Gartmore Growth Opportunities plc

Report for the six months to 31 December 2009

Gartmore

www.gartmoregrowthopps.co.uk

The Company

Investment Objectives

The Company seeks capital appreciation from investment primarily in the shares of quoted UK smaller companies.

Investment Policy

Asset Allocation

The Company mainly invests in UK smaller companies, with a wide range of market capitalisations, targeting sustained returns even in difficult markets. A number of the UK smaller companies within the portfolio may therefore be outside the universe of the benchmark index when it is believed this will increase shareholder value. Whilst the majority of investments are equities, other instruments such as warrants and convertible and non-convertible securities (including preference shares and loan stocks) may be used. Cash and derivative instruments (such as futures and options) may also be utilised for efficient portfolio management and as part of investment strategy, not only as a short-term measure. In addition, the Company's trading subsidiary targets absolute returns in order to enhance shareholder returns under a broader range of market conditions and to offer further downside protection to the portfolio as a whole.

Risk Diversification

Portfolio risk is mitigated by investing in a diversified spread of investments. In compliance with section 842 Income and Corporation Taxes Act 1988 investments in any one company, other than holdings in another investment company, shall not, on acquisition, exceed 15% of the portfolio value.

Gearing

The Company will make use of borrowings when it is considered that gearing will enhance total returns. The Company has bank borrowing facilities in place and may also use derivative instruments to facilitate gearing. The Board currently has a policy that gearing under these facilities shall not exceed 20% of the value of Net Assets.

Benchmark

Performance is measured against the FTSE SmallCap (excluding investment companies) Index. The Company sources index and price data from Thomson Reuters Datastream.

Structure

The Company is an investment trust whose share capital at the date of this report comprises 11,690,840 Ordinary shares of 0.025p each. Ordinary shareholders can request the redemption of their shares, subject to certain limitations and the Directors exercising their discretion, at quarterly intervals. There are also in issue 50,000 Management shares which have the right to be repaid the amount paid up on such shares.

Directors

David Peters (Chairman of the Board)
David Cade (Chairman of the Audit Committee)
Peter Derby
Daniel Mace
Robert Ware

Gartmore Growth Opportunities plc

is a member of The Association of Investment Companies and is managed by Gartmore Investment Limited.

Gartmore Investment Limited is regulated by the Financial Services Authority.

Highlights

- **Net Asset Value per Ordinary share increased 24.3% to 510.9p, versus the FTSE SmallCap (excluding investment companies) Index up 23.1% over the period.**
- **Mid-Market Price per Ordinary share rose 27.3% to 483.25p.**
- **Management fees and finance costs allocated 25% to revenue and 75% to capital effective from 1 July 2009.**
- **Portfolio well-placed to benefit from prospective increased market recognition of the small-cap sector's potential.**

Chairman's Statement

for the six months to 31 December 2009

Following the very strong performance in the last financial year, performance in the six months to 31 December 2009 has held up well, with the NAV per Ordinary share increasing by 24.3%, compared with 23.1% in our benchmark index.

During the period the share price reached new heights, increasing by 27.3% overall: this is reflected by further narrowing of the discount, with the price much closer to NAV than other smaller companies investment trusts throughout the period.

There has also been a strong contribution to revenue from our dealing subsidiary, Gartmore GO Dealing Limited, which added £972,000 to the consolidated revenue for the six months.

The Board has announced that, with effect from 1 July 2009, the Company will allocate 75% of its management fees and finance costs to capital, with 25% to the revenue account. This is consistent with the majority of investment trusts in our sector. It will not have any effect on the total return for shareholders, but it will increase the revenue earnings per share and reduce the capital return per share by the same amount. On current figures the revenue return for the present year will be increased by approximately 3p per share.

The portfolio remains positioned in small and micro-cap stocks where the Manager believes opportunities are the greatest.

All the shares submitted for redemption at both opportunities in the period were matched with buyers. In January 2010, due to inopportune price movements 14,200 shares were not able to be matched and so were redeemed. None-the-less we were encouraged that the number submitted was small.

We believe that despite strong stock market gains over the last six months many of our investments have not yet received market recognition for their potential. With uncertainty over the prospects for UK economic growth and the outcome of the forthcoming general election we expect that the UK stock market will make little headway overall. Consequently, we believe that investors will increasingly look to small-cap stocks for returns. We are well placed to benefit from increased interest in the small-cap sector and are confident that our shareholders will continue to benefit from our Manager's active investment style and strong stock picking skills.

David Peters
Chairman
24 February 2010

Manager's Review

for the six months to 31 December 2009

Since the markets turned in March equities have performed well. UK small-caps performed significantly better than the wider market up to October but then fell back through rising risk aversion after poor UK GDP results disappointed the market. Even so, the FTSE SmallCap (excluding investment companies) Index finished 2009 up 52.7% from its level at the end of 2008 compared with an increase of 25.0% for the FTSE All-Share Index. The Company's NAV per Ordinary Share increased 79.9% over that period.

Over the six months under review the Company's NAV rose by 24.3%, slightly ahead of the 23.1% rise in the benchmark FTSE SmallCap (excluding investment companies) Index.

The top contributor to performance in the six months was technology company Morse. Its share price more than doubled early in the period following a positive earnings update and confirmation that a preliminary approach to buy the company at 25p per share had been made. The share price fell back a little after takeover talks ended during August but then improved further, supported by a reported return to operating profitability over the third quarter despite lower revenues. Although the company expects the environment to remain challenging in the near term, we still believe the business is attractive at current prices. We expect that the cost-cutting measures that enabled Morse to deliver this result leave the company well-positioned when trading conditions improve.

Amongst other strong performers, a new holding in oil & gas producer Sterling Energy performed very well. Sterling's competitor Gulf Keystone announced it had made a significant oil discovery in a region of Iraq where Sterling also has exploration assets. Sterling, which has interests in the Gulf of Mexico, Africa and the Middle East, also proposed an equity placing in August, to provide much needed capital, and signed an amended waiver with its bankers giving it some space to dispose of assets and repay bank debt. Returns have been good since we participated in this refinancing. Putting the business on a more stable footing has allowed the market to concentrate on the potential of the company's assets, which look attractive given the excellent drilling results of peers in Kurdistan.

Our holding in AIM-listed Penna Consulting also made strong gains, reaching a high in November after a broker upgrade and positive results. The price came back subsequently, but at 31 December it was still up 43% from its 30 June level.

Although it slipped after its peak in October, BATM Advanced Communications also performed very well. During August the maker of routers and switches for the internet reported good results for its first half, with record revenues and a 34% increase in pre-tax profit. Later, in October, broadening analytical coverage coupled with a solid trading update at the end of the month further stimulated the share price.

Sometimes performance relative to the benchmark can come from stocks that are not held, not just those that are. In this respect not holding UK Coal provided a lift to relative returns over the period after very weak performance from its shares, whereas not holding Trinity Mirror detracted after the newspaper group's share price nearly tripled over the past six months. Improving conditions such as a slowing in advertising revenue declines, a profitable first half, and broker upgrades all contributed to its strength.

Amongst holdings that were less beneficial in the period, our large position in set-top box maker Pace underperformed relative to the index. Although the share price initially rose, albeit at a lower rate than the wider market, it fell back from mid-September and finished the period just 5% up on its 30 June level. We sold some of our holding around the time the price reached its peak in September in order to crystallise some of the gains and reinvest in new ideas.

Sportech, an overweight position, also detracted following heavy declines over the period. In mid-November it issued a trading statement which further disappointed the market, with online revenues failing to meet expectations. The share price fell sharply as a result, but our investment case for Sportech remains unchanged and we continued to add to our stake over the quarter.

We were active with the trading subsidiary in the period and participated in a large number of secondary placings. This activity generated a profit of £972,000 in the six months, which is available to be paid up as income to the parent company and distributed to shareholders.

Prospects

Despite the injections of liquidity into the financial system over the last year, there has been an ongoing lack of asset allocation to small-caps. Small-caps were already undervalued coming into the credit crisis, and it is the small-cap effect (the scale of change within a business, and the difference between the public perception and business reality) which is the enduring driver behind small-cap stock returns. In a broad, diverse, and neglected asset class the scope to invest is constrained only by the investment team's energy and access to capital. In this respect a number of factors are a source of encouragement.

Firstly, we believe that the normalisation of risk appetites during 2009 remains in the early stages for smaller companies after a protracted period of underperformance. Further, the pace of economic growth last year was driven (at least initially), by inventory cycles. As the economy stabilises the pressure on large businesses to manufacture earnings growth is likely to lead to an uptick in corporate activity in 2010.

In addition, there was an apparent attitude in 2008 that all financials, cyclicals and companies with debt were bad, while all exposure to public expenditure was good and defensive. However, this completely reversed in 2009. At present the market is still not showing great signs of differentiation and discrimination, but that is a trend that will reassert itself, and when it does it will be disproportionately beneficial for good and active stock selection styles.

Gartmore Investment Limited
24 February 2010

Financial Statistics

	At 31 December 2009	At 30 June 2009	Change %
Shareholders' Funds:			
Net Assets (£'000)	**59,801**	48,094	24.3
Net Asset Value per Ordinary share	**510.90p**	410.88p	24.3
Share Price:			
Market Capitalisation (Ordinary shares £'000)	**56,565**	44,450	27.3
Mid-Market Price	**483.25p**	379.75p	27.3
(Discount)	**(5%)**	(8%)	
Benchmark Index:			
FTSE SmallCap (excluding investment companies) Index	**2327.93**	1891.40	23.1
Gearing (expressed as a percentage of Net Assets):			
Potential Gearing	**10.2%**	13.3%	
Actual Gearing	**7.4%**	2.5%	

	Six months to 31 December 2009	Six months to 31 December 2008
Total Return per Ordinary Share:*		
Revenue	**10.66p**	(5.07)p
Capital	**95.65p**	(63.02)p
Total Return per Ordinary share	**106.31p**	(68.09)p

*Based on weighted average of 11,705,040 (2008: 13,283,557) Ordinary shares in issue during the period.

Principal Investments

at 31 December 2009

Company	Sector Classification	Valuation £'000	Percentage of Portfolio
BATM Advanced Communications	Technology Hardware & Equipment	2,750	4.4
Pace	Technology Hardware & Equipment	2,546	4.1
Penna Consulting	Support Services	2,379	3.8
Juridica Investments	Financial Services	1,218	1.9
Sterling Energy[1]	Oil & Gas Producers	1,083	1.7
Innovation Group	Software & Computer Services	918	1.5
MBL Group[1]	Media	917	1.5
MWB 9.75% 09/12	Corporate Bonds	865	1.4
Management Consulting Group	Support Services	838	1.3
Nestor Healthcare	Healthcare Equipment & Services	831	1.3
Top Ten Investments		**14,345**	**22.9**
Morse	Software & Computer Services	818	1.3
Lavendon Group	Support Services	813	1.3
Carclo	Chemicals	795	1.3
Assetco[1]	Support Services	795	1.3
Dart Group[1]	Industrial Transportation	782	1.3
Daisy Group[1]	Fixed Line Telecommunications	781	1.3
Renovo Group	Pharmaceuticals & Biotech.	754	1.2
MDM Engineering Group[1]	Construction & Materials	710	1.1
Powerflute	Forestry & Paper	709	1.1
Allocate Software[1]	Software & Computer Services	693	1.1
Top Twenty Investments		**21,995**	**35.2**
Conygar Investment[1]	Real Estate	680	1.1
Oakley Capital Investments[1]	Financial Services	668	1.1
Hargreaves Services[1]	Support Services	660	1.1
REA Holdings	Food Producers	647	1.0
Iomart Group[1]	Software & Computer Services	585	0.9
BPC[1]	Oil & Gas Producers	559	0.9
Costain	Construction & Materials	543	0.9
Begbies Traynor[1]	Support Services	539	0.9
Renold	Industrial Engineering	528	0.8
Ora Capital Partners[1]	Financial Services	526	0.8
Top Thirty Investments		**27,930**	**44.7**

The value of the portfolio of investments on which this table is based was £62,512,000.
The total number of investments at 31 December 2009 was 196.
[1] Alternative Investment Market

Analysis of Net Assets and Shareholders' Funds

	Valuation at 30 June 2009 £'000	%	Net Transactions £'000	Appreciation/ (Depreciation) £'000	**Valuation at 31 December 2009 £'000**	**%**
Equities[1]						
Oil & Gas	3,794	7.9	(1,313)	1,598	**4,079**	**6.8**
Basic Materials	3,291	6.8	436	946	**4,673**	**7.8**
Industrials	13,436	27.9	1,432	2,580	**17,448**	**29.2**
Consumer Goods	2,070	4.3	970	229	**3,269**	**5.5**
Healthcare	4,487	9.3	(1,629)	1,673	**4,531**	**7.6**
Consumer Services	3,399	7.1	963	448	**4,810**	**8.0**
Telecommunications	407	0.9	134	240	**781**	**1.3**
Utilities	455	0.9	–	71	**526**	**0.9**
Financials	3,949	8.2	3,825	827	**8,601**	**14.4**
Technology	11,286	23.5	(1,587)	3,054	**12,753**	**21.3**
	46,574	96.8	3,231	11,666	**61,471**	**102.8**
Convertibles/ Corporate Bonds	1,036	2.2	55	(50)	**1,041**	**1.7**
	47,610	99.0	3,286	11,616	**62,512**	**104.5**
Current Assets including Cash	2,280	4.7	(107)	–	**2,173**	**3.7**
Total Assets	49,890	103.7	3,179	11,616	**64,685**	**108.2**
Liabilities	(1,796)	(3.7)	(3,152)	64	**(4,884)**	**(8.2)**
Net Assets	48,094	100.0	27	11,680	**59,801**	**100.0**
Attributable to Ordinary Shareholders	48,094	100.0	(737)[2]	12,444[3]	**59,801**	**100.0**

[1] The valuation is based on bid prices and includes £28,847,000 (30 June 2009: £20,009,000) in respect of investments quoted on the Alternative Investment Market.
[2] Comprises dividends paid in the period.
[3] Comprises the total return for the period.

Group Income Statement (Unaudited)

for the six months to 31 December 2009

	Note	Six months to 31 December 2009 Revenue Return £'000	Capital Return £'000	Total Return £'000
Income and Capital Profits				
Dividends and other income	2	**600**	**–**	**600**
Gains on investments held at fair value		**969**	**11,616**	**12,585**
Total Income		**1,569**	**11,616**	**13,185**
Expenses				
Management fees	3	**(57)**	**(169)**	**(226)**
Other fees and expenses		**(253)**	**(162)**	**(415)**
Expenses before Finance Costs and Taxation		**(310)**	**(331)**	**(641)**
Net Profit before Finance Costs and Taxation		**1,259**	**11,285**	**12,544**
Finance Costs				
Interest payable		**(8)**	**(25)**	**(33)**
Movement in fair value of Loan Stock		**–**	**(64)**	**(64)**
Total Finance Costs		**(8)**	**(89)**	**(97)**
Net Profit before Taxation		**1,251**	**11,196**	**12,447**
Taxation		**(3)**	**–**	**(3)**
Net Profit after Taxation		**1,248**	**11,196**	**12,444**
Earnings per Ordinary Share	4	**10.66p**	**95.65p**	**106.31p**

The total column of this statement represents the Group's Statement of Comprehensive Income prepared in accordance with IFRS, as adopted by the European Union.

The revenue return and capital return columns are supplementary disclosures provided in accordance with guidance issued by The Association of Investment Companies.

All items derive from continuing operations.

The Notes on pages 13 to 15 form part of these accounts.

Group Income Statement (Unaudited)

for the six months to 31 December 2008

	Note	Six months to 31 December 2008 Revenue Return £'000	Capital Return £'000	Total Return £'000
Income and Capital Profits				
Dividends and other income	2	918	28	946
Losses on investments held at fair value		(1,251)	(8,442)	(9,693)
Total Income		(333)	(8,414)	(8,747)
Expenses				
Management fees		(108)	–	(108)
Other fees and expenses		(189)	(116)	(305)
Expenses before Finance Costs and Taxation		(297)	(116)	(413)
Net Loss before Finance Costs and Taxation		(630)	(8,530)	(9,160)
Finance Costs				
Interest payable		(42)	–	(42)
Movement in fair value of Loan Stock		–	159	159
Total Finance Costs		(42)	159	117
Net Loss before Taxation		(672)	(8,371)	(9,043)
Taxation		(2)	–	(2)
Net Loss after Taxation		(674)	(8,371)	(9,045)
Loss per Ordinary Share	4	(5.07)p	(63.02)p	(68.09)p

The total column of this statement represents the Group's Statement of Comprehensive Income prepared in accordance with IFRS, as adopted by the European Union.

The revenue return and capital return columns are supplementary disclosures provided in accordance with guidance issued by The Association of Investment Companies.

All items derive from continuing operations.

The Notes on pages 13 to 15 form part of these accounts.

Group Statement of Changes in Equity (Unaudited)

for the six months to 31 December 2009

	Called-up share capital £'000	Special distributable reserve £'000	Capital redemption reserve £'000	Retained earnings £'000	Total £'000
	Six months to 31 December 2009				
At 30 June 2009	**3**	**51,523**	**1**	**(3,433)**	**48,094**
Total Comprehensive Income:					
Net profit for the period to 31 December 2009	**–**	**–**	**–**	**12,444**	**12,444**
Transactions with owners, recorded directly to equity:					
Equity dividends paid on Ordinary shares	**–**	**–**	**–**	**(737)**	**(737)**
At 31 December 2009	**3**	**51,523**	**1**	**8,274**	**59,801**

	Called-up share capital £'000	Special distributable reserve £'000	Capital redemption reserve £'000	Retained earnings £'000	Total £'000
	Six months to 31 December 2008				
At 30 June 2008	4	51,523	–	(435)	51,092
Total Comprehensive Income:					
Net loss for the period to 31 December 2008	–	–	–	(9,045)	(9,045)
Transactions with owners, recorded directly to equity:					
Equity dividends paid on Ordinary shares	–	–	–	(469)	(469)
Redemption of Ordinary shares	(1)	–	1	(4,680)	(4,680)
At 31 December 2008	3	51,523	1	(14,629)	36,898

Directors' Responsibility Statement

The Directors of the Company, who are listed on the inside front cover of this Report, each confirm that to the best of their knowledge this condensed set of financial statements has been prepared in accordance with IAS 34, as adopted by the European Union, and that the Report includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8.

The Company's principal risks and uncertainties continue to be as stated in the Annual Report and Accounts for the year ended 30 June 2009.

The Notes on pages 13 to 15 form part of these accounts.

Group Balance Sheet (Unaudited)

at 31 December 2009

	Notes	At 31 December 2009 £'000	At 30 June 2009 £'000
Non-Current Assets			
Investments held at fair value through profit or loss	5	**62,512**	47,610
Current Assets			
Investments held for trading		**1,678**	1,168
Balances due from brokers		**5**	680
Other receivables		**61**	216
Cash and cash equivalents		**429**	216
		2,173	2,280
Total Assets		**64,685**	49,890
Current Liabilities			
Equity-Linked Unsecured Loan Stock 2004/09		**–**	(299)
Balances due to brokers		**(319)**	(435)
Bank loan		**(4,400)**	(900)
Other payables		**(152)**	(149)
		(4,871)	(1,783)
Total Assets less Current Liabilities		**59,814**	48,107
Non-Current Liabilities			
Non-equity management shares		**(13)**	(13)
Net Assets		**59,801**	48,094
Equity Attributable to Equity Shareholders			
Called-up share capital	6	**3**	3
Special distributable reserve		**51,523**	51,523
Capital redemption reserve		**1**	1
Retained earnings:	7		
Capital reserve		**5,164**	(6,032)
Revenue reserve		**3,110**	2,599
Total Equity		**59,801**	48,094
Net Asset Value per Ordinary Share	8	**510.90p**	410.88p

The Notes on pages 13 to 15 form part of these accounts.

Group Cash Flow Statement (Unaudited)

for the six months to 31 December 2009

	Six months to 31 December 2009 £'000	Six months to 31 December 2008 £'000
Cash Flows from Operating Activities		
Net profit/(loss) before taxation	**12,447**	(9,043)
Adjustments for:		
(Increase)/decrease in investments	**(15,412)**	12,472
Decrease in receivables	**830**	1,028
Decrease in payables	**(112)**	(5)
Finance costs	**97**	(117)
Net Cash Flows from Operating Activities before taxation	**(2,150)**	4,335
Taxation paid	**(3)**	(2)
Net Cash Flows from Operating Activities	**(2,153)**	4,333
Cash Flows from Financing Activities		
Redemption of Ordinary shares	**–**	(4,680)
Redemption of Equity-linked loan stock units	**(363)**	(7)
Bank loans drawn down	**3,500**	600
Equity dividends paid on Ordinary shares	**(737)**	(209)
Loan interest paid	**(34)**	(42)
Net Cash Flows from/(used in) Financing Activities	**2,366**	(4,338)
Net Increase/(Decrease) in Cash and Cash Equivalents	**213**	(5)
Cash and Cash Equivalents at 30 June	**216**	307
Cash and Cash Equivalents at 31 December	**429**	302

The Notes on pages 13 to 15 form part of these accounts.

Notes to the Accounts

1. Accounting Policies

The consolidated accounts on pages 8 to 12 comprise the unaudited results of the Company and its subsidiary, Gartmore GO Dealing Limited, for the six months to 31 December 2009. These accounts do not constitute statutory accounts under the Companies Act 2006. Nor do the comparative figures for the financial year ended 30 June 2009 constitute the Company's statutory accounts for that financial year. Those accounts have been reported on by the Company's auditors and filed with the registrar of companies. The report of the auditors was (i) unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

The consolidated accounts have been prepared on a going concern basis, in accordance with International Financial Reporting Standards (IFRS) set by the International Accounting Standards Board and are presented in pounds sterling, as this is the principal currency in which the Group's transactions are undertaken.

The accounting policies remain the same as those disclosed in the accounts for the year to 30 June 2009. However, as detailed in note 3, the allocation between revenue and capital of management fees and finance costs changed with effect from 1 July 2009.

IFRS8, 'Operating Segments', came into affect on 1 January 2009 and has been applied for the first time in this interim report. As a result of the new standard, the directors consider there to be two distinct operating segments, being the parent company and its subsidiary (See Note 10). Implementation of other changes to accounting standards in the financial period, as outlined in the 30 June 2009 accounts, had no significant affect on the accounting or reporting of the Company.

2. Dividends and Other Income

	Six months to 31 December 2009 £'000	Six months to 31 December 2008 £'000
Revenue:		
Income from investments held at fair value through profit or loss:		
Franked dividends	**429**	497
Unfranked dividends	**57**	45
Interest on debt securities	**55**	55
Stock dividends	**8**	–
	549	597
Other income:		
Interest on deposits	**–**	31
VAT reclaim interest received	**–**	290
Underwriting commission	**51**	–
	600	918
Capital:		
Special dividends allocated to capital	**–**	28

3. Management Fees and Interest Payable

With effect from 1 July 2009 management fees and interest charged on borrowings have been allocated 75% to capital and 25% to revenue. Tax relief in respect of such allocations is credited to capital to the extent that such relief can be utilised in reducing the Company's overall liability to taxation. Prior to 1 July 2009 all such costs were allocated to revenue.

4. Earnings/(Loss) per Ordinary Share

	Six months to 31 December 2009 £'000	Six months to 31 December 2008 £'000
Revenue return	**1,248**	(674)
Capital return	**11,196**	(8,371)
Total return	**12,444**	(9,045)
Weighted average Ordinary shares in issue	**11,705,040**	13,283,557

5. Investments Held at Fair Value Through Profit or Loss

Investments are either listed in Great Britain or traded on the Alternative Investment Market in the UK and have been valued at bid prices.

6. Called-up Share Capital

The Directors approved redemptions as follows in connection with the two quarterly redemption opportunities provided in the period:

15 July 2009	843,012 Ordinary shares
14 October 2009	2,428 Ordinary shares

The redemptions were fully matched with buyers and consequently there was no change in the period to the number of Ordinary shares in issue of 11,705,040.

7. Retained Earnings

	Capital reserve* £'000	Revenue reserve £'000	Retained earnings £'000
At 30 June 2009	**(6,032)**	**2,599**	**(3,433)**
Net profit for the six months to 31 December 2009	**11,196**	**1,248**	**12,444**
Equity dividends payable on Ordinary shares	**–**	**(737)**	**(737)**
At 31 December 2009	**5,164**	**3,110**	**8,274**
At 30 June 2008	(2,494)	2,059	(435)
Net loss for the six months to 31 December 2008	(8,371)	(674)	(9,045)
Equity dividends paid on Ordinary shares	–	(469)	(469)
Redemption of Ordinary shares	(4,680)	–	(4,680)
At 31 December 2008	(15,545)	916	(14,629)

*The capital reserve comprises both gains and losses on disposal of investments and investment holding gains and losses. Only "realised" profits may be distributed, which comprise net gains less losses on the realisation of investments together with changes in the fair value of investments that are considered to be readily convertible into cash without accepting adverse terms. Accordingly, the split of reserves in order to determine distributable realised profits is as follows:

7. Retained Earnings (continued)

	31 December 2009 £'000	30 June 2009 £'000
Capital reserve – distributable	**7,318**	1,126
Capital reserve – non-distributable	**(2,154)**	(7,158)
	5,164	(6,032)

8. Net Asset Value per Ordinary Share

The Net Asset Value per Ordinary share is calculated on Net Assets of £59,801,000 (30 June 2009: £48,094,000) and 11,705,040 (30 June 2009: 11,705,040) Ordinary shares in issue at the period-end.

9. Related Party Transactions

Gartmore Investment Limited is the Manager and Company Secretary of the Company. As such, it is regarded as a related party. During the period, total management fees of £226,000 (six months to 31December 2008: £108,000) and secretarial fees of £30,000 (six months to 31 December 2008: £30,000) were payable to Gartmore Investment Limited for the provision of services to the Company.

The Company has also financed and been financed by the trading activity of its subsidiary, Gartmore GO Dealing Limited.

10. Operating Segments

The Directors consider that the Group has two operating segments, being the parent Company, Gartmore Growth Opportunities plc, which invests in shares and securities for capital appreciation in accordance with the Company's published investment objective, and its wholly owned subsidiary, Gartmore GO Dealing Limited, which trades in securities to enhance Group returns. Discrete financial information for these sectors is reviewed regularly by the Manager and the Board who allocate resources and assess performance.

Segment financial information: **External Revenues:**	**Six months to 31 December 2009 £'000**	Six months to 31 December 2008 £'000
Parent Company	**12,213**	(7,543)
Subsidiary	**972**	(1,204)
Total Income	**13,185**	(8,747)
Net Profit/(Loss):		
Parent Company	**11,472**	(7,841)
Subsidiary	**972**	(1,204)
Total Comprehensive Income	**12,444**	(9,045)

Total Assets:	**As at 31 December 2009 £'000**	As at 31 December 2008 £'000
Parent Company	**62,676**	46,422
Subsidiary	**2,009**	3,468
Group Total Assets	**64,685**	49,890

Useful Information for Shareholders

Price and Performance Information

The Company's Ordinary shares and Equity-Linked Unsecured Loan Stock are listed on the London Stock Exchange and the prices are published in the Financial Times under 'Investment Companies'.

Real-time share price information is available on 09058 171 690. Calls via BT landline are charged at 75p per minute at all times.

The Company's Net Asset Value is calculated daily and can be viewed on the London Stock Exchange website at www.londonstockexchange.com.

Further information can be obtained from Gartmore as follows:

Free investor helpline: 0800-289 336
Internet address: www.gartmore.com
email address: helpline@gartmore.com

Internet

Information on the Company is available on the Gartmore internet site, www.gartmore.co.uk. The Company's discrete area on the site can be accessed via the ''Fund range'' menu or directly using www.gartmoregrowthopps.co.uk or www.gartmoregrowthopps.com. This information includes the latest annual and interim reports, factsheets and corporate governance documents, such as committee terms of reference that can be downloaded, together with access to the latest regulatory news announcements and net asset values.

Share Dealing

Investors wishing to purchase Ordinary shares in the Company, or sell all or part of their existing holdings, may do so through a stockbroker. The Company's registrar and many banks also offer this service. See also the inside back cover of this report for investing via the Gartmore savings schemes.

Share Register Enquiries

The Company's Registrars, Equiniti, maintain the share register. In the event of queries regarding your holding, please contact the Registrars on 0871 384 2430. Calls to this number are charged at 8p per minute from a BT landline. Other telephony providers' costs may vary. Alternatively, there is now a range of information online. You can check your holding and find practical help on transferring shares or updating your details at www.shareview.co.uk.

Changes of name or address must be notified in writing to the Registrars. The address to use is: Equiniti, Aspect House, Lancing, West Sussex BN99 6QZ.

Investing in Gartmore Investment Trusts

Gartmore SAVE*it* and Gartmore Investment ISA*it* are respectively the Savings Plan and tax-free Individual Savings Account (ISA) for the investment trusts managed by Gartmore Investment Limited.

These Schemes offer a simple and cost effective means of investing in Gartmore investment trust shares. You can use these schemes to invest on a regular savings basis, for lump sum investments or a combination of both.

Copies of the Accounts of the Company and details of Gartmore SAVE*it* and Gartmore Investment ISA*it* can be obtained from:

Gartmore Investor Services
Gartmore Investment Limited
Gartmore House
8 Fenchurch Place
London EC3M 4PB

Call free on: 0800-289 336

Telephone calls may be recorded.

e-mail: helpline@gartmore.com
Internet: www.gartmore.com

Important Information

If you have any doubts as to whether these products are suitable for you and wish to obtain personal advice, please contact an Independent Financial Adviser. The value of investment trust shares and the income from them may go down as well as up and you may not get back your original investment. The past performance of investment trusts is not a guide to future performance. Funds investing in overseas securities are exposed to and can hold currencies other than sterling. As a result, exchange rate movements may cause the value of investments to decrease or increase. Emerging markets tend to be more volatile than more established stock markets and therefore your money is at greater risk. Other risk factors such as political and economic conditions should also be considered. Smaller companies are riskier and less liquid than larger companies which means their share price may be more volatile. Investment trusts can borrow money to make additional investments on top of shareholders' funds (gearing). If these investments fall in value, gearing will magnify the negative impact on performance. Particular share classes may also be structurally geared by other share classes that have earlier entitlement to the investment trust's assets up to a predetermined limit. If an investment trust incorporates a large amount of gearing, its value may be subject to sudden and large falls in value and you could get back nothing at all. Where investment trust companies are involved in corporate activity, this may change the risk profile of individual shares, as well as impacting on the portfolio strategy, capital structure and duration of the overall company. Gartmore's investment trusts are permitted to use derivative instruments with the intention of improving returns or reducing the fund's volatility, although this outcome is not guaranteed. Derivatives are financial instruments which derive their value from an underlying security, such as equities or bonds. A rigorous risk management process runs alongside our use of derivatives to ensure that funds do not take undue levels of risk. The value of current tax relief depends on individual circumstances. If you have doubts about your tax position you should seek professional advice. The level of yield may be subject to fluctuation and is not guaranteed. Some or all, of the annual management fee may be currently charged to the capital of the company. Whilst this increases the yield, it will restrict the potential for capital growth. Investment trust shares may trade at a discount or a premium to the value of the investment trust's assets. Net Asset Value performance is not the same as share price performance and investors' returns may not equate to Net Asset Value performance. Where an investment trust holds a limited number of investments and one or more of those investments declines or is otherwise adversely affected, it may have a more profound effect on the investment trust's value than if a larger number of investments were held. If you choose to reinvest dividends to buy more shares in the same investment trust that paid the dividend, you should be aware that this will increase your investment risk exposure to the investment performance of that company. Investment trusts which specialise by investing in a particular region or market sector are more risky than those which hold a very broad spread of investments. ISAs were introduced on 6 April 1999. They are subject to government legislation and as such their tax benefits may be changed in the future.

Issued by Gartmore Investment Limited, which is authorised and regulated by the Financial Services Authority.

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