



EP Global Opportunities Trust plc

Interim Report 30 June 2004



INVESTMENT OBJECTIVE & POLICY

The Company's objective is to provide Shareholders with an attractive real long-term total return by investing globally in undervalued securities. The portfolio will be managed without reference to the composition of any stockmarket index.

The Company invests in a focused portfolio of approximately 30 to 40 securities of issuers throughout the world, predominantly in quoted equities. The Company may also invest in unquoted securities, in other listed investment companies (including investment trusts) and in debt instruments, cash or cash equivalents where the Investment Manager believes it is appropriate in the prevailing market or economic conditions.

It is intended that, from time to time, and when deemed appropriate, the Company will borrow for investment purposes up to the equivalent of 25 percent of its total assets. By contrast, the Company's portfolio may from time to time have substantial holdings of debt instruments, cash or cash equivalents.

The investment objective and policy is intended to distinguish the Company from other investment vehicles which have relatively narrow investment objectives and which are thus constrained in their decision making and asset allocation. The objective and policy will allow the Company to be constrained in its investment selection only by valuation, and to be pragmatic in portfolio construction by only investing in securities which Edinburgh Partners considers to be undervalued on an absolute basis.

CHAIRMAN'S STATEMENT

Investment performance

This is the first opportunity to write formally to shareholders since your Company commenced operations on 15 December last year and I am pleased to report that a positive start has been made in terms of investment performance. At the end of June 2004, the net asset value per share (including current period revenue) had risen to 105.3p, compared with the issue price of 100p and the opening net asset value, after issue costs, of 97p.

The first six months of 2004 was a dull period for world stock markets, with most markets trading within a narrow range. The Japanese equity market was the only major market to gain more than a percent or two over the period.

Investment policy

The investment policy followed by our Investment Manager, Edinburgh Partners, is based on identifying shares in the major global markets that are undervalued on an absolute basis. This is the cornerstone of your Board's belief that the Trust will produce, over time, a superior investment performance. While simple to state, successful implementation of the policy requires adherence to a strict discipline and intensive research built on the back of hard work.

The research of our Investment Manager identified many undervalued shares in Europe and Japan and this has led to the vast majority of the Company's portfolio being invested in these markets. In contrast, the valuation of shares in North America does not look attractive and, in consequence, only 2% of total assets is invested there.

Such is the relative attractiveness of the opportunities in the Japanese stock market that it has led Edinburgh Partners to launch a specialist fund investing only in Japan. Your Board approved an investment in this fund, for part of the Japanese portfolios, as a method of holding an interest in a broader range of Japanese shares than would be practical to hold directly by the Trust. I should make it clear that the Trust does not suffer a second layer of investment management fees by investing in the Edinburgh Partners Japan Opportunities Fund.

Income and dividend policy

The revenue account to the end of June has benefited from a high initial level of cash, as the proceeds of the initial offering have been invested gradually over the period. It is not the intention that any emphasis will be placed on income in the choice of investments. Share selection is made with the objective of generating attractive real long-term returns. This will not prevent our Investment Manager from buying higher yielding shares if they are believed to offer good value. However, most of the initial investments are low yielding. This is particularly true of the shares purchased in the Japanese market.

CHAIRMAN'S STATEMENT (continued)

It is your Board's intention that the majority of the net income earned should be paid out to shareholders in the form of dividends. The Board has decided not to declare an interim dividend but to wait until the year-end, when a clearer picture of the income generated from the fully invested portfolio will be available. At least in the early years of the Trust, it is likely that the dividend will be relatively small.

Share price and buying-in shares

The investment performance following the successful launch of your Company started on a positive note and for the first months after launch, the share price stood at a small premium to net asset value. During this period, there was a lack of shares for sale to satisfy further buyers. To fill this demand and avoid an artificial market in the shares, the Trust issued a total of 1,083,259 new shares. All such shares were issued at a price above 100p and at a premium to the net asset value. Hence the action was incremental in value to existing shareholders.

By the end of June, the share price had dipped to 95.5p, a discount of 9% to the net asset value. At this time, the Company had not completed the legal formalities to enable it to buy-in its own shares. Nonetheless, it is the Board's intention to use the power to buy-in shares in the open market when supply exceeds demand to the extent that a significant discount opens up between the share price and the net asset value. The legal formalities have now been completed and, by the end of July, 80,000 shares had been repurchased for cancellation at a modest discount to the net asset value. As was the case when new shares were issued, this resulted in an enhancement to net asset value per share.

Outlook

As usual there are a number of issues to be concerned about when investing in equities. Prominent among these are the increase in the price of oil, rising interest rates and the risk of further terrorist outrages. However, our Investment Manager continues to find shares that represent good value and, as long as this is the case, the Trust will remain relatively fully exposed to equity markets.

Teddy Tulloch

Chairman

1 September 2004

STATEMENT OF TOTAL RETURN

(incorporating the revenue account)* for the period 13 November 2003** to 30 June 2004

	Period 13 November 2003 to 30 June 2004		
	Revenue £'000	Capital £'000	Total £'000
Gains on investments	–	1,680	1,680
Dividends and interest	390	–	390
Investment management fee	(90)	–	(90)
Other expenses	(141)	–	(141)
Net return before taxation	159	1,680	1,839
Taxation on ordinary activities	(21)	–	(21)
Return on ordinary activities after taxation for the period and transfer to reserves	138	1,680	1,818
	pence	pence	pence
Return per share***	0.62	7.54	8.16

* The revenue column of this statement is the revenue account of the Company.

** While the Company was incorporated on 13 November 2003, it did not commence operations until 15 December 2003.

*** The revenue return per Ordinary share is based on earnings of £138,000 and on 22,286,124 Ordinary shares being the weighted average number of Ordinary shares in issue during the period.

The capital return per Ordinary share is based on net capital gains of £1,680,000 and on 22,286,124 Ordinary shares being the weighted average number of Ordinary shares in issue during the period.

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

STATEMENT OF CASH FLOWS

for the period 13 November 2003* to 30 June 2004

	Period 13 November 2003 to 30 June 2004 £'000
Operating activities	
Investment income received	229
Bank deposit interest received	68
Investment management fee paid	(50)
Administration fee paid	(18)
Other cash payments	(34)
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Net cash inflow from operating activities	195
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Capital expenditure and financial investment	
Purchases of investments	(22,525)
Sales of investments	2,822
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Net cash outflow from capital expenditure and financial investment	(19,703)
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Net cash outflow before financing	(19,508)
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Financing	
Proceeds of share issue net of issue expenses	21,904
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Net cash inflow from financing	21,904
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Increase in cash	2,396
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* While the Company was incorporated on 13 November 2003, it did not commence operations until 15 December 2003.

NOTES

1. These accounts are unaudited and are not the Company's statutory accounts. They have been prepared using the accounting policies set out in the Listing Particulars, which have been delivered to the Registrar of Companies, and in accordance with applicable accounting standards and with the Statement of Recommended Practice 2003 regarding the Financial Statements of Investment Trust Companies.
2. It is the intention of the Directors to conduct the affairs of the Company so that they satisfy the conditions for approval as an investment trust company set out in section 842 of the Income and Corporation Taxes Act 1988.

20 LARGEST INVESTMENTS

as at 30 June 2004

Company	Sector	Country	Valuation £'000
Mizuho Financial Group	Financials	Japan	1,050
Repsol	Resources	Spain	930
Edinburgh Partners Japan Opportunities Fund	Financials	Japan*	925
Belluna	Cyclical services	Japan	912
ENI	Resources	Italy	854
Glaxosmithkline	Non-cyclical consumer goods	United Kingdom	826
Pfleiderer	Basic industries	Germany	795
C&C Group	Non-cyclical consumer goods	Ireland	781
Neopost	General industry	France	731
Allied Domecq	Non-cyclical consumer goods	United Kingdom	706
Pernod-Ricard	Non-cyclical consumer goods	France	705
Yamanouchi Pharmaceutical	Non-cyclical consumer goods	Japan	705
Vivendi Universal	Cyclical services	France	704
Electrolux	Cyclical consumer goods	Sweden	698
Altadis	Non-cyclical consumer goods	Spain	682
FKI	General industry	United Kingdom	675
Centrica	Utilities	United Kingdom	673
Daiwa House	Basic industries	Japan	672
Hong Kong Electric	Utilities	Hong Kong	665
Allied Irish Banks	Financials	Ireland	641
Total – Top 20 Investments (64.6% of total net assets)			15,330

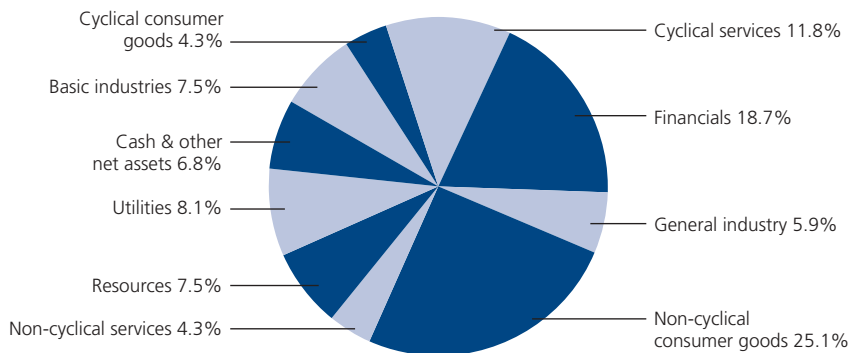
* classified by region of investment.

DISTRIBUTION OF INVESTMENTS

(% of total assets)

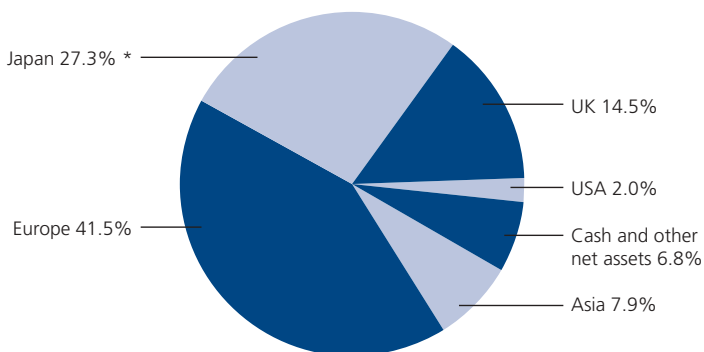
Sector distribution

as at 30 June 2004



Geographical distribution

as at 30 June 2004



* The 27.3% invested in Japan includes the Company's investment in Edinburgh Partners Japan Opportunities Fund.

SHAREHOLDER INFORMATION

Financial calendar

Company's year end	31 December
Annual results announced	February
Company's half-year	30 June
Interim results announced	September

NAVs

The Company's unaudited Ordinary share net asset value is released to the London Stock Exchange weekly.

Share prices

The Company's Ordinary shares are listed on the London Stock Exchange. The mid-market price is quoted daily in the *Financial Times* under 'Investment Companies' and previous day closing price, weekly net asset value and other portfolio information is published on Edinburgh Partners' website: www.edinburghpartners.com.

Share dealing

Shares can be purchased and sold through a stockbroker.

Share register enquiries

The register for the Ordinary shares is maintained by Computershare Investor Services PLC. In the event of queries regarding your holding, please contact the Registrar on 0870 7020010. Changes of name and/or address must be notified in writing to the Registrar.

RISK FACTORS

An investment in the Company should be regarded as long term and is only suitable for investors who are capable of evaluating the risks and merits of such investment and who have sufficient resources to bear any loss which might result from such investment.

The market value of, and the income derived from, the Ordinary shares can fluctuate. The Company's share price may go down as well as up. Past performance is not necessarily a guide to future performance. There is no guarantee that the market price of the Ordinary shares will fully reflect their underlying net asset value. Fluctuations in exchange rates will affect the value of overseas investments held by the Company. Investors may not get back the full value of their investment. There can be no guarantee that the investment objectives of the Company will be met. The levels of, and reliefs from, taxation may change.

The Company is a UK Public Listed Company. Its shares are listed on the London Stock Exchange. The Company is not regulated or authorised by the Financial Services Authority.

Employees of Edinburgh Partners may hold shares in the Company and may buy, sell or offer to deal in the Company's shares from time to time.

DIRECTORS AND ADVISERS

Directors (all non-executive)	Teddy Tulloch (Chairman) Richard Burns David Hough Ian McBean
Secretary and Registered Office	Kenneth J Greig 16 Charlotte Square Edinburgh EH2 4DF
Investment Manager	Edinburgh Partners Limited 7–11 Melville Street Edinburgh EH3 7PE
Auditors	Ernst & Young LLP Ten George Street Edinburgh EH2 2DZ
Registrar and Transfer Office	Computershare Investor Services PLC PO Box 435 Owen House 8 Bankhead Crossway North Edinburgh EH11 4BR
Marketing Adviser	G&N Collective Funds Services Limited 14 Alva Street Edinburgh EH2 4QG
Solicitor and Sponsor	Dickson Minto W.S. 16 Charlotte Square Edinburgh EH2 4DF
Bankers and Custodian	The Bank of New York One Canada Square Canary Wharf London E14 5AL

Registered in Scotland No. 259207

*An investment company as defined under section 266 of the
Companies Act 1985*

