

JPMorgan Claverhouse Investment Trust plc

Overall Morningstar Rating™ (as at 31/03/14) ★★★★★

March 2014

Investment objective

Capital and income growth from UK investments.

Company facts

| | |
|-------------------------|---------------------------------------------------------------------------------------------------------------------|
| Portfolio manager(s) | William Meadon, Sarah Emly |
| Board of director(s) | Sir Michael Bunbury, John Scott, Virginia Holmes, Humphrey van der Klugt, Andrew Sutch, Jane Tufnell |
| Financial year end date | 31 December |
| Company launch date | 1963 |
| Listing | LSE |
| Dividends paid | March, June, September and December |
| Company Broker(s) | JPMorgan Cazenove |

Company statistics

(as at 31/03/14)

| | |
|-------------------------------------------------|------------|
| Total assets (as at 31/03/14) | GBP 424.4m |
| Share price | 606.5p |
| Net asset value ^A | 633.2p |
| Discount(-)/Premium | |
| Current | -4.2% |
| 12 month high | -1.9% |
| 12 month low | -10.8% |
| 12 month average | -5.7% |
| Total dividend for last financial year | 18.85p |
| Dividend yield ^B | 3.3% |
| Actual gearing (as at 31/03/14) ^C | 16.7% |
| Potential gearing range | -5% to 20% |

Company fees & expenses

| | |
|------------------------------|---------------------|
| Annual mgt. fee ^D | 0.55% on Market Cap |
| Ongoing charges ^E | 0.74% |
| Performance fee | Yes |

Company codes

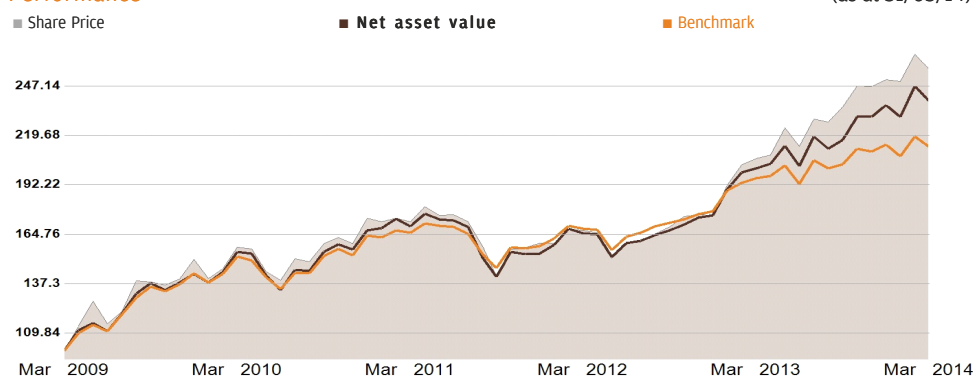
| | |
|-----------|--------------|
| ISIN | GB0003422184 |
| Sedol | 0342218 |
| Bloomberg | JCH LN |
| Reuters | JCH.L |

Benchmark

FTSE All-Share Index (£)

Performance ^F

(as at 31/03/14)



Cumulative performance ^F

| % | 1 M | 3 M | 1 Y | 3 Y | 5 Y | 10 Y |
|-----------------|------|------|------|------|-------|-------|
| Share Price | -3.1 | 2.3 | 24.1 | 49.4 | 156.5 | 155.3 |
| Benchmark | -2.6 | -0.6 | 8.8 | 28.8 | 113.3 | 128.7 |
| Net asset value | -3.5 | 0.8 | 18.5 | 41.0 | 138.6 | 148.8 |

Quarterly Rolling 12M as at March 2014 ^F

| % | 2013/14 | 2012/13 | 2011/12 | 2010/11 | 2009/10 |
|-----------------|---------|---------|---------|---------|---------|
| Share Price | 24.1 | 23.9 | -2.8 | 8.9 | 57.7 |
| Benchmark | 8.8 | 16.8 | 1.4 | 8.7 | 52.3 |
| Net asset value | 18.5 | 21.8 | -2.3 | 9.2 | 54.9 |

Top 10 Holdings

(as at 28/02/14)

| Holding | Sector | Weight |
|--------------------------|--------------------|--------|
| Royal Dutch Shell | Oil & Gas | 6.6% |
| HSBC | Financials | 5.4% |
| BP | Oil & Gas | 5.2% |
| GlaxoSmithKline | Health Care | 4.2% |
| Vodafone | Telecommunications | 3.3% |
| Rio Tinto | Basic Materials | 3.2% |
| Lloyds Banking | Financials | 3.1% |
| BT | Telecommunications | 3.0% |
| AstraZeneca | Health Care | 3.0% |
| British American Tobacco | Consumer Goods | 2.9% |

Statistical analysis review ^G

(as at 31/03/14)

| | 3 years | 5 years |
|-----------------------|---------|---------|
| Correlation | 0.99 | 0.98 |
| Annualised volatility | 15.50% | 16.54% |
| Tracking error | 4.10% | 3.82% |
| Information ratio | 0.86 | 0.70 |

Market capitalisation

(as at 28/02/14)

| | % of portfolio |
|-----------------|----------------|
| > 100 bn | 30.95% |
| 10 bn <= 100 bn | 37.78% |
| 1 bn <= 10 bn | 27.56% |
| < 1 bn | 3.71% |

Please read the Explanatory Notes, Risks and Important Information at the end of this document.

For further information, please contact:

UK-based Investor Services Team 0800 731 111 (or +44 20 7742 9995 if calling from outside the UK)

Agent Services Line 0800 727 770

Our lines are open Monday to Friday, 9.00am to 5.30pm

www.jpmorgan.co.uk/investment-trusts

J.P.Morgan
Asset Management

JPMorgan Claverhouse Investment Trust plc



William Meadon managing director, is head of the Core team in the J.P. Morgan Asset Management European Equity Group. An employee since 1996, William was previously head of UK specialist pension funds at Newton Investment Management Ltd, responsible for pension funds and the Newton Higher Income Fund. Before this, he was a balanced pension fund manager, and manager of the Schroder Income Fund, with Schroder Investment Management. Prior to Schroders, William was articled to Peat Marwick (now part of KPMG). William obtained a BA (Hons) in Economics from the University of Nottingham and is a qualified Chartered Accountant.



Sarah Emily is a portfolio manager within the J.P. Morgan Asset Management European Equity Group. She specialises in managing UK institutional portfolios. An employee since 1995, Sarah was previously an analyst in the UK and Pan-European team before joining the portfolio management team in 1999. She holds a B.Sc. (Hons) in International Management and Modern Languages (French) from the University of Bath, and the Securities Institute Diploma, and is a Fellow of the Securities Institute. Sarah is a CFA charter holder.

Sector breakdown ^H

(as at 28/02/14)

| Sector | Company | Benchmark | Deviation |
|--------------------|---------|-----------|-----------|
| Financials | 29.5% | 24.2% | 5.3% |
| Consumer Services | 13.9% | 11.1% | 2.8% |
| Oil & Gas | 11.8% | 14.4% | -2.6% |
| Consumer Goods | 10.8% | 13.5% | -2.7% |
| Health Care | 7.2% | 8.0% | -0.8% |
| Industrials | 7.0% | 10.3% | -3.3% |
| Telecommunications | 6.3% | 5.1% | 1.2% |
| Basic Materials | 5.6% | 8.2% | -2.6% |
| Technology | 2.3% | 1.5% | 0.8% |
| Utilities | 2.1% | 3.7% | -1.6% |
| Cash | 3.5% | 0.0% | 3.5% |
| Total | 100.0% | 100.0% | 0.0% |

Manager's quarterly commentary

(as at 31/03/14)

Both the trust's net asset value and share price underperformed the benchmark in March, due primarily to our holdings in the life assurance sector, which were detrimentally affected by the changes to annuities announced in the budget. Our holdings in Interserve, Ashted and Bodycote contributed positively. The trust's net asset value and share price outperformed over the first quarter of 2014.

We are attracted to strong, cash-generative businesses, such as BT, The Restaurant Group and Bodycote. However, we recognise that companies are often most likely to be mispriced when they go through a period of substantial change, as has been the case with our holdings in Thomas Cook, Dixons and Aviva, where radical changes to the businesses have materially benefited shareholders. New holdings in the month included Galliford Try, a domestic house builder and construction company, and discount retailer Poundland. We reduced our holding in Legal & General following the chancellor's decision in the budget to abolish the compulsory purchase of annuities on retirement. Gearing was reduced slightly in the period in response to our concerns over events in Ukraine.

Market Outlook

We remain positive on markets. In the UK, aggressive monetary and fiscal policy has stimulated the economy. The recovery appears to be broadly based, with both manufacturing and consumer confidence picking up sharply. This should be supportive for UK equities, which have an attractive yield with the prospect of dividend growth. At some stage, though, interest rates will have to start to rise, although we do not believe that this is imminent.

JPMorgan Claverhouse Investment Trust plc

Investment trust history and investment policies

The Company was launched as Claverhouse Investment Trust Limited in 1963 with assets of £5 million and managed by Robert Fleming & Co. The Company took its name from Viscount Claverhouse ('Bonnie Dundee') who was killed at the Battle of Killiecrankie in 1689 whilst leading a rebellion against William and Mary. The name was chosen to commemorate the Company's link with Dundee, where Flemings originated in 1873. The Company changed its name to The Fleming Claverhouse Investment Trust plc in 1983, to JPMorgan Fleming Claverhouse Investment Trust plc in 2003 and adopted its present name in 2007.

In order to achieve its investment objective and to seek to manage risk, the Company invests in a diversified portfolio consisting mostly of leading companies listed on the London Stock Exchange. The Company seeks to manage its risk relative to its benchmark index by limiting the active portfolio exposure to individual stocks and sectors. The maximum exposure to an investment will normally range between +/-3% relative to its weight in the benchmark index. The maximum exposures to a sector will normally range between +/-5% relative to the benchmark index. Total exposure to small cap companies will normally range between +/-5% of the FTSE Small Cap Index weighting within the FTSE All-Share Index. A maximum of 5% of the Company's assets may be invested in companies outside the FTSE All-Share Index. These limits and restrictions may be varied by the Board at any time at its discretion. To gain the appropriate exposure, the Investment Managers are permitted to invest in pooled funds. The Company's assets are managed by two Investment Managers based in London, supported by a 40-strong team of investment professionals

The Company's gearing policy is to operate within a range of 5% net cash to 20% geared in normal market conditions. The Manager is accountable for tactically managing the gearing, within a +/-7.5% range around a 'normal' gearing level. The normal gearing level, which is set by the Board and kept under review on an ongoing basis, is currently 10%. The Board permits the Manager to use FTSE index futures to effect changes in the level of the Company's gearing.

Explanatory Notes, Risks and Important Information

Notes

^ACapital only NAV with debt at par, diluted for treasury and/or subscription shares if applicable.

^BDividend yields are based on mid market prices and the estimated dividend(s) payable in respect of the current financial year. This will include declared and prospective dividends. Source Morningstar

^CActual gearing: Represents the excess amount above shareholders' funds of total assets less cash/cash equivalents, expressed as a percentage of shareholders funds. If the amount calculated is negative, this represents a net cash position.

^DAn additional performance fee may be payable. For details see the company's latest Annual Report & Accounts.

^EOngoing charges exclude the effect of management fees charged by the underlying funds.

^FTotal return - using capital only NAVs with net dividend (if any) reinvested, in sterling, unless otherwise stated. Source: J.P. Morgan/Morningstar (www.morningstar.co.uk)

^GAll figures are calculated on an ex-post basis. Source: J.P. Morgan

^HNon-Benchmark are classified in the appropriate sector/region. Cash is net current assets and holdings used as cash substitutes if applicable. Benchmark Source: FTSE International Limited ("FTSE") © FTSE 2014. "FTSE®" is a trade mark of London Stock Exchange Plc and The Financial Times Limited and is used by FTSE International Limited under licence. All rights in the FTSE indices and/or FTSE ratings vest in FTSE and/or its licensors. Neither FTSE nor its licensors accept any liability for any errors or omissions in the FTSE indices and/or FTSE ratings or underlying data. No further distribution of FTSE Data is permitted without FTSE's express written consent.

All price information is indicative only. Nothing herein is to be construed as a solicitation or an offer to buy or sell any financial products. The interactive factsheets are based on information obtained from sources believed to be reliable but are not guaranteed as being accurate, nor are they a complete statement of these securities. See Glossary of terms for explanations.

The company currently conducts its affairs so that the shares and debentures issued by the company can be recommended by IFAs to ordinary retail investors in accordance with the FCA's rules in relation to non-mainstream investment products and intends to continue to do so for the foreseeable future. The shares and debentures are excluded from the FCA's restrictions which apply to non-mainstream investment products because they are shares and debentures in an investment trust.

Important Information

This material should not be relied on as including sufficient information to support an investment decision.

For up-to-date information and performance data please contact your J.P. Morgan Asset Management representative. Telephone lines are recorded and may be monitored for security and training purposes.

You should remember that past performance is not a guide to the future. The price of investments and the income from them may fall as well as rise and investors may not get back the full amount invested. The level of tax benefits and liabilities will depend on individual circumstances and may change in the future. An investor's capital in a bank or building society is secure whereas in stock market linked investment it is exposed to a degree of risk.

The JPM investment trust may utilise gearing techniques (leverage) which will exaggerate market movements both down and up which could mean sudden and large falls in market value. For further details please refer to the individual trust's annual report and accounts. Some investment trusts may have warrants in issue, which if exercised may have an effect on the Net Asset Value.

The investment objective of a trust may allow some flexibility in terms in portfolio composition. Exchange rate changes may cause the value of underlying overseas investments to go down as well as up. Investments in emerging markets may involve a higher element of risk due to political and economic instability and underdeveloped markets and systems. Trusts which invest in smaller companies may involve a higher degree of risk as small cap markets tend to be much more volatile than their larger capitalisation counterparts. Where a trust invests in non investment grade bonds an increase in the risk to capital will arise. Where permitted, a trust may invest in other investment trusts that utilise gearing (leverage) which will exaggerate market movements both up and down.

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Glossary

Annual volatility: Volatility is one measure used to assess the risk of a portfolio as it helps to describe the likely range of returns achieved by the fund. In statistical terms it is the standard deviation of the return distribution. Greater volatility of monthly Net Asset Value returns means that there is a wider range of likely returns in the future, or greater uncertainty regarding the fund return. Most investors would equate this greater uncertainty with greater risk. Gearing will have an impact on the volatility of an investment trust.

Benchmark comparison: Comparison of the Company's performance is made with the benchmark. The benchmark is a recognised index of stocks which should not be taken as wholly representative of the Company's investment universe. The Company's investment strategy does not follow or track this index and therefore there may be a degree of divergence between its performance and that of the Company.

Cash: Net current assets and includes investment in liquidity funds & treasury stocks (if held) and drawn revolving credit facilities (if any) with an original maturity of less than 1 year.

Correlation: Correlation describes the way in which Net Asset Value has moved relative to the benchmark. Correlation coefficients range between +1.0 for assets which consistently move in the same direction, and -1.0 for assets which consistently move in the opposite direction. Assets with a correlation of zero are unrelated. Portfolios combining assets with low correlations provide diversification or risk reduction benefits, potentially without decreasing total portfolio return.

Actual gearing: Total portfolio less liquidity stocks, divided by net assets plus income cash and any effects of performance fees and revenue reserve accruals where applicable.

Gearing range: Indication of the maximum and minimum percentage by which the Company may be geared.

Information ratio: This is the difference between the annualised average fund return and the annualised average benchmark return (calculated geometrically) divided by the annualised tracking error. The higher the ratio, the better, as it shows that the risk taken by the fund manager relative to the benchmark has been rewarded. Gearing will have an impact on the information ratio.

Sector/Geographical breakdowns: These are expressed as a percentage of total portfolio and cash. Investments in liquidity funds will be shown as cash.

Top 10 holdings: These are expressed as a percentage of total portfolio and cash. Investments in liquidity funds / treasury stocks will not be shown in the top 10 holdings.

Ongoing charges: Management fees and all other operating expenses, excluding interest payments and commissions which are treated as a separate capital item, expressed as a percentage of the average of the opening and closing net assets. This calculation is based on the financial year end data and will be updated annually.

Tracking error: Tracking error measures the standard deviation of relative returns, i.e. the Net Asset Value return less the benchmark return. Tracking error is often used as a measure of risk taken against the fund's benchmark with a larger tracking error indicating that greater risks were taken relative to the benchmark in achieving the return of the fund. Gearing will increase a tracking error.