

## Edinburgh UK Tracker Trust plc



## Investment objective

To invest in a portfolio designed to track closely the FTSE All-Share Index, both in terms of capital and income.

## Benchmark

FTSE All-Share Index.

## Cumulative performance (%)

|                                 | as at 31/01/10 | 1 month | 3 months | 6 months | 1 year | 3 years | 5 years |
|---------------------------------|----------------|---------|----------|----------|--------|---------|---------|
| Capital return share price      | 230.5p         | (2.9)   | 2.7      | 13.0     | 28.4   | (16.9)  | 12.7    |
| Capital return NAV <sup>A</sup> | 241.9p         | (3.6)   | 3.0      | 13.1     | 28.4   | (16.0)  | 10.4    |
| FTSE All-Share                  |                | (3.6)   | 2.9      | 13.0     | 28.0   | (17.2)  | 9.0     |
| Total return share price        |                | (2.9)   | 2.7      | 14.4     | 35.5   | (6.7)   | 33.5    |
| Total return NAV <sup>A</sup>   |                | (3.6)   | 3.0      | 14.4     | 35.2   | (6.2)   | 29.7    |
| FTSE All-Share                  |                | (3.6)   | 3.6      | 14.7     | 33.2   | (7.2)   | 30.2    |

## Discrete performance (%)

| Year ending:                    | 31/01/10 | 31/01/09 | 31/01/08 | 31/01/07 | 31/01/06 |
|---------------------------------|----------|----------|----------|----------|----------|
| Capital return share price      | 28.4     | (29.2)   | (8.6)    | 12.6     | 20.5     |
| Capital return NAV <sup>A</sup> | 28.4     | (30.3)   | (6.1)    | 9.7      | 19.8     |
| FTSE All-Share                  | 28.0     | (30.7)   | (6.6)    | 9.7      | 20.0     |
| Total return share price        | 35.5     | (27.8)   | (4.7)    | 15.5     | 23.9     |
| Total return NAV <sup>A</sup>   | 35.2     | (29.0)   | (2.3)    | 12.4     | 23.0     |
| FTSE All-Share                  | 33.2     | (27.8)   | (3.6)    | 13.2     | 24.0     |

Total and capital return; NAV to NAV, net income reinvested, GBP. Dividend calculations are to reinvest as at the ex-dividend date.

Source: Aberdeen Asset Managers Limited, Factset and Morningstar.

<sup>A</sup> Excluding current year revenue.

Past performance is not a guide to future performance. The value of shares may go down as well as up and an investor may not get back the amount invested.

## Fund managers' report

## Performance

The capital NAV of the Trust fell by 3.6% in January which was in line with the return from the FTSE All-Share Index. The Company bought back 220,000 shares for cancellation during the month.

The main theme for January was the escalation of government debt issues in the euro area. Fresh warnings about Greece's precarious fiscal position surfaced, and the Greek government's announcement of a three-year stability plan did little to soothe market concerns. However, it was ECB President Trichet's very clear signal that the country wouldn't be able to count on any special ECB assistance that compounded Greece's woes. Sovereign risk concerns also spread to other euro area countries, notably Portugal and Spain.

The UK economy emerged from recession in the fourth quarter of 2009, but only by the smallest of margins. GDP rose just 0.1% which was well below City forecasts. The UK continues

*Fund managers' report continues overleaf*

The risk outlined overleaf relating to single country exposure is particularly relevant to this trust but should be read in conjunction with all warnings and comments given.

## Ten largest equity holdings

|                                    | %           |
|------------------------------------|-------------|
| HSBC                               | 7.4         |
| BP                                 | 6.9         |
| Vodafone                           | 4.4         |
| GlaxoSmithKline                    | 4.0         |
| Royal Dutch Shell 'A'              | 3.9         |
| Rio Tinto                          | 3.0         |
| Royal Dutch Shell 'B'              | 2.9         |
| AstraZeneca                        | 2.7         |
| BHP Billiton                       | 2.6         |
| Brit American Tobacco              | 2.6         |
| <b>Total</b>                       | <b>40.4</b> |
| <b>Total number of investments</b> | <b>593</b>  |

## Sector allocation

|                            | %            |
|----------------------------|--------------|
| Financials                 | 23.0         |
| Oil & Gas                  | 18.2         |
| Consumer Services          | 12.7         |
| Basic Materials            | 12.3         |
| Consumer Goods             | 11.7         |
| Health Care                | 7.9          |
| Telecommunication Services | 5.7          |
| Utilities                  | 3.6          |
| Industrials                | 3.5          |
| Technology                 | 1.4          |
| <b>Total</b>               | <b>100.0</b> |

## Further information

Private investors **0500 00 00 40**  
 Institutional investors **Kenneth Harper**  
**+44 (0)131 528 4000**  
 Website **www.edinburghuktracker.co.uk**

Receive the factsheet of your choice by email as soon as they are available by registering at [www.investments.co.uk/ITemail](http://www.investments.co.uk/ITemail)

All sources (unless indicated): Aberdeen Asset Managers Limited 31 January 2010.

## Edinburgh UK Tracker Trust plc

### Fund managers' report – continued

to lag behind the rest of the world in the recovery. Inflation jumped by a full percentage point in December with CPI rising to 2.9%, far above forecasts.

The FTSE 100 Index fell by 4.1%, while the FTSE 250 Index fell by only 0.8% while the FTSE SmallCap Index rose by 1.1% on a capital return basis.

#### Activity

There were no changes to the constituents of the FTSE 350 Index in January.

#### Strategy

The Trust's portfolio replicates in full the constituents and weightings of the FTSE 350 Index and also holds most of the constituents of the FTSE SmallCap Index.

### Key information

|  |                          |
|--|--------------------------|
| <b>Calendar</b>  |                          |
| Year end   | 31 December              |
| Accounts published   | February                 |
| Dividends paid   | April, August            |
| AGM  | April                    |
| Established  | 1990                     |
| <b>Fund manager</b>  | <b>David McCraw</b>      |
| <b>Total expense ratio</b>   | <b>0.31%</b>             |
| <b>Annual management fee</b>   | <b>0.25%<sup>B</sup></b> |
| <sup>B</sup> 0.25% per annum of the total assets of the Company after deducting current liabilities and excluding commonly managed funds, reduced to 0.10% per annum on the value of total assets in excess of £100 million and reduced to 0.09% of the value of total assets in excess of £250 million. |                          |
| <b>Premium/(Discount)</b>  | <b>(4.7)%</b>            |
| <b>Yield</b>   | <b>4.3%</b>              |
| <b>Gearing</b>   | <b>nil</b>               |
| <b>Assets</b>  | <b>£m</b>                |
| Gross  | 257.1                    |
| Cash   | (0.2)                    |
| incl borrowings  | nil                      |
| <b>Capital structure</b>   |                          |
| Ordinary shares  | 106,279,312              |
| <b>Allocation of expenses and interest</b>   |                          |
| Capital  | 0%                       |
| Revenue  | 100%                     |
| <b>Trading details</b>   |                          |
| Bloomberg/Epic/Reuters code  | EUK                      |
| Stockbroker  | JPMorgan Cazenove        |
| Market makers  | SETSmm                   |

### Important information

#### Risk factors you should consider prior to investing:

- The value of shares and the income from them can go down as well as up and you may get back less than the amount invested.
- Past performance is not a guide to the future.
- Exposure to a single country market increases potential volatility.
- There is no guarantee that the market price of shares in the Trust will fully reflect their underlying Net Asset Value.
- As with all stock exchange investments the value of investment trust shares purchased will immediately fall by the difference between the buying and selling prices, the bid-offer spread.

#### Other Important Information:

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