

EP Global Opportunities Trust plc

Half Yearly Report

30 June 2014



FINANCIAL SUMMARY

| | 30 June 2014 | 31 December 2013 | Change |
|--|---------------------|---------------------|--------|
| Shareholders' funds | £111,447,000 | £112,580,000 | (1.0)% |
| Net asset value per ordinary share ("NAV") | 232.2p | 233.6p | (0.6)% |
| Share price per ordinary share | 225.0p | 230.0p | (2.2)% |
| Share price discount to NAV | 3.1% | 1.5% | |

Past performance is not a guide to future performance.

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 the ability to invest in other investment companies or funds but will 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

At 30 June 2014, our net asset value per share ("NAV") was 232.2p, fractionally below the 2013 year end asset value of 233.6p. The NAV total return for the six months was 0.6 per cent. This compares with a total return from the FTSE All-World Index of 3.2 per cent, while the FTSE All-Share Index total return was 1.6 per cent.

At the half year end the share price was 225.0p, which was 2.2 per cent below the year end price. The share price discount to NAV widened slightly from 1.5 per cent to 3.1 per cent. We continued to buy-in shares with the objective of maintaining the share price at close to the NAV. In the first six months of 2014, we bought in 200,000 shares at small discounts to the NAV.

Stock market and investment performance

Equity markets made further gains in the first half of 2014 following their strong performance in 2013. A brief setback in January was followed by a steady recovery for the stock market indices of the main geographical regions. However, the strength of sterling, which gained 3.2 per cent against the US dollar and 3.9 per cent against the euro, held back the performance of overseas markets when converted into sterling. By contrast, the Japanese yen was virtually unchanged against sterling over the six month period and the Japanese stock market index failed to recover all the ground it lost in January. For the same period, the Topix Index's total return was a negative 1.5 per cent in sterling terms.

Our own performance was held back by our holdings in Japan. These holdings had been a major factor in our strong investment performance in 2013. The Topix Index increased by 54.4 per cent last year (24.7 per cent when measured in sterling) and, not surprisingly, paused for longer than other markets after the January setback. Despite the gains last year, there is still good value to be found in individual Japanese companies. We added a net £4.0 million during the first half of the year, taking the percentage of Japanese equities to 34.4 per cent of our total investments.

While overall we believe equity values are now at least fairly valued, there are areas that have reached levels that appear expensive. This is particularly true in the US, where we took advantage of the rise in share prices to realise some profits, selling a net £9.1 million of US equities. This reduced the level of investment in the US from 16.6 per cent at the year end to 9.9 per cent at the end of June. We also added a number of more defensive shares with higher yields in both the pharmaceutical and energy sectors.

Revenue account

The income statement on pages 8 and 9 shows revenue per share of 2.5p for the first six months of 2014. This compares to 2.1p over the same period last year. Although most of our Japanese and US shares pay little or no dividend, it has been a good twelve months for dividend growth from our holdings. Our income has also benefitted from the addition of a number of higher yielding shares. The Company is not paying an interim dividend. As in the past, only one dividend will be paid for the year, an annual dividend which is normally paid in May.

The income account is driven by our Investment Manager's well-defined investment philosophy of focusing on value. While this does result in volatility in our annual revenue per share, we believe it will produce a better total return over the longer term.

The Board

David Ross joined the Board on 1 June 2014, replacing Richard Burns who retired as a Director at the Annual General Meeting in April. David was a founding partner of the very successful Aberforth Partners, an investment management firm specialising in investment in UK small quoted companies, from which he recently retired. It was always going to be difficult to replace Richard Burns, with his extensive knowledge of investment trusts and financial markets, so I am delighted that David, who has very similar expertise, has agreed to become a Director.

Alternative Investment Fund Managers' Directive

In the 2013 Annual Report, I outlined the new regulatory requirement for certain types of funds, including investment trusts, to have a depositary as well as a custodian to provide additional security over the Company's assets. We have now appointed Northern Trust Global Services Limited as the Company's depositary. They have delegated the custody functions to Northern Trust Company who have replaced The Bank of New York Mellon as the Company's custodian.

In addition, to comply with the new regulations, the Company has appointed Edinburgh Partners AIFM Limited to act as its Alternative Investment Fund Manager ("AIFM"). The AIFM has delegated the function of managing the Company's investment portfolio to Edinburgh Partners Limited, the manager of the Company's assets since its launch in 2003. There have therefore been no changes in the individuals managing the investments of the Company.

CHAIRMAN'S STATEMENT – continued

Outlook

Share prices have increased substantially since the depth of the financial crisis in early 2009 and corporate profits have recovered strongly, as have the valuations placed on those profits. Equities have benefitted from the policy of central banks to keep interest rates low. It is anticipated that in due course, interest rates will be raised to more normal levels, although any increases are likely to be introduced very slowly for fear of stifling economic growth.

Share prices are now at levels where they are more vulnerable to external shocks, although there is still room for them to move higher. We continue to be optimistic on the outlook for equities, but believe there will be increasing need for caution if valuations rise further. After the half year end, we repaid our relatively small multi-currency loan and expect to become more cautious as markets rise. In the meantime, we remain virtually fully invested.

Teddy Tulloch

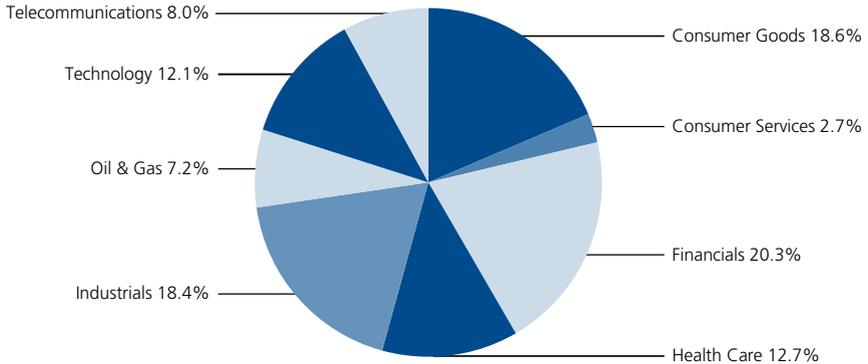
Chairman

19 August 2014

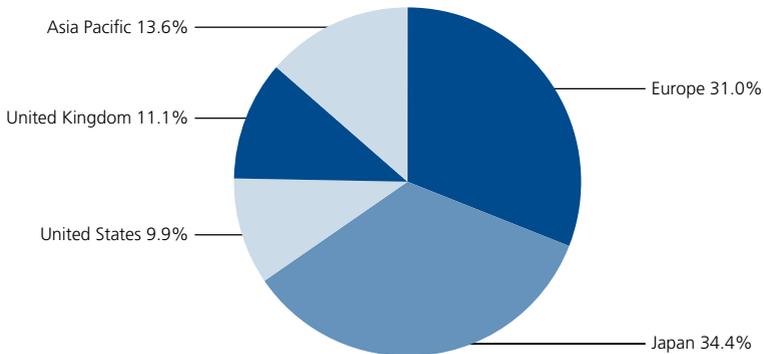
DISTRIBUTION OF INVESTMENTS

as at 30 June 2014 (% of investments)

Sector distribution



Geographical distribution



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.

As at 30 June 2014, the Company's investments represented 98.1% of Shareholders' funds.

PORTFOLIO OF INVESTMENTS

as at 30 June 2014

| Company | Sector | Country | Valuation | % of Net Assets |
|----------------------------------|-----------------------|-------------|----------------|--------------------|
| | | | £'000 | |
| Equity investments | | | | |
| KDDI | Telecommunications | Japan | 3,620 | 3.2 |
| Japan Tobacco | Consumer Goods | Japan | 3,332 | 3.0 |
| PostNL | Industrials | Netherlands | 3,247 | 2.9 |
| Toshiba | Industrials | Japan | 3,202 | 2.9 |
| Novartis | Health Care | Switzerland | 3,188 | 2.9 |
| Swire Pacific | Industrials | Hong Kong | 3,160 | 2.8 |
| AstraZeneca | Health Care | UK | 3,107 | 2.8 |
| Yamaha Motor | Consumer Goods | Japan | 2,982 | 2.7 |
| Panasonic | Consumer Goods | Japan | 2,972 | 2.7 |
| Sumitomo Mitsui Trust | Financials | Japan | 2,969 | 2.7 |
| Mitsubishi | Industrials | Japan | 2,959 | 2.6 |
| East Japan Railway | Consumer Services | Japan | 2,953 | 2.6 |
| Sumitomo Mitsui Financial | Financials | Japan | 2,906 | 2.6 |
| Royal Dutch Shell | Oil & Gas | UK | 2,901 | 2.6 |
| Qualcomm | Technology | US | 2,773 | 2.5 |
| Roche | Health Care | Switzerland | 2,773 | 2.5 |
| BG | Oil & Gas | UK | 2,766 | 2.5 |
| Microsoft | Technology | US | 2,747 | 2.5 |
| Hutchison Whampoa | Industrials | Hong Kong | 2,733 | 2.5 |
| Indra Sistemas | Technology | Spain | 2,725 | 2.4 |
| Toyota | Consumer Goods | Japan | 2,704 | 2.4 |
| Google | Technology | US | 2,688 | 2.4 |
| Terex | Industrials | US | 2,600 | 2.3 |
| Vodafone | Telecommunications | UK | 2,597 | 2.3 |
| Misawa Homes | Consumer Goods | Japan | 2,593 | 2.3 |
| DBS | Financials | Singapore | 2,554 | 2.3 |
| Fresenius Medical Care | Health Care | Germany | 2,541 | 2.3 |
| KPN | Telecommunications | Netherlands | 2,499 | 2.3 |
| BNP Paribas | Financials | France | 2,457 | 2.2 |
| Bangkok Bank | Financials | Thailand | 2,389 | 2.1 |
| Dainippon Screen | Technology | Japan | 2,335 | 2.1 |
| Sanofi | Health Care | France | 2,268 | 2.0 |
| Intesa Sanpaulo | Financials | Italy | 2,242 | 2.0 |
| Samsung Electronics | Consumer Goods | South Korea | 2,217 | 2.0 |
| Gazprom | Oil & Gas | Russia | 2,197 | 2.0 |
| HSBC | Financials | UK | 2,186 | 2.0 |
| ABB | Industrials | Switzerland | 2,174 | 2.0 |
| Bridgestone | Consumer Goods | Japan | 2,116 | 1.9 |
| Bank Mandiri | Financials | Indonesia | 1,784 | 1.6 |
| Plaggio | Consumer Goods | Italy | 1,459 | 1.3 |
| Edinburgh Partners | Financials - unlisted | UK | 1,450 | 1.3 |
| Edinburgh Partners Prospect Fund | Financials - OEIC | Ireland | 1,221 | 1.1 |
| Total equity investments | | | 109,286 | 98.1 |
| Cash and net assets | | | 2,161 | 1.9 |
| Net assets | | | 111,447 | 100.0 |

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.

DIRECTORS' STATEMENT OF PRINCIPAL RISKS AND UNCERTAINTIES

The important events that have occurred during the period under review and the key factors influencing the financial statements are set out in the Chairman's Statement on pages 2 to 4. The principal factors that could impact the remaining six months of the financial year are also detailed in the Chairman's Statement. Additional risk factors are set out on page 19.

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 2013 and continue to be as set out in that report on pages 50 to 53.

Risks faced by the Company include, but are not limited to, investment and strategy risk, discount volatility risk, market 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 Half-Yearly Financial Reports issued by the UK Accounting Standards Board, gives 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 Statement of Recommended Practice 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 19 August 2014 and the above responsibility statement was signed on its behalf by Teddy Tulloch, Chairman.

INCOME STATEMENT (UNAUDITED)

for the six months to 30 June 2014

| | | Six months to 30 June 2014 | | |
|--|------|-------------------------------|------------------|----------------|
| | Note | Revenue £ '000 | Capital £'000 | Total £'000 |
| (Losses)/gains on investments at fair value through profit or loss | 3 | – | (454) | (454) |
| Foreign exchange (losses)/gains on capital items | | – | (151) | (151) |
| Income | 2 | 1,972 | – | 1,972 |
| Investment management fee | | (398) | – | (398) |
| Other expenses | | (203) | – | (203) |
| Net return before finance costs and taxation | | 1,371 | (605) | 766 |
| Finance costs | | | | |
| Interest payable and other charges | | (35) | – | (35) |
| Net return before taxation | | 1,336 | (605) | 731 |
| Taxation | 4 | (129) | – | (129) |
| Net return after taxation | | 1,207 | (605) | 602 |
| | | pence | pence | pence |
| Return per ordinary share | 5 | 2.5 | (1.3) | 1.2 |

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.

INCOME STATEMENT (UNAUDITED) – continued

for the six months to 30 June 2014

| Six months to 30 June 2013 | | | Year to to 31 December 2013 | | |
|-------------------------------|------------------|----------------|--------------------------------|------------------|----------------|
| Revenue £ '000 | Capital £'000 | Total £'000 | Revenue £ '000 | Capital £'000 | Total £'000 |
| – | 14,635 | 14,635 | – | 24,716 | 24,716 |
| – | 111 | 111 | – | 448 | 448 |
| 1,718 | – | 1,718 | 2,711 | – | 2,711 |
| (357) | – | (357) | (757) | – | (757) |
| (193) | – | (193) | (391) | – | (391) |
| 1,168 | 14,746 | 15,914 | 1,563 | 25,164 | 26,727 |
| (41) | – | (41) | (77) | – | (77) |
| 1,127 | 14,746 | 15,873 | 1,486 | 25,164 | 26,650 |
| (71) | – | (71) | (154) | – | (154) |
| 1,056 | 14,746 | 15,802 | 1,332 | 25,164 | 26,496 |
| pence | pence | pence | pence | pence | pence |
| 2.1 | 30.0 | 32.1 | 2.7 | 51.7 | 54.4 |

BALANCE SHEET (UNAUDITED)

as at 30 June 2014

| | 30 June 2014 | 30 June 2013 | 31 December 2013 |
|---|-------------------------|-----------------|---------------------|
| Note | £'000 | £'000 | £'000 |
| Fixed asset investments | | | |
| Investments at fair value through profit or loss | 109,286 | 105,534 | 115,443 |
| Current assets | | | |
| Debtors | 4,712 | 1,918 | 121 |
| Cash at bank and short-term deposits | 1,482 | 1,209 | 1,079 |
| | 6,194 | 3,127 | 1,200 |
| Creditors: amounts falling due within one year | | | |
| Creditors | 323 | 2,399 | 372 |
| Loans | 3,710 | 4,266 | 3,691 |
| | 4,033 | 6,665 | 4,063 |
| Net current assets/(liabilities) | 2,161 | (3,538) | (2,863) |
| Net assets | 111,447 | 101,996 | 112,580 |
| Capital and reserves | | | |
| Called-up share capital | 645 | 645 | 645 |
| Capital redemption reserve | 14 | 14 | 14 |
| Special reserve | 68,390 | 68,939 | 68,829 |
| Capital reserve | 39,771 | 29,959 | 40,376 |
| Revenue reserve | 2,627 | 2,439 | 2,716 |
| Total Shareholders' funds | 111,447 | 101,996 | 112,580 |
| | pence | pence | pence |
| Net asset value per ordinary share 6 | 232.2 | 211.4 | 233.6 |

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS (UNAUDITED)

for the six months to 30 June 2014

| | Six months to 30 June 2014 | Six months to 30 June 2013 | Year to 31 December 2013 |
|------------------------------------|---------------------------------------|-------------------------------|-----------------------------|
| | £'000 | £'000 | £'000 |
| Opening Shareholders' funds | 112,580 | 91,766 | 91,766 |
| Net return after taxation | 602 | 15,802 | 26,496 |
| Dividends paid | (1,296) | (1,896) | (1,896) |
| Share purchases for treasury | (439) | (3,676) | (3,786) |
| Closing Shareholders' funds | <u>111,447</u> | <u>101,996</u> | <u>112,580</u> |

CASH FLOW STATEMENT (UNAUDITED)

for the six months to 30 June 2014

| | Six months to 30 June 2014 | Six months to 30 June 2013 | Year to 31 December 2013 |
|--|-------------------------------|-------------------------------|-----------------------------|
| Note | £'000 | £'000 | £'000 |
| Operating activities | | | |
| Investment income received | 1,896 | 1,691 | 2,811 |
| Investment management fees paid | (400) | (334) | (719) |
| Administration fees paid | (61) | (51) | (111) |
| Other expenses paid | (155) | (179) | (280) |
| Net cash inflow from operating activities | 7 1,280 | 1,127 | 1,701 |
| Servicing of finance | (36) | (42) | (79) |
| Taxation | | | |
| Taxation paid | (154) | (73) | (154) |
| Capital expenditure and financial investment | | | |
| Purchases of investments | (28,903) | (19,056) | (49,800) |
| Sales of investments | 30,077 | 23,066 | 53,571 |
| Exchange (losses)/gains on settlement | (3) | 16 | (42) |
| Net cash inflow from investing activities | 1,171 | 4,026 | 3,729 |
| Net cash inflow before equity dividend paid and financing | 2,261 | 5,038 | 5,197 |
| Equity dividend paid | (1,296) | (1,896) | (1,896) |
| Financing | | | |
| Ordinary shares purchased and held in treasury | (439) | (4,149) | (4,259) |
| Net cash outflow from financing | (439) | (4,149) | (4,259) |
| Increase/(decrease) in cash | 8 526 | (1,007) | (958) |

NOTES TO THE FINANCIAL STATEMENTS

for the six months to 30 June 2014

1 Accounting policies

a) Statement of compliance

The Company's financial statements for the six months to 30 June 2014 have been prepared in compliance with Financial Reporting Standard ("FRS") 102.

The financial statements are prepared in accordance with the Accounting Standards Board's Statement Half-Yearly Financial Reports, the Companies Act 2006 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 ("SORP").

Where presentational guidance set out in the SORP is consistent with FRS 102, the Directors have sought to prepare the financial statements on a consistent basis compliant with the recommendations of the SORP.

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 2014 and 30 June 2013 has not been audited or reviewed by the Company's Auditor pursuant to the Auditing Practices Board guidance on such reviews. The information for the year ended 31 December 2013 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 Auditor on those financial statements contained no qualification or statement under Sections 498(2) or (3) of the Companies Act 2006.

c) Going concern

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 2014

| 2 Income | Six months to 30 June 2014 | Six months to 30 June 2013 | Year to 31 December 2013 |
|--|---------------------------------------|-------------------------------|-----------------------------|
| | £'000 | £'000 | £'000 |
| Income from investments | | | |
| UK net dividend income | 494 | 495 | 588 |
| Overseas dividend income | 1,478 | 1,223 | 2,122 |
| Liquidity fund income | <u>–</u> | <u>–</u> | <u>1</u> |
| | <u>1,972</u> | <u>1,718</u> | <u>2,711</u> |
| Income comprises | | | |
| Dividends | <u>1,972</u> | <u>1,718</u> | <u>2,711</u> |
| 3 Gains/(losses) on investments | Six months to 30 June 2014 | Six months to 30 June 2013 | Year to 31 December 2013 |
| | £'000 | £'000 | £'000 |
| Realised gains on sales | 6,312 | 5,308 | 10,619 |
| Changes in fair value of investments | <u>(6,766)</u> | <u>9,327</u> | <u>14,097</u> |
| | <u>(454)</u> | <u>14,635</u> | <u>24,716</u> |

4 Taxation

The taxation charge for the six months to 30 June 2014 is £129,000 (six months to 30 June 2013: £71,000; year to 31 December 2013: £154,000).

The taxation charge comprises a corporation tax charge for the six months to 30 June 2014 of £nil (six months to 30 June 2013: £nil; year to 31 December 2013: £nil) and irrecoverable withholding tax suffered of £129,000 (six months to 30 June 2013: £71,000; year to 31 December 2013: £154,000).

NOTES TO THE FINANCIAL STATEMENTS – continued

for the six months to 30 June 2014

| 5 Return per ordinary share | Six months to 30 June 2014 | | Six months to 30 June 2013 | | Year to 31 December 2013 | |
|-------------------------------|-------------------------------|-----------------------|-------------------------------|-----------------------|-----------------------------|-----------------------|
| | Net return £'000 | Per share pence | Net return £'000 | Per share pence | Net return £'000 | Per share pence |
| Revenue return after taxation | 1,207 | 2.5 | 1,056 | 2.1 | 1,332 | 2.7 |
| Capital return after taxation | (605) | (1.3) | 14,746 | 30.0 | 25,164 | 51.7 |
| Total return | 602 | 1.2 | 15,802 | 32.1 | 26,496 | 54.4 |

The returns per share for the six months to 30 June 2014 are based on 48,098,138 shares (six months to 30 June 2013: 49,161,622 shares; year to 31 December 2013: 48,688,710 shares) being the weighted average number of ordinary shares, excluding shares held in treasury, in circulation 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 2014 of £111,447,000 (30 June 2013: £101,996,000; 31 December 2013: £112,580,000) and on 48,002,725 ordinary shares (30 June 2013: 48,252,725; 31 December 2013: 48,202,725) being the number of ordinary shares, excluding shares held in treasury, in circulation at the period end. Net asset values calculated include current period revenue.

A total of 200,000 ordinary shares were repurchased for treasury at a cost of £439,000 during the six months to 30 June 2014.

As at 30 June 2014, there were 64,509,642 ordinary shares in issue, of which 16,506,917 ordinary shares were held in treasury, resulting in there being 48,002,725 ordinary shares in circulation.

NOTES TO THE FINANCIAL STATEMENTS – continued

for the six months to 30 June 2014

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

| | Six months to 30 June 2014 | Six months to 30 June 2013 | Year to 31 December 2013 |
|---|---------------------------------------|-------------------------------|-----------------------------|
| | £'000 | £'000 | £'000 |
| Net return before finance costs and taxation | 766 | 15,914 | 26,727 |
| Net losses/(gains) on capital items | 605 | (14,746) | (25,164) |
| (Decrease)/increase in creditors | (15) | 3 | 47 |
| (Increase)/decrease in debtors and accrued income | (76) | (44) | 91 |
| | <u>1,280</u> | <u>1,127</u> | <u>1,701</u> |
| Net cash inflow from operating activities | 1,280 | 1,127 | 1,701 |

8 Reconciliation of net cash flow to movement in net debt

| | Six months to 30 June 2014 | Six months to 30 June 2013 | Year to 31 December 2013 |
|----------------------------------|---------------------------------------|-------------------------------|-----------------------------|
| | £'000 | £'000 | £'000 |
| Increase/(decrease) in cash | 526 | (1,007) | (958) |
| Realised exchange (losses)/gains | (142) | 95 | 491 |
| | 384 | (912) | (467) |
| Net debt at start of period | (2,612) | (2,145) | (2,145) |
| Net debt at end of period | (2,228) | (3,057) | (2,612) |

NOTES TO THE FINANCIAL STATEMENTS – continued

for the six months to 30 June 2014

9 Post Balance Sheet Events

Bank Loan

The Company announced on 1 July 2014 that it had repaid in full the amount drawn down under the £10m secured multi-currency revolving loan facility with Scotiabank Europe PLC and the facility was cancelled with effect from 3 July 2014.

Alternative Investment Fund Managers' Directive

In order to comply with the Alternative Investment Fund Managers' Directive, with effect from 21 July 2014, the Company appointed Edinburgh Partners AIFM Limited to act as its AIFM, and Northern Trust Global Services Limited to act as the Company's depository. Custody services, which were previously supplied by The Bank of New York Mellon, are now being provided by The Northern Trust Company. The AIFM has delegated the function of managing the Company's investment portfolio to Edinburgh Partners Limited, the manager of the Company's assets since its launch in 2003.

SHAREHOLDER INFORMATION

Investing in the Company

The Company's ordinary shares are traded on the London Stock Exchange and can be bought or sold through a stockbroker or financial adviser. The ordinary shares are eligible for inclusion in New ISAs, Junior ISAs and SIPPs. These are available through Alliance Trust Savings, who also offer the opportunity to invest in the Company through a Dealing Account. The Company's shares are also available on other share trading platforms.

Frequency of NAV publication

The Company's ordinary share NAV is released daily to the London Stock Exchange and published on the Company's website at www.epgot.com and on the Edinburgh Partners' website at 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 at www.epgot.com and on the Edinburgh Partners' website at www.edinburghpartners.com. Other useful information on investment trusts, such as share prices, net asset values and company announcements, can be found on the websites of the London Stock Exchange at www.londonstockexchange.com and the AIC at 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. You can check your shareholding and find practical help on transferring shares or updating your details at 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 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 at www.epgot.com.

SHAREHOLDER INFORMATION – continued

Risk factors

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.

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.

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 traded on the London Stock Exchange. The Company is not regulated or authorised by the Financial Conduct Authority.

The Directors of the Company and 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

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| Directors (all non-executive) | Teddy Tulloch (Chairman) David Hough David Ross Giles Weaver |
| Secretary and Registered Office | Kenneth J Greig 27-31 Melville Street Edinburgh EH3 7JF |
| Alternative Investment Fund Manager | Edinburgh Partners AIFM Limited 27-31 Melville Street Edinburgh EH3 7JF |
| Auditor | Ernst & Young LLP Ten George Street Edinburgh EH2 2DZ |
| Registrar and Transfer Office | Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol BS99 6ZZ |
| Solicitor and Sponsor | Dickson Minto W.S. 16 Charlotte Square Edinburgh EH2 4DF |
| Depositary | Northern Trust Global Services Limited 50 Bank Street Canary Wharf London E14 5NT |
| Custodian and Banker | The Northern Trust Company 50 Bank Street Canary Wharf London E14 5NT |

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

