

**EUROPEAN WEALTH INVESTMENT FUND plc**  
**(An umbrella fund with segregated liability between sub-funds)**

**CONDENSED INTERIM REPORT & UNAUDITED FINANCIAL STATEMENTS**

**FOR THE SIX MONTHS ENDED 30 JUNE 2015**

*[Registered Number: 323527]*

# EUROPEAN WEALTH INVESTMENT FUND plc

## Contents

	Page No.
Contents	1
Company Information	2
<b>Hume European Opportunities Fund</b>	
Unaudited Investment Manager's Report	3 – 4
Unaudited Schedule of Investments	5 – 7
Unaudited Significant Fund Movements	8
<b>Hume Global Opportunities Fund</b>	
Unaudited Investment Manager's Report	9
Unaudited Schedule of Investments	10 – 13
Unaudited Significant Fund Movements	14
<b>European Wealth Sterling Bond Fund</b>	
Unaudited Investment Manager's Report	15
Unaudited Schedule of Investments	16 – 18
Unaudited Significant Fund Movements	19
Unaudited Statement of Financial Position	20 – 21
Unaudited Statement of Comprehensive Income	22 – 23
Unaudited Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares	24 – 25
Unaudited Statement of Cash Flows	26 – 27
Notes to the Condensed Financial Statements	28 – 37

# EUROPEAN WEALTH INVESTMENT FUND plc

## COMPANY INFORMATION

### DIRECTORS

James Dewhurst\*  
Brian McDermott\*  
John Morton \*  
Tom Coghlan\*\*

### REGISTERED OFFICE

25/28 North Wall Quay  
Dublin 1  
Ireland

### INVESTMENT MANAGERS

*For: European Wealth Sterling Bond Fund*  
European Investment Management Limited  
Ellenborough House  
Wellington Street  
Cheltenham  
Gloucestershire GL50 1YD  
United Kingdom

*For: Hume European Opportunities Fund*

*For: Hume Global Opportunities Fund*

Hume Capital Management Limited  
New Liverpool House  
15-17 Eldon Street  
London EC2M 7LD  
United Kingdom

### CUSTODIAN

HSBC Institutional Trust Services (Ireland) Limited  
1 Grand Canal Square  
Grand Canal Harbour  
Dublin 2  
Ireland

### SECRETARY

Goodbody Secretarial Limited  
International Financial Services Centre  
North Wall Quay  
Dublin 1  
Ireland

### PROMOTERS

European Investment Management Limited  
Ellenborough House  
Wellington Street  
Cheltenham  
Gloucestershire GL50 1YD  
United Kingdom

### SPONSORING BROKER

A & L Listing Limited  
International Financial Services Centre  
North Wall Quay  
Dublin 1  
Ireland

### LEGAL ADVISERS TO THE COMPANY

A & L Goodbody Solicitors  
International Financial Services Centre  
North Wall Quay  
Dublin 1  
Ireland

### ADMINISTRATOR AND REGISTRAR

HSBC Securities Services (Ireland) Limited  
1 Grand Canal Square  
Grand Canal Harbour  
Dublin 2  
Ireland

### INDEPENDENT AUDITOR

KPMG  
1 Harbourmaster Place  
International Financial Services Centre  
Dublin 1  
Ireland

\* Non-executive

\*\* Independent non-executive

**EUROPEAN WEALTH INVESTMENT FUND plc**  
**HUME EUROPEAN OPPORTUNITIES FUND**  
**UNAUDITED INVESTMENT MANAGER'S REPORT**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2015**

After faltering in the first few days of the New Year, European equity markets recovered their poise and zipped ahead in the first few months of the year, generating at their peak, a return of almost ten percent in local currency terms. However, spring brought with it renewed uncertainty and markets fell back, giving up almost all of those gains. By the half way period, Europe's equity markets had returned just over three percent in Sterling terms.

Many of the same drivers of investment sentiment that we had highlighted in our review of the previous financial year remained in place or, like Banquo's ghost, returned to spoil the party. Principal among these was Greece and the crisis surrounding its finances. Not unlike a Shakespearean tragedy, there were too many twists and turns to relate here but as the period ended, one of the EU's great jousts of brinkmanship had failed to produce the expected compromise by both the government of Greece and its creditors, the EU, IMF and the European Central Bank, collectively known as "the institutions". In a final gesture of defiance, the Greek Prime Minister, Alexis Tsipras, suddenly called for a referendum, to take place AFTER the end-June deadline had passed in order to ask the Greek people whether they would accept the demands of their creditors or instead, vote for an end to austerity. Naturally, the referendum was widely portrayed as a vote on Greece's membership of the Eurozone. Unsurprisingly the Greek public voted against a continuation of austerity, though they also took to the streets in large numbers to make it clear that they wanted to remain firmly in the Eurozone. Though this was what the EU's politician's also wanted, it probably wasn't a great negotiating tactic. Within a week of the result of the referendum, Mr Tsipras was back in the Greek Parliament arguing for the adoption of an even tougher package of measures in order to get less money than was being offered before but with the bonus of a promise of negotiations on the terms of a third bailout. Thus, in something of an anti-climax, the Greek crisis has been "resolved" – well at least for the time being.

Perhaps the biggest surprise of the period came in the UK where the Conservative Party defied both the pundits and the pollsters and gained an overall majority in the UK Parliament.

On the corporate front, company profits proved generally supportive. This was despite many UK companies having significant currency headwinds to counter as Sterling was strong. Though there were a few sectors of weakness, e.g. oil companies and mining companies, most others produced positive news, not least because companies have realised that in order to compete, they have to continue the process of cutting costs and exiting businesses or projects in which they cannot generate an adequate return on capital.

Merger and acquisition activity has been less pronounced in Europe than it has been elsewhere but restructuring continues apace and the new issue market has been fairly robust. Two of our holdings, Telecity and TNT Express were the recipients of takeover bids.

The performance of your fund has been encouraging. Over the period it generated a return of 5.2% versus 3.4% from European equity markets. It also out-performed its Lipper peer group which returned 3.8% in the first six months of the year.

**EUROPEAN WEALTH INVESTMENT FUND plc**

**HUME EUROPEAN OPPORTUNITIES FUND  
UNAUDITED INVESTMENT MANAGER'S REPORT  
FOR THE SIX MONTHS ENDED 30 JUNE 2015 (Continued)**

The main contributors to this performance were Banco Popolare Cooperativa SCRL, Cie St Gobain, Direct Line Insurance, Faurecia, Infineon Technologies, Intesa Sanpaolo, Renault, Telecom Italia, and Television Francaise 1 (TF1) among the large cap names in the portfolio. It was also pleasing to see a few of the second-liners we hold contribute strongly, e.g. Falcon Oil & Gas, Haydale Graphene, Quantum Pharma and Volex.

In terms of activity, we introduced holdings in Greencore Group, Lloyds Bank, and Darty. We also bought and then sold, both Mortgage Advice Bureau and Arrow Global after their shares rose over 20% in just a few weeks. On the other hand, we sold our positions in Deltex Medical, Bango plc, Torotrak, ENI Spa, Telecity and TNT Express, while taking profits in Georg Fisher, Infineon Technologies and Telecom Italia following strong performance.

**Hume Capital Management Limited  
July 2015**

**EUROPEAN WEALTH INVESTMENT FUND plc**

**HUME EUROPEAN OPPORTUNITIES FUND  
UNAUDITED SCHEDULE OF INVESTMENTS  
AS AT 30 JUNE 2015**

No. of Shares	Financial assets at fair value through profit or loss	Fair Value GBP	% of Net Assets
<b><u>Equities</u></b>			
<b>Canada</b> (Dec 2014: 0.52%)			
412,889	Falcon Oil and Gas	33,547	0.86
		33,547	0.86
<b>Denmark</b> (Dec 2014: 1.76%)			
6,020	Lundbeck	74,409	1.90
		74,409	1.90
<b>Finland</b> (Dec 2014: 4.02%)			
4,000	KCI Konecranes	74,868	1.91
20,000	Nokia	87,449	2.23
		162,317	4.14
<b>France</b> (Dec 2014: 15.13%)			
3,500	Faurecia	93,091	2.37
2,007	Renault	134,716	3.44
2,500	Saint Gobain	72,853	1.86
9,290	TF1 (TV FSE 1)	103,317	2.64
3,000	Total SA	94,409	2.41
5,000	Vivendi	81,276	2.07
		579,662	14.79
<b>Germany</b> (Dec 2014: 2.76%)			
10,000	Infineon Technologies	80,173	2.05
		80,173	2.05
<b>Ireland</b> (Dec 2014: Nil)			
25,000	Greencore Group	77,713	1.98
		77,713	1.98
<b>Italy</b> (Dec 2014: 13.48%)			
4,128	Banco Popolare Societa Cooperative NPV	43,897	1.12
4,000	Danieli	52,341	1.34
6,000	Generali	69,717	1.78
50,000	Intesa	117,190	2.99
125,000	Telecom Italia	80,849	2.06
		363,994	9.29

**EUROPEAN WEALTH INVESTMENT FUND plc**

**HUME EUROPEAN OPPORTUNITIES FUND  
UNAUDITED SCHEDULE OF INVESTMENTS  
AS AT 30 JUNE 2015 (Continued)**

No. of Shares	Financial assets at fair value through profit or loss	Fair Value GBP	% of Net Assets
<b><u>Equities (continued)</u></b>			
<b>Netherlands</b> (Dec 2014: 6.13%)			
1,791	Gemalto NV	103,823	2.65
6,588	Qiagen NMBC NPV	102,237	2.61
		206,060	5.26
<b>Spain</b> (Dec 2014: 2.03%)			
18,282	Acerinox	85,049	2.17
		85,049	2.17
<b>Switzerland</b> (Dec 2014: 12.12%)			
8,602	ABB	116,609	2.98
150	Georg Fischer	66,376	1.69
600	Roche	108,687	2.77
55	SGS Surveillance	64,487	1.64
450	Syngenta	118,199	3.02
		474,358	12.10
<b>United Kingdom</b> (Dec 2014: 36.07%)			
7,250	Accesso Technology Group	40,237	1.03
10,500	Arm Holdings	111,352	2.84
30,000	BP	127,147	3.24
10,715,000	Cyan Holdings Warrant	-	-
25,667	Darty	17,967	0.46
22,916	Direct Line Insurance	77,147	1.97
47,619	Haydale Graphene Industries	55,000	1.40
7,000	Hill & Smith Holdings	47,250	1.20
50,000,000	Hume Capital Securities*	42,500	1.08
75,000	Inland	52,781	1.35
353,790	ITM Power	98,619	2.52
39,325	Lakehouse Limited	37,850	0.97
125,000	Lloyds Banking Group	107,175	2.74
75,000	Non-Standard Finance	76,875	1.96
160,000	Outsourcing	38,400	0.98
50,000	Quantum Pharma	77,500	1.98
3,850	Rio Tinto	103,036	2.63
31,540	Royal Bank of Scotland	112,393	2.87
8,086	Smiths Group	91,008	2.32
25,774	SSP Group	73,611	1.88

\* Investment in a related party entity and this investment has been delisted during the period due to the inadequate capital commitment.

**EUROPEAN WEALTH INVESTMENT FUND plc**

**HUME EUROPEAN OPPORTUNITIES FUND  
UNAUDITED SCHEDULE OF INVESTMENTS  
AS AT 30 JUNE 2015 (Continued)**

No. of Shares	Financial assets at fair value through profit or loss	Fair Value GBP	% of Net Assets
<b><u>Equities (continued)</u></b>			
<b>United Kingdom (continued)</b>			
46,918	Vodafone	109,225	2.79
50,000	Volex	41,313	1.05
		1,538,386	39.26
	<b>Total financial assets at fair value through profit or loss</b>	3,675,668	93.80
	<b>Other assets and liabilities</b>	242,919	6.20
	<b>Net assets attributable to holders of redeemable participating shares</b>	<b>3,918,587</b>	<b>100.00</b>
<b><u>Analysis of Total Assets</u></b>		<b>Fair Value GBP</b>	<b>% of Total Assets</b>
	Transferable securities	3,675,668	92.83
	Cash and other assets	283,981	7.17
	Total assets	3,959,649	100.00

All of the above securities are listed on a regulated exchange or other regulated market unless otherwise disclosed.



**EUROPEAN WEALTH INVESTMENT FUND plc**

**HUME EUROPEAN OPPORTUNITIES FUND  
UNAUDITED SIGNIFICANT FUND MOVEMENTS  
DURING THE SIX MONTHS ENDED 30 JUNE 2015**

<b>Financial assets at fair value through profit or loss</b>	<b>Purchase Amount GBP</b>	<b>Sale Amount GBP</b>
Arrow Global Group	78,871	(93,357)
Bango	-	(25,273)
Centamin	-	(65,183)
Cyan Holdings	-	(41,028)
Darty	17,028	-
Deltex Medical Group	-	(26,183)
ENI	-	(113,751)
Generali	-	(72,023)
Georg Fischer	-	(53,142)
Greencore	73,804	-
HSBC Holdings	-	(143,804)
Infineon Technologies	-	(63,019)
Lakehouse	34,999	-
Lloyds Banking Group	94,914	-
Mortgage Advice Bureau Holdings	27,103	(32,966)
Non-Standard Finance	75,000	-
Quantum Pharma	-	(33,715)
Roche	-	(40,364)
SSP Group	75,838	-
Telecity	-	(132,372)
Telecom Italia	-	(75,441)
TNT Express	-	(99,171)
Torotrak	-	(2,581)
Total SA	-	(93,081)
Vivendi	-	(51,358)

**EUROPEAN WEALTH INVESTMENT FUND plc**

**HUME GLOBAL OPPORTUNITIES FUND  
UNAUDITED INVESTMENT MANAGER'S REPORT  
FOR THE SIX MONTHS ENDED 30 JUNE 2015**

After faltering in the first few days of January, global equity markets recovered their poise and zipped ahead in the early months of the year, generating, at their peak, a return of almost ten percent in USD terms and almost double that in Sterling terms. However, spring brought with it renewed uncertainty and by the half way period, world equity markets had fallen back, returning just under two percent in Sterling terms.

Many of the same drivers of investment sentiment that we had highlighted in our review of the previous financial year remained in place or, like Banquo's ghost, returned to spoil the party. Principal among these was Greece and the crisis surrounding its finances. Not unlike a Shakespearean tragedy, there were too many twists and turns to relate here but as the period ended, one of the EU's great jousts of brinkmanship had failed to produce the expected compromise by both the government of Greece and its creditors, the EU, IMF and the European Central Bank, collectively known as "the institutions". Elsewhere, the concerns about a slowdown in China persist, as does the obsession with when the US Federal Reserve is likely to increase interest rates. Despite having ended their programme of "Quantitative Easing" in October last year and indicating that they would make a start at some point to move to a more normal level of interest rates, Fed Chair, Janet Yellen has also remained true to her word that the Fed would be "patient" and be driven by the economic data before moving to raise rates. Perhaps the biggest surprise of the period came in the UK where the Conservative Party defied both the pundits and the pollsters and gained an overall majority in the UK Parliament.

On the corporate front, company profits proved generally supportive. This was no mean feat as in the US and UK, many companies had significant currency headwinds to counter as both Sterling and particularly the US Dollar were strong. Though there were a few sectors of weakness, e.g. oil companies and mining companies, most others produced positive news, not least because companies have realised that in order to compete, they have to continue the process of cutting costs and exiting businesses or projects in which they cannot generate an adequate return on capital.

Not unrelated to this dynamic, has been the noticeable increase in merger and acquisition activity. This has been especially prominent in the Healthcare sector but also included takeovers of such names as Kraft Foods, Aga Rangemaster and Rexam one of the world's largest manufacturers of aluminium cans. Two of our holdings, Telecity and TNT Express were the recipients of takeover bids.

The performance of your fund has been encouraging. Over the period it generated a return of 2.7% versus 1.9% from global equity markets. It also out-performed its Lipper peer group which returned 1.2% in the first six months of the year.

The main contributors to this performance were CK Hutchison Holdings, Dah Sing Banking Group, Faurecia, Infineon Technologies, Intesa Sanpaolo Valero Energy, Walt Disney and Yamaha Corp among the large cap names in the portfolio. It was also pleasing to see a few of the second-liners we hold contribute strongly, e.g. Falcon Oil & Gas, Haydale Graphene and Volex.

In terms of activity, we introduced holdings in Greencore Group, Lloyds Bank, Nokia and Darty. We also bought and then sold, Arrow Global after its shares rose over 20% in just a few weeks. On the other hand, we sold our positions in Deltex Medical, Bango plc, Torotrak, ENI Spa, Telecity and TNT Express, while taking profits in Infineon Technologies following strong performance.

**Hume Capital Management Limited  
July 2015**

**EUROPEAN WEALTH INVESTMENT FUND plc**

**HUME GLOBAL OPPORTUNITIES FUND  
UNAUDITED SCHEDULE OF INVESTMENTS  
AS AT 30 JUNE 2015**

No. of Shares	Financial assets at fair value through profit or loss	Fair Value GBP	% of Net Assets
<b><u>Equities</u></b>			
<b>Australia</b> (Dec 2014: 1.68%)			
11,500	Computershare	65,617	1.47
6,175	Prana Biotechnology	4,538	0.10
		70,155	1.57
<b>Canada</b> (Dec 2014: 0.42% )			
360,000	Falcon Oil and Gas	29,250	0.65
		29,250	0.65
<b>China</b> (Dec 2014:1.66%)			
525	Baidu	66,968	1.50
		66,968	1.50
<b>Finland</b> (Dec 2014 : Nil)			
15,000	Nokia	65,586	1.47
		65,586	1.47
<b>France</b> (Dec 2014: 1.80%)			
3,500	Faurecia	93,091	2.08
		93,091	2.08
<b>Germany</b> (Dec 2014: 1.76%)			
8,000	Infineon Technologies	64,138	1.43
		64,138	1.43
<b>Hong Kong</b> (Dec 2014: 4.97%)			
56,250	Cathay Pacific	87,849	1.97
7,592	Cheung Kong Property	39,985	0.89
7,592	CK Hutchison	71,153	1.59
70,000	Dah Sing Banking	97,373	2.18
		296,360	6.63
<b>Ireland</b> (Dec 2014 : Nil)			
25,000	Greencore Group	77,713	1.74
		77,713	1.74
<b>Italy</b> (Dec 2014: 4.59%)			
5,800	Generali	67,393	1.51
40,000	Intesa	93,752	2.09
		161,145	3.60

**EUROPEAN WEALTH INVESTMENT FUND plc**

**HUME GLOBAL OPPORTUNITIES FUND  
UNAUDITED SCHEDULE OF INVESTMENTS  
AS AT 30 JUNE 2015 (Continued)**

No. of Shares	Financial assets at fair value through profit or loss	Fair Value GBP	% of Net Assets
<b><u>Equities (continued)</u></b>			
<b>Japan</b> (Dec 2014: 6.67%)			
20,000	Citizen Watch	88,864	1.99
16,000	Taiyon Nippon Sanso	123,018	2.75
10,000	Yamaha	128,490	2.87
		340,372	7.61
<b>Netherlands</b> (Dec 2014: 3.72%)			
759	Gemalto NV	43,999	0.98
5,400	Qiagen NMBC NPV	83,801	1.88
		127,800	2.86
<b>Singapore</b> (Dec 2014: 2.00%)			
9,350	DBS Group	91,451	2.04
		91,451	2.04
<b>Sweden</b> (Dec 2014: 2.21%)			
9,000	Assa Abloy	108,873	2.43
		108,873	2.43
<b>Switzerland</b> (Dec 2014: 3.42%)			
540	Roche	97,818	2.19
315	Syngenta	82,739	1.85
		180,557	4.04
<b>Taiwan</b> (Dec 2014: 2.13%)			
6,925	Taiwan Semiconductor	98,623	2.21
		98,623	2.21
<b>United Kingdom</b> (Dec 2014: 19.26%)			
5,000	Accesso Technology	27,750	0.62
7,150	Arm Holdings	75,826	1.70
20,000	BP	84,765	1.90
7,177,500	Cyan Holdings Warrant	-	-
25,667	Darty	17,967	0.40
35,714	Haydale Graphene Industries	41,249	0.92
22,000,000	Hume Capital Securities*	18,700	0.42
250,000	ITM Power	69,688	1.56
100,000	Lloyds Banking Group	85,740	1.92

\* Investment in a related party entity and this investment has been delisted during the period due to the inadequate capital commitment.

**EUROPEAN WEALTH INVESTMENT FUND plc**

**HUME GLOBAL OPPORTUNITIES FUND  
UNAUDITED SCHEDULE OF INVESTMENTS  
AS AT 30 JUNE 2015 (Continued)**

No. of Shares	Financial assets at fair value through profit or loss	Fair Value GBP	% of Net Assets
<b><u>Equities (continued)</u></b>			
<b>United Kingdom (continued)</b>			
120,000	Outsourcery	28,800	0.64
2,620	Rio Tinto	70,118	1.57
22,500	Royal Bank of Scotland	80,179	1.79
5,720	Smiths Group	64,378	1.44
27,476	SSP Group	78,471	1.75
27,272	Vodafone Group	63,489	1.42
50,000	Volex	41,313	0.92
		848,433	18.97
<b>United States (Dec 2014: 36.80%)</b>			
4,000	Allison Transmission	74,399	1.66
1,040	Amgen	100,311	2.24
2,541	Apple	201,350	4.50
5,750	Cisco Systems	100,729	2.25
3,000	Citigroup	104,736	2.34
6,100	Corning	76,434	1.71
1,585	Cullen/Frost Bankers	79,265	1.77
1,742	Exxon Mobil	91,805	2.05
4,000	General Motors	84,553	1.89
3,200	Invensense	31,037	0.70
2,000	JP Morgan	85,526	1.91
1,735	Las Vegas Sands	55,335	1.24
4,000	Microsoft	112,941	2.53
1,100	Parker-Hannifin	80,981	1.81
1,500	Tribune Company	50,727	1.14
2,425	Valero Energy	93,456	2.09
3,577	Verizon Communications	106,448	2.38
1,625	Walt Disney	116,892	2.62
		1,646,925	36.83
	<b>Total financial assets at fair value through profit or loss</b>	4,367,440	97.66
	<b>Other assets and liabilities</b>	104,466	2.34
	<b>Net assets attributable to holders of redeemable participating Shares</b>	4,471,906	100.00

**EUROPEAN WEALTH INVESTMENT FUND plc**

**HUME GLOBAL OPPORTUNITIES FUND  
UNAUDITED SCHEDULE OF INVESTMENTS  
AS AT 30 JUNE 2015 (Continued)**

<b>Analysis of Total Assets</b>	<b>Fair Value GBP</b>	<b>% of Total Assets</b>
Transferable securities	4,367,440	96.69
Cash and other assets	149,570	3.31
Total assets	4,517,010	100.00

All of the above securities are listed on an official stock exchange or other regulated market unless otherwise disclosed.

**EUROPEAN WEALTH INVESTMENT FUND plc**

**HUME GLOBAL OPPORTUNITIES FUND  
UNAUDITED SIGNIFICANT FUND MOVEMENTS  
DURING THE SIX MONTHS ENDED 30 JUNE 2015**

<b>Financial assets at fair value through profit or loss</b>	<b>Purchase Amount GBP</b>	<b>Sale Amount GBP</b>
Admedus	58,863	(66,631)
Arrow Global Group	78,871	(93,357)
Bango	-	(19,281)
Cree	-	(49,652)
Cyan Holdings	-	(27,483)
Darty	17,028	-
Deltex Medical Group	-	(18,329)
ENI	-	(63,406)
Greencore Group	73,804	-
HSBC Holdings	-	(75,629)
Infineon Technologies	-	(32,899)
Lloyds Banking Group	75,932	-
Nokia	79,818	-
SSP Group	80,845	-
Telecity	-	(89,447)
TNT Express	-	(69,173)
Torotrak	-	(1,806)

**EUROPEAN WEALTH INVESTMENT FUND plc**  
**EUROPEAN WEALTH STERLING BOND FUND**  
**UNAUDITED INVESTMENT MANAGER'S REPORT**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2015**

What an extraordinary time we have experienced in the bond markets over the last 6 months. The year started on a high note with the ECB beginning their well talked of, and long awaited, quantitative easing programme ('QE') which turned out to be larger than the markets had been anticipating. At the same time the falling oil price was leading many to expect a long period of deflation. This obviously was "bond heaven" and led to a sharp rally in European government bonds. Early in the year we also saw the Swiss National Bank removing the cap on their currency which resulted in the single ever biggest daily move in a major currency. If that was not enough, we started what has turned out to be, the very slow and to most fairly predictable car crash that Greece has become - where it is very difficult to see any winners when a settlement is actually achieved, if ever.

The large amounts of buying from the ECB together with deflation talk, took large segments of European sovereign bonds into negative yield territory with the result that at one stage 10 year German bonds were yielding just 0.07%. After the oil price bottomed in March, bond yields very quickly backed up and we saw sharp price falls as the deflation talk dissipated. As an example of this the 30 year German Government bond fell by over 25% in price terms in a little over 2 months. If this had happened in the equity market, we would be in the area of describing this market move as a crash.

The other reason for the large falls in government bond prices revolves around the fear of the FED increasing interest rates, which would be the first time we have seen a US rate rise for nearly 10 years. They had, earlier in the year, given a very detailed and transparent statement setting out their plan about how they were going to achieve this without spooking the markets as has happened before, especially in 1994. The market consensus is that we will see the first raise in September of this year and this may well be closely followed by an increase in the UK. In both countries the economies are strong as can be easily evidenced by the labour statistics which is leading to higher wage inflation.

However, we feel that one of the biggest threats to current valuations may well be the creeping lack of liquidity in bond markets that we already are beginning to experience. This has become the 'elephant in the room' as market makers will be less willing to provide sellers with access to bonds in an environment where we see rising interest rates and inflation, especially as we move into the usually quieter summer months. Mark Carney has been the latest in a long line of Central Bankers who have warned of this potential threat.

Where do we go from here? Well when the UK were last expected to raise interest rates early last year 2 year gilt yields were very close to 1%, whilst at present they are only at 0.6%. So in our view we can see further large falls in the value of bonds. We would also argue that the continuing QE from the ECB would be more bullish for equities and the risks of holding bonds at these current yield levels will not, in our view, be rewarded. We think that there will be more attractive opportunities for buying bonds than at present.

**European Investment Management Limited**  
**July 2015**



**EUROPEAN WEALTH INVESTMENT FUND plc**

**EUROPEAN WEALTH STERLING BOND FUND  
UNAUDITED SCHEDULE OF INVESTMENTS  
AS AT 30 JUNE 2015**

<b>Holdings</b>	<b>Financial assets at fair value through profit or loss</b>	<b>Fair Value GBP</b>	<b>% of Net Assets</b>
	<b><u>Bonds</u></b>		
	<b>Australia</b> (Dec 2014: 2.26%)		
1,000,000	Suncorp Metway FRN 06/10/2017	1,001,263	1.97
500,000	Westpac Banking FRN 28/11/2017	499,773	0.99
		<u>1,501,036</u>	<u>2.96</u>
	<b>Belgium</b> (Dec 2014: 2.35%)		
950,000	Anheuser Busch Cos 6.5% 23/06/2017	1,041,579	2.05
		<u>1,041,579</u>	<u>2.05</u>
	<b>Denmark</b> (Dec 2014: 3.18%)		
750,000	Carlsberg 7.25% 28/11/2016	807,601	1.59
		<u>807,601</u>	<u>1.59</u>
	<b>France</b> (Dec 2014: 2.02%)		
800,000	Total Capital 4.25% 08/12/2017	853,519	1.68
600,000	BPCE SA FRN 06/03/2017	602,930	1.19
500,000	RCI Banque SA 2.125% 06/10/2017	500,175	0.98
		<u>1,956,624</u>	<u>3.85</u>
	<b>Germany</b> (Dec 2014: 2.12%)		
750,000	Daimler AG 1.625% 02/12/2016	753,562	1.48
		<u>753,562</u>	<u>1.48</u>
	<b>Ireland</b> (Dec 2014: 2.27%)		
756,000	GE Capital UK Funding 4.125% 28/09/2017	799,101	1.57
900,000	GE Capital UK Funding 4.375% 31/07/2019	977,419	1.93
		<u>1,776,520</u>	<u>3.50</u>
	<b>Netherlands</b> (Dec 2014: 3.80%)		
500,000	E.ON International Finance 6% 30/10/2019	573,707	1.13
750,000	Volkswagen Financial Services NV 1.25% 15/12/2016	750,205	1.48
700,000	ABN AMRO Bank NV 2.5% 18/12/2018	714,595	1.40
		<u>2,038,507</u>	<u>4.01</u>

**EUROPEAN WEALTH INVESTMENT FUND plc**

**EUROPEAN WEALTH STERLING BOND FUND  
UNAUDITED SCHEDULE OF INVESTMENTS  
AS AT 30 JUNE 2015 (Continued)**

<b>Holdings</b>	<b>Financial assets at fair value through profit or loss</b>	<b>Fair Value GBP</b>	<b>% of Net Assets</b>
<b><u>Bonds (continued)</u></b>			
<b>New Zealand (Dec 2014: 1.12%)</b>			
400,000	Westpac Securities NZ FRN 02/10/2017	400,267	0.79
		<u>400,267</u>	<u>0.79</u>
<b>South Korea (Dec 2014 : Nil)</b>			
700,000	Export-Import Bank Korea 2% 07/12/2017	704,340	1.39
		<u>704,340</u>	<u>1.39</u>
<b>Supranational (Dec 2014: 9.30%)</b>			
1,815,000	Asian Development Bank 1.5% 15/12/2017	1,835,600	3.61
1,500,000	International Bank for Reconstruction and Development 1% 28/12/16	1,504,467	2.96
1,500,000	International Bank for Reconstruction and Development FRN 19/01/2016	1,500,752	2.96
		<u>4,840,819</u>	<u>9.53</u>
<b>United Kingdom (Dec 2014: 58.13%)</b>			
750,000	Anglo American 6.875% 01/05/2018	840,683	1.66
1,000,000	BG Energy Capital 5.125% 07/12/2017	1,084,052	2.13
750,000	British Telecom 7.5% Step 07/07/2016	823,418	1.62
750,000	Centrica Plc 5.5% 24/10/2016	790,502	1.56
750,000	Close Brothers Group 6.5% 10/02/2017	804,503	1.59
309,000	Coventry Building Society 6.092% 31/12/2199	316,147	0.62
750,000	FCE Bank 2.625% 20/11/2018	758,309	1.49
1,000,000	Hutchison Whampoa 5.625% 24/11/2017	1,089,548	2.15
1,000,000	Imperial Tobacco 5.5% 22/11/2016	1,052,973	2.07
775,000	Kent Reliance Sub Ordinated Loan Notes FRN 27/3/2017	775,000	1.53
918,000	Lloyds TSB 5.5% 25/09/2016	964,084	1.90
375,000	Manchester Building Society Sub Debt Issue 1	375,000	0.74
625,000	Manchester Building Society Sub Debt Issue 2	625,000	1.23
1,000,000	Northern Rock 6.375% 02/12/2019	1,158,300	2.28
900,000	Northumbrian Water 6% 11/10/2017	986,855	1.94
150,000	Pearson Funding One 6% 15/12/2015	153,157	0.30
750,000	Reed Elsevier Investment 5.625% 20/10/2016	790,384	1.56
125,000	Rolls Royce 6.75% 30/04/2019	147,536	0.29
1,000,000	Severn Trent 6% 22/01/2018	1,105,948	2.18

**EUROPEAN WEALTH INVESTMENT FUND plc**

**EUROPEAN WEALTH STERLING BOND FUND  
UNAUDITED SCHEDULE OF INVESTMENTS  
AS AT 30 JUNE 2015 (Continued)**

<b>Holdings</b>	<b>Financial assets at fair value through profit or loss</b>	<b>Fair Value GBP</b>	<b>% of Net Assets</b>
<b><u>Bonds (continued)</u></b>			
<b>United Kingdom (continued)</b>			
1,000,000	Standard Chartered 7.75% 03/04/2018	1,137,837	2.24
215,000	Tate & Lyle Intl 6.75% 25/11/2019	249,591	0.49
1,500,000	United Kingdom Gilt 1% 07/09/2017	1,508,722	2.97
1,100,000	United Kingdom Gilt 2% 22/01/2016	1,109,235	2.18
1,250,000	United Kingdom Gilt 1.25% 22/07/2018	1,259,100	2.48
1,700,000	United Kingdom Treasury Bill 0% 05/10/2015	1,697,969	3.34
1,500,000	United Kingdom Treasury Bill 0% 06/07/2015	1,499,910	2.95
1,420,000	United Kingdom Treasury Bill 0% 13/07/2015	1,419,794	2.80
900,000	United Kingdom Treasury Bill 0% 21/09/2015	899,082	1.77
1,000,125	United Kingdom Treasury Bill 0% 27/07/2015	999,800	1.97
750,000	Vodafone Group 5.375% 05/12/2017	809,314	1.59
959,000	Wales & West Utilities Finance 5.125% 02/12/2016	1,008,964	1.99
900,000	Yorshire Building Society 2.322% FRN 23/03/2016	910,260	1.79
		<b>29,150,977</b>	<b>57.40</b>
<b>United States (Dec 2014: 7.39%)</b>			
900,000	American International Group 6.765% 15/11/2017	1,006,403	1.98
950,000	AT & T 5.875% 28/04/2017	1,018,846	2.01
1,000,000	Bank of America 5.25% 09/11/2016	1,045,362	2.06
620,000	Household Finance Corp (HSBC) 6.25% 19/08/2019	711,543	1.40
		<b>3,782,154</b>	<b>7.45</b>
	<b>Total financial assets at fair value through profit or loss</b>	<b>48,753,986</b>	<b>96.00</b>
	<b>Other assets and liabilities</b>	<b>2,032,102</b>	<b>4.00</b>
	<b>Net assets attributable to holders of redeemable participating shares</b>	<b>50,786,088</b>	<b>100.00</b>
<b>Analysis of Total Assets</b>		<b>Fair Value GBP</b>	<b>% of Total Assets</b>
	Transferable securities	48,753,986	92.69
	Cash and other assets	3,842,246	7.31
	<b>Total Assets</b>	<b>52,596,232</b>	<b>100.00</b>

**EUROPEAN WEALTH INVESTMENT FUND plc**

**EUROPEAN WEALTH STERLING BOND FUND  
UNAUDITED SIGNIFICANT FUND MOVEMENTS  
DURING THE SIX MONTHS ENDED 30 JUNE 2015**

<b>Financial assets at fair value through profit or loss</b>	<b>Purchase Amount GBP</b>	<b>Sale Amount GBP</b>
American International Group 6.765% 15/11/2017	1,012,632	-
Asian Development Bank 1.5% 15/12/217	1,851,949	-
ASIF III 5.375% 14/10/2016	-	(1,093,260)
BMW Finance NV 1.75% 20/11/2017	-	(358,621)
Centrica Plc 5.5% 24/10/2016	819,031	-
Danske Bank 4% 09/12/2015	-	(309,445)
European Investment Bank 3% 07/12/2015	1,025,766	(1,852,964)
ENW Capital 6.75% 20/06/2015	-	(771,687)
FCE Bank 5.125% 16/11/2015	-	(781,186)
FCE Bank 2.625% 20/11/2018	770,736	-
GE Capital UK Funding 4.375% 31/07/2019	1,025,017	-
Household Finance Corp (HSBC) 6.25% 19/08/2019	750,116	-
Hutchison Ports 6.75% 07/12/2015	-	(643,157)
Hutchison Whampoa 5.625% 24/11/2017	1,125,596	-
International Bank for Reconstruction and Development FRN 19/01/2016	751,328	-
JP Morgan 6.125% VRN 30/05/2017	-	(743,953)
Lloyds TSB 5.5% 25/09/2016	-	(318,865)
QBE Insurance Group 6.125% 28/09/2015	-	(310,910)
RL Finance Bonds 6.125% VRN Perp	-	(721,241)
Santander International 3.16% 01/12/2015	-	(718,607)
Severn Trent 6% 22/01/2018	1,136,441	-
Standard Chartered 7.75% 43163	1,198,191	-
Suncorp Metway Ltd FRN 06/10/2017	1,003,085	-
Total Capital 4.25% 08/12/2017	876,761	-
Toyota Motor Credit 4% 07/12/2017	-	(759,250)
United Kingdom Treasury 1.75% 22/01/2107	-	(1,669,729)
United Kingdom Treasury 2% 22/01/2016	-	(508,101)
United Kingdom Treasury 4.75% 07/09/215	-	(1,484,568)
United Kingdom Treasury Bill 0% 05/10/2015	1,696,131	-
United Kingdom Treasury Bill 0% 06/07/2015	1,497,022	-
United Kingdom Treasury Bill 0% 13/07/2015	1,417,313	-
United Kingdom Treasury Bill 0% 21/09/2015	897,985	-
United Kingdom Treasury Bill 0% 27/07/2015	997,936	-
United Kingdom Treasury Gilt 1.25% 22/07/2018	1,011,217	(254,227)
United Kingdom Treasury Gilt 4% 07/09/2016	-	(2,275,248)
United Kingdom Treasury 1% 07/09/2017	1,009,828	-
United Utilities 6.125% 29/12/2015	-	(368,922)
Volkswagen Financial Services NV FRN 12/10/2015	-	(645,593)

**EUROPEAN WEALTH INVESTMENT FUND plc**

**UNAUDITED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2015**

NOTES	TOTAL GBP	Hume European Opportunities Fund GBP	Hume Global Opportunities Fund GBP	European Wealth Sterling Bond Fund GBP
<b>ASSETS</b>				
Cash and cash equivalents	1,721,626	243,710	140,427	1,337,489
Financial assets at fair value through profit or loss				
- transferable securities	56,797,094	3,675,668	4,367,440	48,753,986
Due from shareholders	75,030	-	-	75,030
Dividends receivable	43,286	36,903	6,383	-
Interest receivable	699,553	-	-	699,553
Sundry receivables and prepayments	13,118	3,368	2,760	6,990
<b>TOTAL ASSETS</b>	<b>59,349,707</b>	<b>3,959,649</b>	<b>4,517,010</b>	<b>50,873,048</b>
<b>LIABILITIES</b>				
Due to shareholders	28,703	-	-	28,703
Investment management fees payable	4 16,324	2,918	3,142	10,264
Sundry payables and accrued expenses	128,099	38,144	41,962	47,993
<b>LIABILITIES (excluding net assets attributable to holders of redeemable participating shares)</b>	<b>173,126</b>	<b>41,062</b>	<b>45,104</b>	<b>86,960</b>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES</b>	<b>59,176,581</b>	<b>3,918,587</b>	<b>4,471,906</b>	<b>50,786,088</b>
<b>TOTAL LIABILITIES</b>	<b>59,349,707</b>	<b>3,959,649</b>	<b>4,517,010</b>	<b>50,873,048</b>

The notes on pages 28 to 37 form part of these Financial Statements.

**EUROPEAN WEALTH INVESTMENT FUND plc**

**AUDITED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2014**

<b>NOTES</b>	<b>TOTAL GBP</b>	<b>Hume European Opportunities Fund GBP</b>	<b>Hume Global Opportunities Fund GBP</b>	<b>European Wealth Sterling Bond Fund GBP</b>
<b>ASSETS</b>				
Cash and cash equivalents	1,307,988	216,790	355,132	736,066
Financial assets at fair value through profit or loss				
- transferable securities	43,439,512	4,187,054	4,347,984	34,904,474
Due from shareholders	377,854	-	-	377,854
Dividends receivable	25,333	23,608	1,725	-
Interest receivable	296,625	-	-	296,625
Sundry receivables and prepayments	38,472	12,547	16,530	9,395
<b>TOTAL ASSETS</b>	<b>45,485,784</b>	<b>4,439,999</b>	<b>4,721,371</b>	<b>36,324,414</b>
<b>LIABILITIES</b>				
Due to broker	509,916	-	-	509,916
Due to shareholders	44,889	-	-	44,889
Investment management fees payable	14,552	3,038	3,150	8,364
Sundry payables and accrued expenses	141,147	45,543	47,269	48,335
<b>LIABILITIES (excluding net assets attributable to holders of redeemable participating shares)</b>	<b>710,504</b>	<b>48,581</b>	<b>50,419</b>	<b>611,504</b>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES</b>	<b>44,775,280</b>	<b>4,391,418</b>	<b>4,670,952</b>	<b>35,712,910</b>
<b>TOTAL LIABILITIES</b>	<b>45,485,784</b>	<b>4,439,999</b>	<b>4,721,371</b>	<b>36,324,414</b>

The notes on pages 28 to 37 form part of these Financial Statements.

**EUROPEAN WEALTH INVESTMENT FUND plc**

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE SIX MONTHS ENDED 30 JUNE 2015**

	NOTE	TOTAL GBP	Hume European Opportunities Fund GBP	Hume Global Opportunities Fund GBP	European Wealth Sterling Bond Fund GBP
<b>INCOME</b>					
Interest income		663,242	-	-	663,242
Dividend income on investment in equities		160,036	93,806	66,230	-
Net (losses)/gains on financial instruments at fair value through profit or loss:					
-Net realised gains/(losses)		62,785	78,406	(46,192)	30,571
-Movement in unrealised (losses)/gains		(182,661)	190,763	207,599	(581,023)
Total (losses)/gains on financial assets at fair value through profit or loss		(119,876)	269,169	161,407	(550,452)
Realised and unrealised foreign exchange (losses)/gains		(12,378)	(14,789)	1,218	1,193
<b>TOTAL INCOME</b>		<b>691,024</b>	<b>348,186</b>	<b>228,855</b>	<b>113,983</b>
<b>EXPENSES</b>					
Investment management fees	4	73,143	17,307	18,157	37,679
Custodian fees	4	35,628	7,914	8,080	19,634
Administration fees	4	59,880	12,017	12,053	35,810
Audit fees		20,363	6,787	6,788	6,788
Directors' fees and expenses	4	7,439	2,152	2,186	3,101
Other expenses		64,436	20,122	26,441	17,873
<b>TOTAL EXPENSES</b>		<b>260,889</b>	<b>66,299</b>	<b>73,705</b>	<b>120,885</b>
<b>OPERATING PROFIT/(LOSS)</b>		<b>430,135</b>	<b>281,887</b>	<b>155,150</b>	<b>(6,902)</b>
<b>FINANCE COSTS</b>					
Distributions to redeemable participating shareholders		(5,135)	-	-	(5,135)
<b>PROFIT/(LOSS) BEFORE TAX</b>		<b>425,000</b>	<b>281,887</b>	<b>155,150</b>	<b>(12,037)</b>
Withholding tax		(19,808)	(7,388)	(12,420)	-
<b>INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS REDEEMABLE PARTICIPATING SHARES FROM OPERATIONS</b>		<b>405,192</b>	<b>274,499</b>	<b>142,730</b>	<b>(12,037)</b>

The notes on pages 28 to 37 form part of these Financial Statements.

**EUROPEAN WEALTH INVESTMENT FUND plc**

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE SIX MONTHS ENDED 30 JUNE 2014**

	NOTE	TOTAL GBP	Hume European Opportunities Fund GBP	Hume Global Opportunities Fund GBP	European Wealth Sterling Bond Fund GBP
<b>INCOME</b>					
Interest income		263,218	-	-	263,218
Dividend income on investment in equities		126,086	70,209	55,877	-
Net gains/(losses) on financial instruments at fair value through profit or loss:					
-Net realised gains		224,797	39,272	118,314	67,211
-Movement in unrealised losses		(1,017,511)	(358,496)	(352,583)	(306,432)
Total losses on financial assets at fair value through profit or loss		(792,714)	(319,224)	(234,269)	(239,221)
Realised and unrealised gains on forward foreign exchange contracts	3	262,402	-	-	262,402
Realised and unrealised foreign exchange losses		(98,009)	(5,759)	(4,309)	(87,941)
<b>TOTAL INCOME</b>		<b>(239,017)</b>	<b>(254,774)</b>	<b>(182,701)</b>	<b>198,458</b>
<b>EXPENSES</b>					
Investment management fees	4	61,840	20,220	17,751	23,869
Custodian fees	4	30,606	10,366	9,914	10,326
Administration fees	4	44,913	13,690	13,627	17,596
Audit fees		20,364	6,788	6,788	6,788
Directors' fees and expenses	4	7,439	2,152	2,186	3,101
Other expenses		49,615	17,186	16,029	16,400
<b>TOTAL EXPENSES</b>		<b>214,777</b>	<b>70,402</b>	<b>66,295</b>	<b>78,080</b>
<b>OPERATING (LOSS)/PROFIT</b>		<b>(453,794)</b>	<b>(325,176)</b>	<b>(248,996)</b>	<b>120,378</b>
<b>FINANCE COSTS</b>					
Distributions to redeemable participating shareholders		(41,035)	-	-	(41,035)
<b>(LOSS)/PROFIT BEFORE TAX</b>		<b>(494,829)</b>	<b>(325,176)</b>	<b>(248,996)</b>	<b>79,343</b>
Withholding tax		(12,076)	(5,414)	(6,662)	-
<b>(DECREASE) /INCREASE IN NET ASSETS ATTRIBUTABLE TO HOLDERS REDEEMABLE PARTICIPATING SHARES FROM OPERATIONS</b>		<b>(506,905)</b>	<b>(330,590)</b>	<b>(255,658)</b>	<b>79,343</b>

The notes on pages 28 to 37 form part of these Financial Statements.



**EUROPEAN WEALTH INVESTMENT FUND plc**

**UNAUDITED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES  
FOR THE SIX MONTHS ENDED 30 JUNE 2015**

	<b>TOTAL</b>	<b>Hume</b>	<b>Hume</b>	<b>European Wealth</b>
	<b>European Opportunities</b>	<b>Global Opportunities</b>	<b>Sterling Bond</b>	
	<b>Fund</b>	<b>Fund</b>	<b>Fund</b>	
	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>
<b>BALANCE AT 1 JANUARY 2015</b>	44,775,280	4,391,418	4,670,952	35,712,910
Increase/(decrease) in net assets attributable to holders of redeemable participating shares from operations	405,192	274,499	142,730	(12,037)
Proceeds from redeemable participating shares issued				
Class GBP A Acc Sterling	50	-	-	50
Class GBP A Inc Sterling	204	-	-	204
Class GBP B Acc Sterling	308,140	-	-	308,140
Class GBP B Inc Sterling	7,375,730	-	-	7,375,730
Class GBP C Acc Sterling	23,323,654	-	-	23,323,654
Payments for redeemable participating shares redeemed				
Class GBP A Sterling	(10,880)	(10,880)	-	-
Class GBP B Institutional Sterling	(1,078,226)	(736,450)	(341,776)	-
Class GBP A Acc Sterling	(335,450)	-	-	(335,450)
Class GBP A Inc Sterling	(12,462)	-	-	(12,462)
Class GBP B Acc Sterling	(6,232,851)	-	-	(6,232,851)
Class GBP B Inc Sterling	(3,590,576)	-	-	(3,590,576)
Class GBP C Acc Sterling	(5,751,224)	-	-	(5,751,224)
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES AT 30 JUNE 2015</b>	<b>59,176,581</b>	<b>3,918,587</b>	<b>4,471,906</b>	<b>50,786,088</b>

The notes on pages 28 to 37 form part of these Financial Statements.

**EUROPEAN WEALTH INVESTMENT FUND plc**

**UNAUDITED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES  
FOR THE SIX MONTHS ENDED 30 JUNE 2014**

	<b>TOTAL</b>	<b>Hume</b>	<b>Hume</b>	<b>European Wealth</b>
	<b>European Opportunities</b>	<b>Global Opportunities</b>	<b>Sterling Bond</b>	
	<b>Fund</b>	<b>Fund</b>	<b>Fund</b>	
	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>
<b>BALANCE AT 1 JANUARY 2014</b>	21,952,622	5,248,210	4,864,541	11,839,871
(Decrease)/increase in net assets attributable to holders of redeemable participating shares from operations	(506,905)	(330,590)	(255,658)	79,343
Proceeds from redeemable participating shares issued				
Class GBP A Acc Sterling	32,115	-	-	32,115
Class GBP B Inc Sterling	41,035	-	-	41,035
Class GBP B Acc Sterling	5,233,128	-	-	5,233,128
Class GBP C Acc Sterling	5,066,306	-	-	5,066,306
Payments for redeemable participating shares redeemed				
Class GBP A Sterling	(133,347)	(133,347)	-	-
Class GBP A Retail Sterling	(120,865)	-	(120,865)	-
Class GBP B Institutional Sterling	(17,000)	-	(17,000)	-
Class GBP A Acc Sterling	(1,079)	-	-	(1,079)
Class GBP A Inc Sterling	(9,838)	-	-	(9,838)
Class GBP B Inc Sterling	(5,271,868)	-	-	(5,271,868)
Class GBP B Acc Sterling	(644,500)	-	-	(644,500)
Class GBP C Acc Sterling	(11,845)	-	-	(11,845)
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES AT 30 JUNE 2014</b>	<b>25,607,959</b>	<b>4,784,273</b>	<b>4,471,018</b>	<b>16,352,668</b>

The notes on pages 28 to 37 form part of these Financial Statements.

**EUROPEAN WEALTH INVESTMENT FUND plc**

**UNAUDITED STATEMENT OF CASH FLOWS  
FOR THE SIX MONTHS ENDED 30 JUNE 2015**

	<b>TOTAL</b>	<b>Hume</b>	<b>Hume</b>	<b>European Wealth</b>
	<b>European Opportunities</b>	<b>Global Opportunities</b>	<b>Global Opportunities</b>	<b>Sterling Bond</b>
	<b>Fund</b>	<b>Fund</b>	<b>Fund</b>	<b>Fund</b>
	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Increase/(decrease) in net assets attributable to holders of redeemable participating shares	405,192	274,499	142,730	(12,037)
Purchase of financial assets	(33,670,440)	(477,557)	(465,161)	(32,727,722)
Sale of financial assets	20,568,089	1,258,112	607,112	18,702,865
Decrease in due to broker	(509,916)	-	-	(509,916)
Realised and unrealised (gains)/losses	(255,231)	(269,169)	(161,407)	175,345
(Increase)/decrease in debtors	(395,527)	(4,116)	9,112	(400,523)
(Decrease)/increase in creditors	(11,276)	(7,519)	(5,315)	1,558
<b>NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES</b>	<b>(13,869,109)</b>	<b>774,250</b>	<b>127,071</b>	<b>(14,770,430)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from redeemable participating shares issued	31,310,602	-	-	31,310,602
Payments for redeemable participating shares redeemed	(17,027,855)	(747,330)	(341,776)	(15,938,749)
<b>CASH PROVIDED BY /(USED IN) FINANCING ACTIVITIES</b>	<b>14,282,747</b>	<b>(747,330)</b>	<b>(341,776)</b>	<b>15,371,853</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>413,638</b>	<b>26,920</b>	<b>(214,705)</b>	<b>601,423</b>
Cash and cash equivalents at 1 January 2015	1,307,988	216,790	355,132	736,066
<b>CASH AND CASH EQUIVALENTS AT 30 JUNE 2015</b>	<b>1,721,626</b>	<b>243,710</b>	<b>140,427</b>	<b>1,337,489</b>

The notes on pages 28 to 37 form part of these Financial Statements.

**EUROPEAN WEALTH INVESTMENT FUND plc**

**UNAUDITED STATEMENT OF CASH FLOWS  
FOR THE SIX MONTHS ENDED 30 JUNE 2014**

	<b>TOTAL</b>	<b>Hume European Opportunities Fund</b>	<b>Hume Global Opportunities Fund</b>	<b>European Wealth Sterling Bond Fund</b>
	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
(Decrease)/increase in net assets attributable to holders of redeemable participating shares	(506,905)	(330,590)	(255,658)	79,343
Purchase of financial assets	(17,677,505)	(607,213)	(757,019)	(16,313,273)
Sale of financial assets	12,476,257	754,403	916,184	10,805,670
Increase in due from broker	(67,655)	(39,090)	(28,565)	-
Realised and unrealised losses	676,653	319,224	234,269	123,160
Increase in debtors	(54,993)	(9,133)	(2,789)	(43,071)
Increase in creditors	12,127	5,090	5,090	1,947
<b>NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES</b>	<b>(5,142,021)</b>	<b>92,691</b>	<b>111,512</b>	<b>(5,346,224)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from redeemable participating shares issued	10,372,534	-	-	10,372,534
Payments for redeemable participating shares redeemed	(6,239,617)	(133,347)	(137,865)	(5,968,405)
<b>CASH PROVIDED BY /(USED IN) FINANCING ACTIVITIES</b>	<b>4,132,917</b>	<b>(133,347)</b>	<b>(137,865)</b>	<b>4,404,129</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(1,009,104)</b>	<b>(40,656)</b>	<b>(26,353)</b>	<b>(942,095)</b>
Cash and cash equivalents at 1 January 2014	1,849,412	157,940	135,215	1,556,257
<b>CASH AND CASH EQUIVALENTS AT 30 JUNE 2014</b>	<b>840,308</b>	<b>117,284</b>	<b>108,862</b>	<b>614,162</b>

The notes on pages 28 to 37 form part of these Financial Statements.

## **EUROPEAN WEALTH INVESTMENT FUND plc**

### **NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2015**

#### **1. General**

European Wealth Investment Fund plc (the “Company”) was incorporated on 22 March 2000 with limited liability as an open-ended umbrella investment company with variable capital under the laws of Ireland. The Company is authorised in Ireland as an Undertaking for Collective Investment in Transferable Securities pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (as amended).

The Company is structured as an umbrella fund with segregated liability between the Sub-Funds. Further Sub-Funds may be established with the prior approval of the Central Bank of Ireland. At 30 June 2015 the Company consisted of the following Sub-Funds:

#### **Hume European Opportunities Fund**

The investment objective of the Hume European Opportunities Fund is to achieve long term growth. The Sub-Fund invests primarily in equity securities traded in the European Union (the “EU”).

#### **Hume Global Opportunities Fund**

The objective of the Hume Global Opportunities Fund is to achieve long-term growth. The Sub-Fund may invest in a focused portfolio of international equities, usually somewhere between 40-60 stocks listed or traded on a recognised world market. The investments may be held on a very short term basis if the Investment Manager is of the view that by holding them in such a manner, returns will be maximised. The Sub-Fund is not bound by constraints in terms of geographical location, market capitalisation or industry sector.

#### **European Wealth Sterling Bond Fund**

The objective of the European Wealth Sterling Bond Fund is to preserve capital and to achieve a rate of return which is significantly in excess of the Bank of England base rate. The Sub-Fund may invest in investment grade (BBB- and above) government, quasi-government and investment grade bonds of governments, entities or corporations established or carrying on a predominant part of their business in an OECD country, across an unlimited range of maturities and such bonds and debt securities may be fixed or floating rate.

The following classes of Shares are listed on the Irish Stock Exchange:

- Hume European Opportunities Fund Shares
- Hume Global Opportunities Fund Shares
- European Wealth Sterling Bond Fund Shares

## EUROPEAN WEALTH INVESTMENT FUND plc

### NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2015 (continued)

#### 2. Principal accounting policies

These condensed financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”) and interpretations adopted by the International Accounting Standards Board (“IASB”). Specifically these financial statements have been prepared in accordance with IAS (International Accounting Standard) 34: Interim Financial Reporting.

The accounting policies used in the preparation of these financial statements are consistent with those used in the Company’s most recent annual financial statements for the year ended 31 December 2014. The format of these financial statements differs in some respects from that of the most recent annual financial statements, in that the notes to the financial statements are presented in summary form.

#### Accounting standards effective from 1 January 2015

The nature and the effect of these changes are disclosed below. Although this new standards and amendments apply for the first time in 2015, it does not have a material impact on the annual financial statements of the Company or the interim condensed financial statements of the Company. The nature and the impact of the new standard or amendment is described below:

##### IAS 24 – Related Party Disclosures (effective for periods beginning on or after 1 July 2014)

The amendment is applied retrospectively and clarifies that a management entity (an entity that provides key management personnel services) is a related party subject to the related party disclosures. In addition, an entity that uses a management entity is required to disclose the expenses incurred for management services. While this amendment will result in the Investment Manager being considered a related party under IFRS, this amendment will not have a material impact on the Company as the relevant disclosures are already made in the Company’s financial statements.

#### Accounting standards in issue not yet effective

##### IFRS 9 Financial Instruments

On 12 November 2009, the IASB issued IFRS 9 ‘Financial Instruments’ as the first step in its project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 introduces new requirements for classifying and measuring financial assets. On 28 October 2010, the IASB reissued IFRS 9, incorporating new requirements on accounting for financial liabilities, and carrying over from IAS 39 ‘Financial Instruments: Recognition and Measurement’ the requirements for derecognition of financial assets and financial liabilities. On 19 November 2013 The IASB further expand IFRS 9 to add new requirements for hedge accounting and on 24 July 2014 to add new requirements for impairment of financial assets measured at amortised cost. The version of IFRS 9 issued in 2014 supersedes all previous versions and is mandatorily effective for periods beginning on or after 1 January 2018 with early adoption permitted (subject to local endorsement requirements). For a limited period, previous versions of IFRS 9 may be adopted early if not already done so provide the relevant date of initial application is before 1 February 2015. In addition, the own credit changes can be early applied in isolation without otherwise changing the accounting for financial instruments. This standard is not expected to have a significant impact on the Company’s financial position or performance, as it is expected that the Company will continue to classify its financial assets and financial liabilities as being at fair value through profit or loss.

There are no other standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a significant impact on the Company.

## EUROPEAN WEALTH INVESTMENT FUND plc

### NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2015 (continued)

#### 3. Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet and income statement where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the assets and settle the liabilities simultaneously.

#### 4. Fees and expenses

##### Investment management fees

###### *Hume European Opportunities Fund*

The Investment Manager is entitled to a fee of 1.5% per annum of the Net Asset Value attributable to Class A shares of the Sub-Fund and a fee of 0.75% per annum of the Net Asset Value attributable to Class B shares of the Sub-Fund, payable monthly in arrears out of the assets of the Sub-Fund. The annual rate of fee paid by the Sub-Fund to Investment Manager may be increased up to a maximum of 2% and 1% of Net Asset Value of Class A and Class B shares respectively by agreement between the Company and Investment Manager but will not be increased without at least 30 days written notice being given to holders of Redeemable Participating Shares of the Sub-Fund. Investment Manager shall be responsible for payment of its own out of pocket expenses. Investment Management fees for the period ended 30 June 2015 amounted to GBP 17,307 (30 June 2014: GBP 20,220) of which GBP 2,918 (31 December 2014: GBP 3,038) was payable at the period end.

###### *Hume Global Opportunities Fund*

The Investment Manager is entitled to a fee of 1.5% per annum of the Net Asset Value attributable to Class A shares of the Sub-Fund and a fee of 0.75% per annum of the Net Asset Value attributable to Class B shares of the Sub-Fund payable monthly in arrears out of the assets of the Sub-Fund. The annual rate of fee paid by the Sub-Fund to the Investment Manager may be increased up to a maximum of 2% and 1% of Net Asset Value of Class A and Class B shares respectively by agreement between the Sub-Fund and the Investment Manager but will not be increased without at least 30 days written notice being given to holders of Redeemable Participating Shares of the Sub-Fund. Investment Manager is responsible for payment of its own out of pocket expenses. Investment Management Fees for the period ended 30 June 2015 amounted to GBP 18,157 (30 June 2014: GBP 17,751) of which GBP 3,142 (31 December 2014: GBP 3,150) was payable at the period end.

###### *European Wealth Sterling Bond Fund*

The Investment Manager is entitled to a fee of 1.00% per annum of the Net Asset Value attributable to Class A shares of the Sub-Fund, a fee of 0.25% per annum of the Net Asset Value attributable to Class B shares of the Sub-Fund, a fee of 0.15% attributable to Class C shares payable monthly in arrears out of the assets of the Sub-Fund and a fee of 0.30% attributable to Class M shares payable monthly in arrears out of the assets of the Sub-Fund. Investment Manager is also entitled to receive payment of its own out of pocket expenses. Investment Management Fees for the period ended 30 June 2015 amounted to GBP 37,679 (30 June 2014: GBP 23,869) of which GBP 10,264 (31 December 2014: GBP 8,364) was payable at the period end.

##### Custodian fees

The Custodian is entitled to an annual fee accrued daily and paid monthly in arrears of the following percentages of the gross asset value of each Sub-Fund: 0.08% on the first €60 million, 0.06% on the next €190 million, 0.04% on the next €250 million and 0.02% thereafter subject to a minimum annual fee per Sub-Fund of €20,000.

## EUROPEAN WEALTH INVESTMENT FUND plc

### NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2015 (continued)

#### 4. Fees and expenses (continued)

##### Custodian fees (continued)

The Custodian is also entitled to be reimbursed for all agreed transaction fees, out of pocket expenses properly incurred by it in the performance of its duties. Custodian fees for the period ended 30 June 2015 amounted to GBP 35,628 (30 June 2014: GBP 30,606) of which GBP 10,892 (31 December 2014: GBP 8,777) was payable at the period end.

##### Administration fees

The Administrator shall be entitled to an annual fee accrued daily of the following percentages of the Gross Asset Value of each Sub-Fund: 0.15% on the first €60 million, 0.10% on the next €190 million, 0.08% on the next €250 million and 0.06% thereafter, subject to a minimum annual fee per Sub-Fund of €30,000.

The Administrator is also entitled to be reimbursed for all agreed transaction fees and out of pocket expenses properly incurred by it in the performance of its duties and responsibilities under the Administration Agreement. Administration fees for the period ended 30 June 2015 amounted to GBP 59,880 (30 June 2014: GBP 44,913) of which GBP 18,958 (31 December 2014: GBP 15,134) was payable at the period end.

##### Directors' fees and expenses

The Directors are entitled to remuneration for their services provided however, that the aggregate emoluments of each Director in respect of any period shall not exceed GBP 5,000 or such higher amount as may be approved by the Company at the annual general meeting. In addition, the Directors will also be entitled to be reimbursed for the reasonable and vouched out of pocket expenses included in discharging their duties as directors. Directors' fees and expenses for the period ended 30 June 2015 amounted to GBP 7,439 (30 June 2014: GBP 7,439) including Director's expenses of GBP Nil (30 June 2014: GBP Nil) and fees of GBP 21,825 (31 December 2014: GBP 27,807) which was payable at the period end. Out of pocket expenses for the period ended 31 December 2014 amounted to GBP 6,651 (30 June 2014: GBP 2,932) of which GBP 7 (31 December 2014: GBP 294) was payable at the period end.

##### Transaction costs

The below table provides an analysis of the total transaction costs for the period ended 30 June 2015 and 30 June 2014:

	<b>Hume European Opportunities Fund GBP 30 June 2015</b>	<b>Hume Global Opportunities Fund GBP 30 June 2015</b>	<b>European Wealth Sterling Bond Fund GBP 30 June 2015</b>
<b>Total transaction costs</b>	4,506	3,645	-
	<b>Hume European Opportunities Fund GBP 30 June 2014</b>	<b>Hume Global Opportunities Fund GBP 30 June 2014</b>	<b>European Wealth Sterling Bond Fund GBP 30 June 2014</b>
<b>Total transaction costs</b>	2,550	3,723	3,087



**EUROPEAN WEALTH INVESTMENT FUND plc**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED 30 JUNE 2015 (continued)**

**5. Exchange rates**

The following exchange rates were used to translate assets and liabilities into the reporting currency (GBP):

		<b>2015</b>	<b>2014</b>
Australian Dollar	GBP 1: AUD	2.04701	1.90208
Canadian Dollar	GBP 1: CAD	1.94597	1.80700
Chinese Yuan	GBP 1: CNY	9.74673	9.68679
Czech Koruna	GBP 1: CZK	38.29848	35.59518
Danish Kroner	GBP 1: DKK	-	9.56078
Euro	GBP 1: EUR	1.40540	1.28418
Hong Kong Dollar	GBP 1: HKD	12.18507	12.10463
Japanese Yen	GBP 1: JPY	192.42762	186.24843
Korean Won	GBP 1: KRW	1,756.21929	1,701.35772
Norwegian Krone	GBP 1: NOK	-	11.58426
Singapore Dollar	GBP 1: SGD	2.11486	2.06212
South African Rand	GBP 1: ZAR	19.23412	18.03320
Swedish Krona	GBP 1: SEK	12.95368	12.06974
Swiss Franc	GBP 1: CHF	1.46099	1.54399
US Dollar	GBP 1: USD	1.57180	1.56085

**6. Net Asset Value – comparative information**

A reconciliation between the dealing NAV and the NAV presented in the financial statements at 30 June 2015 is described in Note 12.

<b>Net Asset Value</b>	<b>Currency</b>	<b>June 2015</b>	<b>December 2014</b>	<b>December 2013</b>
Hume European Opportunities Fund	GBP	3,918,587	4,392,058	5,248,894
Hume Global Opportunities Fund	GBP	4,471,906	4,671,592	4,865,225
European Wealth Sterling Bond Fund	GBP	50,787,009	35,757,799	11,840,495
<b>Net Asset Value per share</b>	<b>Currency</b>	<b>June 2015</b>	<b>December 2014</b>	<b>December 2013</b>
<b>Hume European Opportunities Fund</b>				
Class A Sterling Shares	GBP	1.04	0.99	1.12
Class B Institutional Sterling Shares	GBP	1.08	1.02	1.15
<b>Hume Global Opportunities Fund</b>				
Class A Retail Sterling	GBP	1.35	1.31	1.32
Class B Institutional Sterling Shares	GBP	1.33	1.30	1.30
<b>European Wealth Sterling Bond Fund</b>				
Class A Acc Sterling Shares	GBP	1.11	1.12	1.10
Class A Inc Sterling Shares	GBP	0.99	1.00	1.00
Class B Acc Sterling Shares	GBP	1.04	1.04	1.02
Class B Inc Sterling Shares	GBP	1.04	1.04	1.03
Class C Acc Sterling Shares	GBP	1.02	1.02	N/A

Class M Acc Sterling Shares were made available for subscription on 2 March 2015 and there were no subscriptions or redemptions during the period ended 30 June 2015 in the Class M Acc Sterling Shares.

**EUROPEAN WEALTH INVESTMENT FUND plc**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED 30 JUNE 2015 (continued)**

**7. Fair value of assets and liabilities**

The following table presents the financial instruments carried on the Statement of Financial Position by caption and by level within the valuation hierarchy as at 30 June 2015 and 31 December 2014.

<b>Hume European Opportunities Fund</b>				<b>30 June 2015</b>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>
<b>Financial assets at fair value through profit or loss</b>				
Equity securities	3,675,668	-	-	3,675,668
	<u>3,675,668</u>	<u>-</u>	<u>-</u>	<u>3,675,668</u>

<b>Hume Global Opportunities Fund</b>				<b>30 June 2015</b>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>
<b>Financial assets at fair value through profit or loss</b>				
Equity securities	4,367,440	-	-	4,367,440
	<u>4,367,440</u>	<u>-</u>	<u>-</u>	<u>4,367,440</u>

<b>European Wealth Sterling Bond Fund</b>				<b>30 June 2015</b>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>
<b>Financial assets at fair value through profit or loss</b>				
Fixed income	45,162,087	1,816,899	1,775,000	48,753,986
	<u>45,162,087</u>	<u>1,816,899</u>	<u>1,775,000</u>	<u>48,753,986</u>

<b>Hume European Opportunities Fund</b>				<b>31 December 2014</b>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>
<b>Financial assets at fair value through profit or loss</b>				
Equity securities	4,187,054	-	-	4,187,054
	<u>4,187,054</u>	<u>-</u>	<u>-</u>	<u>4,187,054</u>

<b>Hume Global Opportunities Fund</b>				<b>31 December 2014</b>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>
<b>Financial assets at fair value through profit or loss</b>				
Equity securities	4,347,984	-	-	4,347,984
	<u>4,347,984</u>	<u>-</u>	<u>-</u>	<u>4,347,984</u>

**EUROPEAN WEALTH INVESTMENT FUND plc**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED 30 JUNE 2015 (continued)**

**7. Fair value of assets and liabilities (continued)**

<b>European Wealth Sterling Bond Fund</b>				<b>31 December 2014</b>
	<b>Level 1 GBP</b>	<b>Level 2 GBP</b>	<b>Level 3 GBP</b>	<b>Total GBP</b>
<b>Financial assets at fair value through profit or loss</b>				
Fixed income	32,811,919	1,317,555	775,000	34,904,474
	<u>32,811,919</u>	<u>1,317,555</u>	<u>775,000</u>	<u>34,904,474</u>

**Fair value information**

Many of the Sub-Funds' financial instruments are carried at fair value on the Statement of Financial Position. Usually the fair value of the financial instruments can be reliably determined within a reasonable range of estimates.

In determining an instrument's placement within the hierarchy, the Directors separate the Company's investment portfolio into two categories: investments and derivative instruments. Each of these categories can further be divided between financial assets or financial liabilities. There were no transfers between the levels during the period.

***Investments***

Investments whose values are based on quoted market prices in active markets are classified within level 1. These include active listed equities and fixed income securities. The Directors do not adjust the quoted price for such instruments, even in situations where the Company holds a large position and a sale could reasonably impact the quoted price.

Investments that trade in markets that are not considered to be active, but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified in level 2.

Investments classified in level 3 have significant unobservable inputs, as they trade infrequently or not at all. As at 30 June 2015, the Company held Kent Reliance Sub Ordinated Loan Notes FRN 27/03/2017 amounting to GBP 775,000 (31 December 2014: GBP 775,000) and Manchester Building Society Sub Debt Issue 1 and Manchester Building Society Sub Debt Issue 2 amounting to GBP 375,000 and 625,000 respectively. These investments have been priced using historic trading information (Kent Reliance Sub Ordinated Loan Notes was last traded on 7 October 2014 and Manchester Building Society Sub Debt Issue was last traded on 9 February 2015) and Investment Manager advised on adjustments which are to be made for liquidity and current market conditions. Due to the lack of observable market data available and judgement involved on significant input parameters the investments have been classified as Level 3.

There is no movement in the level 3 investments during the period.

**8. Assets and liabilities not carried at fair value but for which fair value is disclosed**

The Company has not disclosed the fair value for cash and cash equivalents, dividend and interest receivable, Sundry receivables and prepayments, amounts due from/to shareholders, investment manager fees payable, sundry payables and accrued expenses, because their carrying amounts are in a reasonable approximation of fair value.

## EUROPEAN WEALTH INVESTMENT FUND plc

### NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2015 (continued)

#### 9. Distribution policy

The Directors may, in their absolute discretion, make distributions from the net realised and unrealised gains and income of the funds. No such distribution was made during the period for the Sub-Funds, Hume European Opportunities Fund and Hume Global Opportunities Fund.

The Directors intend to declare a dividend twice a year for European Wealth Sterling Bond Sub-Fund in respect of Income Shares. It is anticipated that dividends will be declared in January and July each year from all net income of the Sub-Fund for the preceding financial half-year. Dividends payable to shareholders will be re-invested by subscription for additional shares in the Sub-Fund unless shareholders specifically request that dividends be paid by telegraphic transfer at the expense of the shareholders. Dividends payable by transfer will be paid as promptly as practical and in any event within four months of it being declared by the Directors. Total dividends of GBP 5,135 (30 June 2014: GBP 41,035) were paid to the shareholders during the period.

#### 10. Soft commissions

The Investment Manager may enter into soft commission payments in connection with transactions concerning the Hume European Opportunities Fund. There were no soft commission agreements entered into with any brokers during the period.

#### 11. Related party transactions

In accordance with the requirements of UCITS Notices, all transactions carried out with the Company by the promoter, investment manager, custodian and/or associated or group companies of these ("connected parties") must be carried out as if negotiated at arm's length and be in the best interests of shareholders. The Directors are satisfied that there are arrangements (evidenced by written procedures) in place to ensure that the obligations set out in the UCITS Notices are applied to all transactions with connected parties and transactions with connected parties entered into during the period complied with the obligations set out in the UCITS Notices.

Brian McDermott is a partner in A & L Goodbody Solicitors, who are legal advisors to the Company. Legal fees of GBP Nil (30 June 2014: GBP 2,126) were paid to A&L Goodbody for the period ended 30 June 2015. In addition to this, Brian McDermott is a Director of Goodbody Secretarial Limited and A&L Listing Limited. Fees of GBP 7,259 (30 June 2014: GBP 8,177) were paid to Goodbody Secretarial Limited and GBP 2,178 (30 June 2014: 1,227) were paid to A&L Listing Limited during the period.

The subscriber share capital of the Company consists of 2 shares of no par value. As at 6 February 2014, the 2 subscriber shares in issue are held by European Investment Management Limited and European Wealth Management Group plc, each entity holding 1 subscriber share of no par value.

Hume Capital Securities plc which is a related party holds 200 shares (0.006%) of Hume European Opportunities Fund, 185 shares (0.006%) of Hume Global Opportunities Fund and 400 shares (0.001%) of European Wealth Sterling Bond Fund.

At the period end the Company held investments units amounting to 50,000,000 and 22,000,000 in Hume Capital Securities in Hume European Opportunities Fund and Hume Global Opportunities Fund respectively. Hume Capital Securities is the owner of Hume Capital Management Limited, investment manager to these two Sub-Funds.

**EUROPEAN WEALTH INVESTMENT FUND plc**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED 30 JUNE 2015 (continued)**

**12. Dealing NAV reconciliation**

The following table sets out a reconciliation between the dealing NAV and the NAV presented in the financial statements at 30 June 2015.

<b>Sub Fund</b>	<b>NAV per the Financial Statements</b>	<b>Formation Expenses</b>	<b>As of Dealing</b>	<b>NAV for Dealing Purposes</b>
Hume European Opportunities Fund	3,918,587	-	-	3,918,587
Hume Global Opportunities Fund (GBP)	4,471,906	-	-	4,471,906
European Wealth Sterling Bond Fund	50,786,088	-	921	50,787,009
<b>Total (GBP)</b>	<b>59,176,581</b>	<b>-</b>	<b>921</b>	<b>59,177,502</b>

The following table sets out a reconciliation between the dealing NAV and the NAV presented in the financial statements at 31 December 2014.

<b>Sub Fund</b>	<b>NAV per the Financial Statements</b>	<b>Formation Expenses</b>	<b>As of Dealing</b>	<b>NAV for Dealing Purposes</b>
Hume European Opportunities Fund	4,391,418	640	-	4,392,058
Hume Global Opportunities Fund (GBP)	4,670,952	640	-	4,671,592
European Wealth Sterling Bond Fund (GBP)	35,712,910	-	44,889	35,757,799
<b>Total (GBP)</b>	<b>44,775,280</b>	<b>1,280</b>	<b>44,889</b>	<b>44,821,449</b>

**13. Comparative figures**

The Comparative figures in this set of financial statement for the Statement of Financial Position is 31 December 2014, for the Statement of Comprehensive Income and Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares and Statement of Cash Flows are from 1 January 2014 to 30 June 2014.

**14. Significant events during the period**

An updated prospectus and relevant supplements were issued on 27 February 2015 to indicate the offering of Class M Shares of European Wealth Sterling Bond Fund and listing of Class B Acc Sterling Shares of European Wealth Sterling Bond Fund on the Irish Stock Exchange.

Class M Shares were made available for subscription on 2 March 2015. Class B Acc Sterling Shares were listed on the Irish Stock Exchange on 20 January 2015.

There were no other significant events during the period that may require adjustment or disclosure in the financial statements.

**15. Post balance sheet events**

It was resolved to authorise that individual Director's remuneration be increased from £5,000 to £10,000 per annum commencing for the year ending 31 December 2015 at the Annual General Meeting held on 3 July 2015.

There have been no other events subsequent to the period ended 30 June 2015 that may require adjustment or disclosure in the financial statements.

**EUROPEAN WEALTH INVESTMENT FUND plc**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED 30 JUNE 2015 (continued)**

**16. Approval of financial statements**

The financial statements were approved by the Board of Directors on 19 August 2015.