

EP Global Opportunities Trust plc

Half Yearly Report

30 June 2010



FINANCIAL SUMMARY

| | 30 June 2010 | 31 December 2009 | Change |
|--|--------------------|------------------|--------|
| Shareholders' funds | £46,155,000 | £50,712,000 | (9.0)% |
| Net asset value per ordinary share ("NAV") | 164.5p | 175.9p | (6.5)% |
| Share price per ordinary share | 165.3p | 172.0p | (3.9)% |
| Share price premium/(discount) to NAV | 0.5% | (2.2)% | |

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).

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

Investment Performance

Our net asset value per share at the end of June 2010 was 164.5p and the total return for the six months to the end of June 2010 was minus 5.4 per cent. This compares with a total return for the FTSE All-World Index of minus 1.9 per cent, while the FTSE All-Share Index total return was minus 6.1 per cent.

The share price fell 3.9 per cent to 165.25p. We have continued our policy of buying in shares, when necessary, to maintain the share price at close to the net asset value per share. At the end of June, the share price was at a small premium of 0.5 per cent to the net asset value per share.

World stock markets made a strong recovery in 2009 and the upward momentum continued in the first quarter of 2010. However, a sharp setback in the second quarter, typically of 10 to 15 per cent in the main regional indices, resulted in the first quarter gains being surrendered. The major markets ended between 5 and 10 per cent below their end 2009 levels. Currency fluctuations contributed considerably to the overall result for a UK investor. Sterling was weak against both the dollar and the yen, losing 7 and 12 per cent in value respectively, but firmed over 8 per cent against the euro. When measured in sterling terms, the main stock market indices in the USA and Japan achieved small positive total returns, while the FTSE European ex-UK Index was the poorest performing major regional index with a total return of minus 11 per cent.

Our net asset value per share reached a new record level during the first quarter but fell back by mid-year. Despite the gains in share prices since the market lows in 2009, virtually all stock markets are below the peak levels they reached in 2007, with some significantly below them. At the end of June, the FTSE All-Share Index was still over 25 per cent below its all time high.

Investment Portfolio

We have reduced our level of investment in Continental European equities since the year end but it still remains our largest area of investment. The effect of the weak euro was the main reason for the decline in the net asset value per share. On the other hand, we benefited from the appreciation of the dollar and the yen which helped mitigate the weakness in our US and Japanese holdings.

We continued to add to our Japanese holdings, a process which we began in the second half of last year. The Japanese stock market underperformed by a considerable margin in the recovery of 2009 and it remains the one market where our Investment Manager is able to identify good absolute value in individual shares. We now hold 18 per cent of the portfolio in Japan, up from just 5 per cent twelve months ago.

CHAIRMAN'S STATEMENT – continued

Revenue Account

Revenue per share for the first half of 2010 was 2.7p per share. This is substantially greater than 1.7p per share for the same period last year. The increase is largely due to a special dividend from our holding in Edinburgh Partners, our Investment Manager, and a lower tax rate on dividends from overseas investments. In the second half of last year there were special factors that benefited the revenue account in 2009, so the increase in revenue is not an indication of what the level will be for 2010 as a whole.

We invest in companies that our Investment Manager perceives to be good value regardless of the level of income we will receive from the investment. We believe that this will produce a better total return over the longer term. The increased weighting in Japan could lead to a reduced level of revenue as Japanese companies have historically paid out a low percentage of their profits.

Outlook

A number of European countries announced increases in taxation and reductions in government spending in response to budget deficits in general and to the Greek financial crisis in particular. These included the UK, after the general election. Such measures will have an effect on the level of economic activity. While expectations for the level of economic growth in some countries have been reduced, overall economic activity on a global basis will probably continue to expand at a healthy rate. The likely effect of further significant fiscal tightening in countries such as the UK does create considerable uncertainty. This will be particularly true when the US starts to tackle its large budget deficit. Fiscal tightening will need to be combined with monetary easing if outright deflation is to be avoided, while excessive monetary easing may, in due course, lead to concerns about inflation.

On the plus side, bond yields fell sharply as share prices stumbled in the second quarter, making equities look relatively more attractive. The portfolio has a bias towards economic growth with the largest weighting by sector being in technology. However, we also have reasonable holdings in the more defensive sectors such as telecoms and healthcare. We were aware that investment performance might suffer in a market set back but believe that concerns over a fall back into recession are overly pessimistic. We are maintaining our position of being fully invested in equity markets, expecting global economic recovery to continue.

Teddy Tulloch

Chairman

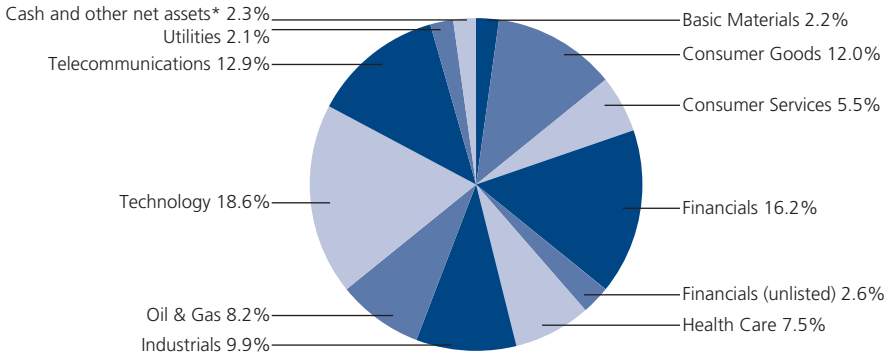
18 August 2010

DISTRIBUTION OF INVESTMENTS

as at 30 June 2010 (% of net assets)

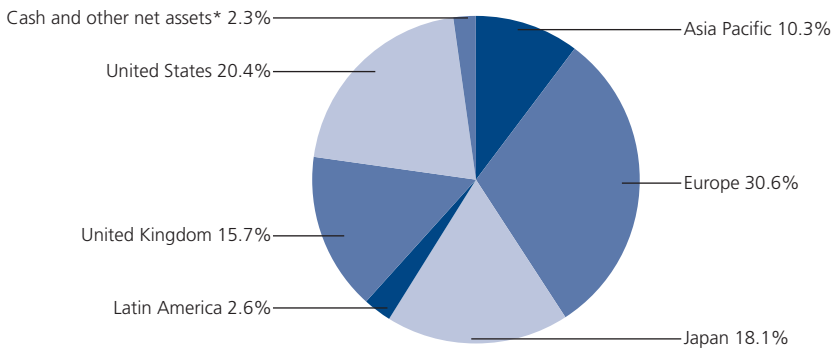
Sector distribution

as at 30 June 2010



Geographical distribution

as at 30 June 2010



* Cash and other net assets includes foreign currency balances of £17,000 (0.0%).

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

PORTFOLIO OF INVESTMENTS

as at 30 June 2010

| Company | Sector | Country | Valuation £'000 | % of Net Assets |
|--|-----------------------|-----------|----------------------|---------------------|
| Equity investments | | | | |
| Vodafone | Telecommunications | UK | 1,600 | 3.5 |
| Cisco Systems | Technology | USA | 1,466 | 3.2 |
| Gazprom | Oil & Gas | Russia | 1,440 | 3.1 |
| Yamaha Motor Company | Consumer Goods | Japan | 1,437 | 3.1 |
| Fujitsu | Technology | Japan | 1,423 | 3.1 |
| Time Warner Cable | Consumer Services | USA | 1,392 | 3.0 |
| Bank of America | Financials | USA | 1,352 | 2.9 |
| Samsung Electronics | Technology | Korea | 1,344 | 2.9 |
| Applied Materials | Technology | USA | 1,335 | 2.9 |
| Singapore Telecom | Telecommunications | Singapore | 1,297 | 2.8 |
| Taisei | Industrials | Japan | 1,272 | 2.8 |
| Sanofi-aventis | Health Care | France | 1,260 | 2.7 |
| Deutsche Post | Industrials | Germany | 1,218 | 2.6 |
| Nokia | Technology | Finland | 1,207 | 2.6 |
| Edinburgh Partners Limited | Financials (unlisted) | UK | 1,200 | 2.6 |
| Mitsubishi | Industrials | Japan | 1,197 | 2.6 |
| China Mobile | Telecommunications | China | 1,191 | 2.6 |
| D.R. Horton | Consumer Goods | USA | 1,189 | 2.6 |
| Panasonic | Consumer Goods | Japan | 1,188 | 2.6 |
| Petrobras | Oil & Gas | Brazil | 1,175 | 2.5 |
| Total – 20 largest equity investments | | | <u>26,183</u> | <u>56.7</u> |
| Other equity investments | | | 18,897 | 41.0 |
| Total equity investments | | | <u>45,080</u> | <u>97.7</u> |
| Cash and other net assets | | | <u>1,075</u> | <u>2.3</u> |
| Net assets | | | <u>46,155</u> | <u>100.0</u> |

INTERIM MANAGEMENT REPORT AND RESPONSIBILITY STATEMENT

Interim Management Report

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

The principal risks and uncertainties for the remaining six months of the financial year are reviewed in the Outlook section of the Chairman's Statement on page 2 and in the Risk Factors on page 16.

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

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.

Responsibility Statement

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 loss of the Company; and
- the interim management 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.

This Half Yearly Report was approved by the Board of Directors on 18 August 2010 and the above responsibility statement was signed on its behalf by Teddy Tulloch, Chairman.

INCOME STATEMENT (UNAUDITED)

for the six months to 30 June 2010

| | | Six months to 30 June 2010 | | |
|---|------|-------------------------------|------------------|----------------|
| | Note | Revenue £'000 | Capital £'000 | Total £'000 |
| (Losses)/gains on investments at fair value through profit or loss | 3 | – | (3,292) | (3,292) |
| Foreign exchange losses on capital items | | – | (21) | (21) |
| Income | 2 | 1,163 | – | 1,163 |
| Investment management fee | | (183) | – | (183) |
| Refund of VAT paid on investment management and administration fees | | – | – | – |
| Other expenses | | (127) | – | (127) |
| Net return before finance costs and taxation | | 853 | (3,313) | (2,460) |
| Finance costs | | | | |
| Interest payable and similar charges | | – | – | – |
| Net return before taxation | | 853 | (3,313) | (2,460) |
| Taxation | 4 | (86) | – | (86) |
| Net return after taxation | | 767 | (3,313) | (2,546) |
| | | pence | pence | pence |
| Return per ordinary share | 5 | 2.7 | (11.7) | (9.0) |

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.

| Revenue £'000 | Six months to 30 June 2009 | | Revenue £'000 | Year to 31 December 2009 | |
|------------------|-------------------------------|----------------|------------------|-----------------------------|----------------|
| | Capital £'000 | Total £'000 | | Capital £'000 | Total £'000 |
| – | (3,217) | (3,217) | – | 7,616 | 7,616 |
| – | (163) | (163) | – | (226) | (226) |
| 956 | – | 956 | 1,382 | – | 1,382 |
| (146) | – | (146) | (323) | – | (323) |
| – | – | – | 126 | – | 126 |
| (126) | – | (126) | (248) | – | (248) |
| 684 | (3,380) | (2,696) | 937 | 7,390 | 8,327 |
| (1) | – | (1) | (1) | – | (1) |
| 683 | (3,380) | (2,697) | 936 | 7,390 | 8,326 |
| (151) | – | (151) | (131) | – | (131) |
| 532 | (3,380) | (2,848) | 805 | 7,390 | 8,195 |
| pence | pence | pence | pence | pence | pence |
| 1.7 | (11.0) | (9.3) | 2.7 | 24.7 | 27.4 |

BALANCE SHEET (UNAUDITED)

as at 30 June 2010

| | 30 June | 30 June | 31 December |
|--|----------------|---------|-------------|
| | 2010 | 2009 | 2009 |
| Note | £'000 | £'000 | £'000 |
| Fixed asset investments | | | |
| Investments at fair value through profit or loss | 45,080 | 40,014 | 49,254 |
| Current assets | | | |
| Debtors | 209 | 260 | 1,340 |
| Cash at bank and short-term deposits | 1,018 | 1,290 | 1,186 |
| | 1,227 | 1,550 | 2,526 |
| Current liabilities | | | |
| Creditors – amounts falling due within one year | 152 | 308 | 1,068 |
| Net current assets | 1,075 | 1,242 | 1,458 |
| Net assets | 46,155 | 41,256 | 50,712 |
| Capital and reserves | | | |
| Called-up share capital | 327 | 332 | 327 |
| Capital redemption reserve | 14 | 9 | 14 |
| Share premium account | 17,991 | 17,991 | 17,991 |
| Special reserve | 11,575 | 14,493 | 12,905 |
| Capital reserve | 14,778 | 7,320 | 18,091 |
| Revenue reserve | 1,470 | 1,111 | 1,384 |
| Total Shareholders' funds | 46,155 | 41,256 | 50,712 |
| Net asset value per ordinary share | 164.5 | 138.3 | 175.9 |
| | pence | pence | pence |

STATEMENT OF CASH FLOW (UNAUDITED)

for the six months to 30 June 2010

| | Six months to 30 June 2010 | Six months to 30 June 2009 | Year to 31 December 2009 |
|--|-------------------------------|-------------------------------|-----------------------------|
| Note | £'000 | £'000 | £'000 |
| Operating activities | | | |
| Investment income received | 1,109 | 859 | 1,388 |
| Bank deposit interest received | 12 | – | 1 |
| Investment management fees paid | (182) | (143) | (307) |
| VAT and interest on investment management fees recovered | 138 | – | – |
| Secretarial fees paid | (35) | (35) | (70) |
| Other cash payments | (126) | (41) | (199) |
| | <u>7</u> | <u>640</u> | <u>813</u> |
| Net cash inflow from operating activities | 916 | 640 | 813 |
| Servicing of finance | – | (1) | (1) |
| Taxation | | | |
| Taxation paid | (30) | (85) | (188) |
| Capital expenditure and financial investment | | | |
| Purchases of investments | (6,571) | (8,436) | (18,371) |
| Sales of investments | 7,531 | 8,916 | 20,349 |
| Exchange losses on settlement | (27) | (19) | (100) |
| | <u>933</u> | <u>461</u> | <u>1,878</u> |
| Net cash inflow from investing activities | 933 | 461 | 1,878 |
| Net cash inflow before equity dividend paid and financing | 1,819 | 1,015 | 2,502 |
| Equity dividend paid | (681) | (946) | (946) |
| Financing | | | |
| Ordinary shares purchased and held in treasury | (1,330) | (268) | (1,223) |
| Ordinary shares purchased and cancelled | – | (1,014) | (1,667) |
| | <u>(1,330)</u> | <u>(1,282)</u> | <u>(2,890)</u> |
| Net cash outflow from financing | (1,330) | (1,282) | (2,890) |
| Decrease in cash | (192) | (1,213) | (1,334) |

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS (UNAUDITED)

for the six months to 30 June 2010

| | Six months to 30 June 2010 £'000 | Six months to 30 June 2009 £'000 | Year to 31 December 2009 £'000 |
|------------------------------------|--|--|--------------------------------------|
| Opening Shareholders' funds | 50,712 | 46,353 | 46,353 |
| Net return after taxation | (2,546) | (2,848) | 8,195 |
| Dividends paid | (681) | (946) | (946) |
| Share purchases for cancellation | – | (1,035) | (1,667) |
| Share purchases for treasury | (1,330) | (268) | (1,223) |
| Closing Shareholders' funds | 46,155 | 41,256 | 50,712 |

NOTES TO THE FINANCIAL STATEMENTS

for the six months to 30 June 2010

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 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 2010 and 30 June 2009 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 2009 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 2009.

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 Financial Report.

NOTES TO THE FINANCIAL STATEMENTS – continued

for the six months to 30 June 2010

| 2 Income | Six months to 30 June 2010 | Six months to 30 June 2009 | Year to 31 December 2009 |
|--|---------------------------------------|-------------------------------|-----------------------------|
| | £'000 | £'000 | £'000 |
| Income from investments: | | | |
| UK net dividend income | 341 | 141 | 322 |
| Overseas dividends | 821 | 809 | 1,041 |
| Deposit funds | 1 | 6 | 7 |
| | 1,163 | 956 | 1,370 |
| Other income: | | | |
| Interest on VAT refund on investment management and administration fees | – | – | 12 |
| | 1,163 | 956 | 1,382 |
| Total income comprises: | | | |
| Dividends | 1,163 | 956 | 1,370 |
| Interest | – | – | 12 |
| | 1,163 | 956 | 1,382 |
| 3 (Losses)/gains on investments | Six months to 30 June 2010 | Six months to 30 June 2009 | Year to 31 December 2009 |
| | £'000 | £'000 | £'000 |
| Realised gains/(losses) on sales | 1,764 | (1,493) | (2,231) |
| Changes in fair value of investments | (5,056) | (1,724) | 9,847 |
| | (3,292) | (3,217) | 7,616 |

NOTES TO THE FINANCIAL STATEMENTS – continued

for the six months to 30 June 2010

4 Taxation

The taxation charge for the six months to 30 June 2010 is £86,000 (six months to 30 June 2009: £151,000; year to 31 December 2009: £131,000).

The taxation charge comprises a corporation tax charge for the six months to 30 June 2010 of £nil (six months to 30 June 2009: £55,000; year to 31 December 2009: £13,000) and irrecoverable withholding tax suffered of £86,000 (six months to 30 June 2009: £96,000; year to 31 December 2009: £118,000).

| 5 Return per ordinary share | Six months to | | Six months to | | Year to | |
|-------------------------------|----------------|---------------|---------------|--------|------------------|-------|
| | 30 June 2010 | | 30 June 2009 | | 31 December 2009 | |
| | Net | Per | Net | Per | Net | Per |
| | return | share | return | share | return | share |
| | £'000 | pence | £'000 | pence | £'000 | pence |
| Revenue return after taxation | 767 | 2.7 | 532 | 1.7 | 805 | 2.7 |
| Capital return after taxation | (3,313) | (11.7) | (3,380) | (11.0) | 7,390 | 24.7 |
| Total return | (2,546) | (9.0) | (2,848) | (9.3) | 8,195 | 27.4 |

The returns per share for the six months to 30 June 2010 are based on 28,397,152 shares (six months to 30 June 2009: 30,520,619 shares; year to 31 December 2009: 29,872,821 shares) being the weighted average number of ordinary shares, excluding shares held in treasury, in issue during the period.

NOTES TO THE FINANCIAL STATEMENTS – continued

for the six months to 30 June 2010

6 Net asset value per ordinary share

The net asset value per ordinary share is based on net assets at 30 June 2010 of £46,155,000 (30 June 2009: £41,256,000; 31 December 2009: £50,712,000) and on 28,056,480 ordinary shares (30 June 2009: 29,828,180; 31 December 2009: 28,824,180) being the number of ordinary shares, excluding shares held in treasury, at the period end. Net asset values calculated include current period revenue.

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

| | Six months to 30 June 2010 | Six months to 30 June 2009 | Year to 31 December 2009 |
|---|---------------------------------------|-------------------------------|-----------------------------|
| | £'000 | £'000 | £'000 |
| Net return before finance costs and taxation | (2,460) | (2,696) | 8,327 |
| Net losses/(gains) on capital items | 3,313 | 3,380 | (7,390) |
| Decrease in creditors | (15) | (24) | (2) |
| Decrease/(increase) in debtors and accrued income | 78 | (20) | (122) |
| | <u> </u> | <u> </u> | <u> </u> |
| Net cash inflow from operating activities | 916 | 640 | 813 |

8 Reconciliation of net cash flow to movement in net funds

| | Six months to 30 June 2010 | Six months to 30 June 2009 | Year to 31 December 2009 |
|----------------------------------|---------------------------------------|-------------------------------|-----------------------------|
| | £'000 | £'000 | £'000 |
| Decrease in cash | (192) | (1,213) | (1,334) |
| Realised exchange gains/(losses) | 24 | (147) | (130) |
| | <u> </u> | <u> </u> | <u> </u> |
| | (168) | (1,360) | (1,464) |
| Net funds at start of period | 1,186 | 2,650 | 2,650 |
| | <u> </u> | <u> </u> | <u> </u> |
| Net funds at the end of period | 1,018 | 1,290 | 1,186 |

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 or on the Edinburgh Partners' website: 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 and the Edinburgh Partners' website: www.edinburghpartners.com.

Share price and sources of other information

The Company's ordinary share price is quoted daily in the Financial Times under "Investment Companies". Previous day closing price, daily net asset value and other portfolio information is published on the Company's website: www.epgot.com and on Edinburgh Partners' website: 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 and the Association of Investment Companies ("AIC"): 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. Changes of name and/or address must be notified in writing to the Registrar, at the address shown on the inside back cover.

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.

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 2009, with an explanation of the risks and how they are managed detailed in note 18, and continue to be as set out in that report. These risks are investment and strategy, discount volatility, market risk, liquidity risk, credit risk, interest rate risk, foreign currency risk, gearing, 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

| | |
|--|---|
| Directors (all non-executive) | Teddy Tulloch (Chairman) Richard Burns David Hough Ian McBean |
| Secretary and Registered Office | Kenneth J Greig 12 Charlotte Square Edinburgh EH2 4DJ |
| Investment Manager | Edinburgh Partners Limited 12 Charlotte Square Edinburgh EH2 4DJ |
| Auditors | Ernst & Young LLP Ten George Street Edinburgh EH2 2DZ |
| Registrar and Transfer Office | Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol BS99 6ZY |
| Marketing Adviser | G&N Collective Funds Services Limited 14 Alva Street Edinburgh EH2 4QG |
| Solicitor and Sponsor | Dickson Minto W.S. 16 Charlotte Square Edinburgh EH2 4DF |
| Bankers and Custodian | The Bank of New York Mellon One Canada Square Canary Wharf London E14 5AL |

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 ("AIC")*

