

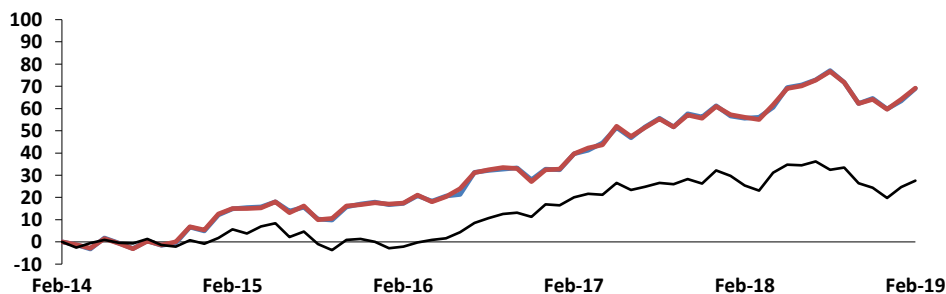


Investment Objective and Benchmark Index

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) +69.2%

Share Price (total return) +69.1%

Benchmark: FTSE All-Share Index (net dividends reinvested) +27.6%

Source: Morningstar

Commentary

In February, the NAV was up 3.1% on a total return basis, the share price was up 3.5% on a total return basis, while the index was up 2.3%.

We know some shareholders are concerned about the possibility of a period of underperformance from our strategy – an underperformance to be driven by one particular part of the portfolio. Specifically they expect a downturn in the share prices of our global consumer companies - that downturn to be caused either by the possible overvaluation of such companies or by deterioration in their business performance, or both. In particular cautious investors are looking for evidence that changes in consumer tastes or digital disruption in the 21st century are impairing the growth and value of big consumer brands. Of course we give consideration to this possibility and, to be clear, will sell out of any company where we are concerned that long term brand equity is being lost. And practically what we do is monitor the performance of the businesses we are invested in and be alert to warning signals.

So far as FGT is concerned the signals delivered in 2019 by the consumer companies we're invested in are encouraging, we think, although we acknowledge share price responses have varied. For instance, year to end February, Unilever's shares are down 2.5% - unfavourable, of course, compared to the 6.6% gain in the FTSE All Share. Diageo too is lagging, only up 4.0% to the end of the month. Other consumer holdings have done rather better. Burberry is up 9%, Remy Cointreau 16%, Heineken 17% and Mondelez 18%. Of this group Unilever is undoubtedly the one most challenged by changes in consumer tastes because it has the most mass or mid-market brands. And one might indeed be cautious about the outlook over the next 25 years for the brand power of its packaged foods and washing powder assets. Nonetheless it is hard to be anything but impressed by the mitigations Unilever has been able to present against these trends and concerns. For instance, the biggest single brand in Unilever is Dove – at about 9% of total group revenues. This global property – it is available in more than 170 countries – “delivered another year of broad based growth” in 2018. Dove's revenues are up 84% over the last decade – that's over 6% CAGR and that rate has accelerated over the last 7 years. This does not indicate a moribund, irrelevant 20th century brand. In fact, Dove, established in 1957, sells more and is almost certainly more valuable as we get toward the end of the second decade of the 21st century than any other time in its history. It is an example of the advantages that can accrue from scale for truly global brands, delivered by truly global companies. Another consolation for investors in Unilever is that surely it is right to be optimistic about increasing wealth around the world? And it is indisputable that Unilever is a beneficiary of increasing wealth. Its sales in Asia – 44% of the total – grew by more than 6% last year. Consumers in Europe may be blasé about soap powder, but sales at Unilever's Home Care division were up over 4% last year, led by Sunlight (a 19th century brand) in India and China. Finally, Unilever has the benefit of owning and learning from its own digital disruptor, Dollar Shave, which grew at double digits again last year. Even if the performance of Dollar Shave is no more than a useful memento mori for management – reminding them of how quickly the world can change. This phenomenon of truly global brands increasing in value in 2018 – even as local/regional brands without the same economies of scale struggle – can be seen in other key properties owned by companies in the portfolio. For instance, Diageo's Tanqueray grew over 20% last year, as the global gin boom rolls on. Johnnie Walker net sales were up 10% over the same period too. Heineken's eponymous brand – still the biggest earner in the group – grew by 7.7% last year, its best rate for a decade. Mondelez' Oreo biscuits – the world's #1 brand – grew high single digits in the US, its biggest market and mid single digits in its second biggest market, which is China. Meanwhile Cadbury grew double digits in India. Remy's cognacs grew at 15% year on year. I know I'm cherry-picking statistics here and that all these companies have portfolios of brands, for some of which trends may not be so encouraging. But already here is a formidable counter-argument to the proposition that big brands are doomed in the 21st century.

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 higher of the cum or ex 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 28 February 2019 (% of total investments)

Name	Sector	Total
Diageo	Consumer Goods	10.4
RELX	Consumer Services	10.2
Unilever	Consumer Goods	9.5
Mondelez Int.	Consumer Goods	8.3
London Stock Exchange	Financials	8.1
Burberry Group	Consumer Goods	7.5
Hargreaves Lansdown	Financials	7.4
Schroders	Financials	7.3
Sage Group	Technology	6.2
Heineken	Consumer Goods	5.8
Total		80.7

Sector Breakdown as at 28 February 2019 (%)

Consumer Goods	47.2
Financials	25.9
Consumer Services	20.7
Technology	6.2
Total	100.0

Discrete Performance – Calendar Years (%)

Percentage Growth 12 Month Return	2014	2015	2016	2017	2018	YTD
NAV	6.9	11.6	12.5	21.7	-0.8	5.9
Share Price	5.9	12.4	12.6	21.5	-0.9	5.8
Index	1.2	1.0	16.8	13.1	-9.5	6.6

Standardised Discrete Performance (%)

Percentage Growth 12 Month Return	Feb 14- Feb 15	Feb 15- Feb 16	Feb 16- Feb 17	Feb 17- Feb 18	Feb 18- Feb 19
NAV	15.0	2.2	18.9	11.7	8.5
Share Price	14.9	2.1	19.0	11.5	8.7
Index	5.6	-7.3	22.8	4.4	1.7

Source: Morningstar.

* Index source: FTSE International Limited ("FTSE") © FTSE 2019

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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.

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 28 February 2019

Launch Date	1926
AIC Sector	UK Equity Income
Date of Appointment of Lindsell Train	December 2000
Annual Management Fee (payable by the company) †	
Ongoing charges*	0.7%
Year / interim end	30 September/ 31 March
Capital Structure	184,736,712 Ordinary shares of 25p

Trust Characteristics

Number of Holdings	22
Net Assets (£m)	£1,465.1m
Market Capitalisation (£m)	£1,472.4m
Dividend Per Share**	16.1p
Current Net Yield	2.0%
Gearing	1.7%
Leverage***	Gross 101.7% Commitment 102.2%
Share Price (p)	797.00
NAV (p) (cum income)	793.10
Premium / (Discount) to NAV (p)	0.5%

Codes

Sedol	0781606
ISIN	GB0007816068
Legal Entity Identifier (LEI)	213800NN4ZKX2LG1GQ40
Global Intermediary Identification Number (GIIN)	QH4BH0.99999.SL.826
Bloomberg	FGT LN
Epic	FGT

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

**2nd Interim paid 9 Nov 18 :(Year ended Sep 18) 8.1p
1st Interim payable 16 May 19 :(Year ended Sep 19) 8.0p

***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 £1billion, 0.405% in excess of £1 billion.

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

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