Jupiter Green Investment Trust PLC

Half Yearly Financial Report

for the six months to 30 September 2012

JUPITER

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Investment Objective, Investment Policy and Benchmark Index

Investment Objective

The Company's investment objective is to generate long-term capital growth for Shareholders through a diverse portfolio of companies providing environmental solutions.

Investment Policy

Asset Allocation

The Company invests globally in companies which have a significant focus on environmental solutions. Specifically, the Company looks to invest across three key areas: infrastructure, resource efficiency and demographics.

The Company's portfolio has a bias towards small and medium capitalisation companies. It invests primarily in securities which are quoted, listed or traded on a recognised exchange. However, up to 5 per cent. of the Company's Total Assets (at the time of such investment) may be invested in unlisted securities.

The individual portfolio manager selects each stock on its individual merits as an investment rather than replicating the relevant company's weighting within the Company's benchmark indices. The Company's investment portfolio is therefore unlikely to represent the constituents of its benchmark indices, but instead is intended to offer a well diversified investment strategy focused on maximising returns from the prevailing economic background.

The individual portfolio manager may enter into contracts for differences in order to gain both long and short exposure for the Company to indices, sectors, baskets or individual securities for both investment purposes and for hedging or efficient portfolio management purposes. The ability to maintain a portfolio of both long and short positions provides the flexibility to hedge against periods of falling markets, to reduce the risk of absolute loss at portfolio level and to reduce the volatility of portfolio returns. The individual portfolio manager may also invest in single stock, sector and equity index futures and options.

Risk is also mitigated by investing mainly in quoted companies on registered exchanges, ensuring full regulatory compliance for all underlying quoted investments. There are no specific stock and sector size limitations within the portfolio, but the individual portfolio manager is expected to provide sufficient stock, sector and geographic diversification to ensure an appropriate trade-off between risk and return within the portfolio. In order to ensure compliance with this objective there is a two tier monitoring system. First, the individual portfolio manager's portfolio is assessed monthly by the Jupiter Asset Management Limited Performance Committee, which is headed by the chief executive of Jupiter Asset Management Limited. Secondly, the Board is provided with a detailed analysis of stock, sector and geographic exposures at the Company's regular Board meetings.

Investment Objective, Investment Policy and Benchmark Index continued

Risk diversification

The following investment restrictions are observed:

- no more than 15 per cent. of the Total Assets of the Company (before deducting borrowed money) is lent to or invested in any one company or group (including loans to or shares in the Company's own subsidiaries) at the time the investment or loan is made. For this purpose any existing holding in the company or group concerned is aggregated with the proposed investment;
- distributable income is principally derived from investments. Neither the Company nor any subsidiary conducts a trading activity which is significant in the context of the group as a whole;
- not more than 10 per cent., in aggregate, of the value of the Total Assets of the Company (before deducting borrowed money) is invested in other investment companies (including investment trusts) listed on the Official List. Whilst the requirements of the UK Listing Authority permit the Company to invest up to this 10 per cent. limit, it is the Directors' current intention that the Company invests not more than 5 per cent., in aggregate, of the value of the Total Assets of the Company (before deducting borrowed money) in such other investment companies; and
- the Company at all times invests and manages its assets in a way which is consistent with its object of spreading investment risk.

Gearing

The Company may utilise gearing, at the Directors' discretion, for the purpose of financing the Company's portfolio and enhancing Shareholders returns. In particular, the Company may be geared by bank borrowings which will rank in priority to the Ordinary Shares for repayment on a winding up or other return of capital.

The Articles provide that, without the sanction of the Company in general meeting, the Company may not incur borrowings above a limit of 25 per cent. of the Company's Total Assets at the time of drawdown of the relevant borrowings. No credit facility has been negotiated by the Company to date.

The level of any gearing of the Company's Total Assets from time to time will be disclosed in the monthly factsheets which are available from **www.jupiteronline.com** and on request from the Company Secretary.

In accordance with the requirements of the UK Listing Authority, any material changes in the principal investment policies and restrictions (as set out above) of the Company will only be made with the approval of Shareholders by ordinary resolution.

Benchmark Index

MSCI World Small Cap Index
Total Return expressed in sterling

Dividend Policy, Planned Life of the Company and Discount Control

Dividend Policy

The Board has not set an objective of a specific portfolio yield for the Company and the level of such yield is expected to vary with the sectors and geographical regions to which the Company's portfolio is exposed at any given time. However, substantially all distributable revenues that are generated from the Company's investment portfolio are expected to be paid out in the form of dividends.

Planned Life of the Company

The Company does not have a fixed life. However, the Board considers it desirable that Shareholders should have the opportunity to review the future of the Company after an initial period of eight years from date of Admission. Accordingly, at the annual general meeting of the Company in 2014 and at every third subsequent annual general meeting thereafter, the Directors will propose an ordinary resolution for the continuation of the Company in its current form. If such resolution is not passed, the Directors will formulate proposals to be put to Shareholders to reorganise or reconstruct the Company or for the Company to be wound-up.

Subscription Rights

At a General Meeting of shareholders on 20 June 2012 resolutions were approved to provide for subscription rights to be embedded within the Ordinary shares. Shareholders have an annual opportunity to subscribe for Ordinary shares on the basis of one new Ordinary share for every ten Ordinary shares held at 31 March of each year. The subscription price will be equal to the audited undiluted NAV per share as shown in the published report and accounts prepared at 31 March in the previous year. The first subscription date will be 31 March 2013. A reminder will be sent to shareholders prior to the first subscription date.

Discount Control

The Directors believe that the Ordinary shares should not trade at a significant discount to their prevailing Net Asset Value.

On 26 April 2012, the Board announced a revised discount control policy. The Board intends to use share buy-backs to assist in diluting discount volatility and to seek to narrow the discount to Net Asset Value at which the Company's shares trade over time – with a view to achieving a position by the time of the Company's Annual General Meeting in 2013 – where, in normal market conditions, the Company's share price does not materially vary from its NAV per share. It is the Board's current intention to continue this policy following the Annual General Meeting in 2013.

Company Information

Directors	P K O Crosthwaite, Chairman P Courtice T Hillgarth M Naylor
Investment Manager, Secretary and Registered Office	Jupiter Asset Management Limited 1 Grosvenor Place London SW1X 7JJ *Authorised and regulated by the Financial Services Authority*
Telephone	**020 7412 0703**
Facsimile	**020 7468 6494**
Website	**www.jupiteronline.com**
Email	**investmentcompanies@jupiter-group.co.uk**
Financial Advisor and Stockbroker	Oriel Securities Limited 150 Cheapside London EC2V 6ET *Authorised and regulated by the Financial Services Authority*
Telephone	**020 7710 7600**
Website	**www.orielsecurities.com**
Custodian	The Northern Trust Company 50 Bank Street Canary Wharf London E14 5NT *Authorised and regulated by the Financial Services Authority*

Company Information continued

Registrars	Capita Registrars Limited 34 Beckenham Road Beckenham Kent BR3 4TU
Email	**ssd@capitaregistrars.com**
Telephone	**0871 664 0300** *(Lines are open from 8.30am to 5.30pm Monday to Friday. Calls cost 10 pence per minute plus network charges)*
Telephone (overseas)	**+44 208 639 3367**
Website	**www.capitaregistrars.com**
Auditors	haysmacintyre Fairfax House 15 Fulwood Place London WC1Y 6AY
Company Registration Number	05780006 An investment company under s.833 of the Companies Act 2006
Investor Codes	**Ordinary shares** ISIN: GB00B120GL77 Sedol Number: BL120GL7 Ticker: JGC/LN

The Ordinary shares are listed on the London Stock Exchange and their price is published daily in the Financial Times under 'Investment Companies'.

Financial Highlights for the six months to 30 September 2012

Capital Performance

	30 September 2012	31 March 2012	% Change
Total Assets less Current Liabilities (£'000)	33,141	36,181	-3.1*
MSCI World Small Cap Index	146.728	149.672	-2.0

Ordinary Share Performance

	30 September 2012	31 March 2012	% Change
Mid market price (p)	98.0	92.0	+6.5
Net Asset Value per share (p)	105.13	108.49	-3.1
Discount to Net Asset Value (%)	6.8	15.2	

* Investment performance has been adjusted in respect of shares repurchased and cancelled during the period.

Chairman's Statement

In the six months to 30 September 2012 the investment backdrop remained very challenging with the crisis prevailing in southern Europe. The rise of marginal parties during the Greek election in May ignited concern that the country may contemplate leaving the eurozone. Meanwhile, Spain's beleaguered banking sector required an EU bailout. Sentiment improved, however, when ECB President Draghi pledged to "do whatever it takes" to save the euro, the policy detail surrounding which included the commitment to buy short-dated bonds of indebted countries with the aim of lowering borrowing costs and maintaining liquidity while economic reforms were introduced. The economic slowdown in China and the US also concerned markets during the period, although central bank policy announcements in both countries provided some relief.

During the period under review your Company's total assets, adjusted for share cancellations, decreased by 3.1 per cent. to £33,141,000. This compares with a fall in the Company's benchmark index, the MSCI World Small Cap Index of 2.0 per cent. over the same period. The Net Asset Value of the Company's Ordinary shares fell by 3.1 per cent. to 105.13p during the period under review, whilst their middle market price increased by 6.52 per cent. to 98.00p.

In April your Board announced a revised discount control policy with immediate effect. The essence of that policy is to use buybacks to seek to narrow the discount to net asset value at which the Company's shares trade over time, with a view to achieving a position where the Company's share price does not materially deviate from its net asset value by the time of the Company's Annual General Meeting in 2013. Since the introduction of the revised policy the discount has significantly reduced and as at 13 November 2012 was 6.5 per cent.

I recommend the manager's review in which he details the effects of a difficult economic backdrop on the portfolio. While these conditions have certainly created headwinds for some industries, such as waste management, they have also created opportunities for businesses offering economically competitive solutions in areas such as resource efficiency. Companies involved in organic foods have also enjoyed high levels of customer loyalty, despite tougher household budgets.

The June UN Conference on Sustainable Development in Rio de Janeiro (Rio + 20) ended largely as expected: there was little meaningful progress at the government level. A number of trends were underscored at the talks, however, which continue to shape the growth in the environmental economy. The two most notable of these were (i) the increased influence of the corporate sector in driving the environmental agenda and (ii) the broad recognition that a higher economic value should be given to environmental assets (such as water and biodiversity) in the wider global growth agenda.

Of particular note in the past six months have been the startling images of depleted corn crops in the US where the country has experienced its worst drought since 1956 and the warmest 12 month period to June since 1895. While incidents of extreme weather are certainly not uncommon, the prevalence and severity of extreme events appears to be growing across the globe. This year, drought also ravaged Brazil, record high temperatures were recorded in Europe in March and as many of you will no doubt be aware, here in the UK we experienced the wettest summer in 100 years. This list is far from exhaustive, but provides some indication of the sorts of weather a growing body of research suggests will occur more frequently in coming years as a result of climate change. As the spike in global grain prices this year shows, these events come at profound economic cost.

Chairman's Statement continued

Finding solutions to help us adapt to and potentially mitigate the severity of extreme weather will take ingenuity and will involve companies from across many industries. These are businesses in which the Trust actively invests, under three key areas of focus: infrastructure, resource efficiency and demographics. The Trust continues to provide investors with an important vehicle for allocating capital to businesses providing cost-effective solutions to long term environmental challenges. It also provides investors with a highly diversified portfolio of investments underpinned by the transition of this once specialised area into the mainstream.

Perry K O Crosthwaite
Chairman
19 November 2012

Manager's Review

Performance Review

For the six months ended 30 September 2012, the total return for the Trust was -3.1 per cent.* compared to returns of -2.0 per cent.* for the Trust's benchmark, the MSCI World Small Cap Index. During the same period the FTSE ET50 TR index returned -8.4 per cent.**. The FTSE ET50 index measures the performance of the largest 50 companies globally whose core business is the development and deployment of environmental technologies.

Market review

The six month period started poorly and this impacted the Net Asset Value of the Trust. Stock markets suffered heavy losses in April and May as an anti-austerity mood gathered momentum in Europe and investors feared the imminent exit of Greece from the monetary union. Spain's banking sector, meanwhile, required a bailout, which led to further market uncertainty at a time when economic data from the US and China showed a loss of momentum in both economies. With capital fleeing from southern Europe, the European Central Bank was once again forced to take extreme measures. This came in the form of a pledge to buy the bonds of highly-indebted countries, news of which drove down borrowing costs for Spain and Italy and helped lift stock market indices towards cyclical highs. However, by the time the US Federal Reserve announced its bold open-ended asset purchase programme ("QE3"), sentiment was tempered by concern about the deteriorating outlook for corporate earnings and generally weak economic data globally.

Fund review

The Trust lost some ground during the period. Holdings in areas most vulnerable to economic weakness were particularly tested by the conditions. Waste management companies, for example, were marked down to historically low levels due to weaker pricing and a deteriorating economic growth outlook. Notwithstanding the current headwinds that the sector faces, waste companies tend to be highly cash-generative businesses, supported by long term contracts, and current valuations underestimate the efforts being made by the management teams of some companies to strengthen operations. We took the opportunity to add to our holding in North American business *Casella Waste Systems*. Our exposure to Japan also proved a drag on performance due to broad market weakness, although our holding in *Shimano* made excellent progress with global demand for bicycle components remaining strong.

Organic and high welfare food holdings were again notable highlights during the period. The growth experienced by US companies *United Natural Foods* and *Whole Foods Market* is a testament to priority consumers are placing in natural and organic foods during difficult economic times. Elsewhere holdings exposed to the global drive towards greater resource efficiency, such as US recycled car parts company *LKQ* and food sorting technology business *Tomra Systems*, added value.

We established a holding in *BorgWarner*, a US business which specialises in fuel efficiency technology. The company has a strong and growing market position and was trading at an attractive valuation. *Watts Water* was also added to the portfolio during the period. This company has a very strong balance sheet and potential to grow operations in North America, Europe and Asia. Longer term, we believe the water sector will offer investors considerable growth potential. The current market is worth some $500bn and is growing by about 6 per cent. a year, despite the challenging macroeconomic backdrop. Global supply and demand imbalances are so fierce in the sector that water is being considered the oil of the twenty-first

Manager's Review continued

century. Opportunities are emerging in businesses specialising in areas such as storage, transmission, treatment and efficiency.

The extreme weather seen this year, such as the drought in the US that destroyed crops and pushed up corn and soya bean prices, is a reminder of the increasing importance of environmental technologies to the long term growth of the economy. These weather events are expected to occur more frequently and with increased severity in coming years, requiring innovative solutions for mitigation and abatement. This is providing opportunities for companies from across our investment spectrum – infrastructure, resource efficiency and demographics.

Investment Outlook

We continue to see clear evidence of a structural shift occurring across many industries globally due to the ongoing convergence of environmental and economic needs. Demand continued for organic foods in the US, for example, has defied the widespread household deleveraging that has occurred in recent years. The tougher economic environment and quest for greater energy independence continue to underpin growth in businesses associated with fuel efficiency in vehicles and energy efficiency in buildings. Meanwhile, after several testing years of having to work hard to cut prices, wind and solar power companies are close to competing with conventional power on price, a fact which is making it easier for governments to consider this technology as an integral part of a country's energy mix. For example, Japan has introduced a solar incentives programme which could lead to some $9.6 billion in new installations as the country attempts to diversify away from nuclear power after the Fukushima disaster. Notwithstanding on-going eurozone risk, weaker prospects for the US economy and potential downturn in corporate profits, we believe there is a quiet revolution occurring in the environmental space which is sowing the seeds for long-term growth in our investment area.

Charles Thomas
Fund Manager
Jupiter Asset Management Limited
19 November 2012

* Source: Jupiter Asset Management.
**Source: Bloomberg.

Twenty Largest Investments as at 30 September 2012

Company	Market value £'000	Percentage of portfolio
Cranswick	1,363	4.2
Novozymes	1,209	3.7
Wabtec	1,122	3.4
Whole Foods Market	1,025	3.1
Johnson Matthey	1,025	3.1
Stantec	963	3.0
RPS Group	876	2.7
Ricardo Group	864	2.7
Atkins	844	2.6
Valmont Industries	814	2.5
Tomra Systems	810	2.5
United Natural Foods	793	2.4
Smith A. O.	790	2.4
Horsehead Holdings	724	2.2
Emcor Group	712	2.2
Pure Technologies	702	2.2
LKQ Corporation	695	2.1
FirstGroup	644	2.0
National Express Group	639	2.0
Shimano	624	1.9
Total	**17,238**	**52.9**

The holdings listed above are all equity shares.

Company Profiles of Ten Largest Investments

Cranswick (Demographics)

Cranswick is a producer of high-welfare pork products, including free range and organic sausages. The company should continue to benefit from increased consumer demand for organic and high quality foods.

Novozymes (Demographics)

Novozymes is a leader in the development of enzymes and microorganisms that increase quality, speed and yield of industrial processes as well as reduce raw material consumption and energy usage. The company is also a large supplier of enzymes to the fuel ethanol industry.

Wabtec (Infrastructure)

Wabtec provides products and services to freight and passenger rail customers around the world to help them increase their safety, efficiency and productivity.

Whole Foods Market Inc (Demographics)

Whole Foods is a market leader in the retail of organic, natural, locally-grown and environmentally friendly food as well as non-food products. The company will benefit from long-term trends towards organic and healthy food products.

Johnson Matthey (Resource Efficiency)

Johnson Matthey is a world leader in the design and development of catalysts and other systems for fuel cells, gas detectors, vehicle and industrial emissions controls.

Stantec (Infrastructure)

Stantec provides sustainable design and consulting services for the built environment, principally throughout Canada and the US.

RPS Group (Infrastructure)

RPS is a multi-discipline environmental consultancy providing advice to both the public and private sector. Increasing levels of environmental regulation, a heightened awareness of the importance of environmental best practice and a growing need for clean energy and climate change solutions should drive demand for the company's services.

Ricardo Group (Resource Efficiency)

Ricardo is a provider of technology, product innovation, engineering solutions and consulting to automotive and energy industries worldwide. Focus is given to low-emission technologies, which include hybrid vehicle systems, clean diesel and fuel cells, as well as renewable energy opportunities.

Atkins (Infrastructure)

Atkins is an engineering and design consultancy that promotes environmental impact reduction and in particular can help a business reduce its carbon footprint. The company is well-positioned to capitalise on increasing demand from companies that want to address sustainability issues and integrate them within their business models.

Valmont Industries (Resource Efficiency)

Valmont Industries manufactures a wide range of infrastructure and irrigation systems and structures, helping to deliver energy and water efficiencies.

Cross Holdings in other Investment Companies

As at 30 September 2012, none of the Company's total assets were invested in the securities of other UK listed investment companies. It is the Company's stated policy that this exposure should not be permitted to exceed 10 per cent., in aggregate, of the value of the Total Assets of the Company (before deducting borrowed money).

Interim Management Report

Related Party Transactions

During the first six months of the current financial year no transactions with related parties have taken place which have materially affected the financial position or performance of the Company during the period. Details of related party transactions are contained in the Annual Report and Accounts 2012 and on pages 21 and 22 of this report.

Principal Risks and Uncertainties

The principal risk and uncertainties associated with the Company's business can be divided into the following areas:

- investment policy and process;
- market movements;
- accounting, legal and regulatory;
- operational; and
- financial, such as market price and foreign currency risk.

Information on these risks is set out in the Annual Report and Accounts 2012.

In the view of the Board these principal risks and uncertainties are applicable to the remaining six months of the financial year as they were to the six months under review.

Directors' Responsibility Statement

We, the Directors of Jupiter Green Investment Trust plc, confirm to the best of our knowledge that:

(a) The condensed set of financial statements have been prepared in accordance with the Accounting Standards Board's statement Half-Yearly Financial Reports;

(b) The Chairman's Statement, the Manager's Review and the Interim Management Report include a fair review of the information required by Disclosure and Transparency Rule 4.2.7R; and

(c) The Interim Management Report includes a fair review of the information required by Disclosure and Transparency Rule 4.2.8R on related party transactions.

The half-yearly financial report has not been audited or reviewed by the Company's auditors.

By Order of the Board

P K O Crosthwaite
Chairman

19 November 2012

Statement of Comprehensive Income

For the six months to 30 September 2012 (unaudited)

	Six months to 30 September 2012			Six months to 30 September 2011		
	Revenue Return £'000	Capital Return £'000	Total £'000	Revenue Return £'000	Capital Return £'000	Total £'000
Loss on investments held at fair value (Note 2)	–	(1,101)	(1,101)	–	(7,875)	(7,875)
Foreign exchange gain	–	20	20	–	10	10
Income	499	–	499	402	–	402
Total income	499	(1,081)	(582)	402	(7,865)	(7,463)
Investment management fee	(14)	(126)	(140)	(16)	(143)	(159)
Other expenses	(146)	(232)	(378)	(172)	–	(172)
Total expenses	(160)	(358)	(518)	(188)	(143)	(331)
Profit before taxation	339	(1,439)	(1,100)	214	(8,008)	(7,794)
Taxation	(37)	–	(37)	(28)	–	(28)
Profit and total comprehensive income for the period	**302**	**(1,439)**	**(1,137)**	**186**	**(8,008)**	**(7,822)**
Return per Ordinary share (Note 3)	**0.93p**	**(4.44)p**	**(3.51)p**	**0.56p**	**(24.08p)**	**(23.52p)**

The Company does not have any income or expense that is not included in profit for the period, and therefore the 'Profit for the period' is also the 'Total comprehensive income for the period' as defined in International Accounting Standard 1 (revised).

All of the profit and total comprehensive income for the period is attributable to the owners of the Company.

The total column of this statement is the income statement of the Company prepared in accordance with IFRS. The supplementary revenue return and capital return columns are both prepared under guidance produced by the Association of Investment Companies (AIC). All items in the above statement derive from continuing operations.

The financial information does not constitute 'accounts' as defined in section 434 of the Companies Act 2006.

Statement of Financial Position

As at 30 September 2012

	30 September 2012 (unaudited) £'000	31 March 2012 (audited) £'000
Non current assets		
Investments held at fair value through profit or loss	32,565	33,893
Current assets		
Prepayments and accrued income	62	78
Cash and cash equivalents	862	2,297
	924	2,375
Total assets	33,489	36,268
Current liabilities		
Accruals	(348)	(87)
Total net assets less current liabilities	33,141	36,181
Capital and reserves		
Called up share capital	35	37
Share premium	27,285	27,285
Redemption reserve	236	234
Special reserve	24,292	24,292
Retained earnings (Note 5)	(18,707)	(15,667)
Total equity shareholders' funds	33,141	36,181
Net Asset Value per Ordinary share (Note 6)	**105.13p**	**108.49p**

Statement of Changes in Equity

For the six months to 30 September 2012

For the six months to 30 September 2012 (unaudited)	Share Capital £'000	Share Premium £'000	Special Reserve £'000	Redemption Reserve £'000	Retained Earnings £'000	Total £'000
Balance at 31 March 2012	37	27,285	24,292	234	(15,667)	36,181
Net loss for the period	–	–	–	–	(1,137)	(1,137)
Ordinary shares repurchased	(2)	–	–	2	(1,707)	(1,707)
Dividend paid	–	–	–	–	(196)	(196)
Balance at 30 September 2012	**35**	**27,285**	**24,292**	**236**	**(18,707)**	**33,141**

For the six months to 30 September 2011 (unaudited)	Share Capital £'000	Share Premium £'000	Special Reserve £'000	Redemption Reserve £'000	Retained Earnings £'000	Total £'000
Balance at 31 March 2011	37	26,229	24,292	233	(9,706)	41,085
Net loss for the period	–	–	–	–	(7,822)	(7,822)
Ordinary shares issued	1	1,056	–	–	–	1,057
Ordinary shares repurchased	–	–	–	–	(1,474)	(1,474)
Dividend paid	–	–	–	–	(131)	(131)
Balance at 30 September 2011	**38**	**27,285**	**24,292**	**233**	**(19,133)**	**32,715**

Cash Flow Statement

For the six months to 30 September 2012 (unaudited)

	2012 £'000	2011 £'000
Cash flows from operating activities		
Investment Income received	498	401
Deposit interest received	1	2
Investment management fee paid	(142)	(135)
Realised gain on foreign currency	20	10
Other cash expenses	(152)	(351)
Cash generated from operations	225	(73)
Taxation	(37)	(28)
Net cash outflow from operating activities	188	(101)
Cash flows from investing activities		
Purchase of investments	(565)	(1,251)
Sale of investments	990	3,779
Net cash inflow from investing activities	425	2,528
Cash flows from financing activities		
Shares issued	–	1,057
Shares repurchased	(1,629)	(1,474)
Subscription rights reorganisation	(223)	–
Dividend paid	(196)	(131)
Net cash outflow from financing activities	(2,048)	(548)
(Decrease)/increase in cash	**(1,435)**	**1,879**
Cash and cash equivalents at start of period	2,297	683
Cash and cash equivalents at end of period	**862**	**2,562**

Notes to the Accounts for the six months to 30 September 2012

1. Accounting Policies

The accounts comprise the unaudited financial results of the Company for the six month period from 1 April 2012 to 30 September 2012. The accounts are presented in pounds sterling, as this is the functional currency of the Company.

The accounts have been prepared in accordance with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB), and interpretations issued by the International Financial interpretations Committee of the IASB (IFRIC).

A summary of the principal accounting policies, all of which have been applied consistently throughout the period, is set out below:

Revenue, Expenses and Interest Payable
Revenue includes dividends from investments quoted ex-dividend on or before the date of the Statement of Financial Position. Deposit and other interest receivable, expenses and interest payable are accounted for on an accruals basis. An analysis of retained earnings broken down into revenue (distributable) items and capital (non-distributable) items is given in Note 5. In arriving at this breakdown, expenses had been presented as revenue items except as follows:

(a) expenses which are incidental to the purchase or sale of an investment are included in the cost or deducted from the proceeds of the investment (see Note 4).

(b) Any performance fees payable are allocated wholly to capital, reflecting the fact that, although they are calculated on a total return basis, they are expected to be attributable largely, if not wholly, to capital performance.

(c) 90 per cent. of the investment management fee is charged to capital.

Investments
All investments are classified as held at fair value through profit or loss. All investments are measured at fair value recognised in the income statement. The fair value of listed investments is based on their quoted bid price at the date of the Statement of Financial Position without any deduction for estimated future selling costs.

Notes to the Accounts for the six months to 30 September 2012 continued

2. Loss on Investments

	Six months to 30 September 2012 £'000	Six months to 30 September 2011 £'000
Net (loss)/gain realised on sale of investments	(556)	639
Movement in unrealised gains	(545)	(8,514)
Loss on investments	**(1,101)**	**(7,875)**

3. Earnings per Ordinary Share

The earnings per Ordinary share figure is based on the net loss for the six months of £1,137,000 (six months to 30 September 2011: loss £7,822,000) and on 32,433,897 (six months to 30 September 2011: 33,255,408) Ordinary shares, being the weighted average number of Ordinary shares in issue during the period.

The earnings per Ordinary share figure detailed above can be further analysed between revenue and capital, as below.

	Six months to 30 September 2012 £'000	Six months to 30 September 2011 £'000
Net revenue profit	302	186
Net capital loss	(1,439)	(8,008)
Net total loss	**(1,137)**	**(7,822)**
Weighted average number of Ordinary shares in issue during the period	32,433,897	33,255,408
Revenue earnings per Ordinary share (p)	0.93	0.56
Capital earnings per Ordinary share (p)	(4.44)	(24.08)
Total earnings per Ordinary share (p)	**(3.51)**	**(23.52)**

Notes to the Accounts for the six months to 30 September 2012 continued

4. Transaction Costs

The following transaction costs were incurred during the period:

	Six months to 30 September 2012 £'000	Six months to 30 September 2011 £'000
Purchases	1	3
Sales	1	4
Total	**2**	**7**

5. Retained Earnings

The table below shows the movement in the retained earnings between revenue and capital items.

	Revenue £'000	Capital £'000	Total £'000
At 31 March 2012	308	(15,975)	(15,667)
Movement during the period:			
Net profit/(loss) for the period	302	(1,439)	(1,137)
Shares repurchased	–	(1,707)	(1,707)
Dividend paid	(196)	–	(196)
At 30 September 2012	**414**	**(19,121)**	**(18,707)**

6. Net Asset Value per Ordinary Share

The Net Asset Value per Ordinary share is based on the net assets attributable to the Ordinary shareholders of £33,141,000 (31 March 2012: £36,181,000) and on 31,522,345 (31 March 2012: 33,348,566) Ordinary shares, being the number of Ordinary shares in issue at the period end.

7. Related Parties

Mr. Hillgarth is a director of Jupiter Asset Management Limited which receives investment management fees as set out below. Jupiter Administration Services Limited, a fellow Jupiter subsidiary company of Jupiter Investment Management Group Limited receives administration fees, as set out below.

Jupiter Asset Management Limited is contracted to provide investment management services to the Company (subject to termination by not less than 12 months notice by either party) for a fee payable monthly of one twelfth of 0.85 per cent. of the net assets of the Company after deduction of the value of any Jupiter managed investments.

Notes to the Accounts for the six months to 30 September 2012 continued

7. Related Parties continued

Jupiter Asset Management Limited is also entitled to an investment performance fee which is based on the outperformance of the Net Asset Value per Ordinary share over the total return on the Benchmark Index in an accounting year. Any performance fee payable will equal the time weighted average number of Ordinary shares in issue during the period multiplied by 15 per cent. of the amount by which the increase in Net Asset Value per Ordinary share (plus any dividends per Ordinary share paid and any accrual for unpaid performance fees for the period) exceeds the total return on the Benchmark Index. The performance fee will only be payable if the Net Asset Value per Ordinary share (adjusted as described above) exceeds the highest of (a) the Net Asset Value per Ordinary share on the last business day of the previous performance period; (b) the Net Asset Value per Ordinary share on the last day of a performance period in respect of which a performance fee was last paid: and (c) 100p. The total amount of management fees and any performance fee payable in respect of one accounting period is limited to 1.75 per cent. of the Net Asset Value of the Company on the last business day of the relevant performance period.

Jupiter Administration Services Limited is contracted to provide secretarial, accounting and administrative services to the Company for an annual fee of £87,554 adjusted each year in line with the Consumer Prices Index payable quarterly.

Risk Warnings

Performance

Past performance is not a guide to future performance.

There can be no guarantee that the investment objectives of the Company will be met. An investment in the Company is suitable only for investors who are capable of evaluating the risks and merits of such an investment and who have sufficient resources to bear any loss which might result from such an investment (taking into account the fact that those losses may be equal to the whole amount invested). An investment in the Company will not be suitable for investors seeking an index-linked return on their investment. Investors should consult their stockbroker, bank manager, solicitor, accountant or other independent financial adviser before making an investment in the Company. Investment in the Company should be regarded as long-term in nature and may not be suitable as a short-term investment.

The Company's investments are subject to normal market fluctuations and the risks inherent in the purchase, holding or selling of equity securities and related instruments, and there can be no assurance that appreciation in the value of those investments will occur. There can be no guarantee that the full value of the Company's investments would be realisable in the event of sale.

There is no guarantee that the market prices of the Ordinary shares will fully reflect their respective underlying Net Asset Values.

The Company invests in overseas securities and is exposed to and can hold currencies other than Sterling. As a result, exchange rate movements may cause the value of investments to decrease or increase. Other risk factors such as political and economic conditions should also be considered. A majority of the investments made by the Company are and may be in securities of small and medium sized companies. Such securities may involve a higher degree of risk than would be the case for securities of larger companies.

Conflicts of interest may arise as a result of the Manager acting for both the Company and other funds.

The Company may borrow for the purpose of the orderly settlement of transactions or other general working capital purposes or to create structural gearing. Due to the gearing effect of any borrowings undertaken by the Company, shareholders would, to an exaggerated extent, suffer from any underperformance of the Company's assets, compared to the cost of any borrowing and conversely, will benefit from any out-performance relative to any borrowing costs.

Where investment trust companies are involved in corporate activity, this may change the risk profile of individual shares, as well as impacting on the portfolio strategy, capital structure and duration of the company. The value of current tax relief depends on individual circumstances. If you have doubts about your tax position you should seek professional advice. The level of yield may be subject to fluctuation and is not guaranteed. Some or all of the annual management fee may be currently charged to the capital of the company. Whilst this increases the yield, it will restrict the potential for capital growth. Net Asset Value ('NAV') performance is not the same as share price performance and investors may not realise returns the same as NAV performance.

The value of current tax relief depends on individual circumstances. If you have doubts about your tax position you should seek professional advice. ISAs were introduced on 6 April 1999 for an initial ten year period. ISAs are subject to government legislation and as such their tax treatment may be changed in the future.

Warning to Shareholders – Share Scams

Boiler Room Fraud

Over recent years, many companies have become aware that their shareholders have received unsolicited phone calls or correspondence concerning investment matters. These are typically received from overseas based 'brokers' who target UK shareholders, offering to sell them worthless, overpriced or even non-existent shares. While they promise high returns, those who invest usually end up losing their money. These operations are commonly known as 'boiler rooms'.

Boiler rooms use increasingly sophisticated means to approach investors and contact usually comes out of the blue, with fraudsters cold-calling investors after taking their phone number from publicly available shareholder lists. But the high-pressure sales tactics can also come by email, post, word of mouth or at a seminar. Victims will often be told that they need to make a quick decision or miss out on the deal.

It is not just the novice investor that gets duped in this way; many victims have been successfully investing for several years. Shareholders are therefore advised to be very wary of any unsolicited advice, offers to buy shares at a discount or offers of free company reports.

The best way to protect yourself is to only deal with firms that are properly authorised by the Financial Services Authority (FSA). You can check this by visiting http://www.fsa.gov.uk/register/home.do. The FSA website also contains other helpful information about investment scams and how to avoid them.

If you have been a victim or are concerned about an investment you should stop sending money to the firm and individuals involved. If you have given them your bank account details, tell your bank immediately.

You should then report the firm or scam to the FSA either by calling them on 0845 606 1234 or using their online reporting form. You should also report suspected boiler room fraud to the police and if you sent money to an overseas account or another type of money transfer, contact Action Fraud on 0300 123 2040. If you sent money to a UK bank account please contact the National Fraud Intelligence Bureau (NFIB) at the City of London Police on 020 7601 6977.

If you have already bought or sold shares through a boiler room, be especially careful as fraudsters are likely to target you again or sell your details to other criminals. The follow-up scam may be completely separate or related to the previous fraud, such as an offer to get your money back or buy back the shares after you pay an administration fee.

Other Share Scams

If you already own shares in a company you may receive a call from someone offering to buy them, usually at a higher price than their market value.

This might sound like a great deal, but will likely come with a request for money up front as a bond or other form of security, which the fraudsters say they will pay back if the sale does not go ahead. This is probably an advance fee scam, i.e. where you pay money but never hear from them again.

REMEMBER – IF IT SOUNDS TOO GOOD TO BE TRUE, IT PROBABLY IS!

How to Invest in the Company

Jupiter Asset Management Limited operates dedicated Investment Companies ISA and Savings Schemes ('Schemes') which offer a simple and cost-effective means of buying shares in the Company. Investors can use these Schemes to create a monthly savings plan, for lump sum investments or for a combination of both.

		Maximum	Minimum
• Jupiter Investment Companies Savings Scheme	Lump Sum	N/A	£500
	Monthly	N/A	£50
• Jupiter Investment Companies Stocks & Shares ISA for 2012/2013	Lump Sum	£11,280	£500
	Monthly	£940	£50
• Jupiter Investment Companies Stocks & Shares ISA Transfer		N/A	£500
• Direct via the Stock Market		Please refer to your stockbroker.	

For further information and details of the terms and conditions of the Schemes please write to Jupiter Asset Management Limited, PO Box 10667, Chelmsford, CM99 2BH, call 0844 620 7602, email **investmentcompanies@jupiter-group.co.uk** or connect online to **www.jupiteronline.com**.

Performance updates

Under the Listing Rules of the London Stock Exchange, the Company is required to publish quarterly 'Interim Management Statements' to shareholders. Your Company's statements will include a report from the Investment Manager; an updated Net Asset Value for the Company's shares together with historical performance statistics relative to the Company's Benchmark Index; a list of the Company's ten largest portfolio holdings; the level of gearing and details of any major investment changes which have taken place during the quarter under review.

The Company's Interim Management Statements will be announced to The London Stock Exchange through the Regulatory News Service. Much of the information contained in the Interim Management Statement is also included in the Company's monthly factsheet, which contains key information about its performance, investment portfolio and pricing. The factsheets, together with electronic copies of the most recent full and interim reports and accounts and interim management statement, are available from **http://www.jupiteronline.com/Financial-advisers-and-wealth-managers/Literature?browseby=Product** for download. Should you wish to be added to an email distribution list for future editions of the monthly factsheet, please send an email to **investmentcompanies@jupiter-group.co.uk**. For investors who do not have access to the internet, these documents are also available on request from Jupiter's Customer Services Team on 0844 620 7602.

Further information about the Company is also available from third party websites such as **www.trustnet.com**.

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