

30 August 2002

EDINBURGH US TRACKER TRUST PLC

Edinburgh US Tracker Trust aims to achieve long term growth of capital and income by tracking the performance of the S&P Composite Index.

Edinburgh US Tracker Trust is the only investment trust with the objective of tracking the performance of the S&P Composite Index.

INTERIM RESULTS FOR THE SIX MONTHS TO 31 JULY 2002

- ❑ NAV of 482.12p per share down 26.8% compared to a fall of 27% in the Index (in sterling terms)
- ❑ Share price down 32.7% to 444.0p
- ❑ Maintained interim dividend of 2.0p per share for the year to 31 January 2003

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For further information, please contact:-

David McCraw, Director
Edinburgh Fund Managers plc

0131 313 1000

Ian Massie, Director
Edinburgh Fund Managers plc

0131 313 1000

CHAIRMAN'S STATEMENT

The company continues to meet the objective of tracking the performance of the S&P Composite Index. During the period to 31 July 2002, the net asset value per share fell by 26.8% to 482.12p compared to a fall of 27.0% in the index (in sterling terms).

The sharp fall in US share prices was the result of a number of factors. The far-reaching implications of the failure of Enron had a marked impact on financial institutions and the utilities industry. Investor confidence was further affected by accounting irregularities, profit warnings and corporate failures. This steady flow of negative news drove US share prices to their lowest levels since 1997. For sterling based investors the poor returns from US equities were exacerbated by the weakness of the US dollar against sterling, which fell from \$1.41 to \$1.56.

The fall in the company's share price of 32.7% to 444.0p reflected the decline in the net asset value per share plus the impact of the shares moving from a premium to a discount to net asset value of 7.9% at 31 July 2002. It is encouraging to note that the discount of the company's shares to net asset value had improved to 4.2% by 28 August 2002.

The revenue per share rose slightly from 2.32p to 2.50p per share. The directors have declared an interim dividend of 2.00p (2001-2.00p) per share for the year to 31 January 2002 payable on 11 October 2002 to shareholders on the register on 13 September 2002.

Continuation Vote

Your board was encouraged by the continued support for the company as expressed by the vote for continuation at the Annual General Meeting in May. 99.9% of the 4.1 million shares voted by proxy, (19% of the issued share capital), were in favour of continuation.

Investment Activity

The level of activity in the portfolio remained at relatively low levels. This reflected changes to the constituents of the index and investment of the proceeds from the issue of new shares. The main changes to the constituents of the index were driven by the decision of S&P to replace non-US companies in the index in order to ensure that the index reflected the performance of US companies only. Two European companies, Royal Dutch Petroleum and Unilever, and five Canadian companies, Nortel Networks, Alcan, Barrick Gold, Placer Dome and Inco, were relegated from the index and replaced by United Parcel Service, Goldman Sachs, Prudential Financial, eBay, Principal Financial, Electronic Arts and Sungard Data Systems. Additional portfolio activity was generated from the investment of £1.3 million arising from the issue of 200,000 new shares at a premium to net asset value. The total value of purchases amounted to £16.6 million while sales totalled £14.7 million.

Edinburgh US Tracker Trust is the only UK investment trust to track the performance of the S&P Composite Index and provides shareholders with a broadly diversified portfolio which invests in the top 500 companies in the USA. The strategy employed by the company to track the index is full replication of the index constituents. This means that the company holds every stock making up the index in an amount that equals the stock's proportionate weight in the index. Since the investment objective of the company was revised in June 1997, the capital performance has closely matched that of the index which confirms the reliability of the tracking methodology employed by the company.

Outlook

Investor sentiment remains depressed following the poor returns from equities and the loss of trust in corporate America. Legislative steps have been taken to regain the confidence of investors with changes aimed at improving US corporate governance. The Securities and Exchange Commission continues to reform and enforce the responsibilities of management and the roles of auditors. It remains to be seen where the right balance is achieved so an improvement in the climate may take time to emerge. In the near term, while share prices are expected to remain volatile, a recovery in corporate profits will be an essential building block in persuading investors to return to the equity markets.

Sir Angus Grossart, Chairman

30 August 2002

STATEMENT OF TOTAL RETURN
for the six months to 31 July 2002 (unaudited)

	Revenue £000	Capital £000	Total £000
Realised losses on investments	-	(6,197)	(6,197)
Decrease in unrealised appreciation	-	(150,124)	(150,124)
Foreign exchange losses	-	(217)	(217)
Investment income	3,941	-	3,941
Interest receivable	22	-	22
Other income	4	-	4
Investment management fee	(606)	-	(606)
Administrative expenses	(199)	-	(199)
Return on ordinary activities before taxation	3,162	(156,538)	(153,376)
Taxation	(951)	-	(951)
Return on ordinary activities after taxation	2,211	(156,538)	(154,327)
Dividends	(1,775)	-	(1,775)
	436	(156,538)	(156,102)
Return per ordinary share	2.50p	(177.12p)	(174.62p)
Dividend per ordinary share	2.00p		

for the six months to 31 July 2001 (unaudited)

	Revenue £000	Capital £000	Total £000
Realised gains on investments	-	1,856	1,856
Decrease in unrealised appreciation	-	(58,403)	(58,403)
Foreign exchange gains	-	148	148
Income from investments	3,694	-	3,694
Interest receivable	42	-	42
Investment management fee	(744)	-	(744)
Administrative expenses	(203)	-	(203)
Return on ordinary activities before taxation	2,789	(56,399)	(53,610)
Taxation	(834)	-	(834)
Return on ordinary activities after taxation	1,955	(56,399)	(54,444)
Dividends	(1,706)	-	(1,706)
	249	(56,399)	(56,150)
Return per ordinary share	2.32p	(66.93p)	(64.61p)
Dividend per ordinary share	2.00p		

For the year to 31 January 2002 (audited)

	Revenue £000	Capital £000	Total £000
Realised gains on investments	-	288	288
Decrease in unrealised appreciation	-	(90,394)	(90,394)
Foreign exchange gains	-	224	224
Income from investments	7,696	-	7,696
Interest receivable	105	-	105
Investment management fee	(1,433)	-	(1,433)
Administrative expenses	(439)	-	(439)
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Return on ordinary activities before taxation	5,929	(89,882)	(83,953)
Taxation	(1,766)	-	(1,766)
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Return on ordinary activities after taxation	4,163	(89,882)	(85,719)
Dividends	(4,219)	-	(4,219)
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	(56)	(89,882)	(89,938)
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Return per ordinary share	4.88p	(105.27p)	(100.39p)
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Dividend per ordinary share	4.85p		
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BALANCE SHEET

	At 31 July 2002 £000	At 31 January 2002 £000	At 31 July 2001 £000
Fixed assets			
Investments	425,75	580,194	588,476
Current assets			
Debtors	560	2,069	738
Cash and short term deposits	2,46	2,977	2,907
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	3,02	5,046	3,645
Creditors: amounts falling due within one year	2,55	4,174	2,601
Net current assets/(liabilities)	473	872	1,044
	426,23	581,066	589,520
Provision for liabilities and charges	(133)	(154)	(169)
	426,09	580,912	589,351
Capital and reserves			
Called up share capital	22,09	22,045	21,066
Other reserves	404,00	558,867	568,285
Total equity shareholders' funds	426,09	580,912	589,351
Net asset value per equity share	482.12p	658.77p	699.35p

CASHFLOW STATEMENT

	6 months to 31 July 2002	6 months to 31 July 2001	12 months to 31 January 2002
	£000	£000	£000
Revenue before interest and taxation	3,16	2,78	5,92
Decrease in accrued income	70	(37)	16
Increase in other debtors	(32)	(78)	13
Decrease in creditors	(144)	(95)	(101)
Expenses charged to capital	(4)	-	-
Net cash inflow from operating activities	3,05	2,57	5,85
Total tax paid	(870)	(731)	(1,76
Net cash outflow from financial investment	(2,56	(7,23	(31,82
Equity dividends paid	(2,52	(2,37	(4,07
Net cash outflow before financing	(2,90	(7,75	(31,81
Net cash inflow from financing	2,61	7,27	(31,31
DECREASE IN CASH AND CASH EQUIVALENTS	(296)	(489)	(495)

NOTES :

1. The accounts are prepared under the same accounting policies used for the year to 31 January 2002.
2. The interim dividend for the year ended 31 January 2003 will be paid on 11 October 2002 to shareholders on the register at the close of business on 13 September 2002. The ex-dividend date is 11 September 2002.
3. The financial statements set out above do not represent full accounts in accordance with Section 240 of the Companies Act 1985. The financial information for the year ended 31 January 2002 has been extracted from the Annual Report and Accounts of the Company which have been filed with the Registrar of Companies. The auditors' report on those accounts was unqualified.
4. The Interim Report will be posted to shareholders on 19 September 2002 and copies will be available from the investment manager.

Please note that past performance is not necessarily a guide to the future and that the value of investments and the income from them may fall as well as rise and may be affected by exchange rate movements. Investors may not get back the amount they originally invested.

For Edinburgh US Tracker Trust plc
Edinburgh Fund Managers plc, Secretary

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