

Financial Express

Crown Rating 

FUND AIMS

Aims to obtain capital growth by investing in Continental Europe, including the Republic of Ireland, in any economic sector.

INVESTMENT REPORT

- The Fund rose by 20.8% over the 12 months to 31 July 2010, compared to a rise of 10.8% in the MSCI Europe ex-UK Index, in sterling terms.
- The European economy has experienced its worst downturn since the Second World War, though over the last year or so there have been signs of a recovery, initially in financial markets and more recently in the broader economy. The impact of the downturn appears to have been mitigated by the huge policy responses from governments and central banks. It is unclear what the longer-term consequences of these policy responses will be.
- Although conditions over the past three years have been extraordinary, our philosophy remains unchanged: to own an all-weather portfolio of durable, growing businesses that can survive downturns without undue distress and are able to expand profitably in upswings.

GENERAL INFORMATION

Fund Managers: Thomas Coutts/Paul Faulkner
 Angus Franklin/Peter Hollis

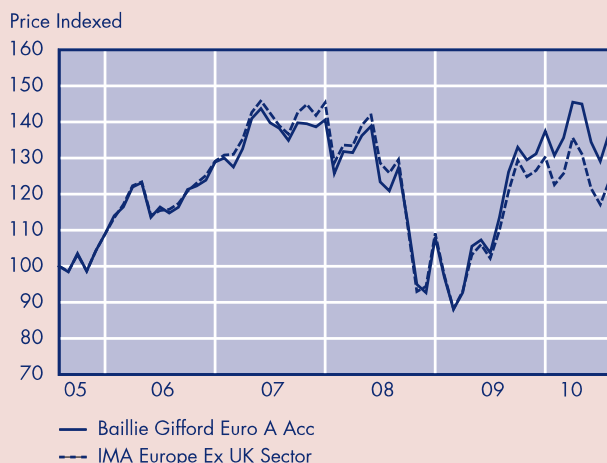
Launch Date: 17 June 1985

Fund Size: £42.87m

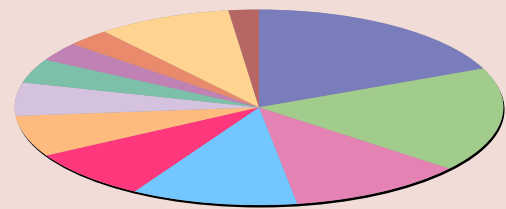
IMA Sector: Europe excluding UK

All data as at 30 July 2010 and source Baillie Gifford unless otherwise stated.
 Performance source: Financial Express, single pricing basis, net income reinvested.

FUND PERFORMANCE



GEOGRAPHIC ANALYSIS OF TOTAL ASSETS



TOP TEN HOLDINGS

Holdings	% of Total Assets
1 Svenska Handelsbanken	7.3
2 Atlas Copco	6.0
3 Nestle	5.6
4 Total	3.9
5 Jyske Bank	3.5
6 GBL	3.4
7 Roche Holding	2.7
8 Sofina	2.5
9 CF Alba	2.5
10 Heineken Holding	2.4
	<u>39.8</u>

Past performance is not a guide to future performance.

STANDARDISED PAST PERFORMANCE

	30/06/05	30/06/06	30/06/07	30/06/08	30/06/09	30/06/10
Class A - Acc	25.8%	20.1%	-11.7%	-15.9%	24.5%	
Sector Average	24.3%	23.4%	-9.7%	-20.5%	14.5%	

CHARGES AND PERFORMANCE

	Initial charge	Annual charge	Historic Yield
Class A - Acc	5.00%	1.50%	1.5%
Class B - Inc	1.00%	0.65%	2.1%
Class B - Acc	1.00%	0.65%	2.1%

	6 Months	1 Year	3 Years	5 Years
Class A - Acc	4.88%	20.79%	-0.82%	37.11%
Sector Ranking	7/115	8/112	10/97	16/84
Sector Average	0.99%	12.80%	-9.93%	26.20%

Performance figures reflect the annual charge but exclude any initial charge paid.

BAILLIE GIFFORD EUROPEAN FUND ('the Fund')

The Fund is a sub-fund of the Baillie Gifford Overseas Growth Funds ICVC (Investment Company with Variable Capital) which is an umbrella Open-Ended Investment Company. Its Authorised Corporate Director ('ACD') is Baillie Gifford & Co Limited.

The share price is calculated daily at 10.00am and is based on the mid value of the underlying assets of the Fund, known as the net asset value. All shares are single priced.

You should be aware of a number of risk factors:

Investment markets can go down as well as up and market conditions can change rapidly. The value of an investment in the Fund, and any income from it, can fall as well as rise and investors may not get back the amount invested.

The specific risks associated with the Fund include:

Changes in the rates of exchange may cause the value of your investment (and any income it may pay) to go down.

Further details of the risks associated with investing in the Fund can be found in the Simplified Prospectus, copies of which are available at www.bailliegifford.com or the full Prospectus which is available by calling the ACD.

Further Information

A full statement of all the terms and conditions for our products is available by contacting us as below. Any comments expressed in this factsheet should not be taken as a recommendation or advice.

This factsheet does not provide you with all the facts that you need to make an informed decision about investing in the Fund. You need to read the associated Simplified Prospectus and decide whether to contact an authorised intermediary. If you do not already have a copy, please call us on the number below. The Simplified Prospectus details your cancellation rights (if any) and shows you how charges and expenses might affect your investment.

This factsheet has been issued and approved by Baillie Gifford & Co Limited (FSA Register 119179), which is authorised and regulated by the Financial Services Authority, and which is wholly owned by Baillie Gifford & Co (FSA Register 142597), which is also authorised and regulated by the Financial Services Authority of 25 The North Colonnade, Canary Wharf, London, E14 5HS. Our address is Baillie Gifford & Co Limited, Calton Square, 1 Greenside Row, Edinburgh, EH1 3AN, Scotland.

For further information about the Fund or Baillie Gifford's range of OEICs, please contact us at the above address, call our Client Relations Team free on **0800 917 2113**, (telephone calls may be recorded), visit our website at www.bailliegifford.com, or fax us on **0131 275 3955**.

Ref: O/F/EUROPEAN/Aug10