

SVM UK Emerging Fund plc Interim Management Statement

This interim management statement covers the period from 1 October 2007 to 31 December 2007. It has been produced for the sole purpose of providing information to the Company's shareholders in accordance with the requirements of the UK Listing Authority's Disclosure and Transparency Rules. It should not be relied upon by any other party or for any other purpose.

Investment Objective

SVM UK Emerging Fund's investment objective is long term capital growth from investments in smaller UK companies with a particular focus on the Alternative Investment Market (AIM)

Benchmark

FTSE AIM Index

Dividend

The Fund does not pay a dividend.

Material Events

The Fund posted its Interim Report for the six months to 30 September 2007 in November.

Largest Investments as at 31 December 2007

	%
1 Petrel Resources	8.0
2 China Pub Company	7.1
3 Petra Diamond	6.8
4 Kirkland Lake Gold	6.7
5 Amazing Holdings	5.7
6 Dwyka Resources	5.4
7 AT Communications	5.2
8 Van Dieman Mines	5.0
9 Maghreb Mining	4.0
10 Mantle Diamonds	4.0

Total	57.9

Sector Analysis as at 31 December 2007

	%
Basic Materials	40.7
Industrials	5.4
Oil & Gas	14.0
Consumer Goods	0.0
Consumer Services	21.1
Healthcare	9.9
Telecoms	0.0
Technology	4.4
Financials	4.5
Utilities	0.0

	100.0

Financial Position

	As at 31 Dec 2007 (unaudited) £'000	As at 30 Sep 2007 (unaudited) £'000
Investments	4,276	4,383
Net current assets / (liabilities)	69	(89)

Net assets	----- 4,207	----- 4,294
NAV per share	----- 70.06p	----- 63.57p

Changes to Share Capital

	Issued
As at 30 September 2007	6,005,000
Ordinary shares bought back	0
Ordinary shares issued	0
As at 31 December 2007	----- 6,005,000 -----

Performance

	3 months	1 year	3 years	Remit change (*)
	%	%	%	%
Share price	-11.3	+38.2	+176.5	+176.5
Net asset value	-2.0	+23.5	+100.5	+117.8
FTSE AIM Index	-5.8	+0.6	+0.1	+17.3

* - investment remit changed September 2004

Source: SVM/Lipper Hindsight, capital return to 31/12/2007

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

We are not aware of any significant events or transactions which have occurred between 31 December 2007 and the date of publication of this interim management statement which would have a material impact on the financial position of the Fund.

Further Information

Further information regarding the Fund, including monthly factsheets, can be found at the Manager's website: at www.svmonline.co.uk.