

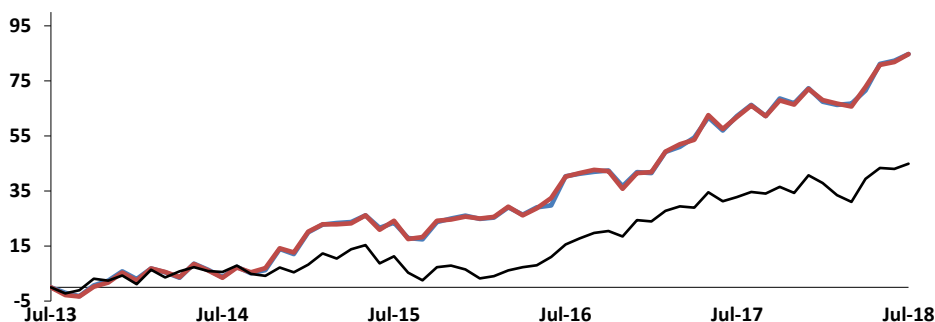


## Investment Objective and Benchmark Index

Finsbury Growth & Income Trust PLC invests principally in the securities of UK listed companies with the objective of achieving capital and income growth and providing a total return in excess of that of its benchmark, the FTSE All-Share Index (net dividends reinvested).

## Five Years Performance (%)

Past performance is not a guide to future performance. The value of investments and the income from them may fall as well as arise and is not guaranteed; An investor may receive back less than the original amount invested.



Net Asset Value per share (total return) +84.7%

Share Price (total return) +84.8%

Benchmark: FTSE All-Share Index (net dividends reinvested) +44.9%

Source: Morningstar

## Commentary

In July, the NAV was up 1.6% on a total return basis, the share price was up 1.4% on a total return basis, while the index was up 1.3%.

Nearly 75% of the portfolio by value has reported results over the last two months.

Here are the dividend increases accompanying each announcement. Diageo +5% and a new share buyback. Greene King unchanged. Hargreaves Lansdown +17%. Heineken +9%. LSE +19%. Mondelez +18%, and an ongoing buyback. Pearson +10%. Rathbone +9%. RELX +6% and ongoing share buyback. Remy unchanged. Schroders +3%. And Unilever +8% and ongoing buyback.

A few disappointments here, perhaps. Poor old Greene King is reduced to holding its dividend, after its glorious 30 year run of 8% pa compound dividend growth - one of the better records we know in the London market. The Schroders' interim laps a 17% increase at this stage last year and acknowledges the flat markets and flat asset gathering of the first six months of its financial year. We hope for better markets and new business for Schroders as 2018 progresses. Remy argues that it could have increased its dividend by at least as much as its 2018 EBIT gain, which was 14%, but that its shareholders want it to retain earnings to lay down more cognac and to keep its cash reserves against possible acquisitions of new premium brands. And we don't demur.

Elsewhere though it would be churlish to complain. Lots of cash flowing to FGT shareholders.

## Biography

**Nick Train** began his career as an Investment Manager at GT Management in 1981, having graduated from Queen's College, Oxford with a second class honors in Modern History (1977-1980). He left GT in June 1998, after 17 years, on its acquisition by INVESCO. At his resignation he was a Director of GT Management (London), Investment Director of GT Unit Managers and Chief Investment Officer for Pan-Europe. He joined M&G in September 1998, as a Director of M&G Investment Management. In June 1999 he was appointed as Head of Global Equities at M&G. He left M&G in April 2000 to co-found Lindsell Train Limited. He is investment adviser to the Worshipful Company of Saddlers.

## Portfolio Manager Profile

Portfolio management services are provided by Lindsell Train Limited (Lindsell Train). Lindsell Train was formed in December 2000. However the principals, Michael Lindsell and Nick Train had worked together at GT Management from 1992 through to GT's takeover by INVESCO in 1998. Both Michael Lindsell and Nick Train went on to fulfill senior roles at INVESCO and M&G PLC respectively, where they continued to develop an in depth knowledge of investment processes and the world's stock markets. Their shared investment philosophy is to invest in durable, cash generative businesses that are under-priced on their valuation analysis. They believe such businesses are rare and are under-valued by most other investors most of the time. They apply this approach by choosing a concentrated portfolio of approximately 30 stocks with the intention of holding them for the medium to long term. Lindsell Train is authorised and regulated by the Financial Conduct Authority.

## Investment Policy

The Company has a concentrated portfolio of up to 30 stocks with a low turnover, and aims to provide shareholders with a total return in excess of that of the FTSE All-Share Index. The Portfolio Manager uses a bottom-up stock picking approach and looks to invest in a universe of excellent listed companies that appear mostly undervalued. Up to 20% of the portfolio, at the time of acquisition, can be invested in quoted companies worldwide. The Company's policy is to invest no more than 15% of its gross assets in other listed investment companies (including listed investment trusts).

## Discount/ Premium Control Mechanism

The Directors have adopted an active discount management policy to establish and support an improved rating in the Company's shares through the use of share buybacks, with a view to limiting the discount to NAV per share at which the shares trade to no more than 5%. Shares bought back may be held in treasury for reissue at later dates at no more than the discount at which they were purchased, and in any event at a discount no greater than 5% to the prevailing net asset value per share. In order to stop the share price trading at a significant premium to the NAV per share, the Company has the ability to issue new shares at a 0.7% premium to the cum income NAV per share.

Finsbury Growth & Income Trust PLC conducts its affairs so that its shares can be recommended by independent financial advisers ("IFAs") to retail private investors. The shares are excluded from the Financial Conduct Authority's ("FCA's") restrictions which apply to non-mainstream investment products because they are shares in a UK-listed investment trust.

## Ten Largest Holdings as at 31 July 2018 (% of total investments)

Name	Sector	Total
Diageo	Consumer Goods	9.8
Unilever	Consumer Goods	9.7
RELX	Consumer Services	9.5
Hargreaves Lansdown	Financials	8.5
London Stock Exchange	Financials	8.2
Burberry Group	Consumer Goods	7.5
Mondelez Int.	Consumer Goods	6.8
Schroders	Financials	6.2
Heineken	Consumer Goods	5.6
Sage Group	Technology	4.9
<b>Total</b>		<b>76.7</b>

## Sector Breakdown as at 31 July 2018 (%)

Consumer Goods	45.0
Financials	25.9
Consumer Services	20.9
Technology	8.2
<b>Total</b>	<b>100.0</b>

## Discrete Performance – Calendar Years (%)

Percentage Growth 12 Month Return	2013	2014	2015	2016	2017	YTD
NAV	34.9	6.9	11.6	12.5	21.7	7.3
Share Price	35.1	5.9	12.4	12.6	21.5	7.2
Index	20.8	1.2	1.0	16.8	13.1	3.0

## Standardised Discrete Performance (%)

Percentage Growth 12 Month Return	Jul 13-Jul 14	Jul 14-Jul 15	Jul 15-Jul 16	Jul 16-Jul 17	Jul 17-Jul 18
NAV	3.5	19.9	12.9	15.4	14.2
Share Price	3.7	19.1	13.6	15.6	13.9
Index	5.6	5.4	3.8	14.9	9.2

Source: Morningstar.

\* Index source: FTSE International Limited ("FTSE") © FTSE 2018

Past performance is not a guide to future performance. The value of investments and the income from them may fall as well as rise and is not guaranteed; an investor may receive back less than the original amount invested.

## Risk Warnings

This document is for information purposes only and does not constitute an offer or invitation to purchase shares in the Company and has not been prepared in connection with any such offer or invitation. Before investing in the Company, or any other investment product, you should satisfy yourself as to its suitability and the risks involved, and you may wish to consult a financial adviser.

Any return you receive depends on future market performance and is uncertain. The Company does not seek any protection from future market performance so you could lose some or all of your investment. Shares of the Company are bought and sold on the London Stock Exchange (LSE). The price you pay or receive, like other listed shares, is determined by supply and demand and may be at a discount or premium to the underlying net asset value of the Company. Usually, at any given time, the price you pay for a share will be higher than the price you could sell it. For further information on the principal risks the Company is exposed to please refer to the Company's Annual Report or Investor Disclosure Document available at [www.finsburygt.com](http://www.finsburygt.com).

The Company can borrow to purchase investments, this could potentially magnify any losses or gains made by the Company.

## Important Information

Finsbury Growth & Income Trust PLC (the Company) is a public limited company whose shares are premium listed on the LSE and is registered with HMRC as an investment trust.

The Company has an indeterminate life.

This financial promotion is issued by Frostrow Capital LLP which is authorised and regulated by the Financial Conduct Authority ("FCA").

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## Fast Facts

As at 31 July 2018

<b>Launch Date</b>	1926
<b>AIC Sector</b>	UK Equity Income
<b>Date of Appointment of Lindsell Train</b>	December 2000
<b>Annual Management Fee</b> (payable by the company) †	
<b>Ongoing charges*</b>	0.7%
<b>Year / interim end</b>	30 September/ 31 March
<b>Capital Structure</b>	171,161,712 Ordinary shares of 25p

## Trust Characteristics

<b>Number of Holdings</b>	25
<b>Net Assets (£m)</b>	£1,400.9m
<b>Market Capitalisation (£m)</b>	£1,408.7m
<b>Dividend Per Share**</b>	14.6p
<b>Current Net Yield</b>	1.8%
<b>Gearing (AIC basis)</b>	2%
<b>Leverage***</b>	
<b>Gross &amp; Commitment</b>	102%
<b>Share Price (p)</b>	823.00
<b>NAV (p) (cum income)</b>	818.47
<b>Premium / (Discount) to NAV (p)</b>	0.6%

## Codes

<b>Sedol</b>	0781606
<b>ISIN</b>	GB0007816068
<b>Legal Entity Identifier</b>	213800NN4ZKX2LG1GQ40
<b>Bloomberg</b>	FGT LN
<b>Epic</b>	FGT

\*Calculated at the financial year end, includes management fees and all other operating expenses.

\*\*2nd Interim paid 10 Nov 17 ;(Year ended Sep 17) 7.4p

1st Interim payable 17 May 18 ;(Year ended Sep 18) 7.2p

\*\*\*The Board has set the leverage limit for both the Gross and the Commitment basis at 125% of the Company's Net Asset Value.

† Lindsell Train – 0.45% of the market capitalisation of the company that is equal to or less than £1 billion, 0.405% in excess of £1 billion.

Frostrow – 0.15% of the market capitalisation of the company that is equal to or less than £1 billion, 0.135% in excess of £1 billion.

## How to Contact Us

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