

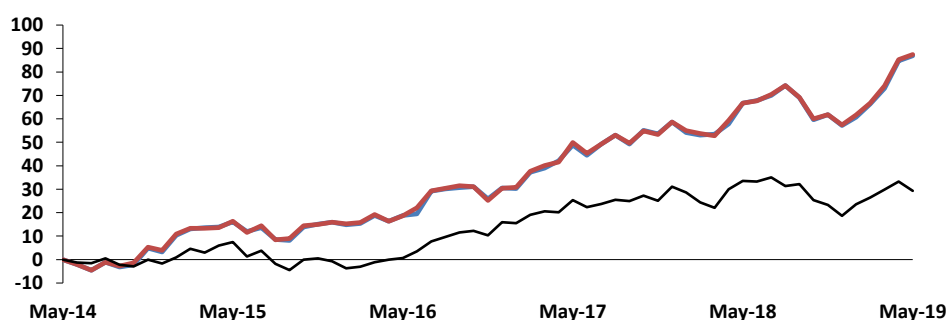


Investment Objective and Benchmark Index

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) +87.4%

Share Price (total return) +86.9%

Benchmark: FTSE All-Share Index (net dividends reinvested) +29.3%

Source: Morningstar

Commentary

In May, the NAV was up 1.2% on a total return basis and the share price was up 1.1%, on a total return basis, while the index was down 3.0%.

We were pleasantly surprised by the performance in May, with a modest uplift in NAV while the FT All-Share fell 3%. Looking at the positive contributors it's notable that 4 of the top 5 best performers were, perhaps not surprisingly, the big positions we have in what others call "defensive" holdings. We prefer to think of them as secular growth companies, but such semantics are probably irrelevant for this note. So – let's call it - "defensive" resilience was indeed shown by RELX, Unilever, Mondelez and Diageo; all delivering percentage gains on the month. Meanwhile, the top 5 was made up by the longstanding investment in the London Stock Exchange, which cannot be described as "defensive", yet gained over 6% in May, despite the weakness of the markets which make up a portion of its business.

The portfolio weights of these top five performers for the month add up to over 48% of the total. I also have to note that each of this quintet is at or very close to its all-time high share price. In 2019 alone LSE is up 30%, Mondelez 27%, Diageo 19%, Unilever 18% and RELX 14%.

It is hard to avoid the conclusion, therefore, that our highly concentrated portfolio comprises a number of big positions that have done very well recently, and indeed over the longer term too. And while we remain optimistic about the business prospects and long term share price potential in these holdings, it is also true that we have not been adding much to them of late.

We love to outperform for shareholders but have to state the obvious: it would not at all be a surprise if such a highly concentrated portfolio that had performed well embarked on a period of poor performance at some point.

Meanwhile, there were two double digit share price fallers in the portfolio last month – Burberry and Rathbones. Other investors claim to be disappointed by the business performance of these two. And Burberry is seen as being at the eye of the Trump/China trade war. For our part we are impressed by the strategic progress each can demonstrate. Burberry is taking considerable voluntary profit "pain" as it pushes its brand toward higher end luxury, to the extent of actually closing non-luxury outlets. As a result revenues and profits are not going anywhere for now, but the value of those unchanged revenues is growing higher and higher, as the true luxury proportion grows. As to Rathbones – it's true that the UK savings market is tough, but the company completed the biggest acquisition in its history in 2018 (Speirs & Jeffrey), meaning that the operational leverage to eventual better times should be even greater.

Finally, the biggest single percentage gain in the portfolio last month was Daily Mail and General Trust, up over 13%. Congratulations to the executives of that company for producing recent profits that positively surprised investors. And congratulations to its board for undertaking the demerger and simplification of the company earlier this year. That has really focussed investors on the value of what is retained within DMGT. Still full of latent value, in our opinion.

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 outside the UK. 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 31 May 2019 (% of total investments)

Name	Sector	Total
RELX	Consumer Services	10.3
Unilever	Consumer Goods	10.2
Diageo	Consumer Goods	10.1
Hargreaves Lansdown	Financials	8.6
Mondelez Int.	Consumer Goods	8.5
London Stock Exchange	Financials	8.2
Schroders	Financials	7.3
Burberry Group	Consumer Goods	6.5
Sage Group	Technology	6.4
Heineken	Consumer Goods	5.6
Total		81.7

Sector Breakdown as at 31 May 2019 (%)

Consumer Goods	47.2
Financials	26.8
Consumer Services	19.6
Technology	6.4
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	19.1
Share Price	5.9	12.4	12.6	21.5	-0.9	18.9
Index	1.2	1.0	16.8	13.1	-9.5	9.0

Standardised Discrete Performance (%)

Percentage Growth 12 Month Return	May 14- May 15	May 15- May 16	May 16- May 17	May 17- May 18	May 18- May 19
NAV	16.3	2.0	26.4	11.2	12.5
Share Price	16.1	2.3	25.4	12.0	12.1
Index	7.5	-6.3	24.5	6.5	-3.2

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 31 May 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	194,736,712 Ordinary shares of 25p

Trust Characteristics

Number of Holdings	22
Net Assets (£m)	£1,719.4m
Market Capitalisation (£m)	£1,727.3m
Dividend Per Share**	16.1p
Current Net Yield	1.8%
Gearing	1.2%
Leverage***	Gross 101.2% Commitment 102.0%
Share Price (p)	887.00
NAV (p) (cum income)	882.96
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 £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.

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