

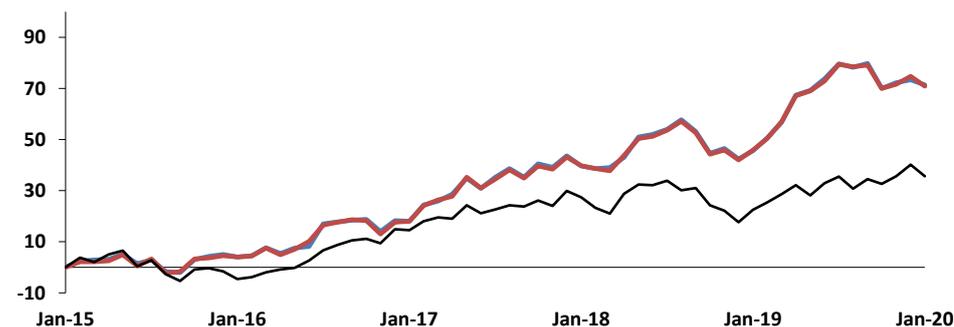


Investment Objective and Benchmark Index

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) +70.9%

Share Price (total return) +71.3%

Benchmark: FTSE All-Share Index (net dividends reinvested) +35.6%

Source: Morningstar

Commentary

In January, the NAV was down 2.2% on a total return basis and the share price was down 1.2%, on a total return basis, while the index was down 3.2%.

A difficult month to get a handle on, as Coronavirus began to predominate investor thinking. In these circumstances our “defensive” holdings came to the rescue for your Company’s relative performance, with actual share price gains delivered by Mondelez, Unilever, Heineken and even AG Barr. Barr was up 4% after it confirmed its annual profits will be better than feared, despite falling year on year.

But there were predictable beatings handed out to those of our portfolio companies exposed to Asia and luxury spending. Burberry fell over 11%, Remy Cointreau over 13%, and Diageo lost nearly 6%. We took advantage of the panic to add to each. We did so not because we have any insight into the severity and duration of the epidemic. Instead, because we have been rewarded more often than not during previous unsettling episodes by treating them as buying opportunities. We hope we are right again on this occasion and that the distress and suffering the virus has already caused will soon dissipate.

Away from this scary global menace, it was notable that NASDAQ rose 2% in January and hit another all-time high in the process. In a sense this is not supposed to be happening. Many investors believed that “Growth” (and NASDAQ is the pre-eminent global “Growth” index) had topped out as an investment theme during 2019, to be replaced by “Value”. After a long period when the former has trounced the latter. Nonetheless, tech-driven growth companies have marched on during the first month of 2020. This matters for your Company, because several of our biggest holdings are perceived to fall into this “Growth” category. Obvious examples are the London Stock Exchange and RELX, both of which were up in January and both recently hitting new all-time share price highs. RELX has announced a couple of small but pricey-looking acquisitions in 2020, that add more data or functionality to its digital databases and it is instructive that investors have applauded. It is clear that companies with a credible growth strategy, particularly growth driven by digital technology, remain attractive to investors. We hope that other portfolio holdings will continue to participate – for instance, Daily Mail, Euromoney and Sage – all of which are indeed doing very interesting things with digital technology.

Continues page 3

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 NAV 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 January 2020 (% of total investments)

Name	Sector	Total
London Stock Exchange	Financials	11.5
RELX	Consumer Services	10.8
Unilever	Consumer Goods	9.8
Diageo	Consumer Goods	9.4
Mondelez Int.	Consumer Goods	8.9
Schroders	Financials	8.0
Burberry Group	Consumer Goods	7.7
Hargreaves Lansdown	Financials	6.7
Sage Group	Technology	6.5
Heineken	Consumer Goods	5.2
Total		84.5

Sector Breakdown as at 31 January 2020 (%)

Consumer Goods	45.6
Financials	28.4
Consumer Services	19.5
Technology	6.5
Total	100.0

Discrete Performance – Calendar Years (%)

Percentage Growth	2015	2016	2017	2018	2019	YTD
NAV	11.6	12.5	21.7	-0.8	23.1	-2.2
Share Price	12.4	12.6	21.5	-0.9	21.8	-1.2
Benchmark	1.0	16.8	13.1	-9.5	19.2	-3.2

Standardised Discrete Performance (%)

Percentage Growth 12 Month Return	Jan 15- Jan 16	Jan 16- Jan 17	Jan 17- Jan 18	Jan 18- Jan 19	Jan 19- Jan 20
NAV	4.0	13.5	18.4	4.3	17.2
Share Price	4.1	13.4	18.3	4.3	17.7
Index	-4.6	20.1	11.3	-3.8	10.7

Source: Morningstar.

* Index source: FTSE International Limited ("FTSE") © FTSE 2020

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 per share 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 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").

**"FTSE®" is a trade mark of the London Stock Exchange Group companies and is used by FTSE International Limited under licence. All rights in the FTSE indices and / or FTSE ratings vest in FTSE and/or its licensors. Neither FTSE nor its licensors accept any liability for any errors or omissions in the FTSE indices and / or FTSE ratings or underlying data. No further distribution of FTSE Data is permitted without FTSE's express written consent.

Fast Facts

As at 31 January 2020

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	207,871,712 Ordinary shares of 25p
Trust Characteristics	
Number of Holdings	23
Net Assets (£m)	£1,838.0m
Market Capitalisation (£m)	£1,848.0m
Dividend Per Share**	16.6p
Current Net Yield	1.9%
Gearing	0.7%
Leverage***	Gross 100.7% Commitment 101.9%
Share Price (p)	889.00
NAV (p) (cum income)	884.20
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 payable 8 Nov 19 :(Year ended Sep 19) 8.6p
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% pa of the Company's adjusted market capitalisation up to a value of £1 billion, such fee reducing to 0.405% pa of the Company's adjusted market capitalisation in excess of £1 billion up to a value of £2 billion, such fee reducing to 0.36% pa of the Company's adjusted market capitalisation in excess of £2 billion.

Frostrow – 0.15% pa of the Company's adjusted market capitalisation up to a value of £1 billion, such fee reducing to 0.135% pa of the Company's adjusted market capitalisation in excess of £1 billion up to a value of £2 billion, such fee reducing to 0.12% pa of the Company's adjusted market capitalisation in excess of £2 billion.

How to Contact Us

Frostrow Capital LLP
25 Southampton Buildings
London, WC2A 1AL
Tel.: 0203 008 4910
Fax: 0203 043 8889
Website: www.frostrow.com

Email: info@frostrow.com



Commentary continued from page 1

Unilever reported its final results right at the end of January. Revenues were up just under 3% - which was deemed to be disappointing. However, as a result of margin and mix improvement and helpful currency, underlying earnings were up over 8%. Meanwhile the annual dividend was increased by just over 6%. We are fascinated by the debate about what Unilever's stock market valuation should be in the light of this business performance. Its shares trade on a prospective P/E of 20x and a dividend yield of 3.0%. We understand why naysayers doubt how Unilever's apparently low revenue growth could be worth 20x earnings. But to us Unilever still offers good value. One reason for this is the promise of growth to come from its exposure to Emerging Markets. And on this, we note that HindustanLever, its Indian subsidiary and biggest Emerging Market position, recently reported 13% profits growth. But we also think Unilever looks undervalued in comparison with government bonds all around the world, whether conventional or index-linked. Unilever's geographic and brand diversity makes it, metaphorically, a kind of "global" government bond (although, of course, it is not actually one). Yes, the company struggles to grow fast, because of its diversity. But that diversity also brings with it tremendous resilience and predictability. Gilt-Edged resilience and predictability, as it were. Its P/E of 20x equates to an earnings yield of 5% - a stream of earnings that continues to grow in real terms, as it has for Unilever for many decades. Of course, there are no highly rated government bonds around the world that offer a yield of anything like 5% - it is 1% if you are lucky - and index-linked redemption yields are often negative. So when we think about Unilever's warranted valuation we look at this contrast between actual government bonds and Unilever as a "government bond-like" equity. To us the question of relative value between the longest dated UK conventional government bond with a redemption yield of less than 1% and the opportunity to lock into Unilever's earnings at 5% or its dividend flow at 3% - both likely to grow ahead of inflation for the foreseeable future (which, of course, the government bond will never do) - is straightforward. Over an actuarial time horizon Unilever looks much the better value to us.