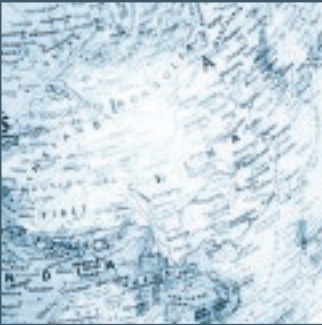
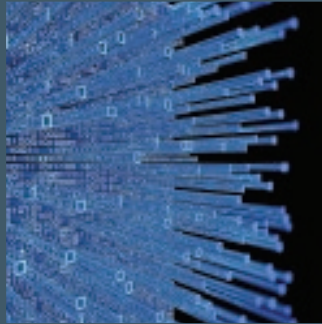


# EDINBURGH WORLDWIDE INVESTMENT TRUST plc

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Half-Yearly Financial Report  
30 April 2015





## Objective

Edinburgh Worldwide's objective is the achievement of long term capital growth by investing primarily in listed companies throughout the world.

## Comparative Index

The index against which performance is compared is the S&P Citigroup Global Small Cap Index (in sterling terms). Prior to 1 February 2014 the comparative index was the MSCI All Countries World Index (in sterling terms). For periods commencing prior to this date, the returns on these indices for their respective periods are linked together to form a single comparative index.

## Principal Risks and Uncertainties

The principal risks facing the Company relate to the Company's investment activities. These risks are market risk (comprising currency risk, interest rate risk and other price risk), liquidity risk and credit risk. An explanation of these risks and how they are managed is contained in note 19 of the Company's Annual Report and Financial Statements for the year to 31 October 2014. The principal risks and uncertainties have not changed since the publication of the Annual Report and Financial Statements which can be obtained free of charge from Baillie Gifford & Co (see contact details on the back cover of this report) and is available on the Edinburgh Worldwide page of the Managers' website: [www.edinburghworldwide.co.uk](http://www.edinburghworldwide.co.uk). Other risks facing the Company include the following:

**Regulatory Risk** – the loss of investment trust status or a breach of the UKLA Listing Rules could have adverse financial consequences and cause reputational damage.

**Operational/Financial Risk** – failure of service providers' accounting systems could lead to inaccurate reporting or financial loss.

**Discount Volatility** – the risk that the discount can widen.

**Gearing Risk** – the use of borrowing can magnify the impact of falling markets.

**Small Company Risk** – investment in smaller, immature companies is generally considered higher risk as changes in their share prices may be greater and the shares may be harder to sell. Smaller, immature companies may do less well in periods of unfavourable economic conditions.

Further information can be found on pages 7 and 8 of the Annual Report and Financial Statements.

## Responsibility Statement

We confirm that to the best of our knowledge:

- the condensed set of financial statements has been prepared in accordance with the Accounting Standards Board's statement 'Half-Yearly Financial Reports';
- the Half-Yearly Management Report includes a fair review of the information required by Disclosure and Transparency Rules 4.2.7R (indication of important events during the first six months, their impact on the financial statements and a description of principal risks and uncertainties for the remaining six months of the year); and
- the Half-Yearly Financial Report includes a fair review of the information required by Disclosure and Transparency Rules 4.2.8R (disclosure of related party transactions and changes therein).

By order of the Board  
David HL Reid  
Chairman  
4 June 2015

## Summary of Unaudited Results

	30 April 2015	31 October 2014 (audited)	% change
Total assets (before deduction of loans)	£267.8m	£237.2m	
Loans	£31.0m	£30.8m	
Shareholders' funds	£236.8m	£206.4m	
Net asset value per ordinary share (after deducting borrowings at fair value)*	482.21p	420.58p	14.7
Share price	453.00p	385.00p	17.7
Comparative index (in sterling terms)†	331.0	299.7	10.4
Discount (after deducting borrowings at fair value)*	(6.1%)	(8.5%)	
Active share#	99%	99%	

	Six months to 30 April 2015	Six months to 30 April 2014
Revenue earnings per share	(0.31p)	(0.05p)
Interim dividend per share‡	–	0.50p

	Six months to 30 April 2015	Six months to 30 April 2014
<b>Total returns (%)^</b>		
Net asset value (after deducting borrowings at fair value)	15.5	(12.4)
Share price	18.1	(10.8)
Comparative index (in sterling terms)	11.4	(2.2)

	Six months to 30 April 2015		Year to 31 October 2014	
<b>Period's high and low</b>	<b>High</b>	<b>Low</b>	<b>High</b>	<b>Low</b>
Share price	467.00p	382.00p	451.25p	340.63p
Net asset value (after deducting borrowings at fair value)	517.19p	414.20p	465.24p	367.84p
(Discount)/premium (after deducting borrowings at fair value)	(5.5%)	(13.2%)	3.5%	(11.8%)

### Notes

\* Borrowings are deducted at fair value (the estimate of market worth).

† S&P Citigroup Global Small Cap Index (in sterling terms).

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

‡ See note 5 on page 16.

^ Source: Morningstar/Thomsons Reuters Datastream.

Past performance is not a guide to future performance.

# Half-Yearly Management Report

Over the six months to 30 April 2015, the Company's net asset value per share increased by 14.7%, which compares to a rise of 10.4% in the S&P Citigroup Global Small Cap Index (in sterling terms) over the same period. The share price rose by 17.7% to 453p, representing a discount of 6.1% to the net asset value at 30 April 2015. This compares to a discount of 8.5% at the beginning of the period.

It is now over 15 months since Edinburgh Worldwide broadened its remit to more explicitly target, at the time of initial investment, exciting stock specific opportunities in the global smaller companies' area. Following an initial period of underperformance, portfolio returns have recovered strongly; the Company's net asset value, as at 30 April 2015, is up 10.4% since the end of January 2014 and has risen 31.1% from the trough in May last year.

Our approach is to identify innovative, immature companies with what we believe to be excellent long term growth potential. By identifying attractive growth companies earlier we seek to benefit from growth at an earlier stage in a company's lifecycle and retain ownership of successful companies as they grow and thrive; we see our role as investing in what are potentially the larger companies of the future as opposed to the smaller companies of today. It is an approach that requires patience, a long term mindset and recognition that progress in young companies is rarely linear. In addition, it will inevitably have periods when it is out of sync with the myopic gyrations that are all too common in stock markets.

## Portfolio Update

A number of the Company's healthcare holdings announced encouraging progress over the six months under review. 4D Pharma, a company developing natural bacteria-derived therapeutics, reported that it had identified bacterial strains with disease modifying effects in models of rheumatoid arthritis and asthma. Dexcom reported very strong uptake of its continuous blood glucose monitoring technology; the technology is in the relatively early stages of adoption within the diabetic community

and we remain excited with regard to the growth profile and product evolution. Two European biotechnology holdings reported encouraging news. Galapagos produced strong clinical trial data for its novel anti-inflammatory drug and Cellectis received what we consider to be a valuable patent with regard to gene editing which reinforces its efforts to engineer cell-based anticancer therapeutics.

Elsewhere in the portfolio, Yoox agreed to acquire Richemont's Net-a-Porter business in an all-share deal that will create an industry leader in the online luxury goods market. Xeros, a company developing a disruptive polymer-based laundry offering made good progress at building out its commercial footprint and we are encouraged by early adoption of the technology and feedback from users. MarketAxess, an electronic bond trading platform, benefitted from increased share gains in the trading of US investment grade bonds and saw strong operational returns as a result. On a less encouraging note Stratasys reduced its shorter term earnings guidance as an increased level of investment in the business has coincided with weak demand for 3D printers at the start of this year. Our view is that the adoption of 3D printing within the industrial setting is still at a relatively early stage. While the sale of high-ticket printing machines can be lumpy, we are encouraged to see robust sales of consumables at Stratasys indicative of increasing utilisation of installed machines. We are watching closely how the industry develops and our belief is that structural growth will prevail given the extent to which automation and additive manufacturing techniques are likely to transform how many products are made; in this regard it is interesting to note the extent to which the aerospace industry is increasingly using 3D printed parts on commercial aircraft.

We acquired a number of new holdings in the period including Ilika and Genmab. Ilika, is a British materials innovation company that uses patented high throughput techniques to make, characterise and test functional materials. In conjunction with its partner Toyota, the company has developed a

Past performance is not a guide to future performance.

unique processing methodology to produce stackable solid state lithium ion batteries, overcoming the shortcomings associated with liquid electrolytes or other attempts at solid state batteries. Whilst early stage, we consider Ilika an exciting long term investment opportunity with clear disruptive potential across many areas of consumer electronics. Genmab is a Danish therapeutic antibody company focused on developing humanised antibodies to treat cancer. It has developed a range of technologies that can be used to increase the potency of antibodies. Through applying this know-how to both their internal drug candidates, in addition to externally sourced antibodies, we believe Genmab is well positioned to help drive significant improvements in cancer therapy over the coming years.

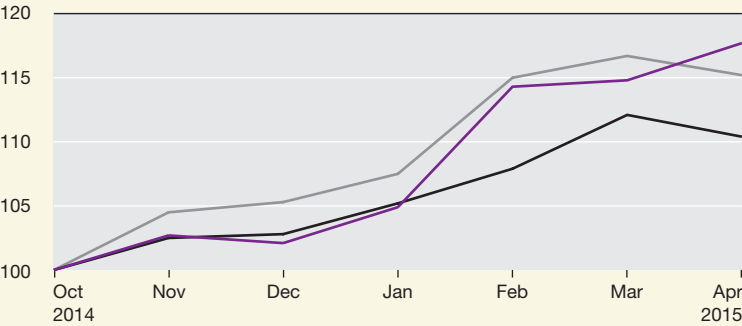
The holding in Westport Innovations was sold as we lost conviction that the company would be able to commercialise its natural gas powered engine technology successfully. The holding in IMAX was also sold as improvements in virtual reality headsets could pose a long term challenge to the immersive cinema experience on which the IMAX franchise is built.

The principal risks and uncertainties facing the Company are set out on the inside front cover of this report.

# Six Months Performance and Discount to Net Asset Value

## Six Months Performance

(figures plotted on a monthly basis and rebased to 100 at 31 October 2014)



Source: Thomson Reuters Datastream/Baillie Gifford.

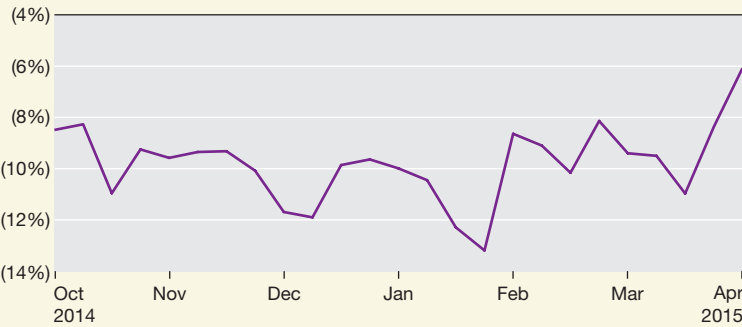
- Share price
- NAV (after deducting borrowings at fair value)
- Comparative index\*

Dividends are not reinvested.

\* S&P Citigroup Global Small Cap Index (in sterling terms).

## Premium/(Discount) to Net Asset Value

(plotted on a weekly basis)



Source: Thomson Reuters Datastream/Baillie Gifford.

- Edinburgh Worldwide premium/(discount) (after deducting borrowings at fair value)

The premium/(discount) is the difference between Edinburgh Worldwide's quoted share price and its underlying net asset value calculated after deducting borrowings at fair value.

Past performance is not a guide to future performance.

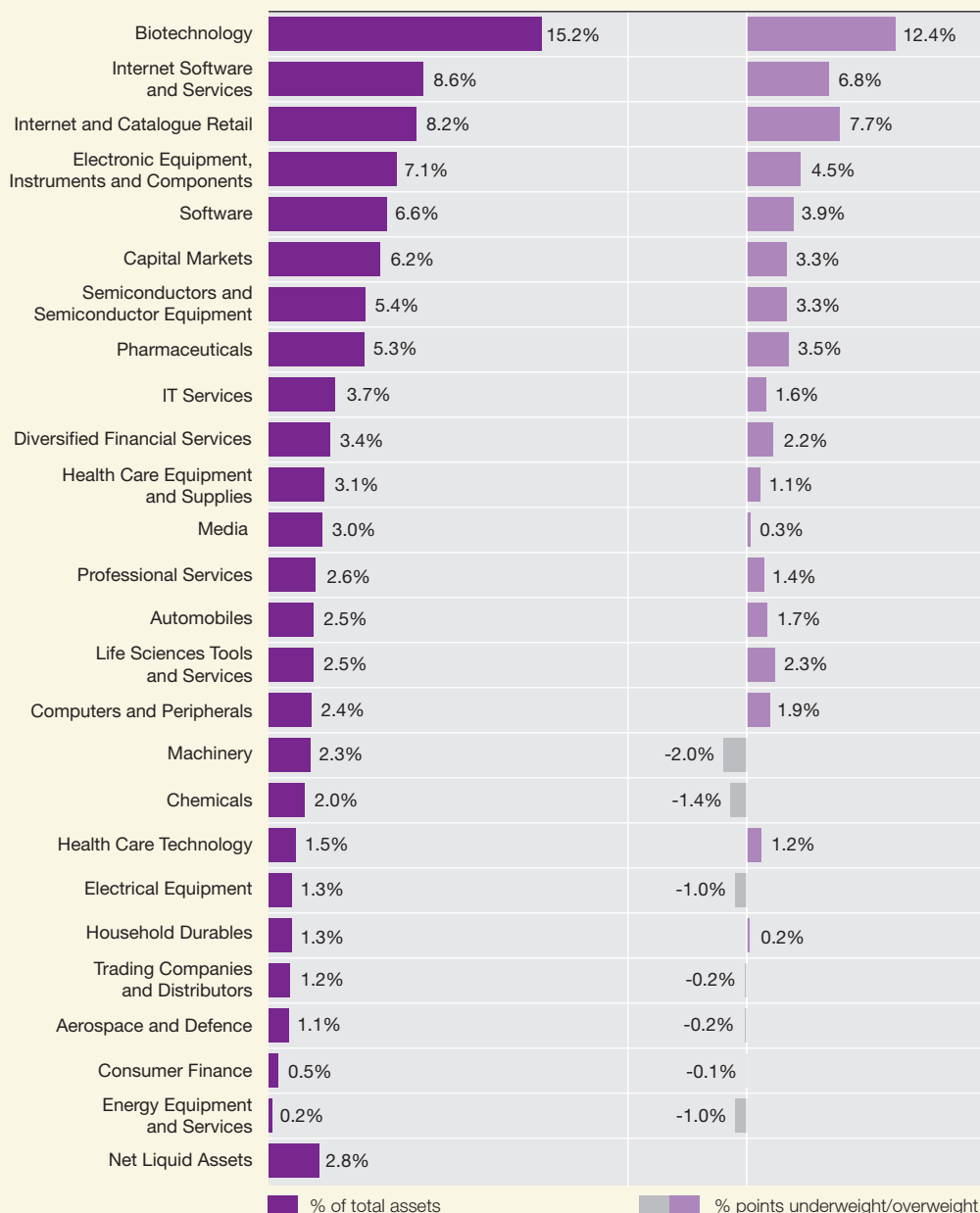
# Distribution of Total Assets\*

At 30 April 2015

Industry Analysis

Portfolio Weightings

(relative to comparative index†)



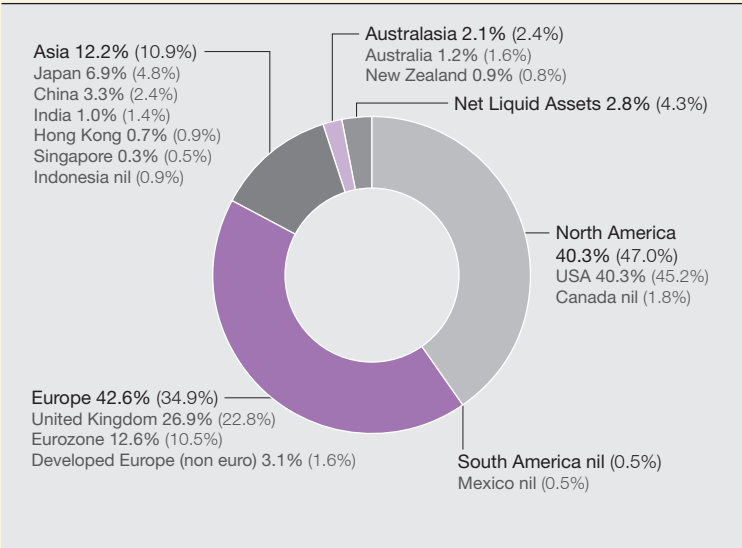
\* Total assets before deduction of loans.

† S&P Citigroup Global Small Cap Index. Weightings exclude industries where the Company has no exposure.

# Distribution of Total Assets\*

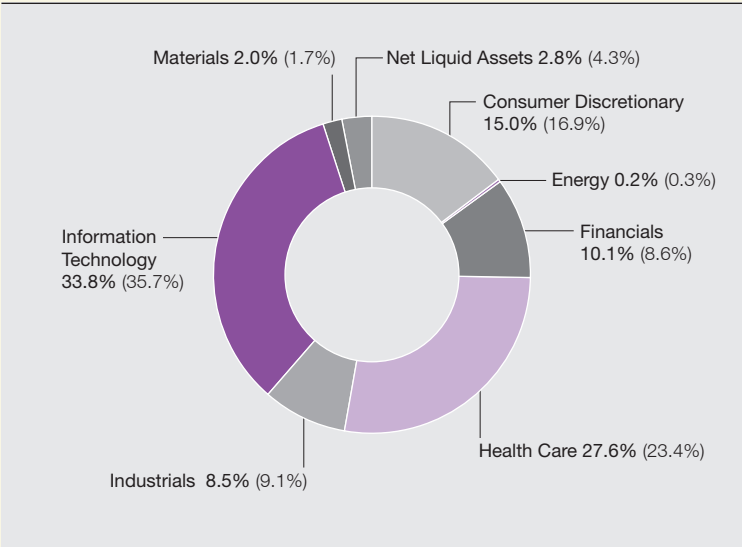
## Geographical Analysis at 30 April 2015

(31 October 2014)



## Sectoral Analysis at 30 April 2015

(31 October 2014)



\* Total assets before deduction of loans.



## Portfolio and Equity Performance at 30 April 2015 (unaudited)

Name	Business	Value £'000	% of total assets	Performance†	
				Absolute %	Relative %
Anylam Pharmaceuticals	Therapeutic gene silencing	11,580	4.3	14.4	2.7
IP Group	Intellectual property commercialisation	9,686	3.6	(4.1)	(13.9)
MarketAxess	Electronic bond trading platform	9,225	3.4	38.8	24.7
4D Pharma	Bacteria derived novel therapeutics	8,751	3.3	107.3	86.1
Tesla Motors	Electric cars	6,605	2.5	(2.6)	(12.6)
Ocado	Online food retailer	6,390	2.4	43.0	28.4
TripAdvisor	Online travel review platform	5,787	2.2	(5.5)	(15.1)
Zillow	US online real estate portal	5,771	2.2	(6.5)	(16.1)
IPG Photonics	High-power fibre lasers	5,639	2.1	25.6	12.8
Xeros	Commercial laundry manufacturer	5,442	2.0	176.1	147.9
Financial Engines	Investment advisory firm	5,214	1.9	10.7	(0.6)
EPAM Systems	Outsourced software and services	4,829	1.8	41.1	26.7
LinkedIn	Professional networking site	4,803	1.8	14.7	3.0
Galapagos	Clinical stage biotechnology company	4,582	1.7	214.0	182.0
Dialog Semiconductor	Analogue chips for mobile phones	4,558	1.7	37.6	23.6
Dexcom	Real time blood glucose monitoring	4,481	1.7	56.5	40.5
Stamps.com	Website for postage services	4,315	1.6	74.6	56.8
Cosmo Pharmaceuticals	Therapies for gastrointestinal diseases	3,643	1.4	11.2	(0.2)
iRobot	Domestic and military robots	3,601	1.3	(5.5)	(15.2)
Renishaw	Measurement and calibration equipment	3,521	1.3	41.5	27.1
M3	Online medical database	3,450	1.3	20.3	8.0
Splunk	Data diagnostics	3,345	1.2	4.5	(6.1)
Seek	Online recruitment portal	3,334	1.2	(7.4)	(16.8)
MonotaRO	Online business supplies	3,317	1.2	40.3	26.0
ASOS	Online fashion retailer	3,194	1.2	41.5	27.1
Temenos	Banking software	3,114	1.2	8.7	(2.4)
Nanoco	Quantum dot manufacturer	3,071	1.1	(4.7)	(14.4)
Seattle Genetics	Antibody conjugates based biotechnology	3,028	1.1	(2.5)	(12.5)
Morphosys	Therapeutic antibodies	3,013	1.1	(20.8)	(28.9)
Imagination Technologies	Graphics semiconductor designer	2,987	1.1	3.3	(7.3)
Genus	Animal breeding services	2,968	1.1	10.6	(0.7)
Foundation Medicine	Develops cancer diagnostic technology	2,961	1.1	83.1	71.1
Kingdee	Enterprise management software	2,955	1.1	90.6	64.4
Novadaq Technologies	Medical systems for intra-surgical imaging	2,869	1.1	(28.0)	(35.3)
Aerovironment	Small unmanned aircraft systems	2,864	1.1	(13.0)	(21.9)
Next	Provides online property information	2,848	1.1	85.7	66.7
Rightmove	UK online property portal	2,848	1.1	50.0	34.7
Cellectis	Biotech focused on genetic engineering	2,835	1.1	171.1	143.4
Stratasys	3D printer manufacturer	2,789	1.0	(67.6)	(70.9)
Wirecard	Internet payment and processing services	2,706	1.0	28.5	15.3

## Portfolio and Equity Performance at 30 April 2015 (unaudited)

Name	Business	Value £'000	% of total assets	Performance†	
				Absolute %	Relative %
Genomic Health	Genomic-based clinical diagnostic tests for cancer	2,650	1.0	(22.3)	(30.3)
Bitauto	Chinese automotive website	2,571	1.0	(26.0)	(33.6)
Digital Garage	Internet business incubator	2,530	0.9	16.2	4.3
Victrix	High-performance thermo-plastics	2,514	0.9	21.6	9.2
Xaar	Ink jet printing technology	2,513	0.9	57.6	41.5
Faro Technologies	Designs and develops measurement devices	2,407	0.9	(26.0)	(33.5)
Xero	Cloud-based accounting software	2,324	0.9	27.9	14.9
SDL	Language translation services	2,248	0.8	19.6	7.4
Start Today	Internet fashion retailer	2,247	0.8	22.2	9.8
CTS Eventim	Event ticketing and promotion	2,237	0.8	34.9	21.1
Xing	Professional networking	2,159	0.8	62.8	46.1
FEI	Electron microscopes	2,145	0.8	(6.3)	(15.9)
Genmab	Distributes over-the-counter drugs and personal care products	2,107	0.8	77.4 *	58.3 *
Oxford Instruments	Produces advanced instrumentation equipment	2,076	0.8	(13.5)	(22.3)
Hvivo (formerly Retroscreen Virology)	Outsourced pre-clinical analytical services	2,072	0.8	23.1	10.5
Abcam	Scientific reagent supplier	2,046	0.8	33.9	20.3
Basware	Software solutions for financial transactions	2,028	0.8	(4.6)	(14.3)
Noah	Distributes wealth management products in China	1,982	0.7	115.1	93.2
AAC Technologies	Miniature acoustic components	1,930	0.7	(7.7)	(17.1)
Yoox	Online luxury fashion retailer	1,915	0.7	78.3	60.1
Zumtobel	Commercial lighting	1,865	0.7	61.8	45.3
Teradyne	Semiconductor testing equipment manufacturer	1,781	0.7	3.8	(6.8)
Tissue Regenix	Regenerative medical devices	1,770	0.7	(15.8)	(24.4)
MakeMyTrip	Online travel services	1,709	0.6	(26.8)	(34.3)
Exa	Simulation software and services	1,598	0.6	17.0	5.1
Acacia Research	Patent licensor	1,593	0.6	(35.1)	(41.7)
Evola Holdings	Yeast-based industrial biotechnology	1,539	0.6	6.3 *	8.2 *
Horizon Discovery	Customised cell lines to aid drug discovery	1,478	0.6	28.5	15.4
Barco	Designs and develops visualisation solutions	1,471	0.5	(4.7)	(14.4)
Peptidream	Biotech company	1,430	0.5	15.1 *	6.8 *
Power Integrations	Analogue integrated circuits	1,348	0.5	2.7	(7.8)
China Financial Services	SME lending in China	1,325	0.5	87.7	68.6
Senomyx	Developer of additives to amplify certain flavours in foods	1,293	0.5	(23.9)	(31.7)

Name	Business	Value £'000	% of total assets	Performance†	
				Absolute %	Relative %
Thin Film Electronics	Develops printed, rewritable memory media	1,237	0.5	37.9	23.8
Ricardo	Automotive engineer	1,143	0.4	28.8	15.7
Medgenics	Therapeutic protein delivery technology	1,133	0.4	68.7	51.5
	Discovery and development of materials for mass market applications	1,124	0.4	(5.8)*	(7.9)*
Ilika	Biotech company	1,094	0.4	(11.6)*	(17.9)*
Nanocarrier	Internet platform for restaurant supplies	1,027	0.4	9.0 *	9.7 *
Infomart Corp	Offers a search engine to users throughout India	993	0.4	(28.3)	(35.6)
Just Dial	Developer of fuel cell	985	0.4	20.1	7.9
Ceres Power Holding	Secure collaboration tools	980	0.4	18.2	6.2
Intralinks	Systems for diamond grading and cutting	860	0.3	(29.7)	(36.9)
Sarine Technologies	Manufacturer of custom industrial enzymes	852	0.3	36.2 *	32.3 *
Codexis	Fabrication and inspection equipment	784	0.3	8.2	(2.9)
Suss Microtec	Analytical reagents and instrumentation	755	0.3	10.5	(0.8)
Avacta Group	Organic food website	724	0.3	(0.1)	(10.3)
Oisix	Drug discovery and development	574	0.2	7.9	(3.1)
Summit Corporation	Gas to liquid technology	550	0.2	(25.3)	(32.9)
Velocys	Rational drug design and optimisation	538	0.2	(18.5)	(26.8)
C4X Discovery Holdings	Developer of modular fuel cells	466	0.2	(61.4)	(65.4)
Intelligent Energy Holding	Chemical company	443	0.2	16.3 *	17.4 *
Bioamber					
Applied Graphene Materials	Manufactures graphene nanoplatelets	228	0.1	0.9	(9.4)
GI Dynamics	Develops and markets medical devices	104	0.0	(50.0)	(55.1)
China Lumena	Mines, processes and manufactures natural thenardite products	0	0.0	(100.0)	(100.0)
New Materials					
<b>Total equities</b>		<b>260,414</b>	<b>97.2</b>		
<b>Net liquid assets</b>		<b>7,442</b>	<b>2.8</b>		
<b>Total assets at fair value</b> (before deduction of loans)		<b>267,856</b>	<b>100.0</b>		

† Absolute and relative performance has been calculated on a total return basis over the period 1 November 2014 to 30 April 2015. Absolute performance is in sterling terms; relative performance is against S&P Citigroup Global Small Cap Index (in sterling terms).

\* Figures relate to part-period returns where the equity has been purchased during the period.

Source: Baillie Gifford, StatPro.

Past performance is not a guide to future performance.

## Income Statement (unaudited)

	For the six months ended 30 April 2015			
	Revenue £'000	Capital £'000	Total £'000	
Gains on sales of investments	–	2,637	<b>2,637</b>	
Movements in investment holding gains and (losses)	–	29,211	<b>29,211</b>	
Currency gains	–	466	<b>466</b>	
Income from investments and interest receivable	445	–	<b>445</b>	
Investment management fee (note 3)	(205)	(614)	<b>(819)</b>	
Other administrative expenses	(259)	–	<b>(259)</b>	
<b>Net return before finance costs and taxation</b>	<b>(19)</b>	<b>31,700</b>	<b>31,681</b>	
Finance costs of borrowings	(110)	(330)	<b>(440)</b>	
<b>Net return on ordinary activities before taxation</b>	<b>(129)</b>	<b>31,370</b>	<b>31,241</b>	
Tax on ordinary activities	(24)	–	<b>(24)</b>	
<b>Net return on ordinary activities after taxation</b>	<b>(153)</b>	<b>31,370</b>	<b>31,217</b>	
<b>Net return per ordinary share</b> (note 4)	<b>(0.31p)</b>	<b>64.01p</b>	<b>63.70p</b>	
<b>Dividends paid and proposed per ordinary share</b> (note 5)	<b>–</b>			

The total column of this statement is the profit and loss account of the Company.

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.

For the six months ended 30 April 2014			For the year ended 31 October 2014 (audited)		
Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
–	103,222	<b>103,222</b>	–	105,038	<b>105,038</b>
–	(129,385)	<b>(129,385)</b>	–	(108,990)	<b>(108,990)</b>
–	396	<b>396</b>	–	749	<b>749</b>
522	–	<b>522</b>	1,186	–	<b>1,186</b>
(181)	(543)	<b>(724)</b>	(362)	(1,085)	<b>(1,447)</b>
(217)	–	<b>(217)</b>	(428)	–	<b>(428)</b>
124	(26,310)	<b>(26,186)</b>	396	(4,288)	<b>(3,892)</b>
(96)	(289)	<b>(385)</b>	(195)	(584)	<b>(779)</b>
28	(26,599)	<b>(26,571)</b>	201	(4,872)	<b>(4,671)</b>
(52)	–	<b>(52)</b>	(133)	–	<b>(133)</b>
<b>(24)</b>	<b>(26,599)</b>	<b>(26,623)</b>	<b>68</b>	<b>(4,872)</b>	<b>(4,804)</b>
<b>(0.05p)</b>	<b>(54.28p)</b>	<b>(54.33p)</b>	<b>0.14p</b>	<b>(9.94p)</b>	<b>(9.80p)</b>
<b>0.50p</b>			<b>2.00p</b>		

## Balance Sheet (unaudited)

	At 30 April 2015 £'000	At 30 April 2014 £'000	At 31 October 2014 (audited) £'000
<b>Fixed assets</b>			
Investments held at fair value through profit or loss	260,414	207,699	227,012
<b>Current assets</b>			
Debtors	530	162	130
Cash and short term deposits	8,259	6,422	10,595
	8,789	6,584	10,725
<b>Creditors</b>			
Amounts falling due within one year (note 6)	(1,347)	(29,495)	(513)
<b>Net current assets/(liabilities)</b>	7,442	(22,911)	10,212
<b>Total assets less current liabilities</b>	267,856	184,788	237,224
<b>Creditors</b>			
Amounts falling due after more than one year (note 6)	(31,012)	–	(30,862)
<b>Net assets</b>	<b>236,844</b>	<b>184,788</b>	<b>206,362</b>
<b>Capital and reserves</b>			
Called up share capital	2,450	2,450	2,450
Share premium	82,180	82,180	82,180
Special reserve	35,220	35,220	35,220
Capital reserve	116,176	63,079	84,806
Revenue reserve	818	1,859	1,706
<b>Shareholders' funds</b>	<b>236,844</b>	<b>184,788</b>	<b>206,362</b>
<b>Net asset value per ordinary share</b> (after deducting borrowings at fair value) (note 6)	<b>482.21p</b>	<b>376.81p</b>	<b>420.58p</b>
<b>Net asset value per ordinary share</b> (after deducting borrowings at par)	<b>483.31p</b>	<b>377.08p</b>	<b>421.11p</b>
<b>Ordinary shares in issue</b> (note 7)	<b>49,004,319</b>	<b>49,004,319</b>	<b>49,004,319</b>

## Reconciliation of Movements in Shareholders' Funds (unaudited)

### For the six months ended 30 April 2015

	Called up share capital £'000	Share premium £'000	Special reserve £'000	Capital reserve * £'000	Revenue reserve £'000	Shareholders' funds £'000
Shareholders' funds at 1 November 2014	2,450	82,180	35,220	84,806	1,706	<b>206,362</b>
Net return on ordinary activities after taxation	–	–	–	31,370	(153)	<b>31,217</b>
Dividends paid during the period (note 5)	–	–	–	–	(735)	<b>(735)</b>
<b>Shareholders' funds at 30 April 2015</b>	<b>2,450</b>	<b>82,180</b>	<b>35,220</b>	<b>116,176</b>	<b>818</b>	<b>236,844</b>

### For the six months ended 30 April 2014

	Called up share capital £'000	Share premium £'000	Special reserve £'000	Capital reserve * £'000	Revenue reserve £'000	Shareholders' funds £'000
Shareholders' funds at 1 November 2013	2,450	82,180	35,220	89,678	2,618	<b>212,146</b>
Net return on ordinary activities after taxation	–	–	–	(26,599)	(24)	<b>(26,623)</b>
Dividends paid during the period (note 5)	–	–	–	–	(735)	<b>(735)</b>
<b>Shareholders' funds at 30 April 2014</b>	<b>2,450</b>	<b>82,180</b>	<b>35,220</b>	<b>63,079</b>	<b>1,859</b>	<b>184,788</b>

### For the year ended 31 October 2014 (audited)

	Called up share capital £'000	Share premium £'000	Special reserve £'000	Capital reserve * £'000	Revenue reserve £'000	Shareholders' funds £'000
Shareholders' funds at 1 November 2013	2,450	82,180	35,220	89,678	2,618	<b>212,146</b>
Net return on ordinary activities after taxation	–	–	–	(4,872)	68	<b>(4,804)</b>
Dividends paid during the year (note 5)	–	–	–	–	(980)	<b>(980)</b>
<b>Shareholders' funds at 31 October 2014</b>	<b>2,450</b>	<b>82,180</b>	<b>35,220</b>	<b>84,806</b>	<b>1,706</b>	<b>206,362</b>

\* The Capital Reserve as at 30 April 2015 includes investment holding gains of £33,219,000 (30 April 2014 – losses of £16,387,000 and 31 October 2014 – gains of £4,008,000).

## Condensed Cash Flow Statement (unaudited)

	Six months to 30 April 2015 £'000	Six months to 30 April 2014 £'000	Year to 31 October 2014 (audited) £'000
Net cash outflow from operating activities	(607)	(518)	(700)
Net cash outflow from servicing of finance	(441)	(389)	(773)
Total tax paid	(20)	(51)	(133)
Net cash outflow from financial investment	(533)	(4,966)	(1,532)
Equity dividends paid (note 5)	(735)	(735)	(980)
Net cash inflow from financing	–	–	1,632
<b>Decrease in cash</b>	<b>(2,336)</b>	<b>(6,659)</b>	<b>(2,486)</b>
<b>Reconciliation of net cash outflow to movement in net debt</b>			
Decrease in cash in the period	(2,336)	(6,659)	(2,486)
Increase in bank loans	–	–	(1,632)
Exchange movement on bank loans	(150)	779	593
<b>Movement in net debt in the period</b>	<b>(2,486)</b>	<b>(5,880)</b>	<b>(3,525)</b>
<b>Net debt at start of the period</b>	<b>(20,267)</b>	<b>(16,742)</b>	<b>(16,742)</b>
<b>Net debt at end of the period</b>	<b>(22,753)</b>	<b>(22,622)</b>	<b>(20,267)</b>
<b>Reconciliation of net return before finance costs and taxation to net cash outflow from operating activities</b>			
Net return before finance costs and taxation	31,681	(26,186)	(3,892)
(Gains)/losses on investments	(31,848)	26,163	3,952
Currency gains	(466)	(396)	(749)
Changes in debtors and creditors	26	(99)	(11)
<b>Net cash outflow from operating activities</b>	<b>(607)</b>	<b>(518)</b>	<b>(700)</b>



## Notes to the Condensed Financial Statements (unaudited)

- 1** The condensed financial statements for the six months to 30 April 2015 comprise the statements set out on pages 10 to 14 together with the related notes on pages 15 and 16. They have been prepared on the basis of the same accounting policies as set out in the Company's Annual Report and Financial Statements at 31 October 2014 and in accordance with the ASB's Statement 'Half-Yearly Financial Reports' and have not been audited or reviewed by the Auditor pursuant to the Auditing Practices Board Guidance on 'Review of Interim Financial Information'.

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 borrowing covenants are reviewed by the Board on a regular basis. Accordingly the Half-Yearly Financial Report has 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.

- 2** The financial information contained within this Half-Yearly Financial Report does not constitute statutory accounts as defined in sections 434 to 436 of the Companies Act 2006. The financial information for the year ended 31 October 2014 has been extracted from the statutory accounts which have been filed with the Registrar of Companies. The Auditor's Report on those accounts was not qualified and did not contain a statement under sections 498(2) or (3) of the Companies Act 2006.

- 3** Baillie Gifford & Co Limited, a wholly owned subsidiary of Baillie Gifford & Co, has been appointed by the Company as its Alternative Investment Fund Manager and Company Secretary with effect from 1 July 2014. The investment management function has been delegated to Baillie Gifford & Co. The management agreement is terminable on not less than three months' notice. The annual management fee is 0.95% on the first £50m of net assets and 0.65% on the remaining net assets, calculated quarterly.

	Six months to 30 April 2015 £'000	Six months to 30 April 2014 £'000	Year to 31 October 2014 (audited) £'000
<b>4 Net return per ordinary share</b>			
Revenue return on ordinary activities after taxation	(153)	(24)	68
Capital return on ordinary activities after taxation	31,370	(26,599)	(4,872)
<b>Total return</b>	<b>31,217</b>	<b>(26,623)</b>	<b>(4,804)</b>

Net return per ordinary share is based on the above totals of revenue and capital and on 49,004,319 ordinary shares, being the number of ordinary shares in issue during each period. There are no dilutive or potentially dilutive shares in issue.

## Notes to the Condensed Financial Statements (unaudited)

	Six months to 30 April 2015 £'000	Six months to 30 April 2014 £'000	Year to 31 October 2014 (audited) £'000
<b>5 Dividends</b>			
<b>Amounts recognised as distributions in the period:</b>			
Previous year's final dividend of 1.50p (2013 – 1.50p), paid 5 February 2015	735	735	735
Interim dividend for the year ended 31 October 2014 paid 17 July 2014	–	–	245
	<b>735</b>	<b>735</b>	<b>980</b>
<b>Paid and proposed in respect of the financial period:</b>			
No interim dividend for the year ending 31 October 2015 (2014 – 0.50p)	–	245	245
Final dividend (31 October 2014 – 1.50p)	–	–	735
	<b>–</b>	<b>245</b>	<b>980</b>

No interim dividend has been declared.

- 6** At 30 April 2014 creditors falling due within one year included borrowings of £29,044,000 drawn down under a three year fixed rate loan facility with National Australia Bank Limited which expired on 30 September 2014. The loans drawn down consisted of €11.4m, US\$16.35m and £10.0m at that date. The facility was replaced with a five year fixed rate facility with National Australia Bank Limited which expires on 30 September 2019 and which has drawings of €9.4m, US\$25.6m and £7.5m at 30 April 2015 and 31 October 2014.
- The fair value of the bank loans at 30 April 2015 was £31,551,000 (30 April 2014 – £29,179,000; 31 October 2014 – £31,120,000).
- 7** The Company has authority to buy back its ordinary shares. In the six months to 30 April 2015 no ordinary shares were bought back therefore the Company's authority remains unchanged at 7,345,747 ordinary shares.
- 8** During the period the Company incurred transaction costs on purchases of investments of £18,000 (30 April 2014 – £351,000; 31 October 2014 – £358,000) and transaction costs on sales of £11,000 (30 April 2014 – £118,000; 31 October 2014 – £122,000).

None of the views expressed in this document should be construed as advice to buy or sell a particular investment.

## Further Shareholder Information

Edinburgh Worldwide's shares are traded on the London Stock Exchange. They can be bought through a stockbroker, by asking a professional adviser to do so, or through the Baillie Gifford savings vehicles.

### Baillie Gifford's Investment Trust Share Plan

You can invest a minimum of £250 or from £30 per month. The plan is designed to be a cost-effective way of saving on a regular or lump sum basis.

### Baillie Gifford's Investment Trust ISA

You can invest in a tax efficient way by investing a minimum of £2,000 or from £100 per month or by transferring an ISA with a value of at least £2,000 from your existing manager.

### Baillie Gifford's Children's Savings Plan

A cost-effective plan tailored especially to meet the requirements to save for children. You can invest a minimum of £100 or from £25 per month.

### Online Management Service

You can 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 at [www.bailliegifford.com/OMS](http://www.bailliegifford.com/OMS). As well as being able to view the details of your plan online, the service also allows you to:

- obtain current valuations;
- make lump sum investments, except where there is more than one holder;
- sell part or all of your holdings, except where there is more than one holder;
- switch between investment trusts, 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.

The information about the ISA, Share Plan and Children's Savings Plan has been approved by Baillie Gifford Savings Management Limited

('BGSM'). BGSM is the ISA Manager and the Manager of the 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 and both are based at Calton Square, 1 Greenside Row, Edinburgh EH1 3AN. Baillie Gifford only provides information about its products and does not provide investment advice. The staff of Baillie Gifford and Edinburgh Worldwide's Directors may hold shares in Edinburgh Worldwide and may buy or sell such shares from time to time.

### Dividend Reinvestment Plan

Computershare operate a Dividend Reinvestment Plan which can be used to buy additional shares instead of receiving your dividend via cheque or into your bank account. For further information, log on to [www.investorcentre.co.uk](http://www.investorcentre.co.uk) and follow the instructions, or telephone 0870 707 1694.

### Risk Warnings

Past performance is not a guide to future performance.

Edinburgh Worldwide is a UK listed company. The value of the shares and any income from them can fall as well as rise and you may not get back the amount invested.

As Edinburgh Worldwide 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.

Edinburgh Worldwide invests in emerging markets where difficulties in dealing, settlement and custody could arise resulting in a negative impact on the value of your investment.

Edinburgh Worldwide 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.

*(Risk Warnings continued on next page)*

## Risk Warnings (continued)

Edinburgh Worldwide 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.

The Company invests in smaller, immature 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, immature companies may do less well in periods of unfavourable economic conditions.

Edinburgh Worldwide can make use of derivatives which may impact on its performance.

Edinburgh Worldwide charges 75% of the investment management fee and 75% of borrowing costs to capital which reduces the capital value. Also, where income is low, the remaining expenses may be greater than the total income received, meaning the Company may not pay a dividend and the capital value would be further reduced.

As the aim of the Company is to achieve capital growth you should not expect a significant, or steady, annual income from the Company.

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.

The staff of Baillie Gifford & Co and Edinburgh Worldwide's Directors may hold shares in Edinburgh Worldwide and may buy and sell such shares from time to time.

Edinburgh Worldwide is a UK public listed company and as such complies with the requirements of the UK Listing Authority and is not authorised or regulated by the Financial Conduct Authority.

Details of other risks that apply to investment in the savings vehicles shown on page 17 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.edinburghworldwide.co.uk](http://www.edinburghworldwide.co.uk), or by calling Baillie Gifford on 0800 917 2112.

The information and opinions expressed within this half-yearly financial report are subject to change without notice. This information has been issued and approved by Baillie Gifford & Co and does not in any way constitute investment advice.

## Directors

Chairman:  
DHL Reid

DAJ Cameron  
WJ Ducas  
H James  
HCT Strutt

## Managers, Secretaries and Registered Office

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## Registrar

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## Banker

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One Canada Square  
London  
E14 5AL

## Independent Auditor

KPMG LLP  
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Edinburgh  
EH1 2EG

## Company Details

[www.edinburghworldwide.co.uk](http://www.edinburghworldwide.co.uk)  
Company Registration  
No. SC184775  
ISIN GB0002916335  
Sedol 0291633  
Ticker EWI

## Further Information

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