



Finsbury Growth & Income Trust PLC

Managed by
Frostrow Capital LLP

Investment Manager
Lindsell Train Limited



Nick Train

Fund Information as at 31 May 2009

www.finsburygt.com

Investment Objective and Benchmark Index

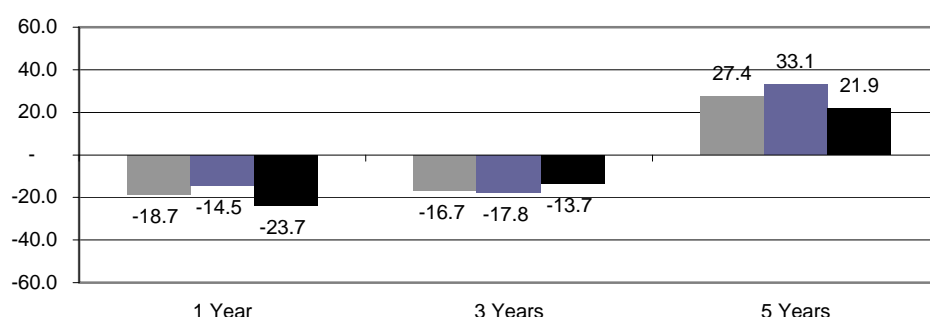
Finsbury Growth & Income Trust PLC invests in the shares of UK listed companies with the objective of achieving capital and income growth and providing a total return in excess of that of its benchmark, the FTSE All-Share Index (net dividends reinvested).

Cumulative Performance (%)

Trust: Finsbury Growth & Income Trust PLC – NAV (total return)

Trust: Finsbury Growth & Income Trust PLC – Share Price (total return)

Index: FTSE All-Share Index (net dividends reinvested)



Discrete Performance – Calendar Years (%)

Percentage Growth	2004	2005	2006	2007	2008	YTD
NAV	31.4	21.7	22.0	-3.5	-31.3	5.6
Share Price	43.4	29.2	20.5	-10.3	-29.6	8.5
Index	12.8	22.0	16.8	5.3	-29.9	4.2

Source: Fundamental Data. Past performance is not a guide to future performance.

Commentary

During the month the NAV rose 0.4% compared to the index which rose 4.2%

Another five portfolio companies reported interim or final results in May – Burberry, Euromoney, LSE, Marstons and Youngs. Youngs increased its final dividend, by a modest but welcome 2%. Meanwhile, the other four simply held their most recent payments. In the past we might have been disappointed about this lack of dividend growth, but in today's environment – of slashed payouts across the board – we are encouraged by the resilience. In calendar year 2009 only one portfolio holding has reduced its dividend – Lloyds Bank, admittedly a material cut (although the Lloyds preference shares have been maintained). This is as it should be, given our insistence on investing in what we believe to be cash-generative and durable companies. We are under no illusions though – if times get tougher some of these dividends are vulnerable. We'd also like to see a bit more financial flexibility for the most heavily geared of the five – Marstons. Even here, the quality of the underlying assets was demonstrated in the results – with its well-invested set of 2000 community pubs serving 23 million meals a year, alongside the company's own well-loved beer brands. In fact Marstons is one of the best performing shares in the portfolio in 2009, up 45%, as investors hope that the worst is over for the typical pub-goer.

Cadbury and Unilever advanced in May, 6% and 9%. We are grateful, after a period of dull performance from these important holdings. We think their exposure to Emerging Market economies is beginning to tell in their favour, as stock markets in those parts rally ahead of developed world bourses.

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 honours 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.

Investment Manager Profile

Investment 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 fulfil 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 businesses that are significantly under priced or less durable businesses that are valued by the market at a significant discount to their net balance sheet financial assets. This is achieved by choosing a concentrated portfolio of a small number of stocks with the intention of holding them for the medium to long term. Lindsell Train currently manages around £481m as at 31 December 2008. Lindsell Train is authorised and regulated by the Financial Services Authority.

Investment Policy

The Company has a concentrated portfolio of 25-30 stocks with a low turnover, and aims to have an above-market dividend yield. The Investment Manager uses a bottom-up stock picking approach and looks to invest in a universe of excellent UK listed businesses that appear mostly undervalued. 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 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%. Up to 10% of the shares bought back may be held in treasury for reissue at later dates at no more than the discount at which they were purchased.

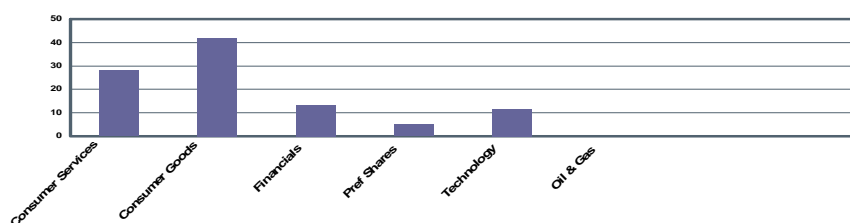
Finsbury Growth & Income Trust PLC

Ten Largest Holdings as at 31 May 09 (% of total investments)

Name	Sector	Total
Diageo	Consumer Goods	10.7
Unilever	Consumer Goods	10.0
Barr (AG)	Consumer Goods	9.7
Cadbury	Consumer Goods	6.9
Lloyds Banking Group	Financials	6.7
Pearson	Consumer Services	6.6
Fidessa	Technology	6.6
Marston's	Consumer Services	5.9
Sage	Technology	5.1
Reed Elsevier	Consumer Services	4.8
Total		73.0

Lloyds Banking Group shares are split: Ordinary shares 1.7% & Preference shares 5.0%

Sector Breakdown as at 31 May 2009 (%)



Share Price Total Return on £100 (£) as at 31 May 2009

YTD	108.5
1 year	85.5
3 years	82.2
5 years	133.1

Source: Fundamental Data. Past performance is not a guide to future performance.

Standardised Discrete Performance (%)

Percentage Growth 12 Month Return	May 04-May 05	May 05-May 06	May 06-May 07	May 07-May 08	May 08-May 09
NAV	29.7	17.9	31.2	-21.9	-18.7
Share Price	39.1	16.5	31.6	-27.0	-14.5
Index	16.5	21.3	21.7	-7.1	-23.7

Awards

Highly Commended 2006 & 2007

Moneywise Magazine
Category: UK Growth & Income

Winner 2004

Investment Trust Magazine
Best Growth & income Trust 2004

Important Information

Finsbury Growth & Income Trust PLC (the "Company") is a UK investment trust listed on the London Stock Exchange and is a member of the Association of Investment Companies. As this Company may implement a gearing policy investors should be aware that the share price movement may be more volatile than movements in the price of underlying investments. 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 not get back the original amount invested. There can be no assurance that the Company's investment objective will be achieved and investment results may vary substantially over time. 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. Investment Trust share prices may not fully reflect underlying net asset values. There may be a difference between the prices at which you may purchase ("the offer price") or sell ("the bid price") a share on the stock market which is known as "bid-offer" or "dealing" spread. This is set by the market makers and varies from share to share. This spread typically averages 1-2% each way on the mid-market price (the price halfway between the bid and offer prices), and can fluctuate and at times be higher than average. Net Asset Value per share is calculated in accordance with the guidelines of the Association of Investment Companies in that income received by the company in the period since the last annual accounts is excluded. Total net assets are stated inclusive of income received. Any opinions on individual stocks are those of the Company's Investment Manager and no reliance should be given on any such views. Any research in this document has been procured and may have been acted upon by Lindsell Train Limited for its own purposes. The results are being made available to you only incidentally. The views expressed herein do not constitute investment or any other advice and are subject to change. They do not necessarily reflect the views of Frostrow Capital LLP and no assurances are made as to their accuracy.

www.finsburygt.com

Fast facts

As at 31 May 2009

Launch Date	1926
Annual Management Fee (payable by the Trust)	0.60% of the market capitalisation <u>plus</u> £70,000
Performance fee	See Annual Report for details
Year / interim end	30 September/ 31 March
Capital Structure	50,624,173 Ordinary shares of 25p 2,173,250 Treasury shares

Trust Characteristics

Number of Holdings	22
Net Assets (£m)	£102.7m
Dividend Policy	Provisional dates: May & October
Current Net Yield	4.7%
Gearing (AIC basis)	113
Share Price (p)	202.00
NAV (p)	Undiluted 202.87
(Discount) / Premium	Undiluted (0.43%)
NAV (p)	Fully-diluted 202.84
(Discount) / Premium	Fully-diluted (0.41%)

Codes

Sedol	0781606
ISIN	GB0007816068
Bloomberg	FGT LN
Epic	FGT

Private Investors

New and existing holders can access the Trust via: www.alliancetrust.co.uk

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

Grant Challis
Tel.: 0203 008 4912
grant.challis@frostrow.com

Authorised and regulated by the Financial Services Authority.

