Jupiter **UK Growth Fund**

Short Interim Report – for the six months ended 30 June 2013

Investment Objective

To achieve long-term capital growth.

Investment Policy

To invest in any economic sector principally in the United Kingdom.

The Manager has the power to use derivatives but it is intended that these will only be used for efficient portfolio management and not for investment purposes.

Performance Record

Percentage change and sector ranking from launch to 30 June 2013

	6 months	3 years	5 years	10 years	Since launch*
Jupiter UK Growth Fund	14.3	63.8	49.9	203.4	1460.7
UK All Companies sector position	47/282	28/268	67/246	17/174	3/17

Source: FE, Retail Units, bid to bid, net income reinvested.
**Launch date 1 April 1988.*

Please remember that past performance should not be seen as a guide to future performance and that the value of an investment in a unit trust and the income from it can fall as well as rise and it may be affected by exchange rate variations. You may get back less than you invested.

Risk Profile

The Fund has little exposure to liquidity, credit or cash flow risk. The risks it faces from its financial instruments are market price, foreign currency, interest rate and counterparty risk. The Manager reviews policies for managing these risks in pursuance of the Investment Objective and Policy.

Risk and reward indicator

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

← Typically lower rewards, lower risk | Typically higher rewards, higher risk →

Retail Units

1	2	3	4	5	**6**	7

I-Class Units

1	2	3	4	5	**6**	7

- The lowest category does not mean 'no risk'. Some risk will still be present in funds with a risk and reward rating of 1.
- The Fund is in this category as it invests in a wide range of company shares, which carry a degree of risk.

Unit Classes

In addition to the basic class of units which are available to all types of investors, the Fund also offers I-Class units which are available to investors who invest a minimum of £5,000,000. Further details are available from the Manager on request. Please note that in order to distinguish between the unit classes within the Fund they are defined in this report as either Retail Units (non I-Class) or I-Class Units. The unit types associated with each unit class are disclosed in the Comparative Tables on page 2.

Warning to Unitholders Customers of financial institutions can be prone to attempts by fraudsters to obtain personal information or money. There are many ways they can initiate contact, such as emails, letters and cold calls, but methods are constantly evolving so it is important that you are aware of the types of scams so that you are better able to protect yourself. Please visit our website www.jupiteronline.com or call 0844 620 7600 for further information.

Charges

The charges you pay are used to pay the costs of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

Charges taken from the Fund over the six months (annualised) to:	30.06.13	30.06.12
Ongoing charges for Retail Units	1.79%	1.79%
Ongoing charges for I-Class Units	1.04%	1.04%

Portfolio Turnover Rate (PTR)

Six months to 30.06.13	Six months to 30.06.12
18.54%	12.08%

The PTR provides an indication of the rate the Manager has bought and sold the underlying assets of the Fund during the period as indicated above. In general, the higher the PTR of a fund, the greater level of portfolio transaction costs will be incurred.

Distributions/Accumulations

	Total Distributions for period to 30.06.13	Total Distributions for period to 30.06.12
	Pence per unit	
Retail Income units	2.3400	1.7400
I-Class Income units	3.2922	2.4145
I-Class Accumulation units	3.3507	2.4198

Fund Facts

Fund accounting dates		Fund payment/ accumulation dates	
30 June	31 December	31 August	28 February

Comparative Tables

Net Asset Values

Date	Net Asset Value of Fund	Net Asset Value per unit			Number of units in issue		
		Retail Income	I-Class Income*	I-Class Accumulation*	Retail Income	I-Class Income*	I-Class Accumulation*
31.12.12	£778,027,629	226.13p	226.26p	230.57p	342,978,116	1,057,939	27,986
30.06.13	£839,630,974	256.11p	256.28p	264.53p	324,271,160	3,037,133	517,649

Unit Price Performance

Date	Highest offer			Lowest bid		
	Retail Income	I-Class Income*	I-Class Accumulation*	Retail Income	I-Class Income*	I-Class Accumulation*
2008	222.87p	n/a	n/a	109.62p	n/a	n/a
2009	182.32p	n/a	n/a	102.37p	n/a	n/a
2010	215.17p	n/a	n/a	156.71p	n/a	n/a
2011	221.48p	188.95p	188.95p	161.23p	161.61p	161.61p
2012	241.23p	230.99p	234.50p	176.20p	176.55p	176.95p
to 30.06.13	289.32p	276.83p	282.08p	230.73p	231.19p	235.60p

Income/Accumulation Record

Calendar Year	Pence per unit		
	Retail Income	I-Class Income*	I-Class Accumulation*
2008	3.4100p	n/a	n/a
2009	2.9800p	n/a	n/a
2010	1.7700p	n/a	n/a
2011	1.6700p	n/a	n/a
2012	2.0500p	2.7932p	2.7985p
to 31.08.13	2.3400p	4.1523p	4.2239p

*I-Class income and accumulation units were introduced on 19 September 2011.

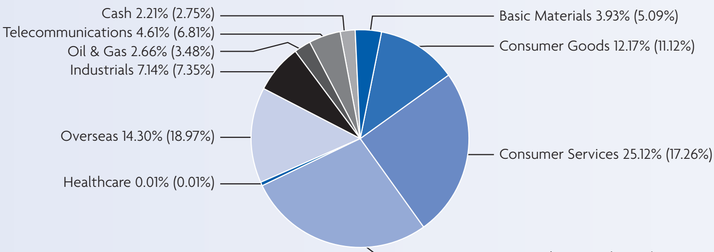
Major Holdings

The top ten holdings at the end of the current period and at the end of the previous year are shown below.

Holding	% of Fund as at 30.06.13	Holding	% of Fund as at 31.12.12
Lloyds Banking Group	8.29	Lloyds Banking Group	6.78
GKN	5.50	BMW	5.85
Barclays	5.46	Barclays	5.43
Legal & General	5.35	GKN	5.16
British American Tobacco	5.34	Royal Bank of Scotland	5.13
BMW	4.80	British American Tobacco	4.97
HSBC Holdings (London listed)	4.77	Legal & General	4.89
Howden Joinery	4.63	adidas	4.38
adidas	4.55	Howden Joinery	4.35
ITV	3.66	TalkTalk Telecom	3.45

Portfolio Information

Classification of investments as at 30 June 2013



The figures in brackets show allocations as at 31 December 2012.
The sectors as shown above are based on the Industry Classification Benchmark (see page 4).

Investment Review

Performance Review

In the period the Fund returned 14.3%* compared with 8.5%* from the FTSE All-Share Index to rank 47th out of 282 funds in its peer group the IMA UK All Companies sector. Over 3 years the Fund has returned 63.8%* against 43.5%* from the FTSE All-Share Index.

The current manager, Ian McVeigh marked 10 years running the Fund. In that period from 7th April 2003, the Fund has returned 226.3%* against 149.6%* from the FTSE All-Share Index to rank 24th out of 173 funds in its sector. The Manager commented 'it has been a great privilege to look after the investors' money in the Jupiter UK Growth Fund over this period and interesting to reflect that had one had a perfect crystal ball, foreseeing the events of the 10 years from April 2003 including the biggest financial crisis since the 1930s whether one would have forecast the unit offer price to have gone from 92p to 256p. More than anything, the strength of returns in the face of great economic turmoil emphasises the critical importance of buying low'.

**Source: FE, Retail Units, bid to bid, net income reinvested. The statistics disclosed above relate to Retail Units unless otherwise stated.*

The Team

Steve Davies was appointed co-manager of the Fund in January 2013. Steve joined the Fund as an analyst in 2007 and was made deputy manager in 2009; his appointment reflects the strength of his contribution to the Fund's performance.

Contributors to Performance

The largest positive contributors to performance were: Howden Joinery, Lloyds Banking Group, GKN, Dixons Retail, adidas and ITV.

There is a strong cyclical theme to this group of companies. We have taken the view that the UK economy was performing rather better than both the GDP numbers and the headlines suggested. Principally we saw robust growth in private sector employment as our main pointer. The strong performance of this group reflects both an improving economic backdrop, significant self-help from effective management and a level of residual pessimism that meant the shares would all be likely to respond very positively to even small positive surprises.

On the negative side, the Fund saw negative attribution from its holdings in Apple, Royal Bank of Scotland (RBS), TalkTalk Telecom and Xstrata. We also lost out from not holding GlaxoSmithKline and from selling Vodafone too soon.

Portfolio Activity

We either added to or took new positions in British Sky Broadcasting, Thomas Cook, Carphone Warehouse, Cable & Wireless Communications, International Consolidated Airlines Group (IAG) and Inchcape and either sold or reduced our holdings in Coca Cola, Google, Herald Investment Trust, International Ferro Metals, Reynolds Tobacco and Vodafone. On the buy side, most activity reflects opportunistic responses to price moves. Our two new holdings, Thomas Cook and IAG represent respectively, a view that the brand has real long term value that can survive online competition and a management team that can realise that value. The purchase of IAG reflects a view that the industry may be seeing a profit renaissance as marginal capacity is withdrawn.

On the sell side, we set 2 year price tactical targets for our holdings and in the case of Google and Herald substantial gains were taken.

We aim to have low turnover, reflecting a longer term view.

Current portfolio and Sector Stance

The Fund is significantly overweight in financial stocks reflecting a view that as the economy recovers and the regulatory backdrop clarifies, banks will be able to make a reasonable return on their activities. Both Barclays and RBS trade at significant discounts to their net asset values, and Lloyds at a small premium. The broad market trades at around twice its asset value. This difference reflects the belief that banks will never be able to make an adequate return, but it is our opportunity. If we are to have a reasonable economic recovery, the UK will have to have a functioning, profitable banking industry.

The Fund has also a significant exposure to domestic consumer stocks, names like Booker, Dixons, Next, Taylor Wimpey and WH Smith. As stated, we have taken a view that expectations for domestic consumption were so low and valuations so depressed that the scope for positive surprise was very large.

The Fund is significantly underweight in both oil and mining. We think that the China-driven commodity boom may be waning as growth slows and new supply comes on stream.

Governance

The Managers takes an active role in pursuing good corporate Governance, believing it essential if the investor is to get a fair share of the profits made. In particular, in the banking sector, we have expressed strong views that the rewards to staff relative to those to investors were not equitable and that the balance needed to be altered. We have frequently voted against remuneration reports. More needs to be done but we think the situation has begun to improve.

As long term investors, we see our engagement with management and non-executive directors as a key part of our fiduciary duty.

Outlook

At the start of 2012 we felt that valuations were so low that, barring an economic meltdown, equities were likely to recover sharply. This has now happened and, at the time of writing, the Fund has risen by over 50% since the start of 2012. As a result, it is clear that shares are not as compelling as they were. Nevertheless, we can still see good value in our holdings at this level. We strongly suspect that many investors are heavily positioned in low risk, low return assets and light in their holdings in equities. There has also been a lot of forced selling of equities in the last 10 years as banks have deleveraged and pension funds have cut equity weightings. This activity is likely to have left equities looking undervalued.

There is still plenty of risk in the global economy but also plenty of value in individual shares.

Ian McVeigh and Steve Davies
Fund Managers

Responsible Stewardship

Jupiter believes that responsible stewardship is an important issue and aims to act in the best interests of all its stakeholders by engaging with the companies that it invests in, and by exercising its voting rights with care. We believe companies with high standards of corporate responsibility, governance and sustainable business practices create an appropriate culture to enhance good investment performance. Jupiter's Corporate Governance and Voting Policy and its compliance with the UK Stewardship Code, together with supporting disclosure reports are available at www.jupiteronline.com

This document is a short report of the Jupiter UK Growth Fund for the period ended 30 June 2013. The full Report and Accounts of the Fund is available on our website www.jupiteronline.com or upon written request to Jupiter Unit Trust Managers Limited, PO Box 10666, Chelmsford CM99 2BG.

The information in this report is designed to enable you to make an informed judgement on the activities of the Fund during the period it covers and the results of those activities at the end of the period.

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