

Investment Approach

Fund Style: Large-Cap Core

Fund Strategy: Combines three value-style and two growth-style investment managers. Those selected demonstrate a consistent investment philosophy, decision making process, continuity of key people and above-average long-term results compared to managers with similar styles.

Investment Managers:

Value Managers:

Aristotle Capital Management, LLC
Delaware Investments
Pzena Investment Management, LLC

Growth Managers:

Sustainable Growth Advisers, LP
TCW Investment Management Company

Top 20 Holdings at Month-End

(29.4% of equity portfolio)

(Rank from previous month)

1	Facebook, Inc., Class A (5)	2.1%
2	Alphabet, Inc., Class C (1)	2.0%
3	Salesforce.com, Inc. (4)	2.0%
4	Visa, Inc., Class A (3)	1.9%
5	Mondelez International, Inc., Class A (2)	1.9%
6	Amazon.com, Inc. (6)	1.8%
7	The Priceline Group, Inc. (8)	1.6%
8	Starbucks Corp. (7)	1.5%
9	Adobe Systems, Inc. (11)	1.5%
10	Bank of America Corp. (10)	1.4%
11	Equinix, Inc. (13)	1.4%
12	Chubb Ltd. (12)	1.3%
13	Lowe's Companies, Inc. (14)	1.3%
14	Oracle Corp. (65)	1.3%
15	CVS Health Corp. (15)	1.2%
16	Intel Corp. (16)	1.1%
17	Halliburton Co. (9)	1.1%
18	Celgene Corp. (19)	1.0%
19	Archer-Daniels-Midland Co. (17)	1.0%
20	State Street Corp. (18)	1.0%

Holdings are subject to change.

All data is as of January 31, 2017 unless otherwise noted. The Liberty All-Star Equity Fund is a closed-end fund and does not continuously offer shares. The Fund trades in the secondary market, investors wishing to buy or sell shares need to place orders through an intermediary or broker by using the Fund's ticker symbol: USA. Secondary market support provided to the Fund by ALPS Fund Services, Inc.'s affiliate ALPS Portfolio Solutions Distributor, Inc., a FINRA member.

Monthly Performance

Performance	NAV	Market Price	Discount
Beginning of month value	\$6.13	\$5.16	15.8%
Distributions	—	—	
End of month value	\$6.27	\$5.37	14.4%
Performance for month	2.28%	4.07%	
Performance year-to-date	2.28%	4.07%	

The net asset value (NAV) of a closed-end fund is the market value of the underlying investments (i.e., stocks and bonds) in the Fund's portfolio, minus liabilities, divided by the total number of Fund shares outstanding. However, the Fund also has a market price; the value at which it trades on an exchange. If the market price is above the NAV the Fund is trading at a premium. If the market price is below the NAV the Fund is trading at a discount.

Performance returns for the Fund are total returns, which includes dividends, and are net of management fees and other Fund expenses. Returns are calculated assuming that a shareholder reinvested all distributions. Past performance cannot predict future investment results.

Performance will fluctuate with changes in market conditions. Current performance may be lower or higher than the performance data shown. Performance information shown does not reflect the deduction of taxes that shareholders would pay on Fund distributions or the sale of Fund shares. Shareholders must be willing to tolerate significant fluctuations in the value of their investment. An investment in the Fund involves risk, including loss of principal.

Sources of distributions to shareholders may include ordinary dividends, long-term capital gains and return of capital. The actual amounts and sources of the amounts for tax reporting purposes will depend upon the Fund's investment experience during its fiscal year and may be subject to changes based on tax regulations. If a distribution includes anything other than net investment income, the Fund provides a Section 19(a) notice of the best estimate of its distribution sources at that time, available at www.all-starfunds.com. These estimates may not match the final tax characterization (for the full year's distributions) contained in shareholders' 1099-DIV forms after the end of the year.

Net Assets at Month-End (\$ millions)

Total	\$1,188.6
Equities	\$1,157.5
Percent Invested	97.4%

New Holdings

Mastercard, Inc., Class A
McKesson Corp.
Mylan, Inc.

Sector Breakdown (% of equity portfolio)*

Information Technology	22.0%
Financials	19.3%
Health Care	14.0%
Consumer Discretionary	12.2%
Consumer Staples	9.6%
Energy	8.3%
Industrials	5.8%
Materials	3.4%
Real Estate	2.9%
Utilities	1.3%
Telecommunication Services	1.2%
Total Market Value	100.0%

Holdings Liquidated

None

* Based on Standard & Poor's and MSCI Barra Global Industry Classification Standard (GICS).