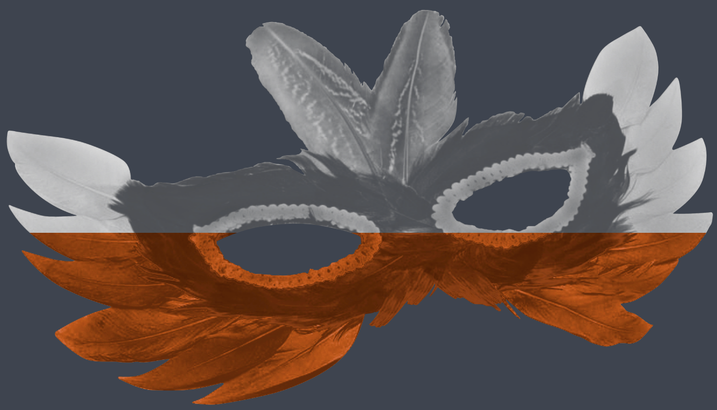

Annual Report 2011

JPMorgan Brazil Investment Trust plc

Annual Report & Accounts for the period ended 30th April 2011

J.P.Morgan
Asset Management

Features

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Objective

To provide shareholders with long term total returns, predominantly comprising capital growth but with the potential for income by investing primarily in Brazilian focused companies.

Investment Policies

- To invest primarily in Brazilian companies and those incorporated or listed outside Brazil whose Brazilian operations constitute a material part of their business. Up to 10% of assets may be invested in companies focused on other Latin American countries.
- There will be no limit placed on the market capitalisation or sector of any investee companies. However, the Company may reduce its equity holdings to a minimum of 60% of its gross assets if it is considered to be beneficial to performance.
- The Company may invest in listed or unlisted securities or equity-linked securities, in addition to fixed income bonds. Unlisted securities will not exceed 10% of gross assets at the time of investment.

Benchmark

The Company's benchmark is the MSCI Brazil 10/40 Index (in sterling terms), with net dividends reinvested. This index limits the maximum weight of an individual stock constituent to 10% and limits the sum of the weights of all stocks representing more than 5% individually to 40%.

Capital Structure

At 30th April 2011, there were 61,700,214 Ordinary shares of 1p each in issue, and 8,239,408 Subscription shares of 1p each.

Management Company

The Company employs JPMorgan Asset Management (UK) Limited ('JPMAM' or the 'Manager') to manage its assets.

Financial Results

for the period from the date the Company began investing on 26th April 2010, to 30th April 2011

+12.4%
'Unit' return to shareholders[1]

+11.7%
Undiluted return on net assets

+5.3%
Benchmark[2]

+9.3%
Return to Ordinary shareholders

+10.6%
Diluted return on net assets[3]

A glossary of terms and definitions is provided on page 49.

[1]A Unit comprises 5 Ordinary shares and 1 Subscription share.

[2]Source: Datastream. The Company's benchmark is the MSCI Brazil 10/40 Index, with net dividends reinvested. in sterling terms.

[3]Return on net assets calculated using the diluted net asset value, which assumes that all outstanding Subscription shares were converted into Ordinary shares at the period end.

Financial Data

	30th April 2011	26th April 2010[1]	% change
Total net assets (£'000)	**67,543**	45,819	+47.4
Number of Ordinary shares in issue	**61,700,214**	46,741,352	+32.0
Number of Subscription shares in issue	**8,239,408**	9,348,270	-11.9
Undiluted net asset value per Ordinary share	**109.5p**	98.0p	+11.7
Diluted net asset value per Ordinary share	**108.4p**	98.0p	+10.6
Ordinary share price	**111.5p**	102.0p[2]	+9.3
Subscription share price	**30.0p**	12.5p[2]	+140.0
Ordinary share price premium to diluted net asset value per Ordinary share	**2.9%**	4.1%	

[1]The Company began investing on 26th April 2010.

[2]Opening mid market price on the first day of trading.

Chairman's Statement

Introduction and Performance

This is the first Annual Report to shareholders since the Company's incorporation on 1st February 2010 and launch on 26th April 2010.

It is a pleasure to report on a year of solid performance in the Company's first annual reporting period to 30th April 2011, in highly volatile market conditions. The Company recorded a total undiluted return on net assets of +11.7% (+10.6% return on a diluted basis), materially outperforming the benchmark, the MSCI Brazil 10/40 Index which returned +5.3% for the same period. The capital return to Ordinary shareholders was +9.3% and the return to 'Units' (comprising 5 Ordinary shares and 1 Subscription share) was +12.4%.

Despite headwinds from domestic and global issues, Brazil's equity market rose over the year under review. The Company's Ordinary share price increased from an opening price on the first day of trading of 102.0p to 111.5p at 30th April 2011, and the Subscription share price increased from its opening price of 12.5p at launch to 30.0p at 30th April 2011. Since the year end, markets in Brazil have remained cautious. As at 4th July 2011 the diluted net asset value per share was 110.3p, the Ordinary share price 104.8p and the discount 5.0%. The Subscription share price was 22.6p at that date. The Board will monitor the Company's share rating carefully, and if necessary, will take steps with a view to restricting the volatility of the discount.

The investment managers' report gives a more detailed commentary about the Company's investment strategy and the market conditions experienced during the year. The Board is pleased with the investment managers' performance since launch and supports their high conviction approach of stock selection based on investee companies' growth potential, financial strength and quality of management. The portfolio's focus on domestic growth reflects the investment managers' view of growth prospects over the next five years.

Revenue and Dividends

Gross revenue for the year amounted to £1,336,000 and net total revenue after interest, administrative expenses and taxation amounted to £444,000.

Revenue return per Ordinary share for the year, calculated on the weighted average number of shares in issue, was 0.80p on an undiluted basis and 0.79p on a diluted basis. The Board is pleased to recommend a dividend of 0.5p per Ordinary share. Subject to shareholders' approval at the forthcoming Annual General Meeting on 2nd August 2011, the dividend will be payable on 12th August 2011 to shareholders on the register at 15th July 2011. However, shareholders are reminded that the Company's investment objective is to provide shareholders with returns predominantly in the form of capital. Dividends are not expected to comprise a material component of shareholders' future returns.

Asset Allocation

In accordance with the Company's investment policy, the investment managers have continued to be substantially invested in equities. As at 30th April 2011, the Company's portfolio had 5.8% in cash.

Share Issuance

At launch on 26th April 2010, the Company issued 46,741,352 Ordinary shares and 9,348,270 Subscription shares. Following listing, there was continued demand for the Company's shares and as a result these shares continued to trade at a premium to their net asset value almost throughout the period. In the face of this demand and having regard to the benefits of enlarging the Company, the Directors have issued 13,850,000 new Ordinary shares since launch, resulting in the enhancement of the Company's net asset value by £514,000. Additionally, 1,118,902 Ordinary shares have been issued upon conversion of Subscription shares to date. Consequently, there are 61,710,254 Ordinary shares and 8,229,368 Subscription shares in issue at the date of this report. At the General Meeting held on 10th December 2010, the shareholders gave the Directors authority to issue up to 16,970,000 additional new Ordinary shares to grow the Company further.

The Board

Earlier this year, the Board carried out an evaluation of the Directors, the Chairman, the Board itself and its Audit Committee. The results of the evaluation were satisfactory. The Board takes this review seriously and views it as an effective means of evaluating the continuing efficacy of the Board. In accordance with the Company's Articles of Association, as this will be the first Annual General Meeting of the Company, all Directors will retire at this year's Annual General Meeting. They have all indicated that they wish to seek election and details of their background and experience can be found on page 12.

Annual General Meeting

The Annual General Meeting will be held at 60 Victoria Embankment, London, EC4Y 0JP on 2nd August 2011 at 2.30 p.m. The meeting will include a presentation from the investment managers on investment policy and performance. There will also be an opportunity for shareholders to meet the Board and representatives of JPMorgan after the meeting.

If you wish to raise any detailed or technical questions at the Meeting, it would be helpful if you could mention them in advance to the Company Secretary at Finsbury Dials, 20 Finsbury Street, London EC2Y 9AQ. Shareholders who are unable to attend the Meeting in person are encouraged to use their proxy votes.

Chairman's Statement continued

Outlook

Despite the positive performance this year, the investment climate remains volatile. There are still a number of economic and political challenges for Brazil to face as key economic and business indicators signal some loss of strength in its economy. As domestic inflation and global issues continue to weigh on market sentiment, the strength and sustainability of growth in Brazilian equity market valuations is likely to be restrained in the near term. Nevertheless, the Board remains confident that the investment managers are well positioned to identify appropriate investment opportunities in high quality stocks with attractive valuations and good growth potential in this uncertain environment. The Board will continue to focus on achieving good long term returns for the Company.

Howard Myles
Chairman
5th July 2011

Investment Managers' Report

Luis Carrillo

Sebastian Luparia

Results

It was a solid start for the trust in the first year since listing. Market conditions were volatile, influenced by the global backdrop as well as the triple headwind for Brazil of inflation and its associated monetary tightening, the large Petrobras offering and a Presidential election, and this was reflected in the 5.3% rise in our benchmark index over the period. The returns from our investment activity are shown in the 11.7% increase in the net asset value per share, after fees and expenses are taken into account.

Further details on performance are shown in the table on page 6, which reveals that we had a good year in terms of both stock selection and asset allocation. Worthy of note in particular was our stock selection in the industrials, financials and consumer discretionary sectors where your Company achieved some notable results. In addition, stock selection in the energy sector and an underweight in the materials sector (in particular, Vale) contributed significantly to returns overall.

Investment activity

We are currently maintaining a relatively defensive portfolio as selective risks (discussed later) remain and we have not found valuations compelling enough to dramatically increase market exposure. At the same time, we feel very comfortable with our long-term, domestic investments in companies we believe are restructuring towards better growth or profitability, although we recognise that some of them have already performed well and there is some valuation risk in the near-term.

We believe the government will be content with lower growth in the face of inflation risks and so we continue to focus on identifying mid-cap domestic stocks where growth is less dependent on the macro outlook. A good example of this is a new position in Companhia Hering (a clothing retailer), which is a company that presents a compelling growth story supported by an aggressive store opening strategy and a format that fits well to the current demand trends we are seeing in the retail segment in Brazil.

Among other new names in the portfolio, we initiated a position in Light (an electric utility company that operates in Rio de Janeiro state), as we believe that improving operating efficiencies should reflect in stronger results that are still not being recognised by the market. In addition, we believe that a dividend yield of 8% presents an attractive opportunity in the current environment. Outside of Brazil, the market weakness in Peru around the elections allowed us to take a position in Banco de Crédito.

In addition, Brazilian financials have underperformed over the last several months as interest rates have risen and asset quality has been a concern. This is now better reflected in valuations and so we are looking to reduce some of our underweight position in this sector.

Overall the portfolio reflects our view that the next five years will be about domestic growth and we exploit this by being significantly different to the benchmark.

Investment Managers' Report continued

Performance attribution for the period ended 30th April 2011

	%	%
Contributions to total returns		
Benchmark		5.3
Asset allocation	5.0	
Stock selection	3.9	
Gearing/cash	0.5	
Investment Manager contribution		9.4
Portfolio return		14.7
Management fees/ other expenses	-3.7	
Shares issues	1.0	
Portfolio return net of fees and expenses		12.0
Exercise of Subscription shares	-0.3	
Undiluted return on net assets		11.7
Dilution effect of potential exercise of remaining Subscription shares	-1.1	
Diluted return on net assets		10.6
Impact of change in premium	-1.3	
Return to Ordinary shareholders		9.3

Source: Xamin/Datastream/Morningstar. All figures are on a total return basis.

Performance attribution analyses how the Company achieved its recorded performance relative to its benchmark.

A glossary of terms and definitions is provided on page 49.

Our single largest investment view expressed in the portfolio is to be overweight domestic growth stocks, typically mid-cap, and underweight the mega-cap global cyclicals.

What's next for Brazil?

In our view the Brazilian equity market remains influenced by the same issues that have negatively impacted the market since the beginning of 2011. This includes domestic inflation, smaller European economies' fragile situation, the also-fragile US recovery, as well as the recurring concern about China, which all impact investor sentiment. In a similar vein to the correction we saw in the second quarter of 2010, we believe that global issues will probably continue to impact market dynamics going forward. Within this context, we expect to see the Brazilian equity market in a range over the coming months as these concerns will offset any potential positives from improving domestic dynamics.

We believe the Brazilian economy has already embarked on the slow-down process. A broad set of indicators related to economic activity are signalling that the economy has lost strength and is headed towards lower growth rates starting in the second quarter. Demand fundamentals weakened between late 2010 and early 2011, the central bank resumed the monetary tightening cycle in January, government spending started to decelerate, new loans declined in response to macro-prudential measures, exports lost momentum and business and consumer confidence slipped into a downward path. Given such evidence, we expect the economy to grow at moderate rates in coming quarters, particularly in the second half. On the positive side this will bring some relief to inflation fears, in particular considering that the economy is working at full capacity. However, we believe that market expectations need to adjust to this new environment and we do not rule out earnings downgrades in the near future.

While headwinds from the developed world (deleveraging and growth) provide an uncertain backdrop for emerging markets, our positive long-term assessment of Brazil remains unchanged. Corporate profitability is strong (with only commodity sectors showing a mild deterioration in return on equity as high prices have prompted rising capital expenditure) and the long-term investment case based on rising investment driving future performance remains intact.

Luis Carrillo
Sebastian Luparia
Investment Managers

5th July 2011

Summary of Results

	30th April 2011	26th April 2010	% change
Returns for the period from 26th April 2010 to 30th April 2011[1]			
'Unit' return to shareholders[2]	**+12.4%**		
Return to Ordinary shareholders	**+9.3%**		
Undiluted return on net assets	**+11.7%**		
Diluted return on net assets[3]	**+10.6%**		
Benchmark[4]	**+5.3%**		
Net asset value, share price and discount			
Total net assets (£'000)	**67,543**	45,819	+47.4
Number of Ordinary shares in issue	**61,700,214**	46,741,352	+32.0
Number of Subscription shares in issue	**8,239,408**	9,348,270	–11.9
Undiluted net asset value per Ordinary share	**109.5p**	98.0p	+11.7
Diluted net asset value per Ordinary share	**108.4p**	98.0p	+10.6
Ordinary share price	**111.5p**	102.0p	+9.3
Subscription share price	**30.0p**	12.5p	+140.0
Ordinary share price premium to diluted net asset value per Ordinary share	**2.9%**	4.1%	
Revenue for the period from 26th 2010 to 30th April 2011[1]			
Gross revenue return (£'000)	**1,336**		
Return per Ordinary share	**0.80p**		
Actual gearing factor at 30th April 2011[5]	**94.2%**		
Total expense ratio[6]	**1.49%**		

A glossary of terms and definitions is provided on page 49.

[1]Dealings in the Company's shares began on 26th April 2010 and the Company began investing on that date.

[2]A Unit comprises 5 Ordinary shares and 1 Subscription share.

[3]Return on net assets calculated using the diluted net asset value, which assumes that all outstanding Subscription shares were converted into Ordinary shares at the period end.

[4]Source: Datastream. The Company's benchmark is the MSCI Brazil 10/40 Index, with net dividends reinvested, in sterling terms.

[5]Investments expressed as a percentage of Shareholders' funds.

[6]Management fee and all other operating expenses excluding performance fee, expressed as a percentage of the average of the month end net assets during the period. The total expense ratio is calculated in accordance with guidance issued by the Association of Investment Companies.

Ten Largest Investments

at 30th April 2011

Company	Sector	Valuation £'000	%[1]
OGX Petroleo e Gas Participações	Energy	4,171	6.2
Companhia Siderúrgica Nacional ADR	Materials	3,038	4.5
BRF Brasil Foods ADR	Consumer Staples	3,030	4.5
Companhia de Bebidas das Americas ADR	Consumer Staples	2,943	4.3
Aes Tiete	Utilities	2,356	3.5
Marisa Lojas	Consumer Discretionary	2,064	3.1
BR Malls Participações	Financials	2,055	3.0
Souza Cruz	Consumer Staples	1,997	3.0
EcoRodovias Infraestrutura e Logística	Industrials	1,960	2.9
Wilson Sons	Industrials	1,774	2.6
Total		**25,388**	**37.6**

[1]Based on total assets less current liabilities of £67.5m.

Sector Analysis

at 30th April 2011

	30th April 2011 Portfolio %[1]	Benchmark %
Industrials	21.3	4.7
Consumer Staples	15.9	12.8
Financials	15.6	27.1
Consumer Discretionary	14.2	6.7
Materials	9.0	19.5
Energy	7.7	13.2
Utilities	5.6	8.0
Healthcare	2.2	1.3
Information Technology	1.5	2.8
Telecommunication Services	1.2	3.9
Net current assets	5.8	–
Total	100.0	100.0

[1]Based on total assets less current liabilities of £67.5m.

List of Investments

at 30th April 2011

Company	Valuation £'000
Industrials	
EcoRodovias Infraestrutura e Logística	1,960
Wilson Sons	1,774
Duratex	1,575
Mills Estruturas e Servicos	1,551
Localiza Rent a Car	1,425
Eucatex Industria e Comercio	1,390
Randon Implementos E Participações	1,239
Multiplus	1,186
All America Latina Logística	1,071
Iochpe-Maxion	732
Companhia de Concessoes Rodoviarias	477
Total Industrials	**14,380**
Consumer Staples	
BRF Brasil Foods ADR	3,030
Companhia de Bebidas das Americas ADR	2,943
Souza Cruz	1,997
Natura Cosmeticos	1,440
Drogasil	1,348
Total Consumer Staples	**10,758**
Financials	
BR Malls Participações	2,055
Brasil Brokers Participações	1,711
Banco ABC Brasil	1,467
Iguatemi Empresa de Shopping	1,454
Banco do Estado do Rio Grande do Sul	1,375
Brasil Insurance Paticipações	1,101
Banco Industrial e Commerical	751
Banco Santander (Brazil)	522
Credicorp	121
Total Financials	**10,557**

Company	Valuation £'000
Consumer Discretionary	
Marisa Lojas	2,064
PDG Realty	1,599
Valid Soluções e Serviços de Segurança em Meios de Pagamento e Identificaçao	1,537
MRV Engenharia	1,485
Lojas Renner	1,196
Estacio Participações	842
Marisol Industria do Vestuario	480
Fras-Le	352
Total Consumer Discretionary	**9,555**
Materials	
Companhia Siderúrgica Nacional ADR	3,038
Eternit	1,741
Usinas Siderúrgicas de Minas Gerais	848
Gerdau ADR	462
Total Materials	**6,089**
Energy	
OGX Petroleo e Gas Participações	4,171
OSX Brasil	1,021
Total Energy	**5,192**
Utilities	
Aes Tietê	2,356
Companhia de Transmissao de Energia Electrica Paulista	1,448
Total Utilities	**3,804**
Healthcare	
OdontoPrev	1,491
Total Healthcare	**1,491**

Company	Valuation £'000
Information Technology	
TOTVS	989
Total Information Technology	**989**
Telecommunication Services	
NII Holdings	834
Total Telecommunication Services	**834**
Total Investment Portfolio	**63,649**

The portfolio comprises entirely investments in equity shares.

Board of Directors

Howard Myles

Chairman since 24th February 2010.

Remuneration: £25,000.

Qualifications for Board Membership: He was a partner in Ernst & Young from 2001 until June 2007 and was responsible for the investment funds corporate advisory team. He was previously with UBS Warburg from 1987 to 2001. Mr. Myles began his career in stockbroking in 1971 as an equity salesman and joined Touche Ross in 1975 where he qualified as a chartered accountant. In 1978 he joined W. Greenwell & Co. in the corporate broking team and in 1987 moved to SG Warburg Securities where he was involved in a wide range of commercial and industrial transactions in addition to leading Warburg's coporate finance function for investment funds. He is a fellow of the Institute of Chartered Accountants in England and Wales and of The Chartered Securities Institute. He is currently a non-executive director of Blackrock Hedge Selector Limited, Aberdeen Private Equity Fund Ltd, Baker Steel Resources Trust, The World Trust Fund and Small Companies Dividend Trust plc.

Connections with Manager: None.

Shared directorships with other Directors: None.

Shareholding in Company: nil.

Mark Bridgeman

A Director since 24th February 2010.

Remuneration: £23,000.

Qualifications for Board Membership: He was Global Head of Research at Schoders PLC until late 2008, when he left to manage his own family farming business. Over the course of 19 years spent at Schroders he worked both as an investment analyst and fund manager in the UK and around the world, where his roles included being an Emerging Markets fund manager and Head of Emerging Markets research. Since leaving Schroders he has taken on a number of non-executive and advisory roles within the private equity, land management and charity sectors.

Connections with Manager: None.

Shared directorships with other Directors: None.

Shareholding in Company: nil.

Victor Bulmer-Thomas

A Director since 24th February 2010.

Remuneration: £20,000.

Qualifications for Board Membership: He is currently a non executive director of New India Investment Trust PLC and Emeritus Professor of Economics at the University of London. From 2001 to 2006 he was the Director of Chatham House. From 1992 to 1998 he was the Director of the Institute of Latin American studies at the University of London. He is a former non executive director of Gartmore Latin America New Growth Fund SA, Schroder Emerging Countries Funds PLC and Deutsche Latin American Companies Trust plc. He was made a Commander of the Order of the Southern Cross by the Brazilian government in 1998.

Connections with Manager: None.

Shared directorships with other Directors: None.

Shareholding in Company: 6,000 Ordinary Shares.

All Directors are members of the Audit Committee and are considered independent of the Manager.

Directors' Report

The Directors present their report for the period ended 30th April 2011.

Business Review

JPMorgan Brazil Investment Trust plc was incorporated on 1st February 2010 and launched as an investment trust on 26th April 2010.

Business of the Company

The Company carries on business as an investment trust and will seek approval by HM Revenue & Customs as an investment trust in accordance with Section 1158 of the Corporation Tax Act 2010 ('Section 1158') for the period ended 30th April 2011. The Company will seek approval under Section 1158 each year.

The Company is an investment company within the meaning of Section 833 of the Companies Act 2006. The Company is not a close company for taxation purposes.

A review of the Company's activities and prospects is given in the Chairman's Statement on pages 2 to 4, and in the Investment Managers' Report on pages 5 to 6.

Investment Objective and Policies

The Company's objective is to provide shareholders with long term total returns, predominantly comprising capital growth but with the potential for income by investing primarily in Brazilian focused companies.

The Board seeks to manage the Company's risk by imposing various investment limits and restrictions.

- The Company will invest primarily in Brazilian companies and those incorporated or listed outside Brazil whose Brazilian operations constitute a material part of their business. Up to 10% of assets may be invested in companies focused on other Latin American countries.
- There will be no limit placed on the market capitalisation or sector of any investee companies. However, the Company may reduce its equity holdings to a minimum of 60% of its gross assets if it is considered to be beneficial to performance.
- The Company may invest in listed or unlisted securities or equity-linked securities, in addition to fixed income bonds. Unlisted securities will not exceed 10% of gross assets at the time of investment.
- The Company may invest no more than 15% of gross assets in any one company or group at the time of investment.
- The Company may invest no more than 10% of gross assets in other UK listed investment companies (including investment trusts) at the time of investment.

Compliance with the Board's investment restrictions and guidelines is monitored continuously by the Manager and is reported to the Board on a monthly basis.

Performance

In the period to 30th April 2011, the Company produced a portfolio return of +14.7%, compared with the return on the Company's benchmark index of +5.3%. At 30th April 2011, the value of the Company's investment portfolio was £63.6 million. The Investment Managers' Report on pages 5 to 6 includes a review of developments during the period as well as information on investment activity within the Company's portfolio.

Total Return, Revenue and Dividends

Gross total return amounted to £6.9 million and net total return after deducting administrative expenses and taxation, amounted to £5.6 million. Distributable income for the period amounted to £0.4 million.

The Directors propose a dividend of 0.5p per Ordinary share. This dividend will cost £309,000 and the revenue reserve after allowing for the dividend will amount to £135,000. In accordance with the accounting policy of the Company, the dividend will be reflected in the accounts for the year ending 30th April 2012.

Key Performance Indicators ('KPIs')

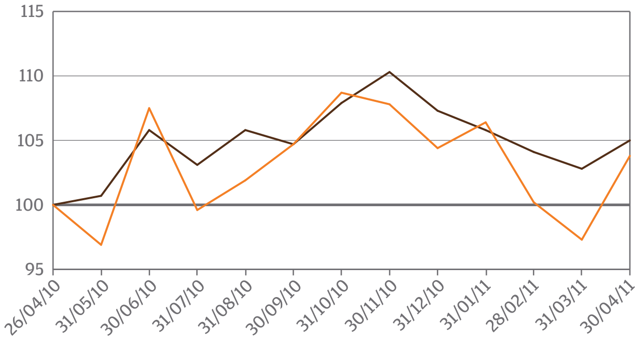
The Board uses a number of financial KPIs to monitor and assess the performance of the Company. The principal KPIs are:

- **Performance against the benchmark**
  This is the most important KPI by which performance is judged.

Directors' Report continued

Performance Relative to Benchmark

Figures have been rebased to 100 at 26th April 2010



Source: Morningstar/MSCI.

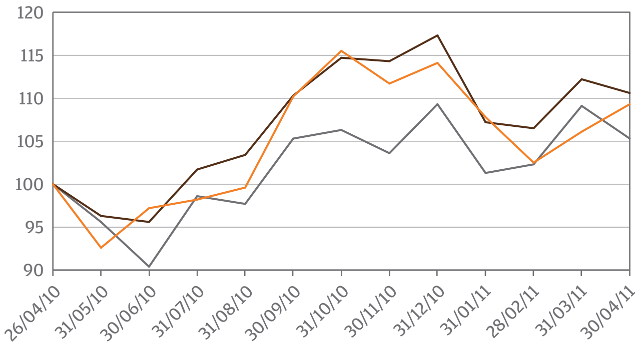
JPMorgan Brazil – Ordinary share price.

JPMorgan Brazil – diluted net asset value per Ordinary share.

The Company's benchmark is the MSCI Brazil 10/40 Index, with net dividends reinvested, in sterling terms.

Performance since Inception

Figures have been rebased to 100 at 26th April 2010



Source: Morningstar/MSCI.

JPMorgan Brazil – Ordinary share price.

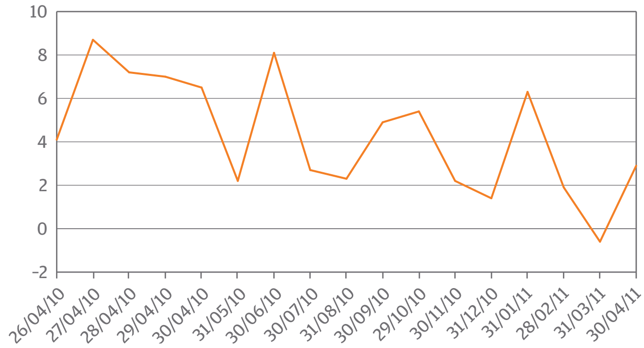
JPMorgan Brazil – diluted net asset value per Ordinary share.

Benchmark.

- **Performance against the Company's peers**
  The principal objective is to achieve capital growth relative to the benchmark. However, the Board also monitors performance compared with a broad range of competitor funds.

- **Discount to net asset value ('NAV')**
  The Board recognises that the possibility of a widening discount can be a key disadvantage of investment trusts that can discourage investors. The Board therefore has a share repurchase programme that seeks to address imbalances in supply of and demand for the Company's shares within the market and thereby reduce the volatility and absolute level of the discount or premium to NAV at which the Company's shares trade. No shares have been repurchased for cancellation during the period because they have traded at a premium or close to the NAV per share throughout.

Premium (+)/Discount (–)



Source: Datastream.

JPMorgan Brazil – Ordinary share price premium/(discount) to diluted net asset value per Ordinary share.

- **Total expense ratio ('TER')**
  The TER represents the Company's management fee and all other operating expenses excluding performance fee, expressed as a percentage of the average of the month end net assets during the period. The TER for the period ended 30th April 2011 is 1.49%. The Board will review each year an analysis which shows a comparison of the Company's TER and its main expenses with those of its peers.

Share Capital

The Company has the authority to repurchase shares in the market for cancellation. However, no shares were repurchased during the period.

On 26th April 2010, 46,741,352 Ordinary shares and 9,348,270 Subscription shares were issued fully paid pursuant to a placing and offer for subscription, for gross proceeds of

£46,741,000. During the period a further 13,850,000 Ordinary shares have been issued to the market to satisfy demand, for gross proceeds of £15,255,000, and a total of 1,108,862 Ordinary shares were issued on the conversion of 1,108,862 Subscription shares for a total consideration of £1.109 million. Details of the Subscription shares, including the apportionment of base cost for capital gains tax purposes and how they may be exercised, are given on page 48 of this report.

Resolutions to renew the authority to repurchase shares and issue new shares will be put to shareholders at the forthcoming Annual General Meeting. More details are given on page 18 and the full text of the resolutions is set out in the Notice of Meeting on pages 45 and 46.

Principal Risks

With the assistance of the Manager, JPMorgan Asset Management (UK) Limited ('JPMAM') the Board has drawn up a risk matrix, which identifies the key risks to the Company. These key risks fall broadly into the following categories:

- Investment and Strategy: An inappropriate investment strategy, for example asset allocation or the level of gearing, may lead to underperformance against the Company's benchmark index and peer companies, resulting in the Company's shares trading on a wider discount. The Board manages these risks by diversification of investments through its investment restrictions and guidelines, which are monitored and reported on. JPMAM provides the Directors with timely and accurate management information, including performance data and attribution analysis, revenue estimates, liquidity reports and shareholder analyses. The Board monitors the implementation and results of the investment process with the investment managers who attend all Board meetings, and reviews data which show statistical measures of the Company's risk profile. The investment managers are free to employ the Company's gearing tactically, within a strategic range set by the Board. The Board holds a separate meeting devoted to strategy each year.

- Financial: The financial risks faced by the Company include market price risk, interest rate risk, liquidity risk and credit risk. Bank counterparties are subject to daily credit analysis by the Manager and regular consideration at meetings of the Board. In addition the Board receives regular reports on the Manager's monitoring and mitigation of credit risks on share transactions carried out by the Company. Further details are disclosed in note 22(c) on page 44.

- Accounting, Legal and Regulatory: In order to qualify as an investment trust, the Company must comply with Section 1158. Details of the Company's intention to seek approval are given under 'Business of the Company' above. Were the Company to breach Section 1158, it might lose investment trust status and, as a consequence, gains within the Company's portfolio could be subject to Capital Gains Tax. The Section 1158 qualification criteria are continually monitored by JPMAM and the results reported to the Board each month. The Company must also comply with the provisions of the Companies Act 2006 and, since its shares are listed on the London Stock Exchange, the UKLA Listing Rules. A breach of the Companies Act could result in the Company and/or the Directors being fined or the subject of criminal proceedings. Breach of the UKLA Listing Rules could result in the Company's shares being suspended from listing which in turn would breach Section 1158. The Board relies on the services of its Company Secretary, JPMAM to ensure compliance with the Companies Act 2006 and the UKLA Listing Rules.

- Corporate Governance and Shareholder Relations: Details of the Company's compliance with Corporate Governance best practice, including information on relations with shareholders, are set out on pages 18 to 22.

- Operations: Disruption to, or failure of, JPMAM's accounting, dealing or payments systems or the custodian's records could prevent accurate reporting and monitoring of the Company's financial position. Details of how the Board monitors the services provided by JPMAM and its associates and the key elements designed to provide effective internal control are included on pages 21 and 22.

Future Developments

The future development of the Company depends on the success of the Company's investment strategy. The investment managers discuss the outlook in their report on page 6.

Directors' Report continued

Management of the Company

The Manager and Secretary is JPMAM. JPMAM is a wholly owned subsidiary of JPMorgan Chase Bank which, through other subsidiaries, also provides banking, dealing and custodial services to the Company.

The Board has evaluated the performance of the Manager and confirms that it is satisfied that the continuing appointment of the Manager is in the best interests of shareholders as a whole. In arriving at this view, the Board considered the investment strategy and process of the Manager, noting the support that the Company receives from JPMAM. Such a review will be carried out on an annual basis.

Management Fee

JPMAM is employed under a contract which is subject to six months' notice of termination. If the Company wishes to terminate the contract on less than six months' notice, the balance of the six months' remuneration is payable by way of compensation.

Under the terms of the Management Agreement, the management fee is charged at the rate of 1.0% per annum of the Company's total assets less current liabilities. The fee is calculated and paid monthly in arrears. Investments made by the Company in investment funds on which the Manager or a member of its group earns a fee are excluded from the calculation and therefore attract no management fee.

In addition, the Manager is entitled to receive a performance fee equivalent to 10% of any outperformance of the Company's Net Asset Value per Ordinary share (on a total return basis) over the Company's benchmark index, the MSCI Brazil 10/40 Index (in sterling terms) with net dividends reinvested, over a performance fee measurement period. A performance fee measurement period ends, and restarts, at a financial year end when outperformance of the Company's benchmark has been achieved and a performance fee earned. That is, the period may be more than one year. The maximum performance fee that can be paid to the Manager in any one year is capped at 1.0% of the Company's average monthly total assets less current liabilities, and in a year when the Company produces a negative net asset value total return per share, this amount will be accrued but not paid. Any amount earned in excess of this cap will be carried forward and will be offset against any underperformance in future years. During the period ended 30th April 2011, the Company outperformed its benchmark index. As a result, a performance fee amounting to £403,000 has been earned and the whole of this amount is immediately payable.

Going Concern

The Directors believe that having considered the Company's investment objective (see page 13), risk management policies (see pages 39 to 44), capital management policies and procedures (see page 44), the nature of the portfolio and expenditure projections, that the Company has adequate resources, an appropriate financial structure and suitable management arrangements in place to continue in operational existence for the foreseeable future. For these reasons, they consider that there is reasonable evidence to continue to adopt the going concern basis in preparing the accounts.

Payment Policy

It is the Company's policy to obtain the best terms for all business and therefore there are no standard payment terms. In general, the Company agrees with its suppliers the terms on which business will take place and it is the Company's policy to abide by these terms. As at 30th April 2011, the Company had no outstanding trade creditors.

Directors

All of the Directors were appointed on 24th February 2010, and they were all Directors of the Company at the end of the period. Their interests in the Company's share capital, are given below.

Ordinary Shares

Directors	30th April 2011	24th February 2010
Howard Myles	–	–
Mark Bridgeman	–	–
Victor Bulmer-Thomas	6,000	–
	6,000	–

Subscription Shares

Directors	30th April 2011	24th February 2010
Howard Myles	–	–
Mark Bridgeman	–	–
Victor Bulmer-Thomas	–	–
	–	–

No changes in the above holdings have been recorded by any Director to the date of this report.

In accordance with the Companies Act 2006, the Company's Articles of Association, all Directors will stand for election at the forthcoming Annual General Meeting.

Director Indemnification and Insurance

As permitted by the Company's Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity, as defined by Section 234 of the Companies Act 2006. The indemnity was in place during the period and as at the date of this report.

An insurance policy is maintained by the Company which indemnifies the Directors of the Company against certain liabilities arising in the conduct of their duties. There is no cover against fraudulent or dishonest actions.

Disclosure of information to Auditors

In the case of each of the persons who are Directors of the Company at the time when this report was approved:

(a) so far as each of the Directors is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the Company's auditors are unaware, and

(b) each of the Directors has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information (as defined) and to establish that the Company's auditors are aware of that information.

The above confirmation is given and should be interpreted in accordance with the provision of Section 418 of the Companies Act 2006.

Section 992 Companies Act 2006

The following disclosures are made in accordance with Section 992 of the Companies Act 2006.

Capital Structure

The Company's capital structure is summarised on the 'Features' page.

Voting Rights in the Company's shares

Details of the voting rights in the Company's shares as at the date of this report are given in note 16 to the Notice of Meeting on page 47.

Notifiable Share Interests

At the date of this report the Company was aware of the following holdings of 3% or more of the relevant class of share capital:

Ordinary shares Shareholders	Number of shares held	%
Chase Nominees Limited[1,2]	8,394,460	13.6
Rathbone Investment Management Ltd	5,044,480	8.2
Brewin Dolphin Limited	2,647,156	4.3

[1]Held on behalf of JPMAM Investment Account, ISA and SIPP participants.

[2]Non-beneficial.

Subscription shares Shareholders	Number of shares held	%
Chase Nominees Limited[1,2]	1,778,892	21.6
Rathbone Investment Management Ltd	984,320	12.0

[1]Held on behalf of JPMAM Investment Account, ISA and SIPP participants.

[2]Non-beneficial.

The rules concerning the appointment and replacement of Directors, amendment of the Articles of Association and powers to issue or buy back the Company's shares are contained in the Articles of Association of the Company and the Companies Act 2006.

There are no restrictions concerning the transfer of securities in the Company; no special rights with regard to control attached to securities; no agreements between holders of securities regarding their transfer known to the Company; no agreements which the Company is party to that affect its control following a takeover bid; and no agreements between the Company and its directors concerning compensation for loss of office.

Environmental Matters, Social and Community Issues

Information on environmental matters, social and community issues is set out on page 22. The Company has no employees.

Independent Auditor

Ernst & Young LLP have expressed their willingness to continue in office as auditors to the Company and a resolution proposing their re-appointment and to authorise the Directors to agree

Directors' Report continued

their remuneration for the ensuing year will be put to shareholders at the forthcoming Annual General Meeting.

Annual General Meeting

NOTE: THIS SECTION IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you should seek your own personal financial advice from your stockbroker, bank manager, solicitor or other financial adviser authorised under the Financial Services and Markets Act 2000.

Resolutions relating to the following items of special business will be proposed at the forthcoming Annual General Meeting:

(i) Authority to repurchase the Company's shares (resolution 8)
A resolution will be proposed at the Annual General Meeting that the Company be authorised to purchase in the market up to 14.99% of the Company's issued share capital as at the date of the passing of this resolution using its realised capital reserves.

The decision as to whether the Company repurchases any shares will be at the discretion of the Board and purchases will be made in the market and at prices below the prevailing net asset value per share. Under the rules of the London Stock Exchange, the maximum price that may be paid on a purchase by a company of its shares under a general authority is 105% of the average of the middle market quotations of the shares for the five business days immediately before the day on which the purchase is made. The minimum price that the Company will pay for a share will be one pence (the nominal value of each share). The Company will utilise the authority to purchase shares on an ad hoc basis by either a single purchase or a series of purchases as and when market conditions are appropriate.

The authority to purchase shares will last until the Annual General Meeting in 2012 or until the whole of the 14.99% has been acquired, whichever is the earlier. The authority may be renewed by shareholders at any time at a general meeting.

(ii) Authority to allot relevant Securities (resolution 9)
The Directors will seek authority at the Annual General Meeting to issue new shares equivalent to 30% of the present issued share capital. This authority will remain in effect until the Annual General Meeting in 2012 unless renewed at an earlier general meeting. The full text of the resolution is set out in the Notice of Meeting on page 45.

The Directors intend to use this authority when they consider that it is in the best interests of shareholders to do so and to satisfy continuing demand for the Company's Ordinary shares. It is also advantageous for the Company to be able to issue new shares (or to sell Treasury shares) to participants purchasing shares through the JPMorgan savings products. As such issues are only made at prices greater than the NAV, they increase the assets underlying each share and spread the Company's administrative expenses, other than the management fee which is charged on the value of the Company's assets, over a greater number of shares.

(iii) Disapplication of pre-emption rights (resolution 10)
Resolution 10 seeks authority to disapply statutory pre-emption rights on any issues of new shares. This avoids the legal requirement to offer them pro rata to all shareholders. The full text of the resolution is set out in the Notice of Meeting on page 46.

(iv) Recommendation (resolutions 8 to 10)
The Board considers that resolutions 8 to 10 are likely to promote the success of the Company and are in the best interests of the Company and its shareholders as a whole. The Directors unanimously recommended that you vote in favour of the resolutions as they intend to do in respect of their own beneficial holdings.

Corporate Governance

Compliance
The Company is committed to high standards of corporate governance. This statement, together with the Statement of Directors' Responsibilities on page 24, indicates how the Company has applied the principles of good governance of the Financial Reporting Council's Combined Code (the 'Combined Code') and the AIC's Code of Corporate Governance (the 'AIC Code'), which complements the Combined Code and provides a framework of best practice for investment trusts.

The Board is responsible for corporate governance and considers that the Company has complied with the best practice provisions of the Combined Code, insofar as they are relevant to the Company's business, and the AIC Code throughout the period under review.

Role of the Board

A management agreement between the Company and JPMAM sets out the matters which have been delegated to the Manager. This includes management of the Company's assets and the provision of accounting, company secretarial, administration, and some marketing services. All other matters are reserved for the approval of the Board. A formal schedule of matters reserved to the Board for decision has been approved. This includes determination and monitoring of the Company's investment objectives and policy and its future strategic direction, gearing policy, management of the capital structure, appointment and removal of third party service providers, review of key investment and financial data and the Company's corporate governance and risk control arrangements.

The Board has procedures in place to deal with potential conflicts of interest and confirms that the procedures have operated effectively during the period under review.

The Board meets on at least four occasions during the year and additional meetings are arranged as necessary. Full and timely information is provided to the Board to enable it to function effectively and to allow Directors to discharge their responsibilities.

There is an agreed procedure for Directors to take independent professional advice if necessary and at the Company's expense. This is in addition to the access that every Director has to the advice and services of the Company Secretary, JPMAM, which is responsible to the Board for ensuring that Board procedures are followed and for compliance with applicable rules and regulations.

Board Composition

The Board consists of three non-executive Directors, all of whom are regarded by the Board as independent of the Company's Manager and Secretary. The Directors have a breadth of investment, business and financial skills and experience relevant to the Company's business. Brief biographical details of each Director are set out on page 12.

A review of Board composition and balance is included as part of the annual performance evaluation of the Board, details of which may be found below. The Board has considered whether a senior independent director should be appointed and has concluded that, as the Board is composed entirely of non-executive directors, this is unnecessary at present. However, the Chairman of the Audit Committee leads the evaluation of the performance of the Chairman and is available to shareholders if they have concerns that cannot be resolved through discussion with the Chairman.

Tenure

Directors are initially appointed until the following Annual General Meeting when, under the Company's Articles of Association, it is required that they be re-elected by shareholders. Thereafter, a Director's appointment runs for a term of three years. In the light of the performance evaluation carried out each year, the Board will decide whether it is appropriate for the Director to seek an additional term. A Director's continuing appointment is subject to re-election by shareholders on retirement by rotation in accordance with the Company's Articles of Association.

The Board does not believe that length of service in itself necessarily disqualifies a Director from seeking re-election but, when making a recommendation, the Board will take into account the ongoing requirements of the Combined Code, including the need to refresh the Board and its Committees.

The Company's Articles of Association require that Directors stand for re-election at least every three years.

The Board recommends the elections of Howard Myles, Mark Bridgeman and Victor Bulmer-Thomas following a performance review conducted by the Audit Committee which concluded that they continue to add value to the Board.

The terms and conditions of Directors' appointments are set out in formal letters of appointment, copies of which are available for inspection on request at the Company's registered office and at the Annual General Meeting.

Meetings and Committees

The Board delegates certain responsibilities and functions to Committees. Details of membership of Committees are shown with the Directors' profiles on page 12.

Directors' Report continued

The table below details the number of Board and Audit Committee meetings attended by each Director. During the period under review there were four Board meetings, including a private meeting of the Directors to evaluate the Manager and two Audit Committee meetings.

Director	Board Meetings Held (Attended)	Audit Committee Meetings Held (Attended)
Mark Bridgeman	4 (4)	2 (2)
Victor Bulmer-Thomas	4 (4)	2 (2)
Howard Myles	4 (4)	2 (2)

In addition, there were a number of other ad hoc meetings for administrative purposes.

Training and Appraisal

On appointment, the Manager and Company Secretary provide all Directors with induction training. Thereafter regular briefings are provided on changes in regulatory requirements that affect the Company and Directors. Directors are encouraged to attend industry and other seminars covering issues and developments relevant to investment trusts.

The Board has agreed procedures for the formal evaluation of the Manager, its own performance and that of the Audit Committee and individual Directors. Questionnaires, drawn up by the Board, are completed by each Director. The responses are collated and then discussed at a private meeting of the Audit Committee. The evaluation of individual Directors is led by the Chairman, on the basis of the questionnaires, and the Audit Committee Chairman leads the evaluation of the Chairman's performance.

Board Committee

Audit Committee

The Audit Committee, chaired by Mark Bridgeman, and comprising all the independent Directors, will henceforth meet at least three times each year. The members of the Audit Committee consider that they have the requisite skills and experience to fulfil the responsibilities of the Committee.

The Committee reviews the actions and judgements of the Manager in relation to the half year and annual accounts and the Company's compliance with the Combined Code. It reviews the terms of the management agreement and examines the effectiveness of the Company's internal control systems, receives information from the Manager's Compliance department and reviews the scope and results of the external audit, its cost effectiveness, the balance of audit and non-audit services, and the independence and objectivity of the external Auditor. In order to safeguard the Auditor's objectivity and independence, any significant non-audit services are carried out through a partner other than the audit engagement partner. Representatives of the Company's Auditor attend the Committee meeting at which the draft annual report and accounts are considered. The Directors' statement on the Company's system of internal control is set out on page 21.

The Committee fulfils the role of a Nomination Committee in ensuring that the Board has an appropriate balance of skills to carry out its fiduciary duties and to select and propose suitable candidates when necessary for appointment. A variety of sources, including external search consultants, may be used to ensure that a wide range of candidates is considered.

The Committee undertakes an annual performance evaluation to ensure that all its members have devoted sufficient time and contributed adequately to the work of the Board. In the light of these evaluations, the Committee makes recommendations to the Board concerning the re-election by shareholders of any Director under the 'retirement by rotation' provisions in the Company's Articles of Association. The Committee also reviews Directors' fees and makes recommendations to the Board as and when required.

On an annual basis each Director submits a list of potential conflicts of interest for approval. These are considered carefully, taking into account the circumstances surrounding them and, if considered appropriate, are approved for a period of one year. During the period the potential conflicts of interest were received and considered by the Committee and a recommendation was made to the Board. The Board authorised the potential conflicts of each Director. The only potential conflicts notified were other directorships.

Terms of Reference

The Audit Committee has written terms of reference which define clearly its responsibilities. Copies are available for inspection on request at the Company's registered office and at the Annual General Meeting.

Relations with Shareholders

The Board regularly monitors the shareholder profile of the Company. It aims to provide shareholders with a full understanding of the Company's activities and performance and reports formally to shareholders twice a year by way of the Annual Report and Accounts and the Half Year Report. This is supplemented by daily publication, through the London Stock Exchange, of the net asset value of the Company's shares. Shareholders may also visit the Company's website at www.jpmbrazil.co.uk, where the share price is updated every 15 minutes during trading hours.

All shareholders have the opportunity, and are encouraged, to attend the Company's Annual General Meeting, at which the Directors and representatives of the Manager are available in person to meet shareholders and answer their questions, and a presentation is given by the investment managers, who review the Company's performance. During the year the Company's brokers, the investment managers, and JPMAM hold regular discussions with larger shareholders and make the Board fully aware of their views. The Chairman and Directors make themselves available as and when required to support these meetings and to address shareholder queries. The Directors may be contacted through the Company Secretary whose details are shown on page 53.

The Company's Annual Report and Accounts is published in time to give shareholders at least 21 days' notice of the Annual General Meeting. Shareholders who cannot attend the meeting but wish to raise questions in advance of the meeting are encouraged to write to the Company Secretary at the address shown on page 53.

Details of the proxy voting position on each resolution will be published on the Company's website shortly after the Annual General Meeting.

Internal Control

The Combined Code requires the Directors, at least annually, to review the effectiveness of the Company's system of internal control and to report to shareholders that they have done so. This encompasses a review of all controls, which the Board has identified as including business, financial, operational, compliance and risk management controls.

The Directors are responsible for the Company's system of internal control, which is designed to safeguard the Company's assets, maintain proper accounting records and ensure that financial information used within the business, or published, is reliable. However, such a system can only be designed to manage rather than eliminate the risk of failure to achieve business objectives and therefore can only provide reasonable, but not absolute, assurance against fraud, material mis-statement or loss.

Since investment management, custody of assets and all administrative services are provided to the Company by JPMAM and its associates, the Company's system of internal control mainly comprises monitoring the services provided by JPMAM and its associates, including the operating controls established by them, to ensure they meet the Company's business objectives. The Company does not have an internal audit function of its own, but relies on the internal audit department of JPMAM, and the Board reviews this arrangement annually. The key elements designed to provide effective internal control are as follows:

Financial Reporting – Regular and comprehensive review by the Board of key investment and financial data, including management accounts, revenue projections, analysis of transactions and performance comparisons.

Management Agreement – Appointment of a manager and custodian regulated by the Financial Services Authority (FSA), whose responsibilities are clearly defined in a written agreement.

Management Systems – The Manager's system of internal control includes organisational agreements which clearly define the lines of responsibility, delegated authority, control procedures and systems. These are monitored by JPMAM's Compliance Department which regularly monitors compliance with FSA rules.

Investment Strategy – Authorisation and monitoring of the Company's investment strategy and exposure limits by the Board.

The Board, either directly or through the Audit Committee, keeps under review the effectiveness of the Company's system of internal control by monitoring the operation of the key operating controls of the Manager and its associates as follows:

- the Board, through the Audit Committee, reviews the terms of the management agreement and regular reports from JPMAM's Compliance department;
- the Board reviews the report on the internal controls and operations of its custodian, JPMorgan Chase Bank, which is itself independently reviewed; and
- the Directors review every six months an independent report on the internal controls and the operations of JPMAM.

Directors' Report continued

By means of the procedures set out above, the Board confirms that it has reviewed the effectiveness of the Company's system of internal control for the period ended 30th April 2011, and to the date of approval of this Annual Report and Accounts.

During the course of its review of the system of internal control, the Board had not identified nor been advised of any failings or weaknesses which it has determined to be significant.

Corporate Governance and Voting Policy

The Company delegates responsibility for voting to JPMAM. The following is a summary of JPMAM's policy statements on corporate governance, voting policy and social and environmental issues, which has been reviewed and noted by the Board.

Corporate Governance
JPMAM believes that corporate governance is integral to our investment process. As part of our commitment to delivering superior investment performance to our clients, we expect and encourage the companies in which we invest to demonstrate the highest standards of corporate governance and best business practice. We examine the share structure and voting structure of the companies in which we invest, as well as the board balance, oversight functions and remuneration policy. These analyses then form the basis of our proxy voting and engagement activity.

Proxy Voting
JPMAM manages the voting rights of the shares entrusted to it as it would manage any other asset. It is the policy of JPMAM to vote in a prudent and diligent manner, based exclusively on our reasonable judgement of what will best serve the financial interests of our clients. So far as is practicable, we will vote at all of the meetings called by companies in which we are invested.

Stewardship/Engagement
JPMAM recognises its wider stewardship responsibilities to its clients as a major asset owner. To this end, we support the introduction of the FRC Stewardship Code, which sets out the responsibilities of institutional shareholders in respect of investee companies. Under the Code, managers should:

- *publicly disclose their policy on how they will discharge their stewardship responsibilities to their clients;*
- *disclose their policy on managing conflicts of interest;*
- *monitor their investee companies;*
- *establish clear guidelines on how they escalate engagement;*
- *be willing to act collectively with other investors where appropriate;*
- *have a clear policy on proxy voting and disclose their voting record; and*
- *report to clients.*

JPMAM endorses the Stewardship Code for its UK investments and supports the principles as best practice elsewhere. We believe that regular contact with the companies in which we invest is central to our investment process and we also recognise the importance of being an 'active' owner on behalf of our clients.

Social & Environmental
JPMAM believes that companies should act in a socially responsible manner. Although our priority at all times is the best economic interests of our clients, we recognise that, increasingly, non-financial issues such as social and environmental factors have the potential to impact the share price, as well as the reputation of companies. Specialists within JPMAM's environmental, social and governance ('ESG') team are tasked with assessing how companies deal with and report on social and environmental risks and issues specific to their industry.

JPMAM is also a signatory to the United Nations Principles of Responsible Investment, which commits participants to six principles, with the aim of incorporating ESG criteria into their processes when making stock selection decisions and promoting ESG disclosure. Our detailed approach to how we implement the principles is available on request. JPMAM is also a signatory to Carbon Disclosure Project. JPMorgan Chase is a signatory to the Equator Principles on managing social and environmental risk in project finance.

JPMAM's Voting Policy and Corporate Governance Guidelines are available on request from the Company Secretary or can be downloaded from JPMAM's website: http://www.jpmorganassetmanagement.co.uk/Institutional/CommentaryAndAnalysis/CorporateGovernance, which also sets out its approach to the seven principles of the FRC Stewardship Code, its policy relating to conflicts of interest and its detailed voting record.

By order of the Board
Divya Amin, for and on behalf of
J.P. Morgan Asset Management (UK) Limited,
Secretary
5th July 2011

Directors' Remuneration Report

The Board has prepared this report in accordance with the requirements of Section 421 of the Companies Act 2006. An ordinary resolution to approve this report will be put to the members at the forthcoming Annual General Meeting.

The law requires the Company's auditors to audit certain of the disclosures provided in this report. Where disclosures have been audited they are indicated as such. The auditors' opinion is included in their report on page 25.

Directors' Remuneration for the period from the date of appointment on 24th February 2010 to 30th April 2011

Director's Name	£
Howard Myles	29,455
Mark Bridgeman	27,099
Victor Bulmer-Thomas	23,564
Total	**80,118**

[1]Audited information.

Directors' fees were paid at a fixed rate of £25,000 per annum for the Chairman, £23,000 per annum for the Chairman of the Audit Committee and £20,000 per annum for the other Director.

The Board's policy for this and subsequent years is that Directors' fees should properly reflect the time spent by the Directors on the Company's business and should be at a level to ensure that candidates of a high calibre are recruited to the Board. The Chairman of the Board and the Chairman of the Audit Committee are paid higher fees than the other Director, reflecting the greater time commitment involved in fulfiling these roles.

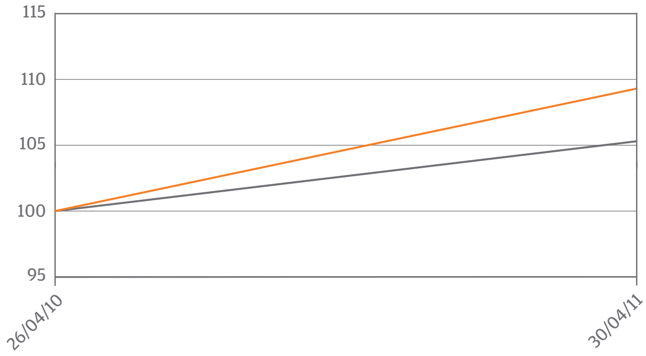
As all of the Directors are non-executive, the Board has not established a Remuneration Committee or a Nomination Committee. Instead, the Audit Committee reviews Directors' fees on a regular basis and makes recommendations to the Board as and when appropriate. Reviews are based on information provided by the Manager, JPMAM, and relevant third parties on the level of fees paid to the directors of the Company's peers and within the investment trust industry generally. The Directors' fees are not performance-related. Any increase in the present permitted aggregate fee level of £175,000 requires both Board and shareholder approval.

The Directors do not have service contracts with the Company. Details of the Board's policy on tenure is set out on page 19.

The Company does not operate any type of incentive or pension scheme and therefore no Directors receive bonus payments or pension contributions from the Company or hold options to acquire shares in the Company. Directors are not paid compensation for loss of office. No other payments are made to Directors, other than the reimbursement of reasonable out-of-pocket expenses incurred in attending to the Company's business.

A graph showing the Company's Ordinary share price return compared with its benchmark index since the date the Company began investing is shown below.

Ordinary share price and benchmark performance for the period ended 30th April 2011



Source: Morningstar/MSCI.

Ordinary share price.

Benchmark.

By order of the Board
Divya Amin, for and on behalf of
JPMorgan Asset Management (UK) Limited,
Secretary
5th July 2011

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the total return or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The accounts are published on the www.jpmbrazil.co.uk website, which is maintained by the Company's Manager, JPMorgan Asset Management (UK) Limited ('JPMAM'). The maintenance and integrity of the website maintained by JPMAM is, so far as it relates to the Company, the responsibility of JPMAM. The work carried out by the auditors does not involve consideration of the maintenance and integrity of this website and, accordingly, the auditors accept no responsibility for any changes that have occurred to the accounts since they were initially presented on the website. The accounts are prepared in accordance with UK legislation, which may differ from legislation in other jurisdictions.

Statement under the Disclosure & Transparency Rules 4.1.12

The Directors each confirm to the best of their knowledge that:

(a) the financial statements, prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and Applicable Law), give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company; and

(b) this Annual Report includes a fair review of the development and performance of the business and the position of the Company together with a description of the principal risks and uncertainties that it faces.

For and on behalf of the Board
Mark Bridgeman
Director
5th July 2011

Independent Auditor's Report

Independent Auditor's Report to the members of JPMorgan Brazil Investment Trust plc

We have audited the financial statements of JPMorgan Brazil Investment Trust plc (the 'Company') for the period from 1st February 2010 to 30th April 2011 which comprise the Income Statement, the Reconciliation of Movements in Shareholders' Funds, the Balance Sheet, the Cash Flow Statement and the related notes 1 to 23. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 24, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report and Accounts to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30th April 2011 and of its return for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion:

- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006; and
- the information given in the Directors' Report for the period for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following:

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Under the Listing Rules we are required to review:

- the Directors' statement, set out on page 16, in relation to going concern;
- the part of the Corporate Governance Statement relating to the Company's compliance with the nine provisions of the June 2008 Combined Code specified for our review; and
- certain elements of the report to the shareholders by the Board on Directors' remuneration.

Caroline Gulliver (Senior statutory auditor)
for and on behalf of
Ernst & Young LLP, Statutory Auditor
London
5th July 2011

Income Statement

for the period from incorporation on 1st February 2010 to 30th April 2011

	Notes	2011 Revenue £'000	2011 Capital £'000	2011 Total £'000
Gains on investments held at fair value through profit or loss	3	–	6,565	6,565
Net foreign currency losses		–	(1,047)	(1,047)
Income from investments	4	1,328	–	1,328
Other interest receivable and similar income	4	8	–	8
Gross return		1,336	5,518	6,854
Management fee	5	(581)	–	(581)
Performance fee	5	–	(403)	(403)
Other administrative expenses	6	(271)	–	(271)
Net return on ordinary activities before taxation		484	5,115	5,599
Taxation	7	(40)	–	(40)
Net return on ordinary activities after taxation		444	5,115	5,559
Return per Ordinary share – undiluted	9	0.80p	9.25p	10.05p
Return per Ordinary share – diluted	9	0.79p	9.15p	9.94p

All revenue and capital items in the above statement derive from continuing operations. No operations were acquired or discontinued in the period.

The 'Total' column of this statement is the profit and loss account of the Company and the 'Revenue' and 'Capital' columns represent supplementary information prepared under guidance issued by the Association of Investment Companies. The Total column represents all the information that is required to be disclosed in a Statement of Total Recognised Gains and Losses ('STRGL'). For this reason a STRGL has not been presented.

The accompanying notes are an integral part of these financial statements.

Reconciliation of Movements in Shareholders' Funds

for the period from incorporation on 1st February 2010 to 30th April 2011

	Called up share capital £'000	Capital redemption reserve £'000	Share premium £'000	Other reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
At 1st February 2010	–	–	–	–	–	–	**–**
Issue of Management shares	13	–	–	–	–	–	**13**
Repurchase and cancellation of Management shares	(13)	13	–	–	(13)	–	**(13)**
Issue of Ordinary shares	606	–	61,390	–	–	–	**61,996**
Issue of Subscription shares	93	–	(93)	–	–	–	**–**
Share issue expenses	–	–	(1,121)	–	–	–	**(1,121)**
Conversion of Subscription shares into Ordinary shares	(11)	–	11	–	–	–	**–**
Issue of Ordinary shares on exercise of Subscription shares	11	–	1,098	–	–	–	**1,109**
Redesignation of share premium account	–	–	(45,246)	45,246	–	–	**–**
Net return on ordinary activities	–	–	–	–	5,115	444	**5,559**
At 30th April 2011	699	13	16,039	45,246	5,102	444	**67,543**

The accompanying notes are an integral part of these financial statements.

Balance Sheet

at 30th April 2011

	Notes	2011 £'000
Fixed assets		
Investments held at fair value through profit or loss	10	**63, 649**
Current assets	11	
Debtors		**271**
Cash and short term deposits		**4,877**
		5,148
Creditors: amounts falling due within one year	12	**(1,253)**
Financial liabilities: derivative financial instruments	13	**(1)**
Net current assets		**3,894**
Net assets		**67,543**
Capital and reserves		
Called up share capital	14	**699**
Capital redemption reserve	15	**13**
Share premium	15	**16,039**
Other reserve	15	**45,246**
Capital reserves	15	**5,102**
Revenue reserve	15	**444**
Shareholders' funds		**67,543**
Net asset value per Ordinary share – undiluted	16	**109.5p**
Net asset value per Ordinary share – diluted	16	**108.4p**

The accounts on pages 26 to 44 were approved by the Directors and authorised for issue on 5th July 2011 and are signed on their behalf by:

Mark Bridgeman
Director

The accompanying notes are an integral part of these financial statements.

Company registration number: 7141630

Cash Flow Statement

for the period from incorporation on 1st February 2010 to 30th April 2011

	Notes	2011 £'000
Net cash inflow from operating activities	17	**284**
Capital expenditure and financial investment		
Purchases of investments		**(79,013)**
Sales of investments		**23,631**
Other capital charges[1]		**(963)**
Net cash outflow from capital expenditure and financial investment		**(56,345)**
Net cash outflow before financing		**(56,061)**
Financing		
Share issue expenses		**(1,121)**
Shares issued		**63,105**
Net cash inflow from financing		**61,984**
Increase in cash for the period	18	**5,923**

[1]Comprises taxation charged on the conversion of foreign currency into Brazilian Reais and handling fees.

The accompanying notes are an integral part of these financial statements.

Notes to the Accounts

for the period from incorporation on 1st February 2010 to 30th April 2011

1. Accounting period

The accounts cover the period from the date of the incorporation of the Company on 1st February 2010 to 30th April 2011. Dealings in the Company's shares began on 26th April 2010 and the Company began investing on that date.

2. Accounting policies

(a) Basis of accounting

The accounts are prepared in accordance with the Companies Act 2006, United Kingdom Generally Accepted Accounting Practice ('UK GAAP') and with the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' (the 'SORP') issued by the AIC in January 2009.

All of the Company's operations are of a continuing nature.

The accounts have been prepared on a going concern basis.

(b) Valuation of investments

The Company's business is investing in financial assets with a view to profiting from their total return in the form of income and capital growth. This portfolio of financial assets is managed and its performance evaluated on a fair value basis, in accordance with a documented investment strategy and information is provided internally on that basis to the Company's Board of Directors. Accordingly, upon initial recognition the investments are designated by the Company as 'held at fair value through profit or loss'. They are included initially at fair value which is taken to be their cost, including expenses incidental to purchase. Subsequently the investments are valued at fair value which are quoted bid market prices for investments traded in active markets.

Gains and losses on sales of investments, including the related foreign exchange gains and losses of a capital nature, are included in the Income Statement and in capital reserves within 'Gains and losses on sales of investments'. Increases and decreases in the valuation of investments held at the year end, including the related gains and losses arising from changes in foreign exchange rates, are included in the Income Statement and in capital reserves within 'Holding gains and losses on investments'.

All purchases and sales are accounted for on a trade date basis.

(c) Income

Dividends receivable from equity shares are included in revenue on an ex-dividend basis except where, in the opinion of the Board, the dividend is capital in nature, in which case it is included in capital.

Overseas dividends are included gross of any withholding tax.

Interest receivable on deposits and debt instruments is taken to revenue on an accruals basis using the effective interest rate method.

(d) Expenses

All expenses are accounted for on an accruals basis. Expenses are allocated wholly to revenue with the following exceptions:

- Performance fees are allocated 100% to capital.
- Expenses incidental to the purchase of an investment are included within the cost of the investment and those incidental to the sale are deducted from the sales proceeds. These expenses are commonly referred to as transaction costs and mainly comprise brokerage commissions. Details of transaction costs are given in note 10 on page 35.

(e) Financial instruments

Cash and short term deposits may comprise cash and demand deposits which are readily convertible to a known amount of cash and are subject to insignificant risk of changes in value.

Other debtors and creditors do not carry any interest, are short term in nature and are accordingly stated at nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. The carrying value of all debtors and creditors approximates to their fair value.

Derivative financial instruments, including short term forward currency contracts, are valued at fair value, which is the net unrealised gain or loss and are included in current assets or current liabilities in the Balance Sheet in accordance with FRS 26 'Financial instruments: measurement'.

(f) Foreign currency

In accordance with FRS 23: 'The effects of changes in Foreign Exchange Rates', the Company is required to nominate a functional currency, being the currency in which the Company predominantly operates. The Board, having regard to the currency of the Company's share capital and the predominant currency in which its shareholders operate, has determined the functional currency to be sterling. Sterling is also the currency in which the accounts are presented.

Transactions denominated in foreign currencies are converted at actual exchange rates at the date of the transaction. Monetary assets, liabilities and equity investments held at fair value, denominated in foreign currencies at the year end are translated at the rates of exchange prevailing at the year end.

Any gain or loss arising on monetary assets from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in revenue or capital, depending on whether the gain or loss is of a revenue or capital nature. Gains and losses on investments arising from a change in exchange rates are included in the Income Statement within 'Gains or losses on investments held at fair value through profit or loss' and charged or credited to capital reserves.

(g) Taxation

Deferred taxation is accounted for in accordance with FRS 19: 'Deferred Tax'.

Deferred taxation is provided on all timing differences that have originated but not reversed by the balance sheet date. Deferred taxation liabilities are recognised for all taxable timing differences but deferred taxation assets are only recognised to the extent that it is more likely than not that taxable profits will be available against which those timing differences can be utilised.

Deferred tax is measured at the tax rate which is expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates which have been enacted or substantively enacted at the balance sheet date and is measured on an undiscounted basis.

(h) VAT

Irrecoverable VAT is included in the expense on which it has been suffered. VAT recoverable is calculated using the partial exemption method based on the proportion of zero rated supplies to total supplies.

(i) Share issue costs

The costs of issuing shares are charged against any premium received on those shares. If no premium is receivable, the costs are included in the Income Statement and charged to capital reserves.

(j) Conversion of Subscription shares

When the holders of Subscription shares exercise their right to convert their shares into Ordinary shares, the nominal value of those Subscription shares is transferred to the credit of share premium. The nominal value of the Ordinary shares into which the Subscription shares convert is credited to called up share capital and the balance of the consideration received is credited to share premium.

Notes to the Accounts continued

	2011 £'000
3. Gains on investments held at fair value through profit or loss	
Gains on sales of investments	26
Net movement in investment holding gains and losses	7,510
Taxation on foreign exchange[1]	(942)
Handling fees	(29)
Total gains on investments held at fair value through profit or loss	6,565

[1]This is taxation charged on the conversion of foreign currency into Brazilian Reais.

	2011 £'000
4. Income	
Income from investments	
Overseas dividends	1,290
Franked investment income	33
UK bond interest	5
	1,328
Other interest receivable and similar income	
Deposit interest	8
Total income	1,336

	2011 Revenue £'000	Capital £'000	Total £'000
5. Management and performance fees			
Management fee	581	–	581
Performance fee	–	403	403
	581	403	984

Details of the management fee and performance fee are given in the Directors' Report on page 16.

	2011 £'000
6. Other administrative expenses	
Administration expenses	150
Directors' fees[1]	80
Savings scheme costs[2]	19
Auditors' remuneration for audit services[3]	22
	271

[1]Full disclosure is given in the Directors' Remuneration Report on page 23.

[2]These amounts were payable to the Manager for the marketing of savings scheme products.

[3]In addition to the above, fees amounting to £37,000 including VAT were payable to the auditors for services in connection with the initial public offering and subsequent share issues. This amount is included in share issue expenses and charged to share premium.

7. Taxation

(a) Analysis of tax charge in the period

	2011 Revenue £'000	2011 Capital £'000	2011 Total £'000
UK corporation tax at 27.83%	–	–	–
Overseas withholding tax	40	–	40
Current tax charge for the period	40	–	40

Certain components of dividend distributions paid by Brazilian companies are subject to withholding tax.

(b) Factors affecting current tax charge for the period

The tax charge for the period is lower than the Company's applicable rate of corporation tax of 27.83%. The difference is explained below:

	2011 Revenue £'000	2011 Capital £'000	2011 Total £'000
Net return on ordinary activities before taxation	484	5,115	5,599
Net return on ordinary activities before taxation multiplied by the applicable rate of corporation tax of 27.83%	135	1,423	1,558
Effects of:			
Non taxable overseas dividends	(285)	–	(285)
Non taxable UK dividends	(9)	–	(9)
Non taxable capital gains	–	(1,535)	(1,535)
Unutilised capital expenses	–	112	112
Overseas withholding tax	40	–	40
Unutilised expenses carried forward to future periods	159	–	159
Current tax charge for the period	40	–	40

(c) Deferred taxation

The Company has an unrecognised deferred tax asset of £253,000 based on a prospective corporation tax rate of 26%. The main rate of corporation tax has reduced from 28% to 26% effective from 1st April 2011 and this was substantively enacted on 29th March 2011. The Government has also indicated that it intends to enact future reductions in the main rate of corporation tax of 1% each year, down to 24% by 1st April 2014. The deferred tax asset has arisen due to the excess of deductible expenses over taxable income. Given the composition of the Company's portfolio, it is not likely that this asset will be utilised in the foreseeable future.

Given the Company's status as an investment trust company, and the intention to continue meeting the conditions required to obtain approval, the Company has not provided for deferred tax on any capital gains or losses arising on the revaluation or disposal of investments.

Notes to the Accounts continued

	2011 £'000
8. Dividend proposed	
Dividend proposed of 0.5p per Ordinary share	309

The dividend proposed in respect of the period ended 30th April 2011 is subject to shareholder approval at the forthcoming Annual General Meeting. In accordance with the accounting policy of the Company, this dividend will be reflected in the accounts for the year ending 30th April 2012.

The requirements of Section 1158 of the Corporation Tax Act 2010 are considered on the basis of the dividend proposed in respect of the period, as above. The revenue available for distribution by way of dividend for the period is £444,000.

9. Return per Ordinary share

	2011 £'000
Return per Ordinary share	
Revenue return	444
Capital return	5,115
Total return	5,559

Weighted average number of Ordinary shares in issue during the period used for the purpose of the undiluted calculation	55,283,397
Weighted average number of Ordinary shares in issue during the period used for the purpose of the diluted calculation	55,924,504
Undiluted	
Revenue return per share	0.80p
Capital return per share	9.25p
Total return per share	10.05p
Diluted	
Revenue return per share	0.79p
Capital return per share	9.15p
Total return per share	9.94p

The diluted return per Ordinary share represents the return on ordinary activities after taxation divided by the weighted average number of Ordinary shares in issue during the period as adjusted in accordance with the requirements of Financial Reporting Standard 22 'Earnings per share'.

	2011 £'000
10. Investments held at fair value through profit or loss	
Investments listed on a recognised stock exchange	63,528
Opening valuation	–
Movements in the period:	
Purchases at cost	79,744
Sales - proceeds	(23,631)
Gains on sales	26
Net movement in investment holding gains and losses	7,510
	63,649
Closing book cost	56,139
Closing investment holding gains	7,510
Total investments held at fair value	63,649

Transaction costs on purchases during the period amounted to £214,000 and on sales during the period amounted to £52,000. These costs comprise mainly brokerage commission.

	2011 £'000
11. Debtors	
Dividends and interest receivable	220
Other debtors	51
	271

The Directors consider that the carrying amount of debtors approximates to their fair value.

Cash and short term deposits

Cash and short term deposits comprises bank balances and cash held by the Company, including short-term bank deposits. The carrying amount of these approximates to their fair value. Cash balances in excess of a predetermined amount are placed on short term deposit at market rates of interest.

	2011 £'000
12. Creditors: amounts falling due within one year	
Securities purchased awaiting settlement	731
Performance fee	403
Accrued foreign exchange tax	8
Other creditors and accruals	111
	1,253

Notes to the Accounts continued

	2011 £'000
13. Financial liabilities: derivative financial instruments	
Forward foreign currency contracts	1

	2011 £'000
14. Called up share capital	
Management shares	
Allotment of 50,000 Management shares of £1 each to the Manager (one quarter paid)	13
Repurchase and cancellation of 50,000 Management shares	(13)
	–
Ordinary shares – allotted and fully paid	
Issue of 46,741,352 Ordinary shares of 1p each following the Placing and Offer for Subscription	467
Issue of 13,850,000 Ordinary shares of 1p each	139
Issue of 1,108,862 Ordinary shares of 1p each on conversion of Subscription shares	11
Closing balance represented by 61,700,214 Ordinary shares of 1p each	617
Subscription shares – allotted and fully paid	
Issue of 9,348,270 Subscription shares following the Placing and Offer for Subscription	93
Conversion of 1,108,862 Subscription shares into Ordinary shares	(11)
Closing balance represented by 8,239,408 Subscription shares of 1p each	82

Share capital transactions

On 24th February 2010, 50,000 Management shares of £1 each were allotted to the Manager, one quarter paid, to enable the Company to obtain a certificate to commence business. These Management shares were subsequently repurchased and cancelled on 25th March 2011 for consideration of £13,000.

On 26th April 2010, 46,741,352 Ordinary shares were issued following a Placing and Offer for Subscription, for gross proceeds of £46,741,000. A further 13,850,000 Ordinary shares were issued during the period, to satisfy market demand, for gross proceeds of £15,255,000. The Ordinary shares carry the right to receive all dividends declared by the Company, are entitled to all the surplus assets of the Company on a winding up and hold all rights to vote in General Meetings of shareholders.

On 26th April 2010, 9,348,270 Subscription shares were issued following a Placing and Offer for Subscription, on the basis of one Subscription share for every five Ordinary shares subscribed for under the issue. Each Subscription share confers the right (but not the obligation) to subscribe for one Ordinary share at a price of 100p per share at any time until 30th June 2013 when the rights under the Subscription shares will lapse. During the period, the holders of 1,108,862 Subscription shares exercised their right to convert those shares into Ordinary shares for a total consideration of £1,109,000.

	Called up share capital £'000	Capital redemption reserve £'000	Share premium £'000	Other reserve[1] £'000	Capital reserves: Gains on sales of investments £'000	Capital reserves: Investment holding gains £'000	Revenue reserve £'000
15. Reserves							
Issue of Management shares	13	–	–	–	–	–	–
Repurchase and cancellation of Management shares	(13)	13	–	–	(13)	–	–
Issue of Ordinary shares	606	–	61,390	–	–	–	–
Issue of Subscription shares	93	–	(93)	–	–	–	–
Share issue expenses	–	–	(1,121)	–	–	–	–
Conversion of Subscription shares into Ordinary shares	(11)	–	11	–	–	–	–
Issue of Ordinary shares on exercise of Subscription shares	11	–	1,098	–	–	–	–
Net foreign currency losses on cash and short term deposits	–	–	–	–	(1,046)	–	–
Unrealised losses on forward foreign currency contracts	–	–	–	–	–	(1)	–
Gains on sales of investments	–	–	–	–	26	–	–
Net movement in investment holding gains and losses	–	–	–	–	–	7,510	–
Performance fee	–	–	–	–	(403)	–	–
Redesignation of share premium account[1]	–	–	(45,246)	45,246	–	–	–
Taxation on foreign exchange[2]	–	–	–	–	(942)	–	–
Handling charges	–	–	–	–	(29)	–	–
Retained revenue for the period	–	–	–	–	–	–	444
Closing balance	**699**	**13**	**16,039**	**45,246**	**(2,407)**	**7,509**	**444**

[1]The share premium account was cancelled in July 2010 and the 'Other reserve' created for the purposes of financing share buybacks.

[2]This is taxation charged on the conversion of foreign currency into Brazilian Reais.

	2011
16. Net asset value per Ordinary share	
Undiluted	
Ordinary shareholders' funds (£'000)	**67,543**
Number of Ordinary shares in issue	**61,700,214**
Net asset value per Ordinary share (pence)	**109.5**
Diluted	
Ordinary shareholders' funds assuming exercise of Subscription shares (£'000)	**75,783**
Number of potential Ordinary shares in issue	**69,939,622**
Net asset value per Ordinary share (pence)	**108.4**

The diluted net asset value per Ordinary share assumes that all outstanding Subscription shares were converted into Ordinary shares at the subscription price of 100p per share at the period end.

Notes to the Accounts continued

	2011 £'000
17. Reconciliation of total return on ordinary activities before taxation to net cash inflow from operating activities	
Total return on ordinary activities before taxation	5,599
Less: capital return on ordinary activities before taxation	(5,115)
Increase in accrued income	(220)
Increase in other debtors	(51)
Increase in accrued expenses	111
Overseas withholding tax	(40)
Net cash inflow from operating activities	284

	At 1st February 2010 £'000	Cash flow £'000	Exchange movement £'000	Other movements £'000	At 30th April 2011 £'000
18. Analysis of changes in net funds					
Cash and short term deposits	–	5,923	(1,046)	–	4,877
Net funds	–	5,923	(1,046)	–	4,877

19. Capital commitments and contingent liabilities

At the balance sheet date there were no capital commitments or contingent liabilities.

20. Transactions with the Manager and affiliates of the Manager

The management fee payable to JPMorgan Asset Management (UK) Limited ('JPMAM') for the period was £581,000 of which £nil was outstanding at the period end.

Based on the performance of the Company over the period, a performance fee of £403,000 has been earned under the terms of the Management Agreement. The whole of this amount is immediately payable and is outstanding at the period end.

Expenses amounting to £19,000 were payable to JPMAM for the marketing of savings scheme products during the period, of which £nil was outstanding at the period end.

Included in administration expenses in note 6 are safe custody fees amounting to £37,000 payable to JPMorgan Investor Services Limited of which £12,000 was outstanding at the period end.

JPMAM may carry out some of its dealing transactions through group subsidiaries. These transactions are carried out at arm's length. The commission payable to JPMorgan Securities for the period was £28,000 of which £nil was outstanding at the period end.

At the period end, a bank balance of £4,877,000 was held with JPMorgan Chase. A net amount of interest of £8,000 was receivable by the Company during the period from JPMorgan Chase, of which £nil was outstanding at the period end.

21. Disclosures regarding financial instruments measured at fair value

The Company's financial instruments that are held at fair value comprise its investment portfolio and derivative financial instruments comprising forward foreign currency contracts.

The investments are categorised into a hierarchy consisting of the following three levels:

Level 1 – valued using quoted prices in active markets;

Level 2 – valued by reference to valuation techniques using observable inputs other than quoted market prices included within Level 1; and

Level 3 – valued by reference to valuation techniques using inputs that are not based on observable market data.

Categorisation within the hierarchy has been determined on the basis of the lowest level input that is significant to the fair value measurement of the relevant asset.

Details of the valuation techniques used by the Company are given in note 2(b) and 2(e) on pages 30 and 31.

The following table sets out the fair value measurements using the FRS 29 hierarchy:

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial instruments held at fair value through profit or loss at 30th April 2011				
Equity investments	63,649	–	–	63,649
Derivative financial instruments	(1)	–	–	(1)
Total	63,648	–	–	63,648

There have been no transfers between levels 1, 2 or 3 during the period.

22. Financial instruments' exposure to risk and risk management policies

As an investment trust, the Company invests in equities and other securities for the long term so as to secure its investment objective stated on the 'Features' page. In pursuing this objective, the Company is exposed to a variety of risks that could result in a reduction in the Company's net assets or a reduction in the profits available for dividends. These risks include market risk (comprising currency risk, interest rate risk and other price risk), liquidity risk and credit risk. The Directors' policy for managing these risks is set out below. The Company Secretary, in close co-operation with the Board and the Manager, co-ordinates the Company's risk management strategy.

The objectives, policies and processes for managing the risks and the methods used to measure the risks are set out below.

The Company's financial instruments may comprise the following:

- investments in equity shares of overseas companies which are held in accordance with the Company's investment objective;
- short term debtors, creditors and cash arising directly from its operations; and
- short term forward currency contracts for the purpose of settling short term liabilities.

22. Financial instruments' exposure to risk and risk management policies continued

(a) Market risk

The fair value or future cash flows of a financial instrument held by the Company may fluctuate because of changes in market prices. This market risk comprises three elements – currency risk, interest rate risk and other price risk. Information to enable an evaluation of the nature and extent of these three elements of market price risk is given in parts (i) to (iii) of this note, together with sensitivity analyses where appropriate. The Board reviews and agrees policies for managing these risks. The Manager assesses the exposure to market risk when making each investment decision and monitors the overall level of market risk on the whole of the investment portfolio on an ongoing basis.

(i) Currency risk

Certain of the Company's assets, liabilities and income are denominated in currencies other than sterling (the Company's functional currency and the currency in which it reports). As a result, movements in exchange rates may affect the sterling value of those items.

Management of currency risk

The Manager monitors the Company's exposure to foreign currencies on a daily basis and reports to the Board, which meets on at least four occasions each year. The Manager measures the risk to the Company of the foreign currency exposure by considering the effect on the Company's net asset value and income of a movement in the rates of exchange to which the Company's assets, liabilities, income and expenses are exposed. Foreign currency borrowing may be used to limit the Company's exposure to anticipated changes in exchange rates which might otherwise adversely affect the sterling value of the portfolio of investments. This borrowing would be limited to currencies and amounts commensurate with the asset exposure to those currencies. Income denominated in foreign currencies is converted to sterling on receipt. The Company may use short term forward currency contracts to manage working capital requirements. It is currently not the Company's policy to hedge against foreign currency risk.

Foreign currency exposure

The fair values of the Company's monetary items that have foreign currency exposure at 30th April 2011 are shown below. Where the Company's equity investments (which are not monetary items) are priced in a foreign currency, they have been included separately in the analysis so as to show the overall level of exposure.

	US Dollar £'000	Brazilian Real £'000	Total £'000
Investments held at fair value through profit or loss that are monetary items	–	–	–
Current assets	4,708	893	5,601
Creditors	(626)	(610)	(1,236)
Foreign currency exposure on net monetary items	4,082	283	4,365
Investments held at fair value through profit or loss that are equities	9,940	53,709	63,649
Total net foreign currency exposure	14,022	53,992	68,014

In the opinion of the Directors, the above year end amounts are broadly representative of the exposure to foreign currency risk during the period.

Foreign currency sensitivity

The following tables illustrate the sensitivity of the return after taxation for the period and net assets with regard to the Company's monetary financial assets and financial liabilities and exchange rates. The sensitivity analysis is based on the Company's monetary currency financial instruments held at the balance sheet date and assumes a 10% appreciation or depreciation in sterling against the US dollar and the Brazilian Real, which is considered to be a reasonable illustration based on the volatility of exchange rates during the period.

If sterling had weakened by 10% this would have had the following effect:

	2011 £'000
Income statement return after taxation	
Revenue return	129
Capital return	437
Total return after taxation for the period	566
Net assets	566

Conversely, if sterling had strengthened by 10% this would have had the following effect:

	2011 £'000
Income statement return after taxation	
Revenue return	(129)
Capital return	(437)
Total return after taxation for the period	(566)
Net assets	(566)

In the opinion of the Directors, the above sensitivity analysis is broadly representative of the whole period.

(ii) Interest rate risk

Interest rate movements may affect the level of income receivable on cash deposits, the interest payable on variable rate cash borrowings and the fair value of fixed interest rate financial instruments.

Management of interest rate risk

The Company aims to be fully invested in normal market conditions, so exposure to interest rate risk will be limited. Short term borrowings may be used if required.

Interest rate exposure

The Company had no exposure to fixed interest rate financial instruments at the period end.

The exposure of financial assets and liabilities to floating interest rates using the period end figures, giving cash flow interest rate risk when rates are re-set, is shown below.

	2011 £'000
Amounts exposed to floating interest rates:	
Cash and short term deposits	4,877
Total exposure	4,877

Interest receivable on cash balances is at a margin below LIBOR.

Notes to the Accounts continued

22. Financial instruments' exposure to risk and risk management policies continued

(a) Market risk continued

(ii) Interest rate risk continued

Interest rate sensitivity

The following table illustrates the sensitivity of the return after taxation for the period and net assets to a 1% increase or decrease in interest rates with regard to the Company's monetary financial assets and financial liabilities. This level of change is considered to be a reasonable illustration based on observation of current market conditions. The sensitivity analysis is based on the Company's monetary financial instruments held at the balance sheet date, with all other variables held constant.

	2011	
	1% Increase in rate £'000	1% Decrease in rate £'000
Income statement – return after taxation		
Revenue return	49	(49)
Capital return	–	–
Total return after taxation for the period	49	(49)
Net assets	49	(49)

In the opinion of the Directors, the above sensitivity analysis may not be representative of the Company's future exposure to interest rate changes due to fluctuations in the level of cash balances. The maximum and minimum balance of cash and short term deposits held during the period amounted to £46,274,000 and £128,000 respectively.

(iii) Other price risk

Other price risk includes changes in market prices, other than those arising from interest rate risk or currency risk, which may affect the value of equity investments.

Management of other price risk

The Board meets on at least four occasions each year to consider the asset allocation of the portfolio and the risk associated with particular industry sectors. The investment management team has responsibility for monitoring the portfolio, which is selected in accordance with the Company's investment objectives and seeks to ensure that individual stocks meet an acceptable risk/reward profile.

Other price risk exposure

The Company's total exposure to changes in market prices at 30th April 2011 comprises its holdings in equity investments as follows:

	2011 £'000
Equity investments held at fair value through profit or loss	63,649

The above data is broadly representative of the expected exposure to other price risk in future years.

Concentration of exposure to other price risk

The Company's investments are listed on pages 10 and 11. This shows that substantially all of the investments' value is in Brazil. Accordingly there is a concentration of exposure to that country. However, it should be noted that an investment may not be wholly exposed to the economic conditions in its country of domicile or of listing.

Other price risk sensitivity

The following table illustrates the sensitivity of the return after taxation for the period and net assets to an increase or decrease of 10% in the fair value of the Company's equities. This level of change is considered to be a reasonable illustration based on observation of current market conditions. The sensitivity analysis is based on the Company's equities and adjusting for change in the management fee, but with all other variables held constant.

	2011 10% increase in fair value £'000	 10% decrease in fair value £'000
Income statement – return after taxation		
Revenue return	(64)	64
Capital return	6,365	(6,365)
Total return after taxation for the period and net assets	6,301	(6,301)

(b) Liquidity risk

This is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Management of the risk

Liquidity risk is not significant as the Company's assets comprise mainly readily realisable securities, the liquidity of which in normal markets is frequently tested by the investment managers and which can be sold to meet funding requirements if necessary.

Short term flexibility is achieved through the use of overdraft facilities.

Liquidity risk exposure

Contractual maturities of the financial liabilities at the period end, based on the earliest date on which payment can be required are as follows:

	2011 Three months or less £'000	 Total £'000
Creditors: amounts falling due within one year		
Securities purchased awaiting settlement	731	731
Performance fee	403	403
Accrued foreign exchange tax	8	8
Other creditors and accruals	111	111
Derivative financial instruments	1	1
	1,254	1,254

Notes to the Accounts continued

22. Financial instruments' exposure to risk and risk management policies continued

(c) Credit risk

Credit risk is the risk that the counterparty to a transaction fails to discharge its obligations under that transaction which could result in loss to the Company.

Management of credit risk

Portfolio dealing

The Company invests in markets that operate Delivery Versus Payment ('DVP') settlement. The process of DVP mitigates the risk of losing the principal of a trade during the settlement process. The Manager continuously monitors dealing activity to ensure best execution, a process that involves measuring various indicators including the quality of trade settlement and incidence of failed trades. Counterparty lists are maintained and adjusted accordingly.

Cash

Counterparties are subject to daily credit analysis by the Manager and trades can only be placed with counterparties that have a minimum rating of A1/P1 from Standard & Poor's and Moody's respectively.

Exposure to JPMorgan Chase

The Company's assets are ring-fenced in client designated accounts. Therefore these assets are designed to be protected from creditors in the event that JPMorgan Chase were to cease trading. However, no absolute guarantee can be given to investors on the protection of all of the assets of the Company.

Credit risk exposure

The amounts shown in the balance sheet under debtors and cash and short term deposits represent the maximum exposure to credit risk at the period end.

(d) Fair values of financial assets and financial liabilities

All financial assets and liabilities are either included in the balance sheet at fair value or the carrying amount in the balance sheet is a reasonable approximation of fair value.

23. Capital management policies and procedures

The Company's capital management objectives are to ensure that it will continue as a going concern and to maximise capital return to shareholders.

The Company's capital comprises the following:

	2011 £'000
Equity	
Equity share capital	699
Reserves	66,844
Total capital	67,543

The Board's policy is to utilise gearing when the Manager believes it appropriate to do so, up to a maximum of 120% at the time of drawdown. Gearing for this purpose is defined as investments expressed as a percentage of net assets.

The Board, with the assistance of the Manager, monitors and reviews the broad structure of the Company's capital on an ongoing basis. This review includes:

- the planned level of gearing, which takes into account the Manager's views on the market;
- the need to buy back equity shares, either for cancellation or to hold in Treasury, which takes into account the share price discount or premium; and
- the need for issues of new shares, including issues from Treasury.

Notice of Meeting

Notice is hereby given that the first Annual General Meeting of JPMorgan Brazil Investment Trust plc will be held at 60 Victoria Embankment, London, EC4Y 0JP on 2nd August 2011 at 2.30 p.m. for the following purposes:

1. To receive the Directors' Report & Accounts and the Auditors' Report for the period ended 30th April 2011.
2. To approve the Directors' Remuneration Report for the period ended 30th April 2011.
3. To approve a final divided of 0.5p per Ordinary share.
4. To elect Howard Myles as a Director of the Company.
5. To elect Mark Bridgeman as a Director of the Company.
6. To elect Victor Bulmer-Thomas as a Director of the Company.
7. To re-appoint Ernst & Young LLP as auditors of the Company and to authorise the Directors to determine their remuneration.

Special Business

To consider the following resolutions:

Authority to repurchase the Company's shares – Special Resolution

8. THAT the Company be generally and subject as hereinafter appears unconditionally authorised in accordance with Section 701 of the Companies Act 2006 (the 'Act') to make market purchases (within the meaning of Section 693 of the Act) of its issued Ordinary Shares, Subscription Shares and Units on such terms and in such manner as the Directors may from time to time determine.

   PROVIDED ALWAYS THAT

   (i) the maximum number of Ordinary Shares and Subscription Shares hereby authorised to be purchased shall be 9,250,367 and 167,723 respectively, or if less, that number of Ordinary Shares or Subscription Shares which is equal to 14.99% of the issued share capital of the relevant share class as at the date of the passing of this Resolution or such number as is equal to 14.99% of the issued Ordinary Shares (including in the form of Units) as at the date of the passing of its Resolution;

   (ii) the minimum price which may be paid for any Ordinary Share or Subscription Share shall be 1p;

   (iii) the maximum price which may be paid for a share shall be an amount equal to the highest of: (a) 105% of the average of the middle market quotations for a an Ordinary Share, a Subscription Share or a Unit, taken from and calculated by reference to the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the share is contracted to be purchased; or (b) the price of the last independent trade; or (c) the highest current independent bid;

   (iv) any purchase of shares will be made in the market for cash at prices below the prevailing net asset value per share (as determined by the Directors);

   (v) the authority hereby conferred shall expire on 1st February 2013 unless the authority is renewed at any other general meeting prior to such time; and

   (vi) the Company may make a contract to purchase Ordinary shares under the authority and may make a purchase of ordinary shares pursuant to any such contract notwithstanding such expiry.

Authority to allot new ordinary shares – Ordinary Resolution

9. THAT the Directors of the Company be and they are hereby generally and unconditionally authorised, (in substitution of any authorities previously granted to the Directors), pursuant to and in accordance with Section 551 of the Companies Act 2006 (the 'Act') to exercise all the powers for the Company to allot relevant securities (in the Company and to grant rights to subscribe for, or to convert any security into Shares in the Company ('Rights')) up to an aggregate nominal amount of £185,130, representing approximately 30% of the Company's issued Ordinary share capital at the date of the passing of this resolution provided that this authority shall expire at the Company's Annual General Meeting in 2012, save that the Company may before such expiry make offers, agreements or arrangements which would or might require relevant securities to be allotted after such expiry and so that the Directors of the Company may allot relevant securities in pursuance of such offers, agreements or arrangements as if the authority conferred hereby had not expired.

Notice of Meeting continued

Authority to disapply pre-emption rights on allotment of shares – Special Resolution

10. THAT subject to the passing of Resolution 9 set out above, the Directors of the Company be and they are hereby empowered pursuant to Section 570 and 573 of the Act to allot equity securities (within the meaning of Section 560 of the Act) for cash pursuant to the authority conferred by Resolution 9 or by way of sale of Treasury shares as if Section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities for cash up to an aggregate nominal amount of £185,130, representing approximately 30% of the Ordinary issued share capital as at the date of the passing of this resolution at a price of not less than the Net Asset Value per share and shall expire at the Company's Annual General Meeting in 2012, save that the Company may before such expiry make offers, agreements or arrangements which would or might require equity securities in pursuance of such offers, agreements or arrangements as if the power conferred hereby had not expired.

By order of the Board
Divya Amin, for and on behalf of
JPMorgan Asset Management (UK) Limited,
Secretary
5th July 2011

Notes

These notes should be read in conjunction with the notes on the reverse of the proxy form.

1. A member entitled to attend and vote at the Meeting may appoint another person(s) (who need not be a member of the Company) to exercise all or any of his rights to attend, speak and vote at the Meeting. A member can appoint more than one proxy in relation to the Meeting, provided that each proxy is appointed to exercise the rights attaching to different shares held by him.
2. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Your proxy could be the Chairman, another Director of the Company or another person who has agreed to attend to represent you. Details of how to appoint the Chairman or another person(s) as your proxy or proxies using the proxy form are set out in the notes to the proxy form. If a voting box on the proxy form is left blank, the proxy or proxies will exercise his/their discretion both as to how to vote and whether he/they abstain(s) from voting. Your proxy must attend the Meeting for your vote to count. Appointing a proxy or proxies does not preclude you from attending the Meeting and voting in person. If you attend the Meeting in person, your proxy appointment will automatically be terminated.
3. Any instrument appointing a proxy, to be valid, must be lodged in accordance with the instructions given on the proxy form.
4. You may change your proxy instructions by returning a new proxy appointment. The deadline for receipt of proxy appointments also applies in relation to amended instructions. Any attempt to terminate or amend a proxy appointment received after the relevant deadline will be disregarded. Where two or more valid separate appointments of proxy are received in respect of the same share in respect of the same Meeting, the one which is last received (regardless of its date or the date of its signature) shall be treated as replacing and revoking the other or others as regards that share; if the Company is unable to determine which was last received, none of them shall be treated as valid in respect of that share.
5. To be entitled to attend and vote at the Meeting (and for the purpose of the determination by the Company of the number of votes they may cast), members must be entered on the Company's register of members as at 6.00 p.m. two business days prior to the Meeting (the 'specified time'). If the Meeting is adjourned to a time not more than 48 hours after the specified time applicable to the original Meeting, that time will also apply for the purpose of determining the entitlement of members to attend and vote (and for the purpose of determining the number of votes they may cast) at the adjourned Meeting. If, however, the Meeting is adjourned for a longer period then, to be so entitled, members must be entered on the Company's register of members as at 6.00 p.m. two business days prior to the adjourned Meeting or, if the Company gives notice of the adjourned Meeting, at the time specified in that notice. Changes to entries on the register after this time shall be disregarded in determining the rights of persons to attend or vote at the Meeting or adjourned Meeting.

6. Entry to the Meeting will be restricted to shareholders and their proxy or proxies, with guests admitted only by prior arrangement.
7. A corporation, which is a shareholder, may appoint an individual(s) to act as its representative(s) and to vote in person at the Meeting (see instructions given on the proxy form). In accordance with the provisions of the Companies Act 2006, each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company, provided that they do not do so in relation to the same shares. It is therefore no longer necessary to nominate a designated corporate representative. Representatives should bring to the Meeting evidence of their appointment, including any authority under which it is signed.
8. Members that satisfy the thresholds in Section 527 of the Companies Act 2006 can require the Company to publish a statement on its website setting out any matter relating to: (a) the audit of the Company's accounts (including the Auditors' report and the conduct of the audit) that are to be laid before the AGM; or (b) any circumstances connected with Auditors of the Company ceasing to hold office since the previous AGM, which the members propose to raise at the Meeting. The Company cannot require the members requesting the publication to pay its expenses. Any statement placed on the website must also be sent to the Company's Auditors no later than the time it makes its statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required to publish on its website pursuant to this right.
9. Pursuant to Section 319A of the Companies Act 2006, the Company must cause to be answered at the AGM any question relating to the business being dealt with at the AGM which is put by a member attending the Meeting except in certain circumstances, including if it is undesirable in the interests of the Company or the good order of the Meeting or if it would involve the disclosure of confidential information.
10. Under Sections 338 and 338A of the 2006 Act, members meeting the threshold requirements in those sections have the right to require the Company: (i) to give, to members of the Company entitled to receive notice of the Meeting, notice of a resolution which those members intend to move (and which may properly be moved) at the Meeting; and/or (ii) to include in the business to be dealt with at the Meeting any matter (other than a proposed resolution) which may properly be included in the business at the Meeting. A resolution may properly be moved, or a matter properly included in the business unless: (a) (in the case of a resolution only) it would, if passed, be ineffective (whether by reason of any inconsistency with any enactment or the Company's constitution or otherwise); (b) it is defamatory of any person; or (c) it is frivolous or vexatious. A request made pursuant to this right may be in hard copy or electronic form, must identify the resolution of which notice is to be given or the matter to be included in the business must be accompanied by a statement setting out the grounds for the request, must be authenticated by the person(s) making it and must be received by the Company not later than the date that is six clear weeks before the Meeting, and (in the case of a matter to be included in the business only) must be accompanied by a statement setting out the grounds for the request.
11. A copy of this notice has been sent for information only to persons who have been nominated by a member to enjoy information rights under Section 146 of the Companies Act 2006 (a 'Nominated Person'). The rights to appoint a proxy can not be exercised by a Nominated Person: they can only be exercised by the member. However, a Nominated Person may have a right under an agreement between him and the member by whom he was nominated to be appointed as a proxy for the Meeting or to have someone else so appointed. If a Nominated Person does not have such a right or does not wish to exercise it, he may have a right under such an agreement to give instructions to the member as to the exercise of voting rights.
12. In accordance with Section 311A of the Companies Act 2006, the contents of this notice of meeting, details of the total number of shares in respect of which members are entitled to exercise voting rights at the AGM, the total voting rights members are entitled to exercise at the AGM and, if applicable, any members' statements, members' resolutions or members' matters of business received by the Company after the date of this notice will be available on the Company's website www.jpmbrazil.co.uk.
13. The register of interests of the Directors and connected persons in the share capital of the Company and the Directors' letters of appointment are available for inspection at the Company's registered office during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted). it will also be available for inspection at the Annual General Meeting. No Director has any contract of service with the Company.
14. You may not use any electronic address provided in this Notice of Meeting to communicate with the Company for any purposes other than those expressly stated.
15. As an alternative to completing a hard copy Form of Proxy/Voting Instruction Form, you can appoint a proxy or proxies electronically by visiting www.sharevote.co.uk. You will need your Voting ID, Task ID and Shareholder Reference Number (this is the series of numbers printed under your name on the Form of Proxy/Voting Instruction Form). Alternatively, if you have already registered with Equiniti Limited's online portfolio service, Shareview, you can submit your Form of Proxy at www.shareview.co.uk. Full instructions are given on both websites.
16. As at 1st July 2011 (being the latest business day prior to the publication of this Notice), the Company's issued share capital consists of 61,710,254 Ordinary shares carrying one vote each and 1,118,902 Subscription shares, which do not have voting rights. Therefore the total voting rights in the Company are 61,710,254.

Electronic appointment CREST members

CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. See further instructions on the proxy form.

Details of Subscription shares

On 26th April 2010, 9,348,270 Subscription shares were issued pursuant to a placing and offer for subscription, on the basis of one Subscription share for every five Ordinary shares subscribed for under the issue. Each Subscription share confers the right (but not the obligation) to subscribe for one Ordinary share at a price of 100p per share at any time until 30th June 2013 when the rights under the Subscription shares will lapse.

For the purposes of UK capital gains tax, shareholders' base costs of their shares will be apportioned between their Ordinary shares and Subscription shares by reference to the respective market values of Ordinary shares and Subscription shares on 26th April 2010, the day on which the shares were admitted to trading on the London Stock Exchange.

For further details on how to exercise the Subscription Share rights, please refer to the Company's website at www.jpmbrazil.co.uk or contact the Secretary on 020 7742 6000.

At the close of business on 26th April 2010 the middle market prices of the Company's Ordinary shares and Subscription shares were as follows:

Ordinary shares	106.75p
Subscription shares	32p

Accordingly an individual investor who on 26th April 2010 held five Ordinary shares (or a multiple thereof) would have received one Subscription share (or the relevant multiple thereof) and would apportion the base cost of such holding 94.34% to the five Ordinary shares and 5.66% to the Subscription shares.

Glossary of Terms and Definitions

Unit return to shareholders

Return to the 'Unit' holder on a mid-market price to mid-market price basis. A Unit comprises 5 Ordinary shares and 1 Subscription share.

Return to Ordinary shareholders

Return to the investor based on the change in the mid-market share price during the period.

Undiluted return on net assets

Return to the investor based on the change in the diluted net asset value per Ordinary share during the period.

Diluted net asset value ('NAV') per Ordinary share

The diluted NAV per Ordinary share assuming that all outstanding Subscription shares were converted into Ordinary shares at the period end.

Diluted return on net assets

Return to the investor based on the change in the diluted net asset value per Ordinary share during the period.

Benchmark total return

Total return on the benchmark, on a mid market value to mid-market value basis, assuming that all dividends received were reinvested, without transaction costs, in the shares of the underlying companies at the time the share were quoted ex-dividend.

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 consequently, there may be some divergence between the Company's performance and that of the benchmark.

Ordinary share price discount/premium to net asset value ('NAV') per Ordinary share

If the share price of an investment trust is lower than the NAV per share, the shares are said to be trading at a discount. The discount is shown as a percentage of the NAV. The opposite of a discount is a premium. It is more common for an investment trust's shares to trade at a discount than at premium.

Actual gearing factor

Investments excluding holdings in liquidity funds, expressed as a percentage of shareholders' funds. This shows the effect of gearing on the net asset value if the market value of the portfolio were to increase by 100%.

Total Expense Ratio

Management fees and all other operating expenses excluding performance fee, expressed as a percentage of the average of the month end net assets during the period.

Performance Attribution

Analysis of how the Company achieved its recorded performance relative to its benchmark.

Performance Attribution Definitions:

Asset Allocation

Measures the impact of allocating assets differently from those in the benchmark, via the portfolio's weighting in different countries, sectors or asset types.

Stock Selection

Measures the effect of investing in securities to a greater or lesser extent than their weighting in the benchmark, or of investing in securities which are not included in the benchmark.

Gearing/Cash

Measures the impact on returns of borrowings or cash balances on the Company's relative performance.

Management Fees/Other Expenses

The payment of fees and expenses reduces the level of total assets, and therefore has a negative effect on relative performance.

Share Issues

Measures the enhancement to net assets of issuing Ordinary shares at a premium to net asset value per Ordinary share.

Exercise of Subscription shares

Measures the negative impact on the net asset value (NAV) per share arising from the exercise of Subscription shares into Ordinary shares at a price less than the NAV per share.

Subscription share dilution

Measures the dilutive impact on the net asset value (NAV) per share arising from the potential exercise of all the outstanding Subscription shares into Ordinary shares at a price less than the NAV per share.

Notes

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Information about the Company

Financial Calendar

Financial year end	30th April
Final results announced	July
Half year end	31st October
Half year results announced	December
Interim Management Statements announced	March and September
Annual General Meeting	August

History

JPMorgan Brazil Investment Trust plc is an investment trust which was launched in April 2010 to provide investors with exposure to Brazilian invested equities through a closed-ended structure. The assets of the Company are managed by JPMorgan Asset Management (UK) Limited.

Company Numbers

Company registration number: 7141630

Ordinary Shares

London Stock Exchange ISIN code: GB00B602HS43
Bloomberg code: JPB
SEDOL B602HS4

Subscription Shares

London Stock Exchange ISIN code: GB00B3NYCF82
Bloomberg code: JPBS
SEDOL B3NYCF8

Market Information

The Company's unaudited net asset value ('NAV') is published daily, via the London Stock Exchange.

The Company's shares are listed on the London Stock Exchange. The market price is shown daily in the Financial Times, The Times, The Daily Telegraph, The Scotsman, The Independent and on the JPMorgan website at www.jpmbrazil.co.uk, where the share price is updated every fifteen minutes during trading hours.

Website

www.jpmbrazil.co.uk

Share Transactions

The Company's shares may be dealt in directly through a stockbroker or professional adviser acting on an investor's behalf. They may also be purchased and held through the J.P. Morgan Investment Account, J.P. Morgan ISA and J.P. Morgan SIPP. These products are all available on the online wealth manager service, J.P. Morgan WealthManager+ available at www.jpmorganwealthmanagerplus.co.uk

aic The Association of Investment Companies A member of the AIC

Manager and Company Secretary

JPMorgan Asset Management (UK) Limited

Company's Registered Office

Finsbury Dials
20 Finsbury Street
London EC2Y 9AQ
Telephone number: 0207 742 6000

For company secretarial and administrative matters please contact Divya Amin at the above address.

Custodian

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125 London Wall
London EC2Y 5AJ

Registrars

Equiniti
Reference 3533
Aspect House
Spencer Road
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West Sussex BN99 6DA
Telephone number: 0871 384 2317

Notifications of changes of address and enquiries regarding share certificates or dividend cheques should be made in writing to the Registrar quoting reference 3533. Registered shareholders can obtain further details on their holdings on the internet by visiting www.shareview.co.uk.

Independent Auditor

Ernst & Young LLP
Statutory Auditor
1 More London Place
London SE1 2AF

Brokers

Numis Securities Limited
The London Stock Exchange Building
10 Paternoster Square
London EC4M 7LT

Savings Product Administrators

For queries on the J.P. Morgan Investment Account, J.P. Morgan ISA and J.P. Morgan SIPP, call the JPMorgan Helpline on Freephone 0800 20 40 20 or +44 (0)20 7742 9995.

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Freephone 0800 20 40 20 or +44 (0)20 7742 9995

Your telephone call may be recorded for your security

www.jpmbrazil.co.uk