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Edinburgh US Tracker Trust plc

Annual report

Year ended 31 January 2010



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Financial Calendar

31 March 2010	Announcement of results for year ending 31 January 2010
17 May 2010	Annual General Meeting
21 May 2010	Final Ordinary dividend payable for year ending 31 January 2010
September 2010	Announcement of interim results for six months ending 31 July 2010
October 2010	Interim Ordinary dividend payable for year ending 31 January 2011

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action you should take, you are recommended to seek your own independent financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom or, if not, from another appropriately authorised financial adviser. If you have sold or otherwise transferred all your Ordinary shares in Edinburgh US Tracker Trust plc, please forward this document, together with the accompanying documents immediately to the purchaser or transferee, or to the stockbroker, bank or agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

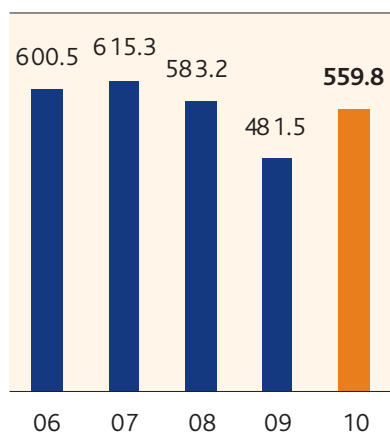
Financial Summary

	2010	2009
Net asset value per share (including undistributed revenue for the period)	+16.3%	-17.4%
Share price – capital return	+9.7%	-9.9%
S&P 500 Index ^A (in sterling terms)	+17.0%	-17.4%
Revenue return per share	+1.1%	+6.6%
Dividend per share	+26.6%	-30.8% ¹
Total expense ratio	0.40%	0.38%

¹ The comparison of the dividend was affected by technical factors arising from the tender offer in January 2008.

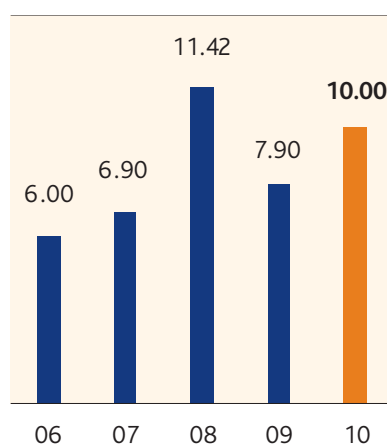
Net asset value per share

At 31 January – pence



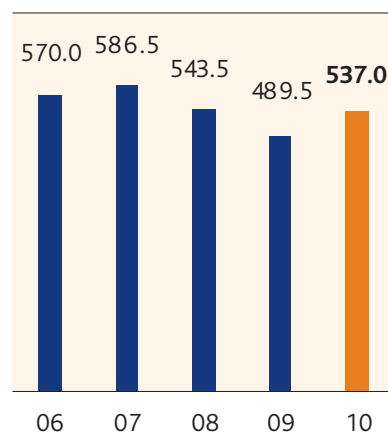
Dividends per share

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 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 Section 842 of the Income and Corporation Taxes Act 1988 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 £204.1 million and a net asset value of 559.84p per Ordinary share at 31 January 2010 (including undistributed revenue for the period).

Market Capitalisation

The Company had a market capitalisation of £195.8 million at 31 January 2010.

Capital Structure

The Company's issued share capital as at 31 January 2010 consisted of 36,456,508 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 2010 has approximately £155.1 billion of assets under management. It manages assets on behalf of a wide range of clients including 30 investment trusts and other closed-ended funds, which have combined total assets of over £6.9 billion.

The Manager has its headquarters in Aberdeen and invests globally, operating from 31 offices in 26 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.

The Manager currently manages £58.7 billion of equities globally.

Company Secretary

Aberdeen Asset Management PLC
40 Princes Street, Edinburgh EH2 2BY
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 38).

Chairman's Statement

US equities staged a powerful recovery, after a particularly weak start to the year, as investors anticipated correctly that lower interest rates and government stimulus packages would lead to a turnaround in the economy. This recovery duly transpired with the US economy growing at an annualised rate of 5.6% in the fourth quarter of 2009 following growth of 2.2% in the third quarter. The improvement in the economy was also reflected in corporate profits which were generally ahead of market expectations. The S&P 500 Index rose by 30% in US dollars but the relative weakness in the US currency reduced these gains significantly 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 2010, the net asset value per share (excluding undistributed revenue for the period) rose by 17.0% to 557.96p (NAV), compared to an increase of 17.0% in the index (in sterling terms).

Since the investment objective of the Company was revised in June 1997, the capital performance has matched that of the Index to within 0.25% per annum. The annualised returns of the Company's capital net asset values per share for the period 31 July 1997 to 31 January 2010 were 1.34% per annum compared to an annualised return of 1.12% per annum for the Index.

The Company operates a share buy-back programme with the aim of establishing a long-term level of discount of no greater than 3% and in the year bought back 1,142,871 of its own shares for cancellation. The share price rose by 9.7% during the year (compared to the index return of 17.0%) and at 31 January 2010 the shares were standing at a discount of 3.8% to the net asset value per share (excluding the undistributed revenue of the period) compared with a premium of 2.6% at 31 January 2009.

Dividend

The revenue return per share rose by 1.1% to 8.02p. The slight increase in the revenue return is attributable to a more beneficial US dollar/exchange rate, over the comparative period in 2009, and a lower tax charge which more than offset lower dividends being paid by a number of companies held in the portfolio. Most of the Company's income is derived from its overseas investments and from 1 July 2009 overseas dividends received by investment trusts were exempted from corporation tax. The full benefit of this change in taxation will be received in the year ahead. The Directors declared an interim dividend of 6.20p per share for the year to 31 January 2010 which included an additional 2.00p per share from accumulated revenue reserves. This one-off supplement recognised the non-recurring benefit to revenue reserves per share arising from the tender offer, which took place in January 2008, the increase in personal

tax rates in April 2010 and the opportunity to make an increased distribution to shareholders at a time when income from equity investments has been under pressure. Your Board is recommending a final dividend of 3.80p which will take the total dividends for the year to 10.00p (2009: 7.90p).

Marketing

Your Board continues to contribute to 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.edinburghstracker.co.uk.

Alternative Investment Fund Manager (AIFM) Directive

The European Commission published the draft AIFM Directive in April 2009. Its purpose is to introduce a new authorisation and supervisory regime for all alternative investment fund managers managing alternative investment funds within the European Union. If implemented as currently drafted, the Directive would impose an onerous additional regulatory burden on investment trusts, with potentially adverse consequences. The Board supports the efforts of the Association of Investment Companies to ensure that any such proposed regulation is proportionate and appropriate in relation to investment companies. The Board will keep shareholders informed of any major further developments concerning this.

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 as Special Business at the Annual General Meeting to be held on Monday 17 May 2010. 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. There will be another opportunity to consider the future of the Company at the same time next year. I believe that our investment performance, aided by low management and administration costs, as evidenced by the total expense ratio of 0.40%, underlines the attractions of the index tracking approach to investors. Your Board therefore strongly recommends all shareholders to vote in favour of the resolution.

The Directors are also seeking shareholder approval 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. Your Board also has the authority to purchase the Company's shares for cancellation were the

shares to trade persistently at a level in excess of the Company's stated discount policy. Special resolutions proposing an extension of these facilities will be put to shareholders in the Annual General Meeting.

The law in relation to companies has undergone a number of changes following the introduction of new legislation in the UK under the Companies Act 2006. The changes have been implemented in stages and the final parts were implemented in October 2009. A special resolution will be proposed as special business at the Annual General Meeting to update the Articles of Association in order to reflect the latest provisions of the Act.

Outlook

The US economy has rebounded strongly from the depths of recession but questions remain over the durability of this recovery in the face of the high levels of private and public debt that continue to be key features of the US. The Federal Reserve has stated that interest rates could be maintained at historically low levels for a prolonged period to assist the economic recovery and this accommodating stance to monetary policy should continue to provide support for equity markets in the months ahead. At some point, any sustained recovery in economies will require Governments to address the need for tighter monetary regimes.

James Ferguson
Chairman
30 March 2010

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:

- Incorporated in the US
- Financial reporting is in US GAAP, in US dollars and the company should not be considered a foreign entity by the SEC
- A corporate governance structure consistent with US practice
- Principal executive presence is in the US
- The US portion of revenues, operations, fixed assets and employees should be a significant portion of the total, but need not exceed 50%
- The common stock should be listed on NYSE and NASDAQ
- The company should generally be considered a US company by analysts and investors

Standard & Poor's undertakes regular reviews of the market cap guidelines for its US indices to ensure that these reflect changes in share prices. The current guidelines are:

- S&P 500 Index – market cap of \$3.5 billion or greater
- S&P MidCap 400 - \$850 million to \$3.8 billion
- S&P SmallCap 600 - \$250 million to \$1.2 billion

The level of activity within the portfolio reflected changes to the constituents of the Index which were the result of takeover activity (7 constituents were acquired), low market capitalisations (10 constituents were removed) and change of domicile (8 constituents were removed). The other feature of the period was the continuing need for banks to raise additional equity capital.

Some of the better known names to leave the S&P 500 Index as a result of takeover activity included Rohm & Haas, Centex, Wyeth, Schering Plough and Sun Microsystems. The new entrants to the index included Western Digital, Airgas, Visa, Time Warner Cable, Red Hat and Berkshire Hathaway.

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 1,142,871 shares were purchased during the year at a total cost of £5.9 million.

The total value of purchases in the year, excluding the Company's own shares, amounted to £8.8 million while sales totalled £14.8 million.

Aberdeen Asset Managers Limited

30 March 2010

Results

Performance

	1 year return %	3 year return* %	5 year return* %
Capital return			
Share price	+9.7	-8.4	+10.7
Net asset value per share	+16.3	-9.0	+7.4
S&P 500 Index (in sterling terms)	+17.0	-8.8	+7.0
Total return (Capital return plus dividends reinvested)			
Share price	+12.1	-3.2	+19.6
Net asset value per share	+18.7	-4.0	+15.6
S&P 500 Index (in sterling terms)	+19.8	-2.5	+18.8

* Cumulative return

Financial Summary

	31 January 2010	31 January 2009	% change
Total assets	£204,098,000	£181,077,000	+12.7
Equity shareholders' funds	£204,098,000	£181,042,000	+12.7
Share price (mid market)	537.00p	489.50p	+9.7
Net asset value per share (including undistributed revenue for the period)	559.84p	481.50p	+16.3
Net asset value per share (excluding undistributed revenue for the period)	557.96p	477.06p	+17.0
S&P 500 Index (in sterling terms)	670.16	572.85	+17.0
(Discount)/premium (difference between share price and net asset value) ^A	(3.8%)	2.6%	
Dividends and earnings			
Revenue return per share	8.02p	7.93p	+1.1
Dividends per share (including proposed final dividend)	10.00p	7.90p	+26.6
Dividend cover	0.80	1.00	
Revenue reserves per share (prior to payment of proposed final dividend)	8.27p	10.60p	
Revenue reserves per share (after payment of proposed final dividend)	4.47p	6.20p	
Operating costs			
Total expense ratio	0.40%	0.38%	

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

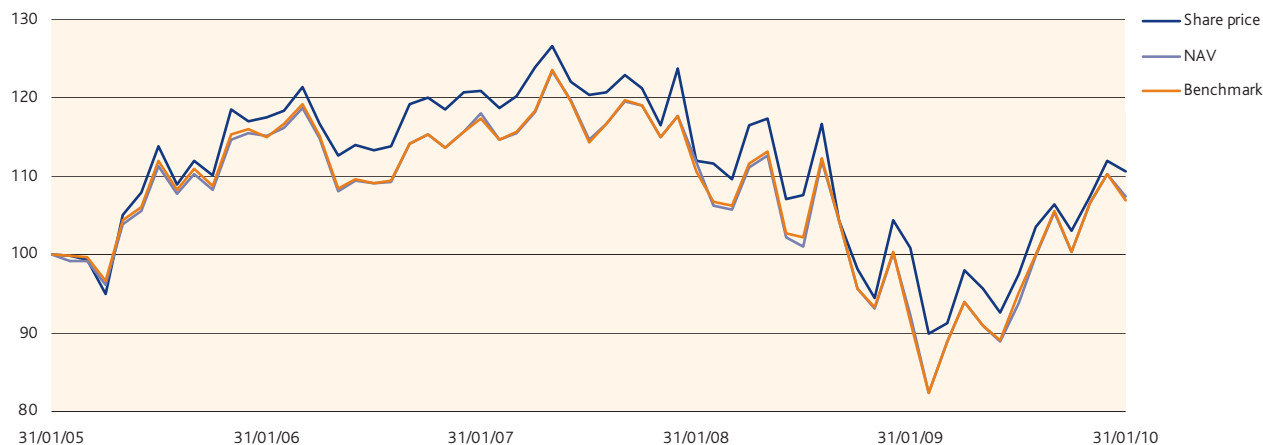
Dividends

	Rate	xd date	Record date	Payment date
Interim dividend 2010	6.20p	23 September 2009	25 September 2009	23 October 2009
Proposed final dividend 2010	3.80p	21 April 2010	23 April 2010	21 May 2010
Total dividends 2010	10.00p			
Interim dividend 2009	3.50p	24 September 2008	26 September 2008	24 October 2008
Final dividend 2009	4.40p	22 April 2009	24 April 2009	26 May 2009
Total dividends 2009	7.90p			

Performance

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

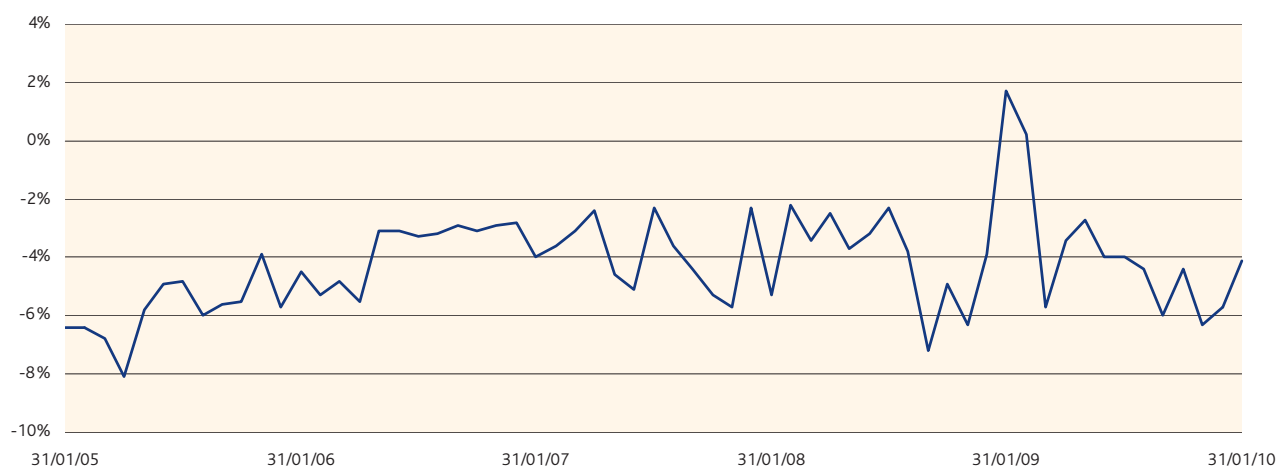
Five years to 31 January 2010 (rebased to 100 at 31/01/05)



Source: Aberdeen Asset Management, Morningstar & Russell Mellon

Share Price Premium/(Discount) to NAV

Five years to 31 January 2010



Source: Morningstar

Ten Year Financial Record

Year to 31 January	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Per share (p)										
Net revenue return	4.74	4.88	4.98	4.94	5.16	6.26	6.92	7.44	7.93	8.02
Dividends	4.85	4.85	4.85	4.85	5.05	6.00	6.90	11.42	7.90	10.00
As at 31 January										
Net asset value per share (p)	766.4	658.8	429.7	515.4	521.3	600.5	615.3	583.2	481.5	559.8
Shareholders' funds (£'000)	638,211	580,912	379,811	455,472	432,327	490,511	446,344	221,354	181,042	204,098

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 2010

Company	S&P 500 Index industry classification	Valuation 2010 £'000	Total assets %	Valuation 2009 £'000
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	6,465	3.2	9,676
Microsoft Microsoft manufactures and licenses software products for operating systems, applications, software development and internet services.	Systems Software	4,600	2.2	3,252
Procter & Gamble Procter & Gamble manufactures consumer products globally in the laundry, cleaning, paper, beauty care, food and beverage and health care segments.	Household Products	3,799	1.8	4,045
Johnson & Johnson Johnson & Johnson manufactures health care products, pharmaceuticals, diagnostic equipment and surgical devices.	Pharmaceuticals	3,665	1.8	3,943
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	3,650	1.8	1,991
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	3,618	1.8	3,167
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	3,397	1.6	3,056
JPMorgan Chase JPMorgan Chase provides global financial services which include investment banking, treasury and security services, asset management, private banking, card member services, commercial banking and home finance.	Diversified Financial Services	3,242	1.6	2,366
Bank of America Bank of America accepts deposits and offers banking, investing, asset management and other financial services. In addition, the company operates mortgage lending, investment banking and securities brokerage businesses.	Diversified Banks	3,188	1.6	1,023
Pfizer Pfizer is a global pharmaceutical company developing and manufacturing prescription and over the counter pharmaceuticals and animal health medicines and vaccines.	Pharmaceuticals	3,182	1.6	2,443
Ten largest investments		38,806	19.0	

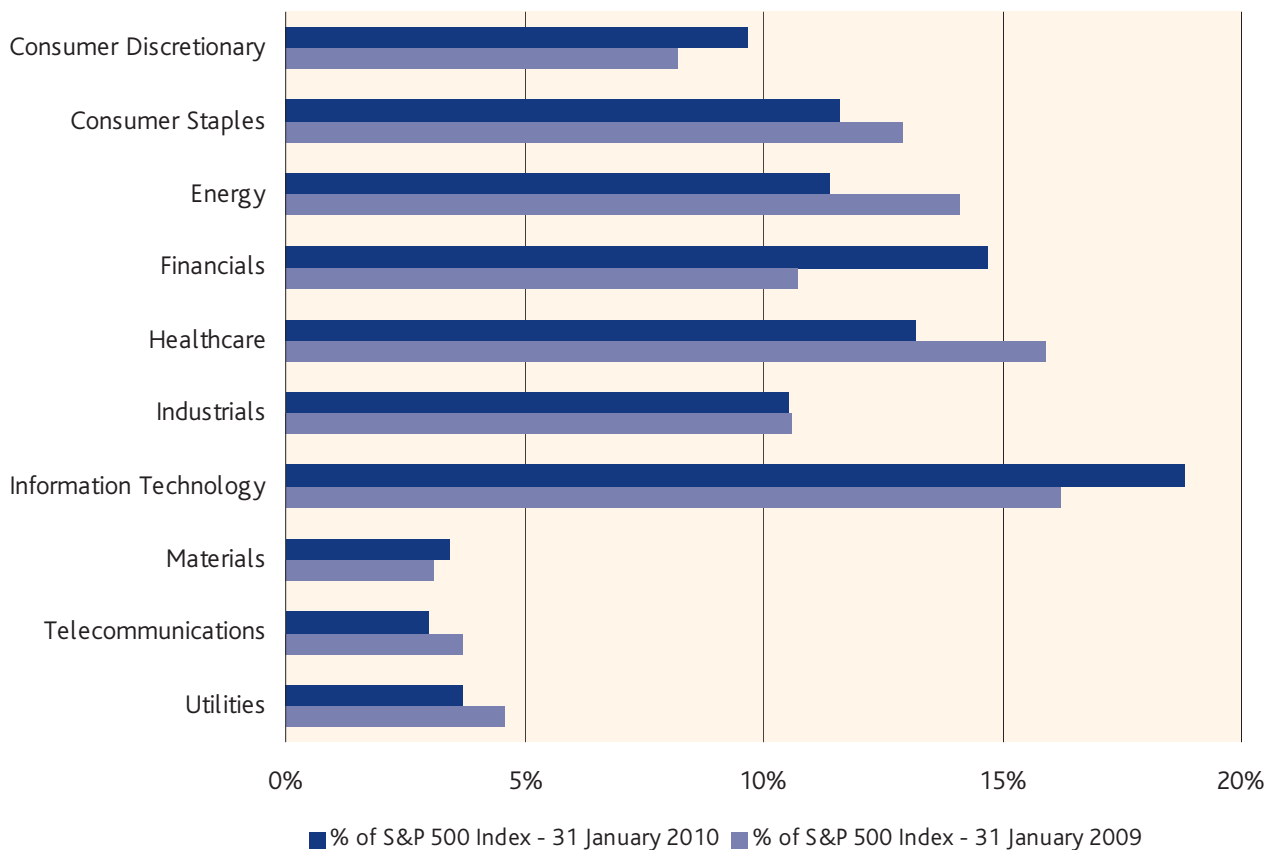
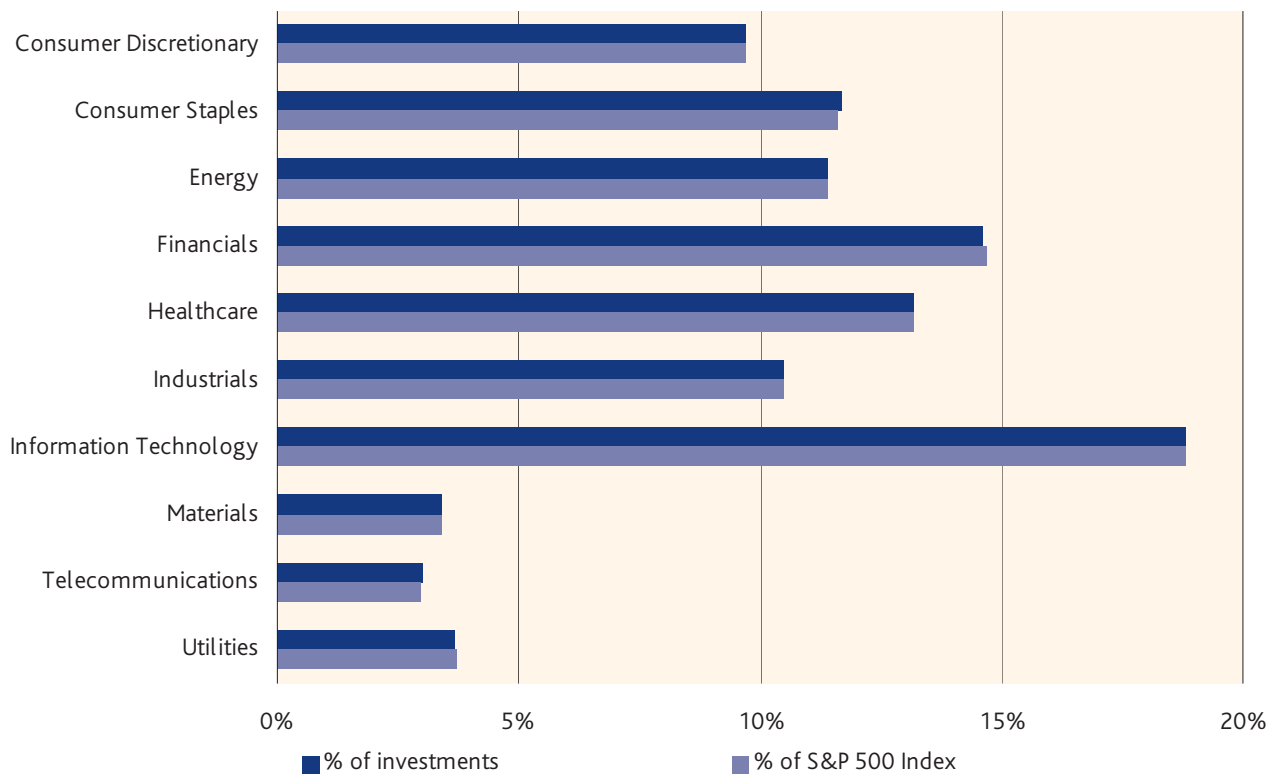
Investment Portfolio – Other Investments

As at 31 January 2010

Company	S&P 500 Index industry classification	Valuation 2010 £'000	Total assets %	Valuation 2009 £'000
AT&T	Integrated Telecommunication Services	3,162	1.5	3,584
Wells Fargo	Diversified Banks	3,070	1.5	1,958
Chevron	Integrated Oil & Gas	3,057	1.5	3,532
Cisco Systems	Communications Equipment	2,731	1.3	2,152
Google	Internet Software & Services	2,688	1.3	1,979
Coca-Cola	Soft Drinks	2,658	1.3	2,113
Merck	Pharmaceuticals	2,465	1.2	1,491
Wal-Mart Stores	Hypermarkets & Supercenters	2,410	1.2	2,597
Hewlett Packard	Computer Hardware	2,357	1.2	2,115
Intel	Semiconductors	2,264	1.1	1,801
Top twenty investments		65,668	32.1	
Pepsico	Soft Drinks	1,967	1.0	1,940
Oracle	Systems Software	1,906	0.9	1,605
Philip Morris	Tobacco	1,831	0.9	1,888
Verizon Communications	Integrated Telecommunication Services	1,767	0.9	2,108
Abbott Labs	Pharmaceuticals	1,732	0.8	2,135
Schlumberger	Oil & Gas Equipment & Services	1,624	0.8	1,178
Goldman Sachs	Diversified Financial Services	1,614	0.8	856
Conoco Phillips	Integrated Oil & Gas	1,505	0.7	1,788
McDonald's	Restaurants	1,423	0.7	1,610
Qualcomm	Communications Equipment	1,393	0.7	1,420
Top thirty investments		82,430	40.3	
Citigroup	Diversified Financial Services	1,368	0.7	471
Occidental Petroleum	Integrated Oil & Gas	1,344	0.7	1,082
United Technologies	Aerospace & Defense	1,339	0.7	1,135
Amgen	Biotechnology	1,251	0.6	1,437
3M	Diversified Technology	1,212	0.6	915
United Parcel Service	Air Freight & Logistics	1,211	0.6	1,058
Walt Disney	Movies & Entertainment	1,165	0.6	939
US Bancorp	Diversified Financial Services	1,014	0.5	647
Home Depot	Home Improvement Retail	1,007	0.5	876
Medtronic	Health Care Equipment & Supplies	1,003	0.5	906
Top forty investments		94,344	46.3	
CVS Caremark	Drug Retail	966	0.5	929
Comcast	Broadcasting & Cable TV	956	0.5	1,064
American Express	Consumer Finance	947	0.5	466
Boeing	Aerospace & Defense	929	0.5	779
Gilead Sciences	Biotechnology	917	0.4	1,135
Monsanto	Fertilisers & Agricultural Chemicals	883	0.4	1,010
Bristol-Myers Squibb	Biotechnology	882	0.4	1,032
Altria	Tobacco	880	0.4	852
Kraft Foods	Packaged Foods & Meat	864	0.4	1,038
Amazon	Internet Retail	856	0.4	446
Top fifty investments		103,424	50.7	
Other investments (450 investments)		99,232	48.6	
Total investments		202,656	99.3	
Net current assets less liabilities		1,442	0.7	
Total assets less current liabilities		204,098	100.0	

Sector Analysis

As at 31 January 2010



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: Chairman

Age: 62

Length of service: 8 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

Last re-elected to the Board: 21 May 2009

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

Remuneration: £21,600 per annum

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

Age: 68

Length of service: 6 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: 21 May 2008

Committee membership: Audit Committee and Management Engagement Committee

Remuneration: £13,500 per annum

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

Age: 66

Length of service: 6 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: 23 May 2007

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

Remuneration: £13,500 per annum

All other public company

directorships: chairman of MacFarlane Group and audit committee chairman of The Royal Bank of Scotland 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 2010.

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 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 842 of the Income and Corporation Taxes Act 1988 for the year ended 31 January 2009. The Directors are of the opinion, under advice, that the Company has conducted its affairs for the year ended 31 January 2010 so as to be able to continue to obtain approval as an investment trust under Section 842 of the Income and Corporation Taxes Act 1988 for that year, although approval for the year would be subject to review were there to be any enquiry under the Corporate 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 operates a share buyback programme with the aim of establishing a long-term level of discount of no greater than 3%.
- Regulatory risk: The Company operates in a complex regulatory environment and faces a number of regulatory risks. Breaches of regulations, such as Section 842 of the Income and Corporation Taxes Act 1988, 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 17 to the accounts.

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 6.20p per Ordinary share was paid to shareholders on 23 October 2009. The Directors recommend that a final dividend per Ordinary share of 3.80p be paid on 21 May 2010 to shareholders on the register on 23 April

2010, making a total of 10.00p (2009 – 7.90p) per Ordinary share for the year ended 31 January 2010. The ex-dividend date is 21 April 2010. A resolution in respect of the final dividend will be proposed at the Annual General Meeting.

Share Capital

During the year ended 31 January 2010, the Company purchased for cancellation 1,142,871 Ordinary shares, at prices ranging from 450.0p to 551.2p, at a discount to the prevailing net asset value per share. The total consideration for these purchases was £5.9 million, inclusive of stamp duty. Since the year end, a further 1,085,900 shares were bought back.

At 31 January 2010, the Company's capital structure consisted of 36,456,508 Ordinary shares of 25p each (2009 – 37,599,379 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 the appointment and replacement of Directors are set in the Statement of Corporate Governance. The rules concerning amendments of the Articles of Association and powers to issue or buy back Company's shares are contained in the Articles of Association of the Company and the Companies Acts 2006.

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.

In accordance with the Articles of Association and with corporate governance procedures established by the Board, Archie Hunter will retire from the Board and, being eligible, offer himself for re-election at the Annual General Meeting.

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 2010	31 January 2009
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 2010, 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 2010 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 19.

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.

Substantial Interests

At 30 March 2010 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	6.0
Rensburg Sheppards	2,122,837	6.0
Lloyds Banking Group	2,111,127	6.0
Rathbone Brothers	1,966,010	5.6
HBOS plc	1,905,266	5.4
Legal & General	1,460,255	4.1

Auditors

The Company's auditors, KPMG Audit Plc, are 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 2010. 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 auditors are unaware; and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and

to establish that the Company's auditors are 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.

Annual General Meeting - Special Business

The Annual General Meeting will be held on 17 May 2010. Resolutions relating to the following items of special business 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 to convene a General Meeting in 2010 at which a resolution will 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 £2,947,551 (representing approximately 33.33 per cent. of the total Ordinary share capital of the Company 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 2011 or, if earlier, at the conclusion of the Annual General Meeting of the Company to be held in 2011 (unless previously revoked, varied or extended by the Company in general meeting).
- (iii) *Limited disapplication of pre-emption provisions*
As noted above, resolution 8 will, if approved, give the Directors a general authority to allot securities up to an aggregate nominal amount of £2,947,551. Resolution 9, which is a special resolution, will, if approved, give the Directors power to allot unissued Ordinary share capital up to a maximum aggregate nominal amount of £442,133, being 5% of the total Ordinary share capital of the Company in issue as at the date of this report for cash other than to existing shareholders pro rata to their holdings. Under this power, Ordinary shares would only be issued for cash at a price not less than the net asset value per share. A maximum of £2,947,551 of unissued Ordinary share capital may also be allotted for cash pursuant to a rights issue made pro rata to shareholders in the future.

This power will continue in effect until 31 July 2011 or, if earlier, the conclusion of the Annual General Meeting

of the Company to be held in 2011 (unless previously revoked, varied or extended by the Company in general meeting).

The Directors consider that the powers proposed to be granted by the above resolutions are necessary to retain flexibility and would be used to meet investor demand. The Directors do not have any intention of exercising such powers at present.

- (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. The maximum aggregate number of Ordinary shares which may be purchased pursuant to the 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 5.30 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. Shares so repurchased will be cancelled. This authority will expire on 31 July 2011 or, if earlier, at the conclusion of the Annual General Meeting of the Company to be held in 2011 (unless previously revoked, varied or renewed by the Company in general meeting).

- (v) *Amendment to the Articles of Association*
The law in relation to companies has undergone a number of changes following the introduction of new companies legislation in the United Kingdom under the Companies Act 2006 ("2006 Act") and the implementation of the Companies (Shareholders Rights) Regulations 2009 ("Regulations") which were introduced in August 2009. The changes brought about by the 2006 Act have been implemented in stages, and the remaining parts were implemented on 1 October 2009. Whilst the majority of the changes introduced on 1 October 2009 will apply automatically to the Company, it is best practice to update the Company's articles to reflect the law when the opportunity arises. Accordingly, resolution 11, which is a special resolution, proposes to adopt new

Articles of Association ("New Articles") in order to ensure full compliance with the provisions of the 2006 Act and the Regulations.

A copy of the New Articles will be available for inspection at Royal London House, 22/25 Finsbury Square, London EC2A 1DX during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the date of the notice of the AGM (the "Notice") until the conclusion of the Annual General Meeting and on the date of the Annual General Meeting at 40 Princes Street, Edinburgh from 10.45 a.m. until the conclusion of the meeting.

A summary of the principal changes proposed to be brought about by the adoption of the New Articles is set out in the Appendix to the Notice.

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.

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

30 March 2010

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 Combined Code on Corporate Governance published in June 2008 ("the Combined 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 2010 with the relevant provisions contained within the Combined 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 Engagement Committee		
	Board	Audit 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

Performance Evaluation

Following an appraisal of each Director by the Chairman, and of the Chairman by the other Directors, 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. In addition, 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. The Board believes 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 and 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. New Directors appointed will be given appropriate induction from the Manager. All Directors are entitled to receive appropriate training as deemed 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, to retire and seek election by shareholders at the next Annual General Meeting. The Articles also require that one-third of the Directors retire by rotation each year and seek re-election at the 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

Statement of Corporate Governance continued

recommends the re-election of Archie Hunter, who is due to retire at this year's Annual General Meeting. Archie Hunter is a chartered accountant and brings accounting and financial expertise to the Board.

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

Responsibility for monitoring the activities of investee companies has been delegated by the Board to the Manager.

The Manager is responsible for reviewing, on a regular basis, the annual reports, circulars and other publications produced by the investee company, and for attending company meetings. The Manager, 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. Following publication of the Financial Reporting Council's 'Internal Control: Revised Guidance for Directors on the Combined Code' (the "FRC guidance"), 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 FRC guidance. The Board has reviewed the effectiveness of the system of internal control. 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.

Note 17 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;
- the Board has considered the need for an internal audit function but, because of the compliance and internal control systems in place within the Manager, has decided to place reliance on the Manager's systems and internal audit procedures; and
- at its March 2010 meeting, the Audit Committee carried out an annual assessment of internal controls for the year

ended 31 January 2010 by considering documentation from the Manager, including the internal audit and compliance functions, and taking account of events since 31 January 2010.

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 auditors in connection with the financial statements appear on pages 20 and 22. 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 auditors 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 auditors to review their proposed audit programme of work and the findings of the auditors. 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 auditors to supply non-audit services. No non-audit fees for the year to 31 January 2010 were incurred. The Board will review any future fees in the light of the requirement to maintain the auditors' 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 auditors and to approve the remuneration and terms of engagement of the auditors; and

- to monitor and review annually the auditors' independence, objectivity, effectiveness, resources and qualification. At its March 2010 meeting, the Committee was satisfied that the auditors remained independent and objective.

Management Engagement Committee

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

For Edinburgh US Tracker Trust plc

James Ferguson

Chairman

30 March 2010

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 auditors to audit certain of the disclosures provided. Where disclosures have been audited they are indicated as such. The auditors' opinion is included in their report on page 22.

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 2011 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 remain at £21,600 for the Chairman and £13,500 for each Director.

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 2010 or subsequently.

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

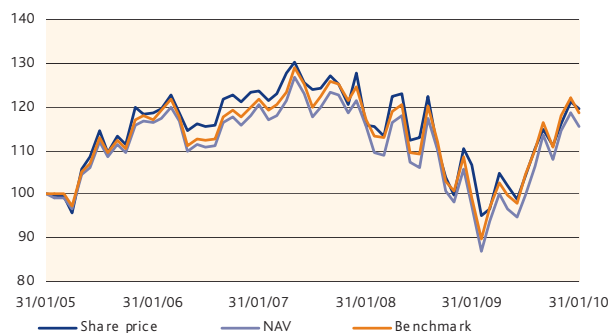
A resolution to receive the Directors' Remuneration Report will be proposed at the Annual General Meeting.

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 2010

(Values rebased to 100 on 31 January 2005)



Audited Information

Directors' Emoluments

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

	2010 £	2009 £
James Ferguson	21,600	20,000
Guy Crawford	13,500	12,500
Archie Hunter	13,500	12,500
	48,600	45,000

Approval

The Directors' Remuneration Report on page 21 was approved by the Board of Directors on 30 March 2010 and signed on its behalf by:

James Ferguson

Chairman

30 March 2010

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

We have audited the financial statements of Edinburgh US Tracker Trust plc for the period ended 31 January 2010 set out on pages 23 to 36. 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 auditors' 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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 20, 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 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/UKP.

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 2010 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
- the information given in the Corporate Governance Statement set out on pages 17 to 19 with respect to

internal control and risk management systems in relation to financial reporting processes and about share capital structures is consistent with the financial statements.

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.
- a Corporate Governance Statement has not been prepared by the Company

Under the Listing Rules we are required to review:

- the Directors' statement, set out on page 15, in relation to going concern; and
- the part of the Corporate Governance Statement on pages 17 to 19 relating to the company's compliance with the nine provisions of the June 2008 Combined Code specified for our review.

Alastair WS Barbour (Senior Statutory Auditor)

for and on behalf of KPMG Audit Plc, Statutory Auditor
Chartered Accountants

Edinburgh

30 March 2010

Income Statement

	Notes	Year ended 31 January 2010			Year ended 31 January 2009		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Net gains/(losses) on investments	8	–	30,214	30,214	–	(37,641)	(37,641)
Net currency (losses)/gains	16	–	(284)	(284)	–	1,015	1,015
Income	2	4,433	–	4,433	4,936	–	4,936
Investment management fee	3	(386)	–	(386)	(397)	–	(397)
Administrative expenses	4	(370)	–	(370)	(371)	–	(371)
Net return on ordinary activities before finance costs and taxation		3,677	29,930	33,607	4,168	(36,626)	(32,458)
Finance costs		(1)	–	(1)	–	–	–
Return on ordinary activities before taxation		3,676	29,930	33,606	4,168	(36,626)	(32,458)
Taxation	5	(687)	–	(687)	(1,180)	–	(1,180)
Return on ordinary activities after taxation		2,989	29,930	32,919	2,988	(36,626)	(33,638)
Return per share (pence)	7	8.02	80.28	88.30	7.93	(97.18)	(89.25)

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 3.80p per share (£1,344,000), making a total dividend of 10.00p per share (£3,649,000) for the year to 31 January 2010 which, if approved, will be payable on 21 May 2010 (see note 6).

For the year ended 31 January 2009, the final dividend was 4.40p per share (£1,654,000) making a total dividend of 7.90p per share (£2,970,000).

Balance Sheet

	Notes	As at 31 January 2010 £'000	As at 31 January 2009 £'000
Fixed assets			
Investments at fair value through profit or loss	8	202,656	178,452
Current assets			
Debtors and prepayments	9	206	319
Cash and short term deposits	16	1,729	2,828
		1,935	3,147
Creditors: amounts falling due within one year	10	(493)	(522)
Net current assets		1,442	2,625
Total assets less current liabilities		204,098	181,077
Provision for liabilities and charges	11	–	(35)
Net assets		204,098	181,042
Capital and reserves			
Called-up share capital	12	9,114	9,400
Share premium account		32,643	32,643
Capital redemption reserve		12,981	12,695
Capital reserve	13	146,346	122,320
Revenue reserve		3,014	3,984
Equity shareholders' funds		204,098	181,042
Net asset value per share (pence)	14	559.84	481.50

The financial statements were approved and authorised for issue by the Board on 30 March 2010 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 2010

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 31 January 2009	9,400	32,643	12,695	122,320	3,984	181,042
Return on ordinary activities after taxation	–	–	–	29,930	2,989	32,919
Dividends paid (see note 6)	–	–	–	–	(3,959)	(3,959)
Purchase of own shares for cancellation	(286)	–	286	(5,904)	–	(5,904)
Balance at 31 January 2010	9,114	32,643	12,981	146,346	3,014	204,098

For the year ended 31 January 2009

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 31 January 2008	9,489	32,643	12,606	160,917	5,699	221,354
Return on ordinary activities after taxation	–	–	–	(36,626)	2,988	(33,638)
Dividends paid (see note 6)	–	–	–	–	(4,703)	(4,703)
Purchase of own shares for cancellation	(89)	–	89	(2,010)	–	(2,010)
Over-accrual of expenses relating to the Tender Offer	–	–	–	39	–	39
Balance at 31 January 2009	9,400	32,643	12,695	122,320	3,984	181,042

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 2010		Year ended 31 January 2009	
		£'000	£'000	£'000	£'000
Net cash inflow from operating activities	15		3,811		3,248
Servicing of finance					
Interest paid			(1)		–
Taxation					
UK corporation tax paid		(290)		(770)	
Overseas withholding tax paid		(660)		(716)	
Net tax paid			(950)		(1,486)
Financial investment					
Purchases of investments		(8,666)		(8,541)	
Sales of investments		14,859		12,023	
Net cash inflow from financial investment			6,193		3,482
Equity dividends paid			(3,964)		(4,703)
Net cash inflow before financing			5,089		541
Financing					
Buy back of Ordinary shares (including expenses)		(5,904)		(2,010)	
Tender offer for own shares (including expenses)		–		39	
Net cash outflow from financing			(5,904)		(1,971)
Decrease in cash			(815)		(1,430)
Reconciliation of net cash flow to movement in net funds					
Decrease in cash as above			(815)		(1,430)
Exchange movements			(284)		1,015
Movement in net funds in the year			(1,099)		(415)
Opening net funds			2,828		3,243
Closing net funds	16		1,729		2,828

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

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' (issued in January 2009). 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).

The Company adopted the extended disclosure requirements within FRS 29 for accounting periods beginning on or after 1 January 2009. The extended disclosure requirements introduced a fair value hierarchy and this is disclosed in note 19.

(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. Short term deposits, expenses and interest payable are treated 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

Notes to the Financial Statements continued

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.

	2010 £'000	2009 £'000
2. Income		
Income from investments held at fair value through profit or loss		
Dividends from overseas listed investments	4,404	4,863
Stock dividends	29	–
	4,433	4,863
Other income		
Deposit interest	–	73
Total income	4,433	4,936

	2010 £'000	2009 £'000
3. Investment management fee		
Investment management fee	386	397

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 Annual General Meeting 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.

	2010 £'000	2009 £'000
4. Administrative expenses		
Directors' fees	49	45
Registrar's fees	59	57
Custody and bank charges	29	25
Auditor's remuneration:		
– fees payable to the Company's auditor for the audit of the annual accounts	14	14
Contribution to the Investment Trust Initiative	68	74
Printing, postage and stationery	24	18
Fees, subscriptions and publications	33	45
Standard & Poors' licence fee	18	15
Other expenses	76	78
	370	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 (2009 – £11,000 prepaid) to the Manager.

Included within other expenses for 2010 is an amount of £22,000 (2009 – £20,000) being advisory fees payable to Noble Grossart Limited for the services of Sir Angus Grossart who served as a Director of the Company until 23 May 2007.

5. Taxation	2010			2009		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
(a) Analysis of charge for the year						
Corporation tax at 28% (2009 – 28.33%)	384	–	384	1,181	–	1,181
Double taxation relief	(309)	–	(309)	(706)	–	(706)
	75	–	75	475	–	475
Overseas tax suffered	647	–	647	720	–	720
Current tax charge for the year	722	–	722	1,195	–	1,195
Movement in deferred taxation	(35)	–	(35)	(15)	–	(15)
Taxation	687	–	687	1,180	–	1,180

(b) Factors affecting the tax charge for the year

The tax assessed for the year is lower than the corporation tax rate of 28% (2009 – effective rate of 28.33%). The effective rate for 2009 was calculated using a rate of 30% until 31 March 2008 and 28% from 1 April 2008. The differences are explained below:

	2010			2009		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Net profit on ordinary activities before taxation	3,676	29,930	33,606	4,168	(36,626)	(32,458)
Return on ordinary activities before taxation multiplied by the applicable rate of corporation tax of 28% (2009 – 28.33%)	1,029	8,381	9,410	1,181	(10,376)	(9,195)
<i>Effects of:</i>						
Non taxable overseas dividends	(717)	–	(717)	–	–	–
Income taxable in different periods	72	–	72	–	–	–
Overseas taxes	647	–	647	720	–	720
Double taxation relief	(309)	–	(309)	(706)	–	(706)
Capital (gains)/losses not taxable	–	(8,461)	(8,461)	–	10,664	10,664
Currency losses/(gains) not taxable	–	80	80	–	(288)	(288)
Current tax charge	722	–	722	1,195	–	1,195

(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.

Notes to the Financial Statements continued

6. Dividends	2010 £'000	2009 £'000
Amounts recognised as distributions to equity holders in the year:		
Final dividend for 2009 – 4.40p per share (2008 – 8.97p)	1,654	3,400
Interim dividend for 2010 – 6.20p per share (2009 – 3.50p)	2,305	1,316
Unclaimed dividends from previous years	–	(13)
	3,959	4,703

The proposed final dividend for 2010 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 Section 842 ('s.842') of the Income and Corporation Taxes Act 1988 are considered. The revenue available for distribution by way of dividend for the year is £2,989,000 (2009 – £2,988,000).

	2010 £'000	2009 £'000
Interim dividend for 2010 – 6.20p per share (2009 – 3.50p)	2,305	1,316
Proposed final dividend for 2010 – 3.80p per share (2009 – 4.40p)	1,344	1,654
	3,649	2,970

The amount payable for the proposed final dividend above is based on the shares in issue at the date of this report (35,370,608) and this satisfies the s.842 test.

7. Return per Ordinary share	2010 £'000	2010 p	2009 £'000	2009 p
Based on the following figures:				
Revenue return	2,989	8.02	2,988	7.93
Capital return	29,930	80.28	(36,626)	(97.18)
Total return	32,919	88.30	(33,638)	(89.25)
Weighted average number of Ordinary shares in issue		37,279,331		37,687,412

8. Investments	2010 £'000	2009 £'000
Fair value through profit or loss:		
Opening fair value	178,452	219,664
Opening investment holdings gains	(4,546)	(41,378)
Opening book cost	173,906	178,286
Purchases at cost	8,824	8,477
Sales – proceeds	(14,834)	(12,048)
– realised gains on sales	1,278	148
Loss on traded index futures contracts	–	(957)
Closing book cost	169,174	173,906
Closing investment holdings gains	33,482	4,546
Closing fair value	202,656	178,452
Listed on overseas stock exchanges	202,656	178,452

	2010 £'000	2009 £'000
Gains/(losses) on investments		
Realised gains on sales	1,278	148
Loss on traded index futures contracts	–	(957)
Movement in investment holdings gains	28,936	(36,832)
	30,214	(37,641)

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/(losses) on investments in the Income Statement. The total costs were as follows:

	2010 £'000	2009 £'000
Purchases	15	7
Sales	6	6
	21	13

	2010 £'000	2009 £'000
9. Debtors: amounts falling due within one year		
Dividends receivable	188	256
Amounts due from brokers	5	25
Other debtors and prepayments	13	38
	206	319

	2010 £'000	2009 £'000
10. Creditors: amounts falling due within one year		
Taxation payable	37	252
Amounts due to brokers	264	106
Investment management fee payable	102	91
Other creditors	90	73
	493	522

	2010 £'000	2009 £'000
11. Provision for liabilities and charges		
Deferred taxation provision:		
Opening balance	35	50
Credited to revenue	(35)	(15)
Closing balance	–	35

The provision for deferred tax, relating to dividends receivable has been removed this year, as overseas dividends received after 1 July 2009 are now exempt from main stream UK corporation tax.

Notes to the Financial Statements continued

12. Called-up share capital	2010 £'000	2009 £'000
Allotted, called-up and fully paid:		
Opening balance	9,400	9,489
Shares bought back for cancellation	(286)	(89)
36,456,508 (2009 – 37,599,379) Ordinary shares of 25p each	9,114	9,400

During the year the Company bought back and cancelled 1,142,871 Ordinary shares of 25p each (2009 – 357,000) for a total consideration of £5,904,000 (2009 – £2,010,000). This represents 3.0% of the Company's issued share capital at 31 January 2009.

Subsequent to the year end, a further 1,085,900 Ordinary shares were bought back at a total cost of £6.18 million including expenses, leaving 35,370,608 Ordinary shares in issue at the date of this report.

13. Capital reserve	2010 £'000	2009 £'000
At 1 February	122,320	160,917
Movement in fair value gains	30,214	(37,641)
Foreign exchange movements	(284)	1,015
Purchase of own shares for cancellation	(5,904)	(2,010)
Over-accrual of expenses relating to the Tender Offer	–	39
At 31 January	146,346	122,320

Included in the total above are investment holdings gains at the year end of £33,482,000 (2009 – £4,546,000).

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

14. 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:

	2010	2009
Net assets attributable	£204,098,000	£181,042,000
Number of Ordinary shares in issue	36,456,508	37,599,379
Net asset value per share	559.84p	481.50p

15. Reconciliation of net return before finance costs and taxation to net cash inflow from operating activities	2010 £'000	2009 £'000
Return on ordinary activities before finance costs and taxation	33,607	(32,458)
Adjustments for:		
Net (gains)/losses on investments	(30,214)	37,641
Foreign exchange movements	284	(1,015)
Decrease in accrued income	81	74
Decrease in other debtors	25	21
Increase/(decrease) in other creditors	28	(1,015)
Net cash inflow from operating activities	3,811	3,248

	At 1 February 2009 £'000	Cash flow £'000	Exchange movements £'000	At 31 January 2010 £'000
16. Analysis of changes in net funds				
Cash and short term deposits	2,828	(815)	(284)	1,729

17. 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 market. Positions closed during the previous year realised a loss of £957,000, which reflected the movements in the Index. The largest position in derivative contracts held during the previous year was £8.2 million. The Company had no open positions in derivative contracts at 31 January 2010 or 2009.

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 2010 (2009 – £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), 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 at the Balance Sheet date had been 10% higher or lower while all other variables remained constant, the

Notes to the Financial Statements continued

return attributable to Ordinary shareholders at the year ended 31 January 2010 would have increased/decreased by £20,266,000 (2009 – increase/decrease of £17,845,000) 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 2010 and 2009:

As at 31 January 2010	Interest rate %	Local currency '000	Foreign exchange rate	Sterling equivalent £'000
US Dollar	0.00	2,716	1.6024	1,695
Sterling	0.25	34	–	34
Total cash on deposit per Balance Sheet				1,729

As at 31 January 2009	Interest rate %	Local currency '000	Foreign exchange rate	Sterling equivalent £'000
US Dollar	0.00	3,566	1.4417	2,473
Sterling	1.25	355	–	355
Total cash on deposit per Balance Sheet				2,828

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% (2009 – 1.25%) for Sterling funds, and nil (2009 – nil) for US Dollar funds at 31 January 2010. 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 2010			31 January 2009		
	Overseas investments £'000	Net monetary assets £'000	Total currency exposure £'000	Overseas investments £'000	Net monetary assets £'000	Total currency exposure £'000
US Dollar	202,656	1,619	204,275	178,452	2,647	181,099
Sterling	–	(177)	(177)	–	(22)	(22)
Total	202,656	1,442	204,098	178,452	2,625	181,077

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;
- 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 2010 was as follows:

	2010	2009
	£'000	£'000
Debtors and prepayments	206	319
Cash and short term deposits	1,729	2,828
	1,935	3,147

18. 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.

19. Fair value hierarchy

The Company adopted the amendments to FRS 29 'Financial Instruments: Disclosures' effective from 1 January 2009. These amendments require 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 shall have the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Notes to the Financial Statements continued

- 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 statement of financial position are grouped into the fair value hierarchy at 31 January 2010 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	a)	202,656	–	–	202,656
Net fair value		202,656	–	–	202,656

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 an 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 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 or our broker desk on 0800 592 487 (Institutions and IFAs). Alternatively, internet users may e-mail us at inv.trusts@aberdeen-asset.com or write to us at Aberdeen Investment Trusts, Block C, Western House, Lynchwood Business Park, Peterborough PE2 6BP.

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 ("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 £10,200 in Edinburgh US Tracker Trust plc can be made in the tax year 2010/2011. 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 six monthly 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, Block C, Western House, Lynchwood Business Park, Peterborough PE2 6BP 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.edinburghstracker.co.uk) and the TrustNet website (www.trustnet.co.uk). Alternatively you can call 0500 00 00 40 for trust information.

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
Block C, Western House
Lynchwood Business Park
Peterborough, PE2 6BP
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 seventh 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 Monday 17 May 2010 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 11 will be proposed as Special Resolutions:

ORDINARY BUSINESS

1. To receive the reports of the Directors and auditors and the financial statements for the year ended 31 January 2010
2. To receive the Directors' Remuneration Report for the year ended 31 January 2010.
3. To propose a final dividend of 3.80p on the Ordinary shares.
4. To re-elect Archie Hunter as a Director of the Company.
5. To re-appoint KPMG Audit Plc as auditors of the Company.
6. To authorise the Directors to fix the remuneration of the auditors for the year to 31 January 2011.
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 2010 at which an ordinary 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 £2,947,551, such authority to expire on 31 July 2011 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 resolution numbered 8 in the notice convening the meeting at which this resolution is to be proposed ("notice of meeting") and in substitution for all existing powers, the Directors be and are hereby generally empowered pursuant to Section 570 of the Companies Act 2006 (the "Act") to allot equity securities (as defined in section 560 of the Act) for cash including pursuant to the authority under Section 551 of the Act conferred by resolution 8 in the notice of meeting as if Section 561 of the Act did not apply to any such allotment, up to an aggregate nominal amount of £2,947,551, provided that this power shall be limited:
 - (i) to the allotment of equity securities in connection with any issue in favour of the holders of Ordinary shares on the register on a date fixed by the Directors where the equity securities respectively attributable to the interests of all the holders of Ordinary shares are proportionate (as nearly as practicable) to the respective numbers of Ordinary shares held by them on that date, and to the holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary provided that the Directors may make such exclusions or other arrangements as they may deem necessary or expedient in relation to fractional entitlements, record date or legal or practical problems under the laws in any territory or the requirements of any relevant regulatory body or stock exchange; and
 - (ii) to the allotment (otherwise than pursuant to paragraph (i) of this Resolution) of equity securities up to an aggregate nominal amount of £442,133, being 5% of the nominal value of the existing issued share capital of the Company;

and such power shall expire on 31 July 2011 or, if earlier, at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution unless previously revoked, varied or extended by the Company in general meeting, save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities pursuant to any such offer or agreement as if the power conferred hereby had not expired.

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

Notice of Annual General Meeting continued

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"), 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 5.30 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 2011 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.

SPECIAL BUSINESS

11. That, with effect from the end of this Annual General Meeting, the draft regulations produced to the meeting and, for the purposes of identification, initialled by the Chairman of the meeting, be adopted as the Articles of Association of the Company in substitution for, and to the entire exclusion of, the existing Articles of Association of the Company.

14 April 2010
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 13 May 2010 (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 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 30 March 2010 (being the latest practicable date prior to publication of this document), the Company's issued share capital comprised 35,370,608 Ordinary shares of 25p each. The total number of voting rights in the Company as at 30 March 2010 was 35,370,608.
- (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 Auditors' 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.

Notice of Annual General Meeting continued

- (xv) The Company proposes to adopt new Articles of Association. These incorporate amendments to the current Articles of Association to reflect certain provisions of the Companies Act 2006 which came into effect in 2009. For a more detailed explanation of the amendments, please refer to the Appendix to this Notice of Annual General Meeting.
- (xvi) 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.
- (xvii) 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.
- (xviii) 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.
- (xix) 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.

Appendix to the Notice of Annual General Meeting

Explanatory notes of the principal changes to the Articles of Association

The principal changes which would arise from the adoption of the New Articles are set out below. This appendix to the Annual General Meeting notice does not summarise non-material changes and in particular it does not summarise changes of a minor, technical or clarifying nature. A copy of the New Articles will be available for inspection at the registered office of the Company and at Royal London House, 22/25 Finsbury Square, London EC2A 1DX during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the date of the notice of the Annual General Meeting until the conclusion of the Annual General Meeting and at the venue of the Annual General Meeting from 10.45 a.m. until the conclusion of the meeting.

Adjournments for lack of quorum

Under the Companies Act 2006 as amended by the Companies (Shareholders' Rights) Regulations 2009, general meetings adjourned for lack of quorum must be held at least 10 clear days after the original meeting. The New Articles reflect this requirement.

Chairman's casting vote

The New Articles remove the provision giving the Chairman a casting vote in the event of an equality of votes as this is no longer permitted under the Companies Act 2006.

Suspension of registration of share transfers

The Current Articles permit the Directors to suspend the registration of transfers. Under the Companies Act 2006 share transfers must be registered as soon as practicable. The power in the Current Articles to suspend the registration of transfers is inconsistent with this requirement. Accordingly, this power has been removed in the New Articles.

Multiple proxies representatives

The 2006 Act has been amended to clarify the position concerning the rights of proxies when voting on a show of hands in the event that a proxy has been appointed for the same meeting by more than one member and where a member appoints more than one proxy in respect of different shares within the same holding. The New Articles reflect the revised position under the 2006 Act.

Votes cast in advance

The New Articles provide the Directors with the flexibility to allow for votes on a poll to be cast in advance of the relevant general meeting in accordance with the 2006 Act.

Additional content requirements for notices of meetings

The 2006 Act provides that certain additional information must now be included in notices of general meetings. The New Articles contain a list of such information.

General

Generally the opportunity has been taken to bring clearer language into the New Articles and to bring them up to date with the relevant applicable legislation.

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

SC 5218

Registrar

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

Auditors

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 2010

36,456,508 Ordinary 25p shares.

Capital History

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.



Mixed Sources

Product group from well-managed
forests and other controlled sources
www.fsc.org Cert no. TT-COC-002454
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Aberdeen