Profit *hunters*

Artemis Income *Fund*

Half-Yearly Report (unaudited)
for the six months ended
31 October 2016

Artemis
The Profit Hunter

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artemis.co.uk

General information

Company profile

Independent and owner-managed, Artemis opened for business in 1997. Its aim was, and still is, exemplary investment performance and client service. All Artemis' staff share these two precepts – and the same flair and enthusiasm for fund management.

The firm now manages some £23.5 billion* across a range of funds, two investment trusts, a venture capital trust and both pooled and segregated institutional portfolios.

Artemis' fund managers invest in the funds that they and their colleagues manage. This has been a key tenet of Artemis' approach to investment since the firm started. It means that we 'eat our own cooking' and means that our fund managers' interests are directly aligned with those of our investors.

* Source: Artemis as at 30 November 2016.

Fund status

Artemis Income Fund was constituted by a Trust Deed dated 28 April and 4 May 2000 and is an authorised unit trust scheme under the Financial Services and Markets Act 2000. The fund belongs to the category of UCITS schemes as defined in the Collective Investment Schemes Sourcebook ('COLL') of the Financial Conduct Authority ('FCA').

Investment objective

The objective of the fund is to achieve a rising income combined with capital growth from a portfolio primarily made up of investments in the United Kingdom.

Investment policy

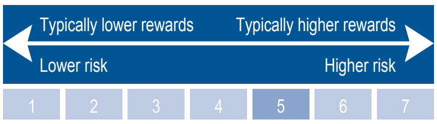
The manager actively manages the portfolio in order to achieve the objective with exposure to ordinary shares, preference shares, convertibles and fixed interest securities. The manager will not be restricted in respect of choice of investments either by company size or industry, or in terms of the geographical split of the portfolio.

The fund may also invest in other transferable securities, units of collective investment schemes, money market instruments, warrants, cash and near cash, derivatives and forward transactions and other investments to the extent that each is permitted by the regulations.

Buying and selling

Units may be bought and sold by contacting the manager by telephone, at the address on page 2 or via the website **artemis.co.uk**. Valuation of the fund takes place each business day at 12 noon on a forward pricing basis. Investors are reminded that past performance is not a guarantee of performance in the future and that the price of units and the revenue from them can fall as well as rise.

Risk and reward profile



- This indicator is based on historical data and may not be a reliable indication of the future risk profile of the fund.
- The risk category shown is not guaranteed and may change over time.
- A risk indicator of "1" does not mean that the investment is "risk free".
- The indicator is not a measure of the possibility of losing your investment.

The risk indicator for the fund is as above because:

- The price of units, and the income from them, can fall and rise because of stock market and currency movements.
- Stock market prices, currencies and interest rates can move irrationally and can be affected unpredictably by diverse factors, including political and economic events.
- A portion of the fund's assets may be invested in a currency other than the fund's accounting currency (sterling). The value of these assets, and the income from them, may decrease if the currency falls in relation to sterling, in which the fund is valued and priced.
- Investments in fixed interest securities are subject to market and credit risk and will be impacted by movements in interest rates. Interest rate movements are determined by a number of economic factors, in particular market expectations of future inflation.
- The fund can invest in higher-yielding bonds, which may increase the risk to your capital due to a higher likelihood of the company issuing the bonds failing to pay returns on investments. Changes to market conditions and interest rates can have a larger effect on the values of higher-yielding bonds than other bonds.

Prospectus

Copies of the most recent Prospectus are available free of charge from the manager at the address on page 2.

General information (continued)

Tax information reporting

UK tax legislation requires fund managers to provide information to HM Revenue & Customs ('HMRC') on certain investors who purchase units in unit trusts. Accordingly, the fund may have to provide information annually to HMRC on the tax residencies of those unitholders that are tax resident outwith the UK, in those countries that have signed up to the OECD's ('Organisation for Economic Co-operation and Development') Common Reporting Standard for Automatic Exchange of Financial Account Information (the 'Common Reporting Standard'), or the United States (under the Foreign Account Tax Compliance Act, 'FATCA'). All new unitholders that invest in the fund must complete a certification form as part of the application form. Existing unitholders 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 account 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-informationaccount-holders.

Report of the manager

We hereby approve the Half-Yearly Report of the Artemis Income Fund for the six months ended 31 October 2016 on behalf of Artemis Fund Managers Limited in accordance with the requirements of COLL as issued and amended by the FCA.

M J Murray Director	R J Turpin Director

Artemis Fund Managers Limited
London
16 December 2016

The maintenance and integrity of the Artemis Fund Managers Limited web site is the responsibility of the directors; the work carried out by the auditor does not involve consideration of these matters and, accordingly, the auditor accepts no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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† Authorised by the Prudential Regulation Authority ('PRA'), 20 Moorgate, London EC2R 6DA and regulated by the PRA and the FCA.

■ The fund rose 8.8%* versus the benchmark's 12.2%*.

■ Previous laggards become leaders.

■ The environment for dividends remains challenging, but we expect growth.

Performance – Outpaced by a strong market – in parts …

The fund rose by 8.8% over the period, notwithstanding the well-documented economic challenges and the surprise of the vote for Brexit. However, the fund's return lagged that of the FTSE All-Share Index, which rose by 12.2%. The reasons for the underperformance are outlined in the following review.

Review – Ignoring politics and focusing on cashflow …

At the time of writing, equity markets are at - or not far off - their all-time highs,'despite' the Trump victory - and other excitements. In general, financial commentators paid little attention to exploring the consequences of these events other than the mass (or perhaps morass?) of debate which reduced the outcomes to 'good' and 'bad'. The idea that 'an intellectual is someone whose mind watches itself' might best summarise this. But it was not just the commentators. We live in thrall to the power of data and algorithms. Yet recent events have undermined the reputation of the opinion pollsters and the bookmakers are left at odds with their odds.

In the previous 12 months we had protected the fund's return in a weak market. In the current period, as the market climbed, the unloved sectors of last year became beloved. For example, mining shares rose almost three times as much as the market and oil shares also performed well. In some respects a rebound of sorts was not surprising: commodity prices had become oversold and sentiment towards these shares was unduly negative. Less anticipated was that the Brexit-induced weakness of sterling gave a further boost to these areas. That is because their revenues, profits and dividends are priced in US dollars.

It is not as though we don't have any capital at work in these sectors. They make up about 10% of the portfolio - but their share of the FTSE All-Share Index is higher. Our decision not to add more is based on the fact that these companies' fortunes depend on unpredictable inputs such as commodity prices and currency. To 'guess' where these may be in one, two or five years' time is not part of what we do. Instead, we spend our time analysing the expected cashflows and dividends of the companies we choose for you, rather than speculating on matters uncertain.

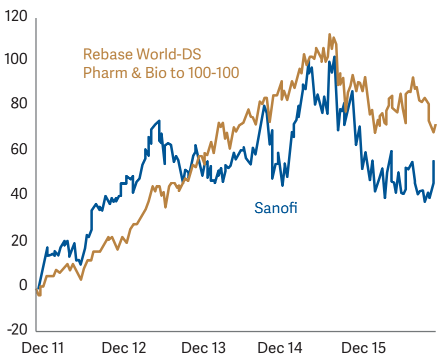
In advance of the Brexit vote and latterly the US election, a number of clients asked how we were positioning the portfolio ahead of such events. In truth, not only is positioning the portfolio for 'heads or tails' events impossible, but it also contradicts our belief that we are investors - rather than traders. Furthermore, repositioning the portfolio constantly is not without cost. Rather, cashflows and dividends determine our strategy. And beneath the ructions of political events it has remained a challenging environment for dividends. Given that 40% of the FTSE All-Share Index dividends are sensitive to the value of the US dollar, then Brexit has given some relief. How enduring this will be is more difficult to call. We anticipate that we can continue to sustain and grow your income over the long-term and that dividends will grow a little faster this year. But we would stress that the environment for dividends remains tough.

Away from these sector trends, the fund's performance was the result of past decisions: the likes of 3i Group, Rentokil Initial and RELX (formerly Reed Elsevier) continued to contribute positively. There was also a good contribution from a smaller position in Indivior, part of Reckitt Benckiser Group that was 'given' to shareholders by way of a spin-off. Despite it never quite paying us the yield we would have liked and latterly foregoing its dividend to finance growth, we adopted a pragmatic approach: we saw value in its treatments for opioid addiction and the resultant cashflow. Earlier this year, the shares dipped to 130.9 pence but in the last six months our patience has been rewarded with a rise of 96%.

Our recent experience of holding Laird has been less happy. The attractive part of Laird is its exposure to the growth in mobile connectivity, in particular in-car connectivity. The company looked to be reducing successfully its exposure to mobile phones and Apple; but unfortunately this area of the business produced a nasty fall in profits which has stretched the balance sheet. There is still value in the company and as you would expect of a significant shareholder, we have been proactive in suggesting how these difficulties can best be overcome.

New purchases potentially provide the gains we may reap in periods to come. Our most notable additions were Sanofi and Secure Income. Sanofi, the French pharmaceutical company, has comfortably registered one of the worst share price performances of the large pharmaceutical companies.

Sanofi vs Global Pharmaceutical sector



Source: Thomson Reuters Datastream.

* Source: Lipper Limited, class I distribution units, bid to bid basis in sterling with dividends reinvested to 31 October 2016. Benchmark is the FTSE All-Share Index.

Investment review (continued)

Price competition on diabetes drugs in the US has caused the weak performance. This accounts for about 15-20% of Sanofi's total business and the negative impact is well known. We believe that new products' potential and the growth in vaccines and consumer health are being overlooked. The fact that Sanofi has little debt and generates plenty of cash makes its 4.5% yield perfectly safe.

Secure Income is a property company which owns a fairly concentrated portfolio of attractive assets such as private hospitals in the UK, leisure assets (Warwick Castle, Alton Towers) and some Travelodge hotels. What they all have in common is that the average length of lease is 23 years and all have annual and, in some cases, inflation-linked rent reviews. These assets provide shareholders with a 4% yield which will grow for many years as they have a low risk of redundancy. (Contrast this with a certain department store which is locked into 35-year leases while the rising tide of e–commerce laps around its chest.)

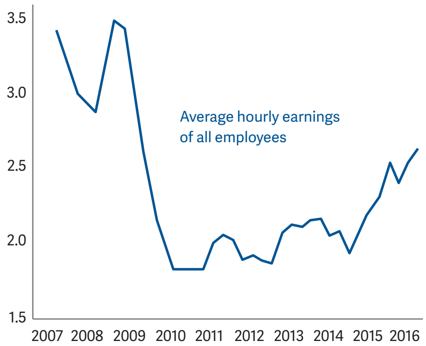
As a result of the vote for Brexit, stocks with significant US dollar earnings rallied strongly and we took this opportunity to sell some less favoured holdings, disposing of Tate & Lyle and reducing Pearson. Elsewhere we sold Lockheed Martin on grounds of valuation. We have been reducing our pharmaceutical holdings overall despite the purchase of Sanofi. As such, we sold the remainder of Novartis and reduced AstraZeneca and GlaxoSmithKline meaningfully. We feel that the 'golden goose' of US pharmaceutical profits is gradually being undermined, regardless of politics. Yet there appears to be a degree of complacency among investors informed by the past, rather than the future, characteristics of these stocks.

Outlook – Inflationary pressures rising …

The sale of Reckitt Benckiser Group was the last of our 'bond proxies' – those stocks whose reliable cashflows have been revalued aggressively by the relentless decline in bond yields.

At the time of writing, bond yields are rising from the extreme lows witnessed in the summer. Some are calling this a major reversal of the 35-year downward march of yields. This may be an overstatement, but the view should not be dismissed out of hand. The decline in bond yields has been such a long and persistent trend that 'lower for longer' had almost become 'lower forever'. However, signs of inflationary pressures here and there have been reason enough for yields to move higher. For example, notwithstanding any policies that Mr Trump may enact that may restrict labour supply to the US economy, wage inflation was already showing signs of life prior to the election.

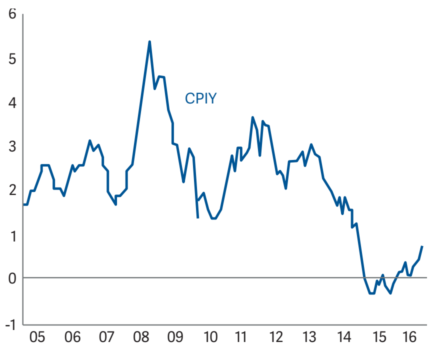
US wages: four-quarter percentage change



Source: Thomson Reuters Datastream.

In the UK, higher inflation is inevitable because of the marked weakness of sterling after the vote for Brexit. In addition, producer prices are on the rise, so it is only a matter of time before this shows in the headline numbers. However, the persistence of this inflation will depend upon the currency remaining weak.

UK consumer price index twelve-month percentage changes



Source: Thomson Reuters Datastream.

As a result, gilt yields have risen from the extremely low levels seen in the summer.

Another factor which could influence yields is the sense that quantitative easing ('QE') has run its course and there is much talk (and it is just that) of more direct stimulus to the economy – a sort of 'people's QE', if you will. Such a change would also cause bond yields to move higher.

This is leading to a major rotation within markets: defensive companies are underperforming and unpopular areas such as banks and insurance are recovering. Whereas just weeks ago we were being asked why we had 7% of the portfolio in banks, we are now asked why we don't hold more.

Our approach remains to deliver the dividend and growth in dividend that you expect from a diversified yet concentrated portfolio of differing cashflows. As such, current conditions in the market do not require us to make significant changes to the portfolio, but rather to see if opportunities arise as a result of the rotation that is going on.

Equities have defied the sceptics and have risen without much enthusiasm from investors. Any sense of euphoria has been absent for many years. Fund managers hold as much cash today as they held at the time of the credit crisis in 2008/9; and if the long bull market in bond markets is unravelling, some of this cash will find its way into equities. So all in all, it seems likely that the market will continue to move higher with few cheerleaders and many investors not positioned to benefit.

Adrian Frost and Nick Shenton
Fund managers

Five largest purchases and sales for the six months ended 31 October 2016

Purchases	Cost £'000	Sales	Proceeds £'000
Microsoft	98,139	Lockheed Martin	157,497
Sanofi	96,448	AstraZeneca	110,926
Melrose Industries	60,230	Tate & Lyle	84,302
BP	48,916	Reckitt Benckiser Group	82,091
Aviva	44,486	Ultra Electronics Holdings	79,709

Portfolio statement as at 31 October 2016

Investment	Holding	Valuation £'000	% of net assets
Collective Investment Schemes 1.65% (1.32%)			
Artemis Global Income Fund Class I Accumulation units †	86,129,183	103,760	1.65
Collective Investment Schemes total		**103,760**	**1.65**
Equities 96.32% (96.96%)			
Basic Materials 5.02% (5.15%)			
Bayer	1,915,436	155,900	2.48
Rio Tinto	5,649,853	160,230	2.54
		316,130	**5.02**
Consumer Goods 5.47% (6.87%)			
Berkeley Group Holdings	629,841	14,801	0.23
Imperial Brands	6,009,960	238,926	3.79
Orkla	3,140,213	24,511	0.39
Persimmon	3,948,377	66,649	1.06
		344,887	**5.47**
Consumer Services 18.44% (17.37%)			
Card Factory	20,521,227	51,816	0.82
Greene King	6,546,049	47,524	0.75
Halfords Group	15,252,280	51,690	0.82
Informa	32,893,317	220,879	3.51
Pearson	5,977,921	45,283	0.72
RELX	17,381,827	254,817	4.04
RELX NV	2,040,518	28,283	0.45
Saga	64,569,054	127,847	2.03
SSP Group	24,078,692	81,675	1.30
TUI	13,509,926	140,638	2.23
Wolters Kluwer	3,493,454	111,617	1.77
		1,162,069	**18.44**
Financials 29.98% (28.57%)			
3i Group	35,002,692	234,693	3.72
Ashmore Group	11,144,670	38,717	0.61
Assura	105,440,991	62,737	1.00
Aviva	35,435,494	157,582	2.50
Barclays	63,859,984	121,941	1.94
Direct Line Insurance Group	42,597,430	147,387	2.34
Ecofin Global Utilities and Infrastructure Trust	5,937,987	7,363	0.12
EF Realisation	5,171,086	1,913	0.03
HSBC Holdings	24,471,576	151,601	2.41
IG Group Holdings	14,211,047	116,815	1.85
Legal & General Group	45,563,060	95,728	1.52
Lloyds Banking Group	300,782,568	172,469	2.74

Investment information (continued)

Investment	Holding or nominal value	Valuation £'000	% of net assets
London Stock Exchange Group	2,877,525	80,628	1.28
NextEnergy Solar Fund	33,124,779	35,609	0.57
Phoenix Group Holdings	7,979,245	58,368	0.93
Phoenix Group Holdings Rights 08/11/2016	4,654,559	10,380	0.16
RSA Insurance Group	13,132,560	72,032	1.14
Secure Income, REIT #	27,942,446	86,622	1.37
Segro, REIT	29,203,415	126,655	2.01
Speymill Deutsche Immobilien, REIT ^	14,828,390	–	–
Standard Life	32,490,134	109,849	1.74
Third Advance Value Realisation ^	162,101	–	–
		1,889,089	**29.98**
Health Care 8.77% (9.05%)			
AstraZeneca	4,065,566	187,138	2.97
GlaxoSmithKline	13,470,954	217,421	3.45
Indivior	16,200,464	51,031	0.81
Sanofi	1,510,121	96,878	1.54
		552,468	**8.77**
Industrials 9.29% (11.48%)			
BAE Systems	12,562,897	68,028	1.08
BBA Aviation	19,103,286	48,924	0.78
Cobham	53,959,968	76,839	1.22
Melrose Industries	61,663,306	105,444	1.67
Rentokil Initial	49,613,550	113,119	1.79
Royal Mail	22,127,917	108,250	1.72
SPIE	4,186,387	64,825	1.03
		585,429	**9.29**
Oil & Gas 7.17% (5.82%)			
BP	57,059,914	276,569	4.39
Royal Dutch Shell B shares	8,261,425	175,225	2.78
		451,794	**7.17**
Technology 2.41% (1.57%)			
Laird	30,185,510	43,799	0.69
Microsoft	2,201,787	108,308	1.72
		152,107	**2.41**
Telecommunications 6.73% (7.19%)			
BT Group	49,598,802	186,268	2.96
Inmarsat	11,871,046	83,216	1.32
Vodafone Group	68,610,781	154,752	2.45
		424,236	**6.73**
Utilities 3.04% (3.89%)			
Centrica	57,112,177	121,992	1.94
Drax Group	9,448,409	29,668	0.47
Enagas	1,707,215	40,030	0.63
		191,690	**3.04**
Equities total		**6,069,899**	**96.32**
Corporate Bonds 0.31% (1.43%)			
Consumer Services 0.00% (0.04%)			
Financials 0.31% (0.63%)			
F&C Finance 9.00% 20/12/2016	£19,601,000	19,721	0.31
		19,721	**0.31**
Utilities 0.00% (0.76%)			
Corporate Bonds total		**19,721**	**0.31**

Investment	Valuation £'000	% of net assets
Derivatives (0.56)% (0.08%)		
Options 0.00% ((0.01)%)		
Forward currency contracts (0.56)% (0.09%)		
Buy Sterling 366,621,878 dated 13/12/2016	366,622	5.81
Sell Euro 431,690,000 dated 13/12/2016	(388,762)	(6.17)
Buy Sterling 21,445,620 dated 13/12/2016	21,446	0.34
Sell Norwegian Krone 223,800,000 dated 13/12/2016	(22,262)	(0.35)
Buy Sterling 169,545,490 dated 13/12/2016	169,545	2.69
Sell US Dollar 222,950,000 dated 13/12/2016	(183,005)	(2.90)
Buy US Dollar 102,050,000 dated 13/12/2016	83,766	1.33
Sell Sterling 82,715,940 dated 13/12/2016	(82,716)	(1.31)
	(35,366)	**(0.56)**
Derivatives total	**(35,366)**	**(0.56)**
Investment assets (including investment liabilities)	6,158,014	97.72
Net other assets	143,900	2.28
Net assets	6,301,914	100.00

The comparative percentage figures in brackets are as at 30 April 2016.
† Related party.
# Security traded on the Alternative Investment Market ('AIM').
^ Unlisted, suspended or delisted security.

Financial statements

Statement of total return for the six months ended 31 October 2016

	31 October 2016		31 October 2015	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		409,989		(280,939)
Revenue	137,389		122,410	
Expenses	(33,415)		(39,446)	
Interest payable and similar charges	(10)		-	
Net revenue before taxation	103,964		82,964	
Taxation	186		(1,185)	
Net revenue after taxation		104,150		81,779
Total return before distributions		**514,139**		**(199,160)**
Distributions		(136,410)		(119,996)
Change in net assets attributable to unitholders from investment activities		377,729		(319,156)

Statement of change in net assets attributable to unitholders for the six months ended 31 October 2016

	31 October 2016		31 October 2015	
	£'000	£'000	£'000	£'000
Opening net assets attributable to unitholders		6,481,428		7,216,043
Amounts receivable on issue of units	99,591		93,423	
Amounts payable on cancellation of units	(708,478)		(215,283)	
		(608,887)		(121,860)
Change in net assets attributable to unitholders from investment activities		377,729		(319,156)
Retained distributions on accumulation units		51,644		44,610
Closing net assets attributable to unitholders		6,301,914		6,819,637

Balance sheet as at 31 October 2016

	31 October 2016	30 April 2016
	£'000	£'000
Assets		
Fixed assets		
Investments	6,194,430	6,471,767
Current assets		
Debtors	30,619	69,548
Cash and bank balances	254,317	59,923
Total current assets	**284,936**	**129,471**
Total assets	**6,479,366**	**6,601,238**
Liabilities		
Investment liabilities	36,416	3,658
Creditors		
Distribution payable	79,699	92,655
Other creditors	61,337	23,497
Total creditors	**141,036**	**116,152**
Total liabilities	**177,452**	**119,810**
Net assets attributable to unitholders	6,301,914	6,481,428

Notes to the financial statements

1. Basis of preparation

The interim financial statements have been prepared in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014.

The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2016 as set out therein.

2. Post balance sheet events

Since 31 October 2016, the net asset values per unit, on a bid basis, have changed as follows:

	Net asset value per unit (p)		
	15 December 2016	31 October 2016	Movement
I distribution	226.10	225.28	0.4%
I accumulation	397.59	396.11	0.4%
R distribution	209.18	208.61	0.3%
R accumulation	372.80	371.75	0.3%

Distribution table

Interim dividend distribution for the six months ended 31 October 2016 (payable 31 December 2016) in pence per unit.

Group 1 - Units purchased prior to 1 May 2016.
Group 2 - Units purchased from 1 May 2016 to 31 October 2016.

	Net revenue per unit (p)	Equalisation per unit (p)	Distribution per unit (p) 31 December 2016	Distribution per unit (p) 31 December 2015
I distribution				
Group 1	4.7317	-	4.7317	3.8059
Group 2	2.0729	2.6588	4.7317	3.8059
I accumulation				
Group 1	8.1447	-	8.1447	6.2935
Group 2	3.8836	4.2611	8.1447	6.2935
R distribution				
Group 1	4.3908	-	4.3908	3.5585
Group 2	1.2047	3.1861	4.3908	3.5585
R accumulation				
Group 1	7.6595	-	7.6595	5.9628
Group 2	4.0138	3.6457	7.6595	5.9628

Corporate unitholders should note that:

1. 100.00% of the revenue distribution is received as franked investment income.
2. 0.00% of the revenue distribution is received as an annual payment received after deduction of income tax at the lower rate and may be liable to corporation tax. It is not franked investment income.

Equalisation applies only to units purchased during the distribution period (group 2 units). It is the average amount of revenue included in the purchase price of all group 2 units and is refunded to holders of these units as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of units for capital gains tax purposes.

Comparative tables

Fund sizes & net asset values

Date	Net asset value of fund (£)	Net asset value per unit (p)	Units in issue
30 April 2014	6,580,981,514		
I distribution		213.67	872,706,894
I accumulation		339.94	171,437,674
R distribution		201.66	1,113,361,401
R accumulation		325.11	580,792,862
30 April 2015	7,216,043,140		
I distribution		226.02	1,202,317,725
I accumulation		373.78	309,679,491
R distribution		211.70	843,916,730
R accumulation		354.79	438,132,811
30 April 2016	6,481,427,628		
I distribution		211.42	1,318,711,997
I accumulation		364.00	382,872,627
R distribution		196.53	620,469,904
R accumulation		342.91	315,039,430
31 October 2016	6,301,913,708		
I distribution		225.28	1,252,281,568
I accumulation		396.11	358,415,347
R distribution		208.61	465,628,263
R accumulation		371.75	293,126,870

Ongoing charges

Class	31 October 2016
I distribution	0.79%
I accumulation	0.79%
R distribution	1.54%
R accumulation	1.54%

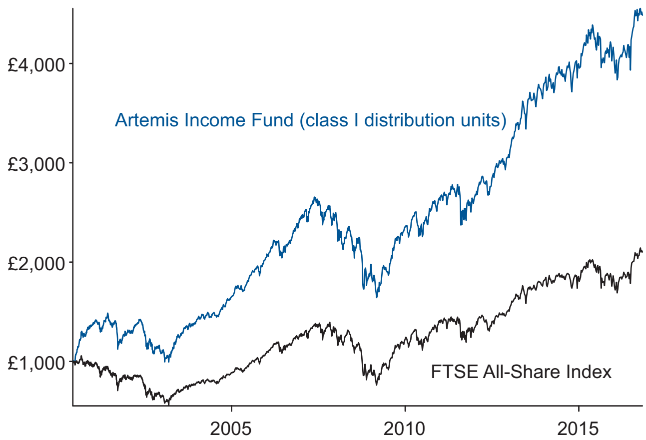
Ongoing charges shows the annual operating expenses of each unit class as a percentage of the average net assets of that class for the preceding 12 months.

Class I performance

	Since launch *	5 years	3 years	1 year	6 months
Artemis Income Fund	348.6	68.3	19.0	8.9	8.8
FTSE All-Share Index	110.2	57.4	16.8	12.2	12.2
FTSE 100 Index	88.1	51.2	15.5	13.7	13.6
Sector average	156.6	62.3	17.7	6.8	7.5
Position in sector	1/23	25/59	34/73	21/79	28/81
Quartile	1	2	2	2	2

* Data from 6 June 2000. Source: Lipper Limited, data from 6 June 2000 to 7 March 2008 reflects class R distribution units and from 7 March 2008 reflects class I distribution units, bid to bid in sterling to 31 October 2016. All performance figures show total returns with dividends reinvested, percentage growth. Sector is IA UK Equity Income, universe of funds is those reporting net of taxes.

Value of £1,000 invested at launch to 31 October 2016



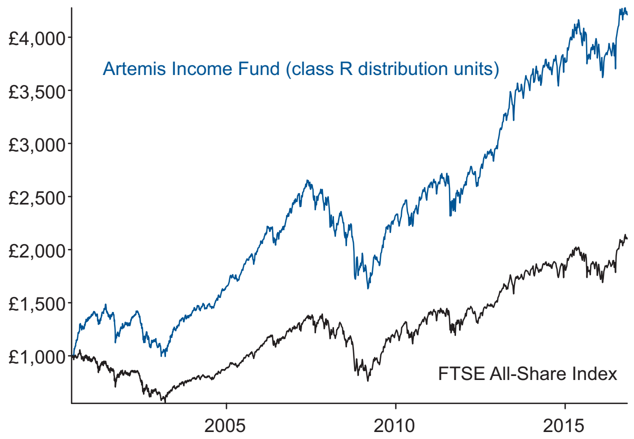
Comparative tables (continued)

Class R performance

	Since launch *	5 years	3 years	1 year	6 months
Artemis Income Fund	321.2	62.1	16.4	8.1	8.4
FTSE All-Share Index	110.2	57.4	16.8	12.2	12.2
FTSE 100 Index	88.1	51.2	15.5	13.7	13.6

* Data from 6 June 2000. Source: Lipper Limited, class R distribution units, bid to bid in sterling to 31 October 2016. All performance figures show total returns with dividends reinvested, percentage growth.

Value of £1,000 invested at launch to 31 October 2016



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The Profit Hunter