

BAILLIE GIFFORD

Baillie Gifford UK & Balanced Funds ICVC

Interim Report & Financial Statements (Unaudited)
for the six months ended 31 July 2018



Contents

About the Company*	1
Statement of Authorised Corporate Directors' Responsibilities	3
Baillie Gifford British Smaller Companies Fund*	5
Baillie Gifford Global Alpha Growth Fund*	19
Baillie Gifford Global Income Growth Fund*	35
Baillie Gifford International Fund *	49
Baillie Gifford Managed Fund *	65
Baillie Gifford UK And Worldwide Equity Fund*	89
Baillie Gifford UK Equity Alpha Fund *	105
Baillie Gifford UK Equity Focus Fund*	119
Glenfinlas Global Fund *	133
General Information	141
The Group's Funds	148

*Collectively these comprise the Authorised Corporate Director's Report as required by the Financial Conduct Authority's Collective Investment Schemes Sourcebook ("COLL").

About the Company

Baillie Gifford UK & Balanced Funds ICVC (Investment Company with Variable Capital) (the 'Company') is an umbrella UK Open-Ended Investment Company ('OEIC') under regulation 14 (Authorisation) of the Open-Ended Investment Companies Regulations 2001. An OEIC is a collective investment vehicle in which your funds are pooled with those of other investors and spread across a portfolio of companies, thus reducing risk.

At 31 July 2018 the Company offered eight sub-funds, and the range may be varied in the future. Each sub-fund is valued on a daily basis. All eight sub-funds are subject to different charging structures and subscription limits. All shares are single priced. Details of the sub-funds and the share classes are contained in the Prospectus, along with details of the switching facility available between sub-funds. The Prospectus and the Instrument of Incorporation were last revised on 25 May 2018. Copies of the Prospectus or Instrument of Incorporation can be obtained from Baillie Gifford & Co Limited, the Authorised Corporate Director ('ACD') by contacting Client Relations.

The Company is registered in Scotland, registered number SI 8, and the address of its Head Office is Calton Square, 1 Greenside Row, Edinburgh EH1 3AN. The operation of the Company is governed by the Financial Conduct Authority's Collective Investment Schemes Sourcebook ('COLL') ('the Regulations'), its Instrument of Incorporation and its Prospectus.

The Company's shareholders are not liable for its debts beyond the amount subscribed. Each sub-fund is classed as a UCITS retail scheme under COLL.

Any comments expressed in this report should not be taken as a recommendation or advice.

Sub-fund Cross-holdings Table

Sub-fund	Cross-holding	Number of Shares	Value of Shares £'000
Baillie Gifford Managed Fund	Baillie Gifford British Smaller Companies Fund C Acc	2,595,836	24,912
Baillie Gifford UK and Worldwide Fund	Baillie Gifford British Smaller Companies Fund C Acc	988,579	9,487

At 31 July 2018 no other sub-funds had any cross-holdings.

Glenfinlas Global Fund

On 13 November 2015 the shareholders in the Fund redeemed their holdings. Consequently, the ACD is no longer actively seeking subscriptions for the Fund.

Amendment to the Investment Objective and Policy of Baillie Gifford Global Income Growth Fund

Please note that with effect from 30 September 2018 the investment objective and policy of Baillie Gifford Global Income Growth Fund will be amended for clarification purposes. The changes will not alter the risk or return profile of the Fund and the Fund will continue to be managed with the same investment approach and style.

The new investment objective and policy are:

Objective

The objective is to obtain a yield higher than the FTSE All World Index whilst, over the longer term, achieving growth in both income and capital.

Policy

The Fund will be actively managed and will invest almost exclusively in equities worldwide. Such investment may be direct or indirect. The Fund may also invest in other transferable securities, money market instruments, cash and near cash, deposits and collective investment schemes including those managed or operated by the ACD.

About the Company cont.

Authorised Corporate Director

Baillie Gifford & Co Limited
(Authorised & regulated by the Financial Conduct Authority, Financial Services Register No. 119179)
Calton Square,
1 Greenside Row,
Edinburgh EH1 3AN
Telephone: 0800 917 2113
Fax: 0131 275 3955

Directors of the ACD

A W Paterson (Chairman)
E Delaney
P J Edwardson
C M Fraser
D S McGowan
S Swindells
A J Telfer
M J C Wylie

Investment Adviser

Baillie Gifford & Co
(Authorised & regulated by the Financial Conduct Authority, Financial Services Register No. 142597)
Calton Square,
1 Greenside Row,
Edinburgh EH1 3AN

Depository

National Westminster Bank Plc
(Authorised & regulated by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, Financial Services Register No. 121878)
Trustee & Depository Services,
Floor 2 South,
Drummond House,
1 Redheughs Avenue,
Edinburgh EH12 9RH

Registrar

Baillie Gifford & Co Limited
(Authorised & regulated by the Financial Conduct Authority, Financial Services Register No. 119179)
Calton Square,
1 Greenside Row,
Edinburgh EH1 3AN

Auditor

PricewaterhouseCoopers LLP
Atria One,
144 Morrison Street
Edinburgh EH3 8EX

Baillie Gifford & Co Limited, the Authorised Corporate Director of the OEIC, is wholly owned by Baillie Gifford & Co. We only provide information about our products and do not provide investment advice.

Statement of Authorised Corporate Directors' Responsibilities

The Financial Conduct Authority's Collective Investment Schemes Sourcebook ('COLL') requires the Authorised Corporate Director to prepare financial statements for each interim and annual accounting period which give a true and fair view of the financial position of the Company and of its income and expenditure and of its net gains and losses on the property of the Company for the year. In preparing the financial statements the Authorised Corporate Director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- comply with the disclosure requirements of the Statement of Recommended Practice relating to the Financial Statements of UK Authorised Funds issued in 2014;
- follow generally accepted accounting principles and applicable accounting standards;
- keep proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in operation; and
- take reasonable steps for the prevention and detection of fraud and irregularities.

The Authorised Corporate Director is responsible for the management of the Company in accordance with the Instrument of Incorporation, the Prospectus and the Regulations.

The Interim Report and Financial Statements were approved by the Authorised Corporate Director and signed on its behalf by:

A W Paterson, Chairman
D S McGowan, Director
Baillie Gifford & Co Limited
28 September 2018

BAILLIE GIFFORD

Baillie Gifford British Smaller Companies Fund

a sub-fund of Baillie Gifford UK & Balanced Funds ICVC

*Interim Report & Financial Statements (Unaudited)
for the six months ended 31 July 2018*



Baillie Gifford British Smaller Companies Fund

Investment Objective

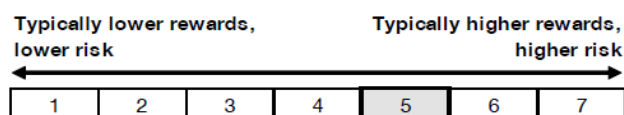
The Fund aims to produce attractive returns, mainly through capital growth, over the long term.

Investment Policy

To invest in any economic sector of the UK. Investment will be mainly in shares of smaller companies. Investment may also be in smaller companies with their primary listing on the London Stock Exchange. We will decide what constitutes smaller companies.

Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.



Please note that even the lowest risk class can lose you money and that extreme adverse market circumstances can mean you suffer severe losses in all cases.

The Fund is classified in the category above because it invests in company shares which generally provide higher rewards and higher risks than other investments, such as bonds or cash.

The indicator does not take into account the following relevant material risks:

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

Custody of assets involves a risk of loss if the custodian becomes insolvent or breaches duties of care.

The Fund's exposure to a single market may increase share price movements.

The Fund's concentrated portfolio relative to similar funds may result in large movements in the share price in the short term.

The Fund's exposure to a single market and currency may increase share price movements.

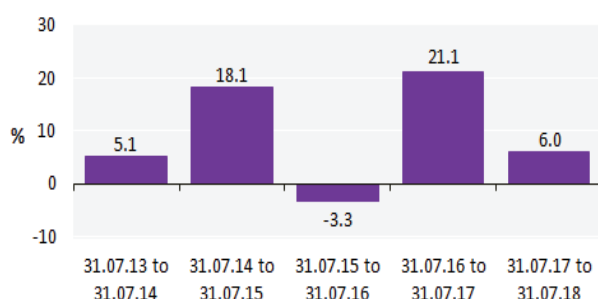
Where possible, charges are taken from the Fund's revenue. Where there is insufficient revenue, the remainder will be taken from capital. This will reduce the capital value of the Fund.

The result of the UK Referendum on membership of the European Union introduces elements of political uncertainty and may have practical consequences for the Fund. Developments will be closely monitored.

Further details of the risks associated with investing in the Fund can be found in the Prospectus which is available by contacting Client Relations or visiting our website.

Investment Report

Past Performance¹



The performance figures shown in this graph are for Class B Accumulation Shares. Performance figures reflect the ACD's annual fee of 0.65%, but exclude any initial charge paid. Performance figures for the other share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

For the six months to 31 July 2018 the return on B Accumulation Shares was 1.3%², compared to the return the FTSE Small Cap (ex-Investment Trust) Index of -0.1%³. We believe that shorter-term performance measurements are of limited relevance in assessing investment ability and would suggest that five years or more is a more sensible timeframe over which to judge performance. It is notable that UK listed smaller companies have underperformed other equities over this short period, perhaps held back by the uncertainty created by the looming exit from the European Union. We would not venture to predict the outcome of this process however, importantly, we believe that the companies held in your portfolio are managed by talented individuals who will adapt quickly to any changes in the operating conditions they face in order to optimise the long term success of their companies.

We added two new holdings to your portfolio during the last six months. Coincidentally, both can be broadly categorised as technology companies, although they are active in very different markets. Dotdigital provides software to manage email marketing for clients. They have a long list of high quality customers and are expanding in the important US market through marketing agreements with ecommerce platforms. A recent acquisition has expanded their product offering to include other forms of customer engagement, including

social media which should boost growth in coming years. LoopUp provides software to manage conference calls. The conference call market has failed to develop as broad acceptance of technology solutions beyond simple dial in processes has not occurred. LoopUp has an easy to use platform which has high acceptance rates in organisations which become customers. With the service sold on a pay per use basis growing usage within client organisations along with an expanding customer base drives growth. Later in the period we added to the position in LoopUp, supporting a fundraise to buy a competitor conference call business. We believe that converting the customer base to the LoopUp platform will deliver significant revenue and cost synergies.

These purchases were funded by complete sales of a number of investments which have not worked out including Hvido, Luceco and Redx Pharma as well as reductions to some holdings which have performed exceptionally well including Fevertree and Renishaw. We also received funds from the sale of Cityfibre following the acceptance of a take-over bid by shareholders. Whilst this provided a boost to short term performance we were disappointed with this outcome. Cityfibre had executed its plan to establish dark fibre networks in a broad range of cities well and was only beginning to reap the benefits of the work they had done to date.

¹Source: FE, 10am dealing prices, income accumulated. ²Source: Baillie Gifford & Co Limited, closing net asset value, income accumulated. ³Source: FE and relevant underlying index provider, total return. Please see Disclaimer on page 143. You should be aware that past performance is not a guide to future performance.

Investment Report cont.

As always there is significant uncertainty about the economic outlook however we believe this has little relevance for the long-term returns the portfolio will deliver. It is our view that the portfolio is populated with a wide variety of companies with exceptional growth opportunities ahead of them. As long as they execute well on their strategies and adapt to the evolving operating environment they should deliver above average returns over the long run.

Andrew Strathdee, 15 August 2018

Principal Holdings as at 31 July 2018

Investment	Percentage of total Fund
Boohoo	6.32
Renishaw	4.84
YouGov	4.82
Abcam	4.63
Robert Walters	3.38
Victrex	3.16
Fevertree Drinks PLC	3.03
Ricardo	2.96
Genus	2.62
Craneware	2.58

Material Portfolio Changes for the six months ended 31 July 2018

Largest Purchases	Cost £'000	Largest Sales	Proceeds £'000
On The Beach	2,047	Abcam	4,747
FDM Group	1,927	Cityfibre Infrastructure	4,366
Focusrite	1,921	Renishaw	1,876
LoopUp Group	1,901	Fevertree Drinks PLC	1,843
Victoria	1,488	City of London Investment Group	1,398
Dotdigital Group	1,375	Quixant	1,043
Smart Metering Systems	934	IP Group	995
Benchmark Holdings	734	Robert Walters	561
easyHotel	583	Safestyle	377
Draper Esprit Plc	370	Nanoco Group	342

Portfolio Statement as at 31 July 2018

Stock description	Holding	Market value £'000	% of total net assets
Basic Materials - 3.38% (2.81%)			
Applied Graphene Materials	1,090,100	425	0.22
Victrex	194,194	6,117	3.16
Consumer Goods - 10.65% (9.28%)			
Fevertree Drinks PLC	170,587	5,870	3.03
Focusrite	402,387	1,831	0.95
Gear4music (Holdings)	433,080	2,858	1.48
Hotel Chocolat Group	1,125,915	3,828	1.98
Science In Sport	1,288,336	915	0.47
Ted Baker	174,878	3,858	1.99
Victoria	174,691	1,443	0.75
Consumer Services - 24.94% (23.36%)			
4imprint Group	129,569	2,617	1.35
AO World Plc	2,495,438	3,553	1.84
Arena Events Group	1,818,000	1,109	0.57
Boohoo	6,086,824	12,234	6.32
easyHotel	2,054,619	2,322	1.20
Hostelworld Group	1,395,682	4,047	2.09
M&C Saatchi	1,071,440	3,793	1.96
Majestic Wine	371,759	1,660	0.86
On The Beach	390,891	1,732	0.90
Patisserie Holdings	323,677	1,401	0.72
Safestyle	46,035	16	0.01
Ten Lifestyle Group	1,120,000	986	0.51
The Gym Group	514,307	1,507	0.78
Wilmington	1,069,654	1,947	1.01
YouGov	1,944,382	9,333	4.82
Financials - 8.42% (8.75%)			
City of London Investment Group	132,500	510	0.26
Draper Esprit Plc	750,202	4,351	2.25
Helical	1,168,422	3,739	1.93
IP Group	1,272,541	1,578	0.82

Portfolio Statement as at 31 July 2018 cont.

Stock description	Holding	Market value £'000	% of total net assets
LondonMetric Property	837,102	1,575	0.81
Mercia Technologies	4,643,976	1,347	0.70
Numis Corporation	748,301	3,184	1.65
Health Care - 18.12% (20.36%)			
Abcam	606,570	8,965	4.63
Abzena	2,976,268	208	0.11
Avacta Group PLC	1,281,126	313	0.16
Benchmark Holdings	5,111,459	2,863	1.48
Clinigen Group Plc	442,710	4,449	2.30
Creo Medical Group	1,708,312	2,494	1.29
Genus	176,971	5,076	2.62
Horizon Discovery Group	1,984,456	3,701	1.91
Kromek Group	3,963,822	1,110	0.57
Midatech Pharma	1,283,696	347	0.18
Reneuron Group	256,442	236	0.12
Tissue Regenix Group	13,308,769	1,264	0.66
Vectura Group Plc	5,064,343	4,041	2.09
Industrials - 20.28% (22.15%)			
Clipper Logistics Plc	1,020,669	3,399	1.76
Dialight	169,118	893	0.46
Fisher (James) & Sons	119,145	2,135	1.10
Gooch & Housego	123,623	1,898	0.98
Oxford Instruments	401,164	3,827	1.98
Porvair	459,228	2,168	1.12
Renishaw	171,220	9,366	4.84
Ricardo	710,327	5,725	2.96
Robert Walters	880,234	6,531	3.38
Smart Metering Systems	243,133	1,527	0.79
Utilitywise	1,543,866	425	0.22
Xaar	287,381	727	0.38
Xeros Group	884,265	610	0.31

Portfolio Statement as at 31 July 2018 cont.

Stock description	Holding	Market value £'000	% of total net assets
Oil & Gas - 1.13% (0.97%)			
Ceres Power	10,244,346	1,619	0.84
Ilika	2,667,861	560	0.29
Technology - 10.96% (9.10%)			
Alfa Financial Software	236,750	388	0.20
Craneware	235,441	4,991	2.58
Dotdigital Group	1,739,676	1,618	0.84
FDM Group	380,743	3,625	1.87
Loopup Group	449,276	2,022	1.04
NCC Group	2,121,076	4,662	2.41
Proactis Holdings	1,077,376	1,056	0.55
Quixant	661,808	2,846	1.47
Telecommunications - 0.00% (1.33%)			
Portfolio of investments		189,371	97.88
Net other assets - 2.12% (1.89%)		4,095	2.12
Net assets		193,466	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

Figures in brackets refer to 31 January 2018.

Fund Information

Fund and Share Information	31.07.18	31.01.18	31.01.17	31.01.16
Total net asset value of scheme property (£'000)	193,466	195,674	190,764	189,566
Synthetic Risk and Reward Indicator¹	5	5	5	5
Net asset value per share (pence)				
A Accumulation	725.68	719.14	644.51	552.35
B Accumulation	847.94	836.76	743.58	631.82
B Income	607.60	599.54	536.13	459.27
C Accumulation	954.73	939.11	829.13	699.92
C Income	613.25	603.13	539.20	460.29
Number of shares in issue				
A Accumulation	364,256	417,175	684,098	1,179,558
B Accumulation	4,457,492	4,776,712	5,853,725	7,502,699
B Income	577,634	579,016	642,074	691,594
C Accumulation	15,659,801	15,890,289	16,810,345	18,926,012
C Income	1,000	1,000	1,000	1,000
Annual Income Record	Period to 31.07.18 (pence)	Year to 31.01.18 (pence)	Year to 31.01.17 (pence)	Year to 31.01.16 (pence)
Income per share (financial period)				
A Accumulation	n/a	0.00	0.21	1.78
B Accumulation	n/a	5.26	6.04	7.64
B Income	n/a	3.79	4.39	5.63
C Accumulation	n/a	11.71	11.64	13.20
C Income	n/a	7.62	7.68	8.83

Fund Information cont.

Yearly Highest and Lowest Prices				
	Period to 31.07.18 (pence)	Year to 31.01.18 (pence)	Year to 31.01.17 (pence)	Year to 31.01.16 (pence)
Highest (financial period)				
A Accumulation	753.5	748.5	658.0	618.3
B Accumulation	879.0	870.8	758.7	704.5
B Income	629.8	627.9	551.5	518.4
C Accumulation	988.9	977.1	845.7	778.2
C Income	635.2	635.5	557.8	521.6
Lowest (financial period)				
A Accumulation	672.1	647.5	517.0	529.4
B Accumulation	783.0	747.9	593.4	605.5
B Income	561.1	539.3	431.4	445.5
C Accumulation	879.7	834.6	659.2	670.6
C Income	565.1	542.8	434.8	449.5
Ongoing Charges Figures	31.07.18 (%)	31.01.18 (%)	31.01.17 (%)	31.01.16 (%)
Ongoing Charges Figures²				
A Accumulation	1.53	1.53	1.54	1.52
B Accumulation	0.67	0.67	0.68	0.67
B Income	0.67	0.67	0.68	0.67
C Accumulation	0.02	0.02	0.03	0.03
C Income	0.02	0.02	0.03	0.03

¹The Synthetic Risk and Reward Indicator demonstrates where the Fund ranks in terms of its potential risk and reward on a scale from 1 (lowest) to 7 (highest). The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. Further information is included in the Risk and Reward Profile section of the Fund's interim report.

²The Ongoing Charges Figure is based on the expenses for the financial period and may vary from year to year. It excludes the cost of buying and selling assets for the Fund although custodian transaction costs are included. A further explanation of charges and costs relating to the Fund can be obtained by contacting Client Relations.

You should be aware that past performance is not a guide to future performance.

Interim Financial Statements (Unaudited)

Statement of Total Return for the six months ended 31 July 2018

	31 July 2018		31 July 2017	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		1,913		14,552
Revenue	1,355		1,368	
Expenses	(172)		(199)	
Net revenue before taxation	1,183		1,169	
Taxation	-		-	
Net revenue after taxation		1,183		1,169
Total return before distributions		3,096		15,721
Distributions		(22)		(12)
Change in net assets attributable to shareholders from investment activities		3,074		15,709

Statement of Change in Net Assets Attributable to Shareholders for the six months ended 31 July 2018

	31 July 2018		31 July 2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		195,674		190,764
Amounts receivable on issue of shares	1,581		2,115	
Amounts payable on cancellation of shares	(6,897)		(13,482)	
		(5,316)		(11,367)
Dilution adjustment		34		66
Change in net assets attributable to shareholders from investment activities		3,074		15,709
Closing net assets attributable to shareholders		193,466		195,172

Interim Financial Statements (Unaudited) cont.

Balance Sheet as at 31 July 2018

	31 July 2018 £'000	31 January 2018 £'000
Assets:		
Fixed assets:		
Investments	189,371	191,978
Current assets:		
Debtors	577	530
Cash and bank balances	3,806	3,570
Total assets	193,754	196,078
Liabilities:		
Creditors:		
Distributions payable	-	(22)
Other creditors	(288)	(382)
Total liabilities	(288)	(404)
Net assets attributable to shareholders	193,466	195,674

Basis for preparation

The interim financial statements have been prepared in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014.

The accounting policies applied are consistent with those in the annual financial statements for the year ended 31 January 2018 and are described in those annual financial statements.

BAILLIE GIFFORD

Baillie Gifford Global Alpha Growth Fund

a sub-fund of Baillie Gifford UK & Balanced Funds ICVC

*Interim Report & Financial Statements (Unaudited)
for the six months ended 31 July 2018*



Baillie Gifford Global Alpha Growth Fund

Investment Objective

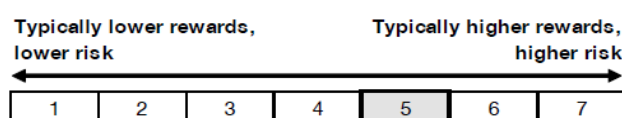
The Fund aims to outperform the MSCI AC World Index by at least 2.0% per annum (before management fees), over rolling five year periods.

Investment Policy

To invest mainly in shares of companies worldwide. We will assess performance of the Fund compared to the index over rolling five year periods. There is no guarantee that a positive return will be achieved over rolling five year periods or any time period.

Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.



Please note that even the lowest risk class can lose you money and that extreme adverse market circumstances can mean you suffer severe losses in all cases.

The Fund is classified in the category above because it invests in company shares which generally provide higher rewards and higher risks than other investments such as bonds or cash.

The indicator does not take into account the following relevant material risks:

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

The Fund has exposure to foreign currencies and changes in the rates of exchange will cause the value of any investment, and income from it, to fall as well as rise and you may not get back the amount invested.

Custody of assets, particularly in emerging markets, involves a risk of loss if the custodian becomes insolvent or breaches duties of care.

The Fund invests in emerging markets where difficulties in trading could arise, resulting in a negative impact on the value of your investment.

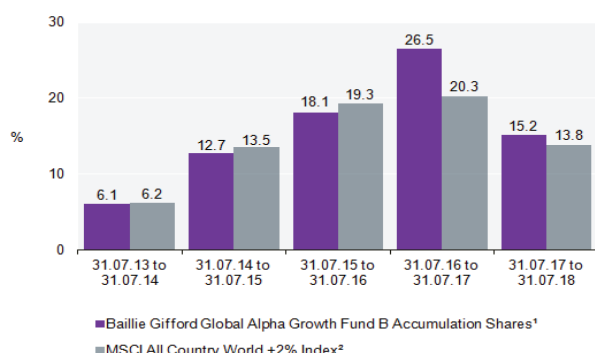
Where possible, charges are taken from the Fund's revenue. Where there is insufficient revenue, the remainder will be taken from capital. This will reduce the capital value of the Fund.

The result of the UK Referendum on membership of the European Union introduces elements of political uncertainty and may have practical consequences for the Fund. Developments will be closely monitored.

Further details of the risks associated with investing in the Fund can be found in the Prospectus which is available by contacting Client Relations or visiting our website.

Investment Report

Past Performance



The performance figures shown in this graph are for Class B Accumulation Shares. Performance figures reflect the ACD's annual fee of 0.57% (until 30 September 2017, the ACD's annual fee on Class B Shares was 0.65%), but exclude any initial charge paid. Performance for the other share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

For the six months to 31 July 2018 the return on B Accumulation Shares was 5.7%³ compared to the return on the MSCI All Country World Index +2% of 6.3%², in sterling terms. We believe that shorter-term performance measurements are of limited relevance in assessing investment ability and would suggest that five years is a more sensible time frame over which to judge performance.

As we look back over any particular period it tends to be heavily affected by biases towards the most recent and most headline-grabbing events; the period in question is no different. Since the end of January, markets have oscillated amid the possibility of further interest rate rises, concerns about the integrity with which technology platforms use data and a move towards protectionist tariffs. Nevertheless, the overall picture is positive. The companies in the portfolio continue to perform well operationally and global stock markets rose over the period – up around 6% in sterling terms.

Amazon was the top contributor over the period. This was driven by the strong growth of Amazon Web Services, the company's cloud computing division, which is contributing an increasing proportion of Amazon's operating income (70%). Elsewhere, strong retail revenue growth in North America was supported by

growing Prime subscriptions and its Whole Foods franchise. Another online platform business which has contributed to performance is Grubhub, an online food delivery business in the US. The millennial generation is driving a growing trend towards online food ordering and delivery. Strong operational performance and a recently secured exclusive partnership with YUM! Brands to be the online platform for KFC and Taco Bell in the US has supported recent strength in the company's share price. Another significant contributor was Abiomed. The company manufactures the world's smallest heart pump which facilitates cardiac surgery. Strong sales in the US has seen the share price rise threefold since the beginning of the year. Against this backdrop, we recently took the decision to sell the holding amid concerns about the shares' rising valuation.

Significant detractors over the period have been Fiat Chrysler Automobiles (automobiles), Naspers (media and online) and Banco Bradesco (Brazilian bank). Fiat Chryslers' share have been weak following lowered 2018 financial guidance and concerns over the future of the company after the passing of its visionary CEO Sergio Marchionne. Naspers' shares have been weak as a result of its holding in Chinese gaming, social media and payments company, Tencent. Earnings have been

¹Source: FE, 10am dealing prices, income accumulated. ²Source: FE and relevant underlying index provider, total return. Please see Disclaimer on page 143. ³Source: Baillie Gifford & Co Limited, closing net asset values, income accumulated. You should be aware that past performance is not a guide to future performance.

Investment Report cont.

impacted by delays in the Chinese regulatory authorities' approving new gaming titles. Allied to this, there has been a weakening in the South African currency. We continue to take a long-term view and believe that Naspers' broader portfolio of online businesses (including OLX.com and LetGo) is well placed for future growth. Banco Bradesco's shares have been weak amid a challenging backdrop in Brazil. Ongoing political uncertainty and a weakening currency negatively impacted sentiment towards Bradesco. We remain focused on the long-term growth opportunity. The Brazilian banking sector is consolidating, with Bradesco taking market share from Brazil's underperforming state banks. Allied to a vast under-banked population, this leaves Bradesco well placed to grow its earnings over the long-term.

The portfolio turnover has ticked up in recent months, but at around 20%, is very much in line with our investment horizon of five years. We have reduced position sizes in three of our largest online platform holdings: Amazon; Naspers and Alphabet (parent company of Google), which have performed very strongly in both operational and share price terms. We have recycled these proceeds to new ideas in earlier stage platform businesses with large growth opportunities, namely Lending Tree (online loan market place), NetEase (Chinese gaming) and Netflix (online content streaming). Elsewhere, we have been focusing on identifying companies for which we believe the reward profile is likely to be uncorrelated to that of the existing portfolio. We have established positions in BHP Billiton (mining conglomerate), Signify (lighting solutions), Sumitomo Mitsui Trust (Japanese trust bank) and Albemarle (lithium producer). Finally, we have sold two semiconductor holdings recently: Nvidia (designer and manufacturer of graphic chips), and Samsung Electronics (memory semiconductors). In both cases, the shares performed very strongly as a result of underlying operational performance. Nevertheless, we elected to move on amid concerns around emerging Chinese competition and the impact this may have on future returns.

We believe that over meaningful time horizons (five years or more) share prices follow the growth in corporate earnings and cash flows. We remain focused

on identifying and holding a cohort of businesses with durable competitive advantages which are likely to support above average earnings growth rates over the long term. As bottom-up-stock-pickers, we are encouraged by the steady flow of new ideas being discussed, from technology platforms to specialist lighting providers. We believe global growth is plentiful and broad and we continue to strive to capture it.

Baillie Gifford & Co, 4 September 2018

Principal Holdings as at 31 July 2018

Investment	Percentage of total Fund
Amazon.com	4.93
Naspers	3.35
Prudential	2.90
TSMC ADR	2.66
Anthem Inc	2.48
Alibaba	2.30
Apache	2.27
Moody's	2.24
Alphabet Inc Class C	2.09
AIA Group	2.02

Material Portfolio Changes for the six months ended 31 July 2018

Largest Purchases	Cost £'000	Largest Sales	Proceeds £'000
ICICI Bank ADR	65,357	Samsung Elec. Common GDR Reg S	65,865
BHP Billiton	49,939	ICICI Bank	64,702
Ping An Insurance	48,618	NVIDIA	63,582
Sumitomo Mitsui Trust	48,437	Royal Caribbean Cruises	61,252
Apache	47,804	Abiomed	60,190
Zillow Group Inc Class C	26,848	Novo Nordisk	41,911
Just Eat	25,946	Yandex	29,419
Banco Bradesco Pref	25,061	Amazon.com	29,417
Signify NV	24,536	Naspers	26,699
Genmab	23,791	SAP	22,912

Portfolio Statement as at 31 July 2018

Stock description	Holding	Market value £'000	% of total net assets
Australia - 0.42% (0.00%)			
Orica	2,057,415	20,498	0.42
Brazil - 1.85% (1.80%)			
B3 S.A.	5,266,200	25,360	0.52
Banco Bradesco Pref	10,387,560	64,145	1.33
Canada - 1.62% (1.46%)			
Fairfax Financial Holdings	125,049	53,376	1.10
Ritchie Bros Auctioneers (USA)	982,412	24,924	0.52
China - 7.31% (6.35%)			
58.Com Inc ADR	620,284	31,805	0.66
Alibaba	777,111	110,878	2.30
Autohome Inc - ADR	423,166	31,153	0.64
Baidu.com ADR	305,083	57,428	1.19
China Biologic Products Holdings Inc	176,224	13,684	0.28
Ctrip.com International	1,065,772	33,434	0.69
NetEase.com ADR	95,928	18,867	0.39
Ping An Insurance	6,330,500	44,741	0.93
Tsingtao Brewery 'H'	2,690,000	10,963	0.23
Denmark - 1.04% (1.71%)			
AP Moller Maersk B	26,869	29,410	0.61
Genmab	160,709	21,021	0.43
France - 1.81% (1.92%)			
Bureau Veritas	2,066,133	39,587	0.82
Pernod Ricard SA	393,569	47,919	0.99
Germany - 3.29% (3.53%)			
Deutsche Boerse	365,150	36,756	0.76
Infineon Technologies AG	1,315,909	26,692	0.55
SAP	1,071,316	95,502	1.98

Portfolio Statement as at 31 July 2018 cont.

Stock description	Holding	Market value £'000	% of total net assets
Hong Kong - 2.42% (2.63%)			
AIA Group	14,707,800	97,876	2.02
Sands China	4,907,600	19,261	0.40
India - 2.80% (3.15%)			
HDFC Corp	2,929,774	64,962	1.34
ICICI Bank ADR	10,457,474	70,394	1.46
Ireland - 3.57% (3.94%)			
Bank of Ireland (Dublin)	6,963,241	45,527	0.94
CRH	2,754,259	71,969	1.49
Ryanair	4,353,464	54,850	1.14
Italy - 1.12% (1.55%)			
Fiat Chrysler Automobiles	4,136,900	53,860	1.12
Japan - 7.50% (7.09%)			
Advantest Corp	2,144,600	38,616	0.80
CyberAgent Inc	1,148,400	45,909	0.95
Kansai Paint Co Ltd	1,160,500	20,280	0.42
Line Corp	490,100	16,288	0.34
MS&AD Insurance	2,631,700	61,152	1.27
Olympus	1,476,989	45,515	0.94
Persol Holdings	1,256,100	20,821	0.43
Rohm	434,100	28,085	0.58
SMC	151,000	38,543	0.80
Sumitomo Mitsui Trust	1,558,500	47,083	0.97
Netherlands - 0.73% (0.53%)			
Signify NV	1,665,742	35,139	0.73
Norway - 0.94% (0.87%)			
Schibsted	1,066,741	28,148	0.58
Schibsted B	692,011	17,159	0.36

Portfolio Statement as at 31 July 2018 cont.

Stock description	Holding	Market value £'000	% of total net assets
Russia - 1.21% (1.79%)			
Mail.ru Group GDR	927,425	19,117	0.40
Sberbank Spon ADR	3,669,621	39,389	0.81
Singapore - 0.57% (0.51%)			
Jardine Matheson	535,600	27,532	0.57
South Africa - 3.52% (4.36%)			
MTN Group	1,262,182	8,394	0.17
Naspers	857,108	161,721	3.35
South Korea - 0.00% (1.36%)			
Spain - 0.16% (0.35%)			
Dia	4,411,611	7,528	0.16
Sweden - 1.86% (1.95%)			
Atlas Copco B	1,862,132	37,402	0.78
Epiroc B	2,496,624	19,967	0.41
Svenska Handelsbanken	3,431,466	32,303	0.67
Switzerland - 2.56% (2.69%)			
OC Oerlikon	1,876,448	22,238	0.46
Richemont	654,931	43,877	0.91
Schindler	324,642	57,699	1.19
Taiwan - 2.86% (3.11%)			
HTC	7,202,000	9,667	0.20
TSMC ADR	4,086,117	128,276	2.66
United Kingdom - 4.91% (3.71%)			
BHP Billiton	2,798,581	49,104	1.02
Hays	12,061,245	23,954	0.50
Just Eat	2,992,203	23,722	0.49

Portfolio Statement as at 31 July 2018 cont.

Stock description	Holding	Market value £'000	% of total net assets
Prudential	7,774,818	140,296	2.90
United States - 44.69% (41.87%)			
Advanced Micro Devices	1,850,253	25,855	0.54
AJ Gallagher & Co	887,875	48,287	1.00
Albemarle	315,494	22,654	0.47
Alnylam Pharmaceuticals	253,731	18,374	0.38
Alphabet Inc Class C	108,591	100,767	2.09
Amazon.com	175,874	238,312	4.93
Anthem Inc	621,315	119,834	2.48
Apache	3,124,029	109,552	2.27
CH Robinson	588,492	41,350	0.86
DistributionNOW	1,246,615	14,198	0.29
EOG Resources	612,562	60,203	1.25
Facebook	458,104	60,270	1.25
First Republic Bank	513,759	38,700	0.80
Grubhub Inc	574,942	53,416	1.11
Howard Hughes	209,570	21,651	0.45
Interactive Brokers Group	559,553	25,530	0.53
Jefferies Financial	1,796,679	33,215	0.69
Kirby	404,543	25,720	0.53
LendingTree	114,490	20,843	0.43
Lincoln Electric Hdg.	292,952	20,980	0.43
Markel	60,204	53,698	1.11
MarketAxess Holdings	254,600	37,609	0.78
Martin Marietta Materials	231,806	35,241	0.73
Mastercard	602,241	90,868	1.88
Moody's	830,597	108,340	2.24
Myriad Genetics Inc	1,258,393	41,970	0.87
Netflix Inc	123,050	31,653	0.66
Resmed Inc	631,274	50,897	1.05
Royal Caribbean Cruises	617,857	53,102	1.10
Seattle Genetics	818,583	43,920	0.91
Siteone Landscape Supply	508,613	34,559	0.72
Stericycle	700,439	37,298	0.77

Portfolio Statement as at 31 July 2018 cont.

Stock description	Holding	Market value £'000	% of total net assets
TD Ameritrade Holding Corp	933,951	40,690	0.84
Teradyne	971,049	32,017	0.66
Tesla Inc	157,873	35,882	0.74
Thermo Fisher Scientific	308,348	55,130	1.14
Verisk Analytics	541,166	45,608	0.94
Visa Inc-Class A Shares	785,218	81,841	1.69
Wabtec	519,523	43,693	0.90
Waters	319,802	48,094	1.00
Zillow Group Inc Class A	84,353	3,626	0.07
Zillow Group Inc Class C	1,260,387	53,500	1.11
Portfolio of investments		4,770,713	98.76
Net other assets - 1.24% (1.77%)		59,982	1.24
Net assets		4,830,695	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

Figures in brackets refer to 31 January 2018.

Fund Information

Fund and Share Information	31.07.18	31.01.18	31.01.17	31.01.16
Total net asset value of scheme property (£'000)	4,830,695	4,709,950	895,040	813,140
Synthetic Risk and Reward Indicator¹	5	5	6	5
Net asset value per share (pence)				
A Accumulation	276.49	262.61	216.81	158.80
B Accumulation	298.13	281.97	230.83	167.63
B Income	278.64	263.91	216.98	158.45
C Accumulation	314.37	296.49	241.21	174.03
C Income	313.34	n/a	n/a	n/a
Number of shares in issue				
A Accumulation	4,500,501	4,497,381	9,605,302	10,236,676
B Accumulation	645,785,774	156,899,643	122,278,530	139,739,414
B Income	81,088,896	79,284,563	101,370,860	130,701,474
C Accumulation	842,027,649	1,364,804,416	154,227,410	204,295,607
C Income	6,357,625	n/a	n/a	n/a
Annual Income Record	Period to 31.07.18 (pence)	Year to 31.01.18 (pence)	Year to 31.01.17 (pence)	Year to 31.01.16 (pence)
Income per share (financial period)				
A Accumulation	0.00	0.00	0.00	0.00
B Accumulation	0.40	1.19	1.21	1.10
B Income	0.40	1.11	1.15	1.04
C Accumulation	1.30	2.92	2.60	2.30
C Income	0.70	n/a	n/a	n/a

Fund Information cont.

Yearly Highest and Lowest Prices				
	Period to 31.07.18 (pence)	Year to 31.01.18 (pence)	Year to 31.01.17 (pence)	Year to 31.01.16 (pence)
Highest (financial period)				
A Accumulation	280.8	268.7	221.3	177.4
B Accumulation	302.8	288.5	235.5	186.0
B Income	283.4	270.7	222.3	177.0
C Accumulation	319.2	303.3	246.1	192.1
C Income	318.9	n/a	n/a	n/a
Lowest (financial period)				
A Accumulation	244.4	215.8	144.1	148.5
B Accumulation	262.8	229.8	152.2	156.2
B Income	246.0	216.0	143.8	148.4
C Accumulation	276.4	240.1	158.0	161.7
C Income	276.3	n/a	n/a	n/a
Ongoing Charges Figures	31.07.18 (%)	31.01.18 (%)	31.01.17 (%)	31.01.16 (%)
Ongoing Charges Figures²				
A Accumulation	1.45	1.51 ³	1.54	1.51
B Accumulation	0.59	0.65 ⁴	0.68	0.68
B Income	0.60	0.66 ⁴	0.68	0.68
C Accumulation	0.03	0.04	0.03	0.03
C Income	0.02 ⁵	n/a	n/a	n/a

¹The Synthetic Risk and Reward Indicator demonstrates where the Fund ranks in terms of its potential risk and reward on a scale from 1 (lowest) to 7 (highest). The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. Further information is included in the Risk and Reward Profile section of the Fund's interim report.

²The Ongoing Charges Figure is based on the expenses for the financial period and may vary from year to year. It excludes the cost of buying and selling assets for the Fund although custodian transaction costs are included. A further explanation of charges and costs relating to the Fund can be obtained by contacting Client Relations.

³With effect from 1 October 2017, the ACD's annual fee for Class A shares was reduced from 1.50% to 1.42%. As at 31 January 2018 the ACD considered 1.46% to be a more indicative rate for the ongoing charges figure.

⁴With effect from 1 October 2017, the ACD's annual fee for Class B shares was reduced from 0.65% to 0.57%. As at 31 January 2018 the ACD considered 0.61% to be a more indicative rate for the ongoing charges figure.

⁵Class C Income Shares were launched on 21 March 2018. As at 31 July 2018 the ACD considered 0.03% to be a more indicative rate for the ongoing charges figure.

You should be aware that past performance is not a guide to future performance.

Interim Financial Statements (Unaudited)

Statement of Total Return for the six months ended 31 July 2018

	31 July 2018		31 July 2017	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		244,244		88,611
Revenue	40,116		7,213	
Expenses	(5,982)		(1,798)	
Net revenue before taxation	34,134		5,415	
Taxation	(3,650)		(430)	
Net revenue after taxation		30,484		4,985
Total return before distributions		274,728		93,596
Distributions		(15,370)		(2,734)
Change in net assets attributable to shareholders from investment activities		259,358		90,862

Statement of Change in Net Assets Attributable to Shareholders for the six months ended 31 July 2018

	31 July 2018		31 July 2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		4,709,950		895,040
Amounts receivable on issue of shares	89,861		63,130	
Amounts payable on cancellation of shares	(242,160)		(95,543)	
		(152,299)		(32,413)
Dilution adjustment		156		144
Change in net assets attributable to shareholders from investment activities		259,358		90,862
Retained distributions on accumulation shares		13,530		2,711
Closing net assets attributable to shareholders		4,830,695		956,344

Interim Financial Statements (Unaudited) cont.

Balance Sheet as at 31 July 2018

	31 July 2018 £'000	31 January 2018 £'000
Assets:		
Fixed assets:		
Investments	4,770,713	4,626,350
Current assets:		
Debtors	18,119	174,871
Cash and bank balances	64,553	20,634
Total assets	4,853,385	4,821,855
Liabilities:		
Creditors:		
Bank overdrafts	(11,362)	(242)
Distributions payable	(369)	(563)
Other creditors	(10,959)	(111,100)
Total liabilities	(22,690)	(111,905)
Net assets attributable to shareholders	4,830,695	4,709,950

Basis for preparation

The interim financial statements have been prepared in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014.

The accounting policies applied are consistent with those in the annual financial statements for the year ended 31 January 2018 and are described in those annual financial statements.

BAILLIE GIFFORD

Baillie Gifford Global Income Growth Fund

a sub-fund of Baillie Gifford UK & Balanced Funds ICVC

*Interim Report & Financial Statements(Unaudited)
for the six months ended 31 July 2018*



Baillie Gifford Global Income Growth Fund

Investment Objective

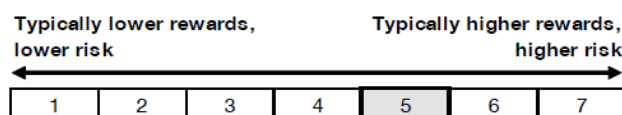
The Fund aims to achieve a higher level of income than is generally available from shares worldwide; and both income and capital growth, over the longer term.

Investment Policy

To invest mainly in shares of companies worldwide. Investment may also be in bonds issued by governments, government agencies, companies and certain supranational organisations; and convertibles.

Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.



Please note that even the lowest risk class can lose you money and that extreme adverse market circumstances can mean you suffer severe losses in all cases.

The Fund is classified in the category above because it invests in company shares and bonds which generally provide higher rewards and higher risks than other investments such as investment solely in bonds or cash.

The indicator does not take into account the following relevant material risks:

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

The Fund has exposure to foreign currencies and changes in the rates of exchange will cause the value of any investment, and income from it, to fall as well as rise and you may not get back the amount invested.

Custody of assets, particularly in emerging markets, involves a risk of loss if the custodian becomes insolvent or breaches duties of care.

The Fund invests in emerging markets where difficulties in trading could arise, resulting in a negative impact on the value of your investment.

Bonds issued by companies and governments may be adversely affected by changes in interest rates, expectations of inflation and a decline in the creditworthiness of the bond issuer. The issuers of bonds in which the Fund may invest, particularly in emerging markets, may not be able to pay the bond income as promised or could fail to repay the capital amount.

Part or all of the Authorised Corporate Director's annual fee will be taken from the Fund's capital. This will reduce the capital value of the Fund.

The result of the UK Referendum on membership of the European Union introduces elements of political uncertainty and may have practical consequences for the Fund. Developments will be closely monitored.

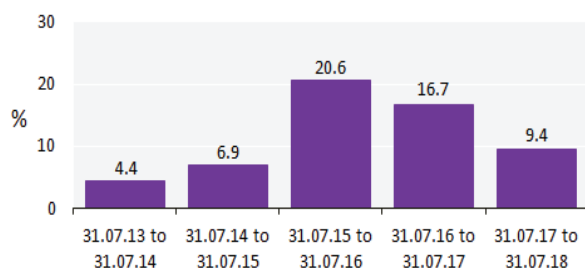
Further details of the risks associated with investing in the Fund can be found in the Prospectus which is available by contacting Client Relations or visiting our website.

Fees Charged to Capital

To assist in achieving the Fund's investment objective, part or all of the ACD's annual fee is charged to capital (year to 31 January 2018: 67%). The figure for the current financial year has not yet been determined.

Investment Report

Past Performance¹



The performance figures shown in this graph are for Class B Income Shares. Performance figures reflect the ACD's annual fee of 0.57% (until 30 September 2017, the ACD's annual fee on Class B Shares was 0.65%), but exclude any initial charge paid. Performance figures for the other share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

For the six months to 31 July 2018 the return on B Income Shares was 4.8%² compared to the return on the FTSE All World Index of 5.4%³, in sterling terms. We believe that shorter-term performance measurements are of limited relevance in assessing investment ability and would suggest that five years is a more sensible time frame over which to judge performance.

Although at the headline level global equity markets made good progress over the period one notable feature was the weakness of some emerging market currencies and stock markets. Among the Fund's holdings there, operationally, we have seen continued strong results from luxury goods group Kering and footwear manufacturer Anta Sports' Chinese operations, while jewellery retailer Pandora's Chinese sales underwhelmed the market. The share prices of several companies with significant operations in Brazil performed poorly, including exchange group B3, brewer Ambev, and discount retailer Dia.

Portfolio turnover remains low, consistent with our five year investment time horizon. Encouragingly, we continue to find attractive new holdings for the Fund. For example, RPM is a specialist coatings manufacturer, based in Ohio. The business is run by a member of the founding family, and its ambition is to be the preferred home for entrepreneurial companies in the coatings industry. We think the business model is attractive, and

the board's strong belief in the importance of a dividend commitment is interesting and unusual – and a great fit with our own beliefs. Another example is GlaxoSmithKline. The trigger for our new purchase was the appointment of a new Chief Executive and Chief Scientific Officer. A history of poor research & development productivity has been one of Glaxo's key problems in recent years, which we have watched from the sidelines. However, we have been impressed by the early steps the new CEO is taking to address this. The dividend should be resilient, but the key to our investment case is our hope that Glaxo's long-term growth rate should improve.

In contrast, we sold African telecoms business MTN following our review of the investment case; we believe that the business' capital intensity and need to manage several risks mean it is unlikely to be a source of dependable, growing dividends. We also sold WPP, following CEO Martin Sorrell's resignation in April. The advertising industry is going through significant change at the moment, and we think the internal focus created by a disorderly transition is not what the business needs.

Whilst we are seeing positive operational momentum at many of the Fund's holdings, the past six months have seen broader concerns around tariff barriers and trade wars, and some parts of the market have been volatile as investors try to understand where the impact may be

¹Source: FE, 10am dealing prices, income reinvested. ²Source: Baillie Gifford & Co Limited, closing net asset values, income reinvested.

³Source: FE and relevant underlying index provider, total return. Please see Disclaimer on page 143. You should be aware that past performance is not a guide to future performance.

Investment Report cont.

greatest. This isn't an area where we expect to add much value. Instead, we remain focused on identifying the opportunities that technological change is creating to adapt business models, engage with customers in different ways, and create new markets. We are pleased to find that these new opportunities are what most excite many of the management teams we are backing on your behalf.

*The Baillie Gifford Global Income Growth Team,
4 September 2018*

Principal Holdings as at 31 July 2018

Investment	Percentage of total Fund
Coca Cola	2.62
Deutsche Boerse	2.59
Johnson & Johnson	2.39
CH Robinson	2.35
Edenred	2.34
Fastenal	2.22
Microsoft	2.22
Sonic Healthcare	2.20
Prudential	2.20
ANTA Sports Products	2.18

Material Portfolio Changes for the six months ended 31 July 2018

Largest Purchases	Cost £'000	Largest Sales	Proceeds £'000
Glaxosmithkline	6,564	WPP	7,527
RPM	5,283	MTN Group	5,213
Cullen/Frost Bankers	5,091	Partners Group	3,795
Signify NV	3,582	Rio Tinto	2,800
Wolters Kluwer NV	3,547	Kering	2,679
Roche	3,123	Alphabet Inc Class A	2,658
Li & Fung	2,746	National Instruments Corp	2,592
Albemarle	2,424	Pearson	2,141
Deutsche Boerse	1,251	Cochlear	2,028
Prudential	1,152	TJX Companies	1,725

Portfolio Statement as at 31 July 2018

Stock description	Holding	Market value £'000	% of total net assets
Australia - 6.41% (6.48%)			
Brambles	1,011,064	5,661	1.09
Challenger Ltd	617,355	4,353	0.83
Cochlear	78,936	9,097	1.75
Sonic Healthcare	777,168	11,483	2.20
WPP AUNZ	5,440,037	2,790	0.54
Brazil - 1.91% (2.42%)			
Ambev SA	1,150,000	4,528	0.87
B3 S.A.	1,128,900	5,436	1.04
China - 1.15% (1.19%)			
Want Want China	9,540,000	5,996	1.15
Denmark - 1.95% (2.21%)			
Novo Nordisk	151,654	5,806	1.11
Pandora A/S	80,668	4,361	0.84
France - 5.72% (5.20%)			
Edenred	407,269	12,170	2.34
Kering	18,006	7,308	1.40
Total	207,297	10,306	1.98
Germany - 4.89% (4.76%)			
Continental	31,151	5,485	1.05
Deutsche Boerse	133,821	13,471	2.59
SAP	73,322	6,536	1.25
Hong Kong - 6.55% (6.94%)			
ANTA Sports Products	2,935,327	11,378	2.18
China Mobile	1,042,000	7,157	1.38
Hong Kong Exchanges & Clearing	250,100	5,627	1.08
Li & Fung	21,492,000	5,533	1.06
Man Wah Holdings Ltd	7,852,400	4,409	0.85

Portfolio Statement as at 31 July 2018 cont.

Stock description	Holding	Market value £'000	% of total net assets
Japan - 2.20% (2.24%)			
Sumitomo Mitsui Trust	207,200	6,260	1.20
Zenkoku Hosho Co Ltd	155,000	5,193	1.00
Mexico - 1.40% (1.35%)			
Kimberly-Clark De Mexico	5,227,500	7,311	1.40
Netherlands - 3.10% (1.98%)			
Signify NV	275,286	5,807	1.12
Wolters Kluwer NV	225,894	10,337	1.98
Singapore - 1.16% (1.14%)			
United Overseas Bank	399,500	6,045	1.16
South Africa - 1.84% (2.98%)			
AVI	1,511,192	9,610	1.84
Spain - 2.06% (3.04%)			
Bankinter SA	987,721	7,279	1.40
Dia	2,024,816	3,455	0.66
Sweden - 3.81% (4.15%)			
Atlas Copco A	254,261	5,569	1.07
Epiroc A	245,840	2,240	0.43
Sandvik	477,392	6,675	1.28
Svenska Handelsbanken	571,859	5,383	1.03
Switzerland - 4.81% (4.83%)			
Nestle	117,607	7,308	1.40
Partners Group	16,391	9,498	1.82
Roche	44,142	8,262	1.59
Taiwan - 1.75% (1.78%)			
TSMC ADR	290,869	9,131	1.75

Portfolio Statement as at 31 July 2018 cont.

Stock description	Holding	Market value £'000	% of total net assets
United Kingdom - 15.59% (16.30%)			
Admiral Group	457,765	9,066	1.74
British American Tobacco	124,387	5,226	1.00
British American Tobacco - ADR	96,840	4,044	0.77
Experian	505,765	9,478	1.82
Glaxosmithkline	454,965	7,195	1.38
Greencoat UK Wind	4,040,363	5,042	0.97
Hiscox plc	670,694	10,718	2.06
Pearson	562,857	5,204	1.00
Prudential	634,519	11,450	2.20
Rio Tinto	144,173	6,050	1.16
Scottish & Southern Energy	623,294	7,791	1.49
United States - 31.65% (28.67%)			
AJ Gallagher & Co	100,743	5,479	1.05
Albemarle	86,657	6,222	1.19
Alphabet Inc Class A	5,440	5,089	0.98
Analog Devices	141,230	10,350	1.99
Apache	141,882	4,975	0.96
Apple	54,859	7,969	1.53
CH Robinson	174,560	12,265	2.35
Coca Cola	383,944	13,646	2.62
Cullen/Frost Bankers	59,652	5,025	0.96
Dolby Laboratories	98,204	4,824	0.93
Fastenal	266,477	11,565	2.22
Johnson & Johnson	123,511	12,478	2.39
McDonald's	67,296	8,082	1.55
Microsoft	142,827	11,552	2.22
National Instruments Corp	175,776	5,871	1.13
Pepsico	101,305	8,881	1.70
Procter & Gamble	165,356	10,194	1.96
RPM	137,020	6,722	1.29
TJX Companies	67,093	4,974	0.95
UPS	95,830	8,758	1.68

Portfolio Statement as at 31 July 2018 cont.

Stock description	Holding	Market value £'000	% of total net assets
Portfolio of investments		510,439	97.95
Net other assets - 2.05% (2.34%)		10,690	2.05
Net assets		521,129	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

Figures in brackets refer to 31 January 2018.

Fund Information

Fund and Share Information				
	31.07.18	31.01.18	31.01.17	31.01.16
Total net asset value of scheme property (£'000)	521,129	508,724	371,129	337,231
Synthetic Risk and Reward Indicator¹	5	5	5	5
Net asset value per share (pence)				
A Accumulation	1,314.96	1,260.37	1,126.09	883.74
A Income	631.65	613.27	561.73	452.91
B Accumulation	1,407.26	1,343.17	1,189.91	925.72
B Income	720.83	696.89	634.44	508.01
C Accumulation	1,479.70	1,408.32	1,239.88	958.24
C Income	793.20	764.67	692.93	551.89
Number of shares in issue				
A Accumulation	159,407	159,992	150,028	423,617
A Income	450,851	399,919	332,660	350,570
B Accumulation	3,428,844	2,816,269	2,034,475	1,654,737
B Income	4,278,524	3,284,970	2,197,286	2,178,732
C Accumulation	27,925,725	29,900,000	26,495,100	31,806,751
C Income	3,009,825	2,935,564	131,808	131,808
Annual Income Record				
	Period to 31.07.18 (pence)	Year to 31.01.18 (pence)	Year to 31.01.17 (pence)	Year to 31.01.16 (pence)
Income per share (financial period)				
A Accumulation	16.47	29.78	25.63	25.08
A Income	7.98	14.99	14.26	13.10
B Accumulation	17.58	35.37	31.68	30.11
B Income	9.10	18.70	17.15	16.87
C Accumulation	18.47	39.20	34.27	33.42
C Income	10.00	21.75	19.56	19.77

Fund Information cont.

Yearly Highest and Lowest Prices	Period to 31.07.18 (pence)	Year to 31.01.18 (pence)	Year to 31.01.17 (pence)	Year to 31.01.16 (pence)
Highest (financial period)				
A Accumulation	1,321	1,293	1,154	934.5
A Income	638.5	632.7	579.3	492.6
B Accumulation	1,413	1,377	1,219	972.3
B Income	728.6	720.4	655.2	551.2
C Accumulation	1,486	1,444	1,270	1,001
C Income	801.6	791.5	716.4	597.3
Lowest (financial period)				
A Accumulation	1,192	1,121	828.2	808.3
A Income	579.8	559.4	424.4	419.7
B Accumulation	1,272	1,185	867.9	843.7
B Income	659.8	631.8	476.2	471.1
C Accumulation	1,334	1,235	898.7	870.9
C Income	724.6	690.0	517.4	511.7
Ongoing Charges Figures	31.07.18 (%)	31.01.18 (%)	31.01.17 (%)	31.01.16 (%)
Ongoing Charges Figures²				
A Accumulation	1.45	1.51 ³	1.55	1.53
A Income	1.45	1.51 ³	1.54	1.53
B Accumulation	0.60	0.66 ⁴	0.69	0.69
B Income	0.60	0.66 ⁴	0.69	0.69
C Accumulation	0.03	0.04	0.03	0.04
C Income	0.03	0.03	0.03	0.04

¹The Synthetic Risk and Reward Indicator demonstrates where the Fund ranks in terms of its potential risk and reward on a scale from 1 (lowest) to 7 (highest). The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. Further information is included in the Risk and Reward Profile section of the Fund's interim report.

²The Ongoing Charges Figure is based on the expenses for the financial period and may vary from year to year. It excludes the cost of buying and selling assets for the Fund although custodian transaction costs are included. A further explanation of charges and costs relating to the Fund can be obtained by contacting Client Relations.

³With effect from 1 October 2017, the ACD's annual fee for Class A shares was reduced from 1.50% to 1.42%. As at 31 January 2018 the ACD considered 1.46% to be a more indicative rate for the ongoing charges figure.

⁴With effect from 1 October 2017, the ACD's annual fee for Class B shares was reduced from 0.65% to 0.57%. As at 31 January 2018 the ACD considered 0.61% to be a more indicative rate for the ongoing charges figure.

You should be aware that past performance is not a guide to future performance.

Interim Financial Statements (Unaudited)

Statement of Total Return for the six months ended 31 July 2018

	31 July 2018		31 July 2017	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		16,383		18,780
Revenue	9,907		7,768	
Expenses	(292)		(252)	
Net revenue before taxation	9,615		7,516	
Taxation	(691)		(278)	
Net revenue after taxation		8,924		7,238
Total return before distributions		25,307		26,018
Distributions		(6,760)		(4,822)
Change in net assets attributable to shareholders from investment activities		18,547		21,196

Statement of Change in Net Assets Attributable to Shareholders for the six months ended 31 July 2018

	31 July 2018		31 July 2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		508,724		371,129
Amounts receivable on issue of shares	23,144		80,260	
Amounts payable on cancellation of shares	(35,312)		(2,564)	
		(12,168)		77,696
Dilution adjustment		77		151
Change in net assets attributable to shareholders from investment activities		18,547		21,196
Retained distributions on accumulation shares		5,949		5,190
Closing net assets attributable to shareholders		521,129		475,362

Interim Financial Statements (Unaudited) cont.

Balance Sheet as at 31 July 2018

	31 July 2018 £'000	31 January 2018 £'000
Assets:		
Fixed assets:		
Investments	510,439	496,838
Current assets:		
Debtors	2,558	1,472
Cash and bank balances	8,619	10,899
Total assets	521,616	509,209
Liabilities:		
Creditors:		
Distributions payable	(367)	(422)
Other creditors	(120)	(63)
Total liabilities	(487)	(485)
Net assets attributable to shareholders	521,129	508,724

Basis for preparation

The interim financial statements have been prepared in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014.

The accounting policies applied are consistent with those in the annual financial statements for the year ended 31 January 2018 and are described in those annual financial statements.

BAILLIE GIFFORD

Baillie Gifford International Fund

a sub-fund of Baillie Gifford UK & Balanced Funds ICVC

*Interim Report & Financial Statements (Unaudited)
for the six months ended 31 July 2018*



Baillie Gifford International Fund

Investment Objective

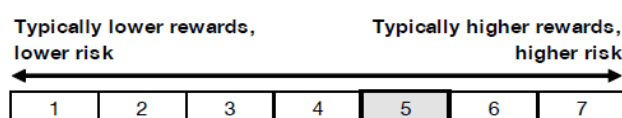
The Fund aims to produce attractive returns, mainly through capital growth, over the long term.

Investment Policy

To invest mainly in shares of companies worldwide excluding the UK.

Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.



Please note that even the lowest risk class can lose you money and that extreme adverse market circumstances can mean you suffer severe losses in all cases.

The Fund is classified in the category above because it invests in company shares which generally provide higher rewards and higher risks than other investments such as bonds or cash.

The indicator does not take into account the following relevant material risks:

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

The Fund has exposure to foreign currencies and changes in the rates of exchange will cause the value of any investment, and income from it, to fall as well as rise and you may not get back the amount invested.

Custody of assets, particularly in emerging markets, involves a risk of loss if the custodian becomes insolvent or breaches duties of care.

The Fund invests in emerging markets where difficulties in trading could arise, resulting in a negative impact on the value of your investment.

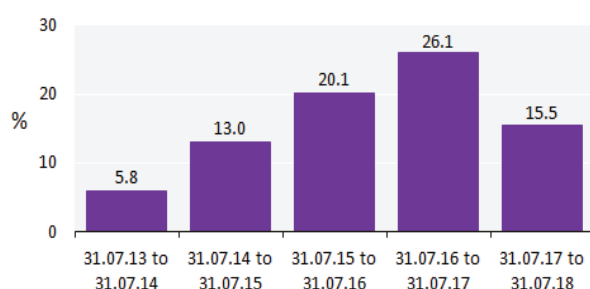
Where possible, charges are taken from the Fund's revenue. Where there is insufficient revenue, the remainder will be taken from capital. This will reduce the capital value of the Fund.

The result of the UK Referendum on membership of the European Union introduces elements of political uncertainty and may have practical consequences for the Fund. Developments will be closely monitored.

Further details of the risks associated with investing in the Fund can be found in the Prospectus which is available by contacting Client Relations or visiting our website.

Investment Report

Past Performance¹



The performance figures shown in this graph are for Class B Accumulation Shares. Performance figures reflect the ACD's annual fee of 0.57% (until 30 September 2017, the ACD's annual fee on Class B Shares was 0.65%), but exclude any initial charge paid. Performance figures for the other share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

For the six months to 31 July 2018 the return on B Accumulation Shares was 6.1%² compared to the return on the MSCI All Country World ex-UK Index of 5.3%³, in sterling terms. We believe that shorter-term performance measurements are of limited relevance in assessing investment ability and suggest that five years is a more sensible time frame over which to judge performance.

As we look back over any particular period it tends to be heavily affected by biases towards the most recent and most headline-grabbing events; the period in question is no different. Since the end of January, markets have oscillated amid the possibility of further interest rate rises, concerns about the integrity with which technology platforms use data and a move towards protectionist tariffs. Nevertheless, the overall picture is positive. The companies in the portfolio continue to perform well operationally and global stock markets rose over the period – up around 6% in sterling terms.

Amazon was the top contributor over the period. This was driven by the strong growth of Amazon Web Services, the company's cloud computing division, which is contributing an increasing proportion of Amazon's operating income (70%). Elsewhere, strong retail revenue growth in North America was supported by growing Prime subscriptions and its Whole Foods franchise. Another online platform business which has

contributed to performance is Grubhub, an online food delivery business in the US. The millennial generation is driving a growing trend towards online food ordering and delivery. Strong operational performance and a recently secured exclusive partnership with YUM! Brands to be the online platform for KFC and Taco Bell in the US has supported recent strength in the company's share price. Another significant contributor was Abiomed. The company manufactures the world's smallest heart pump which facilitates cardiac surgery. Strong sales in the US has seen the share price rise threefold since the beginning of the year. Against this backdrop, we recently took the decision to sell the holding amid concerns about the shares' rising valuation.

Significant detractors over the period have been Fiat Chrysler Automobiles (automobiles), Naspers (media and online) and Banco Bradesco (Brazilian bank). Fiat Chryslers' share have been weak following lowered 2018 financial guidance and concerns over the future of the company after the passing of its visionary CEO Sergio Marchionne. Naspers' shares have been weak as a result of its holding in Chinese gaming, social media and payments company, Tencent. Earnings have been impacted by delays in the Chinese regulatory authorities' approving new gaming titles. Allied to this, there has been a weakening in the South African currency. We continue to take a long-term view and believe that

¹Source: FE, 10am dealing prices, income accumulated. ²Source: Baillie Gifford & Co Limited, closing net asset values, income accumulated. ³Source: FE and relevant underlying index provider, total return. Please see Disclaimer on page 143. You should be aware that past performance is not a guide to future performance.

Investment Report cont.

Naspers' broader portfolio of online businesses (including OLX.com and LetGo) is well placed for future growth. Banco Bradesco's shares have been weak amid a challenging backdrop in Brazil. Ongoing political uncertainty and a weakening currency negatively impacted sentiment towards Bradesco. We remain focused on the long-term growth opportunity. The Brazilian banking sector is consolidating, with Bradesco taking market share from Brazil's underperforming state banks. Allied to a vast under-banked population, this leaves Bradesco well placed to grow its earnings over the long-term.

The portfolio turnover has ticked up in recent months, but at around 20%, is very much in line with our investment horizon of five years. We have reduced position sizes in three of our largest online platform holdings: Amazon; Naspers and Alphabet (parent company of Google), which have performed very strongly in both operational and share price terms. We have recycled these proceeds to new ideas in earlier stage platform businesses with large growth opportunities, namely Lending Tree (online loan market place), NetEase (Chinese gaming) and Netflix (online content streaming). Elsewhere, we have been focusing on identifying companies for which we believe the reward profile is likely to be uncorrelated to that of the existing portfolio. We have established positions in BHP Billiton (mining conglomerate), Signify (lighting solutions), Sumitomo Mitsui Trust (Japanese trust bank) and Albemarle (lithium producer). Finally, we have sold two semiconductor holdings recently: Nvidia (designer and manufacturer of graphic chips), and Samsung Electronics (memory semiconductors). In both cases, the shares performed very strongly as a result of underlying operational performance. Nevertheless, we elected to move on amid concerns around emerging Chinese competition and the impact this may have on future returns.

We believe that over meaningful time horizons (5 years or more) share prices follow the growth in corporate earnings and cash flows. We remain focused on identifying and holding a cohort of businesses with durable competitive advantages which are likely to support above average earnings growth rates over the long term. As bottom-up-stock-pickers, we are

encouraged by the steady flow of new ideas being discussed, from technology platforms to specialist lighting providers. We believe global growth is plentiful and broad and we continue to strive to capture it.

Baillie Gifford & Co, 4 September 2018

Principal Holdings as at 31 July 2018

Investment	Percentage of total Fund
Amazon.com	5.15
Naspers	3.45
TSMC ADR	2.71
AIA Group	2.67
Anthem Inc	2.60
Apache	2.39
Alibaba	2.38
Moody's	2.36
Alphabet Inc Class C	2.20
SAP	2.07

Material Portfolio Changes for the six months ended 31 July 2018

Largest Purchases	Cost £'000	Largest Sales	Proceeds £'000
ICICI Bank ADR	13,388	Samsung Elec. Common GDR Reg S	13,023
Apache	11,094	Abiomed	12,272
Ping An Insurance	10,248	ICICI Bank	12,142
BHP Billiton (Aus. listing)	10,182	NVIDIA	11,520
Sumitomo Mitsui Trust	9,961	Royal Caribbean Cruises	10,483
Zillow Group Inc Class C	6,514	Novo Nordisk	7,796
Banco Bradesco Pref	5,775	Yandex	5,379
Signify NV	5,236	SAP	3,466
Albemarle	4,957	Naspers	2,288
Genmab	4,875	Amazon.com	2,236

Portfolio Statement as at 31 July 2018

Stock description	Holding	Market value £'000	% of total net assets
Australia - 1.53% (0.00%)			
BHP Billiton (Aus. listing)	552,286	10,908	1.08
Orica	459,384	4,577	0.45
Brazil - 1.91% (1.91%)			
B3 S.A.	1,122,700	5,406	0.53
Banco Bradesco Pref	2,259,140	13,951	1.38
Canada - 1.66% (1.56%)			
Fairfax Financial Holdings	27,189	11,605	1.14
Ritchie Bros Auctioneers (USA)	206,989	5,252	0.52
China - 7.56% (6.61%)			
58.Com Inc ADR	133,317	6,836	0.67
Alibaba	168,724	24,073	2.38
Autohome Inc - ADR	95,363	7,021	0.69
Baidu.com ADR	65,004	12,236	1.21
China Biologic Products Holdings Inc	39,097	3,036	0.30
Ctrip.com International	228,077	7,155	0.71
NetEase.com ADR	19,947	3,923	0.39
Ping An Insurance	1,383,000	9,774	0.96
Tsingtao Brewery 'H'	624,000	2,543	0.25
Denmark - 1.06% (1.73%)			
AP Moller Maersk B	5,805	6,354	0.63
Genmab	33,692	4,407	0.43
France - 1.90% (1.96%)			
Bureau Veritas	460,634	8,825	0.87
Pernod Ricard SA	85,803	10,447	1.03
Germany - 3.40% (3.59%)			
Deutsche Boerse	77,871	7,838	0.78
Infineon Technologies AG	276,020	5,599	0.55

Portfolio Statement as at 31 July 2018 cont.

Stock description	Holding	Market value £'000	% of total net assets
SAP	235,460	20,990	2.07
Hong Kong - 3.10% (3.29%)			
AIA Group	4,071,000	27,091	2.67
Sands China	1,085,600	4,261	0.43
India - 2.84% (3.22%)			
HDFC Corp	633,884	14,055	1.39
ICICI Bank ADR	2,177,790	14,660	1.45
Ireland - 3.67% (4.15%)			
Bank of Ireland (Dublin)	1,527,268	9,986	0.99
CRH	589,880	15,413	1.52
Ryanair	930,774	11,727	1.16
Italy - 1.15% (1.58%)			
Fiat Chrysler Automobiles	895,127	11,654	1.15
Japan - 7.71% (6.70%)			
Advantest Corp	454,700	8,188	0.81
CyberAgent Inc	249,500	9,974	0.98
Kansai Paint Co Ltd	236,900	4,140	0.41
Line Corp	104,800	3,483	0.34
MS&AD Insurance	567,400	13,185	1.30
Olympus	323,900	9,981	0.99
Persol Holdings	278,800	4,621	0.46
Rohm	95,700	6,192	0.61
SMC	32,800	8,372	0.83
Sumitomo Mitsui Trust	329,500	9,954	0.98
Netherlands - 0.76% (0.54%)			
Signify NV	363,706	7,672	0.76
Norway - 1.00% (0.91%)			
Schibsted	246,426	6,502	0.64

Portfolio Statement as at 31 July 2018 cont.

Stock description	Holding	Market value £'000	% of total net assets
Schibsted B	147,908	3,668	0.36
Russia - 1.21% (1.83%)			
Mail.ru Group GDR	187,474	3,864	0.38
Sberbank Spon ADR	782,379	8,398	0.83
Singapore - 0.57% (0.52%)			
Jardine Matheson	113,300	5,824	0.57
South Africa - 3.62% (4.58%)			
MTN Group	251,274	1,671	0.17
Naspers	185,384	34,979	3.45
South Korea - 0.00% (1.41%)			
Spain - 0.15% (0.38%)			
Dia	874,308	1,492	0.15
Sweden - 1.89% (1.98%)			
Atlas Copco B	400,946	8,053	0.80
Epiroc B	515,292	4,121	0.41
Svenska Handelsbanken	735,444	6,924	0.68
Switzerland - 2.68% (2.82%)			
OC Oerlikon	418,262	4,957	0.49
Richemont	144,791	9,700	0.96
Schindler	70,177	12,473	1.23
Taiwan - 2.91% (3.30%)			
HTC	1,479,000	1,985	0.20
TSMC ADR	875,541	27,486	2.71
United States - 45.96% (43.60%)			
Advanced Micro Devices	408,836	5,713	0.57
AJ Gallagher & Co	189,965	10,331	1.02

Portfolio Statement as at 31 July 2018 cont.

Stock description	Holding	Market value £'000	% of total net assets
Albemarle	66,670	4,787	0.47
Alnylam Pharmaceuticals	50,903	3,686	0.36
Alphabet Inc Class C	24,056	22,323	2.20
Amazon.com	38,482	52,144	5.15
Anthem Inc	136,580	26,342	2.60
Apache	691,102	24,235	2.39
CH Robinson	122,789	8,628	0.85
DistributionNOW	269,113	3,065	0.30
EOG Resources	132,876	13,059	1.29
Facebook	100,993	13,287	1.31
First Republic Bank	107,883	8,127	0.80
Grubhub Inc	120,789	11,222	1.11
Howard Hughes	47,722	4,930	0.49
Interactive Brokers Group	116,781	5,328	0.53
Jefferies Financial	371,628	6,870	0.68
Kirby	86,366	5,491	0.54
LendingTree	23,008	4,189	0.41
Lincoln Electric Hdg.	57,916	4,148	0.41
Markel	13,096	11,681	1.15
MarketAxess Holdings	53,341	7,879	0.78
Martin Marietta Materials	49,628	7,545	0.75
Mastercard	129,337	19,515	1.93
Moody's	183,086	23,881	2.36
Myriad Genetics Inc	273,581	9,125	0.90
Netflix Inc	25,690	6,608	0.65
Resmed Inc	136,401	10,997	1.09
Royal Caribbean Cruises	130,794	11,241	1.11
Seattle Genetics	179,894	9,652	0.95
Siteone Landscape Supply	108,135	7,348	0.73
Stericycle	148,406	7,903	0.78
TD Ameritrade Holding Corp	199,532	8,693	0.86
Teradyne	199,616	6,582	0.65
Tesla Inc	34,031	7,735	0.76
Thermo Fisher Scientific	65,692	11,745	1.16
Verisk Analytics	115,112	9,701	0.96

Portfolio Statement as at 31 July 2018 cont.

Stock description	Holding	Market value £'000	% of total net assets
Visa Inc-Class A Shares	173,158	18,048	1.78
Wabtec	111,768	9,400	0.93
Waters	66,730	10,035	0.99
Zillow Group Inc Class A	26,449	1,137	0.11
Zillow Group Inc Class C	263,343	11,178	1.10
Portfolio of investments		994,996	98.24
Net other assets - 1.76% (1.83%)		17,824	1.76
Net assets		1,012,820	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

Figures in brackets refer to 31 January 2018.

Fund Information

Fund and Share Information	31.07.18	31.01.18	31.01.17	31.01.16
Total net asset value of scheme property (£'000)	1,012,820	857,335	685,254	529,966
Synthetic Risk and Reward Indicator¹	5	5	5	5
Net asset value per share (pence)				
A Accumulation	5,739.49	5,431.19	4,499.99	3,276.38
B Accumulation	6,622.53	6,240.44	5,126.78	3,700.94
B Income	5,559.31	5,245.09	4,325.25	3,137.10
C Accumulation	7,295.11	6,854.81	5,596.57	4,013.74
C Income	5,580.79	5,256.18	4,332.32	3,140.26
G Accumulation ²	7,276.38	n/a	n/a	n/a
Number of shares in issue				
A Accumulation	287,014	258,364	222,199	464,584
B Accumulation	8,401,477	7,693,802	8,854,144	9,814,535
B Income	4,681,002	3,795,763	3,321,558	3,222,273
C Accumulation	1,476,725	2,393,672	1,387,536	1,244,921
C Income	50	50	50	50
G Accumulation ²	989,419	n/a	n/a	n/a
Annual Income Record	Period to 31.07.18 (pence)	Year to 31.01.18 (pence)	Year to 31.01.17 (pence)	Year to 31.01.16 (pence)
Income per share (financial period)				
A Accumulation	0.00	0.00	0.00	0.00
B Accumulation	8.25	22.86	22.75	21.74
B Income	7.00	19.28	19.29	18.53
C Accumulation	24.75	63.80	55.96	49.94
C Income	13.25	49.33	43.72	39.58
G Accumulation ²	9.00	n/a	n/a	n/a

Fund Information cont.

Yearly Highest and Lowest Prices	Period to 31.07.18 (pence)	Year to 31.01.18 (pence)	Year to 31.01.17 (pence)	Year to 31.01.16 (pence)
Highest (financial period)				
A Accumulation	5,843	5,555	4,596	3,634
B Accumulation	6,741	6,382	5,234	4,077
B Income	5,666	5,377	4,431	3,476
C Accumulation	7,426	7,010	5,713	4,399
C Income	5,694	5,412	4,456	3,485
G Accumulation ²	7,407	n/a	n/a	n/a
Lowest (financial period)				
A Accumulation	5,057	4,485	2,971	3,028
B Accumulation	5,819	5,110	3,357	3,407
B Income	4,891	4,311	2,845	2,901
C Accumulation	6,398	5,578	3,641	3,685
C Income	4,906	4,318	2,848	2,911
G Accumulation ²	6,392	n/a	n/a	n/a
Ongoing Charges Figures	31.07.18 (%)	31.01.18 (%)	31.01.17 (%)	31.01.16 (%)
Ongoing Charges Figures³				
A Accumulation	1.45	1.50 ⁴	1.55	1.53
B Accumulation	0.60	0.66 ⁵	0.69	0.68
B Income	0.60	0.65 ⁵	0.69	0.68
C Accumulation	0.03	0.04	0.03	0.03
C Income	0.03	0.04	0.03	0.03
G Accumulation ²	0.53	n/a	n/a	n/a

¹The Synthetic Risk and Reward Indicator demonstrates where the Fund ranks in terms of its potential risk and reward on a scale from 1 (lowest) to 7 (highest). The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. Further information is included in the Risk and Reward Profile section of the Fund's interim report.

²Class G Accumulation shares were launched on 5 February 2018.

³The Ongoing Charges Figure is based on the expenses for the financial period and may vary from year to year. It excludes the cost of buying and selling assets for the Fund although custodian transaction costs are included. A further explanation of charges and costs relating to the Fund can be obtained by contacting Client Relations.

⁴With effect from 1 October 2017, the ACD's annual fee for Class A shares was reduced from 1.50% to 1.42%. As at 31 January 2018 the ACD considered 1.46% to be the more indicative rate for the ongoing charges figure.

⁵With effect from 1 October 2017, the ACD's annual fee for Class B shares was reduced from 0.65% to 0.57%. As at 31 January 2018 the ACD considered 0.61% to be the more indicative rate for the ongoing charges figure.

You should be aware that past performance is not a guide to future performance.

Interim Financial Statements (Unaudited)

Statement of Total Return for the six months ended 31 July 2018

	31 July 2018		31 July 2017	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		52,802		62,999
Revenue	7,326		5,173	
Expenses	(2,388)		(2,027)	
Net revenue before taxation	4,938		3,146	
Taxation	(669)		(299)	
Net revenue after taxation		4,269		2,847
Total return before distributions		57,071		65,846
Distributions		(1,169)		(1,267)
Change in net assets attributable to shareholders from investment activities		55,902		64,579

Statement of Change in Net Assets Attributable to Shareholders for the six months ended 31 July 2018

	31 July 2018		31 July 2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		857,335		685,254
Amounts receivable on issue of shares	122,862		22,323	
Amounts payable on cancellation of shares	(24,501)		(104,446)	
		98,361		(82,123)
Dilution adjustment		74		94
Change in net assets attributable to shareholders from investment activities		55,902		64,579
Retained distributions on accumulation shares		1,148		956
Closing net assets attributable to shareholders		1,012,820		668,760

Interim Financial Statements (Unaudited) cont.

Balance Sheet as at 31 July 2018

	31 July 2018 £'000	31 January 2018 £'000
Assets:		
Fixed assets:		
Investments	994,996	841,653
Current assets:		
Debtors	2,506	4,452
Cash and bank balances	16,820	13,190
Total assets	1,014,322	859,295
Liabilities:		
Creditors:		
Bank overdrafts	(390)	-
Distributions payable	(328)	(466)
Other creditors	(784)	(1,494)
Total liabilities	(1,502)	(1,960)
Net assets attributable to shareholders	1,012,820	857,335

Basis for preparation

The interim financial statements have been prepared in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014.

The accounting policies applied are consistent with those in the annual financial statements for the year ended 31 January 2018 and are described in those annual financial statements.

BAILLIE GIFFORD

Baillie Gifford Managed Fund

a sub-fund of Baillie Gifford UK & Balanced Funds ICVC

*Interim Report & Financial Statements (Unaudited)
for the six months ended 31 July 2018*



Baillie Gifford Managed Fund

Investment Objective

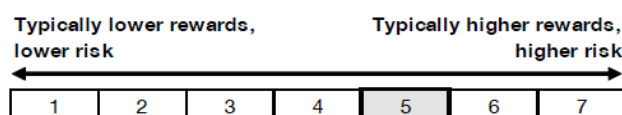
The Fund aims to produce capital growth, over the long term.

Investment Policy

To invest in any economic sector worldwide. Investment will mainly be in shares of companies, bonds, cash and other funds which may include those managed or operated by the ACD. Derivatives, which are a type of financial contract, are used to protect or enhance the return of the Fund, including for investment purposes. The Fund is exposed to foreign currencies.

Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.



Please note that even the lowest risk class can lose you money and that extreme adverse market circumstances can mean you suffer severe losses in all cases.

The Fund is classified in the category above because it invests mainly in company shares, bonds and other funds which generally provide higher rewards and higher risks than other investments such as investment solely in bonds or cash.

The indicator does not take into account the following relevant material risks:

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

The Fund has exposure to foreign currencies and changes in the rates of exchange will cause the value of any investment, and income from it, to fall as well as rise and you may not get back the amount invested.

Custody of assets, particularly in emerging markets, involves a risk of loss if the custodian becomes insolvent or breaches duties of care.

Bonds issued by companies and governments may be adversely affected by changes in interest rates, expectations of inflation and a decline in the creditworthiness of the bond issuer. The issuers of bonds in which the Fund invests, particularly in emerging markets, may not be able to pay the bond income as promised or could fail to repay the capital amount.

The Fund invests in emerging markets where difficulties in trading could arise, resulting in a negative impact on the value of your investment.

Derivatives may be used to obtain, increase or reduce exposure to assets and may result in the Fund being leveraged. This may result in greater movements (down or up) in the price of shares in the Fund. It is not our intention that the use of derivatives will significantly alter the overall risk profile of the Fund.

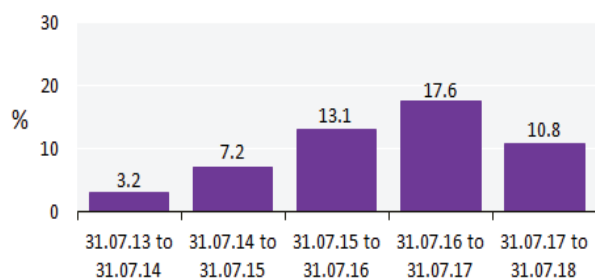
Where possible, charges are taken from the Fund's revenue. Where there is insufficient revenue, the remainder will be taken from capital. This will reduce the capital value of the Fund.

The result of the UK Referendum on membership of the European Union introduces elements of political uncertainty and may have practical consequences for the Fund. Developments will be closely monitored.

Further details of the risks associated with investing in the Fund can be found in the Prospectus which is available by contacting Client Relations or visiting our website.

Investment Report

Past Performance¹



The performance figures shown in this graph are for Class B Accumulation Shares. Performance figures reflect the ACD's annual fee of 0.40%, but exclude any initial charge paid. Performance figures for the other share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

For the year to 31 July 2018 the return on B Accumulation Shares was 6.7%² compared to the return on the mean of the Investment Association 40%-85% Shares Sector of 2.0%³. We believe that shorter-term performance measurements are of limited relevance in assessing investment ability and would suggest that five years is a more sensible timeframe over which to judge performance. We are therefore pleased to report that, over this longer time period, performance is similarly strong in absolute and relative terms. For the five years to 31 July 2018, the return on B Accumulation Shares was 63.5%² p.a. compared to the return of the comparative benchmark of 39.9%³ p.a.

Whilst the first half of 2018 has been dominated by negative headlines, with the spectre of trade wars looming and a no-deal Brexit looking likely, we could be forgiven for overlooking the positive news in the world. Indeed, it is the positive developments that have driven the strong absolute and relative performance of the Fund over the period, with holdings in the North American portion of the portfolio performing particularly well, supported by the continued growth of the US economy. However, positive contributions also came from the developed Asian, European and UK equity portions of the Fund; only emerging market equities and Fixed Income detracted from relative performance.

Looking at the individual companies which contributed positively, it is pleasing that a diverse range of businesses continued to drive returns. The online food delivery platform, Grubhub, was the top contributor to performance. The company has acquired several rival takeaway platforms and built strategic long-term partnerships to diversify its restaurant and diner base. Abiomed, the manufacturer of the world's smallest heart pump, was another strong performer over the period. Innovation in its Impella heart device should significantly increase the total number of addressable patients. Another health care stock, Illumina, has been benefiting from a growing interest in genomic information and its application to research, clinical and consumer markets. As you would expect, there were stocks which were less beneficial for returns. These include Spanish-listed discount supermarket, DIA, and one of Europe's leading short haul carriers, Ryanair. DIA has struggled with a number of operational challenges including a transport strike in Brazil. As for Ryanair, pilot strikes and flight cancellations coupled with lower than expected quarterly profits adversely affected its share price.

Looking ahead, we remain optimistic about future growth opportunities. As long-term stock-pickers we have the discipline to look through short-term market

¹Source: FE, 10am dealing prices, income accumulated. ²Source: Baillie Gifford & Co Limited, closing net asset values, income accumulated. ³Source: FE and relevant underlying index provider, total return. Please see Disclaimer on page 143. You should be aware that past performance is not a guide to future performance.

Investment Report cont.

sentiment and stick to our tried and tested philosophy of investing in high quality growth businesses that can increase their earnings and cash flows at above average rates.

Baillie Gifford & Co, 31 August 2018

Principal Holdings as at 31 July 2018

Investment	Percentage of total Fund
Amazon.com	2.31
US Treasury 6.25% 2023	2.10
Grubhub Inc	1.32
Italy 0.35% 15/06/2020	1.22
Tesla Inc	1.07
Netflix Inc	1.06
Spain 5.85% 31/01/2022	0.99
Baillie Gifford Japanese Smaller Companies Fund C Acc ¹	0.93
Belgium 4.25% 28/09/2021	0.93
Illumina	0.92

¹Baillie Gifford UK & Balanced Funds ICVC related party.

Material Portfolio Changes for the six months ended 31 July 2018

Largest Purchases	Cost £'000	Largest Sales	Proceeds £'000
Italy 0.35% 15/06/2020	41,165	Greece 3.75 30/01/2028	40,744
Belgium 4.25% 28/09/2021	34,903	Nestle	30,053
Kingspan Group	24,528	Coca-Cola HBC	21,931
US Treasury 6.25% 2023	21,960	BTP Italy 0.65 15/10/2023	21,364
Spotify Technology SA	17,661	Konecranes	16,554
Sartorius Stedim Biotech	17,498	Russia 7% 25/01/2023	12,813
UK Treasury 1.5% 22/01/2021	13,042	Waters	10,917
Just Eat	12,936	Egypt Zero 2018	9,512
France 0.5% 25/05/2026	12,776	Chile 5% 01/03/2035	9,013
Avanza Bank Holding	12,410	Argentina T Bill 18/07/18	8,987

Portfolio Statement as at 31 July 2018

Stock description	Holding	Market value £'000	% of total net assets
Equities - 74.10% (75.66%)			
Developed Asia Pacific - 11.09% (11.39%)			
Advantest Corp	913,300	16,445	0.47
AIA Group	703,200	4,680	0.13
Asahi Group Holdings	115,900	4,280	0.12
Baillie Gifford Japanese Smaller Companies Fund C Acc ¹	576,291	32,704	0.93
BHP Billiton (Aus. listing)	407,725	8,053	0.23
Bridgestone	172,900	5,174	0.15
Cochlear	101,342	11,680	0.33
CyberAgent Inc	192,600	7,699	0.22
Denso	180,400	6,762	0.19
FANUC	56,900	8,494	0.24
Fast Retailing	15,800	5,246	0.15
Galaxy Entertainment Group	1,676,000	10,266	0.29
Hong Kong Exchanges & Clearing	420,100	9,452	0.27
Inpex	579,500	4,856	0.14
Iress Ltd	979,756	6,419	0.18
James Hardie Industries	632,542	7,704	0.22
Jardine Matheson	164,600	8,461	0.24
Kakaku.com	534,400	8,560	0.24
Lifull Co Ltd	843,500	4,021	0.12
Makita Corporation	354,900	12,109	0.35
Mesoblast	1,685,866	1,787	0.05
Misumi	174,900	3,385	0.10
MS&AD Insurance	508,700	11,820	0.34
Murata	66,400	8,818	0.25
Nabtesco	108,200	2,546	0.07
Nidec	60,300	6,644	0.19
Olympus	270,500	8,336	0.24
Pigeon	319,600	11,688	0.33
REA Group	79,907	3,930	0.11
Recruit Holdings	370,400	7,706	0.22
Sarine Technologies	1,648,100	803	0.02
SBI Holdings	795,600	16,499	0.47
SEEK	925,559	11,204	0.32

Portfolio Statement as at 31 July 2018 cont.

Stock description	Holding	Market value £'000	% of total net assets
Shimano	93,700	10,242	0.29
Shiseido	380,100	21,252	0.61
SMC	40,700	10,389	0.30
SoftBank	198,400	12,512	0.36
Sugi Holdings	170,300	6,947	0.20
Suruga Bank Ltd	393,600	2,683	0.08
TPG Telecom	1,764,552	5,760	0.16
Treasury Wine Estates	932,921	9,734	0.28
Tsingtao Brewery 'H'	1,568,000	6,390	0.18
United Overseas Bank	1,051,868	15,916	0.45
Washington Soul Pattinson	750,314	9,274	0.26
Emerging Markets - 6.90% (7.93%)			
Alibaba	175,594	25,054	0.71
Baidu.com ADR	34,931	6,575	0.19
Banco Bradesco Pref	1,684,210	10,400	0.30
Bank Rakyat Indonesia	48,985,800	7,925	0.23
Cemex ADR	2,187,934	12,443	0.35
Geely Automobile Holdings	4,280,000	7,443	0.21
Grupo Financiero Banorte O	1,827,000	9,703	0.28
Hon Hai Precision	3,229,000	6,730	0.19
ICICI Prudential Life Insurance	2,157,022	10,035	0.29
JD.Com Inc - ADR	399,868	10,928	0.31
MercadoLibre	50,070	13,089	0.37
Naspers	51,363	9,691	0.28
Naver Corp	9,707	4,730	0.13
Netmarble Games	70,022	6,872	0.20
Norilsk Nickel ADR	714,845	9,428	0.27
Reliance Industries Ltd.	1,061,819	13,997	0.40
Samsung Electronics	351,700	11,073	0.31
Sberbank Spon ADR	956,449	10,266	0.29
Siam Commercial Bank P-NVDR	2,907,300	9,293	0.26
SK Hynix Inc	198,804	11,678	0.33
Tencent	545,500	18,813	0.54
TSMC	2,660,000	16,262	0.46

Portfolio Statement as at 31 July 2018 cont.

Stock description	Holding	Market value £'000	% of total net assets
Europe (ex UK) - 17.13% (17.79%)			
Alfa Laval	1,473,990	31,025	0.88
ASML	151,700	24,762	0.70
Atlas Copco B	1,077,500	21,642	0.62
Avanza Bank Holding	420,389	14,794	0.42
Carl Zeiss Meditec	520,636	30,766	0.88
Dia	2,647,216	4,517	0.13
DSV	354,838	22,729	0.65
Epiroc B	1,077,500	8,618	0.25
EXOR	531,911	26,702	0.76
Hexpol AB	2,814,616	23,077	0.66
IMCD Group NV	492,290	26,786	0.76
Inditex	918,271	22,975	0.65
Infineon Technologies AG	1,150,844	23,343	0.66
Investor	954,711	31,808	0.91
Kingspan Group	646,536	22,953	0.65
Kinnevik	525,652	13,865	0.39
Legrand	299,396	16,744	0.48
L'Oreal	98,787	18,249	0.52
Mettler-Toledo	55,691	25,147	0.72
Nibe Industrier AB 'B' Shares	2,750,349	23,533	0.67
Novozymes	524,859	21,108	0.60
Ryanair	1,969,506	24,814	0.71
Sartorius Stedim Biotech	268,486	24,260	0.69
Schindler	132,181	23,493	0.67
Spotify Technology SA	150,453	20,962	0.60
Svenska Handelsbanken	3,099,261	29,176	0.83
Zalando SE	541,012	23,690	0.67
North America - 19.67% (17.58%)			
Abiomed	113,283	30,611	0.87
Activision Blizzard Inc	110,083	6,161	0.18
Agios Pharmaceuticals	110,725	7,290	0.21
Alnylam Pharmaceuticals	156,772	11,353	0.32
Alphabet Inc Class A	6,407	5,994	0.17
Alphabet Inc Class C	29,196	27,092	0.77

Portfolio Statement as at 31 July 2018 cont.

Stock description	Holding	Market value £'000	% of total net assets
Amazon.com	59,962	81,249	2.31
Celgene	100,775	6,920	0.20
Chegg	339,319	7,168	0.20
CoStar Group	36,451	11,555	0.33
Denali Therapeutics	431,113	4,138	0.12
DistributionNOW	552,986	6,298	0.18
Ellie Mae	151,280	11,442	0.33
Facebook	210,453	27,688	0.79
First Republic Bank	285,811	21,529	0.61
Fortive Corp	168,980	10,570	0.30
Glaukos Corp	205,860	6,530	0.19
Grubhub Inc	498,246	46,290	1.32
HEICO	146,041	8,499	0.24
Illumina	130,804	32,383	0.92
Interactive Brokers Group	248,879	11,355	0.32
Markel	11,340	10,115	0.29
MarketAxess Holdings	181,560	26,820	0.76
Martin Marietta Materials	56,104	8,529	0.24
Mastercard	145,936	22,019	0.63
Netflix Inc	144,063	37,058	1.06
New Relic	128,880	9,596	0.27
Novocure Ltd	375,292	9,727	0.28
NVIDIA	49,317	9,205	0.26
Penumbra Inc	87,058	9,441	0.27
Redfin	557,335	10,405	0.30
Shopify 'A'	124,717	13,140	0.37
Stitch Fix	371,811	8,124	0.23
Tableau Software Class A	152,824	12,007	0.34
TD Ameritrade Holding Corp	199,480	8,691	0.25
Tesla Inc	165,656	37,651	1.07
The Trade Desk	102,888	6,621	0.19
Under Armour Class C	442,134	6,313	0.18
Vertex Pharmaceuticals	79,123	10,561	0.30
Wabtec	126,382	10,629	0.30
Watsco Inc	122,609	16,122	0.46

Portfolio Statement as at 31 July 2018 cont.

Stock description	Holding	Market value £'000	% of total net assets
Wayfair Inc	313,808	26,033	0.74
UK - 19.31% (20.97%)			
Abcam	444,441	6,569	0.19
Ashtead	1,199,075	28,070	0.80
Auto Trader Group	1,640,568	6,977	0.20
Baillie Gifford British Smaller Companies Fund C Acc ¹	2,595,836	24,912	0.71
BHP Billiton	1,556,843	27,316	0.78
Bodycote	1,072,557	10,726	0.31
Breedon Group	6,395,379	5,206	0.15
British American Tobacco	474,884	19,950	0.57
Bunzl	892,399	20,213	0.58
Burberry	722,430	15,222	0.43
Carnival	329,556	14,583	0.41
Compass Group	805,931	13,209	0.38
Diageo	883,144	24,746	0.70
Enquest	13,239,393	4,779	0.14
Euromoney Institutional Investor	398,723	5,375	0.15
Fisher (James) & Sons	258,148	4,626	0.13
Halma	639,833	8,996	0.26
Hargreaves Lansdown	776,075	16,111	0.46
Helical	1,076,935	3,446	0.10
Hiscox plc	776,223	12,404	0.35
Homeserve	787,264	7,959	0.23
Howden Joinery Group PLC	2,069,927	9,869	0.28
HSBC	2,313,913	16,903	0.48
IG Group	957,867	8,812	0.25
Inchcape	1,613,343	11,382	0.32
Informa Group	1,795,731	14,175	0.40
Integrafin Holdings	916,491	3,437	0.10
Intermediate Capital Group	1,114,703	11,827	0.34
Jardine Lloyd Thompson	600,194	8,439	0.24
Johnson Matthey	241,284	9,070	0.26
Jupiter Fund Management	2,040,797	8,939	0.25
Just Eat	1,448,613	11,485	0.33
Just Group	10,686,038	11,573	0.33

Portfolio Statement as at 31 July 2018 cont.

Stock description	Holding	Market value £'000	% of total net assets
Keller	315,575	3,402	0.10
Legal & General	6,327,445	16,622	0.47
Meggitt	1,830,521	10,434	0.30
Melrose Industries	4,306,949	9,299	0.26
Mitchells & Butlers	2,656,218	6,726	0.19
Pagegroup plc	2,298,143	13,754	0.39
Prudential	1,558,602	28,125	0.80
Relx Plc	660,205	10,973	0.31
Renishaw	62,774	3,434	0.10
Rightmove	298,789	14,554	0.41
Rio Tinto	451,749	18,958	0.54
Rolls-Royce	1,138,047	11,278	0.32
Royal Dutch Shell B Shares	1,012,524	27,045	0.77
Schroders Nv.	161,881	3,820	0.11
Scottish & Southern Energy	471,774	5,897	0.17
St. James's Place	2,231,265	26,898	0.77
Standard Chartered	878,097	6,040	0.17
Travis Perkins	535,371	6,403	0.18
Ultra Electronics Hdg.	510,538	8,429	0.24
Unilever	426,460	18,572	0.53
Victrex	304,274	9,585	0.27
Volusion Group	2,154,526	4,374	0.12
Wood Group	966,925	6,283	0.18

Portfolio Statement as at 31 July 2018 cont.

Stock description	Holding	Market value £'000	% of total net assets
Fixed Income - 17.12% (17.27%)			
Overseas Bonds - 15.33% (15.75%)			
Credit Bonds - 4.39% (5.05%)			
Alfa 5.25% 2024 (144A)	2,774,000	2,183	0.06
Alimentation Couche-Tard 1.875% 2026	3,769,000	3,443	0.10
American Water Capital 2.95% 2027	2,117,000	1,523	0.04
American Water Capital 3% 2026	691,000	492	0.01
Ardagh Packaging 4.125% 2023	3,153,000	2,933	0.08
Aroundtown Properties 3% 2029	3,180,000	3,013	0.09
Asian Development Bank 1.75% 2019	6,973,000	5,292	0.15
ASML 1.375% 2026	1,250,000	1,134	0.03
AT&T 5.3% 15/08/2058	3,869,000	2,780	0.08
Bank of America 4.183% 2027	1,353,000	1,005	0.03
Bed Bath & Beyond 4.915% 2034	3,005,000	1,858	0.05
Bell Canada 2.9% 2026	6,886,000	3,818	0.11
Bertelsmann SE & Co 3.5% 2027/75	5,000,000	4,461	0.13
Brown-Forman 2.6% 2028	1,959,000	1,965	0.06
Cirsa 6.25% 2023	1,865,000	1,706	0.05
Citigroup 2.9% 2021	4,028,000	3,014	0.09
Citigroup 6.625% 2032	1,095,000	985	0.03
Colfax 3.25% 2025	1,550,000	1,404	0.04
Darling Ingredients 3.625% 2026	2,700,000	2,455	0.07
Dell 6.02% 2026 (144A)	3,213,000	2,590	0.07
Digital Realty 3.625% 2022	3,893,000	2,949	0.08
EDF 6% 2026 Perp	3,500,000	3,623	0.10
Eversource Energy 3.35% 2026	387,000	282	0.01
Fairfax Financial Holdings 5.84% 2022	5,234,000	3,350	0.10
Ferreycorp SAA 4.875% 2020 (144A)	596,000	457	0.01
Fidelity 2.5% 2026	3,573,000	3,215	0.09
First Cash 5.375% 2024 (144A)	1,724,000	1,311	0.04
Fortive Corporation 4.3% 2046	2,000,000	1,462	0.04
Frontier Communications 8.5% 2026	1,330,000	973	0.03
GE Capital 2.342% 2020 (WI)	4,978,000	3,714	0.11
GE Capital 4.375% 2020	2,917,000	2,270	0.06

Portfolio Statement as at 31 July 2018 cont.

Stock description	Holding	Market value £'000	% of total net assets
Graham Holdings 5.75% 2026 (144A)	2,925,000	2,244	0.06
IBRD 4.75% 2035	5,705,000	5,239	0.15
IMS Health 3.25% 2025	3,280,000	2,930	0.08
ING Group 3.15% 2022	3,031,000	2,264	0.06
Interxion 4.75% 2025	1,890,000	1,747	0.05
James Hardie 4.75% 2025 (144A)	1,907,000	1,417	0.04
KFW 2.125% 2022	8,058,000	5,954	0.17
L Brands 6.875% 2035	4,250,000	2,790	0.08
Leggett & Platt 3.4% 2022	1,005,000	756	0.02
Leggett & Platt 3.8% 2024	1,385,000	1,032	0.03
Lycra 7.5% 2025 (144A)	3,100,000	2,344	0.07
Match.com 5% 2027 144A	2,260,000	1,620	0.05
MetLife 3.45% 2026 (144A)	2,386,000	1,766	0.05
MetLife 3.5% 2026	2,231,000	2,459	0.07
Moody's Corp 4.875% 2024	2,449,000	1,952	0.06
Naspers 4.85% 2027	1,563,000	1,187	0.03
Netflix 3.625 2027	2,452,000	2,150	0.06
Praxair 3.2% 2026	2,526,000	1,873	0.05
Russian Railways 7.487% 2031	937,000	1,164	0.03
Scentre Group 3.5% 2025 (144A)	3,697,000	2,710	0.08
SES 5.3% 2044 (144A)	4,448,000	2,976	0.09
Southern Cal Edison 4% 2047	2,882,000	2,103	0.06
Statoil 5.1% 2040	3,817,000	3,243	0.09
Sunpower 4% 2023 Convertible	3,123,000	1,908	0.05
Swiss Re 6.3024% 2019 Perp	350,000	359	0.01
Swiss Re 6.375% 2024	2,911,000	2,271	0.06
Telecom Italia 7.2% 2036	3,054,000	2,500	0.07
Time Warner Cable 6.55% 2037	1,748,000	1,462	0.04
Ubisoft 1.289% 2023	2,200,000	1,958	0.06
Unicredit 5.375% 2025 Perp	565,000	462	0.01
Unicredit 6.625% 2023 Perp	1,943,000	1,746	0.05
Verisign Inc 4.625% 2023	3,006,000	2,307	0.07
Virgin Australia 2013-1 A (144A)	4,613,000	1,256	0.04
Vonovia 5% 2023 (144a)	1,197,000	930	0.03
Walt Disney 4.375% 2041	2,083,000	1,614	0.05
Walt Disney 7% 2032	863,000	853	0.02

Portfolio Statement as at 31 July 2018 cont.

Stock description	Holding	Market value £'000	% of total net assets
Want Want China Finance 2.875% 2022	2,730,000	2,008	0.06
Welltower 4% 2025	2,734,000	2,052	0.06
WP Carey 4.25% 2026	4,964,000	3,667	0.10
Ziggo 3.75% 2025	1,428,000	1,266	0.04
Government Bonds - 10.48% (9.94%)			
Argentina 7.125% 06/07/2036 (USD)	20,130,000	12,907	0.37
Australia 3% 21/03/2047	4,560,000	2,519	0.07
Belgium 4.25% 28/09/2021	31,880,523	32,591	0.93
Canada 3.5% 01/12/2045	1,610,000	1,159	0.03
Egypt 15.7% 07/11/2027	135,400,000	5,209	0.15
Egypt 8.5% 31/01/2047 (USD)	6,670,000	5,352	0.15
Egypt T Bill 02/10/2018	239,000,000	9,893	0.28
France 0.5% 25/05/2026	21,200,000	19,071	0.54
France 3.25% 25/05/2045	7,705,000	9,533	0.27
India 8.6% 02/06/2028	860,000,000	9,884	0.28
Indonesia 7% 15/05/2027	259,700,000,000	13,024	0.37
Italy 0.35% 15/06/2020	48,500,000	42,924	1.22
Japan (Govt) 0.7% 20/12/2022 #326	2,775,300,000	19,566	0.56
Japan (Govt) 2.3% 20/06/35 #19	1,413,600,000	12,611	0.36
Mexico 10% 05/12/2024	2,480,000	11,282	0.32
South Africa 6.25% 31/03/2036	125,800,000	5,413	0.16
Spain 5.85% 31/01/2022	32,220,000	34,640	0.99
US Treasury 2.25% 15/02/2021	9,400,000	7,078	0.20
US Treasury 3% 15/11/2045	25,633,000	19,237	0.55
US Treasury 4.25% 15/05/2039	22,597,000	20,430	0.58
US Treasury 6.25% 2023	83,500,000	73,778	2.10
Index Linked Bonds - 0.46% (0.76%)			
Argentina IL 5.83% 31/12/2033	18,600,000	3,541	0.10
Brazil CPI Linked 6% 15/05/2045	7,600	4,994	0.14
Japan (Govt) 0.1% CPI Linked 10/03/2026	1,069,000,000	7,752	0.22

Portfolio Statement as at 31 July 2018 cont.

Stock description	Holding	Market value £'000	% of total net assets
UK Bonds - 1.79% (1.52%)			
Credit Bonds - 1.27% (1.34%)			
Barclays 7.625% 2022	1,712,000	1,413	0.04
British Telecom 8.625% 2030	1,883,000	2,063	0.06
Close Brothers Finance plc 3.875% 2021	1,880,000	1,983	0.06
Co-operative Group 6.25% 2026	2,634,000	3,151	0.09
Enquest 7% 2022 PIK (USD) (144A)	2,056,688	1,423	0.04
Global Switch 4.375% 2022	2,771,000	3,032	0.09
Inmarsat 4.875% 2022 (144A)	2,084,000	1,573	0.04
International Game Technology 3.5% 2024	2,600,000	2,357	0.07
J Sainsbury 6.5% 2020 Perp	1,759,000	1,882	0.05
Legal & General 5.375% 2025/45	1,921,000	2,088	0.06
Mitchells & Butlers 5.574% 15/12/2030	3,520,000	1,781	0.05
Mitchells & Butlers 6.469% 2030	1,441,000	1,658	0.05
Motability 0.875% 2025	1,662,000	1,479	0.04
Pension Insurance 6.5% 2024	1,305,000	1,453	0.04
Pension Insurance 8% 2026	1,538,000	1,907	0.05
Phoenix Life 7.25% 2021 Perp	1,690,000	1,808	0.05
Rothsay Life 8% 2025	1,865,000	2,304	0.07
RSA 5.125% 2025/45	726,000	785	0.02
Standard Chartered Bank 5.125% 2034	1,959,000	2,095	0.06
Telereal 5.3887% 2031/33 (A5)	102,000	75	0.00
Telereal 5.5534% 2031/33 (A3)	199,000	190	0.00
Telereal 5.9478% 2031/33 (A4)	1,306,000	1,272	0.04
Tesco Property Finance 4 5.8006% 2040	1,161,000	1,323	0.04
Tesco Property Finance 6 5.4111% 2044	2,226,000	2,414	0.07
Yorkshire Building Society 3.375% 2027/28	3,267,000	3,053	0.09
Government Bonds - 0.52% (0.18%)			
UK Treasury 1.5% 22/01/2021	10,500,000	10,679	0.31
UK Treasury 3.5% 22/01/2045	5,523,000	7,503	0.21
Derivatives - 0.05% (0.02%)			
Forward currency contracts (see Table 1)		1,438	0.04

Portfolio Statement as at 31 July 2018 cont.

Stock description	Holding	Market value £'000	% of total net assets
Futures contracts (see Table 2)		-	0.00
Interest rate swaps contracts (see Table 3)		377	0.01
Portfolio of investments		3,205,575	91.27
Net other assets - 8.73% (7.05%)		306,514	8.73
Net assets		3,512,089	100.00

¹Baillie Gifford UK & Balanced Funds ICVC related party.

Please note: figures are based on market values rather than economic exposure.

All investments are listed on recognised stock exchanges or are fixed interest securities and are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

Figures in brackets in the investment category headings refer to 31 January 2018.

Portfolio Statement as at 31 July 2018 cont.

Table 1: Unrealised gains/(losses) on open forward currency contracts

Counterparty	Settlement	Buy	Buy Amount	Sell	Sell Amount	Unrealised gains/(losses) £'000	% of total net assets
Barclays	16/08/18	GBP	106,561	MYR	575,000	(1)	0.00
Barclays	16/08/18	USD	9,200,000	GBP	6,913,980	95	0.00
Barclays	23/08/18	JPY	1,150,000,000	GBP	7,779,404	57	0.00
Barclays	13/09/18	GBP	7,490,609	EUR	8,500,000	(102)	0.00
Barclays	20/09/18	GBP	6,836,952	KRW	10,000,000,000	16	0.00
Barclays	01/11/18	RUB	370,000,000	GBP	4,403,689	57	0.00
Deutsche Bank	13/09/18	GBP	30,993,494	EUR	35,170,000	(421)	(0.01)
Deutsche Bank	11/10/18	PLN	3,000,000	GBP	612,294	12	0.00
Deutsche Bank	18/10/18	SEK	173,000,000	GBP	14,756,617	294	0.01
Deutsche Bank	01/11/18	GBP	32,706,208	EUR	36,700,000	(135)	0.00
Deutsche Bank	01/11/18	RUB	1,350,000,000	GBP	16,067,515	208	0.01
HSBC	30/08/18	GBP	275,304	ARS	10,000,000	6	0.00
HSBC	13/09/18	BRL	45,000,000	GBP	8,917,778	156	0.00
HSBC	11/10/18	GBP	10,096,624	INR	930,000,000	(123)	0.00
JP Morgan Chase	16/08/18	USD	24,700,000	GBP	18,562,533	254	0.01
JP Morgan Chase	23/08/18	JPY	2,960,000,000	GBP	20,023,509	147	0.00
JP Morgan Chase	13/09/18	GBP	2,643,744	EUR	3,000,000	(36)	0.00
JP Morgan Chase	04/10/18	GBP	7,498,047	IDR	144,000,000,000	(27)	0.00
JP Morgan Chase	04/10/18	GBP	3,754,178	MXN	99,000,000	(235)	(0.01)
JP Morgan Chase	11/10/18	PLN	165,000,000	GBP	33,676,164	656	0.02
JP Morgan Chase	01/11/18	GBP	3,564,709	EUR	4,000,000	(15)	0.00
National Australia Bank	23/08/18	GBP	12,094,967	AUD	21,400,000	(22)	0.00
Royal Bank of Canada	23/08/18	JPY	440,000,000	GBP	2,976,468	22	0.00
Royal Bank of Canada	13/09/18	CAD	2,500,000	GBP	1,436,238	26	0.00
Royal Bank of Canada	11/10/18	GBP	6,712,952	TRY	44,000,000	109	0.00
Royal Bank of Scotland	23/08/18	JPY	860,000,000	GBP	5,817,641	42	0.00
Royal Bank of Scotland	13/09/18	CHF	2,100,000	GBP	1,599,293	21	0.00
Royal Bank of Scotland	13/09/18	DKK	11,000,000	GBP	1,298,264	21	0.00
Royal Bank of Scotland	11/10/18	NOK	148,800,000	GBP	13,919,356	(1)	0.00
Standard Chartered Bank	27/09/18	ZAR	150,000,000	GBP	8,288,148	357	0.01
Unrealised gains/(losses) on open forward currency contracts						1,438	0.04

Portfolio Statement as at 31 July 2018 cont.

Table 2: Unrealised gains/(losses) on futures contracts

Futures	Maturity	Notional	Unrealised gains/(losses) £'000	% of total net assets
Euro Buxl 30yr Bund September 2018	10/09/18	52	-	0.00
Euro-Bobl Future September 2018	10/09/18	181	-	0.00
Long Gilt Future 10yr September 2018	28/09/18	(294)	-	0.00
US Ultra Long (CBT) September 2018	28/09/18	63	-	0.00
Unrealised gains/(losses) on futures contracts			-	0.00

Table 3: Unrealised gains/(losses) on open interest rate swap contracts

Counterparty	Ccy	Termination	Notional	Fund pays	Fund receives	Unrealised gains/(losses) £'000	% of total net assets
Deutsche Bank	CZK	01/12/22	760,000,000	1.645%	Czech Interbank Rates 6 Month Intraday	497	0.01
Merrill Lynch	MYR	30/11/22	210,000,000	3.9275%	Malaysia Interbank Offered Rate Fixing 3 Month	(120)	0.00
Unrealised gains/(losses) on interest rate swap contracts						377	0.01

Fund Information

Fund and Share Information	31.07.18	31.01.18	31.01.17	31.01.16
Total net asset value of scheme property (£'000)	3,512,089	3,217,257	1,148,616	940,602
Synthetic Risk and Reward Indicator¹	5	5	5	5
Net asset value per share (pence)				
A Accumulation	913.99	861.19	763.28	624.57
A Income	718.91	678.02	603.66	495.98
B Accumulation	1,081.67	1,013.85	888.76	719.23
B Income	720.31	678.61	603.98	495.91
C Accumulation	1,091.42	1,021.42	891.82	718.81
C Income	721.14	679.52	604.70	496.39
K Income ²	918.27	860.39	n/a	n/a
Number of shares in issue				
A Accumulation	1,495,516	1,701,130	2,343,674	2,720,932
A Income	322,455	333,813	455,245	579,132
B Accumulation	167,464,942	137,842,827	88,949,952	90,509,823
B Income	27,621,310	24,437,863	31,423,641	30,464,532
C Accumulation	125,786,375	149,939,603	6,137,659	5,988,024
C Income	500	500	500	500
K Income ²	12,291,272	12,258,052	n/a	n/a
Annual Income Record	Period to 31.07.18 (pence)	Year to 31.01.18 (pence)	Year to 31.01.17 (pence)	Year to 31.01.16 (pence)
Income per share (financial period)				
A Accumulation	0.80	3.87	2.99	5.00
A Income	0.70	3.06	2.38	4.00
B Accumulation	5.75	15.14	12.41	13.74
B Income	3.75	10.27	8.54	9.64
C Accumulation	7.50	19.11	15.68	16.61
C Income	5.00	12.90	10.81	11.72
K Income ²	0.00	4.18	n/a	n/a

Fund Information cont.

Yearly Highest and Lowest Prices	Period to 31.07.18 (pence)	Year to 31.01.18 (pence)	Year to 31.01.17 (pence)	Year to 31.01.16 (pence)
Highest (financial period)				
A Accumulation	931.2	875.9	777.5	678.5
A Income	733.2	692.0	616.8	543.2
B Accumulation	1,102	1,031	904.9	774.5
B Income	737.4	696.8	621.6	544.4
C Accumulation	1,112	1,039	907.9	771.6
C Income	739.5	699.1	623.9	545.4
K Income ²	935.2	879.3	n/a	n/a
Lowest (financial period)				
A Accumulation	823.6	763.6	587.1	598.3
A Income	648.5	604.0	466.2	478.1
B Accumulation	971.4	889.2	676.4	685.7
B Income	650.3	604.4	466.3	479.8
C Accumulation	979.4	892.3	676.1	684.2
C Income	651.6	605.1	466.8	480.9
K Income ²	824.6	855.7	n/a	n/a
Ongoing Charges Figures	31.07.18 (%)	31.01.18 (%)	31.01.17 (%)	31.01.16 (%)
Ongoing Charges Figures³				
A Accumulation	1.54	1.53	1.55	1.54
A Income	1.53	1.52	1.55	1.54
B Accumulation	0.43	0.43	0.45	0.44
B Income	0.43	0.43	0.45	0.44
C Accumulation	0.04	0.03	0.04	0.04
C Income	0.04	0.03	0.04	0.04
K Income ²	0.35	0.33	n/a	n/a

¹The Synthetic Risk and Reward Indicator demonstrates where the Fund ranks in terms of its potential risk and reward on a scale from 1 (lowest) to 7 (highest). The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. Further information is included in the Risk and Reward Profile section of the Fund's interim report.

²Class K Income Shares were launched on 3 January 2018, when Class K Accumulation Shares were converted to Class K Income Shares.

³The Ongoing Charges Figure is based on the expenses for the financial period and may vary from year to year. It excludes the cost of buying and selling assets for the Fund although custodian transaction costs are included. A further explanation of charges and costs relating to the Fund can be obtained by contacting Client Relations.

You should be aware that past performance is not a guide to future performance.

Interim Financial Statements (Unaudited)

Statement of Total Return for the six months ended 31 July 2018

	31 July 2018		31 July 2017	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		181,936		91,695
Revenue	41,817		14,941	
Expenses	(4,335)		(3,091)	
Net revenue before taxation	37,482		11,850	
Taxation	(2,351)		(381)	
Net revenue after taxation		35,131		11,469
Total return before distributions		217,067		103,164
Distributions		(19,562)		(7,086)
Change in net assets attributable to shareholders from investment activities		197,505		96,078

Statement of Change in Net Assets Attributable to Shareholders for the six months ended 31 July 2018

	31 July 2018		31 July 2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		3,217,257		1,148,616
Amounts receivable on issue of shares	298,979		123,114	
Amounts payable on cancellation of shares	(221,389)		(82,216)	
		77,590		40,898
Dilution adjustment		662		394
Change in net assets attributable to shareholders from investment activities		197,505		96,078
Retained distributions on accumulation shares		19,075		6,372
Closing net assets attributable to shareholders		3,512,089		1,292,358

Interim Financial Statements (Unaudited) cont.

Balance Sheet as at 31 July 2018

	31 July 2018 £'000	31 January 2018 £'000
Assets:		
Fixed assets:		
Investments	3,206,813	2,991,630
Current assets:		
Debtors	24,828	50,822
Cash and bank balances	287,802	219,256
Total assets	3,519,443	3,261,708
Liabilities:		
Investment liabilities	(1,238)	(1,191)
Creditors:		
Bank overdrafts	(232)	(212)
Distributions payable	(1,038)	(2,114)
Other creditors	(4,846)	(40,934)
Total liabilities	(7,354)	(44,451)
Net assets attributable to shareholders	3,512,089	3,217,257

Basis for preparation

The interim financial statements have been prepared in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014.

The accounting policies applied are consistent with those in the annual financial statements for the year ended 31 January 2018 and are described in those annual financial statements.

BAILLIE GIFFORD

Baillie Gifford UK and Worldwide Equity Fund

a sub-fund of Baillie Gifford UK & Balanced Funds ICVC

*Interim Report & Financial Statements (Unaudited)
for the six months ended 31 July 2018*



Baillie Gifford UK and Worldwide Equity Fund

Investment Objective

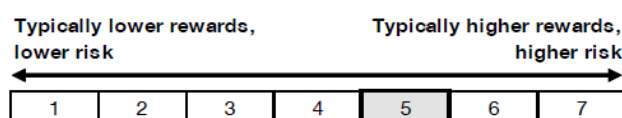
The objective is to outperform a composite index comprising 60% UK and 40% overseas equities by at least 1% per annum over rolling three year periods (before management fees). The composite index is calculated by Baillie Gifford and comprises: 60% FTSE All Share Index and 40% overseas. The overseas element is made up of 28% FTSE North America Index; 28% FTSE Europe (ex UK) Index; 28% MSCI Pacific Index; and 16% MSCI Emerging Markets Index.

Investment Policy

To invest mainly in shares of companies with a bias to shares of UK companies. The Fund will be actively managed and the proportion of the Fund invested in UK and in worldwide equities will be at the investment manager's discretion. The Fund may also be invested in other funds which may include those managed or operated by the ACD. We will assess performance of the Fund compared to the index over rolling three years periods. There is no guarantee that a positive return will be achieved over rolling three-year periods or any time period.

Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.



Please note that even the lowest risk class can lose you money and that extreme adverse market circumstances can mean you suffer severe losses in all cases.

The Fund is classified in the category above because it invests in company shares which generally provide higher rewards and higher risks than other investments such as bonds or cash. Where no share price history is available for any part of the last five years (and thus no returns), the returns of the Fund's comparative index are used in its place to calculate the Risk and Reward Indicator.

The indicator does not take into account the following relevant material risks:

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

The Fund has exposure to foreign currencies and changes in the rates of exchange will cause the value of any investment, and income from it, to fall as well as rise and you may not get back the amount invested.

Custody of assets involves a risk of loss if the custodian becomes insolvent or breaches duties of care.

Where possible, charges are taken from the Fund's revenue. Where there is insufficient revenue, the remainder will be taken from capital. This will reduce the capital value of the Fund.

The result of the UK Referendum on membership of the European Union introduces elements of political uncertainty and may have practical consequences for the Fund. Developments will be closely monitored.

Further details of the risks associated with investing in the Fund can be found in the Prospectus which is available by contacting Client Relations or visiting our website.

Investment Report

Past Performance

Performance figures for the past five years are not shown as the Fund was launched on 8 September 2017. Performance figures for the share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

For the six months ending 31 July 2018 the return on B Accumulation Shares was 6.8%¹ compared to the return on the composite index² comprising 60% UK and 40% overseas +1% of 4.8%³, in sterling terms. We believe that shorter-term performance measurements are of limited relevance in assessing investment ability, especially in the case of a new Fund such as this.

Whilst the first half of 2018 has been dominated by negative headlines, with the spectre of trade wars looming and a no-deal Brexit looking likely, we could be forgiven for overlooking the positive news in the world. Indeed, it is the positive developments that have driven the strong absolute and relative performance of the Fund over the period, with holdings in the North American portion of the portfolio performing particularly well, supported by the continued growth of the US economy. However, positive contributions also came from the developed Asian, European and UK equity portions of the Fund; only emerging market equities detracted from relative performance.

Looking at the individual companies which contributed positively, it is pleasing that a diverse range of businesses continued to drive returns. The online food delivery platform, Grubhub, was the top contributor to relative performance. The company has acquired several rival takeaway platforms and built strategic long-term partnerships to diversify its restaurant and diner base. Another strong performer, on a relative basis, was Amazon. The founder-led, e-commerce platform has recently entered into the drug distribution business by acquiring the online pharmacy, PillPack, which will further increase the company's diversification and long-term focus. Elsewhere, Burberry's share price performance has also benefited the portfolio. The British

fashion company's new strategy is aimed at tackling the competition globally, by adopting a more luxurious image focusing on leather goods. As you would expect, there were stocks that detracted from performance over the period. These include specialist UK financial services group, Just Group, whose recent results were overshadowed by the current consultation by the Prudential Regulation Authority around Equity Release Mortgages. Elsewhere, a number of the larger index constituents which are not held in the portfolio, such as oil major BP and pharmaceutical companies AstraZeneca and GlaxoSmithKline, performed well and thus not holding these was detrimental to returns when compared to the index.

We are cognisant that most markets have had a good run, making gains from here all the harder to achieve. For that reason we are pleased to be actively managing the portfolio, investing only in the businesses we see as attractively valued given their long-term growth prospects.

Baillie Gifford & Co, 31 August 2018

¹Source: Baillie Gifford & Co Limited, closing net asset value, income accumulated. ²The composite index is calculated by Baillie Gifford and comprises 60% FTSE All Share Index and 40% overseas. The overseas element is made up of 28% FTSE North America Index; 28% FTSE Europe (ex UK) Index; 28% MSCI Pacific Index; and 16% MSCI Emerging Markets Index. ³Source: Statpro and relevant underlying index provider, total return. Please see Disclaimer on page 143. You should be aware that past performance is not a guide to future performance.

Principal Holdings as at 31 July 2018

Investment	Percentage of total Fund
Baillie Gifford Emerging Markets Leading Companies Fund C Acc ¹	4.40
Baillie Gifford Emerging Markets Growth Fund C Acc ¹	3.94
BHP Billiton	2.32
Royal Dutch Shell B Shares	2.30
Prudential	2.23
Baillie Gifford British Smaller Companies Fund C Acc ¹	2.11
St. James's Place	2.07
Ashtead	1.97
Diageo	1.88
British American Tobacco	1.56

¹Baillie Gifford UK & Balanced Funds ICVC related party.

Material Portfolio Changes for the six months ended 31 July 2018

Largest Purchases	Cost £'000	Largest Sales	Proceeds £'000
Just Eat	3,636	Nestle	2,695
Shire	2,166	Shire	2,432
Kingspan Group	2,156	Coca-Cola HBC	1,956
Spotify Technology SA	1,616	Konecranes	1,384
Sartorius Stedim Biotech	1,611	Waters	1,088
Avanza Bank Holding	1,185	UBM	988
Alfa Laval	1,065	Baillie Gifford Japanese Smaller Companies Fund C Acc ¹	944
Murata	827	Amazon.com	922
Recruit Holdings	802	American Express	843
TPG Telecom	756	Galaxy Entertainment Group	828

¹Baillie Gifford UK & Balanced Funds ICVC related party.

Portfolio Statement as at 31 July 2018

Stock description	Holding	Market value £'000	% of total net assets
Developed Asia Pacific - 10.75% (11.50%)			
Advantest Corp	114,600	2,064	0.46
AIA Group	79,800	531	0.12
Asahi Group Holdings	14,600	539	0.12
Baillie Gifford Japanese Smaller Companies Fund C Acc ¹	69,868	3,965	0.88
BHP Billiton (Aus. listing)	48,469	957	0.21
Bridgestone	21,000	628	0.14
Cochlear	12,751	1,470	0.33
CyberAgent Inc	24,200	967	0.21
Denso	22,700	851	0.19
FANUC	7,200	1,075	0.24
Fast Retailing	2,000	664	0.15
Galaxy Entertainment Group	203,000	1,243	0.28
Hong Kong Exchanges & Clearing	52,600	1,183	0.26
Inpex	74,200	622	0.14
Iress Ltd	122,198	801	0.18
James Hardie Industries	76,957	937	0.21
Jardine Matheson	20,700	1,064	0.24
Kakaku.com	67,200	1,076	0.24
Lifull Co Ltd	102,300	488	0.11
Makita Corporation	44,500	1,518	0.34
Mesoblast	188,546	200	0.04
Misumi	21,200	410	0.09
MS&AD Insurance	63,800	1,482	0.33
Murata	8,100	1,076	0.24
Nabtesco	13,200	311	0.07
Nidec	7,600	837	0.19
Olympus	34,000	1,048	0.23
Pigeon	40,000	1,463	0.32
REA Group	10,660	524	0.12
Recruit Holdings	44,900	934	0.21
Sarine Technologies	207,600	101	0.02
SBI Holdings	99,800	2,070	0.46
SEEK	116,128	1,406	0.31
Shimano	11,700	1,279	0.28

Portfolio Statement as at 31 July 2018 cont.

Stock description	Holding	Market value £'000	% of total net assets
Shiseido	46,100	2,578	0.57
SMC	5,100	1,302	0.29
SoftBank	24,900	1,570	0.35
Sugi Holdings	21,300	869	0.19
Suruga Bank Ltd	49,500	337	0.07
TPG Telecom	213,930	698	0.15
Treasury Wine Estates	107,038	1,117	0.25
Tsingtao Brewery 'H'	246,000	1,003	0.22
United Overseas Bank	131,900	1,996	0.44
Washington Soul Pattinson	94,091	1,163	0.26
Emerging Markets - 8.46% (9.34%)			
Baillie Gifford Emerging Markets Growth Fund C Acc ¹	2,037,942	17,753	3.94
Baillie Gifford Emerging Markets Leading Companies Fund C Acc ¹	4,151,534	19,811	4.40
Tencent	15,000	517	0.12
Europe (ex UK) - 12.05% (11.94%)			
Alfa Laval	135,699	2,856	0.63
ASML	13,600	2,220	0.49
Atlas Copco B	96,584	1,940	0.43
Avanza Bank Holding	40,131	1,412	0.31
Carl Zeiss Meditec	46,444	2,745	0.61
Dia	234,956	401	0.09
DSV	30,784	1,972	0.44
Epiroc B	96,584	772	0.17
EXOR	48,047	2,412	0.53
Hexpol AB	251,526	2,062	0.46
IMCD Group NV	52,776	2,872	0.64
Inditex	84,538	2,115	0.47
Infineon Technologies AG	104,169	2,113	0.47
Investor	85,933	2,863	0.64
Kingspan Group	56,830	2,018	0.45
Kinnevik	46,840	1,235	0.27
Legrand	26,715	1,494	0.33

Portfolio Statement as at 31 July 2018 cont.

Stock description	Holding	Market value £'000	% of total net assets
L'Oreal	8,438	1,559	0.35
Mettler-Toledo	4,977	2,247	0.50
Nibe Industrier AB 'B' Shares	220,879	1,890	0.42
Novozymes	46,781	1,881	0.42
Ryanair	175,835	2,215	0.49
Sartorius Stedim Biotech	24,717	2,233	0.50
Schindler	11,791	2,096	0.46
Spotify Technology SA	13,768	1,918	0.43
Svenska Handelsbanken	278,488	2,622	0.58
Zalando SE	48,271	2,114	0.47
North America - 13.16% (12.95%)			
Abiomed	10,141	2,740	0.61
Activision Blizzard Inc	9,599	537	0.12
Agios Pharmaceuticals	9,637	634	0.14
Alnylam Pharmaceuticals	12,989	941	0.21
Alphabet Inc Class C	3,009	2,792	0.62
Amazon.com	5,067	6,866	1.52
Celgene	8,676	596	0.13
Chegg	32,165	679	0.15
CoStar Group	3,328	1,055	0.23
Denali Therapeutics	36,956	355	0.08
DistributionNOW	49,026	558	0.12
Ellie Mae	12,477	944	0.21
Facebook	18,099	2,381	0.53
First Republic Bank	24,895	1,875	0.42
Fortive Corp	14,278	893	0.20
Glaukos Corp	17,732	563	0.13
Grubhub Inc	41,230	3,831	0.85
HEICO	9,233	537	0.12
Illumina	11,165	2,764	0.61
Interactive Brokers Group	21,396	976	0.22
Markel	967	863	0.19
MarketAxess Holdings	15,682	2,317	0.51
Martin Marietta Materials	4,658	708	0.16

Portfolio Statement as at 31 July 2018 cont.

Stock description	Holding	Market value £'000	% of total net assets
Mastercard	12,583	1,899	0.42
Netflix Inc	12,388	3,187	0.71
New Relic	11,148	830	0.18
Novocure Ltd	31,847	825	0.18
NVIDIA	4,372	816	0.18
Penumbra Inc	7,312	793	0.18
Redfin	47,981	896	0.20
Shopify 'A'	10,308	1,086	0.24
Stitch Fix	36,291	793	0.18
Tableau Software Class A	14,038	1,103	0.25
TD Ameritrade Holding Corp	17,685	771	0.17
Tesla Inc	13,991	3,180	0.71
The Trade Desk	8,503	547	0.12
Under Armour Class C	42,162	602	0.13
Vertex Pharmaceuticals	7,090	946	0.21
Wabtec	11,503	967	0.21
Watsco Inc	10,478	1,378	0.31
Wayfair Inc	26,897	2,231	0.50
UK - 52.93% (52.77%)			
Abcam	150,224	2,220	0.49
Ashtead	378,838	8,869	1.97
Auto Trader Group	490,495	2,086	0.46
Baillie Gifford British Smaller Companies Fund C Acc ¹	988,579	9,487	2.11
BHP Billiton	542,097	9,512	2.11
Bodycote	398,771	3,988	0.89
Breedon Group	2,311,676	1,882	0.42
British American Tobacco	167,006	7,016	1.56
Bunzl	285,898	6,476	1.44
Burberry	263,077	5,543	1.23
Carnival	109,271	4,835	1.07
Compass Group	257,641	4,223	0.94
Diageo	301,316	8,443	1.88
Enquest	4,843,721	1,749	0.39
Euromoney Institutional Investor	150,328	2,026	0.45

Portfolio Statement as at 31 July 2018 cont.

Stock description	Holding	Market value £'000	% of total net assets
Fisher (James) & Sons	69,374	1,243	0.28
Genus	79,943	2,293	0.51
Halma	174,192	2,449	0.54
Hargreaves Lansdown	262,689	5,453	1.21
Helical	380,730	1,218	0.27
Hiscox plc	260,244	4,159	0.92
Homeserve	351,688	3,555	0.79
Howden Joinery Group PLC	703,871	3,356	0.75
HSBC	802,002	5,859	1.30
IG Group	358,852	3,301	0.73
Inchcape	568,341	4,010	0.89
Informa Group	656,718	5,184	1.15
Integrafin Holdings	321,586	1,206	0.27
Intermediate Capital Group	373,776	3,966	0.88
Jardine Lloyd Thompson	221,102	3,109	0.69
Johnson Matthey	83,655	3,145	0.70
Jupiter Fund Management	549,573	2,407	0.53
Just Eat	428,131	3,394	0.75
Just Group	3,490,321	3,780	0.84
Keller	120,454	1,298	0.29
Legal & General	2,025,327	5,320	1.18
Meggitt	674,482	3,844	0.85
Melrose Industries	1,507,937	3,256	0.72
Mitchells & Butlers	704,836	1,785	0.40
Pagegroup plc	815,224	4,879	1.08
Prudential	555,546	10,025	2.23
Relx Plc	212,198	3,527	0.78
Renishaw	39,975	2,187	0.49
Rightmove	101,866	4,962	1.10
Rio Tinto	163,635	6,867	1.53
Rolls-Royce	410,144	4,064	0.90
Royal Dutch Shell B Shares	388,018	10,364	2.30
Schroders Nv.	60,199	1,421	0.32
Scottish & Southern Energy	150,807	1,885	0.42
St. James's Place	772,372	9,311	2.07

Portfolio Statement as at 31 July 2018 cont.

Stock description	Holding	Market value £'000	% of total net assets
Standard Chartered	344,702	2,371	0.53
Travis Perkins	184,917	2,212	0.49
Ultra Electronics Hdg.	172,296	2,845	0.63
Unilever	157,753	6,870	1.53
Victrix	112,000	3,528	0.78
Volution Group	823,388	1,671	0.37
Wood Group	364,159	2,366	0.53
Portfolio of investments		438,330	97.35
Net other assets - 2.65% (1.50%)		11,915	2.65
Net assets		450,245	100.00

¹Baillie Gifford UK & Balanced Funds ICVC related party.

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

Figures in brackets refer to 31 January 2018.

Fund Information

Fund and Share Information		
	31.07.18	31.01.18
Total net asset value of scheme property (£'000)	450,245	429,590
Synthetic Risk and Reward Indicator¹	5	5
Net asset value per share (pence)		
B Accumulation	113.58	106.34
C Accumulation	114.05	106.53
Number of shares in issue		
B Accumulation	159,930,601	121,973,051
C Accumulation	235,505,411	281,500,823
Annual Income Record		
	Period to 31.07.18 (pence)	Year to 31.01.18 (pence)
Income per share (financial period)		
B Accumulation	0.40	0.19
C Accumulation	0.55	0.38
Yearly Highest and Lowest Prices		
	Period to 31.07.18 (pence)	Year to 31.01.18 (pence)
Highest (financial period)		
B Accumulation	115.8	108.4
C Accumulation	116.2	108.6
Lowest (financial period)		
B Accumulation	100.5	98.1
C Accumulation	100.7	98.2

Fund Information cont.

Ongoing Charges Figures	31.07.18 (%)	31.01.18 (%)
Ongoing Charges Figures²		
B Accumulation	0.47	0.08 ³
C Accumulation	0.03	0.03

¹The Synthetic Risk and Reward Indicator demonstrates where the Fund ranks in terms of its potential risk and reward on a scale from 1 (lowest) to 7 (highest). The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. Further information is included in the Risk and Reward Profile section of the Fund's interim report.

²The Ongoing Charges Figure is based on the expenses for the financial period and may vary from year to year. It excludes the cost of buying and selling assets for the Fund although custodian transaction costs are included. A further explanation of charges and costs relating to the Fund can be obtained by contacting Client Relations.

³With effect from 1 October 2017, the ACD's annual fee for Class B shares was reduced from 0.55% to 0.45%. In addition a large creation on the second last day of the financial period has resulted in low Operating charges figure for this share class. As at 31 January 2018 the ACD considered 0.48% to be a more indicative rate for the ongoing charges figure.

You should be aware that past performance is not a guide to future performance.

Interim Financial Statements (Unaudited)

Statement of Total Return for the six months ended 31 July 2018

	31 July 2018	
	£'000	£'000
Income		
Net capital gains/(losses)		23,561
Revenue	5,731	
Expenses	(399)	
Net revenue before taxation	5,332	
Taxation	(59)	
Net revenue after taxation		5,273
Total return before distributions		28,834
Distributions		(1,946)
Change in net assets attributable to shareholders from investment activities		26,888

Statement of Change in Net Assets Attributable to Shareholders for the six months ended 31 July 2018

	31 July 2018	
	£'000	£'000
Opening net assets attributable to shareholders		429,590
Amounts receivable on issue of shares	18,624	
Amounts payable on cancellation of shares	(26,914)	
		(8,290)
Dilution adjustment		122
Change in net assets attributable to shareholders from investment activities		26,888
Retained distributions on accumulation shares		1,935
Closing net assets attributable to shareholders		450,245

Interim Financial Statements (Unaudited) cont.

Balance Sheet as at 31 July 2018

	31 July 2018 £'000	31 January 2018 £'000
Assets:		
Fixed assets:		
Investments	438,330	423,131
Current assets:		
Debtors	1,562	133,793
Cash and bank balances	10,440	4,426
Total assets	450,332	561,350
Liabilities:		
Creditors:		
Other creditors	(87)	(131,760)
Total liabilities	(87)	(131,760)
Net assets attributable to shareholders	450,245	429,590

Basis for preparation

The interim financial statements have been prepared in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014.

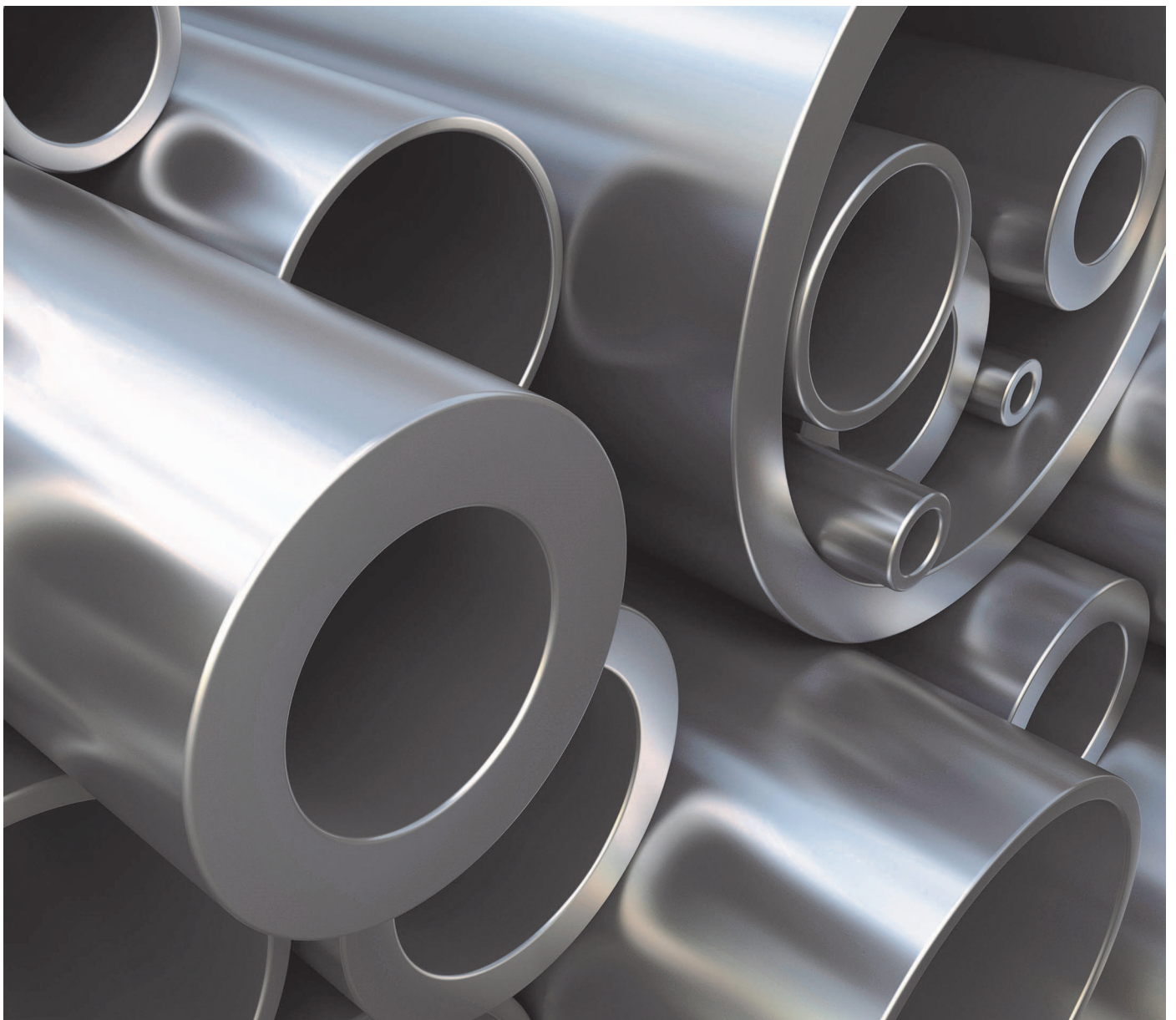
The accounting policies applied are consistent with those in the annual financial statements for the period ended 31 January 2018 and are described in those annual financial statements.

BAILLIE GIFFORD

Baillie Gifford UK Equity Alpha Fund

a sub-fund of Baillie Gifford UK & Balanced Funds ICVC

*Interim Report & Financial Statements (Unaudited)
for the six months ended 31 July 2018*



Baillie Gifford UK Equity Alpha Fund

Investment Objective

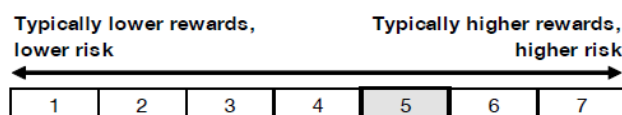
The Fund aims to produce returns, after management fees, mainly through capital growth, which exceeds that of the FTSE All-Share Index, over the long term.

Investment Policy

To invest mainly in shares of UK companies listed in the FTSE All-Share Index. In addition the Fund may invest in shares of any other UK Companies. The Fund will be concentrated and comprise of between 30 and 40 holdings.

Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.



Please note that even the lowest risk class can lose you money and that extreme adverse market circumstances can mean you suffer severe losses in all cases.

The Fund is classified in the category above because it invests in company shares which generally provide higher rewards and higher risks than other investments such as bonds or cash.

The indicator does not take into account the following relevant material risks:

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

Custody of assets involves a risk of loss if the custodian becomes insolvent or breaches duties of care.

The Fund's concentrated portfolio and long-term approach to investment may result in large movements in the share price.

The Fund invests in a single country and is generally considered higher risk than funds that are invested more widely as they are exposed to the fluctuations of a single market and currency.

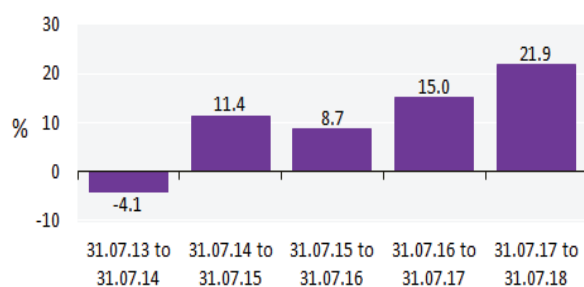
Where possible, charges are taken from the Fund's revenue. Where there is insufficient revenue, the remainder will be taken from capital. This will reduce the capital value of the Fund.

The result of the UK Referendum on membership of the European Union introduces elements of political uncertainty and may have practical consequences for the Fund. Developments will be closely monitored.

Further details of the risks associated with investing in the Fund can be found in the Prospectus which is available by contacting Client Relations or visiting our website.

Investment Report

Past Performance¹



The performance figures shown in this graph are for Class B Accumulation Shares. Performance figures reflect the ACD's annual fee of 0.55% (until 30 September 2017, the ACD's annual fee on Class B Shares was 0.65%), but exclude any initial charge paid. Performance figures for the other share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

For the six months to 31 July 2018 the return on B Accumulation Shares was 8.8%² compared to the return on the FTSE All Share Index of 5.0%³. As always, we would encourage you not to infer anything meaningful from such a short period. Instead, the purpose of this update is merely to highlight some notable recent features and the general pattern of operating performance from the businesses in this portfolio. If we can generally get that part right then share prices will tend to look after themselves over longer periods.

The most obvious notable developments includes some very welcome news from Ocado, the UK online food retailer. Over several years it has been trying to develop its robotic technology for picking and delivering groceries, with a view to licencing this technology to other companies globally. After a few false starts, things have recently come together very nicely for Ocado. It announced its first major licencing agreement with the French company Casino late last year, closely followed by a similar deal with the Canadian retailer Sobeys, and another with ICA, a large Swedish grocery chain. All of that drove a very helpful rise in the Ocado share price in the early part of this year. Pleasingly, all this earlier progress has been surpassed by the very recent announcement of a potentially transformative licencing deal with the large American grocery firm Kroger. This includes a significant upfront equity investment from

Kroger to help cover the capital costs of rolling out 20 or so grocery distribution centres across key cities in America in the first 3 years, with the potential for many more thereafter. For context, Kroger has annual revenues of c.\$130bn, which is around the same size as Tesco, Sainsburys and Asda all put together. If even, say, 10-20% of Kroger's revenues were to migrate to online orders over time, and Ocado receive a small percentage in royalties and commissions from the use of its technology, the sums involved could be very large in the context of the market capitalisation of Ocado. We are trying to think through the long-term implications of this very significant and positive development.

Elsewhere, we had another encouraging period of operational progress from Aveva, which designs software used in the construction and maintenance of a broad range of oil related, manufacturing and industrial facilities. Last year it announced an interesting combination with the larger French firm Schneider. This leaves the French 'parent' with a 60% holding in the combined business, although Aveva has retained its status as an independently run business listed in the UK. The integration of those two businesses only formally commenced in March of this year, but the very early indications appear positive. Unlike some other business mergers, which can often be motivated by radical cost reduction, this one is more about the possibilities of cross

¹Source: FE, 10am dealing prices, income accumulated. ²Source: Baillie Gifford & Co Limited, closing net asset values, income accumulated. ³Source: FE and relevant underlying index provider, total return. Please see Disclaimer on page 143. You should be aware that past performance is not a guide to future performance.

Investment Report cont.

selling their complementary design software to their respective oil, gas and industrial customers. Although there will always be some elements of cyclicalities to this business (it will be sensitive to levels of capital spending in the oil and shipping sectors for example), we remain very excited by its growth prospects.

In summary, we are feeling confident that the operational progress of the underlying holdings continues to be satisfactory. We endeavour to focus our efforts on the long-term business fundamentals and are optimistic that the portfolio is populated with some great growth opportunities for the decade ahead.

Baillie Gifford & Co, 6 September 2018

Principal Holdings as at 31 July 2018

Investment	Percentage of total Fund
Rightmove	7.02
Hargreaves Lansdown	5.64
Homeserve	5.34
Ocado Group	5.32
Renishaw	5.09
Auto Trader Group	4.94
Rathbone Brothers	4.42
Aveva Group	4.28
Abcam	4.26
Johnson Matthey	3.88

Material Portfolio Changes for the six months ended 31 July 2018

Largest Purchases	Cost £'000	Largest Sales	Proceeds £'000
Homeserve	3,227	Aveva Group	6,232
Weir	1,086	Ocado Group	3,429
Rathbone Brothers	955	Abcam	1,586
		ASOS	1,001
		Johnson Matthey	947
		Hargreaves Lansdown	636
		Intertek	626

Portfolio Statement as at 31 July 2018

Stock description	Holding	Market value £'000	% of total net assets
Basic Materials - 8.32% (8.37%)			
BHP Billiton	479,667	8,416	2.24
Johnson Matthey	388,609	14,608	3.88
Rio Tinto	197,196	8,275	2.20
Consumer Goods - 5.94% (5.16%)			
Burberry	570,140	12,013	3.19
Diageo	368,869	10,336	2.75
Consumer Services - 25.74% (25.46%)			
ASOS	235,392	14,288	3.80
Auto Trader Group	4,369,766	18,585	4.94
Carnival	257,612	11,399	3.03
Ocado Group	1,810,800	20,000	5.32
On The Beach	1,385,594	6,138	1.63
Rightmove	541,933	26,398	7.02
Financials - 18.03% (20.58%)			
Hargreaves Lansdown	1,020,987	21,196	5.64
IP Group	2,167,696	2,688	0.72
Jupiter Fund Management	2,270,931	9,947	2.64
Rathbone Brothers	676,501	16,615	4.42
Schroders Nv.	523,036	12,343	3.28
Standard Chartered	728,779	5,013	1.33
Health Care - 8.46% (8.38%)			
Abcam	1,084,171	16,024	4.26
Genus	372,577	10,685	2.84
Puretech Health	3,290,308	5,100	1.36
Industrials - 25.33% (23.47%)			
Aggreko	504,023	3,746	0.99
Experian	496,518	9,305	2.47
Homeserve	1,985,928	20,078	5.34
Intertek	180,907	10,634	2.83

Portfolio Statement as at 31 July 2018 cont.

Stock description	Holding	Market value £'000	% of total net assets
Keller	693,299	7,474	1.99
Oxford Instruments	1,203,630	11,482	3.05
Renishaw	350,244	19,158	5.09
Spectris	191,351	4,428	1.18
Weir	460,613	8,975	2.39
Oil & Gas - 2.05% (2.16%)			
Wood Group	1,185,480	7,703	2.05
Technology - 4.28% (5.15%)			
Aveva Group	613,969	16,111	4.28
Portfolio of investments		369,161	98.15
Net other assets - 1.85% (1.27%)		6,953	1.85
Net assets		376,114	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

Figures in brackets refer to 31 January 2018.

Fund Information

Fund and Share Information				
	31.07.18	31.01.18	31.01.17	31.01.16
Total net asset value of scheme property (£'000)	376,114	355,434	153,370	118,541
Synthetic Risk and Reward Indicator¹	5	5	6	6
Net asset value per share (pence)				
A Accumulation	591.57	546.11	446.30	366.53
A Income	449.24	415.27	341.01	281.43
B Accumulation	698.09	641.73	520.01	423.43
B Income	450.50	415.51	341.00	281.24
C Accumulation	772.71	708.39	570.50	461.51
C Income	451.74	415.97	341.19	281.28
G Accumulation ²	770.81	n/a	n/a	n/a
Number of shares in issue				
A Accumulation	353,900	277,582	402,869	747,863
A Income	34,983	24,178	36,592	47,822
B Accumulation	9,067,071	7,396,053	8,805,948	13,980,232
B Income	8,262,503	8,236,009	8,232,663	7,987,603
C Accumulation	30,636,659	38,415,660	13,598,818	7,367,900
C Income	500	500	500	500
G Accumulation ²	4,749,701	n/a	n/a	n/a
Annual Income Record				
	Period to 31.07.18 (pence)	Year to 31.01.18 (pence)	Year to 31.01.17 (pence)	Year to 31.01.16 (pence)
Income per share (financial period)				
A Accumulation	0.90	2.55	2.08	4.36
A Income	0.60	1.95	1.60	3.38
B Accumulation	2.00	7.85	6.46	8.85
B Income	1.50	5.14	4.28	5.99
C Accumulation	3.25	12.51	10.45	12.79
C Income	2.00	7.46	6.35	8.00
G Accumulation ²	2.25	n/a	n/a	n/a

Fund Information cont.

Yearly Highest and Lowest Prices	Period to 31.07.18 (pence)	Year to 31.01.18 (pence)	Year to 31.01.17 (pence)	Year to 31.01.16 (pence)
Highest (financial period)				
A Accumulation	605.5	554.4	456.6	428.0
A Income	460.4	422.9	350.2	332.5
B Accumulation	713.7	651.3	530.5	491.6
B Income	462.1	425.4	351.2	333.4
C Accumulation	789.5	718.8	580.8	533.5
C Income	463.6	427.6	352.3	334.2
G Accumulation ²	788.0	n/a	n/a	n/a
Lowest (financial period)				
A Accumulation	501.8	447.8	331.2	345.7
A Income	381.6	342.2	254.3	268.1
B Accumulation	590.4	521.8	382.7	399.3
B Income	382.3	342.2	254.2	269.5
C Accumulation	652.2	572.5	417.3	435.1
C Income	383.0	342.4	254.2	270.9
G Accumulation ²	651.8	n/a	n/a	n/a

Fund Information cont.

Ongoing Charges Figures	31.07.18 (%)	31.01.18 (%)	31.01.17 (%)	31.01.16 (%)
Ongoing Charges Figures³				
A Accumulation	1.41	1.49 ⁴	1.54	1.52
A Income	1.41	1.49 ⁴	1.54	1.53
B Accumulation	0.57	0.64 ⁵	0.68	0.67
B Income	0.57	0.64 ⁵	0.68	0.67
C Accumulation	0.02	0.02	0.03	0.03
C Income	0.02	0.02	0.03	0.03
G Accumulation ²	0.52	n/a	n/a	n/a

¹The Synthetic Risk and Reward Indicator demonstrates where the Fund ranks in terms of its potential risk and reward on a scale from 1 (lowest) to 7 (highest). The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. Further information is included in the Risk and Reward Profile section of the Fund's interim report.

²Class G Accumulation Shares were launched on 5 February 2018.

³The Ongoing Charges Figure is based on the expenses for the financial period and may vary from year to year. It excludes the cost of buying and selling assets for the Fund although custodian transaction costs are included. A further explanation of charges and costs relating to the Fund can be obtained by contacting Client Relations.

⁴With effect from 1 October 2017, the ACD's annual fee for Class A shares was reduced from 1.50% to 1.40%. As at 31 January 2018 the ACD considered 1.42% to be a more indicative rate for the ongoing charges figure.

⁵With effect from 1 October 2017, the ACD's annual fee for Class B shares was reduced from 0.65% to 0.55%. As at 31 January 2018 the ACD considered 0.57% to be a more indicative rate for the ongoing charges figure.

You should be aware that past performance is not a guide to future performance.

Interim Financial Statements (Unaudited)

Statement of Total Return for the six months ended 31 July 2018

	31 July 2018		31 July 2017	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		27,423		14,694
Revenue	4,230		1,950	
Expenses	(359)		(270)	
Net revenue before taxation	3,871		1,680	
Taxation	-		-	
Net revenue after taxation		3,871		1,680
Total return before distributions		31,294		16,374
Distributions		(1,504)		(770)
Change in net assets attributable to shareholders from investment activities		29,790		15,604

Statement of Change in Net Assets Attributable to Shareholders for the six months ended 31 July 2018

	31 July 2018		31 July 2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		355,434		153,370
Amounts receivable on issue of shares	16,684		12,098	
Amounts payable on cancellation of shares	(27,248)		(6,201)	
		(10,564)		5,897
Dilution adjustment		167		76
Change in net assets attributable to shareholders from investment activities		29,790		15,604
Retained distributions on accumulation shares		1,287		665
Closing net assets attributable to shareholders		376,114		175,612

Interim Financial Statements (Unaudited) cont.

Balance Sheet as at 31 July 2018

	31 July 2018 £'000	31 January 2018 £'000
Assets:		
Fixed assets:		
Investments	369,161	350,927
Current assets:		
Debtors	1,348	6,267
Cash and bank balances	5,863	4,122
Total assets	376,372	361,316
Liabilities:		
Creditors:		
Bank overdrafts	-	(1,459)
Distributions payable	(124)	(300)
Other creditors	(134)	(4,123)
Total liabilities	(258)	(5,882)
Net assets attributable to shareholders	376,114	355,434

Basis for preparation

The interim financial statements have been prepared in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014.

The accounting policies applied are consistent with those in the annual financial statements for the year ended 31 January 2018 and are described in those annual financial statements.

BAILLIE GIFFORD

Baillie Gifford UK Equity Focus Fund

a sub-fund of Baillie Gifford UK & Balanced Funds ICVC

*Interim Report & Financial Statements (Unaudited)
for the six months ended 31 July 2018*



Baillie Gifford UK Equity Focus Fund

Investment Objective

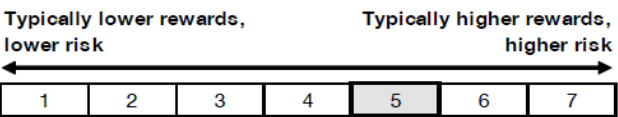
The Fund aims to outperform the FTSE All-Share Index by at least 1.5% per annum (before management fees).

Investment Policy

To invest mainly in shares of UK companies. We will assess performance of the Fund compared to the FTSE All-Share Index over rolling three years periods. There is no guarantee that a positive return will be achieved over rolling three year periods or any time period.

Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.



Please note that even the lowest risk class can lose you money and that extreme adverse market circumstances can mean you suffer severe losses in all cases.

The Fund is classified in the category above because it invests in company shares which generally provide higher rewards and higher risks than other investments such as bonds or cash. Where no share price history is available for any part of the last five years (and thus no returns), the returns of the Fund's comparative index are used in its place to calculate the Risk and Reward Indicator.

The indicator does not take into account the following relevant material risks:

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

Custody of assets involves a risk of loss if the custodian becomes insolvent or breaches duties of care.

The Fund invests in a single country and is generally considered higher risk than funds that are invested more widely as they are exposed to the fluctuations of a single market and currency.

Where possible, charges are taken from the Fund's revenue. Where there is insufficient revenue, the remainder will be taken from capital. This will reduce the capital value of the Fund.

The result of the UK Referendum on membership of the European Union introduces elements of political uncertainty and may have practical consequences for the Fund. Developments will be closely monitored.

Further details of the risks associated with investing in the Fund can be found in the Prospectus which is available by contacting Client Relations or visiting our website.

Investment Report

Past Performance

Performance figures for the past five years are not shown as the Fund was launched on 2 August 2017 (C Accumulation Shares). Class B Accumulation Shares were first issued on 3 August 2017. Performance figures for the share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

For the six months to 31 July 2018 the return on B Accumulation Shares was 6.9%¹ compared to the return on the FTSE All Share Index +1.5% of 5.8%². We believe that shorter-term performance measurements are of limited relevance in assessing investment ability, especially in the case of a new Fund such as this.

There was an unusual level of activity in your Fund during the period, which was almost entirely a natural consequence of three of your holdings receiving take-over bids. Rather than being pleased with the short-term performance this delivered it is fair to say that we are rather underwhelmed and disappointed that in all cases the management agreed to the deals. Cityfibre has been working hard to prove its business model, which leases its fibre optic network for use by the public and private sectors. The bid followed shortly after the signing of a landmark contract with Vodafone to address the retail market which transformed the prospects of the business. It was therefore extremely disappointing that the management agreed to a bid and that the majority of shareholders decided to support it. Similarly, we were surprised by the willingness of the management of property portal ZPG (previously Zoopla) to sell out at this juncture, although in this case the bid was, in our view, a fairer reflection of the inherent value of the business. Finally, the relatively new holding in Shire Pharmaceuticals was bid for by Takeda. Whilst the shares were trading at a discount to the value of this bid we decided to sell as we saw little merit in the transaction and did not want our clients to have exposure to the combined entity in the long run.

The proceeds from these sales were reinvested into a number of existing holdings and three new positions. We bought a holding in the conference call company LoopUp Group, supporting a placing to fund the acquisition of a rival company. We have been impressed by the management of LoopUp Group and believe that the proposed acquisition has significant merit. We also bought a holding in the information technology reseller Softcat. We believe that the performance orientated culture of this business coupled with a significant market opportunity makes this a very attractive investment which has not yet been recognised by the market. Finally we bought a holding in First Derivatives Plc, a Northern Ireland based company specialising in analytics for time series databases.

Amongst your existing holdings we had another encouraging period of operational progress from Aveva Group, which designs software used in the construction and maintenance of a broad range of oil related, manufacturing and industrial facilities. Last year it announced an unusual and we think interesting combination with the larger French firm Schneider. The integration of those two businesses only formally commenced in March of this year, but the very early indications appear positive. Unlike some other business mergers, which can often be motivated by radical cost reduction, this one is more about the possibilities of cross selling their complementary design software to their respective oil, gas and industrial customers. We recently had the opportunity to meet with the new management team, discussing the broad range of their ambitions for the 5-10 years ahead. Whilst reassuringly aware of the challenges and risks of integrating two businesses, they

¹Source: Baillie Gifford & Co Limited, closing net asset value, income accumulated. ²Source: FE and relevant underlying index provider, total return. Please see Disclaimer on page 143. You should be aware that past performance is not a guide to future performance.

Investment Report cont.

appear very keen to exploit the large opportunity set which sits in front of them. Although there will always be some elements of cyclicalities to this, we remain very excited by its growth prospects. We also saw a pleasing recovery in the price of boohoo following a brief period of share price weakness. This recovery was triggered by yet another set of operating figures which exceeded previous expectations with revenues growing extremely rapidly and the company defying some observers' expectations by improving margins a little despite the considerable growth strain the business is experiencing.

In summary, we are feeling confident that the operational progress of your underlying holdings continues to be satisfactory. We endeavour to focus our efforts on the long-term business fundamentals and are optimistic that the portfolio is populated with some great growth opportunities for the decade ahead.

Andrew Strathdee, 16 August 2018

Principal Holdings as at 31 July 2018

Investment	Percentage of total Fund
Abcam	4.64
Boohoo	3.81
Hargreaves Lansdown	3.48
Ashtead	3.24
Renishaw	2.84
Prudential	2.76
Rotork	2.69
Just Eat	2.55
ASOS	2.49
Homeserve	2.45

Material Portfolio Changes for the six months ended 31 July 2018

Largest Purchases	Cost £'000	Largest Sales	Proceeds £'000
On The Beach	922	ZPG	1,397
First Derivatives Plc	889	Cityfibre Infrastructure	1,251
Softcat	814	Scottish & Southern Energy	928
Shire	789	Shire	886
Just Eat	465	Aveva Group	749
Lancashire Holdings	420	Standard Chartered	718
LoopUp Group	414	Hansteen Holdings	335
Smart Metering Systems	349	Domino's Pizza Group	219
Alfa Financial Software	302	UBM	183
Horizon Discovery Group	276	Benchmark Holdings	67

Portfolio Statement as at 31 July 2018

Stock description	Holding	Market value £'000	% of total net assets
Basic Materials - 7.43% (7.01%)			
Antofagasta	113,656	1,140	1.27
BHP Billiton	117,609	2,064	2.31
Rio Tinto	48,087	2,018	2.25
Victrex	45,437	1,431	1.60
Consumer Goods - 9.58% (9.87%)			
British American Tobacco	51,151	2,149	2.40
Burberry	76,659	1,615	1.80
Diageo	48,517	1,360	1.52
Fevertree Drinks PLC	27,008	929	1.04
Reckitt Benckiser	25,883	1,759	1.97
Ted Baker	34,625	764	0.85
Consumer Services - 19.19% (20.53%)			
4imprint Group	46,763	945	1.06
AO World Plc	921,697	1,312	1.46
ASOS	36,669	2,226	2.49
Auto Trader Group	148,028	630	0.70
Boohoo	1,698,962	3,415	3.81
Compass Group	132,181	2,166	2.42
Hostelworld Group	328,852	954	1.07
Informa Group	121,366	958	1.07
Just Eat	288,568	2,288	2.55
Majestic Wine	149,610	668	0.75
On The Beach	176,080	780	0.87
Wizz Air Holdings Plc	24,392	845	0.94
Financials - 16.28% (17.18%)			
Draper Esprit Plc	336,221	1,950	2.18
Hargreaves Lansdown	150,236	3,119	3.48
Helical	176,946	566	0.63
Hiscox plc	87,395	1,396	1.56
IP Group	681,113	845	0.94
Jardine Lloyd Thompson	69,964	984	1.10

Portfolio Statement as at 31 July 2018 cont.

Stock description	Holding	Market value £'000	% of total net assets
Lancashire Holdings	140,432	805	0.90
Mercia Technologies	1,684,676	488	0.54
Prudential	136,917	2,471	2.76
St. James's Place	162,707	1,961	2.19
Health Care - 12.88% (12.19%)			
Abcam	280,995	4,153	4.64
Benchmark Holdings	1,476,373	827	0.92
Clinigen Group Plc	161,374	1,622	1.81
Genus	46,516	1,334	1.49
Hikma Pharmaceuticals	77,881	1,275	1.42
Horizon Discovery Group	484,729	904	1.01
Vectura Group Plc	1,778,092	1,419	1.59
Industrials - 23.66% (22.32%)			
Ashtead	123,827	2,899	3.24
Experian	104,790	1,964	2.19
Fisher (James) & Sons	49,464	886	0.99
Halstead (James)	119,083	459	0.51
Homeserve	216,739	2,191	2.45
Howden Joinery Group PLC	243,406	1,161	1.29
Oxford Instruments	78,121	745	0.83
Renishaw	46,569	2,547	2.84
Ricardo	99,576	803	0.90
Rolls-Royce	92,771	919	1.02
Rotork	669,529	2,409	2.69
Smart Metering Systems	105,036	660	0.74
Spirax-Sarco	31,206	2,167	2.42
Travis Perkins	64,165	768	0.86
Ultra Electronics Hdg.	25,876	427	0.48
Xaar	74,852	189	0.21
Oil & Gas - 1.65% (1.70%)			
Enquest	1,578,381	570	0.64
Tullow Oil	176,041	398	0.44

Portfolio Statement as at 31 July 2018 cont.

Stock description	Holding	Market value £'000	% of total net assets
Wood Group	77,845	506	0.57
Technology - 7.16% (5.03%)			
Alfa Financial Software	188,189	309	0.35
Aveva Group	73,815	1,937	2.16
First Derivatives Plc	20,954	849	0.95
LoopUp Group	98,268	442	0.49
NCC Group	868,762	1,909	2.13
Softcat	120,158	971	1.08
Telecommunications - 0.00% (0.89%)			
Utilities - 0.00% (1.08%)			
Portfolio of investments		87,620	97.83
Net other assets - 2.17% (2.20%)		1,945	2.17
Net assets		89,565	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

Figures in brackets refer to 31 January 2018.

Fund Information

Fund and Share Information		
	31.07.18	31.01.18
Total net asset value of scheme property (£'000)	89,565	84,763
Synthetic Risk and Reward Indicator¹	5	5
Net asset value per share (pence)		
B Accumulation ²	114.33	106.98
C Accumulation ³	114.93	107.29
Number of shares in issue		
B Accumulation ²	416,991	1,009
C Accumulation ³	77,512,296	79,001,225
Annual Income Record		
	Period to 31.07.18 (pence)	Period to 31.01.18 (pence)
Income per share (financial period)		
B Accumulation ²	0.35	0.52
C Accumulation ³	0.50	0.81
Yearly Highest and Lowest Prices		
	Period to 31.07.18 (pence)	Period to 31.01.18 (pence)
Highest (financial period)		
B Accumulation ²	116.0	110.8
C Accumulation ³	116.6	111.1
Lowest (financial period)		
B Accumulation ²	98.63	97.84
C Accumulation ³	98.99	97.89

Fund Information cont.

Ongoing Charges Figures	31.07.18 (%)	31.01.18 (%)
Ongoing Charges Figures⁴		
B Accumulation ²	0.49	0.54 ⁵
C Accumulation ³	0.03	0.04

¹The Synthetic Risk and Reward Indicator demonstrates where the Fund ranks in terms of its potential risk and reward on a scale from 1 (lowest) to 7 (highest). The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. Further information is included in the Risk and Reward Profile section of the Fund's interim report.

²Class B Accumulation Shares were launched on 3 August 2017.

³Class C Accumulation Shares were launched on 2 August 2018.

⁴The Ongoing Charges Figure is based on the expenses for the financial period and may vary from year to year. It excludes the cost of buying and selling assets for the Fund although custodian transaction costs are included. A further explanation of charges and costs relating to the Fund can be obtained by contacting Client Relations.

⁵With effect from 1 October 2017, the ACD's annual fee for Class B shares was reduced from 0.60% to 0.47%. As at 31 January 2018 the ACD considered 0.51% to be a more indicative rate for the ongoing charges figure.

You should be aware that past performance is not a guide to future performance.

Interim Financial Statements (Unaudited)

Statement of Total Return for the six months ended 31 July 2018

	31 July 2018	
	£'000	£'000
Income		
Net capital gains/(losses)		5,124
Revenue	877	
Expenses	(10)	
Net revenue before taxation	867	
Taxation	-	
Net revenue after taxation		867
Total return before distributions		5,991
Distributions		(400)
Change in net assets attributable to shareholders from investment activities		5,591

Statement of Change in Net Assets Attributable to Shareholders for the six months ended 31 July 2018

	31 July 2018	
	£'000	£'000
Opening net assets attributable to shareholders		84,763
Amounts receivable on issue of shares	2,804	
Amounts payable on cancellation of shares	(4,009)	
		(1,205)
Dilution adjustment		27
Change in net assets attributable to shareholders from investment activities		5,591
Retained distributions on accumulation shares		389
Closing net assets attributable to shareholders		89,565

Interim Financial Statements (Unaudited) cont.

Balance Sheet as at 31 July 2018

	31 July 2018 £'000	31 January 2018 £'000
Assets:		
Fixed assets:		
Investments	87,620	82,900
Current assets:		
Debtors	264	1,602
Cash and bank balances	1,686	495
Total assets	89,570	84,997
Liabilities:		
Creditors:		
Bank overdrafts	-	(121)
Other creditors	(5)	(113)
Total liabilities	(5)	(234)
Net assets attributable to shareholders	89,565	84,763

Basis for preparation

The interim financial statements have been prepared in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014.

The accounting policies applied are consistent with those in the annual financial statements for the period ended 31 January 2018 and are described in those annual financial statements.

BAILLIE GIFFORD

Glenfinlas Global Fund

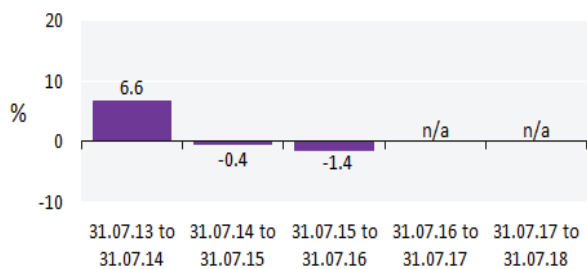
a sub-fund of Baillie Gifford UK & Balanced Funds ICVC

*Interim Report & Financial Statements (Unaudited)
for the six months ended 31 July 2018*



Investment Report

Past Performance¹



The performance figures shown in this graph are for Class Z Accumulation Shares. The ACD does not charge an annual fee on Z Accumulation Shares and at its discretion may, from time to time, when it considers the ongoing charges figure of the Fund is too high, meet some of the expenses of the Fund out of its own pocket. There are not five full years of performance shown as all outstanding shares were redeemed on 13 November 2015.

Following the redemption of all outstanding shares on 13 November 2015, the ACD is no longer actively seeking subscriptions for the Fund.

¹Source: Baillie Gifford & Co Limited, 10am dealing prices, income accumulated. You should be aware that past performance is not a guide to future performance.

Principal Holdings as at 31 July 2018

Investment	Percentage of total Fund
Espirito Santo Financial ¹	0.00
African Minerals Ltd ²	0.00
SNS Reaal ³	0.00

¹This stock was suspended at the period end and has been valued at the Investment Adviser's valuation.

²This stock was in administration at the period end and has been valued at the Investment Adviser's valuation.

³This stock was delisted at the period end and has been valued at the Investment Adviser's valuation.

This Fund is no longer available for subscription. On 13 November 2015, all shares in the Fund were redeemed and the proceeds paid to the shareholders on 18 November 2015. The remaining holdings have been valued at zero, based on the Investment Adviser's valuation, as detailed in the Portfolio Statement.

Material Portfolio Changes for the six months ended 31 July 2018

There were no purchases or sales in the period.

Portfolio Statement as at 31 July 2018

Stock description	Holding	Market value £'000	% of total net assets
Luxembourg - 0.00% (0.00%)			
Espirito Santo Financial ¹	32,000	-	0.00
Netherlands - 0.00% (0.00%)			
SNS Reaal ²	133,875	-	0.00
United Kingdom - 0.00% (0.00%)			
African Minerals Ltd ³	51,500	-	0.00
Portfolio of investments		-	0.00
Net other liabilities - 0.00% (0.00%)		-	0.00
Net assets		-	0.00

¹This stock was suspended at the period end and has been valued at the Investment Adviser's valuation.

²This stock was delisted at the period end and has been valued at the Investment Adviser's valuation.

³This stock was in administration at the period end and has been valued at the Investment Adviser's valuation.

All investments are approved securities within the meaning of the FCA rules unless otherwise stated.

Figures in brackets refer to 31 January 2017.

This Fund is no longer available for subscription. On 13 November 2015, all shares in the Fund were redeemed and the proceeds paid to the shareholders on 18 November 2015.

Fund Information

Fund and Share Information				
	31.07.18	31.01.18	31.01.17	31.01.16
Total net asset value of scheme property (£'000)	-	-	-	-
Synthetic Risk and Reward Indicator¹	n/a	n/a	n/a	5
Net asset value per share (pence)				
Z Accumulation	-	-	-	-
Number of shares in issue				
Z Accumulation	-	-	-	-
Annual Income Record	Period to 31.07.18 (pence)	Year to 31.01.18 (pence)	Year to 31.01.17 (pence)	Year to 31.01.16 (pence)
Income per share (financial period)				
Z Accumulation	n/a	n/a	n/a	0.00
Yearly Highest and Lowest Prices	Period to 31.07.18 (pence)	Year to 31.01.18 (pence)	Year to 31.01.17 (pence)	Year to 31.01.16 (pence)
Highest (financial period)				
Z Accumulation	n/a	n/a	n/a	127.4
Lowest (financial period)				
Z Accumulation	n/a	n/a	n/a	108.5
Ongoing Charges Figures	31.07.18 (%)	31.01.18 (%)	31.01.17 (%)	31.01.16 (%)
Ongoing Charges Figures				
Z Accumulation	-	-	-	0.17

¹This Fund is no longer available for subscription. On 13 November 2015, all shares in the Fund were redeemed and the proceeds paid to the shareholders on 18 November 2015.

²The Synthetic Risk and Reward Indicator demonstrates where the Fund ranks in terms of its potential risk and reward on a scale from 1 (lowest) to 7 (highest). The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. Further information is included in the Risk and Reward Profile section of the Fund's interim report.

³The Ongoing Charges Figure is based on the expenses for the financial period and may vary from year to year. It excludes the cost of buying and selling assets for the Fund although custodian transaction costs are included. A further explanation of charges and costs relating to the Fund can be obtained by contacting Client Relations.

You should be aware that past performance is not a guide to future performance.

Interim Financial Statements (Unaudited)

Statement of Total Return for the six months ended 31 July 2018

	31 July 2018		31 July 2017	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		-		-
Revenue	-		-	
Expenses	-		-	
Net revenue before taxation	-		-	
Taxation	-		-	
Net revenue after taxation		-		-
Total return before distributions		-		-
Distributions		-		-
Change in net assets attributable to shareholders from investment activities		-		-

Statement of Change in Net Assets Attributable to Shareholders for the six months ended 31 July 2018

	31 July 2018		31 July 2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		-		-
Amounts receivable on issue of shares	-		-	
Amounts payable on cancellation of shares	-		-	
		-		-
Dilution adjustment		-		-
Change in net assets attributable to shareholders from investment activities		-		-
Closing net assets attributable to shareholders		-		-

Interim Financial Statements (Unaudited) cont.

Balance Sheet as at 31 July 2018

	31 July 2018 £'000	31 January 2018 £'000
Assets:		
Fixed assets:		
Investments	-	-
Current assets:		
Debtors	4	4
Cash and bank balances	5	6
Total assets	9	10
Liabilities:		
Creditors:		
Bank overdrafts	(3)	-
Other creditors	(6)	(10)
Total liabilities	(9)	(10)
Net assets attributable to shareholders	-	-

Basis for preparation

The interim financial statements have been prepared in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014.

The accounting policies applied are consistent with those in the annual financial statements for the year ended 31 January 2018 and are described in those annual financial statements.

General Information

Dilution Adjustment

A sub-fund suffers dilution (reduction) in the value of the Scheme Property attributable to it because the actual costs of buying or selling investments for the sub-fund deviate from the mid-market values generally used in calculating the price of shares in the sub-fund. Such deviation may occur as a result of the costs (which may include dealing charges and taxes) incurred in dealing in such investments and of any spread between the buying and selling prices of such investments. It is not possible to predict accurately whether dilution is likely to occur.

The COLL Rules allow the cost of dilution to be (1) met directly from the Scheme Property attributable to the sub-fund or (2) addressed by the imposition on investors of a dilution levy on the issue by the Company, sale by the ACD, cancellation by the Company or redemption by the ACD of shares in the sub-fund or (3) dealt with by means of a dilution adjustment, which is the policy which has been adopted by the ACD in relation to the sub-funds of the Company. With a view to mitigating the effects of dilution, the ACD therefore reserves the right at its sole discretion to make a dilution adjustment in the calculation of the dealing price, and thereby swing the dealing price, of shares in any sub-fund of the Company if in its opinion the existing shareholders (for net purchases of shares) or remaining shareholders (for net redemptions of shares) might otherwise be adversely affected. By 'purchases' of shares we mean issues by the Company and sales by the ACD and by 'redemptions' of shares we mean cancellations by the Company and redemptions by the ACD.

The COLL Rules acknowledge that the need to make a dilution adjustment may depend on the volume of purchases of shares or redemptions of shares. Accordingly, the ACD reserves the right at its sole discretion to impose a dilution adjustment in the following circumstances:

- (a) If the sub-fund is experiencing steady decline (net outflow of investment).
- (b) If the sub-fund is experiencing steady growth (net inflow of investment).

- (c) If the sub-fund is experiencing large levels of net purchases or net redemptions relative to its size.
- (d) Where the sub-fund experiences net purchases or net redemptions on any Dealing Day exceeding a particular value or a particular percentage of the value of the sub-fund.
- (e) In any other circumstances where the ACD believes it will be in the interests of shareholders to make a dilution adjustment.

The ACD is currently of the opinion that it is in the best interests of shareholders in the Company to make a dilution adjustment whenever dealings in the shares of any sub-fund result in shares in that sub-fund being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the relevant sub-fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments, as the case may be.

The level of the dilution adjustment is set by the ACD based on prevailing market conditions. Where liquidity is restricted and trading in size in the portfolio's investments results in significant movement in the prices of these investments the ACD may adjust the level of the dilution adjustment to protect the interests of the ongoing investors in a sub-fund. The ACD has thresholds for the sub-funds for daily net inflows or outflows of cash into or out of the sub-funds. Above these thresholds, which vary by sub-fund and according to market conditions, the ACD may increase the dilution adjustment to reflect the increased dealing costs incurred by the sub-funds as a result of larger inflows and outflows. A consequence of this policy is, however, that smaller transactions made on any day that the relevant threshold is exceeded may also trade at the price incorporating the higher adjustment and this may lead to increased dealing costs. Whether an adjustment may be necessary will depend upon the net movement into or out of a sub-fund on any given day and on the underlying market conditions on that day and it is therefore not possible to predict when an adjustment may be made.

General Information cont.

Dilution Adjustment cont.

On any Dealing Day when the Company neither issues nor cancels shares in a sub-fund the price of shares in that sub-fund will not contain any dilution adjustment.

This policy to swing the dealing price will be subject to regular review and may change. The ACD's decision on whether or not to make a dilution adjustment, and on what level of adjustment to make in particular circumstances or generally, will not prevent it from making a different decision in similar circumstances in the future.

Where a dilution adjustment is applied, it will increase the dealing price when there are net inflows into the relevant sub-fund and decrease the dealing price when there are net outflows. The dealing price of each class of share in a sub-fund will be calculated separately but any dilution adjustment will in percentage terms affect the dealing price of shares of each class identically.

On the occasions when no dilution adjustment is made there may be an adverse impact on the value of the Scheme Property attributable to the relevant sub-fund.

The dilution adjustment can vary over time and vary depending on the assets attributable to the relevant sub-fund.

As dilution is directly related to the inflows and outflows of monies from a sub-fund, it is not possible to predict accurately whether dilution will occur at any point in time. Consequently it is also not possible to predict accurately how frequently the ACD will need to make a dilution adjustment.

Stamp Duty Reserve Tax ('SDRT')

Generally, there will be no SDRT charge when shareholders surrender or redeem shares. However, where the redemption is satisfied by a non-pro rata in specie redemption, then a charge to SDRT may apply.

Taxation Reporting

In order to fulfil its legal obligations, the ACD is required to collect and report certain information about Shareholders, including their identity, tax residency and tax status. Shareholders must provide the ACD with any information required to meet these obligations, and may also be asked to provide self-certifications and tax reference numbers or the equivalent. The ACD reserves the right to refuse an application for Shares or a transfer of Shares until it receives a declaration as to the Shareholder's tax residency or status in the form prescribed by the ACD.

The ACD is also required to provide to HMRC certain information regarding Shareholders, payments made to Shareholders and proceeds arising on the disposal of Shares, and HMRC may pass such information on to the tax authorities of another jurisdiction.

Share Classes

The net asset value per share and the number of shares in each class are shown in the Comparative Tables sections of the relevant sub-funds. The distributions per share class are shown in the Distribution Tables. In each sub-fund all share classes have the same rights on winding up.

Class C Shares are only available to persons to whom an associate of the ACD provides services under an investment management agreement or who has a separate fee arrangement with the ACD or one of its associates.

Class G shares are only available to persons who were previously invested in Baillie Gifford International Private Pension Fund or Baillie Gifford UK Private Pension Fund (pension funds that were unit-linked funds of Baillie Gifford Life Limited, an associate of the ACD) and such other persons as the ACD may permit at its sole discretion.

Class K Shares are only available to persons to whom an associate of the ACD provides services under an investment management agreement or who has a separate fee arrangement with the ACD or one of its associates.

General Information cont.

Share Classes cont.

The minimum lump sum investments are shown in the table on page 145.

Equalisation

The Company will operate grouping for equalisation. Each class of shares will operate its own equalisation account. Shares purchased during a distribution period are called Group 2 shares. Shares purchased during any previous distribution period are called Group 1 shares. Group 2 shares contain in their purchase price an amount called equalisation which represents a proportion of the net income of the sub-fund that has accrued up to the date of purchase. The amount of equalisation is averaged across all the holders of Group 2 shares and is refunded to them as part of their first distribution and is treated as a return of capital for tax purposes. Being capital it is not liable to income tax but must be deducted from the cost of the shares for capital gains tax purposes.

An 'income equalisation-like' mechanism will be operated by the ACD for conversions. The ACD will ensure that the mechanism is operated to ensure fair treatment of those converting their shares and other shareholders in the affected classes.

Fund Charges and Costs

A further explanation of charges and costs relating to the sub-funds of the ICVC can be found in the Enhanced Disclosure of Fund Charges and Costs document for each sub-fund on our website.

Conflicts of Interest

From time to time, there may be situations that give rise to a material interest or conflict of interest. Such interests can arise between the interests of the ACD, the Investment Adviser, other persons associated with them and the interests of the sub-funds and their shareholders. A material interest or a conflict of interest can also arise

between the interests of different shareholders. In such circumstances the ACD will put in place effective organisational and administrative arrangements to manage and monitor the material interest or conflict of interest in a way that ensures shareholders are treated fairly, or where it is impractical to manage the conflict, it will be disclosed.

The ACD, the Investment Adviser and other persons associated with them may, from time to time, act as authorised corporate directors, investment managers or advisers to other persons, companies or funds which follow similar investment objectives to the sub-funds. It is therefore possible that the ACD and/or the Investment Adviser may in the course of their business have potential conflicts of interest with the Company or a particular sub-fund. Each of the ACD and the Investment Adviser will, however, have regard in such event to, amongst other things, its obligation to act in the best interests of the Company so far as practicable, having regard to its obligations to other clients, when undertaking any investment where potential conflicts of interest may arise. The Depositary may, from time to time, act as the depositary or trustee of other companies or funds.

Third Party Data Provider Disclaimer

No third party data provider ('Provider') makes any warranty, express or implied, as to the accuracy, completeness or timeliness of the data contained herewith nor as to the results to be obtained by recipients of the data. No Provider shall in any way be liable to any recipient of the data for any inaccuracies, errors or omissions in the index data included in this document, regardless of cause, or for any damages (whether direct or indirect) resulting therefrom.

No Provider has any obligation to update, modify or amend the data or to otherwise notify a recipient thereof in the event that any matter stated herein changes or subsequently becomes inaccurate.

Without limiting the foregoing, no Provider shall have any liability whatsoever to you, whether in contract (including under an indemnity), in tort (including

General Information cont.

Third Party Data Provider Disclaimer cont.

negligence), under a warranty, under statute or otherwise, in respect of any loss or damage suffered by you as a result of or in connection with any opinions, recommendations, forecasts, judgments, or any other conclusions, or any course of action determined, by you or any third party, whether or not based on the content, information or materials contained herein.

data contained in this communication. No further distribution of FTSE Data is permitted without FTSE's express written consent. FTSE does not promote, sponsor or endorse the content of this communication.

MSCI Index Data

The MSCI information may only be used for your internal use, may not be reproduced or re-disseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Historical data and analysis should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. The MSCI information is provided on an 'as is' basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating any MSCI information (collectively, the 'MSCI Parties') expressly disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages. (www.msci.com)

FTSE Index Data

"FTSE®" is a trade mark of the London Stock Exchange Group companies and is used by FTSE International Limited under licence. All rights in the FTSE indices and / or FTSE ratings vest in FTSE and / or its licensors. Neither FTSE nor its licensors accept any liability for any errors or omissions in the FTSE indices and / or FTSE ratings or underlying data and no party may rely on any FTSE indices, ratings and / or data underlying

General Information cont.

Minimum Lump Sum Investment Amounts and ACD's Annual Fee

	Class A	Class B	Class C	Class G ¹	Class K	Class Z
Minimum lump sum investments:						
Baillie Gifford British Smaller Companies Fund	£1,000	£1,000	£250,000	n/a	n/a	n/a
Baillie Gifford Global Alpha Growth Fund	£1,000	£1,000	£250,000	n/a	n/a	n/a
Baillie Gifford Global Income Growth Fund	£1,000	£1,000	£250,000	n/a	n/a	n/a
Baillie Gifford International Fund	£1,000	£1,000	£250,000	£250,000	n/a	n/a
Baillie Gifford Managed Fund	£1,000	£1,000	£250,000	n/a	£250,000	n/a
Baillie Gifford UK and Worldwide Equity Fund	n/a	£1,000	£250,000	n/a	n/a	n/a
Baillie Gifford UK Equity Alpha Fund	£1,000	£1,000	£250,000	£250,000	n/a	n/a
Baillie Gifford UK Equity Focus Fund	n/a	£1,000	£250,000	n/a	n/a	n/a
Glenfinlas Global Fund ²	n/a	n/a	n/a	n/a	n/a	n/a
ACD's annual fee:						
Baillie Gifford British Smaller Companies Fund	1.50%	0.65%	Nil	n/a	n/a	n/a
Baillie Gifford Global Alpha Growth Fund	1.42%	0.57%	Nil	n/a	n/a	n/a
Baillie Gifford Global Income Growth Fund	1.42%	0.57%	Nil	n/a	n/a	n/a
Baillie Gifford International Fund	1.42%	0.57%	Nil	0.50%	n/a	n/a
Baillie Gifford Managed Fund	1.50%	0.40%	Nil	n/a	0.32%	n/a
Baillie Gifford UK and Worldwide Equity Fund	n/a	0.45%	Nil	n/a	n/a	n/a
Baillie Gifford UK Equity Alpha Fund	1.40%	0.55%	Nil	0.50%	n/a	n/a
Baillie Gifford UK Equity Focus Fund	n/a	0.47%	Nil	n/a	n/a	n/a
Glenfinlas Global Fund ²	n/a	n/a	Nil	n/a	n/a	n/a

¹Class G Shares were launched on 6 February 2018.

²Glenfinlas Global Fund is no longer available for subscription.

General Information cont.

Active Share

Active Share is a measure of how actively managed a Fund is and is calculated by taking 100 minus the % of the Fund that overlaps with the comparative index. The Active Share as at the year end and the comparative index for each sub-fund is shown in the table below. The Active Share has been shown against these indices to highlight the active management style against what is deemed to be the most relevant index for each sub-fund.

Sub-fund	Active Share	Comparative Index
Baillie Gifford British Smaller Companies Fund	89%	FTSE Small Cap (ex-Investment Trust) Index
Baillie Gifford Global Alpha Growth Fund	91%	MSCI All Country World Index
Baillie Gifford Global Income Growth Fund	89%	FTSE All World Index
Baillie Gifford International Fund	91%	MSCI All Country World ex-UK Index
Baillie Gifford Managed Fund	84%	Mean of the Investment Association Mixed 40-85% Shares Sector ¹
Baillie Gifford UK and Worldwide Equity Fund	77%	Composite Index. 60% FTSE All Share Index and 40% overseas. The overseas element is made up of 28% FTSE North America Index; 28% FTSE Europe (ex UK) Index; 28% MSCI Pacific Index; and 16% MSCI Emerging Markets Index.
Baillie Gifford UK Equity Alpha	89%	FTSE All Share Index
Baillie Gifford UK Equity Focus Fund	82%	FTSE All Share Index

¹As this is a peer group benchmark, and therefore stock-level data is unavailable, we instead use an appropriately weighted composite of representative indices to estimate active share.

General Information cont.

Corporate Governance

The Investment Adviser has a clear and considered policy towards its shareholder responsibilities, following its own detailed guidelines, when addressing corporate governance matters at the companies in which it invests and actively exercising its votes. The Investment Manager recognises that companies operate under significantly differing conditions and for this reason it takes a pragmatic and flexible approach to corporate governance, whereby it applies its guidelines with care and gives due consideration to the specific circumstances of individual companies.

The Investment Adviser looks to have confidence in the quality and integrity of management. Consequently, its investment process involves keeping closely in touch with company management, learning how it plans to take the company's business forward and seeking to understand its goals and attitude towards shareholders. It believes that such dialogue is important in selecting successful investments and that it gets at the substance of corporate governance rather than concentrating merely on matters of form. Nevertheless, where the formal aspects of a company's corporate governance fall short of best practice and this is not fully supported by its circumstances, the Investment Adviser encourages improvements in face to face meetings and, where appropriate, votes against management recommendations at general meetings.

The Investment Adviser recognises that its right to vote on corporate proposals is the key formal mechanism by which shareholders play a role in a company's governance. It makes considered use of these votes and endeavours to contact companies to encourage improvements before it votes against management recommendations. Although the Investment Adviser generally supports management, it assesses each company proposal on its merits and avoids voting in a routine or mechanistic manner. In general, the Investment Adviser focuses on the issues it feels are most significant and where it can be most effective. Such issues include the alignment of management's interests

with those of shareholders, the effective operation of the board and its committees and the protection of shareholder rights.

The Investment Adviser's policy on social, environmental and ethical matters is integrated with its approach to corporate governance and, as such, it is based on dialogue and engagement rather than exclusion. Where appropriate, it discusses with company management those areas that may be most closely related to shareholder value such as sustainability, environmental impact, human rights and employee welfare. It also takes account of these matters in the selection, retention and realisation of investments, as part of its normal investment research and analysis process, where it thinks they may have a material impact on current or future valuations.

The Group's Funds

Authorised Unit Trusts

Baillie Gifford Cash Fund¹

Baillie Gifford Bond Funds ICVC

Baillie Gifford Active Gilt Plus Fund

Baillie Gifford Active Index-Linked Gilt Plus Fund

Baillie Gifford Active Long Gilt Plus Fund

Baillie Gifford Emerging Markets Bond Fund

Baillie Gifford High Yield Bond Fund

Baillie Gifford Investment Grade Bond Fund

Baillie Gifford Investment Grade Long Bond Fund

Baillie Gifford Strategic Bond Fund²

Baillie Gifford Investment Funds ICVC

Baillie Gifford Diversified Growth Fund

Baillie Gifford Long Term Global Growth Investment Fund

Baillie Gifford Multi Asset Growth Fund

Baillie Gifford Positive Change Fund

Baillie Gifford Investment Funds II ICVC

Baillie Gifford Global Select Fund

Baillie Gifford Japanese Income Growth Fund

Baillie Gifford Multi Asset Income Fund³

Baillie Gifford Sterling Aggregate Bond Fund

Baillie Gifford Sterling Aggregate Plus Bond Fund

Baillie Gifford UK Equity Core Fund

Baillie Gifford Overseas Growth Funds ICVC

Baillie Gifford American Fund

Baillie Gifford Developed Asia Pacific Fund

Baillie Gifford Emerging Markets Growth Fund

Baillie Gifford Emerging Markets Leading Companies Fund

Baillie Gifford European Fund

Baillie Gifford Global Discovery Fund

Baillie Gifford Greater China Fund

Baillie Gifford Japanese Fund

Baillie Gifford Japanese Smaller Companies Fund

Baillie Gifford Pacific Fund

Baillie Gifford UK & Balanced Funds ICVC

Baillie Gifford British Smaller Companies Fund

Baillie Gifford Global Alpha Growth Fund

Baillie Gifford Global Income Growth Fund

Baillie Gifford International Fund

Baillie Gifford Managed Fund

Baillie Gifford UK and Worldwide Fund

Baillie Gifford UK Equity Alpha Fund

Baillie Gifford UK Equity Focus Fund

Glenfinlas Global Fund⁴

¹On 28 September 2018 the Manager announced that termination of Cash Fund will commence on 30 November 2018.

²With effect from 1 May 2018 the name of Baillie Gifford Corporate Bond Fund was changed to Baillie Gifford Strategic Bond Fund.

³Baillie Gifford Multi Asset Income Fund launched on 31 August 2018.

⁴Glenfinlas Global Fund is no longer available for subscription.

**For further information about the Funds or
Baillie Gifford's range of OEICS, please:**

Contact us at: Client Relations Team
Baillie Gifford & Co Limited,
Calton Square, 1 Greenside Row,
Edinburgh EH1 3AN

Call our Client Relations Team on 0800 917 2113. Your call may be recorded for training or monitoring purposes.

Visit our website at www.bailliegifford.com, or email us on trusenquiries@bailliegifford.com.

Or fax us on 0131 275 3955.

