



Half Year Report 2011

JPMorgan American
Investment Trust plc

Half Year Report & Accounts for the six months ended 30th June 2011

J.P.Morgan
Asset Management

Features

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Objective

To achieve capital growth from North American investments by out-performance of the Company's benchmark.

Investment Policies

- To invest in quoted companies including, when appropriate, exposure to the smaller companies sector.
- To emphasise capital growth rather than income.
- To use gearing when appropriate to increase potential returns to shareholders.
- To hedge the currency risk only in respect of the geared portion of the portfolio.
- To invest no more than 15% of gross assets in other UK listed investment companies (including investment trusts).

Benchmark

The S&P 500 Index expressed in sterling total return terms.

Capital Structure

At 30th June 2011, the Company's share capital comprised 44,904,047 ordinary shares of 25p each.

The Company has a £50 million debenture at a fixed interest rate of 6.875%, repayable in June 2018.

Management Company

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

The US equity management team consists of 88 investment professionals and manages around US\$114 billion for its clients worldwide.

AIC

The Company is a member of the Association of Investment Companies.

Half Year Performance

Total returns (includes dividends reinvested)

+7.6%

Return to shareholders¹

+4.6%

Return on net assets²

+3.3%

Benchmark return^{1,3}

Financial Data

	30th June 2011	31st December 2010	% change
Shareholders' funds (£'000)	399,766	374,020	+6.9
Number of shares in issue	44,904,047	42,850,949	+4.8
Net asset value per share with debt at par value ⁴	890.3p	872.8p	+2.0
Net asset value per share with debt at fair value ^{4,5}	872.6p	855.4p	+2.0
Share price	890.0p	837.0p	+6.3
Share price premium/(discount) to net asset value per share with debt at fair value and after deducting any proposed dividend	2.0%	(0.3)%	
S&P 500 Index expressed in sterling capital return terms	822.60	803.27	+2.4
Revenue return per share	5.33p	10.56p	
Capital return per share	23.85p	121.14p	
Exchange rate	£1 = \$1.6054	£1 = \$1.5656	

A glossary of terms and definitions is provided on page 15.

¹Source: Morningstar.

²Source: J.P. Morgan.

³The Company's benchmark is the S&P 500 Index expressed in sterling total return terms.

⁴Includes distributable income earned in the current period.

⁵The fair value of the £50m debenture issued by the Company has been calculated using discounted cash flow techniques, using the yield from a similar dated gilt plus a margin based on the 5 year average for the AA Barclays Sterling Corporate Bond spread. This is a change in methodology from that used in prior periods and the net asset value with debt at fair value at 31st December 2010 has been restated.

Chairman's Statement



Performance

I am pleased to report that the Company's net asset value in total return terms rose by 4.6% over the six months to 30th June 2011, outperforming the sterling total return of the S&P 500 Index which returned 3.3%. The share price total return was 7.6%.

US equity markets started the year strongly on the back of a good run of corporate results. Investor concerns over the potential economic effects of the 'Arab Spring' and the terrible events in Japan slowed the market somewhat in March and April. Recent events in Europe with regard to sovereign debt and the increasingly tense negotiations around the US debt ceiling have continued to make the US equity market volatile.

Sterling denominated returns were slightly reduced by the strength of sterling against the US dollar, the exchange rate rising from \$1.57 to \$1.61.

Discount Management

Over the course of the half year under review, the Company's shares have moved from a discount of 0.3%, calculated with liabilities held at their fair value and including current year income, to a premium of 2.0%.

During the period, the Company issued 2,053,098 shares at a small premium to NAV to satisfy demand from the market and raised in total £17.7 million (net of expenses).

Hedging Policy

In order to protect against currency fluctuations in respect of the Company's £50 million debenture, a currency hedge was put in place in 2001 at a \$/£ rate of 1.46. This hedge expires on 5th October 2011 and it is the Board's intention to roll the hedge forward for as long as the debenture is outstanding.

Revenue and Dividends

Earnings per share for the six months to 30th June 2011 have fallen slightly to 5.33p from 5.51p for the equivalent period in the previous year. The Company's policy has been to distribute all, or substantially all, of the available income in each year.

Shareholders should note that income streams can vary significantly and the Company's dividends are likely to reflect those variations.

Outlook

Our Managers believe that the strong position of large US companies will encourage investors to hold equities and will ultimately outweigh the sovereign debt and deficit concerns. The Managers remain positive about the prospects for US equities over the medium term, although a more cautious stance has been adopted in the short term as reflected in the gearing position which was reduced to 98% as at the end of June.

Hamish Buchan
Chairman

3rd August 2011

Investment Manager's Report



Market Review

The US equity market performed positively over the six months under review, despite a number of economic and political concerns that continue to worry investors. The year started off strongly, with yet another quarter of solid results from US companies, including a 10% year-on-year increase in revenue and an eighth consecutive quarter of better than expected earnings. By March, investors were once again faced with rising uncertainty as various conflicts in the Middle East and North Africa pushed oil prices higher, followed by a devastating earthquake and subsequent tsunami in Japan. Following these events, the market sold off sharply and by the middle of March was down almost 7% from its February peak.

Some positive macro economic news in the US helped to restore investor confidence. GDP growth came in at 3.1% for the fourth quarter 2010, which puts the domestic economy back into expansion territory as all of the output lost during the recession has officially been recovered. As we moved into May the market again lost momentum as investors grappled with disappointing economic data, rising food and energy prices, increased concerns surrounding the Eurozone crisis and political grandstanding around the US debt ceiling. However, in late June, a better than expected manufacturing report, an encouraging rise in pending home sales and the approval of new austerity measures in Greece enabled the broad market index to recoup its losses and finish the six months up 5.0% in US\$ terms.

Performance

The Company's net asset value rose by 4.6% in total return terms over the first six months of 2011 and outperformed its benchmark, the S&P 500 Index which rose by 3.3% in sterling terms. There was a positive performance contribution from the large cap portfolio, which was largely driven by strong stock selection in the technology and energy sectors. Within technology, an overweight position in IBM and a lack of exposure to Google proved beneficial. IBM's share price rose on news that the technology behemoth had raised its quarterly dividend by 15% and authorised \$8 billion in additional funds for the company's stock repurchase plan. Within energy, our exposure to Williams and Exxon Mobil added value, as earnings surged in energy companies, thanks to higher oil prices and improved refining margins.

In contrast, the portfolio's consumer discretionary and utilities exposures detracted from relative performance. Within consumer discretionary, an overweight position in OfficeMax for some of the period proved disappointing. The office products retailer's share price tumbled after declining sales to large business customers and lower store traffic led to a much bigger-than-expected decline in its fiscal first-quarter profit. We sold our position during the period under review. As regards our utilities holdings, an overweight position in CenturyLink hindered performance. The company's first-quarter profit declined 16% as revenue dropped due to access line losses, although the company added more high-speed internet subscribers.

The Company's level of gearing was reduced from 104% at the start of year to 98% at 30th June, as we took a more cautious view of the equity market in the short term.

Investment Manager's Report continued

Market Outlook

We believe concerns that the US economy is headed for another recession have been overstated. The health of corporate America continues to be very strong with extremely high cash levels, near record margins, low debt levels and decent growth prospects. We are starting to see the impact of higher commodities costs subside and supply side disruptions from the Japanese earthquake are slowly fading away. Gasoline prices have fallen 11% from their May 2011 high, while corn prices have eased even further, falling by 19% from the highs reached in mid-June. Lower energy and food prices can only help consumer spending and ease pressure on corporate margins.

With the second quarter earnings season quickly approaching, we believe the market will once again focus on fundamentals. However, as we move into the latter months of the summer, the US debt ceiling debate will most certainly intensify. The market will be focusing on what the eventual agreement will look like in terms of its scope and the split between spending cuts and tax increases. This will influence the likelihood of continuing economic growth in the second half of 2011 and into 2012.

Garrett Fish

Investment Manager

3rd August 2011

Portfolio Analyses

Sector Analysis

	at 30th June 2011		at 31st December 2010	
	Portfolio % ¹	Benchmark %	Portfolio % ¹	Benchmark %
Technology	13.3	16.4	14.1	17.2
Energy	13.0	12.8	13.8	12.1
Financial Services	12.6	16.0	13.2	16.8
Health Care	12.6	11.5	11.7	10.7
Consumer Staples	8.7	9.3	6.4	9.3
Producer Durables	8.2	11.5	8.7	11.3
Consumer Discretionary	6.0	12.2	9.7	12.3
Utilities	4.9	6.3	4.6	6.2
Materials & Processing	2.3	4.0	2.4	4.1
Small and unquoted companies ²	5.5	-	7.4	-
Net current assets ³	12.9	-	8.0	-
Total	100.0	100.0	100.0	100.0

¹Based on total assets less current liabilities of £450.0m (2010: £423.8m).

²This includes small companies' assets of 5.4% and unquoted companies of 0.1%.

³Includes investments in liquidity funds.

Asset Analysis

	30th June 2011 % ¹	31st December 2010 % ¹
Large Companies	81.6	84.6
Small Companies	5.4	7.3
Unquoted Investments	0.1	0.1
Net current assets ²	12.9	8.0
Total	100.0	100.0

¹Based on total assets less current liabilities of £450.0m (2010: £423.8m).

²Includes investments in liquidity funds.

Income Statement

for the six months ended 30th June 2011

	(Unaudited) Six months ended 30th June 2011			(Unaudited) Six months ended 30th June 2010			(Audited) Year ended 31st December 2010		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gains/(losses) on investments held at fair value through profit or loss	-	12,126	12,126	-	(3,802)	(3,802)	-	57,239	57,239
Net foreign currency gains/(losses)	-	1,211	1,211	-	(3,450)	(3,450)	-	(1,136)	(1,136)
Income from investments	3,605	-	3,605	3,587	-	3,587	7,023	-	7,023
Other interest receivable and similar income	7	-	7	14	-	14	14	-	14
Gross return/(loss)	3,612	13,337	16,949	3,601	(7,252)	(3,651)	7,037	56,103	63,140
Management fee	(217)	(869)	(1,086)	(193)	(773)	(966)	(379)	(1,516)	(1,895)
Performance fee (charge)/writeback	-	(674)	(674)	-	419	419	-	36	36
Other administrative expenses	(219)	-	(219)	(205)	-	(205)	(448)	-	(448)
Net return/(loss) on ordinary activities before finance costs and taxation	3,176	11,794	14,970	3,203	(7,606)	(4,403)	6,210	54,623	60,833
Finance costs	(347)	(1,388)	(1,735)	(348)	(1,395)	(1,743)	(697)	(2,789)	(3,486)
Net return/(loss) on ordinary activities before taxation	2,829	10,406	13,235	2,855	(9,001)	(6,146)	5,513	51,834	57,347
Taxation	(505)	-	(505)	(502)	-	(502)	(996)	-	(996)
Net return/(loss) on ordinary activities after taxation	2,324	10,406	12,730	2,353	(9,001)	(6,648)	4,517	51,834	56,351
Return/(loss) per share (note 3)	5.33p	23.85p	29.18p	5.51p	(21.07)p	(15.56)p	10.56p	121.14p	131.70p

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.

Reconciliation of Movements in Shareholders' Funds

Six months ended 30th June 2011 (Unaudited)	Called up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
At 31st December 2010	10,713	19,778	8,151	320,852	14,526	374,020
Issue of ordinary shares to the market	513	17,230	–	–	–	17,743
Net return on ordinary activities	–	–	–	10,406	2,324	12,730
Dividends appropriated in the period	–	–	–	–	(4,727)	(4,727)
At 30th June 2011	11,226	37,008	8,151	331,258	12,123	399,766

Six months ended 30th June 2010 (Unaudited)	Called up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
At 31st December 2009	10,682	18,906	8,151	269,018	14,709	321,466
Net (loss)/return on ordinary activities	–	–	–	(9,001)	2,353	(6,648)
Dividends appropriated in the period	–	–	–	–	(4,700)	(4,700)
At 30th June 2010	10,682	18,906	8,151	260,017	12,362	310,118

Year ended 31st December 2010 (Audited)	Called up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
At 31st December 2009	10,682	18,906	8,151	269,018	14,709	321,466
Issue of ordinary shares to the market	31	872	–	–	–	903
Net return on ordinary activities	–	–	–	51,834	4,517	56,351
Dividends appropriated in the year	–	–	–	–	(4,700)	(4,700)
At 31st December 2010	10,713	19,778	8,151	320,852	14,526	374,020

Balance Sheet

at 30th June 2011

	(Unaudited) 30th June 2011 £'000	(Unaudited) 30th June 2010 £'000	(Audited) 31st December 2010 £'000
Fixed assets			
Investments held at fair value through profit or loss	392,015	337,112	389,743
Investments in liquidity funds held at fair value through profit or loss	34,766	21,380	29,831
Total investments	426,781	358,492	419,574
Current assets			
Derivative instrument (note 4)	4,550	1,268	3,314
Debtors	1,194	514	1,628
Cash and short term deposits	18,544	–	30
Creditors: amounts falling due within one year	24,288 (1,057)	1,782 (388)	4,972 (744)
Net current assets	23,231	1,394	4,228
Total assets less current liabilities	450,012	359,886	423,802
Creditors: amounts falling due after more than one year	(49,797)	(49,768)	(49,782)
Provisions for liabilities and charges	(449)	–	–
Net assets	399,766	310,118	374,020
Capital and reserves			
Called up share capital	11,226	10,682	10,713
Share premium	37,008	18,906	19,778
Capital redemption reserve	8,151	8,151	8,151
Capital reserves	331,258	260,017	320,852
Revenue reserve	12,123	12,362	14,526
Shareholders' funds	399,766	310,118	374,020
Net asset value per share (note 5)	890.3p	725.8p	872.8p

Cash Flow Statement

for the six months ended 30th June 2011

	(Unaudited) Six months ended 30th June 2011 £'000	(Unaudited) Six months ended 30th June 2010 £'000	(Audited) Year ended 31st December 2010 £'000
Net cash inflow from operating activities (note 6)	1,387	1,635	3,400
Returns on investments and servicing of finance			
Interest paid	(1,719)	(1,719)	(3,438)
Capital expenditure and financial investment			
Purchases of investments	(65,075)	(127,747)	(198,074)
Sales of investments	70,933	132,120	201,270
Other capital charges	(4)	–	(10)
Net cash inflow from capital expenditure and financial investment	5,854	4,373	3,186
Dividends paid	(4,727)	(4,700)	(4,700)
Net cash inflow/(outflow) before financing	795	(411)	(1,552)
Financing			
Issue of ordinary shares to the market	17,743	–	903
Increase/(decrease) in cash for the period	18,538	(411)	(649)
Reconciliation of net cash flow to movement in net debt			
Net cash movement	18,538	(411)	(649)
Other movements	(14)	(14)	(29)
Exchange movements	(25)	(91)	178
Movement in net debt in the period	18,499	(516)	(500)
Net debt at the beginning of the period	(49,752)	(49,252)	(49,252)
Net debt at the end of the period	(31,253)	(49,768)	(49,752)
Represented by:			
Cash and short term deposits	18,544	–	30
Debt falling due after more than one year	(49,797)	(49,768)	(49,782)
Net debt at the end of the period	(31,253)	(49,768)	(49,752)

Notes to the Accounts

for the six months ended 30th June 2011

1. Financial statements

The information contained within the financial statements in this half year report has not been audited or reviewed by the Company's auditors.

The figures and financial information for the year ended 31st December 2010 are extracted from the latest published accounts of the Company and do not constitute statutory accounts for that year. Those accounts have been delivered to the Registrar of Companies and included the report of the auditors which was unqualified and did not contain a statement under either section 498(2) or 498(3) of the Companies Act 2006.

2. Accounting policies

The accounts have been prepared in accordance with 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' issued in January 2009.

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

The accounting policies applied to these half year accounts are consistent with those applied in the accounts for the year ended 31st December 2010.

3. Return/(loss) per share

	(Unaudited) Six months ended 30th June 2011 £'000	(Unaudited) Six months ended 30th June 2010 £'000	(Audited) Year ended 31st December 2010 £'000
Return/(loss) per share is based on the following:			
Revenue return	2,324	2,353	4,517
Capital return/(loss)	10,406	(9,001)	51,834
Total return/(loss)	12,730	(6,648)	56,351
Weighted average number of shares in issue	43,623,338	42,725,949	42,788,449
Revenue return per share	5.33p	5.51p	10.56p
Capital return/(loss) per share	23.85p	(21.07)p	121.14p
Total return/(loss) per share	29.18p	(15.56)p	131.70p

4. Derivative instrument

The Company has hedged against the currency risk arising from its £50 million debenture liability. The Company has purchased sterling against US\$ for settlement on 5th October 2011, matching the principal amount but not the maturity date of the debenture.

5. Net asset value per share

Net asset value per share is calculated by dividing shareholders' funds by the number of shares in issue at 30th June 2011 of 44,904,047 (30th June 2010: 42,725,949 and 31st December 2010: 42,850,949).

6. Reconciliation of total return/(loss) on ordinary activities before finance costs and taxation to net cash inflow from operating activities

	(Unaudited) Six months ended 30th June 2011 £'000	(Unaudited) Six months ended 30th June 2010 £'000	(Audited) Year ended 31st December 2010 £'000
Total return/(loss) on ordinary activities before finance costs and taxation	14,970	(4,403)	60,833
Less capital (return)/loss before finance costs and taxation	(11,794)	7,606	(54,623)
Scrip dividends received as income	(10)	(8)	(19)
(Increase)/decrease in net debtors and accrued income	(19)	33	46
Management fee charged to capital	(869)	(773)	(1,516)
Performance fee paid	(383)	(311)	(311)
Overseas withholding tax	(508)	(509)	(1,010)
Net cash inflow from operating activities	1,387	1,635	3,400

List of Investments

at 30th June 2011

Company	Sector	Valuation £'000	%
Exxon Mobil	Energy	18,715	4.2
IBM	Technology	12,384	2.8
Microsoft	Technology	11,123	2.5
Apple	Technology	10,419	2.3
Chevron	Energy	9,670	2.1
United Technologies	Producer Durables	9,377	2.1
Merck	Health Care	8,888	2.0
Pfizer	Health Care	8,887	2.0
Procter & Gamble	Consumer Staples	7,908	1.8
Oracle	Technology	7,683	1.7
Wells Fargo	Financial Services	7,221	1.6
Philip Morris International	Consumer Staples	7,201	1.6
CenturyLink	Utilities	7,047	1.6
Occidental Petroleum	Energy	7,032	1.6
Amerisource Bergen	Health Care	6,981	1.5
ConocoPhillips	Energy	6,609	1.5
Qualcomm	Technology	6,314	1.4
Williams	Energy	6,251	1.4
General Electric	Producer Durables	6,064	1.3
Walgreen	Consumer Staples	5,759	1.3
Wellpoint	Health Care	5,754	1.3
AT&T	Utilities	5,740	1.3
MasterCard	Financial Services	5,720	1.3
Bank of America	Financial Services	5,310	1.2
EMC	Technology	5,214	1.2
Citigroup	Financial Services	5,144	1.1
Mylan Laboratories	Health Care	4,946	1.1
US Bancorp	Financial Services	4,823	1.1
Capital One Financial	Financial Services	4,821	1.1
Parker-Hannifin	Producer Durables	4,701	1.0
News Corporation	Consumer Discretionary	4,671	1.0
Wal-Mart Stores	Consumer Staples	4,525	1.0
Metlife	Financial Services	4,309	1.0
Time Warner Cable	Consumer Discretionary	4,210	0.9
National Oilwell Varco	Energy	4,151	0.9
CVS	Consumer Staples	4,129	0.9
E.I. du Pont de Nemours	Materials & Processing	4,044	0.9
Time Warner	Consumer Discretionary	3,860	0.9
Apache	Energy	3,857	0.9
Abbott Laboratories	Health Care	3,839	0.9
Edison International	Utilities	3,703	0.8
General Dynamics	Producer Durables	3,643	0.8
Medtronic	Health Care	3,554	0.8
Zimmer	Health Care	3,529	0.8
Oshkosh Corporation	Producer Durables	3,481	0.8

Company	Sector	Valuation £'000	%
Medco Health Solutions	Health Care	3,364	0.7
Johnson Controls	Producer Durables	3,241	0.7
Nextera Energy	Utilities	3,048	0.7
DirectTV	Consumer Discretionary	3,010	0.7
United Health	Health Care	2,812	0.6
Cliffs Natural Resources	Materials & Processing	2,776	0.6
Cummins	Producer Durables	2,744	0.6
Kroger	Consumer Staples	2,743	0.6
Berkshire Hathaway	Financial Services	2,689	0.6
Wyndham Worldwide	Consumer Discretionary	2,635	0.6
Baxter International	Health Care	2,608	0.6
Ameriprise Financial	Financial Services	2,582	0.6
Colgate-Palmolive	Consumer Staples	2,536	0.6
Verizon Communications	Utilities	2,469	0.5
Lorillard	Consumer Staples	2,414	0.5
Dow Chemical	Materials & Processing	2,401	0.5
Goldman Sachs	Financial Services	2,384	0.5
Hewlett Packard	Technology	2,295	0.5
Norfolk Southern	Producer Durables	2,235	0.5
Sandisk	Technology	2,166	0.5
PNC Financial Services	Financial Services	2,071	0.5
Unum	Financial Services	2,069	0.5
Macy's	Consumer Discretionary	1,944	0.4
Morgan Stanley	Financial Services	1,925	0.4
Coca-Cola Enterprises	Consumer Staples	1,831	0.4
Best Buy	Consumer Discretionary	1,753	0.4
Marriott International	Consumer Discretionary	1,525	0.3
CSX	Producer Durables	1,523	0.3
Target	Consumer Discretionary	1,437	0.3
Agilent Technologies	Health Care	1,436	0.3
Lincoln National	Financial Services	1,429	0.3
Diamond Offshore Drilling	Energy	1,398	0.3
Prudential Financial	Financial Services	1,247	0.3
General Motors	Consumer Discretionary	1,237	0.3
Network Appliance	Technology	1,098	0.2
International Paper	Materials & Processing	1,076	0.2
Broadcom	Technology	1,075	0.2
Chesapeake Energy	Energy	1,042	0.2
KeyCorp	Financial Services	1,013	0.2
130 other investments individually valued at less than £1 million		27,523	6.1
Net current assets ¹		57,997	12.9
Total assets less current liabilities		450,012	100.0

¹Includes investments in liquidity funds.

Interim Management Report

The Company is required to make the following disclosures in its half year report.

Principal Risks and Uncertainties

The principal risks and uncertainties faced by the Company fall into the following broad categories: investment and strategy; market; accounting, legal and regulatory; corporate governance and shareholder relations; operational; financial; political and economic. Information on each of these areas is given in the Business Review within the Annual Report and Accounts for the year ended 31st December 2010.

Related Parties Transactions

During the first six months of the current financial year, no transactions with related parties have taken place which have materially affected the financial position or the performance of the Company.

Directors' Responsibilities

The Board of Directors confirms that, to the best of its knowledge:

- (i) the condensed set of financial statements contained within the half year financial report has been prepared in accordance with the Accounting Standards Board's Statement 'Half-Yearly Financial Reports'; and
- (ii) the interim management report includes a fair review of the information required by 4.2.7R and 4.2.8R of the UK Listing Authority Disclosure and Transparency Rules.

For and on behalf of the Board

Hamish Buchan
Chairman

3rd August 2011

Glossary of Terms and Definitions

Return to shareholders

Total return to the investor, on a mid-market price to mid-market price basis, assuming that all dividends received were reinvested, without transaction costs, in the shares of the Company at the time the shares were quoted ex-dividend.

Return on net assets

Total return on net asset value ('NAV') per share, on a bid value to bid value basis, assuming that all dividends paid out by the Company were reinvested in the shares of the Company at the NAV per share at the time the shares were quoted ex-dividend.

In accordance with industry practice, dividends payable which have been declared but which are unpaid at the balance sheet date are deducted from the NAV when calculating the total return on net assets.

Benchmark 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 shares 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.

Share price discount/premium to net asset value per share

If the share price of an investment trust is lower than the net asset value ('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 the shares of an investment trust to trade at a discount than at a premium.

Information about the Company

Financial Calendar

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

History

The Company has its origins in the Alabama, New Orleans, Texas and Pacific Junction Railways Company Limited which was formed in 1881 to acquire interests in, and to undertake the completion of, three American railroads - the Vicksburg and Meridian, the Vicksburg, Shreveport and Pacific and the New Orleans and North Eastern. In 1917 the Company was reorganised, a proportion of the railroad interests were sold, and the investment powers were widened enabling its assets to be invested in several countries including the United Kingdom. To reflect the new objectives the name was changed to The Sterling Trust. The Company's investment policy reverted to North American securities in 1982 when the name was changed to The Fleming American Investment Trust plc. The name was changed to JPMorgan Fleming American Investment Trust plc in April 2002 and to its present form in 2006. JPMorgan has been the Company's manager and secretary since 1966.

Directors

Hamish Buchan (Chairman)
Sarah Bates
Kate Bolsover
James Fox
James Williams

Company Numbers

Company registration number: 15543
London Stock Sedor number: 08456505
ISIN: GBOO08465055
Bloomberg code: JAM LN

Market Information

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 J.P. Morgan internet site at www.jpmerican.co.uk, where the share price is updated every fifteen minutes during trading hours.

Website

www.jpmerican.co.uk

Share Transactions

The Company's shares may be dealt in directly through a stockbroker, intermediary 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

Manager and Secretary

JPMorgan Asset Management (UK) Limited

Company's Registered Office

Finsbury Dials
20 Finsbury Street
London EC2Y 9AQ
Telephone: 020 7742 6000

For company secretarial and administrative matters please contact Andrew Norman.

Custodian

JPMorgan Chase Bank, N.A.
125 London Wall
London EC2Y 5AJ

Registrars

Equiniti
Reference 1077
Aspect House
Spencer Road
Lancing
West Sussex
BN99 6DA
Telephone: 0871 384 2316

Notifications of changes of address and enquiries regarding share certificates or dividend cheques should be made in writing to the Registrar quoting reference 1077.

Registered shareholders can obtain further details on their holdings on the internet by visiting www.shareview.co.uk.

Independent Auditor

Deloitte LLP
Chartered Accountants and Statutory Auditor
Stonecutter Court
1 Stonecutter Street
London EC4A 4TR

Brokers

Collins Stewart Europe Limited
88 Wood Street
London EC2V 7QR

Savings Product Administrators

For queries on the J.P. Morgan Investment Account, J.P. Morgan ISA and J.P. Morgan SIPP, see contact details on the back cover of this report.

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The Association of
Investment Companies

A member of the AIC

J.P. Morgan Helpline
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Your telephone call may be recorded for your security

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