

JPMorgan Claverhouse Investment Trust plc

Overall Morningstar Rating™ (as at 31/08/14) ★★★★★
Morningstar Category™ UK Large-Cap Blend Equity

August 2014

Investment objective

Capital and income growth from UK investments.

Company facts

| | |
|-------------------------|----------------------------------------------------------|
| Portfolio manager(s) | William Meadon, Sarah Emly |
| | Sir Michael Bunbury, John Scott, |
| Board of director(s) | 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 31/08/14)

| | |
|-------------------------------------------------|------------|
| Total assets (as at 31/08/14) | GBP 432.7m |
| Share price | 603.5p |
| Net asset value ^A | 631.9p |
| Discount(-)/Premium | |
| Current | -4.5% |
| 12 month high | -1.9% |
| 12 month low | -7.2% |
| 12 month average | -4.6% |
| Total dividend for last financial year | 19.5p |
| Dividend yield ^B | 3.2% |
| Actual gearing (as at 31/08/14) ^C | 11.4% |
| Potential gearing range | -5% to 20% |

Company fees & expenses

| | |
|------------------------------|---------------------|
| Annual mgt. fee ^D | 0.55% on Market Cap |
| Ongoing charges ^E | 0.71% |
| Performance fee | Yes |

Company codes

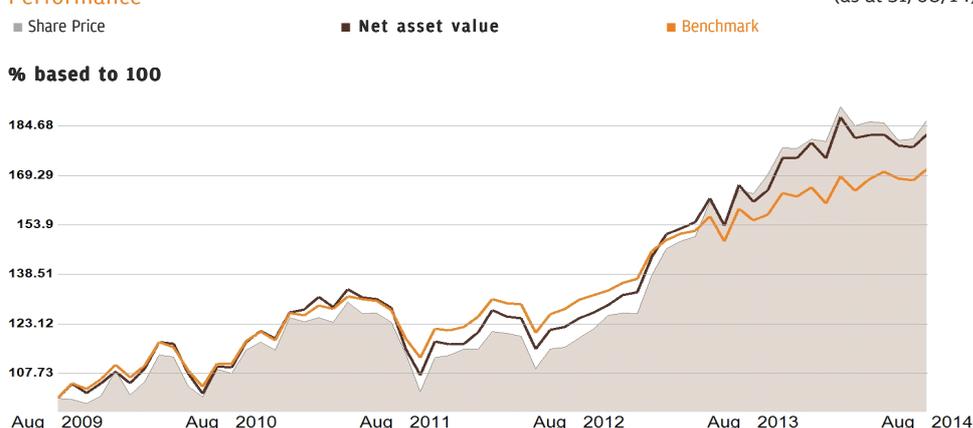
| | |
|-----------|--------------|
| ISIN | GB0003422184 |
| Sedol | 0342218 |
| Bloomberg | JCH LN |
| Reuters | JCH.L |

Benchmark

FTSE All-Share Index (£)

Performance

(as at 31/08/14)



Cumulative performance

| % | 1 M | 3 M | 1 Y | 3 Y | 5 Y | Since inception |
|-----------------|-----|-----|------|------|------|-----------------|
| Share price | 3.4 | 0.5 | 14.0 | 63.8 | 86.7 | 221.1 |
| Benchmark | 2.2 | 0.5 | 10.3 | 44.5 | 71.4 | 583.3 |
| Net asset value | 2.3 | 0.1 | 13.1 | 58.1 | 82.2 | 505.3 |

Quarterly Rolling 12M ending June 2014

| % | 2013/14 | 2012/13 | 2011/12 | 2010/11 | 2009/10 |
|-----------------|---------|---------|---------|---------|---------|
| Share Price | 17.2 | 33.3 | -8.9 | 26.1 | 21.0 |
| Benchmark | 13.1 | 17.9 | -3.1 | 25.6 | 21.1 |
| Net asset value | 16.2 | 26.8 | -7.3 | 28.9 | 20.6 |

Top 10 Holdings

(as at 31/08/14)

| Holding | Sector | Weight |
|--------------------------|--------------------|--------|
| Royal Dutch Shell | Oil & Gas | 8.6% |
| BP | Oil & Gas | 5.3% |
| HSBC | Financials | 5.2% |
| British American Tobacco | Consumer Goods | 4.2% |
| GlaxoSmithKline | Healthcare | 3.9% |
| AstraZeneca | Healthcare | 3.9% |
| Vodafone | Telecommunications | 3.5% |
| Rio Tinto | Basic Materials | 3.3% |
| Lloyds Banking | Financials | 2.9% |
| Prudential | Financials | 2.9% |

Statistical analysis review

(as at 31/08/14)

| | 3 years | 5 years |
|-----------------------|---------|---------|
| Correlation | 0.98 | 0.98 |
| Annualised volatility | 13.87% | 15.04% |
| Tracking error | 3.78% | 3.83% |
| Information ratio | 0.89 | 0.42 |

Market capitalisation

(as at 31/08/14)

| | % of portfolio |
|-----------------|----------------|
| > 100 bn | 30.63% |
| 10 bn <= 100 bn | 43.45% |
| 1 bn <= 10 bn | 23.45% |
| < 1 bn | 2.48% |

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



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^F

(as at 31/08/14)

| Sector | Company | Benchmark | Deviation |
|--------------------|---------|-----------|-----------|
| Financials | 26.2% | 24.8% | 1.4% |
| Oil & Gas | 15.0% | 14.9% | 0.1% |
| Consumer Goods | 13.3% | 13.9% | -0.6% |
| Consumer Services | 11.4% | 10.2% | 1.2% |
| Health Care | 9.1% | 8.5% | 0.6% |
| Industrials | 6.9% | 9.9% | -3.0% |
| Basic Materials | 6.2% | 8.1% | -1.9% |
| Telecommunications | 6.0% | 4.4% | 1.6% |
| Technology | 2.0% | 1.4% | 0.6% |
| Utilities | 1.2% | 3.9% | -2.7% |
| Cash | 2.7% | 0.0% | 2.7% |
| Total | 100.0% | 100.0% | 0.0% |

Manager's commentary

(as at 31/07/14)

The FTSE All-Share Index fell modestly in July, although it is still up year to date and over the last 12 months. Economic news for the UK economy continued to surprise positively, with manufacturing and construction confidence rising, although sentiment in the housing market appeared to cool slightly. Second-quarter GDP grew year on year by more than 3%, but the Bank of England's (BoE's) Monetary Policy Committee was unanimous in holding rates at the current level.

The trust's net asset value and share price outperformed the benchmark in July. Our holding in ITV contributed strongly following strong results and Liberty Global acquiring a 6.4% stake in the company. Two of our key stock picks within the general retailers sector, Next and Dixons Retail, also performed well. By contrast, our underweight position in the mining sector detracted. We added holdings in brewer SABMiller and in publisher and information provider Reed Elsevier. We reduced our exposure to Foxtons, the estate agent and the pharmaceutical company Shire, which agreed to a take-over bid from US rival AbbVie.

Market Outlook

The UK economy continues its strong recovery, reflected in significantly improving consumer and business confidence, while unemployment continues to fall. The strength of the economy is likely to lead to an increase in interest rates in 2015. We continue to be attracted to the yield and dividend growth of UK equities, although after the strong run in the market over the past eighteen months, we would expect a period of consolidation over the summer.

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 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.

^FNon-Benchmark holdings (where held) 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.

See Glossary of terms for explanations.

Important Information

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

This is a promotional document and as such the views contained herein are not to be taken as an advice or recommendation to buy or sell any investment or interest thereto. Reliance upon information in this material is at the sole discretion of the reader. Any research in this document has been obtained and may have been acted upon by J.P. Morgan Asset Management for its own purpose. The results of such research are being made available as additional information and do not necessarily reflect the views of J.P.Morgan Asset Management.

J.P. Morgan Asset Management is the brand name for the asset management business of JPMorgan Chase & Co and its affiliates worldwide. You should note that if you contact J.P. Morgan Asset Management by telephone those lines may be recorded and monitored for legal, security and training purposes. You should also take note that information and data from communications with you will be collected, stored and processed by J.P. Morgan Asset Management in accordance with the EMEA Privacy Policy which can be accessed through the following website <http://www.jpmorgan.com/pages/privacy>.

Investment is subject to documentation which may include the Prospectus, Investment Trust Profiles, Annual Report and Accounts, Investor Disclosure Documents and Key Features and Terms and Conditions, copies of which can be obtained free of charge from J.P. Morgan Asset Management Marketing Limited. Issued by J.P. Morgan Asset Management Marketing Limited which is authorised and regulated in the UK by the Financial Conduct Authority. Registered in England No. 288553. Registered address: 25 Bank St, Canary Wharf, London E14 5JP.

Non-mainstream pooled Investment products Information (or status)

Shares and debentures (if any) in an Investment Trust are not subject to Financial Conduct Authority's (FCA) restrictions for marketing Nonmainstream Pooled Investment products, therefore Investment Trust products can be marketed to retail investors directly or via Independent Financial Advisers.

© 2014 Morningstar. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

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.