

Mid Wynd
International
Investment Trust *PLC*

Half-Yearly Financial Report
for the six months ended
31 December 2015



ARTEMIS
The PROFIT Hunter

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Objective and investment policy

The objective of the Company is to achieve capital and income growth by investing on a worldwide basis.

The Company is prepared to move freely between different markets, sectors, industries, market capitalisations and asset classes as investment opportunities dictate. On acquisition, no holding shall exceed 15 per cent of the portfolio. The Company will not invest more than 15 per cent of its gross assets in UK listed investment companies. Assets other than equities will be purchased from time to time including but not limited to fixed interest holdings, unquoted securities and derivatives. Subject to prior Board approval, the Company may use derivatives for investment purposes or for efficient portfolio management (including reducing, transferring or eliminating investment risk in its investments and protection against currency risk).

The number of individual holdings will vary over time but to ensure diversification there can be between 40 and 140 holdings and the portfolio is managed on a global basis rather than as a series of regional sub-portfolios.

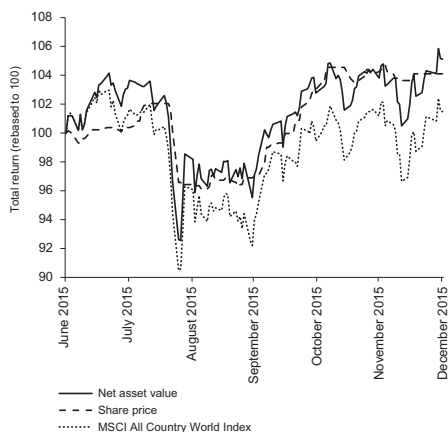
It is an aim of the Company to provide dividend growth over time, although this is subordinate to the primary aim of maximising total returns to shareholders.

While there is a comparative index for the purpose of measuring performance, little attention is paid to the composition of this index when constructing the portfolio and the composition of the portfolio is likely to vary substantially from that of the index. A long term view is taken and there may be periods when the net asset value per share declines in absolute terms and relative to the comparative index.

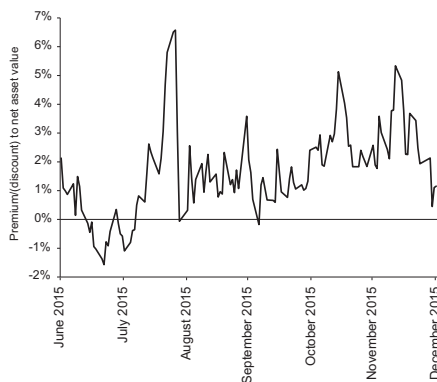
Financial highlights

	Six months ended 31 December 2015	Six months ended 31 December 2014
Total returns		
Net asset value per share	5.1%	11.3%
Share price	4.1%	12.5%
MSCI All Country World Index	1.5%	7.6%
Revenue and dividends		
Revenue earnings per share	2.01p	1.56p
Dividend per share*	1.65p	1.35p
Ongoing charges	0.7%	0.8%
Capital	As at 31 December 2015	As at 31 December 2014
Net asset value per share	336.61p	308.12p
Share price	340.50p	306.00p
Gearing	0.0%	1.6%

Performance for the six months ended 31 December 2015



Premium/(discount) during the six months ended 31 December 2015



Total returns to 31 December 2015	Since 1 May 2014**	3 years	5 years
Net asset value per share	25.7%	53.0%	41.6%
Share price	28.8%	59.9%	38.9%
MSCI All Country World Index	14.2%	37.7%	42.7%

* The interim dividend for the year to 30 June 2016 will be paid on 1 April 2016 to shareholders on the register at the close of business on 11 March 2016. The Company's Registrar offers a dividend reinvestment plan and the final date for receipt of elections for this dividend is 18 March 2016.

** The date when Artemis was appointed as Investment Manager.

Chairman's statement

Performance

Over the six months to 31 December 2015 the Company's net asset value increased by 4.3 per cent to 336.61 pence per share and its share price increased by 3.3 per cent to 340.50 pence per share. This compares favourably with the capital return of 0.6 per cent from the MSCI All Country World Index.

The net asset value total return for the period, which is based on the combination of capital appreciation and dividends (assuming dividends are re-invested), was 5.1 per cent, compared to the total return of 1.5 per cent produced by the MSCI All Country World Index.

It is also pleasing to report further growth in shareholders' funds, with the Company's net assets reaching £91.5 million at the end of the reporting period. That represents an increase of 46 per cent from the £62.8 million recorded at 30 June 2014, the first financial year end following Artemis' appointment as Investment Manager and the point at which the majority of the shares from the Baillie Gifford savings schemes had been bought back. This growth has arisen through a combination of good investment performance, the sale of shares from treasury and the issue of new shares. An overview of the performance of the portfolio is set out in the Investment Manager's review that follows. Further details regarding the Company's share capital are provided below.

Revenue account and dividend

For the six months ended 31 December 2015 the Company had a revenue return of 2.01 pence per share and an interim dividend of 1.65 pence per share (2014: 1.35 pence per share) will be paid on 1 April 2016 to those shareholders on the register on 11 March 2016.

The increase in the interim dividend over last year's payment reflects a combination of both the rebalancing of the split of the payments

between the interim and final dividends, with a greater proportion now being paid at the interim stage, and the Board's commitment to grow the Company's dividend.

Share capital

The Company's shares have remained in demand, resulting in the share price trading at a premium to net asset value for most of the period. Consequently the remaining 1,825,321 shares held in treasury were sold at a premium to the prevailing net asset value, raising £6.0 million for the Company.

The Company has been selected as the rollover option for the reconstruction and winding up of Drumeldrie Investments Limited ('Drumeldrie'), a private investment company. This will result in approximately £4.1 million of assets being transferred to the Company in exchange for the issue of new shares. It is expected to be carried out in four equal instalments, the first of which was completed on 22 December 2015. This exchange was done at the Company's prevailing net asset value and resulted in the issue of 311,630 new shares. As all of the Company's costs in respect of its participation in the transaction are being paid by Drumeldrie there will be no dilution of existing shareholders' interests.

Since the end of the period, a further 500,000 new shares have been issued to meet market demand for the Company's shares, raising a further £1.6 million.

Presentation by the Investment Manager

As the Company's annual general meeting is held in Edinburgh, I am pleased to offer shareholders an opportunity to attend a presentation from the Investment Manager in London. It will take place at 10.00 a.m. on Wednesday, 13 April 2016 at the offices of Artemis Fund Managers Limited: Cassini

Chairman's statement (continued)

House, 57 St James's Street, London SW1A 1LD. It will include an overview of the Investment Manager's approach to managing the Company's portfolio and a summary of recent performance. There will also be an opportunity to put questions to the Investment Manager. If you plan to attend, I would be grateful if you could confirm by e-mailing me at richard.burns@artemisfunds.com or calling the Company Secretary on 0800 092 2051, by Friday, 1 April 2016.

Common Reporting Standard

With effect from 1 January 2016, new tax legislation has been introduced in the UK which requires the Company to report details of certain overseas shareholders to HM Revenue & Customs. Some shareholders may, in consequence, be contacted by the Registrar for information regarding their tax residence. Further information can be found on pages 21 and 22.

Outlook

Global markets have fallen since the end of the reporting period, with the largest falls having occurred in Japan and China, as concerns persist over the strength of their economies. The recent increase in interest rates in the United States, and the continued weakness in commodity prices, has added to the headwinds facing the global economy and has led to an expectation that global economic growth will be slower than had been anticipated.

While declines in markets affect short-term performance, the Investment Manager's approach is to look for businesses with strong market positions and balance sheets, operating in sectors with attractive growth prospects in the medium- to long-term. This approach aims to provide a degree of protection in challenging economic and market conditions while generating capital and income growth for shareholders over the longer term. Although short-term fluctuations in markets are likely to persist, we hope that this approach will result in continued growth in shareholders' funds over the longer term.

Keep up-to-date...

Shareholders can keep up to date with developments between formal reports by visiting midwynd.co.uk, where you will find information on the Company and a factsheet which is updated monthly. In addition, the Board is always keen to hear from shareholders. Should you wish to, you can e-mail me at richard.burns@artemisfunds.com.

Richard Burns
Chairman

29 February 2016

Investment Manager's review

Review of period

The last six months have been a challenging period for global equity markets. Ahead of a rise in interest rates in the US, growth in emerging markets slowed. Commodity producing economies such as Russia, South Africa and Brazil saw sharp falls in their currencies and many are now in recession. Emerging markets now account for nearly half of global GDP – in 2000 their share was just over 20 per cent. Thus, slowing demand in emerging markets has also slowed growth in developed markets. Yet the US economy still seems to have grown by over 2 per cent in 2015, a perfectly healthy background for well-positioned businesses to prosper.

Despite the MSCI All Country World Index only rising by 1.5 per cent over the last six months, the net asset value of the Company increased by 5.1 per cent. Most of this outperformance can be attributed to solid underlying growth from the companies which make up the core of the portfolio.

Index return	1.5%
Contributors:	
Active return	4.5%
Gearing	0.1%
Share issues	0.1%
Other expenses	(0.1)%
Management fees	(0.3)%
Currency	(0.7)%
Net asset value total return	5.1%
Movement in premium to net asset value	(1.0)%
Share price total return	4.1%

Five largest stock contributors

Company	Theme	Contribution (%)
Amazon.com	Online Services	1.0
Alphabet	Online Services	0.7
Adidas	Retiree Spending Power	0.6
Facebook	Online Services	0.5
Hypermarcas	Emerging Market Consumer	0.5

Five largest stock detractors

Company	Theme	Contribution (%)
Time Warner	Media Content	(0.4)
Spectra Energy	Low Carbon World	(0.4)
China Merchants Holdings (International)	Emerging Market Consumer	(0.3)
Grupo Televisa	Media Content	(0.3)
Rakuten	Online Services	(0.2)

Our investment process

Our aim is to identify areas of commercial growth around the world and invest in companies that should profit from that growth. We select high-quality businesses with records of profitability and high cash generation. We prefer companies with strong balance sheets which are protected by established barriers to entry. Such companies sometimes lag equity markets during a vigorous recovery but tend to protect capital well when economic conditions become more testing. We have found this investment approach gives us a stable framework to deliver consistent returns to investors.

Current investment themes

Online Services (17.6 per cent of investments)

Our 'mobile data' theme is focused on the companies which now dominate the provision of certain online services: Amazon.com – retail; Alphabet (the company formerly known as Google) – internet searches; Priceline Group (owner of booking.com); and TripAdvisor – travel. We only invest in proven business models. This may mean we are late to invest in these companies – but it also means we avoid many of the failures in this arena. Many of the Company's holdings in this theme performed well over the last six months, most showing significantly higher fundamental growth than the market had anticipated.

Investment Manager's review (continued)

Emerging Market Consumer (15.0 per cent of investments) and **Frontier Investments** (0.7 per cent of investments)

As outlined in the annual report, we have tried to ensure our exposure to emerging markets is conservative amid the current re-adjustment. This worked well with a positive contribution to the Company's performance coming from businesses that are quoted in developed markets but whose growth comes from consumers in emerging markets. For instance Essilor International, the world leader in lenses, has seen little slowdown in its businesses in emerging markets, despite demand falling generally.

High Quality Assets (13.2 per cent of investments)

This part of the portfolio contains companies selected for their discounts to asset value or for their ability to provide yield. Returns from European property companies were helpful over the reporting period. As interest rates rise in the US, we hope to see higher yields becoming available in good quality quoted equities. Were that to happen we would increase holdings in this part of the portfolio and so further enhance the Company's prospects for long-term dividend growth.

Healthcare Costs (13.1 per cent of investments)

We trimmed our exposure to healthcare in the autumn, especially as it became clear that some generic drug manufacturers had been trying to raise prices artificially. Our focus is on companies which help healthcare providers to reduce costs, so we are particularly wary of those who set themselves against governments with stretched healthcare budgets. We sold both Endo Pharmaceutical and Allergan, leaving our main exposure to pharmaceutical wholesalers and medical equipment companies.

Tourism (10.5 per cent of investments)

This is a new theme for the Company. The number of tourists has risen steadily over the

last few decades, rising by 4 per cent per annum. This has been led by the growing number of holidaymakers from emerging markets – some countries, such as China, only recently began issuing passports to its citizens. As part of this theme, we have invested in airports in Australia, China and Spain. We have also invested in Dufry, the world's largest duty free shopping company.

Low Carbon World (8.7 per cent of investments)

We sold most of our investments in the oil sector in the summer of 2014. Now we have developed a new theme which aims to benefit from regulatory efforts to reduce emissions of carbon dioxide. The recent agreements on climate change in Paris showed the emergence of a global consensus on the need to reduce the use of coal-fired power stations in favour of renewable and gas-fired power. These changes require significant investment and regulators are allowing attractive returns on this new capital expenditure. The correlation between the movements of share prices of these utility-type investments and the high growth stocks we hold in themes such as 'Online Services' tends to be low.

Retiree Spending Power (8.0 per cent of investments)

This theme again performed well, especially our sporting equipment companies. While many spent this period worrying about China, Nike saw a 24 per cent growth in its sales in the country during the quarter to 30 November 2015.

Media Content (6.9 per cent of investments)

This was a negative contributor to the Company's performance during the period. Markets have become nervous that consumers can now use internet streams to watch television so will cancel their subscriptions to satellite and cable TV companies. Even if television is consumed (and paid for) in different ways, the amount of programming being 'consumed' seems still to be rising steadily. The success of

Star Wars: The Force Awakens showed that one of our holdings, Walt Disney, can break records in ticket sales and that merchandising can substantially raise overall investment returns. We therefore believe the market's current caution towards this sector is overdone.

Scientific Equipment (6.3 per cent of investments)

Our investments in companies which make scientific and testing equipment are seeing steady growth in demand from the pharmaceutical industry, university laboratories and companies which test food quality. They have performed very well over the last six months.

Thematic attribution

Theme	Contribution (%)
Online Services	2.2
Retiree Spending Power	1.2
Emerging Market Consumer	0.8
Scientific Equipment	0.8
Healthcare Costs	0.6
Low Carbon World	0.5
High Quality Assets	0.4
Tourism	0.3
Frontier Investments	(0.2)
Media Content	(0.6)

Regional attribution

Region	Contribution (%)
North America	3.9
Europe	1.8
Japan	0.5
UK	0.3
Developed Asia	(0.2)
Emerging	(0.3)

Outlook

Over the last six months markets – and market sentiment – have been volatile. In contrast, the majority of our investments have continued to perform as expected. The coming year may well see some companies lowering their growth forecasts. Furthermore, equity valuations are quite high. We believe, however, that the companies in our portfolio have invested wisely for the future; a pleasing number will bring new products to market in 2016 or have clear plans to raise shareholder returns.

It would not surprise us if markets remain volatile. The Company's portfolio, however, is made up of high-quality businesses in growth industries. We believe that over the medium- to long-term these investments will continue to produce healthy returns for shareholders.

Simon Edelsten, Alex Illingworth & Rosanna Burcheri
Fund managers

Investments

Investment	Region	Industry	Theme	Market Value £'000	% of total net assets
Equities					
Amazon.com	North America	Consumer Discretionary	Online Services	2,122	2.3
National Grid	UK	Utilities	Low Carbon World	2,007	2.2
Boston Scientific	North America	Healthcare	Healthcare Costs	1,969	2.1
Telenor	Europe	Telecommunication Services	Online Services	1,943	2.1
Metro	Europe	Consumer Staples	High Quality Assets	1,915	2.1
Essilor International	Europe	Healthcare	Emerging Market Consumer	1,911	2.1
Edison International	North America	Utilities	Low Carbon World	1,895	2.1
AmerisourceBergen	North America	Healthcare	Healthcare Costs	1,880	2.1
Walgreens Boots Alliance	North America	Consumer Staples	Healthcare Costs	1,847	2.0
Mastercard	North America	Information Technology	Online Services	1,790	2.0
Top 10 equity investments				19,279	21.1
Colgate Palmolive	North America	Consumer Staples	Emerging Market Consumer	1,750	1.9
Facebook	North America	Information Technology	Online Services	1,742	1.9
Carnival	North America	Consumer Discretionary	Tourism	1,717	1.9
Apple	North America	Information Technology	Media Content	1,710	1.9
Thermo Fisher Scientific	North America	Healthcare	Scientific Equipment	1,706	1.9
China Mobile	Emerging	Telecommunication Services	Online Services	1,650	1.8
Fresenius Medical Care	Europe	Healthcare	Healthcare Costs	1,627	1.8
Agilent Technologies	North America	Healthcare	Scientific Equipment	1,588	1.7
Dominion Resources	North America	Utilities	Low Carbon World	1,572	1.7
Time Warner	North America	Consumer Discretionary	Media Content	1,568	1.7
Top 20 equity investments				35,909	39.3
Capitamall Trust	Developed Asia	Financials	Tourism	1,544	1.7
China Resources Beer Holdings	Emerging	Consumer Staples	Emerging Market Consumer	1,499	1.6
Wharf Holdings	Developed Asia	Financials	Tourism	1,491	1.6
Lamar Advertising	North America	Financials	Media Content	1,479	1.6
TLG Immobilien	Europe	Financials	High Quality Assets	1,477	1.6
Hoya	Japan	Healthcare	Emerging Market Consumer	1,463	1.6
VF	North America	Consumer Discretionary	Retiree Spending Power	1,450	1.6
Sumitomo Mitsui Trust Holdings	Japan	Financials	High Quality Assets	1,446	1.6
Walt Disney	North America	Consumer Discretionary	Media Content	1,437	1.6
Nike	North America	Consumer Discretionary	Retiree Spending Power	1,426	1.6
Top 30 equity investments				50,621	55.4
Shimano	Japan	Consumer Discretionary	Retiree Spending Power	1,421	1.6
Dufry	Europe	Consumer Discretionary	Tourism	1,415	1.5
Capital One Financial	North America	Financials	High Quality Assets	1,384	1.5
Waters	North America	Healthcare	Scientific Equipment	1,382	1.5
Spectra Energy	North America	Energy	Low Carbon World	1,381	1.5

Investment	Region	Industry	Theme	Market Value £'000	% of total net assets
Premier	North America	Healthcare	Healthcare Costs	1,378	1.5
LVMH	Europe	Consumer Discretionary	Emerging Market Consumer	1,356	1.5
China Merchants Holdings (International)	Emerging	Industrials	Emerging Market Consumer	1,337	1.5
Tripadvisor	North America	Consumer Discretionary	Online Services	1,292	1.4
Priceline Group	North America	Consumer Discretionary	Online Services	1,291	1.4
Top 40 equity investments				64,258	70.3
Adidas	Europe	Consumer Discretionary	Retiree Spending Power	1,290	1.4
Aena	Europe	Industrials	Tourism	1,265	1.4
Henry Schein	North America	Healthcare	Retiree Spending Power	1,259	1.4
L'Oreal	Europe	Consumer Staples	Emerging Market Consumer	1,236	1.3
Perrigo	North America	Healthcare	Healthcare Costs	1,195	1.3
Mitsubishi UFJ Financial Group	Japan	Financials	High Quality Assets	1,190	1.3
Swiss Prime Site	Europe	Financials	High Quality Assets	1,171	1.3
Rakuten	Japan	Consumer Discretionary	Online Services	1,164	1.3
Sydney Airport	Developed Asia	Industrials	Tourism	1,148	1.3
Alphabet	North America	Information Technology	Online Services	1,110	1.2
Top 50 equity investments				76,286	83.5
Sysco	North America	Consumer Staples	High Quality Assets	1,074	1.2
Fujitec	Japan	Industrials	Emerging Market Consumer	1,048	1.1
Merck & Co.	North America	Healthcare	Healthcare Costs	990	1.1
Ryman Hospitality Properties	North America	Financials	High Quality Assets	990	1.1
Beijing Enterprises Holdings	Emerging	Industrials	Low Carbon World	961	1.0
Biomerieux	Europe	Healthcare	Scientific Equipment	960	1.0
Nippon Telegraph & Telephone	Japan	Telecommunication Services	Online Services	949	1.0
Industrial & Commercial Bank of China	Emerging	Financials	Emerging Market Consumer	931	1.0
Hypermarches	Emerging	Consumer Staples	Emerging Market Consumer	929	1.0
Beijing Capital International Airport	Emerging	Industrials	Tourism	900	1.0
Top 60 equity investments				86,018	94.0
Medipal Holdings	Japan	Healthcare	Healthcare Costs	857	0.9
Hansteen Holdings	UK	Financials	High Quality Assets	790	0.9
SK Telecom	Emerging	Telecommunication Services	Online Services	773	0.8
Doric Nimrod Air One	UK	Industrials	High Quality Assets	391	0.4
Giant Manufacturing	Emerging	Consumer Discretionary	Retiree Spending Power	359	0.4

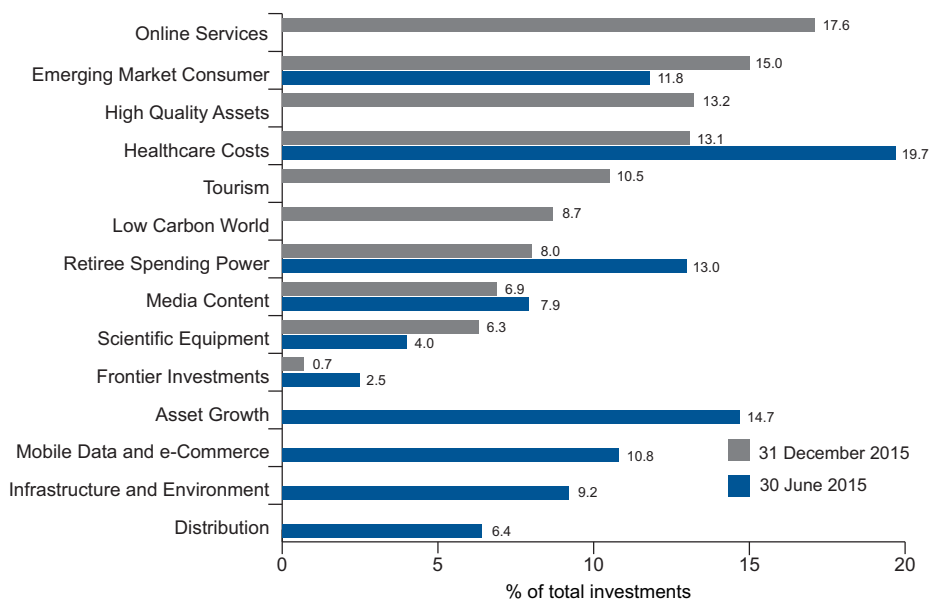
Investments (continued)

Investment	Region	Industry	Theme	Market Value £'000	% of total net assets
Eastern Tobacco	Emerging	Consumer Staples	Frontier Investments	336	0.4
East African Breweries	Emerging	Consumer Staples	Frontier Investments	334	0.4
Ferro Alloy Resources ¹	Emerging	Materials	High Quality Assets	–	–
NBNK Investments (warrants) ¹	UK	Financials	High Quality Assets	–	–
Total equity investments (69)				89,858	98.2
Bonds					
US Dollar denominated					
K1 Life Settlements 0% 10/08/16 ¹	Europe	Financials	–	72	0.1
Total bond investments				72	0.1
Total investments				89,930	98.3
Net current assets (excluding bank loans)				6,477	7.1
Bank loans				(4,932)	(5.4)
Total net assets				91,475	100.0

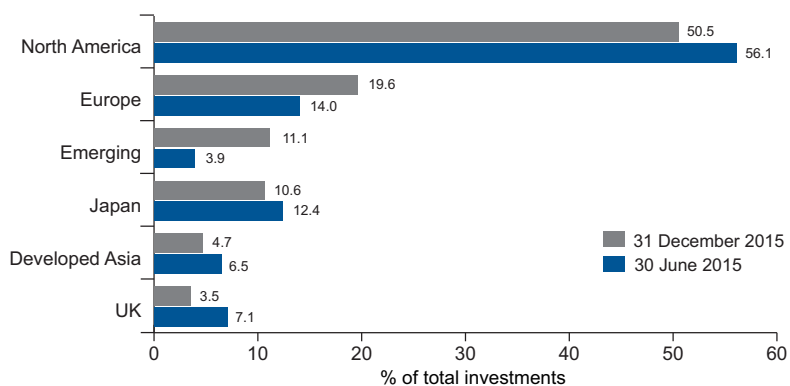
¹ Unquoted security.

Theme and region analysis of investments

Theme analysis



Region analysis



Responsibility statement of the Directors in respect of the Half-Yearly Financial Report

The Directors confirm that to the best of their knowledge, in respect of the Half-Yearly Financial Report for the six months ended 31 December 2015:

- the condensed set of financial statements has been prepared in accordance with Financial Reporting Standard ('FRS') 104: 'Interim Financial Reporting';
- having considered the expected cash flows and operational costs of the Company for the 18 months from the period end, the Directors are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, the going concern basis of accounting continues to be used in the preparation of the Half-Yearly Financial Report;
- the Chairman's statement to shareholders and Investment Manager's review includes a fair review of the information required by:
 - (a) DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of the important events that have occurred during the first six months of the financial year and their impact on the

financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

- (b) DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period, and any changes in the related party transactions described in the last annual report that could do so.

The Half-Yearly Financial Report for the six months ended 31 December 2015 was approved by the Board and the above responsibility statement has been signed on its behalf by:

Richard Burns
Chairman

29 February 2016

Condensed income statement

	Note	For the six months ended 31 December 2015 (unaudited)			For the six months ended 31 December 2014 (unaudited)			For the year ended 30 June 2015 (audited)		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gains on investments		–	4,298	4,298	–	6,703	6,703	–	9,645	9,645
Currency (losses)/gains		–	(293)	(293)	–	53	53	–	270	270
Income		760	–	760	565	–	565	1,405	–	1,405
Investment management fee		(53)	(160)	(213)	(41)	(123)	(164)	(91)	(273)	(364)
Other administrative expenses		(103)	(10)	(113)	(121)	(8)	(129)	(216)	(39)	(255)
Net return before finance costs and taxation		604	3,835	4,439	403	6,625	7,028	1,098	9,603	10,701
Finance costs of borrowings		(9)	(27)	(36)	(16)	(48)	(64)	(27)	(79)	(106)
Net return on ordinary activities before taxation		595	3,808	4,403	387	6,577	6,964	1,071	9,524	10,595
Tax on ordinary activities		(79)	–	(79)	(38)	–	(38)	(111)	–	(111)
Net return on ordinary activities after taxation		516	3,808	4,324	349	6,577	6,926	960	9,524	10,484
Net return per ordinary share	2	2.01p	14.83p	16.84p	1.56p	29.43p	30.99p	4.13p	40.95p	45.08p

The total column of this statement is the profit and loss account of the Company.

All revenue and capital items in this statement derive from continuing operations. No operations were acquired or discontinued during the period.

The Company has no recognised gains and losses other than those shown above and therefore no separate Statement of Comprehensive Income has been presented.

Condensed balance sheet

	Note	As at 31 December 2015 (unaudited) £'000	As at 31 December 2014 (unaudited) £'000	As at 30 June 2015 (audited) £'000
Fixed assets				
Investments held at fair value through profit or loss	5	89,930	74,491	79,135
Current assets				
Debtors		193	1,421	1,992
Cash and cash equivalents		6,811	2,482	5,460
		7,004	3,903	7,452
Creditors				
Amounts falling due within one year	4,5	(5,459)	(5,159)	(5,746)
Net current assets/(liabilities)		1,545	(1,256)	1,706
Total net assets		91,475	73,235	80,841
Capital and reserves				
Called up share capital	6	1,359	1,343	1,343
Capital redemption reserve		16	16	16
Share premium		8,739	5,698	6,650
Capital reserve		79,840	64,782	71,146
Revenue reserve		1,521	1,396	1,686
Shareholders' funds		91,475	73,235	80,841
Net asset value per ordinary share		336.61p	308.12p	322.87p

Condensed statement of changes in equity

	Note	For the six months ended 31 December 2015 (unaudited)					
		Share capital £'000	Capital redemption reserve £'000	Share premium £'000	Capital reserve ^{1,2} £'000	Revenue reserve ² £'000	Shareholders' funds £'000
Shareholders' funds at 1 July 2015		1,343	16	6,650	71,146	1,686	80,841
Net return on ordinary activities after taxation		–	–	–	3,808	516	4,324
Issue of new shares	6	16	–	1,010	–	–	1,026
Issue of shares from treasury	6	–	–	1,079	4,886	–	5,965
Dividends paid	3	–	–	–	–	(681)	(681)
Shareholders' funds at 31 December 2015		1,359	16	8,739	79,840	1,521	91,475

	Note	For the six months ended 31 December 2014 (unaudited)					
		Share capital £'000	Capital redemption reserve £'000	Share premium £'000	Capital reserve ^{1,2} £'000	Revenue reserve ² £'000	Shareholders' funds £'000
Shareholders' funds at 1 July 2014		1,343	16	4,983	54,904	1,596	62,842
Net return on ordinary activities after taxation		–	–	–	6,577	349	6,926
Issue of shares from treasury	6	–	–	715	4,839	–	5,554
Repurchase of shares into treasury	6	–	–	–	(1,538)	–	(1,538)
Dividends paid	3	–	–	–	–	(549)	(549)
Shareholders' funds at 31 December 2014		1,343	16	5,698	64,782	1,396	73,235

	Note	For the year ended 30 June 2015 (audited)					
		Share capital £'000	Capital redemption reserve £'000	Share premium £'000	Capital reserve ^{1,2} £'000	Revenue reserve ² £'000	Shareholders' funds £'000
Shareholders' funds at 1 July 2014		1,343	16	4,983	54,904	1,596	62,842
Net return on ordinary activities after taxation		–	–	–	9,524	960	10,484
Issue of shares from treasury	6	–	–	1,667	8,332	–	9,999
Repurchase of shares into treasury	6	–	–	–	(1,614)	–	(1,614)
Dividends paid	3	–	–	–	–	(870)	(870)
Shareholders' funds at 30 June 2015		1,343	16	6,650	71,146	1,686	80,841

¹ Capital reserve as at 31 December 2015 includes unrealised gains of £6,400,000 (31 December 2014: gains of £6,234,000; 30 June 2015: gains of £2,004,000).

² These reserves form the distributable reserves of the Company.

Condensed statement of cash flows

	Note	For the six months ended 31 December 2015 (unaudited) £'000	For the six months ended 31 December 2014 (unaudited) £'000	For the year ended 30 June 2015 (audited) £'000
Operating activities				
Profit before tax		4,403	6,964	10,595
Interest payable		36	64	106
Gains on investments		(4,298)	(6,703)	(9,645)
Currency losses/(gains)		293	(53)	(270)
(Increase)/decrease in other debtors		(51)	47	32
Increase/(decrease) in other creditors		9	(47)	(15)
Net cash inflow from operating activities before interest and tax		392	272	803
Interest paid		(36)	(64)	(106)
Irrecoverable overseas tax suffered		(79)	(38)	(111)
Net cash inflow from operating activities		277	170	586
Investing activities				
Purchase of investments		(48,806)	(47,703)	(114,199)
Sale of investments		43,553	45,273	110,287
Realised currency gains/(losses)		–	(23)	6
Net cash outflow from investing activities		(5,253)	(2,453)	(3,906)
Financing activities				
Issue of shares from treasury	6	5,965	5,554	9,999
Issue of new shares	6	1,026	–	–
Dividends paid	3	(681)	(549)	(870)
Repurchase of shares into treasury	6	–	(1,530)	(1,621)
Net cash inflow from financing activities		6,310	3,475	7,508
Net increase in cash and cash equivalents		1,334	1,192	4,188
Unrealised currency gains/(losses) on cash and cash equivalents		17	2	(16)
Cash and cash equivalents at the start of the period		5,460	1,288	1,288
Cash and cash equivalents at the end of the period		6,811	2,482	5,460

Notes to the Half-Yearly Financial Report

1. Accounting policies

The condensed financial statements for the six months ended 31 December 2015 comprise the statements set out on pages 13 to 16 together with the related notes on pages 17 to 20. The financial statements have been prepared in accordance with the Company's accounting policies as set out in the Annual Financial Report for the year ended 30 June 2015 and are presented in accordance with the Companies Act 2006 (the 'Act') and the requirements of the Statement of Recommended Practice ('SORP') 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' issued in November 2014. The updated SORP reflects the changes arising from the adoption of FRS 102, which the Company is required to comply with for the first time for the year ending 30 June 2016. The Company has also adopted the requirements of FRS 104 for the first time in the production of this Half-Yearly Financial Report.

Aside from the additional disclosure of the fair value of the Company's investments below and a change to the presentation of the condensed statement of cash flows, no other material changes have arisen from the adoption of the new standards above.

The financial information contained within this Half-Yearly Financial Report does not constitute statutory accounts as defined in sections 434 to 436 of the Act. The financial information for the year ended 30 June 2015 has been extracted from the statutory accounts which have been filed with the Registrar of Companies. The auditors' report on those accounts was not qualified and did not contain statements under sections 498(2) or (3) of the Act.

2. Net return per ordinary share

Net return per ordinary share is based on the totals of revenue and capital set out on page 13 and on 25,675,244 (six months ended 31 December 2014: 22,351,284; year ended 30 June 2015: 23,254,943) ordinary shares, being the weighted average number of ordinary shares in issue during each period.

Notes to the Half-Yearly Financial Report (continued)

3. Dividends

	Six months ended 31 December 2015 (unaudited) £'000	Six months ended 31 December 2014 (unaudited) £'000	Year ended 30 June 2015 (audited) £'000
Amounts recognised as dividends in the period:			
Final dividend for the year ended 30 June 2015 of 2.65p, paid 6 November 2015 (2014: 2.50p, paid 31 October 2014)	681	549	549
Interim dividend for the year ended 30 June 2015 of 1.35p, paid 10 April 2015	–	–	321
	681	549	870
Amounts paid and payable in respect of the period:			
Interim dividend for the year ending 30 June 2016 of 1.65p* (2015: 1.35p, paid 10 April 2015)	448	321	321
Final dividend for the year ended 30 June 2015 of 2.65p, paid 6 November 2015	–	–	664
	448	321	985

*The interim dividend of 1.65 pence per share was declared after 31 December 2015 and has therefore not been included as a liability in the balance sheet at this date. This dividend will be paid on 1 April 2016 to shareholders on the register at the close of business on 11 March 2016. The ex dividend date is 10 March 2016. The Company's Registrar operates a dividend reinvestment plan and the final date for elections for this dividend is 18 March 2016 (see page 21 for further details).

All of the dividends in the table above have been (or will be, as applicable) paid from the Company's Revenue Reserve.

4. Borrowing facilities

On 19 February 2015, the Company entered into a three-year US\$16 million revolving credit facility with Scotiabank, of which US\$7.3 million (£4.9 million) was drawn down at 31 December 2015 (30 June 2015: US\$7.3 million (£4.6 million)). This is recognised in amounts falling due within one year in the balance sheet. Interest is charged at variable rates equivalent to 0.9 per cent over the US dollar London interbank market rate. The interest rate as at 31 December 2015 was 1.30210 per cent (30 June 2015: 1.08675 per cent).

Included in amounts falling due within one year in the balance sheet as at 31 December 2014 are the £2.5 million and €3.0 million fixed rate loan facilities which matured on 20 February 2015.

5. Fair value of financial assets and financial liabilities

The fair value analysis of investments held at fair value at the period end is as follows:

	At 31 December 2015		At 31 December 2014		At 30 June 2015	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Quoted prices for identical instruments in active markets	89,858	–	74,261	–	79,090	–
Valuation techniques using observable market data	–	–	50	–	–	(39)
Valuation techniques using non-observable data	72	–	180	–	84	–
Total value of investments	89,930	–	74,491	–	79,174	(39)

The Directors are of the opinion that the financial assets and liabilities of the Company are stated at fair value in the balance sheet.

Given the fixed term nature of the Company's loan facilities that expired on 20 February 2015, they were included in the Condensed Balance Sheet at their book value. As at 31 December 2014 the book value of these loans was £4,828,000 and the fair value was £4,836,000.

Notes to the Half-Yearly Financial Report (continued)

6. Share capital

	At 31 December 2015 (unaudited) No. of shares	At 31 December 2014 (unaudited) No. of shares	At 30 June 2015 (audited) No. of shares
Allotted, called up and fully paid (ordinary shares of 5p each)	27,175,460	23,768,630	25,038,509
Ordinary shares held in treasury	–	3,095,200	1,825,321
	27,175,460	26,863,830	26,863,830

In the six months ended 31 December 2015 no ordinary shares were bought back and held in treasury (six months ended 31 December 2014: 554,440 ordinary shares were purchased at a total cost of £1,538,000; year ended 30 June 2015: 577,440 ordinary shares were purchased at a total cost of £1,614,000).

During the six months to 31 December 2015 a total of 1,825,321 ordinary shares were sold from treasury for total proceeds of £5,965,000 (six months ended 31 December 2014: 1,822,609 ordinary shares sold for total proceeds of £5,554,000; year ended 30 June 2015: 3,115,488 ordinary shares sold for total proceeds of £9,999,000). The Company also allotted 311,630 new ordinary shares to Drumeldrie Investments Limited during the period for £1,026,000 (six months ended 31 December 2014 and year ended 30 June 2015: nil).

7. Related party transactions

There were no related party transactions during the period.

8. Transactions with the Investment Manager

The investment management fee payable to Artemis Fund Managers Limited for the six months ended 31 December 2015 was £213,000 (six months ended 31 December 2014: £164,000; year ended 30 June 2015: £364,000) of which £111,000 was outstanding at the period end (31 December 2014: £85,000; 30 June 2015: £104,000).

9. Principal risks and uncertainties

Pursuant to DTR 4.2.7R of the Disclosure and Transparency Rules, the principal risks faced by the Company include general market risk, regulatory, operational, financial and gearing risks.

These risks, which have not materially changed since the Annual Financial Report for the year ended 30 June 2015, and the way in which they are managed, are described in more detail in the Annual Financial Report which is available at midwynd.co.uk.

Information for shareholders

Buying shares in the Company

The Company's ordinary shares are traded on the London Stock Exchange and can be bought or sold through a stockbroker, a financial adviser or via an investment platform. Find out more at midwynd.co.uk.

Company numbers:

London Stock Exchange (SEDOL) number:
B6VTTK0

ISIN number: GB00B6VTTK07

Ticker: MWY

Capital Gains Tax

For Capital Gains Tax indexation purposes, the market value of an ordinary share in the Company as at 31 March 1982 was 52 pence. The equivalent price, adjusted for the five for one share split in October 2011, is 10.4 pence.

Share register enquiries

Computershare maintains the share register on behalf of the Company. In the event of queries regarding shares registered in your own name, please contact the Registrar on 0370 707 1186. This helpline also offers an automated self-service functionality (available 24 hours a day, 7 days a week) which allows you to:

- hear the latest share price;
- confirm your current share holding balance;
- confirm your payment history; and
- order Change of Address forms, Dividend Bank Mandates and Stock Transfer forms.

By quoting the reference number on your share certificate you can also check your holding on the Registrar's website at investorcentre.co.uk.

It also offers a free, secure share management website service which allows you to:

- view your share portfolio and see the latest market price of your shares;
- calculate the total market price of each shareholding;
- view price histories and trading graphs;
- update bank mandates and change address details;
- use online dealing services; and
- pay dividends directly into your overseas bank account in your chosen local currency.

To take advantage of this service, please log in at investorcentre.co.uk. You will need your Shareholder Reference Number and Company Code to do this (this information can be found on the last dividend voucher or your share certificate).

Dividend reinvestment plan

Computershare operates a dividend reinvestment plan which can be used to buy additional shares instead of receiving your dividend via cheque or into your bank account. For further information log in to investorcentre.co.uk and follow the instructions or telephone 0370 707 1694.

Common Reporting Standard

With effect from 1 January 2016 new tax legislation implementing the OECD ('Organisation for Economic Co-operation and Development') Common Reporting Standard for Automatic Exchange of Financial Account Information (the 'Common Reporting Standard') has been introduced in the UK.

Information for shareholders (continued)

This requires the Company to provide information annually to HM Revenue & Customs on the tax residencies of those certificated shareholders that are tax resident in countries outwith the UK that have signed up to the Common Reporting Standard.

All new shareholders, excluding those whose shares are held in CREST, that enter the share register from 1 January 2016 will be sent a certification form from the Registrar to complete. Existing shareholders may also be contacted by the Registrar should any extra information be needed to correctly determine their tax residence.

Failure to provide this information may result in the holding being reported to HMRC.

For further information, please see HMRC's Quick Guide: Automatic Exchange of Information – information for account holders gov.uk/government/publications/exchange-of-information-account-holders.

Financial Advisers and retail investors

The Company currently conducts its affairs so that its shares in issue can be recommended by Financial Advisers to ordinary retail investors in accordance with the Financial Conduct Authority's ('FCA's') rules in relation to non-mainstream investment products and intends to do so for the foreseeable future. The Company's shares are excluded from the FCA's restrictions which apply to non-mainstream investment products because they are shares in an investment trust.

Further information on the Company

The Company's net asset value is calculated daily and released to the London Stock Exchange. Its share price is listed in the Financial Times and also on the TrustNet website (trustnet.com). Up-to-date information can be found on the Company's website (midwynd.co.uk), including a factsheet which is updated monthly. Shareholders can also contact the Chairman to express any views on the Company or to raise any questions they have using the e-mail address: richard.burns@artemisfunds.com.

Reporting calendar

Year End

30 June

Results announced

Interim: February

Annual: August

Dividends payable

April and November

Annual General Meeting

November

General information

Directors

Richard Burns (Chairman)
Harry Morgan
Russell Napier
Alan Scott
Malcolm Scott, QC

Registered office

42 Melville Street
Edinburgh EH3 7HA
Website: midwynd.co.uk

Investment Manager, Alternative Investment Fund Manager and Company Secretary

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London SW1A 1LD

Tel: 0800 092 2051
Email: investor.support@artemisfunds.com
Website: artemis.co.uk

Authorised and regulated by the Financial Conduct Authority, 25 The North Colonnade, Canary Wharf, London E14 5HS

Registrar

Computershare Investor Services PLC
The Pavillions
Bridgwater Road
Bristol BS99 6ZZ
Tel: 0370 707 1186

Calls to this number cost 2 pence per minute plus network extras. Lines are open from 8.30 a.m. to 5.30 p.m., Monday to Friday.
Website: investorcentre.co.uk

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London E14 5JP

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Banker & Custodian

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