

## **EP Global Opportunities Trust plc**

Half Yearly Report

30 June 2012



## FINANCIAL SUMMARY

	30 June 2012	31 December 2011	Change
Shareholders' funds	<b>£90,920,000</b>	£95,092,000	(4.4)%
Net asset value per ordinary share ("NAV")	<b>170.0p</b>	169.9p	0.1%
Share price per ordinary share	<b>160.3p</b>	167.0p	(4.0)%
Share price discount to NAV	<b>5.7%</b>	1.7%	

## OBJECTIVE

The investment objective of the Company is to provide Shareholders with an attractive real long-term total return by investing globally in undervalued securities. The portfolio is managed without reference to the composition of any stock market index.

## INVESTMENT POLICY

The Company invests in a focused portfolio of approximately 30 to 40 securities of issuers throughout the world, predominantly in quoted equities. The Company may also invest in unquoted securities, which are not anticipated to exceed 10 per cent of the Company's total assets at the time of investment (excluding shares held in Edinburgh Partners Limited). No investment in the Company's portfolio may exceed 15 per cent of the Company's total assets at the time of investment.

The Company has no present intention to invest in other investment companies or funds but retains the ability to invest no more than 15 per cent of its gross assets in other listed investment companies (including investment trusts).

The Company may also invest a substantial portion of its assets in debt instruments, cash or cash equivalents when the Investment Manager believes market or economic conditions make equity investment unattractive or while seeking appropriate investment opportunities for the portfolio or to maintain liquidity. In addition, the Company may purchase derivatives for the purposes of efficient portfolio management.

It is intended that, from time to time, when deemed appropriate, the Company will borrow for investment purposes up to the equivalent of 25 per cent of its total assets. By contrast, the Company's portfolio may from time to time have substantial holdings of debt instruments, cash or short-term deposits.

The investment objective and policy are intended to distinguish the Company from other investment vehicles which have relatively narrow investment objectives and which are thus constrained in their decision making and asset allocation. The objective and policy allow the Company to be constrained in its investment selection only by valuation and to be pragmatic in portfolio construction by only investing in securities which the Investment Manager considers to be undervalued on an absolute basis.

## **CHAIRMAN'S STATEMENT**

### **Results**

Our net asset value per share at the end of June 2012 was 170p, virtually unchanged from the 169.9p at the end of December 2011. The net asset value per share total return for the six months, taking account of the dividend of 4.2p paid in May, was 2.5 per cent. This compares with a total return for the FTSE All-Share Index of 3.3 per cent, while the FTSE All-World Index total return was 5.1 per cent.

The share price declined by 4.0 per cent to 160.25p. The discount of the share price to the net asset value per share widened from 1.7 per cent at the year end to 5.7 per cent at the end of June. While the high level of day-to-day volatility in equity markets creates greater levels of fluctuation in the discount, we continue to buy-in shares with the objective of maintaining the share price at close to the net asset value. In the first six months of 2012, we bought in a total of 2.5 million shares at small discounts to the net asset value per share.

### **Stock market and investment performance**

The recovery in share prices in the last quarter of 2011 continued in the early months of this year. Progress came to a halt in April and equity markets experienced a brief but sharp setback in May with many markets giving back all they had gained earlier in the year. In June, markets began to recover once again leading to positive results for most of the major stock markets over the six month period.

As a generalisation, the major stock market regional indices have been in a broad trading range over the last eighteen months and, in some regions, for even longer. Problems in the Eurozone area have been the dominant feature over this time period. The lack of a clear resolution to the problems within Europe has led to a series of financial scares. Each time the debt crisis has reached a critical point, a short-term solution has been produced which has bought time but has not resolved the underlying problems of the Eurozone area. It was concerns about the ability of Spain and Italy to refinance their debts that led to markets selling off in May.

There was not a huge divergence in the total return of the major regional indices in the first half of the year when adjusted into sterling. The S&P Composite Index in the US was the clear leader, producing a total return of 8.5 per cent. The poorest results were in the FTSE All-World European ex UK and Japanese Topix indices with returns of 2.1 and 2.2 per cent respectively.

Our own results moved more in line with Europe and Japan where 44.1 per cent of our net assets are invested. We were helped by the US investments where we have added three new holdings since the year end, taking our investment there to 23.5 per cent. The additions to the US were balanced by reductions in the UK, where we sold Royal Dutch Shell and Tesco. While our holdings in Asia performed particularly well, it was a number of individual holdings in Europe that were the main reason for our results lagging behind the FTSE All-World Index.

## **CHAIRMAN'S STATEMENT – continued**

We continue to have a short-term borrowing facility of £10 million. As at the end of June 2012, the equivalent of £4.7 million in Japanese yen and US dollars was drawn down. However, this was balanced by holding cash of £4.5 million, resulting in only marginal gearing at mid-year.

### **Revenue account**

The income statement on page 6 shows revenue per share of 2.7p for the first six months of 2012. This compares to 3.3p over the same period last year. As explained in the 2011 Annual Report, last year's revenue benefited from a one-off rebate of the investment management fee as a consequence of the merger with Anglo and Overseas. Without the rebate, last year's revenue per share would have been 2.9p. The lower figure this year is mainly due to changes made in the investments, in particular the increased investment in the US and the reduction in the UK holdings.

### **Outlook**

The expected rate of global economic growth has been gradually revised downwards making the outlook for corporate profits more challenging. While the news has focused on the deflationary effect of fiscal austerity in Europe, the growth rate in China has also been moderating. A positive consequence of this has been the fall in some commodity prices, leading to a fall in inflation which will relieve some of the pressure on consumer spending.

The resulting lower level of inflation has enabled a number of countries to start reducing their interest rates as they focus more on economic growth rather than controlling inflation, with China, importantly, being one of them. A number of other countries have also taken measures to stimulate economic activity, including the UK where the Bank of England has announced another round of "quantitative easing", intending to buy-in a further £50 billion of UK government bonds.

No doubt there will continue to be further swings in investor sentiment putting share prices under pressure from time to time. There is no lack of issues to be concerned about, however, share prices appear to offer reasonable value. We continue to be fully invested, although at present we are not making use of the £10 million of borrowing that is available for investment. This sums up our feeling on markets, namely one of cautious optimism.

### **Teddy Tulloch**

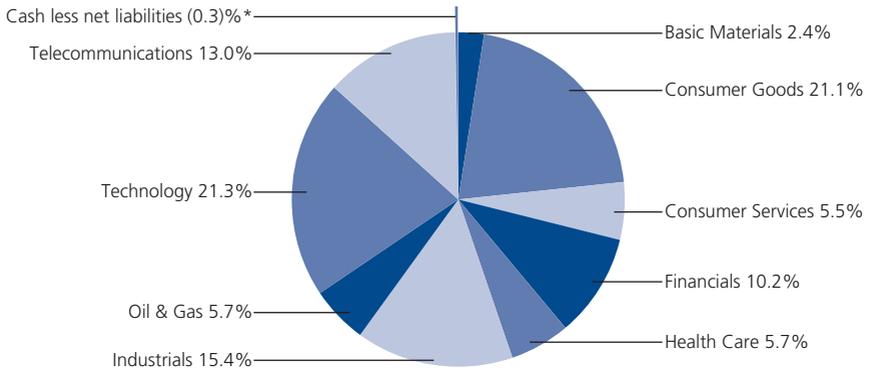
Chairman

22 August 2012

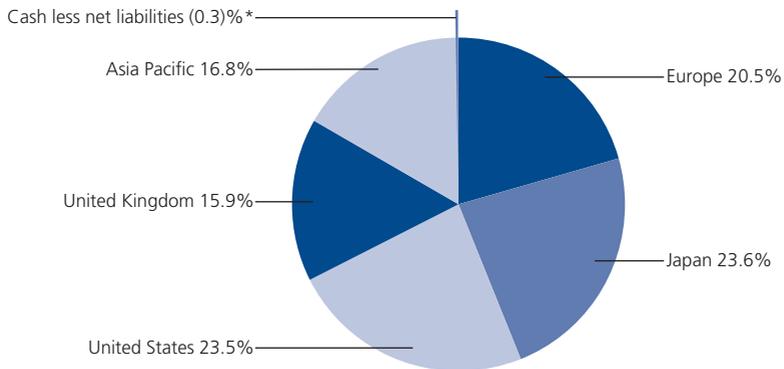
## DISTRIBUTION OF INVESTMENTS

as at 30 June 2012 (% of net assets)

### Sector distribution



### Geographical distribution



\*Cash less net liabilities total (£252,000) (0.3)%.

The figures detailed in the geographical distribution pie chart represent the Company's equity exposure to these countries or regional areas.

The geographical distribution is based on each investment's principal stock exchange listing, except in instances where this would not give a proper indication of where its activities predominate.

## PORTFOLIO OF INVESTMENTS

as at 30 June 2012

<b>Company</b>	<b>Sector</b>	<b>Country</b>	<b>Valuation</b> £'000	<b>% of</b> <b>Net Assets</b>
<b>Equity investments</b>				
Singapore				
Telecommunications	Telecommunications	Singapore	3,265	3.6
Microsoft	Technology	USA	3,234	3.6
Sanofi	Health Care	France	3,179	3.5
Vodafone	Telecommunications	UK	3,020	3.3
Japan Tobacco	Consumer Goods	Japan	3,002	3.3
China Mobile	Telecommunications	China	2,842	3.1
Wal-Mart Stores	Consumer Services	USA	2,821	3.1
Mitsubishi	Industrials	Japan	2,760	3.0
Softbank	Telecommunications	Japan	2,692	3.0
Cisco Systems	Technology	USA	2,655	2.9
Illinois Tool Works	Industrials	USA	2,632	2.9
Unilever	Consumer Goods	Netherlands	2,617	2.9
Gazprom	Oil & Gas	Russia	2,591	2.9
Samsung Electronics	Technology	South Korea	2,579	2.8
ENI	Oil & Gas	Italy	2,560	2.8
Canon	Technology	Japan	2,516	2.8
Google	Technology	USA	2,437	2.7
Swire Pacific	Industrials	Hong Kong	2,402	2.6
Fujitsu	Technology	Japan	2,396	2.6
Bridgestone	Consumer Goods	Japan	2,273	2.5
<b>Total – 20 largest equity investments</b>			<b>54,473</b>	<b>59.9</b>
Other equity investments			36,699	40.4
<b>Total equity investments</b>			<b>91,172</b>	<b>100.3</b>
<b>Cash less net liabilities</b>			<b>(252)</b>	<b>(0.3)</b>
<b>Net assets</b>			<b>90,920</b>	<b>100.0</b>

## **DIRECTORS' STATEMENT OF PRINCIPAL RISKS AND UNCERTAINTIES**

The important events that have occurred during the period under review are set out in the Chairman's Statement on pages 1 and 2. The key factors influencing the financial statements are also set out in the Chairman's Statement.

The principal factors that could impact the remaining six months of the financial year are detailed in the Chairman's Statement on pages 1 and 2. Additional Risk Factors are set out on page 16.

The Directors consider that the principal risks facing the Company are substantially unchanged since the date of the Annual Report for the year ended 31 December 2011 and continue to be as set out in that report on pages 43 to 46.

Risks faced by the Company include, but are not limited to, investment and strategy risk, discount volatility risk, market price risk, liquidity risk, credit risk, interest rate risk, foreign currency risk, gearing risk, regulatory risk, operational risk and financial risk.

## **DIRECTORS' STATEMENT OF RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS**

The Directors confirm that to the best of their knowledge:

- the condensed set of financial statements, prepared in accordance with the Statement on Half Yearly Financial Reports issued by the UK Accounting Standards Board, give a true and fair view of the assets, liabilities, financial position and profit of the Company; and
- this Half Yearly Report includes a fair review of the information required by:
  - (a) 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
  - (b) 4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the Company during that period; and any changes in the related party transactions described in the last Annual Report that could do so.

There were no related party transactions during the period. Under the AIC SORP issued in January 2009, the Investment Manager is not considered to be a related party of the Company.

This Half Yearly Report was approved by the Board of Directors on 22 August 2012 and the above responsibility statement was signed on its behalf by Teddy Tulloch, Chairman.

## INCOME STATEMENT (UNAUDITED)

for the six months to 30 June 2012

		Six months to 30 June 2012		Total
	Note	Revenue £'000	Capital £'000	£'000
Gains/(losses) on investments at fair value through profit or loss	3	–	659	659
Foreign exchange gains/(losses) on capital items		–	132	132
Income	2	2,109	–	2,109
Investment management fee*		(338)	–	(338)
Other expenses		(165)	–	(165)
<b>Net return before finance costs and taxation</b>		<b>1,606</b>	<b>791</b>	<b>2,397</b>
<b>Finance costs</b>				
Interest payable and similar charges		(51)	–	(51)
<b>Net return before taxation</b>		<b>1,555</b>	<b>791</b>	<b>2,346</b>
Taxation	4	(105)	–	(105)
<b>Net return after taxation</b>		<b>1,450</b>	<b>791</b>	<b>2,241</b>
		pence	pence	pence
<b>Return per ordinary share</b>	5	<b>2.7</b>	<b>1.4</b>	<b>4.1</b>

\* The Investment Manager, as part of the Company's merger with Anglo & Overseas Plc, agreed to reduce its management fee payable by the Company on a one-off basis by £236,000 in the year ended 31 December 2011, of which £193,000 was accounted for in the six months to 30 June 2011.

All revenue and capital items in the above statement derive from continuing operations.

The total column of this statement is the profit and loss account of the Company. The revenue and capital return columns are prepared in accordance with guidance issued by the Association of Investment Companies ("AIC").

A separate Statement of Total Recognised Gains and Losses has not been prepared as all such gains and losses are included in the Income Statement.

	Six months to 30 June 2011			Year to 31 December 2011		
Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	
–	(2,864)	(2,864)	–	(12,273)	(12,273)	
–	(27)	(27)	–	(296)	(296)	
1,966	–	1,966	3,625	–	3,625	
(128)	–	(128)	(432)	–	(432)	
(127)	–	(127)	(273)	–	(273)	
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1,711	(2,891)	(1,180)	2,920	(12,569)	(9,649)	
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(52)	–	(52)	(99)	–	(99)	
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1,659	(2,891)	(1,232)	2,821	(12,569)	(9,748)	
(92)	–	(92)	(181)	–	(181)	
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1,567	(2,891)	(1,324)	2,640	(12,569)	(9,929)	
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pence	pence	pence	pence	pence	pence	
3.3	(6.1)	(2.8)	5.0	(23.9)	(18.9)	
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## BALANCE SHEET (UNAUDITED)

as at 30 June 2012

	<b>30 June 2012</b>	30 June 2011	31 December 2011
Note	£'000	£'000	£'000
<b>Fixed asset investments</b>			
Investments at fair value through profit or loss	<b>91,172</b>	109,905	98,550
<b>Current assets</b>			
Debtors	<b>295</b>	2,447	975
Cash at bank and short-term deposits	<b>4,548</b>	2,239	908
	<b>4,843</b>	4,686	1,883
<b>Creditors: amounts falling due within one year</b>			
Creditors	<b>409</b>	130	506
Loans	<b>4,686</b>	4,544	4,835
	<b>5,095</b>	4,674	5,341
<b>Net current (liabilities)/assets</b>	<b>(252)</b>	12	(3,458)
<b>Net assets</b>	<b>90,920</b>	109,917	95,092
<b>Capital and reserves</b>			
Called-up share capital	<b>645</b>	645	645
Capital redemption reserve	<b>14</b>	14	14
Share premium account*	–	77,307	–
Special reserve	<b>78,186</b>	11,234	82,321
Capital reserve	<b>9,427</b>	18,315	8,636
Revenue reserve	<b>2,648</b>	2,402	3,476
<b>Total Shareholders' funds</b>	<b>90,920</b>	109,917	95,092
	pence	pence	pence
<b>Net asset value per ordinary share</b> 6	<b>170.0</b>	183.5	169.9

\* The cancellation of the share premium account was approved by the Court of Session on 19 August 2011 and £77,307,000 was transferred to the special reserve.

## STATEMENT OF CASH FLOW (UNAUDITED)

for the six months to 30 June 2012

	Six months to 30 June 2012	Six months to 30 June 2011	Year to 31 December 2011
Note	£'000	£'000	£'000
<b>Operating activities</b>			
Investment income received	2,133	1,810	3,449
Investment management fees paid	(347)	(221)	(354)
VAT and interest on secretarial fees recovered	2	–	–
Secretarial fees paid	(41)	(39)	(74)
Other expenses paid	(120)	(134)	(213)
<b>Net cash inflow from operating activities</b>	7 <u>1,627</u>	<u>1,416</u>	<u>2,808</u>
<b>Servicing of finance</b>	<u>(47)</u>	<u>(42)</u>	<u>(88)</u>
<b>Taxation</b>			
Taxation paid	<u>(107)</u>	<u>(45)</u>	<u>(109)</u>
<b>Capital expenditure and financial investment</b>			
Purchases of investments	(18,575)	(9,321)	(25,069)
Sales of investments	27,298	5,869	22,903
Exchange gains/(losses) on settlement	17	8	(43)
<b>Net cash inflow/(outflow) from investing activities</b>	<u>8,740</u>	<u>(3,444)</u>	<u>(2,209)</u>
<b>Net cash inflow/(outflow) before equity dividend paid and financing</b>	<u>10,213</u>	<u>(2,115)</u>	<u>402</u>
<b>Equity dividend paid</b>	<u>(2,278)</u>	<u>(761)</u>	<u>(761)</u>
<b>Financing</b>			
Cash received in relation to merger with Anglo & Overseas Plc	–	1,338	1,338
Expenses incurred on share premium cancellation	–	–	(13)
Ordinary shares purchased and held in treasury	(4,259)	(1,888)	(7,916)
Ordinary shares sold from treasury	–	805	2,926
<b>Net cash (outflow)/inflow from financing</b>	<u>(4,259)</u>	<u>255</u>	<u>(3,665)</u>
<b>Increase/(decrease) in cash</b>	8 <u>3,676</u>	<u>(2,621)</u>	<u>(4,024)</u>

## RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS (UNAUDITED)

for the six months to 30 June 2012

	<b>Six months to 30 June 2012</b>	Six months to 30 June 2011	Year to 31 December 2011
	£'000	£'000	£'000
Opening Shareholders' funds	<b>95,092</b>	51,620	51,620
Net return after taxation	<b>2,241</b>	(1,324)	(9,929)
Dividends paid	<b>(2,278)</b>	(761)	(761)
Proceeds from share issue	–	59,344	59,343
Share premium cancellation expenses	–	–	(13)
Proceeds of shares sold from treasury	–	2,926	2,926
Share purchases for treasury	<b>(4,135)</b>	(1,888)	(8,094)
<b>Closing Shareholders' funds</b>	<b><u>90,920</u></b>	<u>109,917</u>	<u>95,092</u>

## **NOTES TO THE FINANCIAL STATEMENTS**

for the six months to 30 June 2012

### **1 Accounting policies**

#### **a) Accounting convention**

The financial statements are prepared in accordance with the Accounting Standard Board's ("ASB") Statement on Half Yearly Financial Reports, UK Generally Accepted Accounting Practice ("UK GAAP") and with the AIC Statement of Recommended Practice ("SORP") issued in January 2009 relating to the Financial Statements of Investment Trust Companies and Venture Capital Trusts.

#### **b) Financial information**

The financial information contained in this report does not constitute full statutory accounts as defined in Section 434 of the Companies Act 2006. The financial information for the six months to 30 June 2012 and 30 June 2011 has not been audited or reviewed by the Company's Auditors pursuant to the Auditing Practices Board guidance on such reviews.

The information for the year ended 31 December 2011 has been extracted from the latest published audited Annual Report and Financial Statements, which have been filed with the Registrar of Companies. The report of the Auditors on those financial statements contained no qualification or statement under Sections 498(2) or (3) of the Companies Act 2006.

The financial statements are prepared on the basis of the accounting policies set out in note 1 of the audited Annual Report and Financial Statements for the year ended 31 December 2011.

The Company has considerable financial resources and as a consequence, the Directors believe that the Company is well placed to manage its business risks successfully. After making enquiries, the Directors have a reasonable expectation that the Company will have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Half Yearly Report.

## NOTES TO THE FINANCIAL STATEMENTS – continued

for the six months to 30 June 2012

<b>2 Income</b>	<b>Six months to 30 June 2012</b>	Six months to 30 June 2011	Year to 31 December 2011
	£'000	£'000	£'000
<b>Income from investments:</b>			
UK net dividend income	<b>582</b>	428	994
Overseas dividend income	<b>1,524</b>	1,537	2,627
Interest on liquidity funds	<b>3</b>	1	4
	<b><u>2,109</u></b>	<u>1,966</u>	<u>3,625</u>
<b>Income comprises:</b>			
Dividends	<b><u>2,109</u></b>	<u>1,966</u>	<u>3,625</u>
<b>3 Gains/(losses) on investments</b>	<b>Six months to 30 June 2012</b>	Six months to 30 June 2011	Year to 31 December 2011
	£'000	£'000	£'000
Realised (losses)/gains on sales	<b>(6,376)</b>	1,970	282
Changes in fair value of investments	<b>7,035</b>	(4,834)	(12,555)
	<b><u>659</u></b>	<u>(2,864)</u>	<u>(12,273)</u>

## 4 Taxation

The taxation charge for the six months to 30 June 2012 is £105,000 (six months to 30 June 2011: £92,000; year to 31 December 2011: £181,000).

The taxation charge comprises a corporation tax charge for the six months to 30 June 2012 of £nil (six months to 30 June 2011: £nil; year to 31 December 2011: £nil) and irrecoverable withholding tax suffered of £105,000 (six months to 30 June 2011: £92,000; year to 31 December 2011: £181,000).

## NOTES TO THE FINANCIAL STATEMENTS – continued

for the six months to 30 June 2012

5 Return per ordinary share	Six months to 30 June 2012		Six months to 30 June 2011		Year to 31 December 2011	
	Net return £'000	Per share pence	Net return £'000	Per share pence	Net return £'000	Per share pence
Revenue return after taxation	<b>1,450</b>	<b>2.7</b>	1,567	3.3	2,640	5.0
Capital return after taxation	<b>791</b>	<b>1.4</b>	(2,891)	(6.1)	(12,569)	(23.9)
Total return	<b><u>2,241</u></b>	<b><u>4.1</u></b>	<u>(1,324)</u>	<u>(2.8)</u>	<u>(9,929)</u>	<u>(18.9)</u>

The returns per share for the six months to 30 June 2012 are based on 54,725,009 shares (six months to 30 June 2011: 47,203,313 shares; year to 31 December 2011: 52,641,529 shares) being the weighted average number of ordinary shares, excluding shares held in treasury, in issue during the period.

### 6 Net asset value per ordinary share and share capital

The net asset value per ordinary share is based on net assets at 30 June 2012 of £90,920,000 (30 June 2011: £109,917,000; 31 December 2011: £95,092,000) and on 53,492,725 ordinary shares (30 June 2011: 59,886,942; 31 December 2011: 55,967,725) being the number of ordinary shares, excluding shares held in treasury, at the period end. Net asset values calculated include current period revenue.

A total of 2,475,000 ordinary shares were repurchased for treasury at a cost of £4,135,000 during the six months to 30 June 2012.

As a result of the transactions detailed above, there were 64,509,642 ordinary shares in issue as at 30 June 2012, of which 11,016,917 ordinary shares were held in treasury.

## NOTES TO THE FINANCIAL STATEMENTS – continued

for the six months to 30 June 2012

### 7 Reconciliation of net return before finance costs and taxation to net cash inflow from operating activities

	Six months to 30 June 2012	Six months to 30 June 2011	Year to 31 December 2011
	£'000	£'000	£'000
Net return before finance costs and taxation	<b>2,397</b>	(1,180)	(9,649)
Net (gains)/losses on capital items	<b>(791)</b>	2,891	12,569
Increase/(decrease) in creditors	<b>7</b>	(115)	74
Decrease/(increase) in debtors and accrued income	<b>14</b>	(180)	(186)
	<u>1,627</u>	<u>1,416</u>	<u>2,808</u>
Net cash inflow from operating activities	<b>1,627</b>	1,416	2,808

### 8 Reconciliation of net cash flow to movement in net funds

	Six months to 30 June 2012	Six months to 30 June 2011	Year to 31 December 2011
	£'000	£'000	£'000
Increase/(decrease) in cash	<b>3,676</b>	(2,621)	(4,024)
Realised exchange gains/(losses)	<b>113</b>	(34)	(253)
	<u>3,789</u>	<u>(2,655)</u>	<u>(4,277)</u>
Net (debt)/funds at start of period	<b>(3,927)</b>	350	350
Net debt at end of period	<b>(138)</b>	(2,305)	(3,927)

### 9 Post balance sheet event

The Company owns shares in Edinburgh Partners Limited, the Company's Investment Manager. As at 30 June 2012, this investment was valued at £1,700,000 (30 June 2011: £1,500,000; 31 December 2011: £1,700,000). On 16 August 2012, the Board of Directors announced their decision to revalue this investment to £1,450,000 with effect from 15 August 2012. The revaluation represented a reduction of 0.5p in the net asset value per ordinary share, based on 53,057,412 ordinary shares in circulation at 15 August 2012.

## SHAREHOLDER INFORMATION

### Investing in the Company

The Company's ordinary shares are traded on the London Stock Exchange. You can buy or sell shares through your stockbroker, bank or other professional investment adviser. Shares in the Company may also be bought and held in a Share Plan or ISA through the BNP Paribas – Edinburgh Partners Savings Scheme and ISA. Further information is available on the Company's website: [www.epgot.com](http://www.epgot.com) and on the Edinburgh Partners' website: [www.edinburghpartners.com](http://www.edinburghpartners.com) or by telephone on 0845 358 1100.

### Frequency of net asset value ("NAV") publication

The Company's ordinary share net asset value is released daily to the London Stock Exchange and published on the Company's website: [www.epgot.com](http://www.epgot.com) and on the Edinburgh Partners' website: [www.edinburghpartners.com](http://www.edinburghpartners.com).

### Share price and sources of other information

The Company's ordinary share price is quoted daily in the Financial Times and the Daily Telegraph. Previous day closing price, daily net asset value and other portfolio information is published on the Company's website: [www.epgot.com](http://www.epgot.com) and on the Edinburgh Partners' website: [www.edinburghpartners.com](http://www.edinburghpartners.com). Other useful information on investment trusts, such as prices, net asset values and company announcements, can be found on the websites of the London Stock Exchange: [www.londonstockexchange.com](http://www.londonstockexchange.com) and the AIC: [www.theaic.co.uk](http://www.theaic.co.uk).

### Share register enquiries

The register for the ordinary shares is maintained by Computershare Investor Services PLC. In the event of queries regarding your holding, please contact the Registrar on 0870 889 4069 or email [web.queries@computershare.co.uk](mailto:web.queries@computershare.co.uk). Changes of name and/or address must be notified in writing to the Registrar, at the address shown on the inside back cover. You can check your shareholding and find practical help on transferring shares or updating your details at [www.investorcentre.co.uk](http://www.investorcentre.co.uk).

### Key dates

Company's year end	31 December
Annual results announced	March
Annual General Meeting	April
Annual dividend paid	May
Company's half year end	30 June
Half yearly results announced	August

In accordance with the Disclosure and Transparency Rules, the Company will be releasing Interim Management Statements ("IMS") for the quarters ending 31 March and 30 September. These will be released to the London Stock Exchange and may be viewed on the Company's website: [www.epgot.com](http://www.epgot.com) and on the Edinburgh Partners' website: [www.edinburghpartners.com](http://www.edinburghpartners.com).

This document is not a recommendation, offer or invitation to buy, sell or hold ordinary shares of the Company. If you wish to deal in the ordinary shares of the Company, you may wish to contact an authorised professional investment adviser.

## SHAREHOLDER INFORMATION – continued

### Risk factors

An investment in the Company should be regarded as long term and is only suitable for investors who are capable of evaluating the risks and merits of such investment and who have sufficient resources to bear any loss which might result from such investment.

The market value of, and the income derived from, the ordinary shares can fluctuate. The Company's share price may go down as well as up. Past performance is not a guide to future performance. There is no guarantee that the market price of the ordinary shares will fully reflect their underlying net asset value. Fluctuations in exchange rates will affect the value of overseas investments held by the Company. Investors may not get back the full value of their investment. There can be no guarantee that the investment objective of the Company will be met. The levels of, and reliefs from, taxation may change.

The principal risks facing the Company relating to its investment activities were set out in detail in the Annual Report for the year ended 31 December 2011, with an explanation of the risks and how they are managed detailed in note 19, and continue to be as set out in that report. These risks are investment and strategy risk, discount volatility risk, market price risk, liquidity risk, credit risk, interest rate risk, foreign currency risk, gearing risk, regulatory risk, operational risk and financial risk. In particular, it should be noted that the Company does not have any benchmark. The Investment Manager is free to invest in securities on a global basis which it considers to be undervalued on an absolute basis. This policy is designed to permit the Investment Manager a large degree of freedom in share selection and as such investment results are dependent on the success or failure of the Investment Manager in correctly identifying undervalued securities.

This Half Yearly Report contains “forward looking statements” with respect to the Company's plans and its current goals and expectations relating to its future financial condition, performance and results. By their nature, all forward looking statements involve risk and uncertainty because they relate to future events that are beyond the Company's control. As a result, the Company's actual future financial condition, performance and results may differ materially from the plans, goals and expectations set forth in the Company's forward looking statements. The Company undertakes no obligation to update the forward looking statements contained within this Half Yearly Report or any other forward looking statements it makes.

The Company is a public company. It is registered in Scotland and its shares are listed on the London Stock Exchange. The Company is not regulated or authorised by the Financial Services Authority.

Employees of Edinburgh Partners Limited may (subject to applicable laws and regulations) hold shares in the Company and may buy, sell or offer to deal in the Company's shares from time to time.

## **DIRECTORS AND ADVISERS**

<b>Directors (all non-executive)</b>	Teddy Tulloch (Chairman) Richard Burns David Hough Ian McBean Giles Weaver
<b>Secretary and Registered Office*</b>	Kenneth J Greig 12 Charlotte Square Edinburgh EH2 4DJ
<b>Investment Manager*</b>	Edinburgh Partners Limited 12 Charlotte Square Edinburgh EH2 4DJ
<b>Auditors</b>	Ernst & Young LLP Ten George Street Edinburgh EH2 2DZ
<b>Registrar and Transfer Office</b>	Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol BS99 6ZZ
<b>Solicitor and Sponsor</b>	Dickson Minto W.S. 16 Charlotte Square Edinburgh EH2 4DF
<b>Custodian and Banker</b>	The Bank of New York Mellon One Canada Square Canary Wharf London E14 5AL
<b>Banker</b>	Scotiabank Group PLC 6th Floor 201 Bishopsgate London EC2M 3NS

\* with effect from 27 August 2012, the Registered Office and the address of the Investment Manager will change to: 27-31 Melville Street, Edinburgh EH3 7JF

*Registered in Scotland No. 259207*

*An investment company as defined under Section 833 of the Companies Act 2006*

*The Company is a member of the Association of Investment Companies*

