

JEOT SECURITIES LIMITED

Report and Accounts
For The Year Ended

31 May 2009



Registered in England No. 4148131

JEOT SECURITIES LIMITED

DIRECTORS' REPORT

The Directors have pleasure in presenting their report on the affairs of JEOT Securities Limited (the 'Company') together with the audited accounts for the year ended 31 May 2009.

BUSINESS REVIEW

Investment Objective and Benchmark

The Company's investment objective is to generate returns through investment in securities in sectors or geographical areas which are considered by the portfolio manager to offer good prospects for growth, taking into account economic trends and business developments.

Management

The Company has no employees and most of its day-to-day responsibilities are delegated to Jupiter Asset Management Limited, who act as the Company's Investment Manager and Company Secretary.

Investment Approach and Activities

The portfolio manager adopts a stock picking approach in the belief that a thorough analysis and understanding of a company is the best way to identify long-term superior growth prospects. This understanding begins with identifying those companies where the ownership structure and incumbent management are conducive to the realisation of the aim of achieving superior long-term earnings growth. In particular, the portfolio manager seeks to identify companies or investment opportunities which enjoy certain key business characteristics including some or all of the following:

- ◆ A strong management record and team, and the confidence that the portfolio manager has in that management's ability to explain and account for its actions;
- ◆ Proprietary technology and other factors which indicate a sustainable competitive advantage;
- ◆ A reasonable expectation that demand for their products or services will enjoy long-term growth; and
- ◆ An understanding that structural changes are likely to benefit rather than negatively impact that company's prospects.

In analysing potential investments, the portfolio manager will employ differing valuation techniques depending on their relevance to the business characteristics of a particular company. However, the underlying feature will be the sustainability and growth of free cash-flow in the long-term.

There has been no significant change in the activities of the Company during the year to 31 May 2009 and the Directors anticipate that the Company will continue to operate in the same manner during the current financial year.

Derivative transactions

Details of the Company's derivative transactions are set out in the note 7 to the accounts.

Risks and Uncertainties

The risks and uncertainties are detailed in note 7 to the accounts as is an explanation of how they are managed. Principally, the risks to the Company are foreign currency movements, market price movements, interest rates, use of derivatives, liquidity risk and credit risk.

PRINCIPAL ACTIVITIES

The principal activity of the Company is dealing in securities.

RESULT AND DIVIDENDS

The loss for the year was £617,479 (2008: Profit £261,921). No dividend was paid during the year.

DIRECTORS AND THEIR INTERESTS

The Directors during the year were as follows:

Hugh Michael Priestley	(Appointed 30 January 2001)
Sir Marrack Goulding	(Appointed 30 January 2001)
John David Arnold Wallinger	(Appointed 30 January 2001)
Jackson Worthington Robinson	(Appointed 30 January 2001)
Alexander Frederick Clifford Darwall	(Appointed 2 August 2006)

The Company is wholly owned by Jupiter European Opportunities Trust PLC.

The Directors' interests in the share capital of the parent undertaking are set out in the annual report of that Company.

CLOSE COMPANY STATUS

The Company is not a close Company within the provisions of the Income and Corporation Taxes Act 1988.

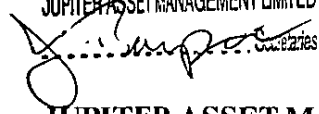
AUDITORS

The Directors will place a resolution before the annual general meeting to reappoint Ernst & Young LLP as auditors for the ensuing year in accordance with the Companies Act 2006.

AUDIT INFORMATION

The Directors are not aware of any relevant audit information of which the Company's auditors are not aware. The Directors also confirm that they have taken all the steps required of a Company

Director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

For and on behalf of
JUPITER ASSET MANAGEMENT LIMITED

JUPITER ASSET MANAGEMENT LIMITED

By Order of the Board
1 Grosvenor Place
London SW1X 7JJ

Secretaries

25 September 2009

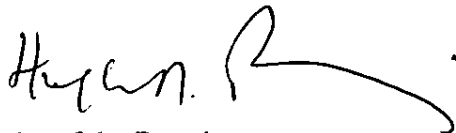
DIRECTORS' RESPONSIBILITIES FOR THE ACCOUNTS

The Directors are responsible for preparing the Annual Report and financial statements in accordance with applicable United Kingdom law and those International Financial Reporting Standards as adopted by the European Union.

The Directors are required to prepare financial statements for each financial year which present fairly the financial position of the Company and the financial performance and cash flows of the Company for that period. In preparing those financial statements, the Directors are required to:

- (i) select suitable accounting policies and then apply them consistently;
- (ii) present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- (iii) provide additional disclosures when compliance with the specific requirements in IFRSs is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- (iv) state that the Company has complied with IFRSs, subject to any material departures disclosed and explained in the financial statements.

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



By Order of the Board
H M Priestley
25 September 2009

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JEOT SECURITIES LIMITED

We have audited the financial statements of JEOT Securities Limited for the year ended 31 May 2009 which comprise the Income Statement, the Statement of Changes in Equity, the Balance Sheet, the Cash Flow Statement and the related notes 1 to 10. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the company's members, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 May 2009 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Ernst & Young LLP

Caroline Gulliver (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
25 September 2009

JEOT SECURITIES LIMITED
INCOME STATEMENT
FOR THE YEAR ENDED 31 MAY 2009

	Note	2009 £	2008 £
Loss on investments at fair value through profit or loss		(983,870)	(358,643)
Gain on contracts for differences		32,032	520,463
Income from listed investments		321,076	205,853
Interest received		47,644	765
Foreign currency revaluation		2,921	(12,200)
Administrative expenses		-	(30)
(LOSS) / PROFIT ON ORDINARY ACTIVITIES BEFORE FINANCE COSTS & TAXATION		(580,197)	356,208
Interest payable		-	(388)
Taxation	3	(37,282)	(93,899)
RETAINED (LOSS) / PROFIT		(617,479)	261,921
		=====	=====

The notes on pages 12 to 19 form an integral part of these accounts.

JEOT SECURITIES LIMITED
STATEMENT OF CHANGES IN EQUITY

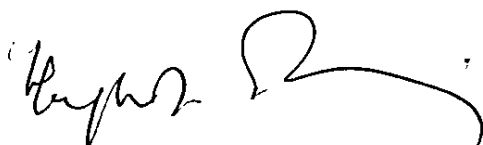
	Share Capital £	Retained Earnings £	Total £
For the year ended 31 May 2009			
31 May 2008	100	3,728,891	3,728,991
Net loss for the year	-	(617,479)	(617,479)
Balance at 31 May 2009	<u>100</u>	<u>3,111,412</u>	<u>3,111,512</u>

	Share Capital £	Retained Earnings £	Total £
For the year ended 31 May 2008			
31 May 2007	100	3,466,970	3,467,070
Net profit for the year	-	261,921	261,921
Balance at 31 May 2008	<u>100</u>	<u>3,728,891</u>	<u>3,728,991</u>

JEOT SECURITIES LIMITED
BALANCE SHEET
AS AT 31 MAY 2009

	Note	2009 £	2008 £
CURRENT ASSETS			
Investments at fair value through profit or loss	4	-	12,181,882
Receivables	5	3,111,512	327,897
		<u>3,111,512</u>	<u>12,509,779</u>
CURRENT LIABILITIES			
	6	-	(8,780,788)
NET ASSETS			
		<u>3,111,512</u>	<u>3,728,991</u>
		=====	=====
CAPITAL AND RESERVES			
Called up share capital	8	100	100
Retained earnings	9	3,111,412	3,728,891
		<u>3,111,512</u>	<u>3,728,991</u>
		=====	=====
Shareholders' funds			
		<u>3,111,512</u>	<u>3,728,991</u>
		=====	=====

Approved by the Board of Directors and authorised for issue on 25 September 2009 and signed on its behalf by:



Director

The notes on pages 12 to 19 form an integral part of these accounts.

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MAY 2009**

	2009 £	2008 £
Cash flows from operating activities		
Purchases of investments	(5,401,618)	(26,799,820)
Sales of investments	16,149,060	19,917,684
Payment from CFD counterparties	337,713	449,060
Realised gain / (losses) on foreign currency	2,921	(12,200)
Investment income received	321,076	205,853
Deposit interest received	49,792	748
Other cash expenses	-	(30)
	<hr/>	<hr/>
Net cash inflow / (outflow) from operating activities before interest and taxation	11,458,944	(6,238,705)
Interest	-	(388)
Taxation	(62,136)	(109,958)
	<hr/>	<hr/>
Net cash inflow / (outflow) from operating activities	11,396,808	(6,349,051)
Financing activities		
Cash (paid to) / received from parent	(11,396,808)	6,349,051
	<hr/>	<hr/>
Decrease in cash	-	-
	<hr/>	<hr/>
Change in cash and cash equivalents	-	-
Cash and cash equivalents at start of year	-	-
	<hr/>	<hr/>
Cash and cash equivalents at end of year	-	-
	<hr/>	<hr/>

The notes on pages 12 to 19 form an integral part of these accounts.

JEOT SECURITIES LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2009

1. ACCOUNTING POLICIES

The accounts comprise the financial results of the Company for the year to 31 May 2009, prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. The accounts are presented in pounds sterling, as this is the functional currency of the Company. The accounts were authorised for issue in accordance with a resolution of the Directors on 25 September 2009. All values are rounded to the nearest pound except where indicated.

A summary of the principal accounting policies, all of which have been applied consistently throughout the year, is set out below:

Revenue recognition

Revenue includes dividends from investments quoted ex-dividend on or before the balance sheet date.

Deposit and other interest receivable, expenses and interest payable are accounted for on an accruals basis.

Investments

Investments are recognised and derecognised on a trade date where a purchase and sale of an investment is under contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at cost, being the consideration given.

All investments are classified as held at fair value through profit or loss. Changes in the fair value of investments held at fair value through profit or loss and gains and losses on disposal are recognised in the income statement as 'Gains or losses on investments at fair value through profit or loss'. The fair value of listed investments is based on their quoted bid market price at the balance sheet date without any deduction for estimated future selling costs.

All Contracts for Differences are revalued monthly based on their quoted bid price and any profit or loss recognised in the income statement with a corresponding debtor or creditor recorded in the balance sheet for settlement due within four days.

Foreign exchange gains and losses on fair value through profit or loss investments are included within the changes in the fair value of the investment.

JEOT SECURITIES LIMITED
NOTES TO THE ACCOUNTS *continued*
FOR THE YEAR ENDED 31 MAY 2009

Cash and cash equivalents

Cash comprises cash in hand and demand deposits. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to insignificant risks of changes in value.

Foreign currencies

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Gains and losses arising on retranslation are included in net profit or loss for the period, except for exchange differences arising on non-monetary assets and liabilities where the changes in fair value are recognised directly in equity.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all temporary differences at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or right to pay less tax in the future have occurred at the balance sheet date. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the temporary differences can be deducted. Deferred tax assets and liabilities are measured at the rates applicable to the legal jurisdictions in which they arise.

Income from investments

Dividends and interest on investments are included in the profit and loss account on the date on which the investment price is quoted ex-dividend. Dividends from United Kingdom companies are shown net of tax credits.

JEOT SECURITIES LIMITED
NOTES TO THE ACCOUNTS *continued*
FOR THE YEAR ENDED 31 MAY 2009

2. ADMINISTRATIVE EXPENSES

None of the directors received remuneration for their services to the Company during the year. There were no employees of the Company other than directors during the year. No auditors' remuneration has been charged for the period as the cost is borne by the parent undertaking.

3. TAXATION

	2009	2008
	£	£
a) Analysis of charge in year:		
<i>Current tax</i>		
UK Corporation tax	-	20,872
Overseas tax	37,282	20,872
Double taxation relief	-	(20,872)
Group relief	-	74,856
Prior year adjustment	-	(1,829)
Total current tax for year	<u>37,282</u>	<u>93,899</u>

b) Factors affecting current tax charge for the year:

The tax assessed for the year is higher than the standard rate of corporation tax for a Company (28 per cent.)(2008 : 29.66 per cent.). The differences are explained below:

	2009	2008
	£	£
(Loss) / profit on ordinary activities before taxation	<u>(580,197)</u>	<u>355,820</u>
Corporation tax at 28% (2008: 29.66%)	(162,455)	105,560
Effects of:		
Excess expenses for the year	162,455	-
Small companies tax relief	-	(9,832)
Overseas tax	37,282	20,872
Double taxation relief	-	(20,872)
Prior year adjustment	-	(1,829)
Current tax charge for the year	<u>37,282</u>	<u>93,899</u>

c) There is an unrecognised deferred tax asset of £162,368. (2008: £Nil).

JEOT SECURITIES LIMITED
NOTES TO THE ACCOUNTS *continued*
FOR THE YEAR ENDED 31 MAY 2009

7. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS

Background

The Company's financial instruments comprise securities and other investments, contracts for differences, cash balances, and debtors and creditors that arise directly from its operations, for example, in respect of sales and purchases awaiting settlement and debtors for accrued income.

The Company has little exposure to credit and cashflow risks.

The principal risks the Company faces in its portfolio management activities are:

- foreign currency risk
- market price risk i.e. movements in the value of investment holdings caused by factors other than interest rate or currency movement
- interest rate risk
- liquidity risk

The Investment Manager's policies for managing these risks are summarised below and have been applied throughout the year.

(i) Foreign Currency Risk

The Company may hedge against foreign currency movements affecting the value of the investment portfolio where adverse movements are anticipated but otherwise takes account of this risk when making investment decisions.

Foreign currency sensitivity

The following table illustrates the sensitivity of the profit after tax for the year to exchange rates for the £ against the Euro and Swedish Krona. It assumes the following changes in exchange rates

£/Euro +/- 10%

£/Swedish Krona +/-10%

These percentages have been determined based on market volatility in exchange rates over the previous twelve months. The sensitivity analysis is based on the Company's foreign currency financial instruments held at each balance sheet date.

JEOT SECURITIES LIMITED
NOTES TO THE ACCOUNTS *continued*
FOR THE YEAR ENDED 31 MAY 2009

4. INVESTMENTS

	2009	2008
	£	£
Aggregate cost of investments	-	12,907,083
Unrealised depreciation	<u>-</u>	<u>(725,201)</u>
Fair value of investments all listed on recognised exchanges	-	12,181,882
	<u>=====</u>	<u>=====</u>

Transaction Costs

The following transaction costs were incurred during the year:

	2009	2008
	£	£
Purchases	10,373	57,816
Sales	16,508	29,944
	<u>26,881</u>	<u>87,760</u>
	<u>=====</u>	<u>=====</u>

5. RECEIVABLES

	2009	2008
	£	£
Due from CFD counterparty	-	307,693
Taxation	44,923	20,069
Amount due from parent undertaking	3,066,589	-
Interest	-	135
	<u>3,111,512</u>	<u>327,897</u>
	<u>=====</u>	<u>=====</u>

6. CURRENT LIABILITIES

	2009	2008
	£	£
Amount owed to parent undertaking	-	8,330,219
Purchases awaiting settlement	<u>-</u>	<u>450,569</u>
	-	8,780,788
	<u>=====</u>	<u>=====</u>

JEOT SECURITIES LIMITED
NOTES TO THE ACCOUNTS *continued*
FOR THE YEAR ENDED 31 MAY 2008

If sterling had weakened against the currencies below this would have the following effect

	2009	2008
	<i>Impact on total return</i>	<i>Impact on total return</i>
	£	£
Euros	-	967,996
Swedish Krona	<u>-</u>	<u>57,302</u>
	<u>-</u>	<u>1,025,298</u>

If sterling had strengthened against the currencies below this would have the following effect

	2009	2008
	<i>Impact on total return</i>	<i>Impact on total return</i>
	£	£
Euros	-	(967,996)
Swedish Krona	<u>-</u>	<u>(57,302)</u>
	<u>-</u>	<u>(1,025,298)</u>

In the opinion of the Directors, the above sensitivity analyses are not representative of the year as a whole, since the level of exposure changes frequently.

(ii) **Market Price Risk**

By the very nature of its activities, the Company's investments are exposed to market price fluctuations. Further information on the investment portfolio and investment policy is set out in the Directors' Report.

A portion of the financial assets of the Company are denominated in currencies other than sterling with the result that the balance sheet and total return can be significantly affected by currency movements.

The financial assets (excluding short term debtors and creditors) consist of:

Non Interest Bearing Financial Assets

	2009	2008
	£	£
Euros	-	9,679,968
Sterling	-	1,928,894
Swedish Krona	-	573,020
	<u>-</u>	<u>12,181,882</u>

JEOT SECURITIES LIMITED
NOTES TO THE ACCOUNTS *continued*
FOR THE YEAR ENDED 31 MAY 2009

The non-interest bearing assets represent the equity element of the investment portfolio at 31 May 2009. However, the amounts are not representative of the exposure to foreign currency risk during the year as levels of monetary foreign currency exposure change significantly throughout the year. The maximum and minimum non-interest bearing assets for each currency at month end during the year to 31 May 2009 were as follows:

	Sterling	Euros	Swedish Krona
	£	£	£
Maximum	2,707,133	9,679,968	573,020
Minimum	0	0	0

Primary Financial Instruments

Investments are included in the balance sheet at market values, which represent fair values.

Other price risk sensitivity

The following illustrates the sensitivity of the profit after taxation for the year and the equity to an increase or decrease of 20% in the fair value of the Company's equities. This level of change is considered to be reasonably possible based on observation of market conditions during the year. The sensitivity analysis is based on the Company's equities at each balance sheet date, with all other variables held constant.

The impact of a 20% increase in the value of investments on the net profit after tax as at 31 May 2009 is an increase of £nil (2008: £1,713,747).

The impact of a 20% fall in the value of investments on the total profit after tax as at 31 May 2009 is a decrease of £nil (2008: £2,436,376).

(iii) Interest Rate Risk

The Company takes account of this risk when making investment decisions.

(iv) Use of Derivatives

The Company will take short positions, using contracts for differences, in respect of a small number of larger capital securities.

(v) Liquidity Risk

The Company's assets comprise readily realisable securities which can be sold to meet funding requirements if necessary.

JEOT SECURITIES LIMITED
NOTES TO THE ACCOUNTS *continued*
FOR THE YEAR ENDED 31 MAY 2009

Currency Exposure

The currency denomination of the Company's financial assets is shown in (ii) above. The analysis assumes the currency of exposure to be the currency in which each financial asset is priced. Short term debtors and creditors, which are excluded, are predominantly denominated in Sterling which is the functional currency of the Company.

8. CALLED UP SHARE CAPITAL

	2009	2008
	£	£
Authorised		
50,000 Ordinary shares of £1 each	50,000	50,000
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100

9. RETAINED EARNINGS

	2009	2008
	£	£
Retained earnings brought forward	3,728,891	3,466,970
(Loss) / profit for year	<u>(617,479)</u>	<u>261,921</u>
Retained earnings carried forward	<u>3,111,412</u>	<u>3,728,891</u>

10. PARENT COMPANY

The parent undertaking is Jupiter European Opportunities Trust PLC, a Company registered in England and Wales. The results of the Company have been included in the consolidated accounts of Jupiter European Opportunities Trust PLC, copies of which are available from 1 Grosvenor Place, London SW1X 7JJ.