



SVM Global Fund plc

Interim Report 31 March 2008

Highlights

- Net asset value (“NAV”) falls by only 2%
- NAV outperforms benchmark by more than seven per cent
- Shares continue to trade at around parity
- Multi strategy provides protection in an adverse market

“The investment objective of the Company is long term capital growth through a diversified multi-strategy portfolio and unique access to specialist funds including hedge and private equity.”

Chairman's Statement

Last year the Managers of the Fund reduced its overall market exposure. As a result, it has again performed well in difficult conditions. Specifically, over the six months to 31 March 2008, the net asset value slipped by only 2.1%, compared with a drop of 9.2% in the benchmark – the FTSE World Index. This 7% outperformance of the benchmark maintains the Fund's consistently good record. Over three, five and ten year periods the Fund has now scored *annualised* gains over the benchmark of 9.3%, 10.0% and 7.6% respectively.

PORTFOLIO

The Fund remains committed to investing in a wide number of diverse global markets. The Managers' strategy of being overweight in developing markets and underweight in mature markets remains intact. They have been reluctant to invest in the US, Japan and Europe, which explains much of the Fund's success. Developing markets' higher growth rates, current account surpluses and appreciating currencies have contrasted starkly with the sluggish equivalent numbers in mature markets. Currency movements have been a key factor in investment decisions. The wide international focus of the Fund has enabled it to limit exposure to some of the worst performing currencies, such as the US dollar and Sterling.

So it will be no surprise that best returns have come from our investments in the hedge fund and emerging markets sections of the portfolio. On the downside, our investments in funds exposed to property and mature markets have proved a disappointment.

The Managers have increased their investments in funds which are less dependent on equity markets for high returns. They estimate that, when gearing is taken into account, the effective overall market exposure is around 80% and believe that this gives the Fund attractive risk/reward characteristics, offering the opportunity for outperformance in both rising and falling markets.

GEARING

The Board and Managers are comfortable with the current gearing level of 10% although we still retain a policy limit on borrowing of 20% of gross assets. It is the Board's intention that gearing remains at

current levels unless market circumstances change dramatically.

SHARE ISSUE

The discount on our shares has been relatively stable over the six month reporting period. Indeed, they have often traded at a small premium. While others have seen their discounts widen, our shares have traded around parity for much of the period.

No shares were issued or bought back in the six month period but on 22 April we issued 525,000 shares at 438 pence to satisfy market demand. The price represented a premium of 3% to market value on the day.

The Board remains vigilant over the discount/premium on the shares. We are ready to buy back shares at a discount or issue them at a premium when it is in the interests of shareholders. We and the Managers believe that our willingness to use our powers actively do this, where appropriate, differentiates us from our peers and has contributed to the high rating the Fund enjoys in the market.

OUTLOOK

The Managers remain cautiously optimistic on markets over the medium term but feel that equities are likely to face a rougher ride than they have over much of the last five years. Despite all the stock exchange uncertainty, it is important to note that the global economy continues to grow and that there are still attractive opportunities, especially in the less developed markets.

The consolidation phase in current markets makes stockpicking more important than ever. In such conditions, good managers will shine and bad ones tested. We are confident that the Managers' stockpicking record equips them ideally for the present conditions.

The Fund is well invested and, with its mixture of relative and absolute return focused funds, has good prospects of continuing to deliver above average returns.

Senator Shane Ross
Chairman
12 May 2008

Unaudited Accounts

Income Statement	6 months 31 March 2008 £000	6 months 31 March 2007 £000
Revenue Return		
Income	1,216	595
Interest charge allocated to revenue	(100)	(39)
Expenses allocated to revenue	(170)	(172)
Net revenue return after tax	946	384
Capital return		
Gains/(losses) on investments	(1,893)	27,653
Interest charge allocated to capital	(904)	(356)
Expenses allocated to capital	(2,436)	(2,128)
Net capital return after tax	(5,233)	25,169
Total return after tax	(4,287)	25,553
Return per ordinary share		
Revenue	1.67p	0.70p
Capital	(9.25p)	46.16p
Total	(7.58p)	46.86p

Cash Flow Statement	6 months 31 March 2008 £000	6 months 31 March 2007 £000
Net cash flow from operating activities	315	(850)
Returns from investment and servicing of finance	(1,004)	(395)
Purchases of investments	(12,678)	(43,521)
Sales of investments	15,253	30,589
Issue of shares	–	6,138
Equity dividends paid	(707)	(683)
Movement in cash	1,179	(8,722)

Unaudited Accounts

Balance Sheet	30 September 2007 £000	31 March 2008 £000	31 March 2007 £000
Fixed asset – investments	264,208	260,731	244,234
Net current liabilities	(22,764)	(24,281)	(21,492)
Shareholders' funds	241,444	236,450	222,742
Net Asset Value per share	426.81p	417.98p	399.04p

Notes

1. These are not full accounts in terms of the Companies Act 1985. Audited accounts for the year to 30 September 2007, which were unqualified, have been lodged with the Registrar of Companies.
2. Investment management fees and bank overdraft interest have been allocated 10% to revenue and 90% to capital (2007 – same).

Investment Portfolio

Company	Valuation £000	Total Assets %
1 Eurovestech	10,690	4.5
2 Merrill Lynch World Mining	9,034	3.8
3 JP Morgan Russian Securities	8,898	3.8
4 Horseman Global Fund	8,544	3.6
5 Firebird Republics Fund	8,337	3.5
6 Firebird New Russia Fund	7,767	3.3
7 Ceiba Investments	7,712	3.3
8 Ukraine Investment Fund	6,801	2.9
9 Value Partners China Greenchip Fund	6,495	2.7
10 Prosperity Voshkod Fund	6,399	2.7
Ten largest investments	80,677	34.1
Other investments	183,531	76.2
Total investments	264,208	110.3

Company Information

Directors

Senator Shane P N Ross (Chairman)
Terence G Arthur
Graham M Fuller
Daniel H Hodson
Peter J Hulse
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