

12

Edinburgh US Tracker Trust plc

Annual report

Year ended 31 January 2012



Contents

- 1 Financial Highlights

Annual Report

- 2 Corporate Summary
- 4 Chairman's Statement
- 6 Manager's Review
- 7 Results
- 8 Performance
- 9 Investment Portfolio – Ten Largest Investments
- 10 Investment Portfolio – Other Investments
- 11 Sector Analysis

Directors' Reports and Financial Statements

- 12 Your Board of Directors
- 13 Directors' Report
- 17 Statement of Corporate Governance
- 21 Statement of Directors' Responsibilities
- 22 Directors' Remuneration Report
- 23 Independent Auditor's Report
- 24 Income Statement
- 25 Balance Sheet
- 26 Reconciliation of Movements in Shareholders' Funds
- 27 Cash Flow Statement
- 28 Notes to the Financial Statements

General Information

- 38 Marketing Strategy
- 39 How to Invest in Edinburgh US Tracker Trust plc
- 41 Glossary of Terms and Definitions
- 42 Notice of Annual General Meeting
- 46 Corporate Information
- 47 Your Company's History

Financial Calendar

30 March 2012	Announcement of results for year ending 31 January 2012
29 May 2012 (11.00 am)	Annual General Meeting
2 June 2012	Final Ordinary dividend payable for year ending 31 January 2012
September 2012	Announcement of interim results for six months ending 31 July 2012
October 2012	Interim Ordinary dividend payable for year ending 31 January 2013

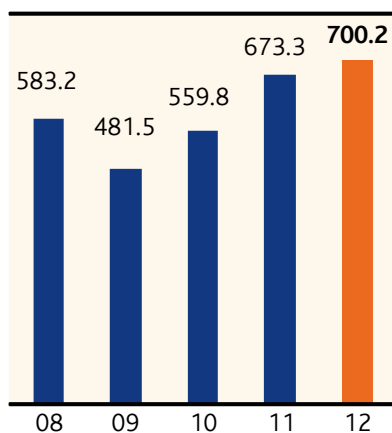
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Financial Highlights

	2012	2011
Net asset value per share (including undistributed revenue for the period)	+4.0%	+20.3%
Share price – capital return	+3.9%	+18.3%
S&P 500 Index ^A (in sterling terms)	+3.6%	+19.8%
Revenue return per share	+6.6%	+9.9%
Dividend per share	+2.7%	-8.5%
Total expense ratio	0.38%	0.38%

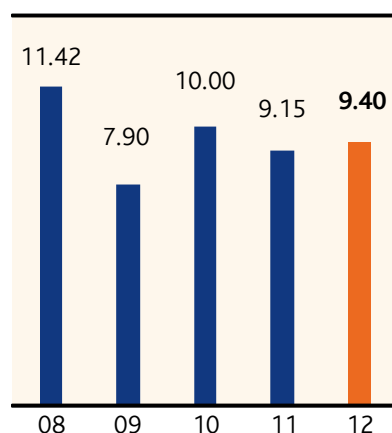
Net asset value per share

At 31 January – pence



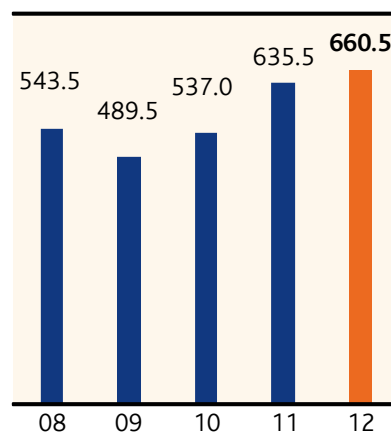
Dividends per share

pence



Mid-market price per share

At 31 January – pence



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Corporate Summary

The Company

The Company is an investment trust and its Ordinary shares are listed on the London Stock Exchange. The Company is a member of The Association of Investment Companies.

Manager

Aberdeen Asset Managers Limited ("AAM").

Investment Objective

To invest in a portfolio designed to track closely the S&P 500 Index, both in terms of capital and income.

Benchmark

S&P 500 Index (in sterling terms) (the "Index").

Investment Policy and Process

The method employed by the Company to track the Index involves full replication of the Index constituents. This means that the Company's portfolio holds every stock making up the Index in an amount that equals the stock's proportionate weight in the Index. Changes to the Index are rebalanced within the portfolio on the effective date of change.

Rebalancing may also be necessary to counter the effects of movements in cash balances arising from takeovers, the issue of new shares and share buybacks. In order to manage efficiently any build-up of cash balances, the Manager has Board authority to purchase S&P Index futures up to 3% of shareholder funds. The Company does not utilise gearing and does not hedge its exposure to foreign currency.

The investment policy of the Company is to invest no more than 15 per cent. of its gross assets in other listed investment companies (including listed investment trusts). The Company currently has no such holdings.

The Company complies with Sections 1158 - 1159 of the Corporation Tax Act 2010 and does not invest more than 15% of its assets in the shares of any one company.

Equity Shareholders' Funds and Net Asset Value

The Company had equity shareholders' funds of £220.4 million and a net asset value of 700.2p per Ordinary share at 31 January 2012 (including undistributed revenue for the period).

Market Capitalisation

The Company had a market capitalisation of £207.9 million at 31 January 2012.

Capital Structure

The Company's issued share capital as at 31 January 2012 consisted of 31,478,582 Ordinary shares of 25p. Each

Ordinary shareholder is entitled to one vote on a show of hands and, on a poll, to one vote for every share held.

Duration

The Company does not have a fixed winding-up date, but shareholders are given the opportunity to vote on the continuation of the Company every year at the Annual General Meeting.

Risk

Managing a portfolio of shares necessarily involves certain risks, the more important of which are set out on page 13 of this Report.

Management Agreement

The Company has an agreement with AAM for the provision of management services, details of which are shown in note 3 to the financial statements. The management fee is 0.2% per annum of the total assets of the Company, after deducting current liabilities and excluding commonly-managed funds. The agreement is normally terminable by either party on three months' notice. In the event of termination on less than the agreed notice period, compensation is payable in lieu of the unexpired notice period.

Information about the Manager

The Manager is a subsidiary of Aberdeen Asset Management PLC whose group companies as at 31 January 2012 have approximately £180.4 billion of assets under management. It manages assets on behalf of a wide range of clients including over 39 investment companies and other closed-ended funds which have combined total assets of over £9.0 billion.

The Manager has its headquarters in Aberdeen and invests globally, operating from 30 offices in 23 countries. Its investment teams are generally based in the markets or regions in which they invest; in the UK its main investment centres are in London and Edinburgh.

Company Secretary

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Email: company.secretary@invtrusts.co.uk

Websites

www.edinburghstracker.co.uk
www.aberdeen-asset.com

Customer Services

Freephone: 0500 00 0040

(open Monday-Friday 9am-5pm)

Email: inv.trusts@aberdeen-asset.com

Share Dealing / ISA Status

Shares in Edinburgh US Tracker Trust plc can be bought in the open market through a stockbroker. Shares can also be purchased through Aberdeen's Investment Plan for Children and Aberdeen's Investment Trust Share Plan and Investment Trust ISA, and are fully qualifying for inclusion within tax efficient ISA wrappers (see page 39).

Chairman's Statement

While the corporate sector remained in good health with profits generally exceeding forecasts, investors were unsettled by a number of factors and becoming increasingly risk averse by the summer months. Tensions in Libya and in other Arab countries led to concerns about the risk to oil supplies and the impact of higher oil prices on economic growth. On-going quarrelling of politicians in Washington over the government debt ceiling created more nervousness in equity markets which was reflected in the yields on 10 year Treasury bonds falling towards 2%. Weaker economic data from the US and Europe, Standard & Poor's downgrading its credit rating of the USA, renewed concerns over the balance sheets of western banks and disappointing profits from a number of European companies combined to push equity prices sharply lower. After falling by nearly 20% over the summer months, the S&P 500 Index started to recover at the beginning of October on signs of possible resolution of the Eurozone debt crisis and improving economic data in the USA. US equities made little progress in the first half of the reporting period and the S&P 500 Index traded in a relatively narrow range. By the end of the financial year to 31 January 2012, the Index had recovered all its losses and was 2% ahead of its starting point for the year in local currency terms. The US dollar strengthened slightly against sterling from \$1.60 to \$1.58 which improved the returns for sterling based investors.

The Company continues to meet the objective of tracking the performance of the S&P 500 Index. In the 12 months to 31 January 2012, the net asset value per share (excluding undistributed revenue for the period) rose by 4.0% to 694.79p (NAV), compared to an increase of 3.6% in the index (in sterling terms). Since the investment objective of the Company was revised in June 1997, the capital performance has slightly exceeded returns from the Index. The annualised return of the Company's capital net asset values per share for the period 31 July 1997 to 31 January 2012 was 2.70% per annum compared to an annualised return of 2.48% per annum for the Index.

The Company operates a share buy-back programme with the aim of managing the volatility and level of the discount and in the year bought back 1,621,236 of its own shares for cancellation. The share price rose by 3.9% during the year (compared to the index return of 3.6%) and at 31 January 2012 the shares were standing at a discount of 4.9% to the net asset value per share (excluding the undistributed revenue of the period) compared with a discount of 4.9% at 31 January 2011. The Directors will continue to operate the share buyback programme to manage the discount when necessary in the year ahead.

Dividend

The revenue return per share rose by 6.6% to 9.39p (2011: 8.81p). The revenue return for the year to 31 January 2011

included a VAT refund and an interest claim amounting to 0.44p per share. The Directors declared an interim dividend of 4.20p per share and are recommending a final dividend of 5.20p (2011: 4.95p) which will take the total dividends for the year to 9.40p (2011: 9.15p).

Marketing

The Board continues to promote the company through the Investment Manager's marketing initiative which provides a series of savings schemes through which savers can invest in Edinburgh US Tracker Trust in a low cost and convenient manner. Up-to-date information about the company is available on the Company's website on www.edinburghustracker.com.

Corporate Governance

The Board reviews annually the performance of the Investment Manager, the Chairman and the Board as a whole. The Board has assessed the performance of the Investment Manager, the investment process and risk controls. The Board has reviewed the terms of the management agreement during the year and believes that the continuing appointment of the Investment Manager, on the terms agreed, is in the interests of shareholders.

Annual General Meeting

The Company's Articles of Association require shareholders to vote on the continuation of the Company at every Annual General Meeting. Accordingly, a resolution to this effect will be proposed at the Annual General Meeting to be held on Tuesday 29 May 2012. If this resolution is not passed, a resolution to liquidate the Company will be proposed later this year. Liquidation would result in a disposal of the Company's shares for taxation purposes and therefore shareholders should consider carefully whether they wish the company to be wound up. Your Board strongly recommends all shareholders to vote in favour of the continuation resolution.

Shareholder authority is being sought to renew the authority to issue new shares for cash, to meet investor demand, provided the subscription price is not below the net asset value per share and to provide the Directors with powers to issue shares, within limits, without being required to offer them first to existing shareholders. Authority is also being sought to purchase the Company's shares to provide the Company with the flexibility to hold any shares that have been repurchased in treasury before either cancelling those shares or selling them back to the market at a later date. Repurchased shares would only be resold at a price not less than the NAV at the relevant date. The share buyback authority would only be exercised if to do so would increase the net asset value per Ordinary share for the remaining

shareholders and is in the best interests of shareholders generally.

Proposals to change the Company's investment objective

On 21 March 2012 the Company announced proposals to seek shareholder approval to amend the Company's investment policy to provide investors with above average dividend income and long term capital growth through active management of a portfolio consisting predominantly of S&P 500 US equities and to make certain other associated changes. A General Meeting of the Company will be convened to approve the proposals and full details of the proposed changes will be included in a separate circular which will also contain the resolutions requiring shareholder approval

Outlook

Many investors have avoided investing in the United States since the sub-prime debt crisis which pushed the economy into the longest recession in decades and created high and persistent unemployment. To ignore a country that is home to some of the most innovative companies, advanced technologies and recognizable brands in the world may be limiting investment in attractive opportunities. Corporate profits as a proportion of GDP are at an all-time high as companies have cut costs and restructured to remain competitive in the face of weaker demand. US banks have been recapitalized, monetary policy is loose and companies are flush with cash. The manufacturing sector is showing encouraging signs of recovery and the unemployment rate has been falling in recent months.

The rally in share prices in recent months may reflect investors anticipating the return of more buoyant economic conditions in the US. In addition, the shares of US companies are trading at historically low valuations and many companies are operating with solid balance sheets and positive cash flows. With expanding cash reserves, numerous US companies have announced either initial or increased dividend payments and, as a result, dividends are becoming an increasingly important component of total return to shareholders. Interest rates remain at close to zero whereas dividend income, plus the potential of capital appreciation in the longer term, provides a compelling case for investing in US equities at this time.

James Ferguson
Chairman
29 March 2012

Manager's Review

Edinburgh US Tracker Trust is the only UK investment trust to track the performance of the S&P 500 Index and provides shareholders with a diversified portfolio which is invested in the leading 500 companies across the main industries within the US economy. The method employed by the Company to track the index involves full replication of the index constituents. This means that the Company's portfolio holds every stock making up the index in an amount that equals the stock's proportionate weight in the index. The index is calculated on the basis of the market capitalisation of its 500 constituents which are drawn from companies listed on the New York Stock Exchange and NASDAQ and is widely regarded as the best single gauge of the US equity market.

The constituents of the S&P 500 Index are controlled by the Standard & Poor's Index Committee which employs a strict definition of a US company. To be considered for inclusion in one of Standard and Poor's US index series, a company is required to have the following characteristics:

- File 10-K annual reports and not be considered a foreign entity by the SEC
- The US portion of fixed assets and revenues should constitute a plurality of the total but need not exceed 50%
- The primary listing of the common stock should be on NYSE and NASDAQ. ADRs are not eligible for inclusion
- A corporate governance structure consistent with US practice
- Public float of at least 50% of the stock
- Four consecutive quarters of positive as-reported earnings
- Initial public offerings should be seasoned for 6 to 12 months before being considered for addition to an index

Standard & Poor's undertake regular reviews of the market cap guidelines for its US indices to ensure that these reflect changes in share prices. The current guidelines, which were implemented on 16 February 2011, are:

- S&P 500 Index – market cap of \$4.0 billion or greater
- S&P MidCap 400 - \$1.0 billion to \$4.4 billion
- S&P SmallCap 600 - \$300 million to \$1.4 billion

The level of activity within the portfolio reflected changes to the constituents of the Index which resulted from takeover activity (11 constituents were acquired) and companies leaving the index on grounds of low market capitalisations (8 constituents were removed).

Some of the better known names to leave the S&P 500 Index as a result of takeover activity included McAfee, Genzyme, Novell, Marshall & Ilsley, National Semiconductor and Nicor. The new entrants to the index included Covidien, BlackRock,

Accenture, The Mosaic Company, TE Connectivity and Cooper Industries.

Apart from changes to the constituents of the Index, additional trading activity was generated by sales from the portfolio to finance the purchase of the Company's own shares – a total of 1,621,236 shares were purchased at a total cost of £10.2 million.

The total value of purchases in the year, excluding the Company's own shares, amounted to £4.9 million while sales totaled £14.5 million.

Aberdeen Asset Managers Limited

29 March 2012

Results

Performance

	1 year return %	3 year return* %	5 year return* %
Capital return			
Share price	+3.9	+34.9	+12.6
Net asset value per share	+4.0	+45.4	+13.8
S&P 500 Index (in sterling terms)	+3.6	+45.2	+13.2
Total return (Capital return plus dividends reinvested)			
Share price	+5.5	+41.8	+22.5
Net asset value per share	+5.4	+52.4	+23.3
S&P 500 Index (in sterling terms)	+5.8	+54.9	+26.1

* Cumulative return

Financial Summary

	31 January 2012	31 January 2011	% change
Total assets	£220,409,000	£222,855,000	-1.1
Equity shareholders' funds	£220,409,000	£222,855,000	-1.1
Share price (mid market)	660.50p	635.50p	+3.9
Net asset value per share (including undistributed revenue for the period)	700.19p	673.28p	+4.0
Net asset value per share (excluding undistributed revenue for the period)	694.79p	668.37p	+4.0
S&P 500 Index (in sterling terms)	831.67	802.95	+3.6
Discount (difference between share price and net asset value) ^A	(4.9%)	(4.9%)	
Dividends and earnings			
Revenue return per share	9.39p	8.81p	+6.6
Dividends per share (including proposed final dividend)	9.40p	9.15p	+2.7
Dividend cover	1.00	0.96	
Revenue reserves per share (prior to payment of proposed final dividend)	10.66p	9.95p	
Revenue reserves per share (after payment of proposed final dividend)	5.46p	5.00p	
Operating costs			
Total expense ratio	0.38%	0.38%	

^A Based on net asset value per share (excluding undistributed revenue for the period).

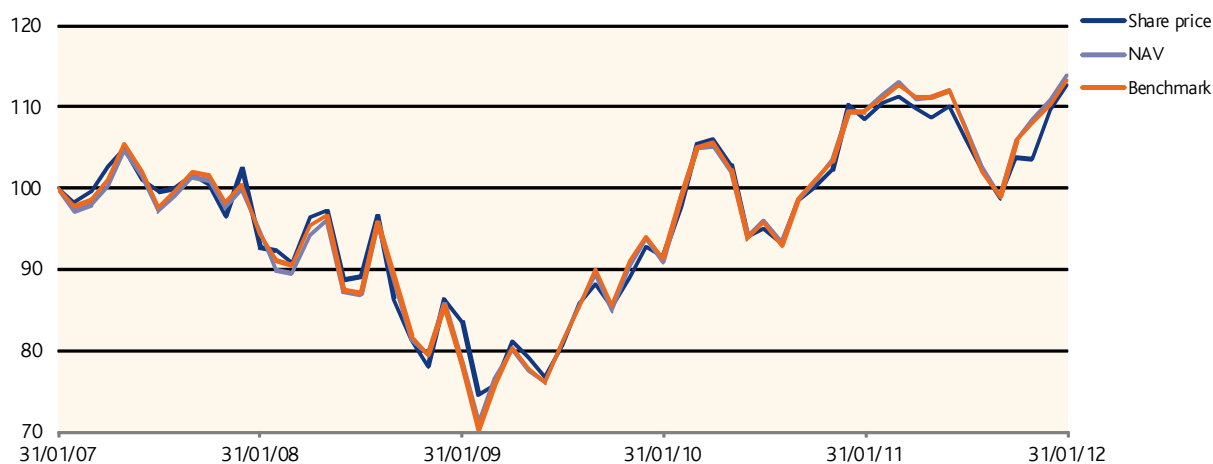
Dividends

	Rate	xd date	Record date	Payment date
Interim dividend 2012	4.20p	14 September 2011	16 September 2011	14 October 2011
Proposed final dividend 2012	5.20p	02 May 2012	04 May 2012	01 June 2012
Total dividends 2012	9.40p			
Interim dividend 2011	4.20p	22 September 2010	24 September 2010	22 October 2010
Proposed final dividend 2011	4.95p	27 April 2011	03 May 2011	27 May 2011
Total dividends 2011	9.15p			

Performance

Capital Return of NAV and Share Price vs S&P 500 Index (in sterling terms)

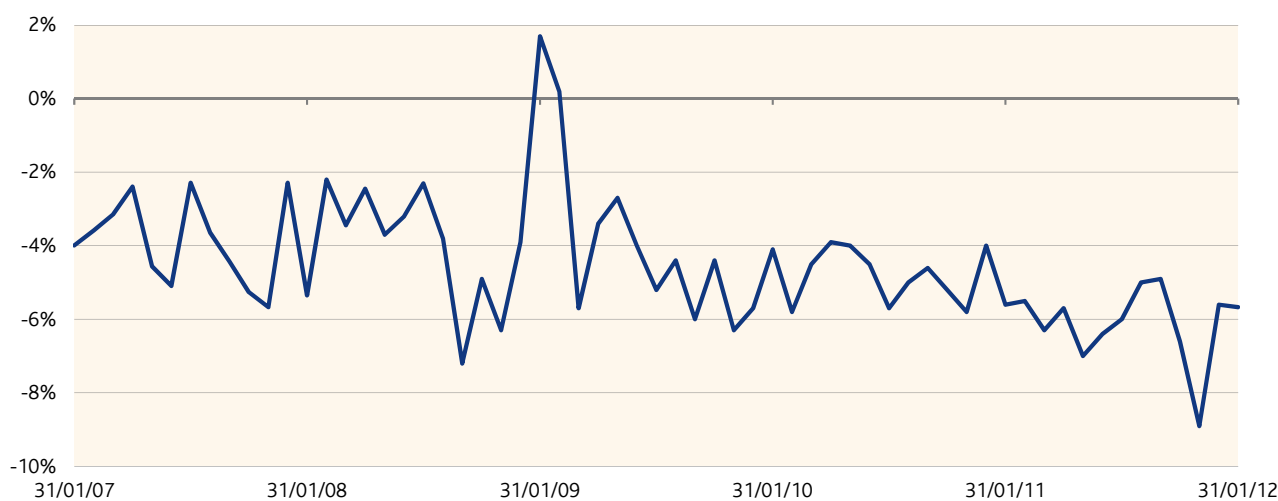
Five years to 31 January 2012 (rebased to 100 at 31 January 2007)



Source: Aberdeen Asset Management, Morningstar & Russell Mellon

Share Price Premium/(Discount) to NAV

Five years to 31 January 2012



Source: Morningstar

Ten Year Financial Record

Year to 31 January	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Per share (p)										
Net revenue return	4.98	4.94	5.16	6.26	6.92	7.44	7.93	8.02	8.81	9.39
Dividends	4.85	4.85	5.05	6.00	6.90	11.42	7.90	10.00	9.15	9.40
As at 31 January										
Net asset value per share (p)	429.7	515.4	521.3	600.5	615.3	583.2	481.5	559.8	673.3	700.2
Shareholders' funds (£'000)	379,811	455,472	432,327	490,511	446,344	221,354	181,042	204,098	222,855	220,409

With the exception of share price, dividends and revenue return, the figures for 2004 and 2005 were restated at 31 January 2006 to reflect the changes in accounting policies. The figures for dividends have not been restated and still reflect the dividends for the years in which they were earned.

Investment Portfolio – Ten Largest Investments

As at 31 January 2012

Company	S&P 500 Index industry classification	Valuation 2012 £'000	Total assets %	Valuation 2011 £'000
Apple Apple designs and manufactures personal computers and mobile communication devices along with related software, services, peripherals and networking solutions. The company sells its products worldwide through its online stores, its retail stores, third-party wholesalers and resellers.	Computer Hardware	7,710	3.5	5,816
Exxon Mobil Exxon Mobil operates petroleum and petrochemical businesses on a global basis. The company's operations include the exploration and production of oil and gas, production of refined petroleum products, electric power generation and coal and mineral extraction.	Integrated Oil & Gas	7,286	3.3	7,646
International Business Machines IBM manufactures computer hardware products and systems and sells and licenses computer software and services. These products and services are offered through its own global sales and distribution network and third party distributors.	Computer Hardware	4,129	1.9	3,786
Microsoft Microsoft manufactures and licenses software products for operating systems, applications, software development and internet services.	Systems Software	4,001	1.8	3,922
Chevron Chevron is an integrated energy company operating on a global basis. The company produces crude oil and natural gas and also refines and markets petroleum products.	Integrated Oil & Gas	3,750	1.7	3,574
General Electric General Electric manufactures jet engines, power plant turbines, locomotives and medical imaging equipment. The company is also involved in real estate loans, aircraft leasing, credits cards and large electrical appliances.	Industrial Conglomerates	3,604	1.7	4,035
Johnson & Johnson Johnson & Johnson manufactures health care products, pharmaceuticals, diagnostic equipment and surgical devices.	Pharmaceuticals	3,280	1.5	3,083
AT&T AT&T is a communications holding company providing local and long-distance telephone services, wireless and data communications, internet access and messaging, satellite television, security services, telecommunications equipment and directory advertising and publishing.	Integrated Telecommunication Services	3,166	1.4	3,048
Procter & Gamble Procter & Gamble manufactures consumer products globally in the laundry, cleaning, paper, beauty care, food and beverage and health care segments.	Household Products	3,146	1.4	3,321
Pfizer Pfizer is a global pharmaceutical company that researches, develops, manufactures and markets pharmaceuticals, non-prescription medicines and animal health products.	Pharmaceuticals	3,034	1.4	2,744
Ten largest investments		43,106	19.6	

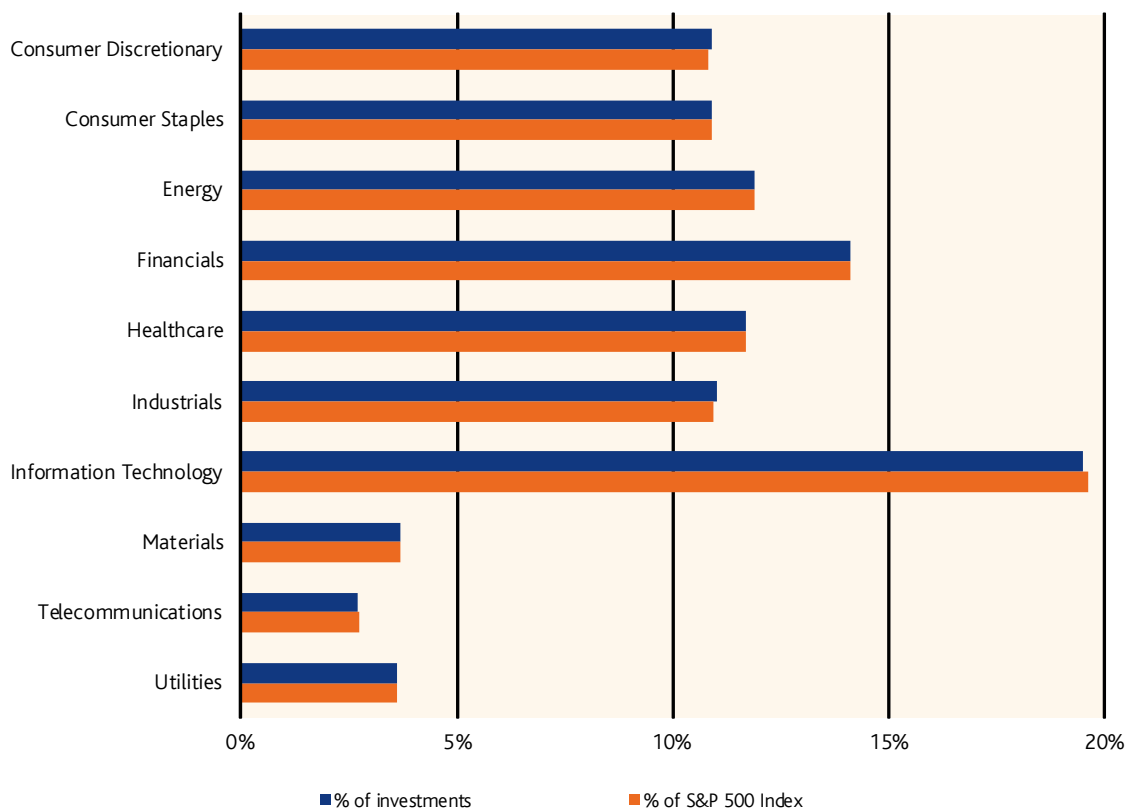
Investment Portfolio – Other Investments

As at 31 January 2012

Company	S&P 500 Index industry classification	Valuation 2012 £'000	Total assets %	Valuation 2011 £'000
Coca-Cola	Soft Drinks	2,816	1.3	2,719
Wells Fargo	Diversified Banks	2,802	1.3	3,179
Google	Internet Software & Services	2,652	1.2	2,779
JPMorgan Chase	Diversified Financial Services	2,577	1.1	3,302
Intel	Semiconductors	2,443	1.1	2,236
Philip Morris	Tobacco	2,387	1.1	1,965
Merck	Pharmaceuticals	2,142	1.0	1,913
Berkshire Hathaway	Property & Casualty Insurance	2,035	0.9	2,116
Oracle	Systems Software	2,029	0.9	2,322
Wal-Mart Stores	Hypermarkets & Supercenters	1,962	0.9	2,064
Top twenty investments		66,951	30.4	
Verizon Communications	Integrated Telecommunication Services	1,936	0.9	1,887
Cisco Systems	Communications Equipment	1,918	0.9	2,204
Pepsico	Soft Drinks	1,887	0.9	1,917
McDonald's	Restaurants	1,859	0.8	1,463
Schlumberger	Oil & Gas Equipment & Services	1,844	0.8	2,284
Qualcomm	Communications Equipment	1,797	0.8	1,639
Conoco Phillips	Integrated Oil & Gas	1,644	0.7	1,982
Citigroup	Diversified Financial Services	1,630	0.7	2,619
Abbott Labs	Pharmaceuticals	1,533	0.7	1,301
Occidental Petroleum	Integrated Oil & Gas	1,473	0.7	1,461
Top thirty investments		84,472	38.3	
United Parcel Service	Air Freight & Logistics	1,357	0.6	1,341
Comcast	Broadcasting & Cable TV	1,338	0.6	1,188
Bank of America	Diversified Banks	1,313	0.6	2,582
United Technologies	Aerospace & Defense	1,301	0.6	1,416
Amazon	Internet Retail	1,279	0.6	1,121
Caterpillar	Construction & Farm Machinery & Heavy Trucks	1,278	0.6	1,150
Home Depot	Home Improvement Retail	1,271	0.6	1,143
Walt Disney	Movies & Entertainment	1,270	0.6	1,394
Kraft Foods	Packaged Foods & Meat	1,229	0.5	1,006
3M	Diversified Technology	1,123	0.5	1,187
Top forty investments		97,231	44.1	
Altria	Tobacco	1,078	0.5	923
Goldman Sachs	Diversified Financial Services	1,030	0.5	1,592
CVS Caremark	Drug Retail	1,029	0.5	873
United Health	Managed Health Care	1,020	0.5	876
Union Pacific	Railroads	1,013	0.5	880
Hewlett Packard	Computer Hardware	1,010	0.5	1,938
Boeing	Aerospace & Defense	1,001	0.4	963
Bristol-Myers Squib	Biotechnology	999	0.4	814
US Bancorp	Diversified Financial Services	985	0.4	974
Amgen	Biotechnology	980	0.4	996
Top fifty investments		107,376	48.7	
Other investments (450 investments)		110,590	50.2	
Total investments		217,966	98.9	
Net current assets less liabilities		2,443	1.1	
Total assets less current liabilities		220,409	100.0	

Sector Analysis

As at 31 January 2012



Currency Graph (Exchange rate US\$ per £) from 31 January 2010 to 31 January 2012



Your Board of Directors

The Directors, all of whom are non-executive and independent of the Manager, supervise the management of Edinburgh US Tracker Trust plc and represent the interests of shareholders.



James Ferguson

Status: Independent Non-Executive Chairman

Length of service: 10 years, appointed a Director on 12 March 2002

Experience: a former chairman and director of Stewart Ivory and a former deputy chairman of the AIC. Chairman of Amati Global Investors Limited

Last re-elected to the Board: 25 May 2011

Committee membership: Audit Committee and Management Engagement Committee (Chairman)

Remuneration: £23,100 per annum with effect from 1 February 2012

All other public company directorships: chairman of Monks Investment Trust, Value and Income Trust, Audax Properties, Northern 3 VCT and The Scottish Oriental Smaller Companies Investment Trust and director of The Independent Investment Trust

Employment by the Manager: None

Other connections with Company or Manager: None

Shared Directorships with any other Company Directors: None

Shareholding in Company: 1,000 Ordinary shares



Guy Crawford

Status: Independent Non-Executive Director and Senior Independent Director

Length of service: 8 years, appointed a Director on 8 March 2004

Experience: over 30 years' experience of investment management and a chartered accountant. Formerly senior investment manager of Caledonia Investments and served 12 years on the AIC tax committee

Last re-elected to the Board: 25 May 2011

Committee membership: Audit Committee and Management Engagement Committee

Remuneration: £15,200 per annum with effect from 1 February 2012

All other public company directorships: None

Employment by the Manager: None

Other connections with Company or Manager: None

Shared Directorships with any other Company Directors: None

Shareholding in Company: 1,000 Ordinary shares



Archie Hunter

Status: Independent Non-Executive Director

Length of service: 8 years, appointed a Director on 1 September 2003

Experience: a chartered accountant, former president of The Institute of Chartered Accountants of Scotland and former managing partner of KPMG Scotland

Last re-elected to the Board: 17 May 2010

Committee membership: Audit Committee (Chairman) and Management Engagement Committee

Remuneration: £15,200 per annum with effect from 1 February 2012

All other public company directorships: chairman of MacFarlane Group

Employment by the Manager: None

Other connections with Company or Manager: None

Shared Directorships with any other Company Directors: None

Shareholding in Company: 1,000 Ordinary shares

Directors' Report

The Directors present their report and the audited financial statements of the Company for the year to 31 January 2012.

Business Review

The Board has prepared this Business Review in accordance with the requirements of Section 417 of the Companies Act 2006.

Principal Activity and Status

The business of the Company is that of an investment trust and the Directors do not envisage any change in this activity in the foreseeable future.

The Company's registration number is SC005218.

The Company is registered as a public limited company and is an investment company as defined by Section 833 of the Companies Act 2006. The Company has been approved by HM Revenue & Customs as an investment trust for the purposes of Section 1158 of the Corporation Tax Act 2010 for the year ended 31 January 2011. The Directors are of the opinion, under advice, that the Company has conducted its affairs for the year ended 31 January 2012 so as to be able to continue to obtain approval as an investment trust under Section 1158 of the Corporation Tax Act 2010 for that year, although approval for the year would be subject to review were there to be any enquiry under the Corporation Tax Self Assessment regime.

The Company has conducted its affairs so as to satisfy the requirements as a qualifying security for Individual Savings Accounts. The Directors intend that the Company will continue to conduct its affairs in this manner in the future.

Investment Objective and Policy

The investment objective is to invest in a portfolio designed to track closely the S&P 500 Index, both in terms of capital and income.

The Company's methodology in tracking the Index is full replication of the Index constituents. Details of the investment policy are provided in the Corporate Summary section.

Review of Performance

An outline of the performance, market background, investment activity and portfolio strategy during the year under review, as well as the investment outlook, is provided in the Chairman's Statement and Manager's Review.

Principal Risks and Uncertainties

The Board has reviewed the key risks that affect its business. The principal risks are as follows:

- Market and performance risk: The Company is exposed to the effect of variations in share prices and movements in

the US\$/£ exchange rate due to the nature of its business. A fall in the market value of its portfolio would have an adverse effect on shareholders' funds. The NAV performance relative to the Index and the underlying stock weightings in the portfolio against the Index weightings are monitored closely to eliminate any risk of a significant tracking error developing.

- Discount volatility: The Company's share price can trade at a discount to its underlying net asset value. The Company may operate a share buyback programme when the level of discount is above 3%.
- Regulatory risk: The Company operates in a complex regulatory environment and faces a number of regulatory risks. Breaches of regulations, such as Section 1158 of the Corporation Tax Act 2010, the UKLA Listing Rules and the Companies Acts, could lead to a number of detrimental outcomes and reputational damage. The Audit Committee monitors compliance with regulations by reviewing internal control reports from the Manager.

Further details on other risks relating to the Company's investment activities, including market price, liquidity and foreign currency risks, are provided in note 16 to the financial statements.

Monitoring Performance – Key Performance Indicators

At each Board meeting, the Directors consider a number of performance measures to assess the Company's success in achieving its objectives. The following key performance indicators (KPIs) have been identified by the Board for determining the progress of the Company:

- Net asset value
- S&P 500 Index (in sterling terms)
- Discount
- Total expense ratio

A record of these measures is disclosed in the Results section on page 7.

Resource

The Company has no employees. The responsibility for the management of the Company has been delegated to Aberdeen Asset Managers Limited under the investment management agreement, details of which are provided on page 14.

As an investment trust, the Company has no direct social, or community responsibilities. Details of the Company's policy on socially responsible investment are set out in the Statement of Corporate Governance.

Results and Dividends

An interim dividend of 4.20p per Ordinary share was paid to shareholders on 14 October 2011. The Directors recommend that a final dividend per Ordinary share of 5.20p be paid on 1

Directors' Report continued

June 2012 to shareholders on the register on 4 May 2012, making a total of 9.40p (2011 – 9.15p) per Ordinary share for the year ended 31 January 2012. The ex-dividend date is 2 May 2012. A resolution in respect of the final dividend will be proposed at the Annual General Meeting.

Share Capital and Rights Attaching to the Company's Shares

During the year ended 31 January 2012, the Company purchased for cancellation 1,621,236 Ordinary shares, at prices ranging from 565.5p to 649.0p, at a discount to the prevailing net asset value per share. The total consideration for these purchases was £10.2 million, inclusive of stamp duty. There have been no share buybacks between the year end of the Company and the date of approval of this report.

At 31 January 2012, the Company's capital structure consisted of 31,478,582 Ordinary shares of 25p each (2011 – 33,099,818 Ordinary shares). The Ordinary shares carry a right to receive dividends which are declared from time to time by an ordinary resolution of the Company (up to the amount recommended by the Board) and to receive any interim dividends which the Company may resolve to pay. On a winding-up, after meeting the liabilities of the Company, the surplus assets will be paid to Ordinary shareholders in proportion to their shareholdings. On a show of hands, every shareholder present in person, or by proxy, has one vote and, on a poll, every Ordinary shareholder present in person has one vote for each share held and a proxy has one vote for every share represented.

There are no restrictions concerning the holding or transfer of the Company's shares and there are no special rights attached to any of the shares. The Company is not aware of any agreements between shareholders which may result in restriction on the transfer of shares or the voting rights.

The rules concerning amendments to the Articles of Association and powers to issue or buy back the Company's shares are contained in the Articles of Association of the Company and the Companies Acts 2006.

Significant Agreements

The Company is not aware of any significant agreements to which it is a party that take effect, alter or terminate upon a change of control of the Company following a takeover and there are no agreements between the Company and its Directors concerning compensation for loss of office. Other than the investment management agreement with the Manager, further details of which are set out below, the Company is not aware of any contractual or other agreements which are essential to its business which ought to be disclosed in the Directors' Report.

Directors

Details of the current Directors of the Company, all of whom held office throughout the year under review, are shown on page 12.

Mr Ferguson, having served more than nine years, is subject to annual re-election, and, being eligible, offers himself for re-election at the Annual General Meeting.

The rules concerning the appointment and replacement of Directors are set out in the Statement of Corporate Governance.

The Directors' interests in the share capital of the Company, all of which are beneficial interests, are shown below. The Company has not been notified of any subsequent changes in Directors' interests. None of the Directors has any non-beneficial interests in the share capital of the Company.

	31 January 2012	31 January 2011
James Ferguson	1,000	1,000
Guy Crawford	1,000	1,000
Archie Hunter	1,000	1,000

No contract or arrangement subsisted during the period in which any of the Directors was materially interested. No Director has a service contract with the Company.

Directors' Conflicts of Interest

The Board monitors on a regular basis the direct and indirect interests of each Director and has concluded that there were no situations which gave rise to an interest of a Director which conflicted with the interests of the Company.

Directors' & Officers' Liability Insurance

The Company maintains insurance in respect of Directors' and Officers' liabilities in relation to their acts on behalf of the Company. Each Director of the Company shall be entitled to be indemnified out of the assets of the Company to the extent permitted by law against any loss or liability incurred by him in the execution of his duties in relation to the affairs of the Company. These rights are included in the Articles of Association of the Company.

Manager and Company Secretary

Investment management services are provided to the Company by Aberdeen Asset Managers Limited. Company secretarial, accounting and administrative services are provided by Aberdeen Asset Management PLC.

For the year ended 31 January 2012, the management fees paid to the Manager were charged quarterly at the rate of 0.2% per annum of the total assets for the Company, after

deducting current liabilities and excluding the value of any investments managed within the Aberdeen Asset Management Group. The investment management agreement is normally terminable by either party on three months' notice. In the event of termination on less than the agreed notice period, compensation is payable in lieu of the unexpired notice period.

The management fees paid during the year to 31 January 2012 are shown in note 3 to the accounts.

The terms and conditions of the Manager's appointment, including an evaluation of performance and fees, are reviewed by the Board on an annual basis. Details are provided in the Statement of Corporate Governance.

Corporate Governance

The Statement of Corporate Governance, which forms part of the Directors' Report, is shown on pages 17 to 20.

Going Concern

In accordance with the Financial Reporting Council's guidance on Going Concern and Liquidity Risk issued in October 2009, the Directors have reviewed the Company's ability to continue as a going concern. In accordance with the Company's Articles of Association, shareholders have the right to vote annually at the Annual General Meeting on whether to continue the Company. After enquiry, the Directors believe that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts and are of the opinion that the Company will continue in operational existence for the foreseeable future.

Auditor

The Company's auditor, KPMG Audit Plc, is willing to continue in office and a resolution will be proposed at the Annual General Meeting to reappoint them and to authorise the Directors to fix their remuneration. There were no non-audit fees incurred during the year to 31 January 2012. The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that he could reasonably be expected to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Creditor Payment Policy

It is the policy of the Company to settle all investment transactions in accordance with the terms and conditions of

the relevant market in which it operates. All other expenses are paid on a timely basis in the ordinary course of business. In certain circumstances, settlement terms are agreed prior to business taking place.

Substantial Interests

At 29 March 2012 the following had notified the Company as being interested in 3% or more of the Company's Ordinary share capital:

Name of shareholder	Number of Ordinary shares held	% of Ordinary shares held
Aberdeen Asset Management PLC	2,126,835	6.8
Rathbone Brothers	1,966,010	6.2
Lloyds Banking Group	1,887,978	6.0
Brewin Dolphin	1,632,363	5.2
Investec Wealth	1,616,992	5.1
Quilter & Co	1,570,504	5.0
Legal & General	1,460,255	4.6

Annual General Meeting

The Annual General Meeting will be held on 29 May 2012. The notice of the Annual General Meeting and related notes may be found on pages 42 to 45. Resolutions relating to the following items will be proposed at the forthcoming Annual General Meeting:–

- (i) Continuation of Company
Resolution 7, which is an ordinary resolution, will be proposed to release the Directors from the obligation in the Company's Articles of Association to convene a General Meeting in July 2012 at which a resolution would be proposed to wind up the Company.
- (ii) Section 551 authority to allot shares
Resolution 8, which is an ordinary resolution, will, if approved, give the Directors a general authority to allot new securities up to an aggregate nominal value of £2,623,215 (representing approximately 33.33 per cent. of the total Ordinary share capital of the Company, excluding treasury shares, in issue as at the date of this Directors' Report), in accordance with Section 551 of the Companies Act 2006, such authority to expire on 31 July 2013 or, if earlier, at the conclusion of the Annual General Meeting of the Company to be held in 2013 (unless previously revoked, varied or extended by the Company in general meeting).

The Directors will only exercise this authority if they believe it is advantageous and in the best interests of shareholders.

- (iii) Disapplication of pre-emption provisions
Resolution 9 will be proposed as a special resolution and seeks to give the Directors power to allot Ordinary shares and to sell Ordinary shares held in treasury to persons other than existing shareholders for cash up to a maximum aggregate nominal amount of £786,965, representing approximately 10% of the issued Ordinary share capital of the Company at the date of this Directors' Report, without first being required to offer such shares to existing shareholders *pro rata* to their existing shareholding.

This power will last until the conclusion of the Annual General Meeting of the Company to be held in 2013 or, if earlier, 31 July 2013 (unless previously revoked, varied or extended by the Company in general meeting).

The Company may buy back and hold shares in treasury and then sell them at a later date for cash or cancel them. Such sales are required to be on a pre-emptive, *pro rata* basis to existing shareholders unless shareholders agree by special resolution to disapply such pre-emption rights. Accordingly, in addition to giving the Directors power to allot unissued Ordinary share capital on a non pre-emptive basis, resolution 9 will also give the Directors power to sell Ordinary shares held in treasury on a non pre-emptive basis, subject always in both cases to the limitations noted above. Pursuant to this power, Ordinary shares would only be issued for cash and treasury shares would only be sold for cash at a price not less than the net asset value per share (calculated after the deduction of prior charges at market value). Treasury shares are explained in more detail under the heading "Market Purchase of the Company's own Ordinary Shares" below.

- (iv) Market purchase of the Company's own Ordinary shares
Resolution 10, which is a special resolution, will, if approved, authorise the Company to make market purchases of its own Ordinary shares. Shares so repurchased will be cancelled or held in treasury. The Company may do either of the following in respect of its own Ordinary shares which it buys back and does not immediately cancel but, instead, holds "in treasury":-

- a) sell such shares (or any of them) for cash (or its equivalent); or
- b) ultimately cancel the shares (or any of them).

No dividends will be paid on treasury shares, and no voting rights attach to them. The current authority of the Company to make market purchases of shares expires at the end of the Annual General Meeting. The maximum aggregate number of Ordinary shares which may be purchased pursuant to the renewed authority

shall be 14.99% of the issued Ordinary share capital of the Company as at the date of the passing of the resolution (approximately 4.72 million Ordinary shares). The minimum price which may be paid for an Ordinary share shall be 25p (exclusive of expenses). The maximum price for an Ordinary share (again exclusive of expenses) shall be an amount being not more than the higher of (i) 105% of the average of the middle-market quotations for the Company's Ordinary shares for the five business days immediately preceding the date of purchase and (ii) the higher of the price of the last independent trade and the highest current independent bid relating to an Ordinary share on the trading venue where the purchase is carried out.

This authority, if conferred, will only be exercised if to do so would result in an increase in net asset value per Ordinary share for the remaining shareholders and is in the best interests of shareholders generally. This authority will expire on 31 July 2013 or, if earlier, at the conclusion of the Annual General Meeting of the Company to be held in 2013 (unless previously revoked, varied or renewed by the Company in general meeting).

The Board considers the above resolutions to be in the best interests of the Company and its members as a whole and are most likely to promote the success of the Company for the benefit of its members as a whole. Accordingly, the Board unanimously recommends that shareholders should vote in favour of the resolutions to be proposed at the Annual General Meeting, as they intend to do in respect of their own beneficial shareholdings, amounting to 3,000 Ordinary shares.

Proposals to change the Company's investment objective

On 21 March 2012 the Company announced proposals to seek shareholder approval to amend the Company's investment policy to provide investors with above average dividend income and long term capital growth through active management of a portfolio consisting predominantly of S&P 500 US equities and to make certain other associated changes. A General Meeting of the Company will be convened on 29 May 2012, immediately following the business of the Annual General Meeting, and details of the resolutions which will be proposed at this meeting will be provided in a separate circular.

By order of the Board
Aberdeen Asset Management PLC
Secretary, Edinburgh
29 March 2012

Statement of Corporate Governance

Corporate Governance

Compliance

The Company is committed to high standards of corporate governance. The Board is responsible for good governance and, as required by the Listing Rules of the UK Listing Authority, this statement describes how the Company applied the principles identified in the UK Corporate Governance Code published in June 2010 ("the UK Code") by the Financial Reporting Council throughout the financial year. The Combined Code is available on the Financial Reporting Council's website: www.frc.org.uk. The Board confirms that the Company has complied throughout the accounting period to 31 January 2012 with the relevant provisions contained within the UK Code unless otherwise indicated below.

The Company is also a member of the Association of Investment Companies ('AIC'), which has published its own Code of Corporate Governance (the 'AIC Code') to recognise the special circumstances of investment trusts. The Board is of the opinion that the Company has complied with the recommendations of the AIC Code. The AIC Code is available on the AIC's website: www.theaic.co.uk

The Board

The Board consists of three non-executive Directors, of whom James Ferguson is the Chairman. Guy Crawford is the Senior Independent Director. All Directors are considered by the Board to be independent of the Company and the Manager, Aberdeen Asset Managers Limited, and free of any material relationship with the Manager which could interfere with the exercise of their independent judgment. The Board takes the view that independence is not compromised by length of tenure on the Board and that experience can add significantly to the Board's strength. This is consistent with the AIC Code. The Board considers that the post of chief executive officer is not relevant for an investment trust company as this role has effectively been delegated to the Manager under the terms of the Investment Management Agreement.

Biographies of the Board members, including their relevant experience, appear on page 12, which demonstrate that each Director has the requisite high level and range of business, investment and financial experience, and enables the Board to provide clear and effective leadership and proper stewardship of the Company.

The table opposite sets out the number of Board and Committee meetings attended by each Director during the year, compared to the total number of meetings that each Director was entitled to attend. The Board has a schedule of matters reserved to it for decision, and the requirement for Board approval on these matters is communicated directly to the senior staff of the Manager. Such matters include

strategy, performance, borrowings, treasury, marketing, Board composition, communication with shareholders and dividend and corporate governance policies. Full and timely information is provided to the Board in order to enable the Board to function effectively and to allow Directors to discharge their responsibilities. The Board also reviews the financial statements and revenue budgets.

Meetings held and attendance	Management		
	Board	Audit Committee	Engagement Committee
James Ferguson	4/4	2/2	1/1
Guy Crawford	4/4	2/2	1/1
Archie Hunter	4/4	2/2	1/1

Following the implementation of the Bribery Act 2010, the Board has adopted a zero tolerance approach to bribery and corruption and has implemented appropriate procedures designed to prevent bribery.

Performance Evaluation

An appraisal of each Director, including the Chairman, and of the operation of the Board and its Committees is undertaken on an annual basis. The process is based upon individual discussions between each Director and the Chairman and the Chairman's performance is led by the Senior Independent Director. Following these appraisals, the Board confirms that all Directors contribute to the effective running of the Company. The Board has also reviewed the Chairman's and Directors' other commitments and is satisfied that the Chairman and Directors are capable of devoting sufficient time to the Company. The Directors assessed the collective performance of the Board as a whole against the requirements of the Company's business and the need to have a balanced Board and concluded that their aggregate balance of abilities, perspective and experience is appropriate for a tracker fund and secures the right measure of continuity for the Board as a whole.

There are no separate Nominations or Remuneration Committees. Director appraisals, succession planning, new appointments, training and remuneration are considered by the whole Board. New Directors are identified against the requirements of the Company's business and the need to have a balanced Board. A description of the required role for a new appointment is prepared and nominations of Directors are initially sought in the financial and investment sectors. External search consultants may be used to ensure that a wide range of candidates can be considered. In all searches, the over-riding priority is to appoint the person with the best mix of experience and skills to complement the existing make-up of the Board. New Directors appointed will be given appropriate induction from the Manager. All Directors are entitled to receive appropriate training as deemed

Statement of Corporate Governance continued

necessary. Details of remuneration are contained within the Directors' Remuneration Report.

A Director appointed during the year is required, under the provisions of the Company's Articles of Association, to retire and seek election by shareholders at the next Annual General Meeting. In addition, all Directors are required to submit themselves for re-election at least every three years, and Directors with more than nine years' service are required to submit themselves for annual re-election. The Board recommends the re-election of James Ferguson, who has served more than nine years. Mr Ferguson has extensive experience of the investment trust industry and his contribution to the Board are greatly valued.

There is an agreed procedure for Directors to take independent professional advice, if necessary, at the Company's expense. This is in addition to the access which every Director has to the advice and services of the company secretary, Aberdeen Asset Management PLC, which is responsible to the Board for ensuring that Board procedures are followed, and that applicable rules and regulations are complied with.

Relations with Shareholders

The Directors believe in good communication with shareholders. The report and accounts are widely distributed to other parties who have an interest in the Company's performance. Shareholders and investors may obtain up to date information on the Company through the Manager's freephone information service. The Board welcomes correspondence from shareholders addressed to the Company's registered office and responds to letters from shareholders on a wide range of issues. The Manager maintains contact with institutional shareholders and feeds back shareholder views to the Board. The Company's annual and interim reports and other publications can be downloaded from the Company's website, www.edinburghstracker.co.uk.

The notice of the Annual General Meeting, included within the annual report and accounts, is sent out at least 20 working days in advance of the meeting. Investors in the Manager's savings plans are encouraged to vote by means of a Letter of Direction enclosed with the annual report. All shareholders have the opportunity to put questions at the Company's Annual General Meeting. Proxy voting figures for each resolution are announced to the meeting after voting on a show of hands.

Corporate Governance and Socially Responsible Investment Policy

The Company's objective is to track the performance of the benchmark. The Board is aware of its duty to act in the interests of the Company. The Directors, through the

Manager, encourage companies in which investments are made to adhere to best practice in the area of Corporate Governance. They believe that this can best be achieved by entering into a dialogue with Company management to encourage them, where necessary, to improve their policies in this area.

Proxy Voting as an Institutional Shareholder

The Board has delegated responsibility for monitoring the corporate governance of investee companies to the Manager. The Board has reviewed and accepts the Manager's Corporate Governance Principles, which may be found on the Manager's website, at <http://www.aberdeen-asset.com/aam.nsf/AboutUs/governancestewardship>. This document sets out the Manager's framework on corporate governance, proxy voting and shareholder engagement in relation to the companies in which the Manager has invested or is considering investing. The Board has also reviewed the Manager's Statement of Compliance with the UK Stewardship Code, which appears on the Manager's website, at the web address given above.

It should be noted that the Manager's direct engagement with investee companies is essentially confined to companies which are covered by the Manager's actively-managed investment mandates; the Manager will not necessarily engage with some companies in which the Company is invested, where these holdings result from the Company's passive investment mandate and are too small to be considered material. Nonetheless, the Manager is responsible for reviewing annual reports, circulars and other publications produced by all investee companies and, in the absence of explicit instruction from the Board, is empowered to exercise discretion in the use of the Company's voting rights.

Internal Control

The Board is responsible for the Company's system of internal control and for reviewing its effectiveness. The Board confirms that there is an ongoing process for identifying, evaluating and managing the significant risks faced by the Company. This process has been in place for the year under review and up to the date of approval of this annual report and accounts, and is regularly reviewed by the Board and accords with the Financial Reporting Council's 'Internal Control: Revised Guidance for Directors on the Combined Code' (the "FRC guidance").

The Directors have delegated the investment management of the Company's assets to the Manager within overall guidelines, and this embraces implementation of the system of internal control, including financial, operational and compliance controls and risk management. Internal control systems are monitored and supported by the Manager's internal audit function which undertakes periodic examination of business processes, including compliance

with the terms of the management agreement, and ensures that recommendations to improve controls are implemented. The Board has reviewed the effectiveness of the Company's risk management and internal control systems. In particular, it has reviewed and updated the process for identifying and evaluating the significant risks affecting the Company and policies by which these risks are managed. The significant risks faced by the Company are as follows:

- financial;
- operational;
- compliance; and
- risk management.

Risks are identified and documented through a risk management framework by each function within the Manager's activities. Risk is considered in the context of the FRC guidance, and includes financial, regulatory, market, operational and reputational risk. This helps the internal audit risk assessment model identify those functions for review. Any weaknesses identified are reported to the Board, and timetables are agreed for implementing improvements to systems. The implementation of any remedial action required is monitored and feedback provided to the Board.

Note 16 to the financial statements provides further information on risks. The key components designed to provide effective internal control are outlined below:

- the Manager prepares forecasts and management accounts which allow the Board to assess the Company's activities and review its performance; the emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception;
- the Board and Manager have agreed clearly-defined investment criteria, specified levels of authority and exposure limits. Reports on these, including performance statistics and investment valuations, are regularly submitted to the Board and there are meetings with the Manager as appropriate;
- as a matter of course the Manager's compliance department continually reviews the Manager's operations;
- written agreements are in place which specifically define the roles and responsibilities of the Manager and other third party service providers;
- an internal audit function operated by the Manager, under delegation from the Directors, and as outlined above; and
- at its March 2012 meeting, the Audit Committee carried out an annual assessment of internal controls for the year ended 31 January 2012 by considering documentation from the Manager, including the internal audit and compliance functions, and taking account of events since 31 January 2012.

Internal control systems are designed to meet the Company's particular needs and the risks to which it is

exposed. Accordingly, the internal control systems are designed to manage, rather than eliminate, the risk of failure to achieve business objectives and, by their nature, can only provide reasonable, and not absolute assurance, against material misstatement or loss.

The Manager's Head of Internal Audit reports six-monthly to the Audit Committee of the Company, and has direct access to the Directors at any time.

Accountability and Audit

The respective responsibilities of the Directors and the auditor in connection with the financial statements appear on pages 21 and 23. The Audit Committee comprises all of the Directors and is chaired by Mr Hunter. Mr Hunter, a chartered accountant, has the necessary recent and relevant financial experience. The Audit Committee meets at least twice a year and considers reports from the auditor and the Manager's internal audit and compliance functions. The terms of reference of the Audit Committee, which are available on request and on the Company's website, are reviewed on an annual basis. The main responsibilities of the Audit Committee are:

- to review and monitor the internal control systems and risk management systems on which the Company is reliant;
- to consider annually whether there is a need for the Company to have its own internal audit function;
- to monitor the integrity of the interim and annual financial statements of the Company by reviewing, and challenging where necessary, the actions and judgements of the Manager;
- to meet with the auditor to review their proposed audit programme of work and the findings of the auditor. The Committee also uses this as an opportunity to assess the effectiveness of the audit process;
- to develop and implement policy on the engagement of the auditor to supply non-audit services. No non-audit fees for the year to 31 January 2012 were incurred. The Board will review any future fees in the light of the requirement to maintain the auditor's independence;
- to review the arrangements in place within the Manager whereby staff may, in confidence, escalate concerns about possible improprieties in matters of financial reporting or other matters ('whistleblowing');
- to make recommendations to the Board in relation to the appointment of the auditor and to approve the remuneration and terms of engagement of the auditor; and
- to monitor and review annually the auditor's independence, objectivity, effectiveness, resources and qualification. At its March 2012 meeting, the Committee was satisfied that the auditor remained independent and objective.

Management Engagement Committee

The Management Engagement Committee comprises all of the Directors and is chaired by Mr Ferguson. The Committee

Statement of Corporate Governance continued

reviews the performance of the Manager, the investment process and risk controls and its compliance with the terms of the management and secretarial agreement. The terms of reference of the Management Engagement Committee, which are available on request and on the Company's website, are reviewed on an annual basis. The terms and conditions of the Manager's appointment, including an evaluation of performance and fees, are reviewed by the Committee on an annual basis.

The Committee considers that the Manager, whose team is well-qualified and experienced, has fully met the terms of its agreement with the Company. The Company has continued to meet its objective of tracking closely the S&P 500 Index. Following a review of the management fees and total expense ratio, the Committee believe these are reasonable and competitive. Taking these factors into account, the Committee and the Board believes that the continuing appointment of the Manager on the terms agreed is in the interests of shareholders as a whole. The Company benefits from the expertise of the Manager's team of investment professionals. The Board continues to keep this matter under review.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and Accounts in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that complies with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors confirm that to the best of their knowledge:

- the financial statements, prepared in accordance with the applicable accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company; and
- the Directors' Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that the Company faces.

For Edinburgh US Tracker Trust plc
James Ferguson
Chairman

29 March 2012

Directors' Remuneration Report

The Board has prepared this report, in accordance with the requirements of Section 421 to the Companies Act 2006. An ordinary resolution for the approval of this report will be put to the members at the forthcoming Annual General Meeting. The law requires your Company's auditor to audit certain of the disclosures provided. Where disclosures have been audited they are indicated as such. The auditor's opinion is included in their report on page 23.

Remuneration Committee

The Company has three non-executive Directors. The Board as a whole fulfils the function of a Remuneration Committee. The Board has appointed the company secretary, Aberdeen Asset Management PLC, to provide information when the Directors consider the level of Directors' fees.

Remuneration Policy

The Company's Articles of Association limit the aggregate fees payable to the Board of Directors to a total of £100,000 per annum. Subject to the overall limit, the Board's policy is that the remuneration of non-executive Directors should reflect the experience of the Board as a whole and be fair and comparable to that of other investment trusts that are similar in size, and have a similar capital structure and investment objective. It is intended that this policy will continue for the year to 31 January 2013 and subsequent years. The fees for the non-executive Directors are determined within the limits set out in the Company's Articles of Association, and they are not eligible for bonuses, pension benefits, share options, long-term incentive schemes or other benefits. The Board carried out a review of the level of Directors' fees during the year, and concluded that the fees payable to Directors should increase to £23,100 for the Chairman and £15,200 for each Director with effect from 1 February 2012.

No Director has a service contract with the Company. The terms of the Directors' appointment provide that a Director shall retire and be subject to election at the first Annual General Meeting after their appointment, and at least every three years after that. The terms also provide that a Director may be removed without notice and that compensation will not be due on leaving office. No Director was interested in contracts with the Company during the year to 31 January 2012 or subsequently.

Directors' & Officers' liability insurance cover is maintained by the Company on behalf of the Directors.

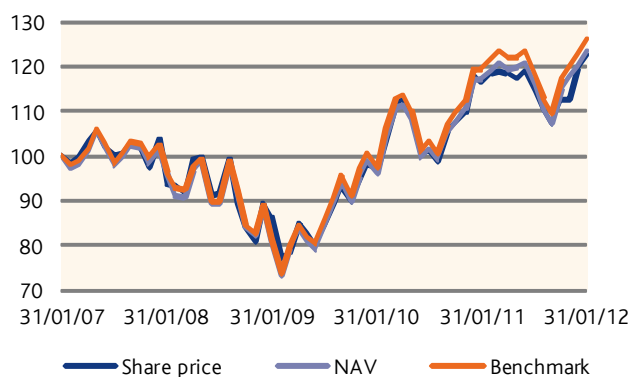
A resolution to receive the Directors' Remuneration Report will be proposed at the Annual General Meeting.

The graph opposite compares the total cumulative return (assuming all dividends are reinvested) to Ordinary

shareholders compared to the total return from the S&P 500 Index (in sterling terms). This Index was chosen for comparison purposes, as it is the benchmark used for investment performance measurement purposes.

Total cumulative Ordinary shareholder return for the five years to 31 January 2012

(Values rebased to 100 on 31 January 2007)



Audited Information

Directors' Emoluments

The Directors who served in the year received the following fees, which exclude employers' NI and any VAT payable:

	2012 £	2011 £
James Ferguson	22,000	21,600
Guy Crawford	14,500	13,500
Archie Hunter	14,500	13,500
	51,000	48,600

Approval

The Directors' Remuneration Report on page 22 was approved by the Board of Directors on 29 March 2012 and signed on its behalf by:

James Ferguson

Chairman

29 March 2012

Independent Auditor's Report to the Members of Edinburgh US Tracker Trust plc

We have audited the financial statements of Edinburgh US Tracker Trust plc for the year ended 31 January 2012 set out on pages 24 to 37. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Directors and Auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 21, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the Audit of the Financial Statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/private.cfm.

Opinion on Financial Statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 January 2012 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion:

- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006; and
- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

Matters on which we are required to report by exception

We have nothing to report in respect of the following:

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Under the Listing Rules we are required to review:

- the Directors' statement, set out on page 15, in relation to going concern; and
- certain elements of the report to shareholders by the Board on Directors' remuneration.

Gareth Horner (Senior Statutory Auditor)
for and on behalf of KPMG Audit Plc, Statutory Auditor
Chartered Accountants
Edinburgh
29 March 2012

Income Statement

	Notes	Year ended 31 January 2012			Year ended 31 January 2011		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Net gains on investments	8	–	7,597	7,597	–	37,695	37,695
Net currency gains	15	–	54	54	–	20	20
Income	2	4,532	–	4,532	4,390	–	4,390
Investment management fee	3	(435)	–	(435)	(434)	–	(434)
VAT recovered on investment management fees	3	–	–	–	75	31	106
Administrative expenses	4	(399)	–	(399)	(371)	–	(371)
Net return on ordinary activities before finance costs and taxation		3,698	7,651	11,349	3,660	37,746	41,406
Finance costs		–	–	–	–	–	–
Return on ordinary activities before taxation		3,698	7,651	11,349	3,660	37,746	41,406
Taxation	5	(652)	–	(652)	(620)	(28)	(648)
Return on ordinary activities after taxation		3,046	7,651	10,697	3,040	37,718	40,758
Return per share (pence)	7	9.39	23.60	32.99	8.81	109.36	118.17

The total column of this statement represents the profit and loss account of the Company.

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

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

The accompanying notes are an integral part of the financial statements.

Proposed final dividend

The Board is proposing a final dividend of 5.20p per share (£1,637,000), making a total dividend of 9.40p per share (£2,989,000) for the year to 31 January 2012 which, if approved, will be payable on 1 June 2012 (see note 6).

For the year ended 31 January 2011, the final dividend was 4.95p per share (£1,638,000) making a total dividend of 9.15p per share (£3,055,000).

Balance Sheet

	Notes	As at 31 January 2012 £'000	As at 31 January 2011 £'000
Fixed assets			
Investments at fair value through profit or loss	8	217,966	219,994
Current assets			
Debtors and prepayments	9	240	282
Cash and short term deposits	15	2,402	2,772
		2,642	3,054
Creditors: amounts falling due within one year	10	(199)	(193)
Net current assets		2,443	2,861
Net assets		220,409	222,855
Capital and reserves			
Called-up share capital	11	7,870	8,275
Share premium account		32,643	32,643
Capital redemption reserve		14,225	13,820
Capital reserve	12	162,314	164,822
Revenue reserve		3,357	3,295
Equity shareholders' funds		220,409	222,855
Net asset value per share (pence)	13	700.19	673.28

The financial statements were approved and authorised for issue by the Board on 29 March 2012 and were signed on its behalf by:

James Ferguson

Director

The accompanying notes are an integral part of the financial statements.

Reconciliation of Movements in Shareholders' Funds

For the year ended 31 January 2012

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 31 January 2011	8,275	32,643	13,820	164,822	3,295	222,855
Return on ordinary activities after taxation	–	–	–	7,651	3,046	10,697
Dividends paid (see note 6)	–	–	–	–	(2,984)	(2,984)
Purchase of own shares for cancellation	(405)	–	405	(10,159)	–	(10,159)
Balance at 31 January 2012	7,870	32,643	14,225	162,314	3,357	220,409

For the year ended 31 January 2011

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 31 January 2010	9,114	32,643	12,981	146,346	3,014	204,098
Return on ordinary activities after taxation	–	–	–	37,718	3,040	40,758
Dividends paid (see note 6)	–	–	–	–	(2,759)	(2,759)
Purchase of own shares for cancellation	(839)	–	839	(19,242)	–	(19,242)
Balance at 31 January 2011	8,275	32,643	13,820	164,822	3,295	222,855

The revenue reserve represents the amount of the Company's reserves distributable by way of dividend.

The accompanying notes are an integral part of the financial statements.

Cash Flow Statement

	Notes	Year ended 31 January 2012		Year ended 31 January 2011	
		£'000	£'000	£'000	£'000
Net cash inflow from operating activities	14		3,745		3,620
Taxation					
UK corporation tax paid		–		(37)	
Overseas withholding tax paid		(651)		(648)	
Net tax paid			(651)		(685)
Financial investment					
Purchases of investments		(4,878)		(6,601)	
Sales of investments		14,503		26,694	
Net cash inflow from financial investment			9,625		20,093
Equity dividends paid			(2,984)		(2,763)
Net cash inflow before financing			9,735		20,265
Financing					
Buy back of Ordinary shares (including expenses)		(10,159)		(19,242)	
Net cash outflow from financing			(10,159)		(19,242)
(Decrease)/increase in cash			(424)		1,023
Reconciliation of net cash flow to movement in net funds					
(Decrease)/increase in cash as above			(424)		1,023
Exchange movements			54		20
Movement in net funds in the year			(370)		1,043
Opening net funds			2,772		1,729
Closing net funds	15		2,402		2,772

The accompanying notes are an integral part of the financial statements.

Notes to the Financial Statements For the year ended 31 January 2012

1. Accounting policies

A summary of the principal accounting policies, all of which have been consistently applied throughout the year and the preceding year is set out below.

(a) Basis of preparation and going concern

The financial statements have been prepared under the historical cost convention, as modified to include the revaluation of investments and in accordance with the applicable UK Accounting Standards and with the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts'. They have also been prepared on the assumption that approval as an investment trust will continue to be granted. The financial statements have been prepared on a going concern basis. The Directors believe this is appropriate for the reasons outlined in the Directors' Report on page 15.

The financial statements and the net asset value per share figures have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP).

(b) Investment income, interest receivable, expenses and interest payable

Income from investments (other than special dividends), including taxes deducted at source, is included in revenue by reference to the date on which the investment is quoted ex dividend. Special dividends are credited to capital or revenue, according to the circumstances. Expenses and interest receivable and payable are recognised on an accruals basis. All expenses are charged to revenue except where they directly relate to the acquisition or disposal of an investment, in which case, they are added to the cost of the investment or deducted from the sale proceeds.

(c) Deferred taxation

Deferred taxation is provided on all timing differences, that have originated but not reversed at the Balance Sheet date, where transactions or events that result in an obligation to pay more or a right to pay less tax in future have occurred at the Balance Sheet date, measured on an undiscounted basis and based on enacted tax rates. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted. Timing differences are differences arising between the Company's taxable profits and its results as stated in the accounts which are capable of reversal in one or more subsequent periods. Due to the Company's status as an investment trust company, and the intention to continue to meet the conditions required to obtain approval for the foreseeable future, the Company has not provided deferred tax on any capital gains and losses arising on the revaluation or disposal of investments.

(d) Investments

All purchases and sales of investments are recognised on the trade date, being the date the Company commits to purchase or sell the investment. Investments are initially recognised and subsequently re-measured at fair value in the Income Statement. Transaction costs on purchases and sales are expensed through the Income Statement.

(e) Dividends payable

Interim and final dividends are recognised in the period in which they are paid.

(f) Capital reserve

Gains or losses on realisation of investments and changes in fair values of investments which are readily convertible to cash, without accepting adverse terms, are transferred to the capital reserve. The costs of share buybacks are also deducted from this reserve.

(g) Foreign currency

Assets and liabilities in foreign currencies are translated at the rates of exchange ruling on the Balance Sheet date. Transactions involving foreign currencies are converted at the rate ruling on the date of the transaction. Gains and losses on the realisation of foreign currencies are recognised in the Income Statement and are then transferred to the capital reserve.

(h) Derivative financial instruments

Index future contracts are accounted for as separate derivative contracts and are shown in other assets or other liabilities in the Balance Sheet at their fair value.

	2012	2011
	£'000	£'000
2. Income		
Income from investments held at fair value through profit or loss		
Dividends from overseas listed investments	4,532	4,311
Other income		
Interest on VAT recovered on investment management fees	–	78
Deposit interest	–	1
Total income	4,532	4,390

	2012	2011
	£'000	£'000
3. Investment management fee		
Investment management fee	435	434

The management fee payable to Aberdeen Asset Managers Limited (“Aberdeen”) is 0.05% per quarter of the total assets of the Company after deducting current liabilities and excluding commonly managed funds.

The management agreement between the Company and Aberdeen is terminable by either party on three months’ notice. In the event of a resolution being passed at the AGM to wind up the Company the Manager shall be entitled to three months’ notice from the date the resolution was passed. In the event of termination on not less than the agreed notice period, compensation is payable in lieu of the unexpired notice period.

During the year ended 31 January 2011 the Trust received £106,000 in relation to VAT previously charged on investment management fees.

	2012	2011
	£'000	£'000
4. Administrative expenses		
Directors’ fees	51	49
Registrar’s fees	61	59
Custody and bank charges	33	40
Auditor’s remuneration:		
• fees payable to the Company’s auditor for the audit of the annual accounts	15	16
Contribution to the Investment Trust Initiative	73	67
Printing, postage and stationery	22	23
Fees, subscriptions and publications	35	34
Standard & Poors’ licence fee	22	22
Other expenses	87	61
	399	371

The contribution to the Investment Trust Initiative was paid to the Manager in respect of marketing of the Company. At the year end £6,000 was due (2011 – £6,000 due) to the Manager.

Notes to the Financial Statements continued

5. Taxation	2012			2011		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
(a) Analysis of charge for the year						
Overseas tax suffered	652	–	652	629	19	648
Current tax charge for the year	652	–	652	629	19	648
Tax on capital income received	–	–	–	(9)	9	–
Taxation	652	–	652	620	28	648

(b) Factors affecting the tax charge for the year

	2012			2011		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Net profit on ordinary activities before taxation	3,698	7,651	11,349	3,660	37,746	41,406
Return on ordinary activities before taxation multiplied by the applicable rate of corporation tax of 26.33% (2011 – 28%)	974	2,014	2,988	1,025	10,569	11,594
Effects of:						
Non taxable overseas dividends	(1,186)	–	(1,186)	(1,205)	–	(1,205)
Unutilised management expenses	215	–	215	178	(9)	169
Income taxable in different periods	(3)	–	(3)	2	–	2
Overseas taxes	652	–	652	629	19	648
Revenue expenses utilised against capital income	–	–	–	(9)	9	–
Capital gains not taxable	–	(2,000)	(2,000)	–	(10,554)	(10,554)
Currency gains not taxable	–	(14)	(14)	–	(6)	(6)
Current tax charge	652	–	652	620	28	648

(c) Provision for deferred taxation

No provision for deferred taxation has been made in the current year or in the prior year. The Company has not provided for deferred tax on capital gains or losses arising on the revaluation or disposal of investments as it is exempt from tax on these items because of its status as an investment trust company.

6. Dividends	2012	2011
	£'000	£'000
Amounts recognised as distributions to equity holders in the year:		
Final dividend for 2011 – 4.95p per share (2010 – 3.80p)	1,638	1,344
Interim dividend for 2012 – 4.20p per share (2011 – 4.20p)	1,352	1,417
Unclaimed dividends from previous years	(6)	(2)
	2,984	2,759

The proposed final dividend for 2012 is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements.

The table below sets out the total dividends paid and proposed in respect of the financial year, which is the basis on

which the requirements of Sections 1158–1159 of the Corporation Tax Act 2010 are considered. The revenue available for distribution by way of dividend for the year is £3,046,000 (2011 – £3,040,000).

	2012 £'000	2011 £'000
Interim dividend for 2012 – 4.20p per share (2011 – 4.20p)	1,352	1,417
Proposed final dividend for 2012 – 5.20p per share (2011 – 4.95p)	1,637	1,638
Unclaimed dividends from previous years	(6)	(2)
	2,983	3,053

The amount payable for the proposed final dividend above is based on the Ordinary shares in issue at the date of this report (31,478,582) and this satisfies the investment trust status test.

7. Return per Ordinary share	2012 £'000	2012 p	2011 £'000	2011 p
Based on the following figures:				
Revenue return	3,046	9.39	3,040	8.81
Capital return	7,651	23.60	37,718	109.36
Total return	10,697	32.99	40,758	118.17
Weighted average number of Ordinary shares in issue	32,427,651		34,491,096	

8. Investments	2012 £'000	2011 £'000
Fair value through profit or loss:		
Opening fair value	219,994	202,656
Opening investment holdings gains	(64,430)	(33,482)
Opening book cost	155,564	169,174
Purchases at cost	4,878	6,337
Sales – proceeds	(14,503)	(26,694)
Sales – realised gains	3,781	6,747
Closing book cost	149,720	155,564
Closing investment holdings gains	68,246	64,430
Closing fair value	217,966	219,994
Listed on overseas stock exchanges	217,966	219,994
Gains on investments		
Realised gains on sales	3,781	6,747
Movement in investment holdings gains	3,816	30,948
	7,597	37,695

Transaction costs

During the year expenses were incurred in acquiring or disposing of investments classified as fair value through profit or loss. These have been expensed through capital and are included within gains on investments in the Income Statement.

Notes to the Financial Statements continued

The total costs were as follows:

	2012 £'000	2011 £'000
Purchases	16	31
Sales	3	8
	19	39

	2012 £'000	2011 £'000
9. Debtors: amounts falling due within one year		
Dividends receivable	191	182
Other debtors and prepayments	40	91
Overpayment of dividend	9	9
	240	282

	2012 £'000	2011 £'000
10. Creditors: amounts falling due within one year		
Investment management fee payable	110	111
Other creditors	89	82
	199	193

	2012 £'000	2011 £'000
11. Called-up share capital		
Allotted, called-up and fully paid:		
Opening balance	8,275	9,114
Shares bought back for cancellation	(405)	(839)
31,478,582 (2011 – 33,099,818) Ordinary shares of 25p each	7,870	8,275

During the year the Company bought back and cancelled 1,621,236 Ordinary shares of 25p each (2011 – 3,356,690) for a total consideration of £10,159,000 (2011 – £19,242,000). This represents 5% of the Company's issued share capital at 31 January 2011.

There have been no buy-backs of Ordinary shares since the year end, leaving 31,478,582 Ordinary shares in issue at the date of this report.

	2012 £'000	2011 £'000
12. Capital reserve		
At 1 February	164,822	146,346
Movement in fair value gains	7,597	37,695
Foreign exchange movements	54	20
Purchase of own shares for cancellation	(10,159)	(19,242)
Taxation	–	(19)
Tax relief to revenue	–	(9)
VAT recoverable on management fees	–	31
At 31 January	162,314	164,822

Included in the total above are investment holdings gains at the year end of £68,246,000 (2011 – £64,430,000).

The Directors regard the total capital reserve as being available to fund share buy-backs.

13. Net asset value per equity share

The net asset value per share and the net assets attributable to the Ordinary shareholders at the year end were as follows:

	2012	2011
Net assets attributable	£220,409,000	£222,855,000
Number of Ordinary shares in issue	31,478,582	33,099,818
Net asset value per share	700.19p	673.28p

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

	2012	2011
	£'000	£'000
Return on ordinary activities before finance costs and taxation	11,349	41,406
Adjustments for:		
Net gains on investments	(7,597)	(37,695)
Foreign exchange movements	(54)	(20)
Increase/(decrease) in accrued income	(10)	6
(Decrease)/increase in other debtors	51	(78)
Increase in other creditors	6	1
Net cash inflow from operating activities	3,745	3,620

	At 1 February 2011 £'000	Cash flow £'000	Exchange movements £'000	At 31 January 2012 £'000
15. Analysis of changes in net funds				
Cash and short term deposits	2,772	(424)	54	2,402

16. Financial instruments

The Company's financial instruments, other than derivatives, comprise listed securities, cash balances, debtors and creditors that arise directly from its operations; for example, in respect of sales and purchases awaiting settlement, and debtors for accrued income.

During the year, the Company did not enter into any derivative contracts. In periods when the Company builds up cash, the Manager may enter into certain derivative contracts to gain exposure to the S&P 500 Index. The Company had no open positions in derivative contracts at 31 January 2012 or 2011.

Fixed asset investments (see note 8) are valued at closing market prices, which equates to their fair value. The fair values of all other assets and liabilities are represented by their carrying values in the Balance Sheet.

There were no financial liabilities, other than short term creditors, at 31 January 2012 (2011 – £nil).

Risk management

The main risk to the Company is the failure to track closely the S&P 500 Index. The main risks associated with the Company's financial instruments are market risk (comprising price risk, interest rate risk and foreign currency risk),

Notes to the Financial Statements continued

liquidity risk and credit risk.

The Board regularly reviews and agrees policies for managing each of these risks. The Manager's policies for managing these risks are summarised below and have been applied throughout the year. The numerical disclosures exclude short-term debtors and creditors.

(i) Market risk

The Company's exposure to market risk comprises of changes in interest rates, valuations awarded to equities, movements in prices and liquidity of financial instruments. In pursuing the Company's primary objective of tracking its benchmark index, the Company does not increase the level of cash balances through the sale of equities.

The fair value of or future cash flows from a financial instrument held by the Company may fluctuate because of changes in market prices. This market risk comprises three elements – price risk, interest rate risk and foreign currency risk.

Price risk

Price risks (i.e. changes in market prices other than those arising from interest rate risk) may affect the value of the quoted investments. The Company's stated objective is to track the S&P 500 Index. As a result the Company is exposed to movements in the underlying Index.

As the Company tracks its benchmark Index it will hold an appropriate spread of investments in the portfolio. This will reduce the risk arising from factors specific to a particular sector. The Manager actively monitors market prices throughout the year and reports investment performance to the Board on a regular basis. The investments held by the Company are listed on the New York Stock Exchange and NASDAQ.

Price risk sensitivity

If market prices, in sterling terms, at the Balance Sheet date had been 10% higher or lower while all other variables remained constant, the return attributable to Ordinary shareholders at the year ended 31 January 2012 would have increased/decreased by £21,797,000 (2011 – increase/decrease of £21,999,000) and equity reserves would have increased/decreased by the same amount. The calculations are based on the portfolio valuations, as at the respective Balance Sheet dates, and are not representative of the year as a whole.

Interest rate risk

Interest rate movements may affect the level of income receivable on cash deposits.

The possible effects on fair value and cash flows that could arise as a result of changes in interest rates are taken into account when making investment decisions.

The Company holds cash on deposit in Sterling and US Dollars. The US Dollar value of cash and short term deposits can be significantly affected by movements in foreign exchange rates. The tables below sets out the currency exposure of the cash and short term deposits as at 31 January 2012 and 2011:

	Interest rate %	Local currency '000	Foreign exchange rate	Sterling equivalent £'000
As at 31 January 2012				
US Dollar	0.00	3,755	1.5781	2,380
Sterling	0.25	22	–	22
Total cash on deposit per Balance Sheet				2,402

As at 31 January 2011	Interest rate %	Local currency '000	Foreign exchange rate	Sterling equivalent £'000
US Dollar	0.00	4,408	1.6018	2,752
Sterling	0.25	20	–	20
Total cash on deposit per Balance Sheet				2,772

Cash and short term deposits are held in floating rate accounts. The benchmark that determines the interest received, or paid on balances, is the bank base rate which was 0.25% (2011 – 0.25%) for Sterling funds, and nil (2011 – nil) for US Dollar funds at 31 January 2012. Movements in interest rates would not significantly affect net assets attributable to the Company's shareholders and total profit.

Foreign currency risk

The Company's portfolio is invested in US quoted securities and the Balance Sheet can be significantly affected by movements in foreign exchange rates. It is not the Company's policy to hedge this risk on a continuing basis.

The revenue account is subject to currency fluctuation arising on overseas income. The Company does not hedge this currency risk as its investment objective is to track closely the S&P 500 Index.

Foreign currency risk exposure by currency of denomination:

	31 January 2012			31 January 2011		
	Overseas investments £'000	Net monetary assets £'000	Total currency exposure £'000	Overseas investments £'000	Net monetary assets £'000	Total currency exposure £'000
US Dollar	217,966	2,571	220,537	219,994	2,934	222,928
Sterling	–	(128)	(128)	–	(73)	(73)
Total	217,966	2,443	220,409	219,994	2,861	222,855

The asset allocation between specific markets can vary from time to time based on the constituents of the Company's benchmark index.

Foreign currency sensitivity

There is no sensitivity analysis included as the Company's significant foreign currency financial instruments are in the form of equity investments, and they have been included within the other price risk sensitivity analysis so as to show the overall level of exposure.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. Liquidity risk is not considered to be significant as the Company's assets comprise of mainly readily realisable securities, which can be sold to meet funding commitments if necessary.

(iii) Credit risk

This is the risk that a counter-party to a transaction fails to discharge its obligations under that transaction, resulting in a loss to the Company.

The Company considers credit risk not to be significant as it is actively managed as follows:

- investment securities are safeguarded by an independent custodian;
- the risk of counterparty exposure due to failed trades causing a loss to the Company is mitigated by the review of failed trade reports on a daily basis. In addition, both stock and cash reconciliations to the Custodians' records are performed on a daily basis to ensure discrepancies are investigated on a timely basis. The Manager's Compliance

Notes to the Financial Statements continued

department carries out periodic reviews of the Custodian's operations and reports its finding to the Manager's Risk Management Committee.

- investment transactions are carried out with a large number of brokers, whose credit-standing is reviewed periodically by the Manager and limits are set on the amount that may be due from any one broker;
- cash is held only with banks with high quality external credit ratings;
- the Company does not undertake stocklending.

None of the Company's financial assets are secured by collateral or other credit enhancements.

Exposure to credit risk

In summary, compared to the amounts in the Balance Sheet, the exposure to credit risk at 31 January 2012 was as follows:

	2012 £'000	2011 £'000
Debtors and prepayments	240	282
Cash and short term deposits	2,402	2,772
	2,642	3,054

17. Capital management policies and procedures

The capital of the Company consists of equity, comprising issued capital, reserves and retained earnings. The Board monitors and reviews the broad structure of the Company's capital on an ongoing basis. This review includes the impact of share buybacks and the extent to which revenue should be retained. The Company is not subject to any externally imposed capital requirements.

18. Fair value hierarchy

FRS 29 'Financial Instruments: Disclosures' requires an entity to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (ie as prices) or indirectly (ie derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The financial assets and liabilities measured at fair value in the Balance Sheet of financial position are grouped into the fair value hierarchy at 31 January 2012 as follows:

Note	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial assets at fair value through profit or loss				
Quoted equities	217,966	–	–	217,966
Net fair value	217,966	–	–	217,966

As at 31 January 2011

	Note	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial assets at fair value through profit or loss					
Quoted equities	a)	219,994	–	–	219,994
Net fair value		219,994	–	–	219,994

a) Quoted equities

The fair value of the Company's investments in quoted equities has been determined by reference to their quoted bid prices at the reporting date. Quoted equities included in Fair Value Level 1 are actively traded on recognised stock exchanges.

Marketing Strategy

Edinburgh US Tracker Trust plc contributes to the marketing programme run by Aberdeen Asset Managers Limited ("AAM") on behalf of a number of investment trusts under its management. Under this agreement the Company's contribution is matched by AAM. This contribution is reviewed annually.

The purpose of the Programme is to communicate effectively with existing shareholders and attract new shareholders, thus improving liquidity and thereby enhancing the value and rating of the Company's shares.

These aims can be met in several ways:

Investor Relations Programme

AAM runs an investor relations programme to existing and prospective institutional investors in investment trusts. Each month institutional investors and prospects receive a Manager's report on your Company that includes detailed performance analysis.

Group Schemes

The Aberdeen Group administers several savings schemes including the Share Plan, ISA and the Children's Plan. These schemes allow investment at lower costs and have proved popular with private investors.

Direct Response Advertising

AAM advertise the packaged product availability of the Company in the specialist financial press.

Direct Mail

Periodic mail shots of information packs inviting named addressees to respond is a low-cost method of building awareness and investor databases. Target groups include existing holders of other AAM investment trusts as well as known buyers of investment trusts.

Newsletter

The 'Bulletin' newsletter, an informed commentary on markets and investment trusts managed by the Aberdeen Group is distributed free of charge.

Public Relations

AAM undertakes to brief journalists, write regularly through placed articles and ensure Company results and any corporate activity are brought to public attention.

Shareholder Services

AAM runs an investment help desk for retail enquirers and investors. Enquirers or investors will be sent any relevant literature on request and have queries answered immediately.

The Marketing Programme is under the direction of AAM's Group Head of Marketing for Investment Trusts, who has considerable experience in the marketing and communications of investment products. He is supported by a team of marketing professionals.

Internet

The AAM Investment Trust website contains details of closed end funds and investment companies managed or advised by the Aberdeen Group.

Edinburgh US Tracker Trust plc has its own dedicated website at: www.edinburghstracker.co.uk. This allows web users to access information on the Company's share price performance, capital structure, stock exchange announcements and monthly reports. The site is continuously being evaluated for improvement.

It is intended that ongoing Programme activities in these various fields, both proactive and supportive, will assist the Company to increase and maintain its shareholder base, improve liquidity and sustain ratings.

The Company is committed to the close monitoring of the Programme. The Group Head of Marketing for Investment Trusts reports to the Board and provides a written summary quarterly.

If you have any questions about your Company, the Manager or performance, please telephone the AAM Investor Services Department (direct private investors) on 0500 00 00 40. Alternatively, internet users may e-mail us at inv.trusts@aberdeen-asset.com or write to us at Aberdeen Investment Trusts, PO Box 11020, Chelmsford, Essex CM99 2DB.

How to Invest in Edinburgh US Tracker Trust plc

Direct

Investors can buy and sell shares in Edinburgh US Tracker Trust plc directly through a stockbroker or indirectly through a lawyer, accountant or other professional adviser. Alternatively, shares can be bought directly through Aberdeen's Investment Plan for Children, Aberdeen's Investment Trust Share Plan, Investment Trust ISA or ISA Transfer.

Aberdeen's Investment Plan for Children

Aberdeen Asset Managers Limited ("AAM") runs an Investment Plan for Children (the "Children's Plan") which covers a number of investment companies under its management, including Edinburgh US Tracker Trust plc. Anyone can invest in the Children's Plan, including parents, grandparents and family friends. All investments are free of dealing charges on the initial purchase of shares, although investors will suffer the bid-offer spread which can, on some occasions, be a significant amount. Lump sum investments start at £150 per trust, while regular savers may invest from £30 per month. Investors simply pay Government Stamp Duty (currently 0.5%) on entry. Selling costs are £10 + VAT. There is no restriction on how long an investor need invest in the Children's Plan, and regular savers can stop or suspend participation by instructing AAM in writing at any time. In common with other schemes of this type, all investments are held in nominee accounts.

Aberdeen's Investment Trust Share Plan

AAM runs a Share Plan (the "Plan") through which shares in Edinburgh US Tracker Trust plc can be purchased. There are no dealing charges on the initial purchase of shares, although investors will suffer the bid-offer spread which can, on some occasions, be a significant amount. Lump sum investments start at £250, while regular savers may invest from £100 per month. Investors simply pay Government Stamp Duty (currently 0.5%) on entry. Selling costs are £10 + VAT. There is no restriction on how long an investor need invest in a Plan, and regular savers can stop or suspend participation by instructing AAM in writing at any time. In common with other schemes of this type, all investments are held in nominee accounts. Investors have full voting and other rights of share ownership.

Stocks and Shares ISA

An investment of up to £11,280 in Edinburgh US Tracker Trust plc can be made in the tax year 2012/13. There are no brokerage or initial charges for the ISA, although investors will suffer the bid-offer spread, which can be a significant amount. Investors only pay Government Stamp Duty (currently 0.5%) on purchases. Selling costs are £15 + VAT. The annual ISA administration charge is £24 + VAT, calculated annually and deducted from income. Under

current legislation, investments in ISAs can grow free of capital gains tax.

ISA Transfer

You can choose to transfer previous tax year investments to us, which can be invested in Edinburgh US Tracker Trust plc while retaining your ISA wrapper. The minimum lump sum for an ISA transfer is £1,000 and is subject to a minimum per trust of £250.

Note

Please remember that past performance is not a guide to the future. Stock market and currency movements may cause the value of shares and the income from them to fall as well as rise and investors may not get back the amount they originally invested.

As with all equity investments, the value of investment trusts purchased will immediately be reduced by the difference between the buying and selling prices of the shares, the market maker's spread.

Investors should further bear in mind that the value of any tax relief will depend on the individual circumstances of the investor and that tax rates and reliefs, as well as the tax treatment of ISAs, may be changed by future legislation.

Trust Information

If investors would like details of Edinburgh US Tracker Trust plc or information on the Children's Plan, Share Plan, ISA or ISA Transfer, please telephone 0500 00 00 40 or write to Aberdeen Investment Trusts, PO Box 11020, Chelmsford, Essex CM99 2DB or e-mail at inv.trusts@aberdeen-asset.com. Details are also available on www.invtrusts.co.uk.

Literature Request Service

For literature and application forms for the Manager's investment trust products, please contact:
Telephone: 0500 00 40 00
Email: aam@lit-request.com

Keeping You Informed

Edinburgh US Tracker Trust plc's share price appears daily in the Financial Times and other national newspapers.

For internet users, detailed data on Edinburgh US Tracker Trust plc, including price, performance information and a monthly factsheet, is available on the Company's website (www.edinburghustracker.co.uk) and the TrustNet website (www.trustnet.co.uk). Alternatively you can call 0500 00 00 40 for trust information.

How to Invest in Edinburgh US Tracker Trust plc continued

Contact Us

For information on Edinburgh US Tracker Trust plc and for any administrative queries relating to the Investment Plan for Children, Share Plan, ISA or ISA Transfer please contact:

Aberdeen Investment Trust Administration
PO Box 11020
Chelmsford
Essex CM99 2DB
Telephone: 0500 00 00 40

For administrative queries relating to an existing shareholding in the Pension Plan, please contact:

Capita SIP Services
141 Castle Street
Salisbury
Wiltshire SP1 3TB
Telephone: 0800 13 70 79

Registrar

If you have an administrative query which relates to a share holding, please contact the Registrar, as follows:

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol
BS99 6ZZ
Telephone: 0870 889 4084
Website: www.computershare.co.uk
Email: www-uk.computershare.com/investor/contactus.

The above information has been approved for the purposes of Section 21 of the Financial Services and Markets Act 2000 by Aberdeen Asset Managers Limited, which is authorised and regulated by the Financial Services Authority in the United Kingdom.

Glossary of Terms and Definitions

Discount

The amount by which the market price per share of an investment trust is lower than the net asset value per share. The discount is normally expressed as a percentage of the net asset value per share.

Dividend Cover

Earnings per share divided by dividends per share expressed as a ratio.

Dividend Yield

The annual dividend expressed as a percentage of the share price.

Net Asset Value

The value of total assets less liabilities. Liabilities for this purpose included current and long-term liabilities. The net asset value divided by the number of shares in issue produces the net asset value per share.

Premium

The amount by which the market price per share of an investment trust exceeds the net asset value per share. The premium is normally expressed as a percentage of the net asset value per share.

Price/Earnings Ratio

The ratio is calculated by dividing the middle-market price per share by the earnings per share. The calculation assumes no change in earnings but in practice the multiple reflects the stock market's view of a company's prospects and profit growth potential.

Total Assets

Total Assets less current liabilities.

Total Expense Ratio

Ratio of expenses as percentage of average shareholders' funds calculated as per the industry standard Lipper Fitzrovia method.

Total Return

Total Return involves reinvesting the net dividend in the month that the share price goes up. The NAV Total Return involves investing the same net dividend in the NAV of the trust on the date to which that dividend was earned, e.g. quarter end, half year or year end date.

Notice of Annual General Meeting

Notice is hereby given that the one hundred and ninth Annual General Meeting of Edinburgh US Tracker Trust plc will be held at the registered office of the Company, 40 Princes Street, Edinburgh EH2 2BY on Tuesday 29 May 2012 at 11.00 a.m., for the following purposes:

To consider and, if thought fit, pass the following resolutions, of which Resolutions 1 to 8 inclusive will be proposed as Ordinary Resolutions and Resolutions 9 to 10 will be proposed as Special Resolutions:

Ordinary Business

1. To receive the reports of the Directors and auditor and the financial statements for the year ended 31 January 2012.
2. To receive the Directors' Remuneration Report for the year ended 31 January 2012.
3. To approve a final dividend of 5.20p on the Ordinary shares.
4. To re-elect James Ferguson as a Director of the Company.
5. To re-appoint KPMG Audit Plc as auditor of the Company.
6. To authorise the Directors to fix the remuneration of the auditor for the year to 31 January 2013.
7. That, the Board of Directors be released from the obligation in Article 156 of the Company's Articles of Association to convene a General Meeting of the Company to be held on 31 July 2012 at which a resolution will be proposed pursuant to Section 84 of the Insolvency Act 1986 requiring the Company to be wound up voluntarily.
8. That, in substitution for any pre-existing power to allot or grant rights to subscribe for or to convert any security into shares in the Company, but without prejudice to the exercise of any such authority prior to the date of this resolution, the Directors be and are hereby generally and unconditionally authorised in accordance with Section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company ("securities") up to an aggregate nominal amount of £2,623,215, such authority to expire on 31 July 2013 or, if earlier, at the conclusion of the Annual General Meeting of the Company to be held after the passing of this resolution, unless previously revoked, varied or extended by the Company in general meeting, save that the Company may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require relevant securities to be allotted after the expiry of such authority and the Directors may allot relevant securities in pursuance of such an offer or agreement as if such authority had not expired.
9. THAT, subject to the passing of the resolution numbered 8 set out in the notice of this meeting ("Section 551 Resolution") and in substitution for any existing authority under sections 570 and 573 of the Companies Act 2006 (the "Act") but without prejudice to the exercise of any such authority prior to the date of this resolution, the directors of the Company be empowered pursuant to sections 570 and 573 of the Act to allot equity securities (within the meaning of section 560 of the Act) either pursuant to the authorisation conferred by the Section 551 Resolution or by way of a sale of treasury shares, in each case for cash as if section 561(1) of the Act did not apply to such allotment or sale, provided that this power shall be limited to the allotment of or sale out of treasury equity securities up to an aggregate nominal amount of £786,954 and such power shall expire at the earlier of the conclusion of the next Annual General Meeting of the Company to be held in 2013 or on 31 July 2013, but so that this power shall enable the Company to make offers, sales or agreements before such expiry which would or might require equity securities to be allotted or sold after such expiry and the directors of the Company may allot or sell from treasury equity securities in pursuance of any such offer, sale or agreement as if such expiry had not occurred.
10. That, in substitution for any existing authority under Section 701 of the Companies Act 2006 (the "Act"), but without prejudice to the exercise of any such authority prior to the date hereof, the Company be generally and unconditionally authorised, in accordance with Section 701 of the Act, to make market purchases (within the meaning of Section 693(4) of the Act) of fully paid Ordinary shares of 25p each in the capital of the Company ("Ordinary shares") and to cancel or to hold in treasury such shares, provided that:—
 - (i) the maximum aggregate number of Ordinary shares hereby authorised to be purchased shall be 14.99% of the issued Ordinary share capital of the Company as at the date of the passing of this resolution (approximately 4.72 million Ordinary shares);
 - (ii) the minimum price which may be paid for an Ordinary share shall be 25p (exclusive of expenses);
 - (iii) the maximum price (exclusive of expenses) which may be paid for an Ordinary share shall be the higher of (i) 105% of the average of the middle market quotations (as derived from the Daily Official List of the London Stock Exchange) for the Ordinary shares for the five business days immediately preceding the date of purchase and (ii) the higher of the

price of the last independent trade and the highest current independent bid relating to an Ordinary share on the trading venue where the purchase is carried out; and

- (iv) unless previously varied, revoked or renewed, the authority hereby conferred shall expire on 31 July 2013 or, if earlier, at the conclusion of the next Annual General Meeting of the Company to be held after the passing of this resolution, save that the Company may, at any time prior to such expiry, enter into a contract or contracts to purchase Ordinary shares under such authority which will or might be completed or executed wholly or partly after the expiration of such authority and may make a purchase of Ordinary shares pursuant to any such contract or contracts.

27 April 2012
Registered office: 7th Floor, 40 Princes Street
Edinburgh EH2 2BY

By order of the Board
Aberdeen Asset Management PLC
Secretary

Notes:

- (i) A member is entitled to appoint a proxy or proxies to exercise all or any of their rights to attend, speak and vote on their behalf. A proxy need not be a member of the Company. A member may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. A member may not appoint more than one proxy to exercise rights attached to any one share. If you wish your proxy to speak on your behalf at the meeting you will need to appoint your own choice of proxy (not the Chairman of the meeting) and give your instructions directly to them. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a proxy form and believe that you should have one, or if you require additional forms or would like to appoint more than one proxy, please contact the Company's Registrars, Computershare on 0870 889 4084. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's Register of Members in respect of the joint holding (the first-named being the most senior). A member present in person or by proxy shall have one vote on a show of hands and on a poll every member present in person or by proxy shall have one vote for every Ordinary share of which he/she is the holder.
- (ii) A form of proxy for use by members is enclosed with these accounts. Completion and return of the form of proxy will not prevent any member from attending the meeting and voting in person. To be valid, the form of proxy should be lodged, together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority with the Company's Registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZZ, so as to be received not less than 48 hours (excluding non-working days) before the time of the meeting.
- (iii) In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, to have the right to attend and vote at the Meeting a member must first have his or her name entered in the Company's register of members by not later than 6.00pm on 25 May 2012 (or, in the event that the Meeting is adjourned, at 6.00pm on the day which is two business days before the time of the adjourned Meeting). Changes to entries on that register after that time shall be disregarded in determining the rights of any member to attend and vote at the Meeting.
- (iv) CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual and by logging on to the website www.euroclear.com/CREST. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
- (v) In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's Registrar (ID 3RA50) no later than 48 hours (excluding non-working days) before the time of the meeting or any adjournment. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the Company's Registrar is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
- (vi) CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and

Notice of Annual General Meeting continued

limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

- (vii) The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
- (viii) The "vote withheld" option on the proxy form is provided to enable a member to abstain on any particular resolution. It should be noted that an abstention is not a vote in law and will not be counted in the calculation of the proportion of votes "for" or "against" a particular resolution.
- (ix) The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with Section 146 of the Companies Act 2006 ("nominated persons"). Nominated persons may have a right under an agreement with the member who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if nominated persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights. The statement of the rights of members in relation to the appointment of proxies in notes i) and ii) above does not apply to Nominated Persons. The rights described in these notes can only be exercised by members of the Company.
- (x) No Director has a service contract with the Company. Copies of the Directors' letters of appointment are available for inspection on any day (except Saturdays, Sundays and bank holidays) from the date of this notice until the date of the meeting during usual business hours at the Company's registered office and for 15 minutes prior to, and at, the meeting.
- (xi) As at close of business on 20 April 2012 (being the latest practicable date prior to publication of this document), the Company's issued share capital comprised 31,478,582 Ordinary shares of 25p each. The total number of voting rights in the Company as at 20 April 2012 was 31,478,582.
- (xii) Any person holding 3% or more of the total voting rights in the Company who appoints a person other than the Chairman as his proxy will need to ensure that both he and such third party complies with their respective disclosure obligations under the UK Disclosure and Transparency Rules.
- (xiii) Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that they do not do so in relation to the same shares.
- (xiv) The members of the Company may require the Company to publish, on its website, a statement setting out any matter relating to the audit of the Company's accounts, including the Auditor's Report and the conduct of the audit, which they intend to raise at the next meeting of the Company. The Company will be required to do so once it has received such requests from either (i) members representing at least 5% of the total voting rights of the Company or (ii) at least 100 members who have a relevant right to vote and hold shares in the Company on which there has been paid up an average sum per member of at least £100. Such requests must be made in writing and must state your full name and address, and be sent to: the Company Secretary, Edinburgh US Tracker Trust plc, 40 Princes Street, Edinburgh EH2 2BY.
- (xv) Information regarding the Annual General Meeting, including information required by Section 311A of the Companies Act 2006, is available from the Company's website, www.edinburghustracker.co.uk.
- (xvi) Under Section 319A of the Companies Act 2006, the Company must answer any question relating to the business being dealt with at the meeting put by a member attending the meeting unless:
 - a) answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;
 - b) the answer has already been given on a website in the form of an answer to a question; or
 - c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
- (xvii) Members who have general queries about the Annual General Meeting should contact the Company Secretary in writing. Members are advised that, unless otherwise stated, any telephone number, website or e-mail address which may be set out in this notice of Annual General Meeting or in any related documents (including the proxy form) is not to be used for the purposes of serving information or documents on, or otherwise communicating with, the Company for any purposes other than those expressly stated.

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- (xviii) There are special arrangements for holders of shares through the Aberdeen's Investment Plan for Children, Aberdeen's Investment Trust Share Plan and Investment Trust ISA. These are explained in the 'Letter of Direction' which such holders will have received with this report.

Corporate Information

Directors

James Ferguson (Chairman)
Guy Crawford
Archie Hunter

Registered Office

40 Princes Street
Edinburgh EH2 2BY
Telephone: 0131 528 4000

Manager

Aberdeen Asset Managers Limited,
a subsidiary of Aberdeen Asset Management PLC
Website: www.aberdeen-asset.com
Authorised and regulated by the Financial Services Authority

Secretary

Aberdeen Asset Management PLC

Company Broker

Winterflood Investment Trusts

Company Registration Number

SC005218

Registrar

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol
BS99 6ZZ
Telephone: 0870 889 4084
Website: www-uk.computershare.com/investor/contactus.

Auditor

KPMG Audit Plc
Saltire Court
20 Castle Terrace
Edinburgh EH1 2EG

Bankers and Custodian Bankers

RBC Dexia Investor Services Limited
71 Queen Victoria Street
London EC4V 4DE

Website

www.edinburghustracker.co.uk

Your Company's History

Issued Share Capital at 31 January 2012

31,478,582 Ordinary 25p shares.

Capital History

Year to 31 January 2012	1,621,236 Ordinary shares purchased for cancellation at prices ranging from 565.5p to 649.0p
Year to 31 January 2011	3,356,690 Ordinary shares purchased for cancellation at prices ranging from 539.0p to 622.0p
Year to 31 January 2010	1,142,871 Ordinary shares purchased for cancellation at prices ranging from 450.0p to 551.2p
Year to 31 January 2009	357,000 Ordinary shares purchased for cancellation at prices ranging from 513.0p to 568.0p
Year to 31 January 2008	5,373,500 Ordinary shares purchased for cancellation at prices ranging from 567.5p to 619p. Pursuant to the tender offer of up to 50% of the Ordinary shares in issue, 29,206,363 Ordinary shares were purchased by tender and cancelled at 559.17p.
Year to 31 January 2007	9,152,922 Ordinary shares purchased for cancellation at prices ranging from 534p to 594p.
Year to 31 January 2006	1,242,000 Ordinary shares purchased for cancellation at prices ranging from 465p to 557p.
Year to 31 January 2005	5,450,000 Ordinary shares purchased for cancellation at prices ranging from 444p to 489p.
Year to 31 January 2004	No changes.
Year to 31 January 2003	200,000 Ordinary shares issued at 644p.
Year to 31 January 2002	4,910,000 Ordinary shares issued at prices ranging from 562p to 727p. A resolution to increase the authorised share capital to 120,000,000 Ordinary shares of 25p was passed on 13 May 2002.
Year to 31 January 2001	No changes.
Year to 31 January 2000	The 3½% preference stock was repaid on 28 October 1999. A resolution to reclassify the authorised but unissued 'B' Ordinary shares as Ordinary shares was passed on 20 July 1999.
Year to 31 January 1999	No changes.
Year to 31 January 1998	On 5 June 1997 the investment objective was changed to invest in a portfolio designed to track closely the performance of the S&P 500 Index. The name of the Company was changed to Edinburgh US Tracker Trust plc from American Trust plc. The issued share capital was 83,271,164 Ordinary shares of 25p and £1,057,500 3½% cumulative preference stock. The authorised share capital was 94,711,881 Ordinary share capital of 25p, 1,058,119 'B' Ordinary shares of 25p and £1,057,500 3½% cumulative preference stock.





Aberdeen