

31 July 2019

Key Information

Managers James Anderson & Tom Slater			
Total Assets	£8,848.67m	Total Borrowings at fair	£784.73m
Ongoing Charges	0.37%	Dividend Yield	0.6%
Potential Gearing	9%	Invested Gearing	7%
Active Share	94%*		
Annual Turnover (As at 31/03/19)	10%		
Net Asset Value per Share (NAV)	543.11p		
Share Price	563.00p		
Premium of Share Price to NAV (12 month average)	2.6%		

*Relative to FTSE All-World Index. Source: Baillie Gifford & Co, FTSE.

Proposition

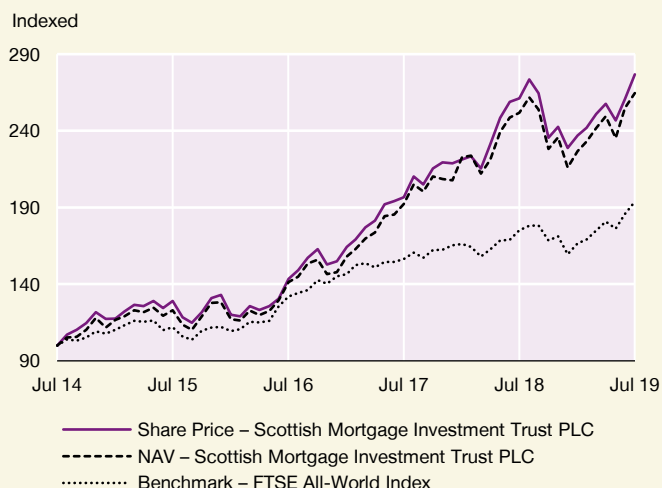
Scottish Mortgage is an actively managed, low cost investment trust, investing in a high conviction, global portfolio of companies with the aim of maximising its total return to its shareholders over the long term. The managers aim to achieve a greater return than the FTSE All-World Index (in sterling terms) over a five year rolling period. The majority of the portfolio will be held in quoted equities and up to a maximum of 25% of the assets may be invested in companies not listed on a public market (measured at the time of purchase).

The Managers are looking for strong, well run businesses which offer the best potential durable growth opportunities for the future. They think in terms of owning companies rather than renting shares and are first and foremost stock pickers, selecting investments based on an individual company's fundamental characteristics. A long term approach is taken, as the Managers believe that it is only over periods of five years or longer that durable competitive advantages and managerial excellence within companies are truly reflected in returns.

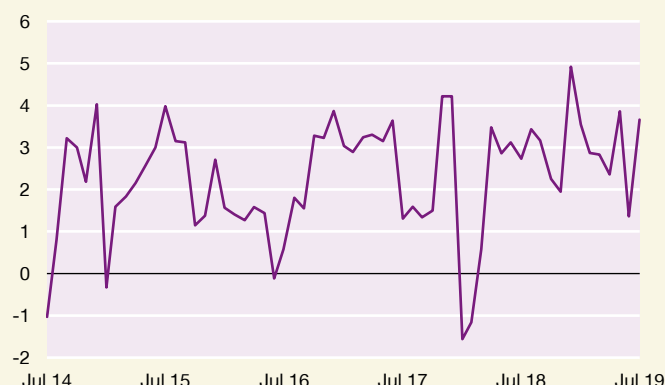
Companies are analysed using a range of questions that aim to assess: the strength of management, a company's competitive and financial positions, the customers' perspective, prospects for sales and margins, current and potential valuation, how the market and the Managers' views differ and what will happen after five years. The resulting portfolio bears little resemblance to the benchmark index which is only used for performance measurement, rather than portfolio construction.

The Managers do not believe that they have a strong competitive advantage in timing short term market volatility so do not attempt to do so. Similarly, the Managers do not seek to make top-down calls on markets more broadly. This is not to say that no attention is paid to the broader world: on the contrary many of the discussions of companies revolve around the future shape of the global economy. The Managers simply aim to ignore the maelstrom of noise in markets and trade only when appropriate for their investment approach.

Performance



Premium/(Discount) of Share Price to NAV at Fair (%)



For details of the Company's liquidity policy, please see the Business Review in the Annual Report.

Portfolio Concentration

The largest 30 holdings accounted for 75.9% of total assets, and the total number of holdings was 85. The portfolio includes 42 unlisted investments, which in aggregate accounted for 20.5% of total assets.

Top Ten Holdings

Holdings	% of Total Assets
1 Amazon.com	9.3
2 Illumina	7.1
3 Tencent	6.5
4 Alibaba	6.1
5 Tesla Inc	4.4
6 ASML	3.4
7 Kering	3.3
8 Ferrari	3.0
9 Netflix	2.8
10 Ant International.	2.6
Total	48.5

Total may not sum due to rounding.

Periodic Performance (%)

	1 Year	3 Years	5 Years	10 Years
Share Price	6.0	92.9	176.8	629.2
NAV	5.1	87.3	164.6	518.9
Index*	10.6	46.9	93.8	245.1

Discrete Performance (%)

	30/06/14-30/06/15	30/06/15-30/06/16	30/06/16-30/06/17	30/06/17-30/06/18	30/06/18-30/06/19
Share Price	25.8	4.9	48.8	33.4	0.7
NAV	20.0	8.2	43.4	34.1	2.5
Index*	10.2	14.0	23.0	9.4	10.1

Performance source: Morningstar, FTSE, total return.

*FTSE All-World Index.

Risk Warnings

The investment trusts managed by Baillie Gifford & Co Limited are listed UK companies. The value of their shares, and any income from them, can fall as well as rise and investors may not get back the amount invested.

The specific risks associated with the Trust include:

- The Trust has a significant exposure to unlisted investments. The Trust's risk could be increased as these assets may be more difficult to buy or sell, so changes in their prices may be greater.
- The Trust 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.
- The Trust invests in emerging markets where difficulties in dealing, settlement and custody could arise, resulting in a negative impact on the value of your investment.
- The Trust can borrow money to make further investments (sometimes known as "gearing" or "leverage"). The risk is that when this money is repaid by the Trust, the value of the investments may not be enough to cover the borrowing and interest costs, and the Trust will make a loss. If the Trust's investments fall in value, any invested borrowings will increase the amount of this loss.
- The Trust can buy back its own shares. The risks from borrowing, referred to above, are increased when a trust buys back its own 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 Trust might receive upon their sale.
- The Trust can make use of derivatives which may impact on its performance.
- The Trust is listed on the London Stock Exchange and is not authorised or regulated by the Financial Conduct Authority.

The information and opinions expressed within this factsheet are subject to change without notice.

This information has been issued and approved by Baillie Gifford & Co Limited and does not in any way constitute investment advice. This factsheet does not constitute an offer or invitation to deal in securities.

Further details of the risks associated with investing in the Trust, including how charges are applied, can be found by calling the number below or visiting the website.

Contact Us

For further information about the Trust or Baillie Gifford's range of Investment Trusts, please contact us at the below address, call our Client Relations Team on **0800 917 2112** (your call may be recorded for training or monitoring purposes), visit our website at **www.bailliegifford.com**, fax us on **0131 275 3955** or email **its@bailliegifford.com**

Additional Trust Information

Full product details, including a Key Investor Document, the possible effect of charges on an investment, are available on request, please see below for contact details.

In this document all references to NAV and NAV performance are calculated with borrowings deducted at fair value. Borrowings at fair value is borrowings (if any) at an estimate of their market worth.

All performance figures are in sterling terms, total return – that is, with any dividends reinvested. The graph represents 5 years' performance, to the date at the top of the document, and has been indexed to start at 100 (this aids comparison and is not a reflection of actual values at any given date). The discrete performance table is updated quarterly.

Gearing is calculated according to AIC guidelines. The potential gearing figure reflects the amount of borrowings drawn expressed as a percentage of shareholders' funds. The invested gearing figure reflects the amount of borrowings at par less cash and cash equivalents actively invested, expressed as a percentage of shareholders' funds.

Active share, a measure of how actively a portfolio is managed, is the percentage of the portfolio that differs from its benchmark. It is calculated by deducting from 100 the percentage of the portfolio that overlaps with the benchmark. An active share of 100 indicates no overlap with the benchmark and an active share of zero indicates a portfolio that tracks the benchmark.

Annual turnover is reported from the preceding financial year end to the date shown and is calculated by dividing sales by the average of the opening and closing investment portfolio on an annualised basis.

A negative cash position may sometimes occur due to obligations awaiting settlement.

Baillie Gifford & Co Limited's annual remuneration is 0.30% on the first £4 billion and thereafter 0.25% of total assets less current liabilities (excluding short-term borrowings for investment purposes), calculated and payable on a quarterly basis.

The ongoing charges figure represents the total operating costs of the Trust divided by the average net assets (with debt at fair value) as disclosed in the most recently published Annual Report.

Further Information

This factsheet is issued by Baillie Gifford & Co (Financial Services Register 142597), Calton Square, 1 Greenside Row, Edinburgh EH1 3AN. Baillie Gifford group provides the following services to the Trust. Baillie Gifford & Co Limited (Financial Services Register 119179) is the manager and secretary of the Trust, and it delegates portfolio management to Baillie Gifford & Co. Baillie Gifford Savings Management Limited (Financial Services Register 150233) is the manager of the Baillie Gifford Investment Trust Share Plan, Baillie Gifford Investment Trust ISA and the Baillie Gifford Children's Savings Plan. All three firms are authorised and regulated by the Financial Conduct Authority of 12 Endeavour Square, Stratford, London, E20 1JN.

Target Market

The Trust is suitable for all investors seeking a fund that aims to deliver capital growth over a long-term investment horizon. The investor should be prepared to bear losses. The Trust is compatible for mass market distribution. The Trust may not be suitable for investors who are concerned about short-term volatility and performance, who are seeking a regular source of income or who may be investing for less than five years. The Trust does not offer capital protection.



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<http://corporate.morningstar.com/us/documents/MethodologyDocuments/AnalystRatingforFundsMethodology.pdf>. For disclosure and detailed information about this fund please refer to full Morningstar Global Fund Report that can be accessed here www.bailliegifford.com/globalfundreport-scottishmortgage

This Trust is rated by Rayner Spencer Mills Research, for more information go to:

www.rsmgroup.co.uk*

*This rating is designed for use by professional advisers and intermediaries as part of their advice process. This rating is not a recommendation to buy. If you need further information or are in doubt then you should consult a professional adviser.

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