

LIBERTY ALL STAR GROWTH FUND INC.

Form N-30B-2

November 23, 2010

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| | | |
|--|--------|-------|
| S&P 500 Index | 11.29% | 3.89% |
| Lipper Multi-Cap Growth Mutual Fund Average* | 13.05% | 5.74% |
| NAV Reinvested Percentile Rank (1 = best; 100 = worst) | 54th | 19th |
| Number of Funds in Category | 481 | 462 |

* Percentile ranks 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.

Fellow Shareholders:

October 2010

After a challenging second quarter, the stock market rebounded during the third quarter despite heightened volatility that kept investors on edge.

The Russell 3000® Growth Index returned 12.98 percent for the third quarter a reversal from its 11.55 percent loss in the second quarter moving the index into positive territory year-to-date. The technology-oriented NASDAQ Composite Index returned 12.54 percent for the quarter while the widely followed S&P 500 Index gained 11.29 percent for the period. Both also posted positive returns through the first nine months.

Although the quarter's performance was strong, monthly returns were volatile. The quarter opened strongly as the Russell 3000® Growth Index advanced 7.09 percent in July. Markets reversed course in August, however, with the Russell benchmark declining 4.88 percent. Going into September historically, a month that can be weak for stocks investors were wary. But the month started off on a positive note and investors never looked back, as the Russell 3000® Growth Index posted a strong 10.92 percent gain. Other key market indices showed the same pattern of good performance in July and September bracketing a poor month in August.

On balance, investors were heartened by incremental improvements in the economy, allaying fears that the country would slip back into recession. Unemployment remained stubbornly high and the housing market continued to struggle. Emblematic of the sluggishness, GDP in the second quarter grew at just 1.7 percent, down from 3.7 percent in the first quarter. The Federal Reserve has been reassuring, indicating its intention to resume quantitative easing, if necessary. Trading volume over the quarter was subdued, suggesting that many investors continued to sit on the sidelines or funnel money into bonds and bond funds.

Liberty All-Star® Growth Fund enjoyed a good quarter, as it performed in-line with or moderately ahead of relevant benchmarks. For the quarter, the Fund returned 12.96 percent with shares valued at net asset value (NAV); 12.95 percent with shares valued at NAV with dividends reinvested; and 13.52 percent when shares are valued at market price with dividends reinvested. As noted earlier, the Russell 3000® Growth Index returned 12.98 percent for the quarter, while the NASDAQ Composite gained 12.54 percent. The Fund's primary benchmark, the Lipper Multi-Cap Growth Mutual Fund Average, advanced 13.05 percent for the quarter. The Fund's third quarter performance ranked it in the 54th percentile of 481 funds in its Lipper category. Through the first nine months of the year, the Fund ranked in the top 20 percent of all funds in that universe.

The discount at which Fund shares trade relative to their NAV narrowed moderately during the quarter, as it ranged from 6.4 percent to 11.1 percent, which is down from its nine-month high of 16.2 percent. Closed-end domestic equity funds have traded at deeper discounts than closed-end bond funds for some time, most likely reflecting apprehension on the part of individual investors to commit to equities.

President's Letter

Liberty All-Star® Growth Fund

In closing, we are pleased with the Fund's relative performance for both the quarter and year-to-date given the market volatility. Moreover, the Fund has outperformed its primary benchmark for the trailing one-, three-, five-, and 10-year periods through September 30. We believe the Fund's disciplined, multi-management approach has served shareholders well and should go forward as we anticipate continued volatility for the foreseeable future.

Sincerely,

William R. Parmentier, Jr.
President and Chief Executive Officer

Liberty All-Star® Growth Fund, Inc.

The views expressed in the President's letter reflect the views of the President as of October 2010 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.

Liberty All-Star® Growth Fund

Table of Distributions & Rights Offerings

| Year | Per Share Distributions | Month Completed | Rights Offerings | |
|-------------------------|----------------------------|-----------------|-------------------------------------|--------------------|
| | | | Shares Needed to Purchase One | 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** | 0.24 | | | |
| 2010 | | | | |
| 1 st Quarter | 0.06 | | | |
| 2 nd Quarter | 0.06 | | | |
| 3 rd Quarter | 0.06 | | | |

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

** Effective with the second quarter distribution, the annual distribution rate was changed from 10 percent to 6 percent.

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.

September 30, 2010 (Unaudited)

| Top 20 Holdings* | Percent of Net Assets |
|---|------------------------------|
| C.H. Robinson Worldwide, Inc. | 2.43% |
| Salesforce.com, Inc. | 2.20 |
| Apple, Inc. | 2.05 |
| Rockwell Automation, Inc. | 1.90 |
| Core Laboratories N.V. | 1.75 |
| QUALCOMM, Inc. | 1.71 |
| Expeditors International of Washington, Inc. | 1.61 |
| Google, Inc., Class A | 1.54 |
| Intuitive Surgical, Inc. | 1.47 |
| ACE Ltd. | 1.44 |
| Masimo Corp. | 1.38 |
| MSCI, Inc., Class A | 1.30 |
| VeriFone Systems, Inc. | 1.30 |
| Amazon.com, Inc. | 1.28 |
| Varian Medical Systems, Inc. | 1.20 |
| Cognizant Technology Solutions Corp., Class A | 1.18 |
| VMware, Inc., Class A | 1.18 |
| LKQ Corp. | 1.16 |
| Capella Education Co. | 1.14 |
| IHS, Inc., Class A | 1.10 |
| | 30.32% |
| Economic Sectors* | Percent of Net Assets |
| Information Technology | 25.08% |
| Industrials | 18.90 |
| Health Care | 18.24 |
| Financials | 11.23 |
| Consumer Discretionary | 9.33 |
| Energy | 8.67 |
| Consumer Staples | 2.42 |
| Materials | 1.71 |
| Telecommunication Services | 1.02 |
| Utilities | 0.70 |
| Other Net Assets | 2.70 |
| | 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.

Liberty All-Star® Growth Fund

Major Stock Changes in the Quarter

The following are the major (\$500,000 or more) stock changes - both purchases and sales - that were made in the Fund's portfolio during the third quarter of 2010.

| Security Name | Purchases (Sales) | Shares as of 9/30/10 |
|-----------------------------------|-------------------|----------------------|
| Purchases | | |
| ARM Holdings Plc | 55,100 | 55,100 |
| CarMax, Inc. | 31,700 | 31,700 |
| Rue21, Inc. | 25,217 | 46,917 |
| Signature Bank | 12,980 | 29,830 |
| SMART Technologies, Inc., Class A | 63,915 | 63,915 |
| Venoco, Inc. | 32,411 | 32,411 |
| Sales | | |
| Avago Technologies Ltd. | (45,300) | 0 |
| Cummins, Inc. | (11,100) | 0 |
| Gilead Sciences, Inc. | (15,700) | 0 |
| Kennametal, Inc. | (28,100) | 0 |
| Mercadolibre, Inc. | (12,037) | 0 |
| Quanta Services, Inc. | (31,700) | 39,000 |
| Salesforce.com, Inc. | (4,800) | 24,700 |

Investment Managers/

Portfolio Characteristics

Liberty All-Star® Growth Fund

THE FUND'S THREE GROWTH INVESTMENT MANAGERS AND THE MARKET CAPITALIZATION ON WHICH EACH FOCUSES:**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, 2010 (Unaudited)*

| | RUSSELL GROWTH: | | | Market Capitalization Spectrum | | | TOTAL FUND |
|----------------------------------|-------------------|-----------------|-------------------|--------------------------------|-----------------------------|--------------------|---------------|
| | SMALLCAP INDEX | MIDCAP INDEX | LARGECAP INDEX | Small | Large | TCW (LARGE-CAP) | |
| | | | | TCW (MID-CAP) | TCW (M.A. WEATHERBIR) | | |
| Number of Holdings | 1,261 | 493 | 627 | 60 | 55 | 33 | 133* |
| Weighted Average | | | | | | | |
| Market Capitalization (billions) | \$1.1 | \$7.2 | \$76.1 | \$2.2 | \$5.8 | \$56.0 | \$20.7 |
| Average Five-Year Earnings | | | | | | | |
| Per Share Growth | 10% | 12% | 12% | 11% | 18% | 25% | 18% |
| Dividend Yield | 0.5% | 0.9% | 1.5% | 0.3% | 0.4% | 0.7% | 0.5% |
| Price/Earnings Ratio** | 21x | 21x | 17x | 26x | 25x | 23x | 24x |
| Price/Book Value Ratio | 3.8x | 4.8x | 4.7x | 4.3x | 5.9x | 5.0x | 5.1x |

* Certain holdings are held by more than one manager.

** Excludes negative earnings.

Liberty All-Star® Growth Fund

Schedule of Investments

| | SHARES | MARKET VALUE |
|---|--------|--------------|
| COMMON STOCKS (97.30%) | | |
| CONSUMER DISCRETIONARY (9.33%) | | |
| Automobiles (0.59%) | | |
| Thor Industries, Inc. | 22,216 | \$742,014 |
| Distributors (1.16%) | | |
| LKQ Corp. ^(a) | 69,944 | 1,454,835 |
| Diversified Consumer Services (2.07%) | | |
| Capella Education Co. ^(a) | 18,395 | 1,427,820 |
| Strayer Education, Inc. | 6,730 | 1,174,385 |
| | | 2,602,205 |
| Hotels, Restaurants & Leisure (1.24%) | | |
| BJ's Restaurants, Inc. ^(a) | 26,756 | 753,449 |
| Country Style Cooking Restaurant Chain Co. Ltd. ^{(a)(b)} | 800 | 22,872 |
| Ctrip.com International Ltd. ^{(a)(b)} | 16,366 | 781,477 |
| | | 1,557,798 |
| Internet & Catalog Retail (2.03%) | | |
| Amazon.com, Inc. ^(a) | 10,240 | 1,608,294 |
| priceline.com, Inc. ^(a) | 2,700 | 940,518 |
| | | 2,548,812 |
| Specialty Retail (2.24%) | | |
| CarMax, Inc. ^(a) | 31,700 | 883,162 |
| Rue21, Inc. ^(a) | 46,917 | 1,210,928 |
| Ulta Salon, Cosmetics & Fragrance, Inc. ^(a) | 24,830 | 725,036 |
| | | 2,819,126 |
| CONSUMER STAPLES (2.42%) | | |
| Food & Staples Retailing (1.49%) | | |
| Costco Wholesale Corp. | 15,700 | 1,012,493 |
| CVS Caremark Corp. | 27,300 | 859,131 |
| | | 1,871,624 |
| Food Products (0.31%) | | |
| Mead Johnson Nutrition Co. | 6,845 | 389,549 |
| Household Products (0.62%) | | |
| The Procter & Gamble Co. | 12,970 | 777,811 |

ENERGY (8.67%)

Energy Equipment & Services (5.20%)

| | | |
|--|--------|-----------|
| CARBO Ceramics, Inc. | 3,453 | 279,693 |
| Core Laboratories N.V. | 24,996 | 2,200,648 |
| Dril-Quip, Inc. ^(a) | 13,657 | 848,236 |
| FMC Technologies, Inc. ^(a) | 17,400 | 1,188,246 |
| Oceaneering International, Inc. ^(a) | 20,900 | 1,125,674 |

See Notes to Schedule of Investments.

Schedule of Investments

Liberty All-Star® Growth Fund

September 30, 2010 (Unaudited)

| | SHARES | MARKET VALUE |
|--|--------|--------------|
| COMMON STOCKS (continued) | | |
| Energy Equipment & Services (continued) | | |
| Schlumberger Ltd. | 14,595 | \$899,198 |
| | | 6,541,695 |
| Oil, Gas & Consumable Fuels (3.47%) | | |
| Contango Oil & Gas Co. ^(a) | 15,800 | 792,528 |
| Occidental Petroleum Corp. | 15,900 | 1,244,970 |
| Plains Exploration & Production Co. ^(a) | 37,800 | 1,008,126 |
| Ultra Petroleum Corp. ^(a) | 16,200 | 680,076 |
| Venoco, Inc. ^(a) | 32,411 | 636,228 |
| | | 4,361,928 |
| FINANCIALS (11.23%) | | |
| Capital Markets (4.40%) | | |
| Affiliated Managers Group, Inc. ^(a) | 16,472 | 1,284,981 |
| The Charles Schwab Corp. | 50,100 | 696,390 |
| Duff & Phelps Corp., Class A | 21,003 | 282,910 |
| GFI Group, Inc. | 71,700 | 332,688 |
| Janus Capital Group, Inc. | 81,200 | 889,140 |
| optionsXpress Holdings, Inc. ^(a) | 23,030 | 353,741 |
| SEI Investments Co. | 41,400 | 842,076 |
| T. Rowe Price Group, Inc. | 17,000 | 851,105 |
| | | 5,533,031 |
| Commercial Banks (0.92%) | | |
| Signature Bank ^(a) | 29,830 | 1,158,597 |
| Consumer Finance (0.08%) | | |
| Green Dot Corp., Class A ^(a) | 2,189 | 106,123 |
| Diversified Financial Services (2.67%) | | |
| IntercontinentalExchange, Inc. ^(a) | 5,000 | 523,600 |
| MSCI, Inc., Class A ^(a) | 49,318 | 1,637,851 |
| Portfolio Recovery Associates, Inc. ^(a) | 18,374 | 1,187,879 |
| | | 3,349,330 |
| Insurance (2.02%) | | |
| ACE Ltd. | 31,000 | 1,805,750 |
| Greenlight Capital Re Ltd., Class A ^(a) | 29,179 | 730,059 |
| | | 2,535,809 |

Real Estate Management & Development (0.84%)

| | | |
|---|--------|-----------|
| China Real Estate Information Corp. ^{(a)(b)} | 70,269 | 753,986 |
| FirstService Corp. ^(a) | 12,541 | 302,489 |
| | | 1,056,475 |

Thriffs & Mortgage Finance (0.30%)

| | | |
|----------------------------|--------|---------|
| Northwest Bancshares, Inc. | 33,643 | 376,465 |
|----------------------------|--------|---------|

See Notes to Schedule of Investments.

Liberty All-Star® Growth Fund

Schedule of Investments

| | SHARES | MARKET VALUE |
|---|--------|--------------|
| COMMON STOCKS (continued) | | |
| HEALTH CARE (18.24%) | | |
| Biotechnology (4.82%) | | |
| Acorda Therapeutics, Inc. ^(a) | 16,600 | \$548,132 |
| Amylin Pharmaceuticals, Inc. ^(a) | 34,900 | 727,665 |
| BioMarin Pharmaceutical, Inc. ^(a) | 39,287 | 878,064 |
| Dendreon Corp. ^(a) | 14,000 | 576,520 |
| Genzyme Corp. ^(a) | 16,900 | 1,196,351 |
| Human Genome Sciences, Inc. ^(a) | 23,300 | 694,107 |
| Ironwood Pharmaceuticals, Inc. ^(a) | 20,800 | 211,744 |
| Martek Biosciences Corp. ^(a) | 28,579 | 646,743 |
| Vertex Pharmaceuticals, Inc. ^(a) | 16,800 | 580,776 |
| | | 6,060,102 |
| Health Care Equipment & Supplies (6.68%) | | |
| Accuray, Inc. ^(a) | 58,400 | 363,248 |
| Intuitive Surgical, Inc. ^(a) | 6,500 | 1,844,310 |
| Masimo Corp. | 63,548 | 1,735,496 |
| NuVasive, Inc. ^(a) | 18,500 | 650,090 |
| ResMed, Inc. ^(a) | 33,654 | 1,104,188 |
| Thoratec Corp. ^(a) | 12,900 | 477,042 |
| Varian Medical Systems, Inc. ^(a) | 24,900 | 1,506,450 |
| Volcano Corp. ^(a) | 27,600 | 717,048 |
| | | 8,397,872 |
| Health Care Providers & Services (1.83%) | | |
| Accretive Health, Inc. ^(a) | 22,389 | 242,473 |
| Lincare Holdings, Inc. | 27,621 | 693,011 |
| PSS World Medical, Inc. ^(a) | 32,528 | 695,448 |
| VCA Antech, Inc. ^(a) | 31,285 | 659,801 |
| | | 2,290,733 |
| Health Care Technology (1.02%) | | |
| Cerner Corp. ^(a) | 15,300 | 1,285,047 |
| Life Sciences Tools & Services (1.26%) | | |
| Charles River Laboratories International, Inc. ^(a) | 11,066 | 366,838 |
| Life Technologies Corp. ^(a) | 26,100 | 1,218,609 |
| | | 1,585,447 |
| Pharmaceuticals (2.63%) | | |
| Allergan, Inc. | 19,900 | 1,323,947 |
| Mylan, Inc. ^(a) | 40,200 | 756,162 |
| Teva Pharmaceutical Industries Ltd. ^(b) | 23,210 | 1,224,327 |
| | | 3,304,436 |

INDUSTRIALS (18.90%)

Aerospace & Defense (2.32%)

| | | |
|------------------------------------|--------|---------|
| Aerovironment, Inc. ^(a) | 28,200 | 627,450 |
| HEICO Corp. | 18,013 | 822,113 |

See Notes to Schedule of Investments.

Schedule of Investments

Liberty All-Star® Growth Fund

September 30, 2010 (Unaudited)

| | SHARES | MARKET VALUE |
|---|--------|--------------|
| COMMON STOCKS (continued) | | |
| Aerospace & Defense (continued) | | |
| Spirit AeroSystems Holdings, Inc., Class A ^(a) | 35,100 | \$699,543 |
| TransDigm Group, Inc. | 12,332 | 765,201 |
| | | 2,914,307 |
| Air Freight & Logistics (4.04%) | | |
| C.H. Robinson Worldwide, Inc. | 43,700 | 3,055,504 |
| Expeditors International of Washington, Inc. | 43,700 | 2,020,251 |
| | | 5,075,755 |
| Commercial Services & Supplies (2.79%) | | |
| American Reprographics Co. ^(a) | 82,155 | 644,917 |
| Clean Harbors, Inc. ^(a) | 8,900 | 602,975 |
| Ritchie Bros. Auctioneers, Inc. | 18,255 | 379,156 |
| Stericycle, Inc. ^(a) | 15,081 | 1,047,828 |
| Waste Connections, Inc. | 21,055 | 835,041 |
| | | 3,509,917 |
| Construction & Engineering (0.59%) | | |
| Quanta Services, Inc. ^(a) | 39,000 | 744,120 |
| Electrical Equipment (2.36%) | | |
| II-VI, Inc. ^(a) | 15,396 | 574,733 |
| Rockwell Automation, Inc. | 38,700 | 2,388,951 |
| | | 2,963,684 |
| Machinery (1.48%) | | |
| Flowsolve Corp. | 8,200 | 897,244 |
| Graco, Inc. | 22,442 | 712,085 |
| Watts Water Technologies, Inc., Class A | 7,581 | 258,133 |
| | | 1,867,462 |
| Professional Services (4.21%) | | |
| Huron Consulting Group, Inc. ^(a) | 27,778 | 610,838 |
| ICF International, Inc. ^(a) | 18,910 | 474,074 |
| IHS, Inc., Class A ^(a) | 20,388 | 1,386,384 |
| Resources Connection, Inc. | 95,531 | 1,314,507 |
| Robert Half International, Inc. | 34,600 | 899,600 |
| Stantec, Inc. ^(a) | 23,286 | 614,983 |
| | | 5,300,386 |

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Road & Rail (0.83%)

| | | |
|-----------------------------|--------|-----------|
| Knight Transportation, Inc. | 19,023 | 367,715 |
| Landstar System, Inc. | 17,413 | 672,490 |
| | | 1,040,205 |

Trading Companies & Distributors (0.28%)

| | | |
|--|--------|---------|
| Beacon Roofing Supply, Inc. ^(a) | 23,885 | 348,004 |
|--|--------|---------|

See Notes to Schedule of Investments.

Liberty All-Star® Growth Fund

Schedule of Investments

| | SHARES | MARKET VALUE |
|--|--------|--------------|
| COMMON STOCKS (continued) | | |
| INFORMATION TECHNOLOGY (25.08%) | | |
| Communications Equipment (3.83%) | | |
| Aruba Networks, Inc. ^(a) | 32,400 | \$691,416 |
| Cisco Systems, Inc. ^(a) | 59,405 | 1,300,969 |
| Polycom, Inc. ^(a) | 24,722 | 674,416 |
| QUALCOMM, Inc. | 47,665 | 2,150,645 |
| | | 4,817,446 |
| Computers & Peripherals (2.05%) | | |
| Apple, Inc. ^(a) | 9,060 | 2,570,775 |
| Electronic Equipment & Instruments (0.94%) | | |
| FLIR Systems, Inc. ^(a) | 21,699 | 557,664 |
| National Instruments Corp. | 19,198 | 627,007 |
| | | 1,184,671 |
| Internet Software & Services (4.42%) | | |
| Akamai Technologies, Inc. ^(a) | 16,200 | 812,916 |
| Baidu, Inc. ^{(a)(b)} | 9,300 | 954,366 |
| comScore, Inc. ^(a) | 14,647 | 344,498 |
| Google, Inc., Class A ^(a) | 3,675 | 1,932,278 |
| Monster Worldwide, Inc. ^(a) | 58,368 | 756,449 |
| VistaPrint Ltd. ^(a) | 19,504 | 753,830 |
| | | 5,554,337 |
| IT Services (4.20%) | | |
| Alliance Data Systems Corp. ^(a) | 13,700 | 894,062 |
| Cognizant Technology Solutions Corp., Class A ^(a) | 23,100 | 1,489,257 |
| VeriFone Systems, Inc. ^(a) | 52,576 | 1,633,536 |
| Visa, Inc., Class A | 17,015 | 1,263,534 |
| | | 5,280,389 |
| Semiconductors & Semiconductor Equipment (3.09%) | | |
| Aixtron AG ^(b) | 5,687 | 169,359 |
| ARM Holdings Plc ^(b) | 55,100 | 1,033,676 |
| Cavium Networks, Inc. ^(a) | 26,888 | 773,299 |
| FormFactor, Inc. ^(a) | 28,819 | 247,843 |
| Hittite Microwave Corp. ^(a) | 16,654 | 793,563 |
| Marvell Technology Group Ltd. ^(a) | 49,600 | 868,496 |
| | | 3,886,236 |
| Software (6.55%) | | |
| ANSYS, Inc. ^(a) | 23,249 | 982,270 |
| ChinaCache International Holdings Ltd. ^(a) | 100 | 1,390 |

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| | | |
|--|--------|-----------|
| Concur Technologies, Inc. ^(a) | 13,214 | 653,300 |
| RealPage, Inc. ^(a) | 14,495 | 276,565 |
| Salesforce.com, Inc. ^(a) | 24,700 | 2,761,460 |
| SMART Technologies, Inc., Class A ^(a) | 63,915 | 866,048 |
| Solera Holdings, Inc. | 27,233 | 1,202,609 |

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September 30, 2010 (Unaudited)

| | SHARES | MARKET VALUE |
|---|------------------|---------------|
| COMMON STOCKS (continued) | | |
| Software (continued) | | |
| VMware, Inc., Class A ^(a) | 17,460 | \$1,483,053 |
| | | 8,226,695 |
| MATERIALS (1.71%) | | |
| Chemicals (1.71%) | | |
| CF Industries Holdings, Inc. | 9,900 | 945,450 |
| Praxair, Inc. | 13,300 | 1,200,458 |
| | | 2,145,908 |
| TELECOMMUNICATION SERVICES (1.02%) | | |
| Wireless Telecommunication Services (1.02%) | | |
| American Tower Corp., Class A ^(a) | 25,100 | 1,286,626 |
| UTILITIES (0.70%) | | |
| Electric Utilities (0.70%) | | |
| ITC Holdings Corp. | 14,156 | 881,211 |
| TOTAL COMMON STOCKS (COST OF \$109,776,316) | | 122,304,998 |
| | PAR VALUE | |
| SHORT TERM INVESTMENT (2.40%) | | |
| REPURCHASE AGREEMENT (2.40%) | | |
| Repurchase agreement with State Street Bank & Trust Co., dated 09/30/10, due 10/01/10 at 0.010%, collateralized by several Fannie Mae and Freddie Mac instruments with various maturity dates, market value of \$3,082,372 (Repurchase proceeds of \$3,013,001) | | |
| TOTAL SHORT TERM INVESTMENT (COST OF \$3,013,000) | \$3,013,000 | 3,013,000 |
| TOTAL INVESTMENTS (99.70%) (COST OF \$112,789,316) ^(c) | | 125,317,998 |
| OTHER ASSETS IN EXCESS OF LIABILITIES (0.30%) | | 379,118 |
| NET ASSETS (100.00%) | | \$125,697,116 |

NET ASSET VALUE PER SHARE

(30,080,350 SHARES OUTSTANDING)

\$4.18

- (a) Non-income producing security.
- (b) American Depositary Receipt.
- (c) Cost of investments for federal income tax purposes is \$113,083,288.

See Notes to Schedule of Investments.

Liberty All-Star® Growth Fund

Schedule of Investments

Gross unrealized appreciation and depreciation at September 30, 2010 based on cost of

investments for federal income tax purposes is as follows:

| | | |
|-------------------------------|----|-------------|
| Gross unrealized appreciation | \$ | 20,421,538 |
| Gross unrealized depreciation | | (8,186,828) |
| Net unrealized appreciation | \$ | 12,234,710 |

For Fund compliance purposes, the Fund's industry classifications refer to any one or more of the industry sub-classifications used by one or more widely recognized market indexes or ratings group indexes, and/or as defined by Fund management. This definition may not apply for purposes of this report, which may combine industry sub-classifications for reporting ease. Industries are shown as a percent of net assets. These industry classifications are unaudited.

See Notes to Schedule of Investments.

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September 30, 2010 (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 and are classified as level 1 of the fair value hierarchy.

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. Debt obligations are classified as level 2 of the fair value hierarchy.

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 and would be classified as level 2 or 3 within the fair value hierarchy.

Foreign Securities

The Fund invests in foreign securities including American Depositary Receipts, which may involve a number of risk factors and special considerations not present with investments in securities of U.S. corporations and would be classified as level 1 or 2 within the fair value hierarchy.

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. Repurchase agreement transactions are classified as level 2 of the fair value hierarchy.

Income Recognition

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

Fair Value Measurements

The Fund discloses the classification of its fair value measurements following the three-tier hierarchy established by the Financial Accounting Standards Board (FASB). 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.

Various inputs are used in determining the value of the Fund's investments as of the end of the reporting period. When inputs used fall into different levels of the fair value hierarchy, the level in the hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety. 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 to value the Fund's investments as of September 30, 2010.

| Investments in Securities at Value* | Valuation Inputs | | | Total |
|-------------------------------------|------------------|--------------|---------|----------------|
| | Level 1 | Level 2 | Level 3 | |
| Common Stocks | \$ 122,304,998 | \$ | \$ | \$ 122,304,998 |
| Short Term Investment | | 3,013,000 | | 3,013,000 |
| Total | \$ 122,304,998 | \$ 3,013,000 | \$ | \$ 125,317,998 |

*See Schedule of Investments for industry classifications

For the nine months ended September 30, 2010, the Fund did not have any significant transfers between Level 1 and Level 2 securities. For the period ended September 30, 2010, the Fund did not have any securities which used significant unobservable inputs (Level 3) 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.

September 30, 2010 (Unaudited)

Maryland Statutes

By resolution of the Board of Directors, the Fund has opted into the Maryland Control Share Acquisition Act and the Maryland Business Combination Act. In general, the Maryland Control Share Acquisition Act provides that control shares of a Maryland corporation acquired in a control share acquisition may not be voted except to the extent approved by shareholders at a meeting by a vote of two-thirds of the votes entitled to be cast on the matter (excluding shares owned by the acquiror and by officers or directors who are employees of the corporation).

Control shares are voting shares of stock which, if aggregated with all other shares of stock owned by the acquiror or in respect of which the acquiror is able to exercise or direct the exercise of voting power (except solely by virtue of a revocable proxy), would entitle the acquiror to exercise voting power in electing directors within certain statutorily-defined ranges (one-tenth but less than one-third, one-third but less than a majority, and more than a majority of the voting power). In general, the Maryland Business Combination Act prohibits an interested shareholder (a shareholder that holds 10% or more of the voting power of the outstanding stock of the corporation) of a Maryland corporation from engaging in a business combination (generally defined to include a merger, consolidation, share exchange, sale of a substantial amount of assets, a transfer of the corporation's securities and similar transactions to or with the interested shareholder or an entity affiliated with the interested shareholder) with the corporation for a period of five years after the most recent date on which the interested shareholder became an interested shareholder. At the time of adoption, March 19, 2009, the Board and the Fund were not aware of any shareholder that held control shares or that was an interested shareholder under the statutes.

Liberty All-Star® Growth Fund

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 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.

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A description of the Fund's proxy voting policies and procedures is available (i) on the Securities and Exchange Commission's (SEC) website at www.sec.gov, and (ii) without charge, upon request, by calling 1-800-542-3863. Information regarding how the Fund voted proxies relating to portfolio securities during the 12-month period ended June 30th 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.

LAS000356 1/31/11

