

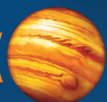


# Jupiter European Special Situations Fund

For the year ended 31 January 2019

# ANNUAL

Report & Accounts



ON THE PLANET TO PERFORM



JUPITER







## Jupiter European Special Situations Fund

### Contents

• Fund Information*	1
• Investment Report*	3
• Comparative Tables	5
• Portfolio Statement*	8
• Summary of Material Portfolio Changes	10
• Statement of Authorised Fund Manager's Responsibilities in relation to the Financial Statements of the Scheme	11
• Statement of Trustee's Responsibilities in relation to the Financial Statements of the Scheme	11
• Report of the Trustee	11
• Independent Auditors' Report	12
• Statement of Total Return	14
• Statement of Change in Net Assets Attributable to Unitholders	14
• Balance Sheet	15
• Directors' Statement	15
• Notes to the Financial Statements	16
• Distribution Tables	27
• General Information*	28

\*These collectively comprise the Authorised Fund Manager's Report



## Jupiter European Special Situations Fund

### Fund Information

#### Manager, Registrar and Administrator

Jupiter Unit Trust Managers Limited  
PO Box 10666  
Chelmsford  
CM99 2BG

Tel: 0800 561 4000

Fax: 0800 561 4001

[www.jupiteram.com](http://www.jupiteram.com)

Registered Address:  
The Zig Zag Building,  
70 Victoria Street,  
London SW1E 6SQ

Authorised and regulated by the Financial Conduct Authority.

#### Trustee

National Westminster Bank plc  
Trustee and Depositary Services  
Floor 1  
280 Bishopsgate  
London EC2M 4RB

Authorised by the Prudential Regulation Authority and regulated by the  
Financial Conduct Authority and by the Prudential Regulation Authority.

#### Investment Adviser

Jupiter Asset Management Limited  
The Zig Zag Building  
70 Victoria Street  
London SW1E 6SQ

Authorised and regulated by the Financial Conduct Authority.

#### Independent Auditor

PricewaterhouseCoopers LLP  
Atria One  
144 Morrison Street  
Edinburgh  
EH3 8EX

#### Directors

The Directors of Jupiter Unit Trust Managers Limited are:

R Corfield

P M Moore

R V Parker\*

N Ring

A Sargent\*

J Singh\*\*

\*Resigned 01 October 2018

\*\*Appointed 01 October 2018

It is the intention of Jupiter Unit Trust Managers Limited to make this Report & Accounts available on their website. The maintenance and integrity of the Jupiter Unit Trust Managers Limited website is the responsibility of the Directors; the work carried out by the auditor of the Jupiter European Special Situations Fund does not involve consideration of these matters and, accordingly, the auditor accepts no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.



## Jupiter European Special Situations Fund

### Fund Information (continued)

#### Investment Objective

To achieve long-term capital growth by exploiting special situations principally in Europe.

#### Investment Policy

To attain the objective by investing principally in European equities, in investments considered by the Manager to be undervalued.

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

#### Status

The Fund operates under the Investment Funds Sourcebook (FUND) where applicable and the Collective Investment Schemes Sourcebook (COLL) of the Financial Conduct Authority. The Fund is an authorised unit trust scheme under Section 237 of the Financial Services and Markets Act 2000 and is a UCITS scheme as defined in the COLL rules. It is in the 'Europe excluding UK' Investment Association sector.

The Fund is a qualifying fund for inclusion within a stocks and shares Individual Savings Account (ISA). It is the Manager's intention to continue to manage the affairs of the Fund in order to meet the qualifying requirements as outlined in the current legislation.

#### Unit Classes

In addition to the basic class of units which are available to all types of investors, the Trust also offers I-Class units which are available to investors who invest a minimum of £5,000,000 and Z-Class units which are available to investors who invest a minimum of £125,000,000. Further details are available from the Manager on request. Please note that in order to distinguish between the unit classes within the Trust they are defined in this report as either Retail Units (non I-Class and non Z-Class) or I-Class Units or Z-Class units. The unit types associated with each unit class are disclosed in the Comparative Tables on pages 5 and 6.

### Cumulative Performance (% change to 31 January 2019)

	1 year	3 years	5 years	10 years	Since launch*
Percentage growth	-14.0	18.6	30.1	136.5	714.2
Sector position	101/119	99/108	84/98	48/74	1/31
Quartile ranking	4th	4th	4th	3rd	1st

Source: FE, I-Class Units, NAV to NAV or bid to NAV dependent on the period of reporting, all performance is net of fees with net income reinvested. Past performance is no guide to the future. \*Launch date 1 March 1999.

This document is for informational purposes only and is not investment advice. Market and exchange rate movements can cause the value of an investment to fall as well as rise, and you may get back less than originally invested. We recommend you discuss any investment decisions with a financial adviser, particularly if you are unsure whether an investment is suitable. Jupiter is unable to provide investment advice. Current tax levels and reliefs will depend on your individual circumstances and are subject to change in the future. **This Fund invests mainly in shares and it is likely to experience fluctuations in price which are larger than funds that invest only in bonds and/or cash. This Fund can invest more than 35% of its value in securities issued or guaranteed by an EEA state.** For definitions please see the glossary at [jupiteram.com](http://jupiteram.com). Every effort is made to ensure the accuracy of any information provided but no assurances or warranties are given. Company examples are for illustrative purposes only and are not a recommendation to buy or sell. Quoted yields are not guaranteed and may change in the future. Jupiter Unit Trust Managers Limited is authorised and regulated by the Financial Conduct Authority and their registered address is The Zig Zag Building, 70 Victoria Street, London, SW1E 6SQ.



# ANNUAL REPORT

## Jupiter European Special Situations Fund

For the year ended 31 January 2019

### Investment Report

#### Performance Review

For the year ending 31 January 2019 the total return on the units was -14.0%\*, compared to a return of -7.8%\* in sterling for the FTSE World Europe ex UK Index, the fund's benchmark. Over five years the fund returned 30.1%\*, compared to 42.8%\* for the benchmark.

\*Source: FE, NAV to NAV or bid to NAV dependent on the period of reporting, all performance is net of fees with net income reinvested. The statistics disclosed above relate to I-Class Units unless otherwise stated.

#### Market Review

In contrast to the exceptionally calm market conditions of the last couple of years, the period under review saw volatility return with a vengeance, breaking what had been a seemingly endless upward trend for momentum stocks. The fierceness of equity market sell-offs this year, notably in February, October and December, have served as a reminder of the dangers of too much complacency – ultra-low interest rates and loose monetary policy appeared to have blunted the markets' understanding of risk.

Every major sector ended the period under review down, except for utilities and oil and gas, with cyclicals – businesses that are closely linked to changes in the economic cycle – faring the worst. Perhaps the simplest explanation was that markets were becoming more volatile as investors adjusted to a world with a higher cost of capital as a decade of financial stimulus was gradually withdrawn. Compounding this, a plethora of macro economic risks hurt sentiment over the period, including concerns over slowing global growth, the US-China trade war, chaos around the Brexit negotiations, and turmoil in France over the gilet jaunes protests.

While the European Central Bank (ECB) said that it expected interest rates to remain at record lows 'at least through the summer' of 2019, they continued to press ahead with plans to slowly phase out their quantitative easing programme in the second half of this year. Against this backdrop, the financial sector saw a sharp reversal in fortunes this year, as the prospect of lower interest rates for longer weighed on bank shares.

European equity markets bounced back in January along with global markets to recover some of the losses seen

at the end of 2018. Dovish comments from the US Federal Reserve about pausing the interest rate hiking cycle and even their balance sheet reductions helped to trigger the rebound in risk sentiment; as did falling market expectations on an interest rate rise from the ECB. While many companies reported muted earnings with cautious growth outlooks, markets responded positively, a reversal to the mood of much of the period under review where even slight disappointments were punished harshly.

#### Policy Review

Historically, the fund has outperformed in the majority of down markets, given our focus on what we consider good quality businesses with a defensive growth profile, trading at sensible valuations. This year was an exception, however. The indiscriminate nature of the equity market sell-offs, particularly in October and December, was a major reason behind negative fund performance rather than stock-specific developments. Many of our stocks fell even after reporting healthy results, such as Kion and Gerresheimer. Some were perhaps affected by virtue of being mid-caps, where liquidity exacerbated any moves, such as Elis Warrants or Cerved Information Solutions.

The biggest individual detractor from performance was telecom services firm Iliad, which suffered from tough trading conditions in France and Italy. Fresenius Medical Care also performed poorly after lowering their future earning estimates for the year. Pandora detracted due to a slowdown in the Danish jewellery maker's Chinese business and negative sentiment in the retail sector. Ryanair Holding also suffered due to a combination of rising fuel prices and strikes among its employees across Europe, which resulted in earnings warnings.

On the positive side, Nokia was the top contributor to returns. The company rose as evidence of 5G spending by telecoms operators became more apparent; it also benefited from the political pressure on rival Huawei. Other holdings that rose following strong results that were ahead of expectations in the period under review included Edenred and Aroundtown.



## Investment Report (continued)

One holding that directly benefited from the volatility this year was Flow Traders, a company which makes markets in exchange-traded funds, one of the fund's strongest contributors to performance in the period under review. Similarly, Deutsche Boerse, the stock exchange, rose as result of the increased volatility.

### **Investment Outlook**

While our aim is to have a portfolio of high-quality businesses, our view remains that the market's fixation on 'growth-at-any-price' stocks in recent years has left numerous perfectly decent, but slightly unfashionable, businesses looking neglected. While perhaps less 'glamorous', we have numerous examples in the portfolio of stocks trading at long-term low valuations which we consider as having healthy growth prospects and significant upside potential.

Looking forward, we envisage plenty of opportunities to continue this process of adding to the overall quality of the portfolio, given the many potential sources of friction. This could include China's slowing economy and the US's surging budget deficit and hostility towards global trade, and the final outcome of the Brexit deal. Combined with the end of central bank largesse, any of these have the potential to hurt global growth and, by extension, equity markets.

**Cédric de Fonclare**  
**Fund Manager**



## Jupiter European Special Situations Fund

### Comparative Tables

#### Change in net assets per unit

	Retail Accumulation			I-Class Accumulation		
	31.01.19	31.01.18	31.01.17	31.01.19	31.01.18	31.01.17
Opening net asset value per unit	424.60p	381.22p	315.23p	445.38p	395.92p	325.15p
Return before operating charges*	(53.40p)	50.78p	72.02p	(56.32p)	53.92p	74.38p
Operating charges	(7.17p)	(7.40p)	(6.03p)	(4.33p)	(4.46p)	(3.61p)
Return after operating charges*	(60.57p)	43.38p	65.99p	(60.65p)	49.46p	70.77p
Distributions on accumulation unit	(1.46p)	(0.92p)	(2.48p)	(4.71p)	(4.22p)	(5.23p)
Retained distributions on accumulation unit	1.46p	0.92p	2.48p	4.71p	4.22p	5.23p
Closing net asset value per unit	364.03p	424.60p	381.22p	384.73p	445.38p	395.92p
*after direct transaction costs of:	0.34p	0.49p	0.34p	0.36p	0.51p	0.35p

#### Performance

Return after charges	(14.27%)	11.38%	20.93%	(13.62%)	12.49%	21.77%
----------------------	----------	--------	--------	----------	--------	--------

#### Other information

Closing net asset value (£'000)	181,430	349,442	342,666	241,342	409,284	400,663
Closing number of units	49,838,831	82,299,679	89,886,605	62,729,733	91,894,467	101,198,014
Operating charges	1.76%	1.77%	1.77%	1.01%	1.02%	1.02%
Direct transaction costs	0.08%	0.12%	0.10%	0.08%	0.12%	0.10%

#### Prices

Highest unit price	432.24p	460.87p	402.11p	455.36p	458.23p	397.60p
Lowest unit price	353.09p	376.93p	292.60p	372.89p	392.48p	302.47p

#### Change in net assets per unit

	Z-Class Accumulation**
	31.01.19
Opening net asset value per unit	437.93p
Return before operating charges*	(51.32p)
Operating charges	(1.87p)
Return after operating charges*	(53.19p)
Distributions on accumulation unit	(0.00p)
Retained distributions on accumulation unit	0.00p
Closing net asset value per unit	384.74p
*after direct transaction costs of:	0.34p

#### Performance

Return after charges	(12.15%)
----------------------	----------

#### Other information

Closing net asset value (£'000)	1
Closing number of units	259
Operating charges	0.90%
Direct transaction costs	0.08%

#### Prices

Highest unit price	455.36p
Lowest unit price	372.90p

\*\*Z-Class Accumulation units were launched on 17 August 2018.





## Jupiter European Special Situations Fund

### Comparative Tables (continued)

#### Change in net assets per unit

	I-Class Income			Z-Class Income**
	31.01.19	31.01.18	31.01.17	31.01.19
Opening net asset value per unit	425.43p	381.75p	317.74p	418.36p
Return before operating charges*	(53.78p)	52.07p	72.67p	(49.04p)
Operating charges	(4.12p)	(4.32p)	(3.55p)	(1.78p)
Return after operating charges*	(57.90p)	47.75p	69.12p	(50.82p)
Distributions on income unit	(4.50p)	(4.07p)	(5.11p)	0.00p
Closing net asset value per unit	363.03p	425.43p	381.75p	367.54p
*after direct transaction costs of:	0.34p	0.49p	0.35p	0.33p

#### Performance

Return after charges	(13.61%)	12.51%	21.75%	(12.15%)
----------------------	----------	--------	--------	----------

#### Other information

Closing net asset value (£'000)	54,098	208,950	126,856	1
Closing number of units	14,901,616	49,114,540	33,230,020	271
Operating charges	1.01%	1.02%	1.02%	0.90%
Direct transaction costs	0.08%	0.12%	0.10%	0.08%

#### Prices

Highest unit price	435.00p	441.92p	388.56p	435.01p
Lowest unit price	356.22p	378.47p	295.58p	356.23p

\*\*Z-Class Income units were launched on 17 August 2018.



## Jupiter European Special Situations Fund

### Comparative Tables (continued)

#### Portfolio Turnover Rate

The Portfolio Turnover Rate (PTR) of the Fund, based on the figures included within the financial statements for the period as indicated below, is as follows:

	Year to 31.01.19	Year to 31.01.18
Portfolio Turnover Rate	31.28%	50.42%

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

#### Risk and reward indicator

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

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

##### Retail Units

1	2	3	4	5	6	7
---	---	---	---	---	---	---

##### I-Class Units

1	2	3	4	5	6	7
---	---	---	---	---	---	---

##### Z-Class Units

1	2	3	4	5	6	7
---	---	---	---	---	---	---

- The lowest category does not mean 'no risk'. Some risk will still be present in funds with a risk and reward rating of 1.
- The Fund is in this category due to the nature of its investments and previous levels of volatility (how much the value of the Fund rises and falls).

#### Charges

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

Charges taken from the Fund over the year to:	31.01.19	31.01.18
Ongoing charges for Retail Units	1.76%	1.77%
Ongoing charges for I-Class Units	1.01%	1.02%
Ongoing charges for Z-Class Units	0.90%	n/a





## Jupiter European Special Situations Fund

### Portfolio Statement

as at 31 January 2019

Holding	Investment	Market value £	Total net assets %
<b>Austria – 0.00% (1.00%)</b>			
<b>Belgium – 1.50% (3.88%)</b>			
221,856	Umicore	7,131,288	1.50
<b>Denmark – 4.27% (6.69%)</b>			
171,001	ISS A/S	3,682,929	0.77
401,565	Novo Nordisk 'B'	14,226,831	2.98
74,805	Pandora	2,460,144	0.52
		20,369,904	4.27
<b>Finland – 3.50% (1.53%)</b>			
3,483,909	Nokia	16,690,010	3.50
<b>France – 20.39% (20.23%)</b>			
146,142	Amundi	6,391,733	1.34
548,246	Bureau Veritas	9,275,227	1.94
76,549	Dassault Systemes	7,314,947	1.53
233,511	Edenred	7,214,649	1.51
506,135	Elis Warrants	6,229,492	1.31
133,453	Essilor International	12,857,405	2.70
138,405	Ingenico	5,747,900	1.21
64,005	LVMH	15,582,352	3.27
160,665	Thales	13,546,508	2.84
194,920	Vinci	13,068,209	2.74
		97,228,422	20.39
<b>Germany – 25.84% (21.40%)</b>			
189,700	Bayer	10,962,573	2.30
290,658	Brenntag	10,433,053	2.19
58,254	Continental	7,007,277	1.47
131,771	Deutsche Boerse	13,356,272	2.80
259,176	Fresenius Medical Care	14,532,152	3.05
158,530	Gerresheimer	8,165,648	1.71
115,001	Henkel	8,498,589	1.78
518,601	Infineon Technologies	8,778,216	1.84
115,312	Kion	5,067,479	1.06
100,891	Knorr-Bremse	7,563,226	1.59
206,099	SAP	16,215,924	3.40
420,534	Siemens Healthineers	12,644,500	2.65
		123,224,909	25.84



## Jupiter European Special Situations Fund

### Portfolio Statement (continued)

Holding	Investment	Market value £	Total net assets %
	<b>Ireland – 5.58% (6.99%)</b>		
406,338	CRH	8,850,448	1.86
221,749	Kingspan	6,940,222	1.46
1,124,068	Ryanair Holding	10,790,508	2.26
		26,581,178	5.58
	<b>Italy – 1.69% (2.46%)</b>		
1,205,434	Cerved Information Solutions	8,080,655	1.69
	<b>Luxembourg – 1.21% (3.13%)</b>		
855,635	Aroundtown	5,754,429	1.21
	<b>Netherlands – 19.17% (15.48%)</b>		
97,274	ASML Holding	13,000,843	2.73
275,122	Euronext	12,839,212	2.69
87,347	Ferrari	8,270,602	1.73
428,173	Flow Traders	10,076,750	2.11
408,623	GrandVision	6,936,253	1.45
187,501	Heineken	12,812,870	2.69
907,135	RELX	15,287,565	3.21
300,139	Unilever	12,210,691	2.56
		91,434,786	19.17
	<b>Spain – 5.16% (3.19%)</b>		
182,493	Amadeus IT Group	10,098,774	2.12
746,305	Applus Services	6,506,665	1.36
4,497,169	Prosegur Cash	8,022,169	1.68
		24,627,608	5.16
	<b>Sweden – 6.18% (4.88%)</b>		
884,724	Assa Abloy	12,514,975	2.62
811,461	Essity Aktiebolag	16,963,954	3.56
		29,478,929	6.18
	<b>Switzerland – 3.15% (5.81%)</b>		
13,274	Lonza Group	2,661,802	0.56
8,222	Partners Group	4,299,820	0.90
80,099	Sika AG	8,040,232	1.69
		15,001,854	3.15
	Total value of investments	465,603,972	97.64
	Net other assets	11,268,437	2.36
	<b>Net assets</b>	<b>476,872,409</b>	<b>100.00</b>

All holdings are ordinary shares or stock units unless otherwise stated.  
The figures in brackets show allocations as at 31 January 2018.



## Jupiter European Special Situations Fund

### Summary of Material Portfolio Changes

Significant purchases and sales for the year ended 31 January 2019

Purchases	Cost £	Sales	Proceeds £
Unilever	16,215,725	Roche Holding	40,846,199
Siemens Healthineers	15,192,775	ING Groep	27,465,451
Cerved Information Solutions	13,325,216	Ageas (BRU)	22,066,211
Ingenico	11,878,387	SAP	21,477,949
Applus Services	11,032,901	UniCredit	19,882,629
Henkel	7,856,594	Fresenius Medical Care	18,853,912
Ferrari	7,833,644	CRH	18,822,803
Dassault Systemes	7,260,533	Essity Aktiebolag	17,044,137
Knorr-Bremse	7,128,831	Iliad	17,036,035
Thales	6,660,555	Edenred	15,153,378
Subtotal	104,385,161	Subtotal	218,648,704
<b>Total cost of purchases, including the above, for the year</b>	<b>169,390,343</b>	<b>Total cost of sales, including the above, for the year</b>	<b>523,980,270</b>



## Statement of Authorised Fund Manager's responsibilities in relation to the financial statements of the Scheme

The Financial Conduct Authority's Collective Investment Schemes (COLL) and where applicable Investment Funds (FUND) Sourcebooks, as amended (the Sourcebooks) require the Authorised Fund Manager (the 'Manager') to prepare financial statements for each annual accounting period which give a true and fair view of the financial affairs of the Scheme and of its revenue and expenditure for the year. In preparing the financial statements the Manager is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;

- prepare the accounts on a going concern basis, unless it is inappropriate to do so;
- comply with the requirements of the Statement of Recommended Practice for Authorised Funds;
- follow applicable accounting standards; and
- keep proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements.

The Manager is responsible for the management of the Scheme in accordance with the Sourcebooks and the Scheme's Trust Deed and Prospectus. The Manager is also responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Statement of Trustee's responsibilities in relation to the financial statements of the Scheme

The Trustee must ensure that the Scheme is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Financial Services and Markets Act 2000, as amended, (together 'the Regulations'), the Trust Deed and Prospectus (together 'the Scheme documents') as detailed below.

The Trustee must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Scheme and its investors.

The Trustee is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Scheme in accordance with the Regulations. The Trustee must ensure that:

- the Scheme's cash flows are properly monitored and that cash of the Scheme is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, redemption and cancellation of units are carried out in accordance with the Regulations;

- the value of units of the Scheme are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Scheme's assets is remitted to the Scheme within the usual time limits;
- the Schemes income is applied in accordance with the Regulations; and
- the instructions of the Authorised Fund Manager (the 'AFM') are carried out (unless they conflict with the Regulations).

The Trustee also has a duty to take reasonable care to ensure that the Scheme is managed in accordance with the Regulations and the Scheme documents in relation to the investment and borrowing powers applicable to the Scheme.

A copy of the Report of Trustee is set out below.

## Report of the Trustee

### Jupiter European Special Situations Fund

Having carried out such procedures as we considered necessary to discharge our responsibilities as Trustee of the Scheme, it is our opinion, based on information available to us and explanations provided, that, in all material respects, acting through the AFM:

- has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Scheme's units and the application of the Scheme's

revenue in accordance with the Regulations and the Scheme Documents; and

- has observed the investment and borrowing powers and restrictions applicable to the Scheme.

**National Westminster Bank plc**  
Trustee & Depositary Services  
London  
22 March 2019





## Independent Auditors' Report to the Unitholders of the Jupiter European Special Situations Fund

### Report on the audit of the financial statements

#### Opinion

In our opinion, the Jupiter European Special Situations Fund's financial statements:

- give a true and fair view of the financial position of the Fund as at 31 January 2019 and of the net revenue and the net capital losses of its scheme property for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards), comprising FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and applicable law, the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Trust Deed.

We have audited the financial statements, included within the Annual Report and Accounts ('the Annual Report'), which comprise: the Balance Sheet as at 31 January 2019; the Statement of Total Return and the Statement of Change in Net Assets Attributable to Unitholders for the year then ended; the distribution tables; and the notes to the financial statements, which include a description of the significant accounting policies.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Independence

We remained independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

#### Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the Authorised Fund Manager's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

- the Authorised Fund Manager has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Fund's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Fund's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the Fund's business and the wider economy.

#### Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Authorised Fund Manager is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

#### Authorised Fund Manager's Report

In our opinion, the information given in the Authorised Fund Manager's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.



## Independent Auditors' Report to the Unitholders of the Jupiter European Special Situations Fund (continued)

### Responsibilities for the financial statements and the audit

#### Responsibilities of the Authorised Fund Manager for the financial statements

As explained more fully in the Statement of Authorised Fund Manager's responsibilities in relation to the financial statements of the Scheme set out on page 11, the Authorised Fund Manager is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Authorised Fund Manager is also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Authorised Fund Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Authorised Fund Manager either intend to wind up or terminate the Fund, or have no realistic alternative but to do so.

#### Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

### Use of this report

This report, including the opinions, has been prepared for and only for the Fund's unitholders as a body in accordance with paragraph 4.5.12 of the Collective Investment Schemes Sourcebook and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### Other required reporting

#### Opinion on matter required by the Collective Investment Schemes sourcebook

In our opinion, we have obtained all the information and explanations we consider necessary for the purposes of the audit.

#### Collective Investment Schemes sourcebook exception reporting

Under the Collective Investment Schemes Sourcebook we are required to report to you if, in our opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

#### PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Edinburgh

22 March 2019



## Jupiter European Special Situations Fund

### Statement of Total Return

For the year ended 31 January 2019

	Note	Year to 31.01.19		Year to 31.01.18	
		£	£	£	£
Income					
Net capital (losses)/gains	3		(115,211,121)		97,336,510
Revenue	4	21,311,060		21,795,731	
Expenses	5	(10,244,936)		(12,360,828)	
Interest payable and similar charges		(1,095)		(234)	
Net revenue before taxation		11,065,029		9,434,669	
Taxation	6	(2,566,292)		(2,929,585)	
Net revenue after taxation			8,498,737		6,505,084
<b>Total return before distributions</b>			<b>(106,712,384)</b>		<b>103,841,594</b>
Distributions	7		(8,503,014)		(6,514,607)
<b>Change in net assets attributable to unitholders from investment activities</b>			<b>(115,215,398)</b>		<b>97,326,987</b>

### Statement of Change in Net Assets Attributable to Unitholders

For the year ended 31 January 2019

	Year to 31.01.19		Year to 31.01.18	
	£	£	£	£
<b>Opening net assets attributable to unitholders</b>		<b>967,675,811</b>		<b>870,184,595</b>
Amounts receivable on issue of units	30,355,868		61,867,091	
Amounts payable on cancellation of units	(409,626,293)		(66,343,069)	
		(379,270,425)		(4,475,978)
Change in net assets attributable to unitholders from investment activities		(115,215,398)		97,326,987
Retained distribution on accumulation units		3,682,421		4,640,207
<b>Closing net assets attributable to unitholders</b>		<b>476,872,409</b>		<b>967,675,811</b>



## Jupiter European Special Situations Fund

### Balance Sheet

As at 31 January 2019

	Note	31.01.19 £	31.01.18 £
<b>Assets</b>			
Investments		465,603,972	935,429,595
Current Assets:			
Debtors	8	248,620,102	7,554,748
Cash and bank balances		37,730,034	35,481,807
Total assets		751,954,108	978,466,150
<b>Liabilities</b>			
Creditors:			
Distribution payable		(670,185)	(2,000,730)
Other creditors	9	(274,411,514)	(8,789,609)
Total liabilities		(275,081,699)	(10,790,339)
<b>Net assets attributable to unitholders</b>		<b>476,872,409</b>	<b>967,675,811</b>

### Directors' Statement

#### Jupiter European Special Situations Fund

This report has been prepared in accordance with the requirements of the Financial Conduct Authority's Collective Investment Schemes Sourcebook and Investment Funds Sourcebook where applicable and the Statement of Recommended Practice issued by the Investment Association.

**Directors: Paula Moore, Nick Ring**

Jupiter Unit Trust Managers Limited

London

22 March 2019



## Notes to the Financial Statements

For the year ended 31 January 2019

### 1. Accounting Policies

#### (a) Basis of Accounting

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments, in compliance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook. They have been prepared in accordance with FRS102 and the Statement of Recommended Practice for Financial Statements of UK Authorised Funds issued by The Investment Management Association (now referred to as the Investment Association) in May 2014 (the 2014 SORP).

As stated in the Statement of Authorised Fund Managers' Responsibilities in relation to the financial statements of the Scheme on page 11, the Manager continues to adopt the going concern basis in the preparation of the financial statements of the Fund.

The accounting policies outlined below have been applied on a consistent basis throughout the year.

#### (b) Revenue

All dividends from companies declared ex-dividend during the year ended 31 January 2019 are included in revenue, net of any attributable tax.

Overseas revenue received after the deduction of withholding tax is shown gross of tax, with the tax consequences shown within the tax charge.

Bank interest and interest on short-term deposits are accrued up to the year end date.

Special dividends are reviewed on a case by case basis when determining if the dividend is to be treated as revenue or capital. The tax treatment follows the accounting treatment of the principal amount.

#### (c) Expenses

All expenses, including overdraft interest, but excluding those relating to the purchase and sale of investments, are charged against the revenue of the Fund. All of the Fund's expenses are recognised on an accruals basis.

#### (d) Valuation of Investments

The investments of the Fund have been valued using bid market values ruling on international stock exchanges at close of business on 31 January 2019, being the last valuation point of the year. Market value is defined by the SORP as fair value which is generally the bid value of each security.

Where a stock is unlisted or where there is a non liquid market, a valuation for this stock has been obtained from market makers where possible, and suspended stocks are normally valued at their suspension price. However, where the Manager believes that these prices do not reflect a fair value, or where no reliable price exists for a security, it is valued at a price which in the opinion of the Manager reflects a fair and reasonable price for that investment.

A Pricing and Valuation Committee (PVC) of the Investment Manager is responsible for approving unquoted prices. The PVC meets on a quarterly basis and consists of representatives from various parts of the Investment Manager who act as an independent party, segregated from the fund management function to review and approve fair value pricing decisions and pricing models on a regular basis.

#### (e) Foreign Exchange

Transactions in foreign currencies are translated into Sterling at the rates ruling at the dates of the transactions. Assets and liabilities expressed in foreign currencies are translated at the rates ruling at close of business on 31 January 2019, being the last valuation point of the year.



## Notes to the Financial Statements (continued)

### 1. Accounting Policies – continued

#### (f) Taxation

Corporation tax is provided at 20% on revenue, other than UK dividends and overseas dividends, after deduction of expenses. Where overseas tax has been deducted from overseas revenue that tax can, in some instances, be set off against Corporation tax payable, by way of double taxation relief.

The charge for tax is based on the profit for the year and takes into account deferred taxation because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is provided using the liability method on all timing differences, calculated at the rate at which it is anticipated the timing differences will reverse. Deferred tax assets are recognised only when, on the basis of available evidence, it is more likely than not that there will be taxable profits in the future against which the Deferred tax can be offset.

### 2. Distribution Policies

#### (a) Basis of Distribution

All of the net revenue available for distribution at the end of the final accounting period will be distributed to unitholders as a dividend distribution. In order to achieve a controlled dividend flow to unitholders, interim distributions may be made at the Manager's discretion, up to a maximum of the distributable revenue available for the period. Should expenses and taxation together exceed revenue, there will be no distribution and the shortfall will be met from capital.

If, in respect of a particular accounting period, the average income allocation to unitholders (disregarding, for this purpose, any units held by the Manager or Trustee or their associates) would be less than £25, the Manager reserves the right (with the agreement of the Trustee) not to make any income allocation and, in such an event, the amount of net revenue remaining for that period will be credited to capital and reflected in the value of units.

#### (b) Distributions Dates

Net revenue, if any, will be distributed or accumulated to unitholders as a dividend distribution, annually on 31 March in respect of the accounting year ending 31 January.



## Jupiter European Special Situations Fund

### Notes to the Financial Statements (continued)

#### 3. Net capital (losses)/gains

The net (losses)/gains on investments during the year comprise:

	31.01.19 £	31.01.18 £
Currency gains/(losses)	21,375	(381,485)
Transaction charges	(6,530)	(13,253)
(Losses)/gains on non-derivative securities	(115,225,966)	97,585,349
Special dividends	–	145,899
<b>Net capital (losses)/gains</b>	<b>(115,211,121)</b>	<b>97,336,510</b>

#### 4. Revenue

	31.01.19 £	31.01.18 £
Overseas dividends	21,271,447	21,788,432
Bank interest	39,349	7,035
Deposit interest	264	264
<b>Total revenue</b>	<b>21,311,060</b>	<b>21,795,731</b>

#### 5. Expenses

	31.01.19 £	31.01.18 £
<b>Payable to the Manager, associates of the Manager and agents of either of them:</b>		
Manager's periodic charge	8,087,328	9,792,006
Registration fees	1,945,206	2,274,323
	<b>10,032,534</b>	<b>12,066,329</b>
<b>Payable to the Trustee, associates of the Trustee and agents of either of them:</b>		
Trustee's fee	91,153	124,920
Safe custody fees	72,521	140,985
	<b>163,674</b>	<b>265,905</b>
<b>Other expenses:</b>		
Audit fee*	10,506	10,200
Professional fees on withholding tax reclaims - non-audit services	38,087	18,240
Financial Conduct Authority fee	135	154
	<b>48,728</b>	<b>28,594</b>
<b>Total expenses</b>	<b>10,244,936</b>	<b>12,360,828</b>

\*The audit fee (excluding VAT) incurred during the year was £8,755 (31.01.18: £8,500).



## Jupiter European Special Situations Fund

### Notes to the Financial Statements (continued)

#### 6. Taxation

##### (a) Analysis of charge in the year:

	31.01.19 £	31.01.18 £
Irrecoverable overseas tax	2,566,292	1,900,735
Swiss tax reclaims written off	–	1,028,850
<b>Total tax charge for the year</b>	<b>2,566,292</b>	<b>2,929,585</b>

##### (b) Factors affecting current tax charge for the year:

The tax assessed for the year is higher (2018 higher) than the standard rate of corporation tax in the UK for an authorised unit trust. The differences are explained below:

	31.01.19 £	31.01.18 £
Net revenue before taxation	11,065,029	9,434,669
Corporation Tax at 20%	2,213,006	1,886,934
<b>Effects of:</b>		
Revenue not subject to taxation	(4,254,290)	(4,357,686)
Irrecoverable overseas tax	2,566,292	1,900,735
Swiss tax reclaims written off	–	1,028,850
Current year expenses not utilised	2,041,284	2,470,752
<b>Current tax charge for the year</b>	<b>2,566,292</b>	<b>2,929,585</b>

Authorised unit trusts are exempt from tax on capital gains, therefore any capital return is not included in the above reconciliation.

##### (c) Provision for Deferred Tax

At 31 January 2019 there are surplus management expenses of £103,888,499 (31.01.18: £93,682,080). It is unlikely the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore a deferred tax asset of £20,777,700 (31.01.18: £18,736,416) has not been recognised.



## Jupiter European Special Situations Fund

### Notes to the Financial Statements (continued)

#### 7. Distributions

The distributions take account of amounts received on the issue of units and deducted on the cancellation of units and comprise:

	31.01.19 £	31.01.18 £
Final distribution	4,352,606	6,640,937
	4,352,606	6,640,937
Amounts received on issue of units	(260,291)	(605,034)
Amounts paid on cancellation of units	4,410,699	478,704
<b>Net distributions for the year</b>	<b>8,503,014</b>	<b>6,514,607</b>
<b>Reconciliation of net revenue after taxation to Distributions:</b>		
Net revenue after taxation for the year	8,498,737	6,505,084
Net movement in revenue account	49	(18)
Equalisation on conversions	4,223	9,541
Transfer from capital for revenue deficit*	5	–
<b>Net distributions for the year</b>	<b>8,503,014</b>	<b>6,514,607</b>

\*No final distribution will be paid to holders of Z-Class income units and Z-Class accumulation units as there was an excess of expenses over revenue in respect of these unit classes for the current year. The deficit has been covered by a transfer from the capital of the Fund.

Details of the distributions in pence per unit are shown in the distribution tables on page 27.

#### 8. Debtors

	31.01.19 £	31.01.18 £
Accrued revenue	5,004	2,345
Amounts receivable for issue of units	2	841,150
Currency sales awaiting settlement	124,337,305	–
Overseas tax recoverable	2,029,236	3,545,972
Sales awaiting settlement	122,248,555	3,165,281
<b>Total debtors</b>	<b>248,620,102</b>	<b>7,554,748</b>

#### 9. Other creditors

	31.01.19 £	31.01.18 £
Accrued expenses	179,633	301,142
Amounts payable for cancellation of units	146,879,089	982,375
Currency purchases awaiting settlement	124,737,935	–
Purchases awaiting settlement	2,614,857	7,506,092
<b>Total other creditors</b>	<b>274,411,514</b>	<b>8,789,609</b>



## Notes to the Financial Statements (continued)

### 10. Contingent Assets, Liabilities and Capital Commitments

The Fund had no contingent assets, liabilities or capital commitments at the balance sheet date (31.01.18: £nil).

### 11. Related Party Transactions

Jupiter Unit Trust Managers Limited (JUTM), as Manager, is a related party in respect of their dealings with the Fund. JUTM acts as principal in respect of all transactions of units in the Fund. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Unitholders and, if applicable, in Note 7 (Distributions).

Amounts receivable/(payable) to/from JUTM in respect of issues/cancellations are disclosed in the Statement of Change in Net Assets Attributable to Unitholders. At the year end the net balance of £146,879,087 was payable to JUTM (31.01.18: (£141,225) payable to JUTM). These amounts are included in Amounts receivable for issues of units in Note 8 and Amounts payable for cancellation of units in Note 9.

Any amounts due to or from JUTM at the end of the accounting year are disclosed in Notes 8 (debtors) and 9 (other creditors). Amounts payable to JUTM in respect of fund management are disclosed in Note 5 (expenses). At the year end £109,547 (31.01.18: £191,591) was due to JUTM. These amounts are included in accrued expenses in Note 9.

### 12. Financial Instruments

In pursuing its investment objectives the Fund holds a number of financial instruments. These comprise securities and other investments, cash balances, short term fixed deposits, bank overdrafts and debtors and creditors that arise directly from its operations, for example, in respect of sales and purchases awaiting settlement, amounts receivable from issues and payable for cancellations and debtors for accrued revenue.

The Fund may enter into derivative transactions for efficient portfolio management and investment purposes.

The main risks it faces from its financial instruments are market price, foreign currency, liquidity and interest rate risk. The Manager reviews policies for managing these risks in pursuance of the Investment Objective and Policy as set out on page 2 and they are summarised later. These risks remain unchanged from the prior year apart from the addition of liquidity risk.

Adherence to investment guidelines and to investment and borrowing powers set out in the Trust Deed, Scheme Particulars and in the rules of the Collective Investment Schemes Sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer. Further information on the investment portfolio is set out in the Investment Review and Portfolio Statement.

#### Liquidity Risk

With any financial instrument held, there is the risk that the Fund may not be able to sell the full amount it wishes to at any given point of time, at the price at which the holding is valued within the portfolio. This risk is most pronounced for instruments in smaller companies listed on emerging market exchanges and for unlisted or unquoted securities. It is possible therefore, that if the Fund was forced to raise money quickly in order to meet significant redemption requests, the price achieved for some of the less liquid instruments would be lower than that at which they are valued. The Fund aims to reduce this liquidity risk by holding a well diversified range of securities.

#### Market Price Risk

Market price risk arises mainly from uncertainty about future prices of financial instruments held by the Fund. It represents the potential loss the Fund might suffer through holding market positions which are affected by adverse price movements.

The Manager regularly considers the asset allocation of the portfolio in order to minimise the risk associated with particular markets or industry sectors whilst continuing to follow the Investment Objective and Policy (as set out on page 2).

#### Price Risk Sensitivity

A ten per cent increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £46,560,397 (31.01.18: £93,542,960). A ten per cent decrease would have an equal and opposite effect.



## Jupiter European Special Situations Fund

### Notes to the Financial Statements (continued)

#### 12. Financial Instruments – continued

##### Foreign Currency Risk

A substantial proportion of the net assets of the Fund is denominated in currencies other than Sterling, with the effect that the balance sheet and total return can be significantly affected by currency movements.

	31.01.19	31.01.18
Currency	Total £	Total £
Danish Krone	21,089,467	68,599,802
Euro	402,062,956	761,602,821
Norwegian Kroner	–	367,636
Swedish Krona	29,478,930	47,214,427
Swiss Franc	14,871,050	56,850,069

##### Foreign Currency Risk Sensitivity

A ten per cent increase in the value of the Fund's foreign currency exposure would have the effect of increasing the return and net assets by £46,750,240 (31.01.18: £93,463,475). A ten per cent decrease would have an equal and opposite effect.

##### Interest Rate Risk

The Fund holds various cash positions and any change to the interest rates relevant for particular positions may result in either revenue increasing or decreasing.

##### Interest Rate Risk Profile of Financial Assets and Financial Liabilities

The interest rate risk profile of the Fund's financial assets and liabilities at 31.01.19 was:

Currency	Floating Rate financial assets £	Financial assets not carrying interest £	Total £
<b>31.01.19</b>			
Danish Krone	–	27,977,264	27,977,264
Euro	–	507,379,822	507,379,822
Swedish Krona	–	37,266,483	37,266,483
Swiss Franc	–	19,742,246	19,742,246
Sterling	37,730,034	121,858,259	159,588,293
<b>Total</b>	<b>37,730,034</b>	<b>714,224,074</b>	<b>751,954,108</b>
<b>31.01.18</b>			
Danish Krone	–	68,599,802	68,599,802
Euro	–	769,108,914	769,108,914
Norwegian Kroner	–	367,636	367,636
Swedish Krona	–	47,214,427	47,214,427
Swiss Franc	–	56,850,069	56,850,069
Sterling	35,481,807	843,495	36,325,302
<b>Total</b>	<b>35,481,807</b>	<b>942,984,343</b>	<b>978,466,150</b>



## Jupiter European Special Situations Fund

### Notes to the Financial Statements (continued)

#### 12. Financial Instruments – continued

Currency	Floating Rate financial liabilities £	Financial liabilities not carrying interest £	Total £
<b>31.01.19</b>			
Danish Krone	–	6,887,797	6,887,797
Euro	–	105,316,866	105,316,866
Swedish Krona	–	7,787,553	7,787,553
Swiss Franc	–	4,871,196	4,871,196
Sterling	–	150,218,287	150,218,287
<b>Total</b>	–	<b>275,081,699</b>	<b>275,081,699</b>
<b>31.01.18</b>			
Euro	–	7,506,093	7,506,093
Sterling	–	3,284,246	3,284,246
<b>Total</b>	–	<b>10,790,339</b>	<b>10,790,339</b>

There are no material amounts of non interest-bearing financial assets, which do not have maturity dates, other than equities, and therefore no sensitivity analysis has been disclosed in these financial statements.

The floating rate financial assets and liabilities include bank balances and overdrafts that bear interest. Interest rates on Sterling and overseas bank balances as supplied by the custodian may vary in line with market conditions and the size of deposit. Overdraft interest is calculated at the current Bank of England base rate plus 1.00%.

#### Fair Value of Investments

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

The fair value of investments has been determined using the following hierarchy:

**Level 1:** Unadjusted quoted price in an active market for an identical instrument;

**Level 2:** Valuation techniques using observable inputs other than quoted prices within level 1;

**Level 3:** Valuation techniques using unobservable inputs.

Basis of valuation	Assets	Liabilities
<b>31.01.19</b>	£	£
Level 1	465,603,972	–
Level 2	–	–
Level 3	–	–
	<u>465,603,972</u>	<u>–</u>
<b>31.01.18</b>	£	£
Level 1	935,429,595	–
Level 2	–	–
Level 3	–	–
	<u>935,429,595</u>	<u>–</u>



## Jupiter European Special Situations Fund

### Notes to the Financial Statements (continued)

#### 13. Portfolio Transaction Costs

For the year ended 31 January 2019

	Equities £	%	Corporate Actions £	%	Total £
<b>Analysis of total purchases costs</b>					
Purchases in year before transaction costs	167,350,730		1,792,588		169,143,318
Commissions	93,263	0.06%	–	–	93,263
Taxes	153,762	0.09%	–	–	153,762
	247,025		–		247,025
Gross purchases total	167,597,755		1,792,588		169,390,343
<b>Analysis of total sales costs</b>					
Sales in year before transaction costs	524,419,518		–		524,419,518
Commissions	(439,234)	0.08%	–	–	(439,234)
Taxes	(13)	–	–	–	(13)
Expenses and other charges	(1)	–	–	–	(1)
	(439,248)		–		(439,248)
Sales net of transaction costs	523,980,270		–		523,980,270

Commission, taxes and expenses as % of average net assets

Commission 0.06%

Taxes 0.02%

The average portfolio dealing spread as at the balance sheet date was 0.11%



## Jupiter European Special Situations Fund

### Notes to the Financial Statements (continued)

#### 13. Portfolio Transaction Costs – continued

For the year ended 31 January 2018

	Equities £	%	Corporate Actions £	%	Total £
<b>Analysis of total purchases costs</b>					
Purchases in year before transaction costs	299,264,062		4,060,718		303,324,780
Commissions	274,102	0.09%	–	–	274,102
Taxes	551,350	0.18%	–	–	551,350
Expenses and other charges	3,568	–	–	–	3,568
	829,020		–		829,020
Gross purchases total	300,093,082		4,060,718		304,153,800
<b>Analysis of total sales costs</b>					
Sales in year before transaction costs	290,343,749		12,060,655		302,404,404
Commissions	(277,763)	0.10%	–	–	(277,763)
Taxes	(2)	–	–	–	(2)
	(277,765)		–		(277,765)
Sales net of transaction costs	290,065,984		12,060,655		302,126,639

Commission, taxes and expenses as % of average net assets

Commission 0.06%  
Taxes 0.06%

The average portfolio dealing spread as at the balance sheet date was 0.12%



## Jupiter European Special Situations Fund

### Notes to the Financial Statements (continued)

#### 14. Unitholders' Funds

The Fund has the following unit classes in issue, with the following charges and minimum initial investment levels:

Unit Class	Initial charge	Manager's periodic charge	Minimum initial investment
Retail Units	0.00%	1.50%	£500
I-Class Units	0.00%	0.75%	£5,000,000
Z-Class Units	0.00%	0.64%	£125,000,000

Revenue, and other expenses not included in the table above are allocated each day pro rata to the value of the assets attributable to each unit class and taxation is calculated by reference to the net revenue after expenses attributable to each unit class. Due to the varying expenses, the level of net revenue after expenses attributable to each unit class and the distributable revenue is likely to differ.

The Net Asset Value per unit and the number of units in each class are given in the Comparative Tables on pages 5 and 6. All unit classes have the same rights on winding up.

Reconciliation of Units	Retail Accumulation	I-Class Income	I-Class Accumulation	Z-Class Income	Z-Class Accumulation
Opening units at 1 February 2018	82,299,679	49,114,540	91,894,467	–	–
Units issued in year	1,135,188	6,312,362	151,752	364	347
Units cancelled in year	(33,164,502)	(40,529,049)	(29,723,310)	(93)	(88)
Units converted in year	(431,534)	3,763	406,824	–	–
Closing units at 31 January 2019	49,838,831	14,901,616	62,729,733	271	259



## Jupiter European Special Situations Fund

### Distribution Tables

**For the year ended 31 January 2019**

**Distribution in pence per unit**

**FINAL**

Group 1: units purchased prior to 1 February 2018

Group 2: units purchased on or after 1 February 2018 to 31 January 2019

	Income	Equalisation	Distribution to be accumulated 29.03.19	Distribution accumulated 29.03.18
<b>Retail Accumulation Units</b>				
Group 1	1.4628	–	1.4628	0.9214
Group 2	–	1.4628	1.4628	0.9214
	Income	Equalisation	Distribution payable 29.03.19	Distribution paid 29.03.18
<b>I-Class Income Units</b>				
Group 1	4.4974	–	4.4974	4.0736
Group 2	0.7814	3.7160	4.4974	4.0736
	Income	Equalisation	Distribution to be accumulated 29.03.19	Distribution accumulated 29.03.18
<b>I-Class Accumulation Units</b>				
Group 1	4.7081	–	4.7081	4.2243
Group 2	1.6104	3.0977	4.7081	4.2243
	Income	Equalisation	Distribution payable 29.03.19	Distribution paid 29.03.18
<b>Z-Class Income Units*</b>				
Group 1	0.0000	–	0.0000	n/a
Group 2	0.0000	0.0000	0.0000	n/a
	Income	Equalisation	Distribution to be accumulated 29.03.19	Distribution accumulated 29.03.18
<b>Z-Class Accumulation Units*</b>				
Group 1	0.0000	–	0.0000	n/a
Group 2	0.0000	0.0000	0.0000	n/a

\*The Z-Class Income and Z-Class Accumulation units were launched on 17th August 2018.

#### All Unit Types

The relevant information required by a corporate unitholder is as follows:

- Franked investment income 100.00%
- Annual payment 0.00%  
(non-foreign element)

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



## General Information (unaudited)

### Remuneration

Under the requirements of the Undertakings for Collective Investment in Transferable Securities V Directive ('UCITS V'), Jupiter Unit Trust Managers Limited ('JUTM') (part of the Jupiter Group, which comprises Jupiter Fund Management plc and all of its subsidiaries ('Jupiter')) is required to comply with certain disclosure and reporting obligations for funds that are considered to be UCITS schemes. This includes the European Special Situations Fund (the 'Fund').

Jupiter operates a Group-wide remuneration policy, which applies to all employees across the Group. All employees are incentivised in a similar way and are rewarded according to personal performance and Jupiter's success. Details of the remuneration policy, including the applicable financial and non-financial criteria, are set out in the detailed remuneration policy disclosures available via the following link:

<https://www.jupiteram.com/-/media/Files/Global-documents/Risk-Management/Remuneration-disclosure-including-Pillar-3-English.ashx?la=en>

Remuneration decisions are governed by Jupiter's Remuneration Committee (the 'Committee'), which meets on a regular basis to consider remuneration matters across the Group. In order to avoid conflicts of interest, the Committee comprises independent non-executive directors, and no individual is involved in any decisions regarding their own remuneration. Implementation of the remuneration policy for the Group is subject to an annual independent review by Jupiter's internal audit department. No material outcomes or irregularities were identified as a result of the most recent independent review, which took place in 2018.

JUTM does not directly employ any individuals and therefore the total amount of remuneration paid by it is nil. All staff are employed and paid by other entities of Jupiter. In the interests of transparency, Jupiter has apportioned the total employee remuneration paid to all 562 Jupiter staff in respect of JUTM's UCITS V duties performed for the UCITS schemes on a 'number of funds' basis. It has estimated that the total amount of employee remuneration paid in respect of duties for the Fund is £788,874 of which £479,058 is fixed remuneration and £309,816 is variable remuneration.

The aggregate total remuneration paid to UCITS V Identified Staff that is attributable to duties for the Fund is £275,690 of which £107,183 is paid to Senior Management and £168,507 is paid to other staff. It should be noted that the aforementioned Identified Staff also provide services to other companies within Jupiter and its clients. They are included because their professional activities are considered to have a material impact on the risk profile of the Fund.

### Tax Information Reporting

UK tax legislation requires fund managers to provide information to HMRC on certain investors who purchase units in unit trusts. Accordingly, the fund may have to provide information annually to HMRC on the tax residencies of those unitholders that are tax resident out with the UK, in those countries that have signed up to the OECD's ('Organisation for Economic Cooperation and Development') Common Reporting Standard for Automatic Exchange of Financial Account Information (the 'Common Reporting Standard'), or the United States (under the Foreign Account Tax Compliance Act, 'FATCA').

All new unitholders that invest in the fund must complete a certification form as part of the application form. Existing unitholders may also be contacted by the Registrar should any extra information be needed to correctly determine their tax residence.

Failure to provide this information may result in the account being reported to HMRC.

For further information, please see HMRC's Quick Guide: Automatic Exchange of Information – **information for account holders**: [gov.uk/government/publications/exchange-of-information-account-holders](http://gov.uk/government/publications/exchange-of-information-account-holders).



## General Information (unaudited) (continued)

### Advice to unitholders

Customers of financial institutions can be prone to attempts by fraudsters to obtain personal information or money. There are many ways they can initiate contact, such as emails, letters and cold calls, but methods are constantly evolving so it is important that you are aware of the types of scams so that you are better able to protect yourself. Please visit our website [www.jupiteram.com](http://www.jupiteram.com) or call 0800 561 4000 for further information.

Jupiter continues to monitor developments in the Brexit negotiations and Jupiter's overarching aim is to ensure continuity of its business for all of its clients, and plans are in place to manage risks associated with Brexit, both 'hard' and 'soft'.

### Responsible Stewardship

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









Jupiter Unit Trust Managers Limited, PO Box 10666, Chelmsford CM99 2BG  
Tel: 0800 561 4000 Fax: 0800 561 4001

[www.jupiteram.com](http://www.jupiteram.com)

Authorised and regulated by the Financial Conduct Authority  
whose address is 12 Endeavour Square, London E20 1JN

LF5406a-01.19

