sector debt concerns, primarily with respect to Europe. The numerous attempts to draw a line under the debt issue have failed to provide clarity and have raised questions over the robustness of the economic recovery. The message from the corporate sector has, thus far, been relatively positive with limited impact from the economic fears to end demand. While we recognise that the risks of an economic slowdown have increased, we would emphasise that the corporate sector is relatively well positioned on account of substantially stronger balance sheets and improved productivity versus 2007/8.

We have long observed that the success (or failure) of smaller companies is more often determined by the individual company's actions rather than what is happening with the economy at large. Moreover, with the impact of technology and innovation arguably accelerating in the modern world we think the recent sell-off is likely to throw up excellent opportunities for long-term investors. We continue to believe that the portfolio of stocks in the Fund can deliver superior investment returns over time.

Douglas Brodie, 21st November 2011

Net Asset Values

Share Class	Net Asset Value per Share 31.10.11	Net Asset Value per Share 30.04.11
A Net Accumulation	363.8p	421.6p
B Net Income	339.8p	391.7p
B Net Accumulation	391.0p	450.7p
C Net Income	342.5p	393.4p
C Net Accumulation	421.4p	484.3p

Total Expense Ratios

Share Class	Total Expense Ratio 31.10.11	Total Expense Ratio 30.04.11
A Net Accumulation	1.63%	1.57%
B Net Income	0.78%	0.74%
B Net Accumulation	0.75%	0.75%
C Net Income	0.10%	0.10%
C Net Accumulation	0.10%	0.10%

Standardised Past Performance Record

There is no Standardised Past Performance Record for the past 5 years as the Fund's investment objective and policy were amended on 1st May 2011. Performance for all share classes in issue can be obtained by calling the ACD. Calls may be recorded. Please note past performance is not a guide to future performance.

Fund Facts

XD Date: 30th April

Distribution Payment Date: 30th June

Distributions (for the Financial Period)

Share Class	Net Income per Share 31.10.11	Net Income per Share 30.04.11	Net Income per Share 30.04.10	Net Income per Share 30.04.09	Net Income per Share 30.04.08	Net Income per Share 30.04.07
A Net Accumulation	n/a	7.12p	3.44p	4.32p	1.76p	1.65p
B Net Income	n/a	9.48p	5.06p	5.77p	3.85p	3.55p
B Net Accumulation	n/a	10.73p	5.30p	6.23p	4.04p	3.73p
C Net Income	n/a	11.82p	6.52p	7.00p	5.41p	5.03p
C Net Accumulation	n/a	16.83p	7.52p	7.91p	5.99p	5.48p

¹Source: FE, bid to bid (10am prices), net income reinvested. Please note past performance is not a guide to future performance.

Major Holdings

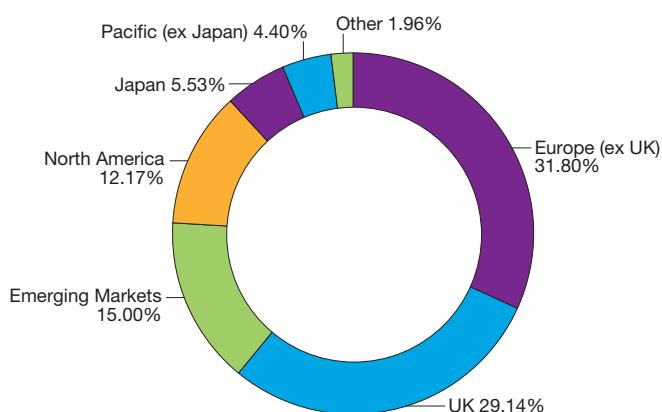
The Fund's 10 largest holdings at the end of this period and the previous financial year end are shown below.

Holdings	% of Fund Value as at 31.10.11
1 XING	3.52
2 IP Group Plc	2.94
3 So-Net Entertainment Corp	2.61
4 YOOX	2.49
5 SDL Plc	2.44
6 Rightmove	2.36
7 Stratasys	2.31
8 Opentable	2.17
9 Imagination Technologies	2.04
10 ASOS	1.92

Holdings	% of Fund Value as at 30.04.11
1 Grenkeleasing	4.56
2 D'leteren	4.19
3 Bechtle	3.94
4 Sabaf	3.88
5 Proffice	3.69
6 Basware OYJ	3.18
7 Sligro Beheer	3.12
8 Zumtobel AG	2.82
9 YOOX	2.76
10 XING	2.60

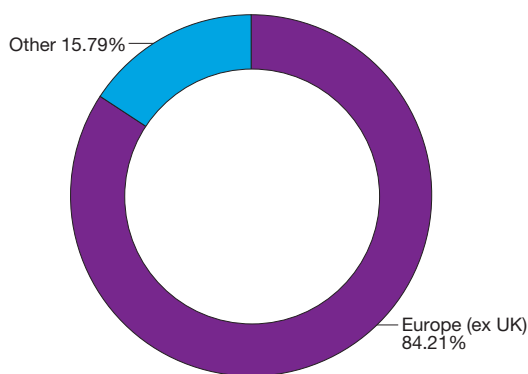
Classification of Investments

31st October 2011



Net assets: £18,635,000

30th April 2011



Net assets: £20,405,000

Amendments to the Name, Investment Objective and Policy of the Fund

With effect from 1st May 2011 the investment objective and policy of the Fund were changed. The new objective and policy are shown on the previous page. As a result of the change, the name of the Fund was changed from 'Baillie Gifford European Smaller Companies Fund' to 'Baillie Gifford Global Discovery Fund'.

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 period it covers and the result of those activities at the end of the period. For more information about the activities and performance of the Fund during this and previous

periods, please contact the ACD. 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 Simplified Prospectus and full Prospectus.

Change of Depositary

As part of an internal re-structuring in 2011 The Royal Bank of Scotland Group Plc transferred its Trustee and Depositary Services business from The Royal Bank of Scotland Plc to National Westminster Bank Plc and consequently National Westminster Bank Plc was appointed as Depositary of the Fund on 23rd September 2011.

As Depositary, National Westminster Bank Plc will have the same duties and responsibilities as The Royal Bank of Scotland Plc and the change of Depositary will have no impact on the way the Fund is operated.

Authorised Corporate Director

Baillie Gifford & Co Limited
(Authorised and regulated by the Financial Services Authority,
FSA Register No. 119179)
Calton Square,
1 Greenside Row,
Edinburgh EH1 3AN
Telephone: 0800 917 2113
Fax: 0131 275 3955

Depositary

National Westminster Bank Plc
(Authorised and regulated by the Financial Services Authority,
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Trustee & Depositary Services
The Broadstone,
50 South Gyle Crescent,
Edinburgh EH12 9UZ

Investment Manager

Baillie Gifford & Co
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Auditor

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Registrar

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