

LIBERTY ALL-STAR® GROWTH FUND

THIRD 3Q09 QUARTER

September 30, 2009

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ALL STAR
GROWTH FUND

LIBERTY ALL-STAR® GROWTH FUND, INC.
Period Ending September 30, 2009 (Unaudited)

Fund Statistics

Net Asset Value (NAV)	\$3.84	
Market Price	\$3.16	
Discount	17.7%	
	Quarter	Year-to-Date
Distributions	\$0.05	\$0.18
Market Price Trading Range	\$2.53 to \$3.34	\$1.90 to \$3.34
Discount Range	17.5% to 21.4%	13.9% to 24.6%

Performance

Shares Valued at NAV	14.16%	25.60%
Shares Valued at NAV with Dividends Reinvested	14.40%	26.98%
Shares Valued at Market Price with Dividends Reinvested	17.59%	30.22%
NASDAQ Composite Index	15.90%	35.59%
Russell 3000® Growth Index	14.12%	27.27%
S&P 500 Index	15.61%	19.26%
Lipper Multi-Cap Growth Mutual Fund Average*	15.22%	28.35%
NAV Reinvested Percentile Rank (1 = best; 100 = worst)	63rd	51st
Number of Funds in Category	508	483

* Percentile rank calculated using the Fund's NAV Reinvested return within the Lipper Multi-Cap Growth Open-end Mutual Fund Universe.

Figures shown for the Fund and the Lipper Multi-Cap Growth Mutual Fund Average are total returns, which include dividends, after deducting fund expenses. Figures shown for the unmanaged NASDAQ Composite Index, the Russell 3000 Growth Index and the S&P 500 Index are total returns, including dividends. A description of the Lipper benchmark and the market indices can be found on page 17.

Past performance cannot predict future results. Performance will fluctuate with market conditions. Current performance may be lower or higher than the performance data shown. Performance information does not reflect the deduction of taxes that shareholders would pay on Fund distributions or the sale of Fund shares. An investment in the Fund involves risk, including loss of principal.

The 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. The share price of a closed-end fund is based on the market's value. Shares of closed-end funds frequently trade at a discount to net asset value. The price of the Fund's shares is determined by a number of factors, several of which are beyond the control of the Fund. Therefore, the Fund cannot predict whether its shares will trade at, below or above net asset value.

*October 2009***Fellow Shareholders:**

In an exceptionally robust period for stocks, the widely followed S&P 500 Index returned 15.61 percent in the third quarter. The gain very nearly replicated the 15.93 percent return posted by the S&P 500 in the second quarter, and propelled the index to a 19.26 percent return through the first nine months of the year. It was a far cry from a year ago when the index was down by a similar 19.29 percent through nine months—with more pain to come in the fourth quarter.

The technology-laden NASDAQ Composite Index modestly outperformed the S&P 500, as it returned 15.90 percent for the quarter. The Russell 3000 Growth Index, meanwhile, advanced a 14.12 percent. Through September 30 this year, the NASDAQ Composite was ahead 35.59 percent while the Russell 3000 Growth Index rose 27.27 percent.

To be sure, there was no lack of skeptics questioning whether the stock market could continue to advance in the face of rising unemployment, lower consumer spending and business investment, and a weak housing market. Still, there were positive signs for forward looking investors. For one, the economy shrank at an annual rate of 0.7 percent from April through June, a sizable improvement over the -6.4 percent rate of the first quarter. The federal government's \$787 billion stimulus package appeared to give GDP numbers a boost and corporate earnings came in better than expected, even if largely attributable to cost cutting.

On the first trading day of August, stocks surpassed two milestones, as the S&P 500 Index broke through 1000 and the NASDAQ Composite Index passed 2000. Just a week earlier, on July 23, the Dow Jones Industrial Average retook the 9000 level, surging past that mark for the first time since January after hitting a 12-year low of 6547 in March. As the quarter ended, commentators were raising the specter of "Dow 10,000" (the DJIA closed the quarter at 9712).

Liberty All-Star Growth Fund built on its respectable second quarter, when it returned 15.74 percent with shares valued at net asset value (NAV). For the third quarter, the Fund's NAV rose 14.16 percent; 14.40 percent with shares valued at NAV with dividends reinvested; and 17.59 percent when shares are valued at market price with dividends reinvested. By comparison the Lipper Multi-Cap Growth Mutual Fund Average rose 15.22 percent and the Russell 3000 Growth Index advanced 14.12 percent.

Through the first nine months of the year, the Fund's NAV increased 25.60 percent; shares valued at NAV with dividends reinvested rose 26.98 percent; and shares valued at market price with dividends reinvested advanced 30.22 percent. Comparable results for relevant benchmarks for the same period were 27.27 percent for the Russell 3000 Growth Index and 28.35 percent for the Lipper Multi-Cap Growth Mutual Fund Average. The Fund's quarterly return ranked it in the 63rd percentile of the Lipper universe (1st percentile = best, 100th percentile = worst), while on a year to date basis through September 30 it ranked in the 51st percentile. The discount at

which shares are trading relative to their underlying net asset value remained stubbornly high, but did contract moderately, ending the quarter at 17.7 percent compared to 19.9 percent at the end of June.

Since bottoming on March 9, Fund shares valued at market price returned 68.45 percent through September 30 (compared with 55.56 percent for the Russell 3000 Growth Index, which also bottomed on March 9). We are pleased with the Fund's results in light of the fact that returns for many high quality growth stocks have lagged when compared to some lower quality companies whose future viability was in question just months ago. Should we see a greater focus on the sustainable earnings of higher quality growth stocks we believe the Fund is well positioned to benefit even further.

We were encouraged by the Fund's third quarter results, as well as its advance since the March lows. In particular, the nearly 70 percent rise in market price off the March lows speaks to the merits of the Fund's disciplined, multi-cap structure, and we are gratified that patient investors have been rewarded. In the crosscurrents of the economy, there are positive signs and negative ones—and Fund management can only monitor changing conditions and remain watchful. That said, we believe that the Fund's multi-management process continues to be a sound foundation for long-term growth equity investing.

Sincerely,



William R. Parmentier, Jr.

President

Liberty All-Star Growth Fund, Inc.

The views expressed in the President's letter reflect the views of the President as of October 2009 and may not reflect his views on the date this report is first published or anytime thereafter. These views are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict so actual outcomes and results may differ significantly from the views expressed. These views are subject to change at any time based upon economic, market or other conditions and the Fund disclaims any responsibility to update such views. These views may not be relied on as investment advice and, because investment decisions for the Fund are based on numerous factors, may not be relied on as an indication of trading intent.

TABLE OF DISTRIBUTIONS & RIGHTS OFFERINGS

YEAR	PER SHARE DISTRIBUTIONS	RIGHTS OFFERINGS		
		MONTH COMPLETED	SHARES NEEDED TO PURCHASE ONE ADDITIONAL SHARE	SUBSCRIPTION PRICE
1997	\$1.24			
1998	1.35	July	10	\$12.41
1999	1.23			
2000	1.34			
2001	0.92	September	8	6.64
2002	0.67			
2003	0.58	September	8*	5.72
2004	0.63			
2005	0.58			
2006	0.59			
2007	0.61			
2008	0.47			
2009				
1st Quarter	0.08			
2nd Quarter	0.05			
3rd Quarter	0.05			

* The number of shares offered was increased by an additional 25% to cover a portion of the over-subscription requests.

DISTRIBUTION POLICY

Liberty All-Star Growth Fund, Inc.'s current policy is to pay distributions on its shares totaling approximately 6 percent of its net asset value per year, payable in four quarterly installments of 1.5 percent of the Fund's net asset value at the close of the New York Stock Exchange on the Friday prior to each quarterly declaration date. **The fixed distributions are not related to the amount of the Fund's net investment income or net realized capital gains or losses and may be taxed as ordinary income up to the amount of the Fund's current and accumulated earnings and profits.** If, for any calendar year, the total distributions made under the distribution policy exceed the Fund's net investment income and net realized capital gains, the excess will generally be treated as a non-taxable return of capital, reducing the shareholder's adjusted basis in his or her shares. If the Fund's net investment income and net realized capital gains for any year exceed the amount distributed under the distribution policy, the Fund may, in its discretion, retain and not distribute net realized capital gains and pay income tax thereon to the extent of such excess.

LIBERTY ALL-STAR® GROWTH FUND**TOP 20 HOLDINGS & ECONOMIC SECTORS***as of September 30, 2009 (Unaudited)*

TOP 20 HOLDINGS*	PERCENT OF NET ASSETS
National-Oilwell Varco, Inc.	1.80%
Strayer Education, Inc.	1.74
Core Laboratories N.V.	1.60
Starbucks Corp.	1.59
Microsoft Corp.	1.58
The TJX Companies, Inc.	1.53
Barrick Gold Corp.	1.51
Research In Motion Ltd.	1.48
Visa, Inc., Class A	1.44
Weatherford International Ltd.	1.42
LKQ Corp.	1.41
Adobe Systems, Inc.	1.38
Hewlett-Packard Co.	1.33
McAfee, Inc.	1.31
WellPoint, Inc.	1.27
ANSYS, Inc.	1.22
eBay, Inc.	1.17
Oracle Corp.	1.17
Corning, Inc.	1.16
Capella Education Co.	1.10
	28.21%

ECONOMIC SECTORS*	PERCENT OF NET ASSETS
Information Technology	27.88%
Consumer Discretionary	15.79
Health Care	15.21
Industrials	15.13
Energy	8.81
Financials	8.71
Materials	2.91
Consumer Staples	1.11
Telecommunication Services	1.08
Utilities	0.49
Other Net Assets	2.88
	100.00%

* Because the Fund is actively managed, there can be no guarantee that the Fund will continue to hold securities of the indicated issuers and sectors in the future.

MAJOR STOCK CHANGES IN THE THIRD QUARTER

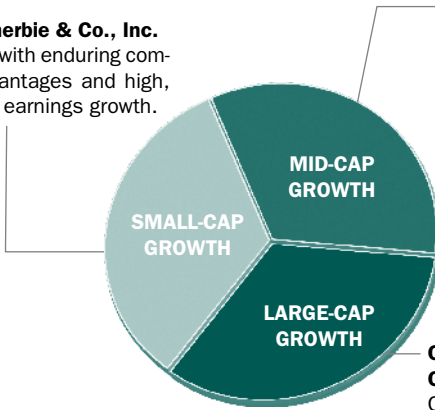
(Unaudited)

The following are the major (\$1.0 million or more) stock changes – both purchases and sales – that were made in the Fund's portfolio during the third quarter of 2009.

SECURITY NAME	PURCHASES (SALES)	SHARES AS OF 9/30/09
PURCHASES		
Adobe Systems, Inc.	48,300	48,300
eBay, Inc.	57,300	57,300
Hewlett-Packard Co.	32,400	32,400
Microsoft Corp.	70,600	70,600
UnitedHealth Group	40,900	40,900
WellPoint, Inc.	21,800	31,000
SALES		
Cisco Systems, Inc.	(78,600)	0
International Business Machines Corp.	(16,400)	0
McDonald's Corp	(18,400)	0
Petroleo Brasileiro S.A.	(37,300)	0
QUALCOMM, Inc.	(28,600)	0

THE FUND'S THREE GROWTH INVESTMENT MANAGERS AND THE MARKET CAPITALIZATION ON WHICH EACH FOCUSES:

M.A. Weatherbie & Co., Inc.
Companies with enduring competitive advantages and high, sustainable earnings growth.



TCW Investment Management Company
Companies with competitive advantages and superior business models that should result in rapidly growing sales and earnings.

Chase Investment Counsel Corporation
Companies that have demonstrated consistent earnings growth that are prudently priced.

MANAGERS' DIFFERING INVESTMENT STRATEGIES ARE REFLECTED IN PORTFOLIO CHARACTERISTICS

The portfolio characteristics table below is a regular feature of the Fund's shareholder reports. It serves as a useful tool for understanding the value of the Fund's multi-managed portfolio. The characteristics are different for each of the Fund's three investment managers. These differences are a reflection of the fact that each has a different capitalization focus and investment strategy. The shaded column highlights the characteristics of the Fund as a whole, while the first three columns show portfolio characteristics for the Russell Smallcap, Midcap and Largecap Growth indices. See page 17 for a description of these indices.

PORTFOLIO CHARACTERISTICS AS OF SEPTEMBER 30, 2009 (UNAUDITED)

MARKET CAPITALIZATION SPECTRUM

SMALL **LARGE**

	RUSSELL GROWTH:			M.A. WEATHERBIE	TCW	CHASE	TOTAL FUND
	SMALLCAP INDEX	MIDCAP INDEX	LARGECAP INDEX				
Number of Holdings	1261	491	624	58	64	34	146*
Weighted Average Market Capitalization (billions)	\$1.0	\$6.1	\$69.9	\$2.0	\$4.8	\$41.8	\$15.8
Average Five-Year Earnings Per Share Growth	17%	16%	17%	17%	40%	24%	26%
Dividend Yield	0.5%	1.1%	1.6%	0.4%	0.3%	0.6%	0.4%
Price/Earnings Ratio**	20x	19x	18x	23x	24x	19x	22x
Price/Book Value Ratio	3.6x	4.1x	4.7x	3.6x	5.1x	3.5x	4.1x

* Certain holdings are held by more than one manager.

** Excludes negative earnings.

SCHEDULE OF INVESTMENTS

as of September 30, 2009 (Unaudited)

COMMON STOCKS (97.12%)	SHARES	MARKET VALUE
► CONSUMER DISCRETIONARY (15.79%)		
Automobiles (0.97%)		
Thor Industries, Inc.	36,027	\$ 1,115,036
Distributors (1.41%)		
LKQ Corp. ^(a)	87,925	1,630,130
Diversified Consumer Services (3.34%)		
Capella Education Co. ^(a)	18,798	1,265,857
K12, Inc. ^(a)	35,500	585,040
Strayer Education, Inc.	9,199	2,002,439
		3,853,336
Hotels, Restaurants & Leisure (4.05%)		
BJ's Restaurants, Inc. ^(a)	37,011	554,795
Chipotle Mexican Grill, Inc., Class B ^(a)	6,000	499,320
Ctrip.com International Ltd. ^{(a)(b)}	14,020	824,236
Life Time Fitness, Inc. ^(a)	18,387	515,755
Starbucks Corp. ^(a)	88,800	1,833,719
Wynn Resorts Ltd. ^(a)	6,200	439,518
		4,667,343
Media (1.01%)		
The DIRECTV Group, Inc. ^(a)	28,100	774,998
DreamWorks Animation SKG, Inc., Class A ^(a)	10,900	387,713
		1,162,711
Multi-Line Retail (0.54%)		
Dollar Tree, Inc. ^(a)	12,865	626,268
Specialty Retail (3.95%)		
Guess?, Inc.	15,900	588,936
Hibbett Sports, Inc. ^(a)	32,128	585,693
O'Reilly Automotive, Inc. ^(a)	21,900	791,466
The TJX Companies, Inc.	47,400	1,760,910
Ulta Salon, Cosmetics & Fragrance, Inc. ^(a)	50,658	836,364
		4,563,369
Textiles, Apparel & Luxury Goods (0.52%)		
Phillips-Van Heusen Corp.	13,954	597,092
► CONSUMER STAPLES (1.11%)		
Beverages (1.11%)		
The Coca-Cola Co.	8,200	440,340
Hansen Natural Corp. ^(a)	22,727	834,990
		1,275,330

See Notes to Schedule of Investments

LIBERTY ALL-STAR® GROWTH FUND**SCHEDULE OF INVESTMENTS***as of September 30, 2009 (Unaudited)*

COMMON STOCKS (continued)	SHARES	MARKET VALUE
► ENERGY (8.81%)		
Energy Equipment & Services (7.77%)		
CARBO Ceramics, Inc.	13,556	\$ 698,812
Core Laboratories N.V.	17,886	1,843,868
IHS, Inc. ^(a)	19,338	988,752
National-Oilwell Varco, Inc. ^(a)	48,100	2,074,552
Oceaneering International, Inc. ^(a)	17,500	993,125
Smith International, Inc.	25,300	726,110
Weatherford International Ltd. ^(a)	79,200	1,641,816
		<u>8,967,035</u>
Oil, Gas & Consumable Fuels (1.04%)		
Contango Oil & Gas Co. ^(a)	12,000	612,720
Ultra Petroleum Corp. ^(a)	12,000	587,520
		<u>1,200,240</u>
► FINANCIALS (8.71%)		
Capital Markets (2.15%)		
Affiliated Managers Group, Inc. ^(a)	12,404	806,384
GFI Group, Inc.	125,074	904,285
optionsXpress Holdings, Inc.	44,383	766,938
		<u>2,477,607</u>
Commercial Banks (0.95%)		
Signature Bank ^(a)	37,956	1,100,724
Consumer Finance (1.44%)		
Visa, Inc., Class A	24,000	1,658,640
Diversified Financial Services (2.49%)		
Financial Federal Corp.	21,935	541,356
IntercontinentalExchange, Inc. ^(a)	5,400	524,826
MSCI, Inc. ^(a)	34,318	1,016,499
Portfolio Recovery Associates, Inc. ^(a)	17,231	781,081
		<u>2,863,762</u>
Insurance (1.18%)		
ACE Ltd. ^(a)	15,000	801,900
Tower Group, Inc.	23,100	563,409
		<u>1,365,309</u>
Thriffs & Mortgage Finance (0.50%)		
People's United Financial, Inc.	37,100	577,276

See Notes to Schedule of Investments

SCHEDULE OF INVESTMENTS

as of September 30, 2009 (Unaudited)

COMMON STOCKS (continued)	SHARES	MARKET VALUE
► HEALTH CARE (15.21%)		
Biotechnology (3.74%)		
Amylin Pharmaceuticals, Inc. ^(a)	16,007	\$ 219,136
BioMarin Pharmaceutical, Inc. ^(a)	35,850	648,168
Genzyme Corp. ^(a)	14,900	845,278
Human Genome Sciences, Inc. ^(a)	28,900	543,898
InterMune, Inc. ^(a)	13,500	215,055
Isis Pharmaceuticals, Inc. ^(a)	17,900	260,803
Martek Biosciences Corp. ^(a)	17,965	405,829
Medivation, Inc. ^(a)	7,200	195,408
United Therapeutics Corp. ^(a)	7,966	390,254
Vertex Pharmaceuticals, Inc. ^(a)	15,600	591,240
		<u>4,315,069</u>
Health Care Equipment & Supplies (3.76%)		
Accuray, Inc. ^(a)	28,432	184,808
I-Flow Corp. ^(a)	36,958	420,952
Intuitive Surgical, Inc. ^(a)	4,100	1,075,225
Masimo Corp. ^(a)	39,696	1,040,035
ResMed, Inc. ^(a)	22,806	1,030,831
Thoratec Corp. ^(a)	19,400	587,238
		<u>4,339,089</u>
Health Care Providers & Services (5.09%)		
athenahealth, Inc. ^(a)	1,200	46,044
CardioNet, Inc. ^(a)	7,540	50,669
Lincare Holdings, Inc. ^(a)	30,900	965,625
Medco Health Solutions, Inc. ^(a)	13,600	752,216
PSS World Medical, Inc. ^(a)	28,970	632,415
UnitedHealth Group, Inc.	40,900	1,024,136
VCA Antech, Inc. ^(a)	34,620	930,932
WellPoint, Inc. ^(a)	31,000	1,468,159
		<u>5,870,196</u>
Life Sciences Tools & Services (0.98%)		
Charles River Laboratories International, Inc. ^(a)	10,296	380,746
Life Technologies Corp. ^(a)	16,200	754,110
		<u>1,134,856</u>
Pharmaceuticals (1.64%)		
Auxilium Pharmaceuticals, Inc. ^(a)	6,327	216,447
Mylan, Inc. ^(a)	72,900	1,167,129
Teva Pharmaceutical Industries Ltd. ^(b)	7,100	358,976
XenoPort, Inc. ^(a)	6,900	146,487
		<u>1,889,039</u>

See Notes to Schedule of Investments

LIBERTY ALL-STAR® GROWTH FUND**SCHEDULE OF INVESTMENTS***as of September 30, 2009 (Unaudited)*

COMMON STOCKS (continued)	SHARES	MARKET VALUE
► INDUSTRIALS (15.13%)		
Aerospace & Defense (2.62%)		
Aerovironment, Inc. ^(a)	11,100	\$ 311,799
HEICO Corp.	12,224	530,033
Spirit AeroSystems Holdings, Inc. ^(a)	34,400	621,264
Stanley, Inc. ^(a)	17,053	438,603
TransDigm Group, Inc. ^(a)	22,475	1,119,480
		<u>3,021,179</u>
Air Freight & Logistics (1.54%)		
C.H. Robinson Worldwide, Inc.	12,600	727,650
Expeditors International of Washington, Inc.	21,100	741,665
UTI Worldwide, Inc.	20,874	302,256
		<u>1,771,571</u>
Commercial Services & Supplies (5.57%)		
American Reprographics Co. ^(a)	67,341	641,086
Clean Harbors, Inc. ^(a)	15,500	872,030
Quanta Services, Inc. ^(a)	35,400	783,402
Resources Connection, Inc. ^(a)	70,090	1,195,735
Ritchie Bros. Auctioneers, Inc.	24,089	591,144
Stantec, Inc. ^(a)	36,022	904,152
Stericycle, Inc. ^(a)	12,130	587,699
Waste Connections, Inc. ^(a)	29,462	850,273
		<u>6,425,521</u>
Construction & Engineering (1.26%)		
Fluor Corp.	20,000	1,017,000
The Shaw Group, Inc. ^(a)	13,600	436,424
		<u>1,453,424</u>
Electrical Equipment (0.96%)		
First Solar, Inc. ^(a)	1,500	229,290
Rockwell Automation, Inc.	20,700	881,820
		<u>1,111,110</u>
Machinery (1.70%)		
Danaher Corp.	11,310	761,389
Joy Global, Inc.	12,000	587,280
Kaydon Corp.	7,364	238,741
Wabtec Corp.	10,000	375,300
		<u>1,962,710</u>
Professional Services (0.81%)		
Monster Worldwide, Inc. ^(a)	53,111	928,380

See Notes to Schedule of Investments

SCHEDULE OF INVESTMENTS

as of September 30, 2009 (Unaudited)

COMMON STOCKS (continued)	SHARES	MARKET VALUE
Trading Companies & Distributors (0.67%)		
Fastenal Co.	20,050	\$ 775,935
► INFORMATION TECHNOLOGY (27.88%)		
Communications Equipment (3.61%)		
Corning, Inc.	87,100	1,333,501
Polycom, Inc. ^(a)	41,951	1,122,189
Research In Motion Ltd. ^(a)	25,300	1,709,015
		<u>4,164,705</u>
Computers & Peripherals (3.25%)		
EMC Corp. ^(a)	61,500	1,047,960
Hewlett-Packard Co.	32,400	1,529,604
NetApp, Inc. ^(a)	44,100	1,176,588
		<u>3,754,152</u>
Electronic Equipment & Instruments (1.17%)		
FLIR Systems, Inc. ^(a)	24,546	686,552
National Instruments Corp.	24,013	663,479
		<u>1,350,031</u>
Internet Software & Services (4.86%)		
Akamai Technologies, Inc. ^(a)	36,300	714,384
Baidu, Inc. ^{(a)(b)}	2,600	1,016,730
comScore, Inc. ^(a)	19,965	359,570
Digital River, Inc. ^(a)	7,540	304,013
eBay, Inc. ^(a)	57,300	1,352,852
Mercadolibre, Inc. ^(a)	21,437	824,467
VistaPrint Ltd. ^(a)	20,482	1,039,462
		<u>5,611,478</u>
IT Services (1.29%)		
Alliance Data Systems Corp. ^(a)	9,400	574,152
Fiserv, Inc. ^(a)	11,600	559,120
SRA International, Inc. ^(a)	16,523	356,732
		<u>1,490,004</u>
Semiconductors & Semiconductor Equipment (1.82%)		
Avago Technologies Ltd. ^(a)	21,700	370,419
Cavium Networks, Inc. ^(a)	30,288	650,284
FormFactor, Inc. ^(a)	20,046	479,500
Hittite Microwave Corp. ^(a)	16,359	601,684
		<u>2,101,887</u>

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LIBERTY ALL-STAR® GROWTH FUND**SCHEDULE OF INVESTMENTS***as of September 30, 2009 (Unaudited)*

COMMON STOCKS (continued)	SHARES	MARKET VALUE
Software (11.88%)		
Adobe Systems, Inc. ^(a)	48,300	\$ 1,595,832
ANSYS, Inc. ^(a)	37,633	1,410,109
BMC Software, Inc. ^(a)	11,900	446,607
Citrix Systems, Inc. ^(a)	9,600	376,608
Concur Technologies, Inc. ^(a)	10,100	401,576
Electronic Arts, Inc. ^(a)	38,800	739,140
Intuit, Inc. ^(a)	12,300	350,550
Longtop Financial Technologies Ltd. ^{(a)(b)}	12,400	352,904
McAfee, Inc. ^(a)	34,600	1,515,134
Microsoft Corp.	70,600	1,827,834
Nuance Communications, Inc. ^(a)	27,400	409,904
Oracle Corp.	64,600	1,346,264
Perfect World Co. Ltd. ^{(a)(b)}	2,010	96,681
Salesforce.com, Inc. ^(a)	19,000	1,081,670
Shanda Games Ltd. ^{(a)(b)}	8,200	95,940
Solera Holdings, Inc.	23,297	724,770
VMware, Inc. ^(a)	23,060	926,320
		<u>13,697,843</u>
► MATERIALS (2.91%)		
Chemicals (1.40%)		
CF Industries Holdings, Inc.	6,700	577,741
Praxair, Inc.	10,595	865,506
Sigma-Aldrich Corp.	3,200	172,736
		<u>1,615,983</u>
Metals & Mining (1.51%)		
Barrick Gold Corp.	45,900	<u>1,739,610</u>
► TELECOMMUNICATION SERVICES (1.08%)		
Diversified Telecommunication (0.43%)		
Cbeyond, Inc. ^(a)	31,024	<u>500,417</u>
Wireless Telecommunication Services (0.65%)		
Clearwire Corp., Class A ^(a)	52,448	426,402
Vodafone Group PLC ^(b)	14,500	326,250
		<u>752,652</u>
► UTILITIES (0.49%)		
Electric Utilities (0.49%)		
ITC Holdings Corp.	12,361	<u>561,807</u>
TOTAL COMMON STOCKS (COST OF \$107,927,321)		<u>112,039,856</u>

See Notes to Schedule of Investments

SCHEDULE OF INVESTMENTS

as of September 30, 2009 (Unaudited)

SHORT TERM INVESTMENT (4.50%)	PAR VALUE	MARKET VALUE
▶ REPURCHASE AGREEMENT (4.50%)		
Repurchase agreement with State Street Bank & Trust Co., dated 09/30/09, due 10/01/09 at 0.010%, collateralized by several Fannie Mae and Freddie Mac instruments with various maturity dates, market value of \$5,303,449 (Repurchase proceeds of \$5,195,001) (COST OF \$5,195,000)	\$ 5,195,000	\$ 5,195,000
TOTAL INVESTMENTS (101.62%) (COST OF 113,122,321) ^(c)		117,234,856
LIABILITIES IN EXCESS OF OTHER ASSETS (-1.62%)		(1,872,688)
NET ASSETS (100.00%)		\$ 115,362,168
NET ASSET VALUE PER SHARE (30,080,350 SHARES OUTSTANDING)		\$ 3.84

^(a) Non-income producing security.^(b) American Depositary Receipt.^(c) Cost of investments for federal income tax purposes is \$113,365,173.

Gross unrealized appreciation and depreciation at September 30, 2009 based on cost of investments for federal income tax purposes is as follows:

Gross unrealized appreciation	\$ 15,317,894
Gross unrealized depreciation	(11,448,211)
Net unrealized appreciation	\$ 3,869,683

LIBERTY ALL-STAR® GROWTH FUND

PER SHARE CHANGES IN NET ASSETS

	NINE MONTHS ENDED SEPTEMBER 30, 2009 (UNAUDITED)	YEAR ENDED DECEMBER 31,				
		2008	2007	2006	2005	2004
Net asset value at beginning of year	\$3.24	\$6.03	\$5.69	\$5.97	\$6.29	\$6.51
Net investment loss	(0.02)	(0.03)	(0.03)	(0.04)	(0.04)	(0.05)
Net realized and unrealized gain/(loss) on investments	0.80	(2.29)	0.98	0.35	0.30	0.46
Distributions paid ^(a)	(0.18)	(0.47)	(0.61)	(0.59)	(0.58)	(0.63)
Net asset value at end of period	\$3.84	\$3.24	\$6.03	\$5.69	\$5.97	\$6.29

^(a) Realized gains offset by capital loss carryforwards are not required to be distributed to shareholders. Any such gains distributed may be taxable to shareholders as ordinary income. To the extent distributions exceed the Fund's current year earnings and profits, the excess may be treated as a non-taxable return of capital.

September 30, 2009 (Unaudited)

Security Valuation

Equity securities are valued at the last sale price at the close of the principal exchange on which they trade, except for securities listed on the NASDAQ which are valued at the NASDAQ official closing price. Unlisted securities or listed securities for which there were no sales during the day are valued at the closing bid price on such exchanges or over-the-counter markets.

Short-term debt obligations maturing in more than 60 days for which market quotations are readily available are valued at current market value. Short-term debt obligations maturing within 60 days are valued at amortized cost, which approximates market value.

Investments for which market quotations are not readily available are valued at fair value as determined in good faith under consistently applied procedures approved by and under the general supervision of the Board of Directors.

Foreign Securities

The Fund invests in foreign securities which may involve a number of risk factors and special considerations not present with investments in securities of U.S. corporations.

Security Transactions

Security transactions are accounted for on the trade date. Cost is determined and gains (losses) are based upon the specific identification method for both financial statement and federal income tax purposes.

Repurchase Agreements

The Fund may engage in repurchase agreement transactions with institutions that the Fund's investment advisor has determined are creditworthy. The Fund, through its custodian, receives delivery of underlying securities collateralizing a repurchase agreement. Collateral is at least equal, at all times, to the value of the repurchase obligation including interest. A repurchase agreement transaction involves certain risks in the event of default or insolvency of the counterparty. These risks include possible delays or restrictions upon a Fund's ability to dispose of the underlying securities and a possible decline in the value of the underlying securities during the period while the Fund seeks to assert its rights.

Income Recognition

Interest income is recorded on the accrual basis. Corporate actions and dividend income are recorded on the ex-date.

Fair Value Reporting

The Fund discloses the classification of its fair value measurements following the three-tier hierarchy established by the Financial Accounting Standards Board. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability that are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability that are developed based on the best information available.

LIBERTY ALL-STAR® GROWTH FUND**NOTES TO SCHEDULE OF INVESTMENTS**

September 30, 2009 (Unaudited)

Various inputs are used in determining the value of the Fund's investments as of the end of the reporting period. The designated input levels are not necessarily an indication of the risk or liquidity associated with these investments. These inputs are categorized in the following hierarchy under applicable financial accounting standards:

Level 1 – Quoted prices in active markets for identical investments

Level 2 – Other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3 – Significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

The following is a summary of the inputs used as of September 30, 2009 in valuing the Fund's assets:

VALUATION INPUTS	INVESTMENTS IN SECURITIES AT VALUE	OTHER FINANCIAL INSTRUMENTS*
Level 1 - Quoted Prices		
Common Stocks	\$ 112,039,856	\$ –
Level 2 - Other Significant Observable Inputs		
Short Term Investment	5,195,000	–
Level 3 - Significant Unobservable Inputs		
	–	–
Total	\$ 117,234,856	\$ –

* Other financial instruments are derivative investments not reflected in the Schedule of Investments such as futures, forwards and swap contracts, which are valued at the unrealized appreciation/depreciation on the investment.

For the nine months ended September 30, 2009, the Fund did not have significant unobservable inputs (Level 3) used in determining fair value. Therefore, a reconciliation of assets in which significant unobservable inputs (Level 3) were used in determining fair value is not applicable.

Indemnification

In the normal course of business, the Fund enters into contracts that contain a variety of representations and warranties and which provide general indemnities. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims against the Fund. Also, under the Fund's organizational documents and by contract, the Directors and Officers of the Fund are indemnified against certain liabilities that may arise out of their duties to the Fund. However, based on experience, the Fund expects the risk of loss due to these warranties and indemnities to be minimal.

DESCRIPTION OF LIPPER BENCHMARK AND MARKET INDICES

Lipper Multi-Cap Growth Mutual Fund Average

The average of funds that, by portfolio practice, invest in a variety of market capitalization ranges without concentrating 75% of their equity assets in any one market capitalization range over an extended period of time. Multi-Cap funds typically have between 25% to 75% of their assets invested in companies with market capitalizations (on a three-year weighted basis) above 300% of the dollar-weighted median market capitalization of the middle 1,000 securities of the S&P SuperComposite 1500 Index. Multi-Cap growth funds typically have an above-average price-to-earnings ratio, price-to-book ratio, and three-year sales-per-share growth value, compared to the S&P SuperComposite 1500 Index.

NASDAQ Composite Index

Measures all NASDAQ domestic and international based common type stocks listed on the NASDAQ Stock Market.

Russell 3000® Growth Index

Measures the performance of those Russell 3000 companies with higher price-to-book-ratios and higher forecasted growth values. The Russell 3000 Index measures the performance of the 3,000 largest U.S. companies based on total market capitalization, which represents approximately 98% of the investable U.S. equity market.

Russell 1000® Growth Index (Largecap)

Measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values. The Russell 1000 Index measures the performance of the 1,000 largest companies in the Russell 3000 Index.

Russell Midcap® Growth Index

Measures the performance of those Russell Midcap companies with higher price-to-book ratios and higher forecasted growth values. The Russell Midcap Index measures the performance of the 800 smallest companies in the Russell 1000 Index.

Russell 2000® Growth Index (Smallcap)

Measures the performance of those Russell 2000 companies with higher price-to-book ratios and higher forecasted growth values. The Russell 2000 Index measures the performance of the 2,000 smallest companies in the Russell 3000 Index.

S&P 500 Index

A representative sample of 500 leading companies in leading industries of the U.S. economy. Focuses on the large-cap segment of the market with approximately 75% coverage of U.S. equities.

INVESTMENT ADVISOR

ALPS Advisors, Inc.
1290 Broadway, Suite 1100
Denver, Colorado 80203
303-623-2577
www.all-starfunds.com

INDEPENDENT REGISTERED

PUBLIC ACCOUNTING FIRM

Deloitte & Touche LLP
555 Seventeenth Street, Suite 3600
Denver, Colorado 80202

CUSTODIAN

State Street Bank & Trust Company
One Lincoln Street
Boston, Massachusetts 02111

INVESTOR ASSISTANCE,

TRANSFER & DIVIDEND

DISBURSING AGENT & REGISTRAR

Computershare Trust Company, N.A.
P.O. Box 43078
Providence, Rhode Island 02940-3078
1-800-241-1850
www.computershare.com

LEGAL COUNSEL

K&L Gates LLP
1601 K Street, NW
Washington, DC 20006

DIRECTORS

John A. Benning*
Thomas W. Brock*
Edmund J. Burke
George R. Gaspari*
Richard W. Lowry*, Chairman
Dr. John J. Neuhauser*
Richard C. Rantzow*

OFFICERS

William R. Parmentier, Jr., President
Mark T. Haley, CFA, Senior Vice President
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Jeremy O. May, Treasurer
Kimberly R. Storms, Assistant Treasurer
Stephanie Barres, Secretary
Phil Perrone, Chief Compliance Officer

* Member of the Audit Committee

A description of the Fund's proxy voting policies and procedures is available (i) on the Securities and Exchange Commission's website at www.sec.gov, and (ii) without charge, upon request, by calling 1-800-241-1850. Information regarding how the Fund voted proxies relating to portfolio securities during the 12-month period ended June 30, 2009 is available from the SEC's website at www.sec.gov. Information regarding how the Fund voted proxies relating to portfolio securities is also available at www.all-starfunds.com.

The Fund files a complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Form N-Q's are available on the SEC's website at www.sec.gov and may be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330.

Notice is hereby given in accordance with Section 23(c) of the Investment Company Act of 1940 that the Fund may purchase at market prices from time to time shares of its own common stock in the open market.

This report is transmitted to shareholders of Liberty All-Star Growth Fund, Inc. for their information. It is not a prospectus or other document intended for use in the purchase of Fund shares.



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FUND
ASSOCIATION, INC.
WWW.CLOSED-ENDFUNDS.COM

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