

# Finsbury Growth & Income Trust PLC

## Interim Report

for the six months to 31 March 2005



**CLOSE FINSBURY**  
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A member of the Association of Investment Trust Companies

## COMPANY SUMMARY

### Key Statistics

	As at 31 March 2005	As at 31 March 2004	As at 30 September 2004	Six months to 31 March 2005 % Change
Share price	235.0p	177.5p	199.5p	+17.8
Net Asset Value per share	235.9p	188.3p	203.5p	+15.9
Discount	0.4%	5.7%	2.0%	–
Shareholders' Funds	£90.7m	£73.2m	£74.2m	+22.2
Market capitalisation	£90.4m	£69.0m	£72.8m	+24.2
	Six months to 31 March 2005	Six months to 31 March 2004	One year to 30 September 2004	Six months to 31 March 2005 % Change
Share Price (total return)	+22.0%	+21.1%	+37.4%	–
Net Asset Value per share (total return)	+20.5%	+15.7%	+26.0%	–
FTSE All-Share Index (total return)	+9.9%	+7.1%	+15.7%	–

### Investment Objective

Finsbury Growth & Income Trust PLC invests in the shares of UK companies with the objective of achieving capital and income growth and providing a total return in excess of that of the FTSE All-Share Index.

### Benchmark

Performance is measured against the FTSE All-Share Index (total return).

### Interim Dividend

An interim dividend of 4.0p per share (2004: 1.8p) was paid on 26 April 2005 to shareholders registered at the close of business on 29 March 2005. The associated ex-dividend date was 23 March 2005.

### Capital Structure

At 31 March 2005 the Company had 38,456,430 25p Ordinary shares in issue (31 March 2004: 38,856,430). At the EGM held on 6 April 2005, shareholders approved a resolution to allot 3,845,000 new Ordinary shares as a Placing. Subsequent to the Placing, a further 725,000, in aggregate, new Ordinary shares have since been allotted. At 8 June 2005, the Company had 43,026,430 Ordinary shares in issue.

## CHAIRMAN'S STATEMENT

In my statement accompanying last year's annual report I said that your Board believed that the changes which it initiated last year and the investment strategy adopted by our Investment Adviser would continue to increase shareholder value and enable your Company to grow organically thus increasing liquidity in your shares and reducing the total expense ratio. I am pleased to be able to report that that is exactly what has happened.

During the period under review a total of 1,972,178 Ordinary shares held in treasury have been issued at an average discount to Net Asset Value (NAV) of 2.9%. Furthermore, following shareholder approval at the Extraordinary General Meeting held on 6 April 2005, 3,845,000 new Ordinary shares were issued at a premium to NAV per share as a Placing and a further 725,000 new Ordinary shares have subsequently been issued at a premium to NAV. These issues have raised in aggregate further gross proceeds of £10.92 million.

The effect of the above, which would not have been possible but for the continuing excellent investment performance, is set out in the table below:

	30 September 2004	7 June 2005*	% change
Share Price	199.5p	249.0p	+24.8
Net asset value per share	203.5p	243.8p	+19.8
(Discount)/Premium	(2.0%)	2.1%	–
Market capitalisation	£72.8m	£106.9m	+46.8

\*latest practicable date

As at 31 March 2005 your Company continued to deliver the highest share price and NAV performance (total return) over the year to that date in its AITC peer group.

## International Financial Reporting Standards ("IFRS")

The Board is considering the adoption of IFRS in the coming year. When adopted this will affect the valuations of the investments and the treatment of the dividend in the financial statements. Further information on this is included in the Notes to the Interim Financial Statements on page 14.

## Return and Dividends

The Statement of Total Return which is set out on page 10, shows a total return per Ordinary share of 36.72p made up of a revenue return of 3.56p and a capital return of 33.16p.

An interim dividend of 4.0p (2004: 1.8p), an increase of 122.2%, was declared on 14 March 2005 and paid on 26 April 2005 to shareholders on the register at the close of business on 29 March 2005. In accordance with the terms of the issue, this interim dividend was not paid on the 3,845,000 new Ordinary shares detailed above.

## CHAIRMAN'S STATEMENT (continued)

### Investments

Our Investment Adviser's Review is set out on pages 4 and 5.

In the six months ended 31 March 2005 the NAV (total return) was 20.5% compared with that of the FTSE All-Share Index (total return), the Company's benchmark, of 9.9%. This represents an outperformance of 10.6%.

This outperformance is accounted for by exceptional gains from some of the major portfolio investments. For instance, A.G. Barr, Cadbury Schweppes, Reuters and Wolverhampton & Dudley Brewery, comprising together nearly 29.0% of net assets at the end of March 2005, each rose by 25.0% or more. In addition, another four holdings, Sage, Young & Co, Fullers and Euromoney, representing another near 10.0% of assets, registered 20.0% plus gains. In total, 66.0% of the portfolio by closing value outperformed the market over the period under review. The best performer in the portfolio was London Stock Exchange, which rose 31.0% in the period, on a finally confirmed bid approach from the Deutsche Bourse. The preference shares, that amount to 15.2% of net assets, all delivered capital gains over the half year, led by the Warburg holding, up 12.0%, that, combined with their dividends, yielded double digit annualised returns.

Full details of the investment portfolio are set out on page 6.

### Borrowings

Your Company has a committed revolving credit facility of £20m for a fixed term expiring in December 2008.

At 31 March 2005, £17.5 million was drawn down under the committed facility which is subject to a variable rate of interest but which is capable of being fixed at any time.

### The Board

I am glad to report that Anthony Townsend rejoined the Board on 1 February 2005. The Board looks forward to Anthony's welcome contribution in particular on corporate finance matters and from his experience in the investment trust industry.

### Outlook

Your Board intends to grow your Company by issuing new shares at a premium to net asset value per share as demand for your Company's shares requires in accordance with the powers it has been given by shareholders. Its ability to do so will depend on the continuation of the good investment performance, which it has been enjoying, and to some extent on the performance of the market generally from which your Company cannot be totally immune.

**Michael Reeve**

*Chairman*

8 June 2005

## INVESTMENT REVIEW

We have invested a lot of cash for the portfolio over the past six months – cash arising from the takeover of **Glenmorangie**, from the reissuance out of treasury of shares previously bought in by the Company and, most recently, from the issuance of brand new shares. By contrast, there has been little or no cash to invest from the receipts from voluntary sales of any, or part of any, portfolio positions, because there have been none. This inactivity when it comes to actually selling current holdings reflects, primarily, our continued enthusiasm for their investment prospects, but also our policy of keeping transaction costs as low as we can.

While investing the cash we have, of course, kept the objectives of the Company very much in mind. To those ends, we have purchased assets that offer, in aggregate, above stock market average levels of dividend yield and, we hope, above average potential for capital gains. To be specific and putting my neck on the block, we calculate that the basket of securities we have bought recently offers a net dividend yield in excess of 4.0% (perhaps 30.0% higher than for the FTSE All-Share), with estimated dividend growth this year of 7.0% and an across the board undervaluation of over 60.0%, on our analysis. We encourage shareholders to be sceptical about the apparent precision of these claims – our ability to read the future is as fallible as the next man's. However, assuming it takes 5 years for our estimate of undervaluation to prove correct, then we have put new cash to work with the potential to earn 16.0% returns per annum through to 2010. We hope we are still around by then to be brought to account for this forecast. Meanwhile, although we have little conviction about the short-term trend in the UK equity market, we can't help but be encouraged by the availability of investments with this potential and we are bullish.

The new money has gone predominantly to existing holdings, though we have initiated one or two positions in the last six months. A discussion of some notable additions follows.

We continue to add to preference shares, concentrating our buying on three issuers, **HBOS**, **RBOS** and **Warburg**. Here we access dividend yields of 6.0% net or higher (the equivalent of 6.6% gross). We think such returns are highly attractive, assuming UK inflation remains low. Moreover, we note that economic commentators now believe UK short-term interest rates are peaking and could even fall in 2006. We are not expert on these matters, but note that such a reduction in the Company's borrowing costs could be accretive for shareholders, meaning a wider margin between the interest we pay on our loans and the yield we earn on the preference shares, increasing the income we could pay out as dividends. In addition, lower interest rates could increase the capital value of preference shares, as investors seek out high, safe income. In conclusion, the preference share sub-portfolio is a distinctive feature of your Company's affairs and one that has the potential to boost returns.

Elsewhere, there are two equity positions that have grown disproportionately as a result of purchases. First, **Lloyds TSB**; its shares offer a dividend yield of 7.6% net, as this report is written, rather more than double that available on the FTSE All-Share. Generally, when shares yield so much more than the market average, it is because the company in question is a poor business and its dividend is almost certain to be cut. In the case of Lloyds, though, we are presented with a substantive and successful business. Lloyds speaks for 22.0% of all the UK's current accounts, writes 9.0% of all the UK's personal loans and mortgages and 19.0% of all lending to Small and Medium companies – while earning a Return to Equity of 25.0%. Admittedly, the bank's dividend could be cut. Nonetheless, it has not yet been cut, despite an exceptionally challenging period, when Lloyd's Scottish Widows subsidiary struggled through the equity bear market and it is not obvious why the dividend should be sacrificed now. In

## INVESTMENT REVIEW (continued)

short, if the UK equity market and economy is going to be “OK” or better from hereon, as we believe, then the right question to ask is “When will Lloyds Bank next increase its dividend?” Lloyd’s shares will be higher once this debate intensifies. The holding in Lloyds Bank has grown to 5.7% of gross assets by the period end.

Next, **Diageo**; this fine company’s share price has made little progress since 1998, when it reached £7.40. At the time of writing, the price is little more than £7.70; the shares are well below the all-time weekly peak of £9.39 in 2002. Meanwhile, the company has succeeded in growing its dividend steadily and has cancelled over 30.0% of its 1996 outstanding equity through share buy-backs. Today the shares yield nearly 4.0% for 2005, notably more than the FTSE All-Share and despite a perfectly plausible case, which we would argue, that the quality of Diageo’s spirits portfolio and the cash flows it generates would support a dividend yield of less than the market average, rather than over 20.0% higher. Our conviction about the undervaluation of Diageo has been confirmed by two important transactions during 2005 in the global consumer branded goods sector – Procter & Gamble’s merger with Gillette and the mooted bid for Allied Domecq by Pernod Ricard. Both have been struck on terms that leave Diageo looking cheap, especially given that there is no dispute that Diageo’s portfolio of brands is superior to Allied’s. By extension, our other holdings in branded goods owners, most notably **Cadbury** (your Company’s largest position) and **A.G. Barr** also look attractive. Diageo represented 7.1% of gross assets at the period end and has been added to since then.

### Outlook

The interim case for UK equities is based partly on their reasonable valuations, on the possibility that UK interest rates have peaked and on an upswing in merger, takeover and buyout activity. This last is readily observable and has benefited your Company. Holdings that have been involved in bids or mergers include – **Halifax Preference**, **Manchester United**, **Wolverhampton & Dudley** (which has been able to make two value-creating acquisitions over the last six months), **Reuters** (which is disposing of its Instinet subsidiary, in which we also own a few shares), **Sage** (which has reported accelerating sales, up 17.0% over last year, partly from acquisition) and **London Stock Exchange** (which may or may not be bid for, but which is currently enjoying record trading and is probably cheap, even without a bid) – and amount to over 30.0% of gross assets.

We predict even more corporate activity over the next 12 months and, specifically, expect the UK banking sector to consolidate, with the charge led by Santander, the new owner of Abbey National. If this last guess is vindicated both the FTSE All-Share and your Company have further gains to make.

**Nick Train, Lindsell Train Limited**, *Investment Adviser*  
**Close Finsbury Asset Management Limited**, *Investment Manager*

8 June 2005

## INVESTMENTS

as at 31 March 2005

Investment	Sector	Market Value £'000	% of portfolio
Cadbury Schweppes	Non-cyclical Consumer Goods	8,859	8.2
Wolverhampton & Dudley Breweries	Cyclical Services	8,580	7.9
Barr (AG)	Non-cyclical Consumer Goods	8,173	7.5
Diageo	Non-cyclical Consumer Goods	7,647	7.1
Lloyds TSB Group	Financials	6,214	5.7
Halifax #	Financials	6,165	5.7
HBOS	Financials	5,981	5.5
Shell Transport & Trading Co.	Resources	5,774	5.3
Reuters	Cyclical Services	5,537	5.1
Reed Elsevier	Cyclical Services	4,937	4.6
<b>Top 10 Investments</b>		<b>67,867</b>	<b>62.6</b>
Bradford & Bingley	Financials	4,613	4.2
Manchester United	Cyclical Services	4,516	4.2
Sage	Information Technology	3,824	3.5
HBOS #	Financials	3,438	3.2
Schroders	Financials	3,182	2.9
National Westminster 9% #	Financials	3,098	2.9
Fuller Smith & Turner 'A'	Cyclical Services	2,587	2.4
Young & Co Brewery (non voting)	Cyclical Services	2,398	2.2
London Stock Exchange	Financials	1,860	1.7
Pearson	Cyclical Services	1,791	1.6
<b>Top 20 Investments</b>		<b>99,174</b>	<b>91.4</b>
UK Treasury 2.5% 29/12/49 *	Fixed Interest	1,627	1.5
Halma	General Industrials	1,610	1.5
Euromoney Institutional Investor	Cyclical Services	1,487	1.4
Consolidated 2.5% 05/04/23 *	Fixed Interest	1,146	1.1
Warburg (SG) Group 7.625% #	Financials	1,120	1.0
Lindsell Train Investment Trust	Financials	1,105	1.0
Royalblue Group	Information Technology	899	0.8
Instinet	Financials	287	0.3
<b>Total Investments</b>		<b>108,455</b>	<b>100.0</b>

All of the above investments are equities unless otherwise stated. All investments are listed in the UK with the exception of Instinet which is listed in the USA.

# Non-equity – Non cumulative Preference shares

\* Non-equity – Fixed Interest Holdings

## COMPARISON OF SECTOR WEIGHTINGS WITH THE FTSE ALL-SHARE INDEX

as at 31 March 2005

	Finsbury Growth & Income Trust %	FTSE All-Share Index %	Finsbury Growth & Income Trust (under)/overweight %
<b>Resources</b>			
Mining	–	4.4	(4.4)
Oil & gas	5.3	13.0	(7.7)
	<b>5.3</b>	<b>17.4</b>	<b>(12.1)</b>
<b>Basic Industries</b>			
Chemicals	–	0.9	(0.9)
Construction & building materials	–	2.5	(2.5)
Forestry & paper	–	–	–
Steel & other metals	–	0.2	(0.2)
	<b>–</b>	<b>3.6</b>	<b>(3.6)</b>
<b>General industrials</b>			
Aerospace & defence	–	1.5	(1.5)
Diversified industrials	–	–	–
Electronic & electrical equipment	–	0.3	(0.3)
Engineering & machinery	1.5	0.8	0.7
	<b>1.5</b>	<b>2.6</b>	<b>(1.1)</b>
<b>Cyclical consumer goods</b>			
Automobiles & parts	–	0.3	(0.3)
Household goods & textiles	–	0.1	(0.1)
	<b>–</b>	<b>0.4</b>	<b>(0.4)</b>
<b>Non-cyclical consumer goods</b>			
Beverages	14.6	2.9	11.7
Food producers & processors	8.2	2.5	5.7
Health	–	0.5	(0.5)
Personal care & household products	–	0.9	(0.9)
Pharmaceuticals & biotechnology	–	7.9	(7.9)
Tobacco	–	2.1	(2.1)
	<b>22.8</b>	<b>16.8</b>	<b>6.0</b>
<b>Cyclical services</b>			
General retailers	–	3.4	(3.4)
Leisure & hotels	16.7	2.5	14.2
Media & entertainment	12.7	4.2	8.5
Support services	–	2.9	(2.9)
Transport	–	1.9	(1.9)
	<b>29.4</b>	<b>14.9</b>	<b>14.5</b>

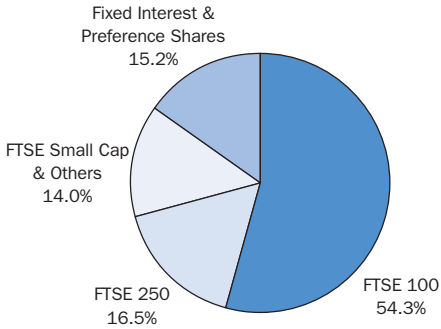
## COMPARISON OF SECTOR WEIGHTINGS WITH THE FTSE ALL-SHARE INDEX (continued)

as at 31 March 2005

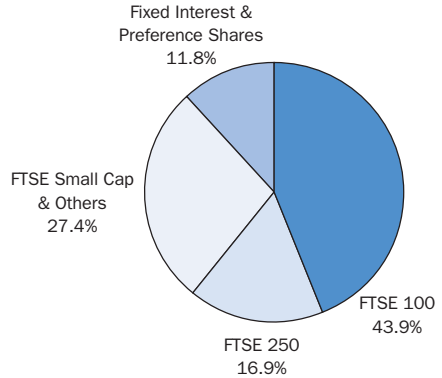
	Finsbury Growth & Income Trust %	FTSE All-Share Index %	Finsbury Growth & Income Trust (under)/overweight %
<b>Non-cyclical services</b>			
Food & drug retailers	–	2.5	(2.5)
Telecommunications services	–	8.7	(8.7)
	<b>–</b>	<b>11.2</b>	<b>(11.2)</b>
<b>Utilities</b>			
Electricity	–	1.4	(1.4)
Utilities – other	–	2.7	(2.7)
	<b>–</b>	<b>4.1</b>	<b>(4.1)</b>
<b>Financials</b>			
Banks	27.1	18.1	9.0
Insurance	–	0.6	(0.6)
Life assurance	–	3.1	(3.1)
Investment companies	1.0	2.6	(1.6)
Real estate	–	1.9	(1.9)
Speciality & other finance	8.5	1.6	6.9
	<b>36.6</b>	<b>27.9</b>	<b>8.7</b>
<b>Information technology</b>			
Information technology hardware	0.9	0.4	0.5
Software & computer services	3.5	0.7	2.8
	<b>4.4</b>	<b>1.1</b>	<b>3.3</b>
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>–</b>

## PORTFOLIO ANALYSIS

as at 31 March 2005

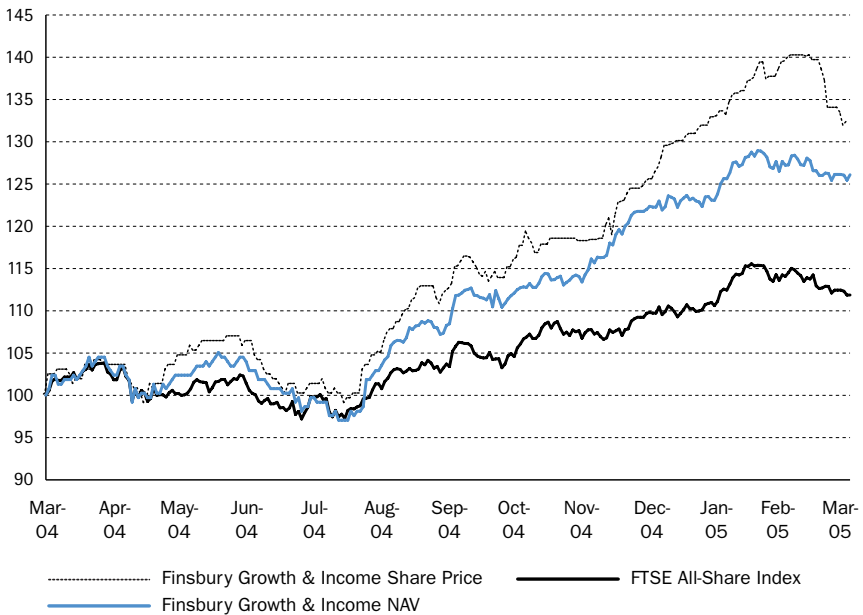


as at 30 September 2004



## PERFORMANCE GRAPH

1 year to 31 March 2005



Rebased to 100 at 31 March 2004, all figures are capital return only  
 Source: Close Finsbury Asset Management

## CONSOLIDATED STATEMENT OF TOTAL RETURN

Incorporating the revenue account for the six months ended 31 March 2005

	(Unaudited)			(Unaudited)			(Audited)		
	Six months ended 31 March 2005			Six months ended 31 March 2004			Year ended 30 September 2004		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gains on investments	–	13,019	13,019	–	8,766	8,766	–	14,617	14,617
Income (note 2)	1,821	–	1,821	1,385	–	1,385	3,283	–	3,283
Investment management fees (note 3)	(107)	(218)	(325)	(81)	(163)	(244)	(163)	(332)	(495)
Other expenses	(215)	–	(215)	(246)	–	(246)	(631)	–	(631)
<b>Net return before finance costs and taxation</b>	<b>1,499</b>	<b>12,801</b>	<b>14,300</b>	<b>1,058</b>	<b>8,603</b>	<b>9,661</b>	<b>2,489</b>	<b>14,285</b>	<b>16,774</b>
Interest payable and similar charges (note 4)	(161)	(326)	(487)	(72)	(147)	(219)	(212)	(430)	(642)
<b>Return on ordinary activities before taxation</b>	<b>1,338</b>	<b>12,475</b>	<b>13,813</b>	<b>986</b>	<b>8,456</b>	<b>9,442</b>	<b>2,277</b>	<b>13,855</b>	<b>16,132</b>
Taxation on ordinary activities	–	–	–	–	–	–	–	–	–
<b>Return on ordinary activities after tax for the financial period/year</b>	<b>1,338</b>	<b>12,475</b>	<b>13,813</b>	<b>986</b>	<b>8,456</b>	<b>9,442</b>	<b>2,277</b>	<b>13,855</b>	<b>16,132</b>
Dividends in respect of equity shares	(1,565)	–	(1,565)	(699)	–	(699)	(2,132)	–	(2,132)
<b>Transfer (from)/to reserves</b>	<b>(227)</b>	<b>12,475</b>	<b>12,248</b>	<b>287</b>	<b>8,456</b>	<b>8,743</b>	<b>145</b>	<b>13,855</b>	<b>14,000</b>
<b>Return per Ordinary share (note 5)</b>	<b>3.56p</b>	<b>33.16p</b>	<b>36.72p</b>	<b>2.54p</b>	<b>21.76p</b>	<b>24.30p</b>	<b>6.12p</b>	<b>37.27p</b>	<b>43.39p</b>

## CONSOLIDATED BALANCE SHEET

as at 31 March 2005

	(Unaudited) 31 March 2005 £'000	(Unaudited) 31 March 2004 £'000	(Audited) 30 September 2004 £'000
<b>Fixed asset investments</b>	108,455	82,128	90,539
<b>Current assets</b>			
Debtors	1,194	708	530
Cash at bank	287	166	251
	1,481	874	781
<b>Creditors</b>			
Amounts falling due within one year	(19,223)	(9,851)	(17,090)
<b>Net current liabilities</b>	(17,742)	(8,977)	(16,309)
<b>Net assets</b>	90,713	73,151	74,230
<b>Capital and reserves</b>			
Called up share capital	9,614	9,714	9,614
Share premium	842	–	121
Special reserve	15,938	13,160	12,424
Capital redemption reserve	3,453	3,353	3,453
Capital reserve – realised	40,918	38,769	34,159
Capital reserve – unrealised	18,363	6,201	12,647
Revenue reserve	1,585	1,954	1,812
<b>Total shareholders' funds</b>	90,713	73,151	74,230
Net asset value per Ordinary share	235.9p	188.3p	203.5p

## CONSOLIDATED CASH FLOW STATEMENT

for the six months ended 31 March 2005

	(Unaudited) Six months ended 31 March 2005 £'000	(Unaudited) Six months ended 31 March 2004 £'000	(Audited) Year ended 30 September 2004 £'000
<b>Net cash inflow from operating activities</b>	593	503	1,952
<b>Servicing of finance</b>			
Loan and bank overdraft interest paid	(472)	(188)	(577)
<b>Financial investment</b>			
Purchase of investments	(17,526)	(3,403)	(10,169)
Sale of investments	12,478	3,212	7,567
<b>Net cash outflow from financial investment</b>	(5,048)	(191)	(2,602)
<b>Equity dividends paid</b>	(1,523)	(1,243)	(1,879)
<b>Financing</b>			
Purchase and cancellation of own shares	–	–	(736)
Shares purchased and held in Treasury	–	–	(7,013)
Treasury shares sold	4,236	–	3,571
Drawdown of loans	2,250	300	6,550
<b>Increase/(decrease) in cash</b>	36	(819)	(734)
<b>Reconciliation of net cash flow to movement in net debt</b>			
Increase/(decrease) in cash resulting from cashflows	36	(819)	(734)
Increase in debt	(2,250)	(300)	(6,550)
Movement in debt	(2,214)	(1,119)	(7,284)
Net debt at start of period/year	(14,999)	(7,715)	(7,715)
<b>Net debt at end of period/year</b>	(17,213)	(8,834)	(14,999)

## NOTES TO THE INTERIM FINANCIAL STATEMENTS

### 1. Revenue Account

The revenue column of the Consolidated Statement of Total Return represents the profit and loss account of the Group.

### 2. Income

	Six months ended 31 March 2005 £'000	Six months ended 31 March 2004 £'000	Year ended 30 September 2004 £'000
Investment income	1,788	1,379	3,265
Bank interest	33	6	18
<b>Total</b>	<b>1,821</b>	<b>1,385</b>	<b>3,283</b>

### 3. Investment management fees

	Six months ended 31 March 2005 £'000	Six months ended 31 March 2004 £'000	Year ended 30 September 2004 £'000
Investment management fee	277	208	421
Irrecoverable VAT thereon	48	36	74
<b>Total</b>	<b>325</b>	<b>244</b>	<b>495</b>

### 4. Interest payable and similar charges

	Six months ended 31 March 2005 £'000	Six months ended 31 March 2004 £'000	Year ended 30 September 2004 £'000
Interest payable on revolving credit facility	480	210	615
Other bank interest	7	9	27
<b>Total</b>	<b>487</b>	<b>219</b>	<b>642</b>

## NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

### 5. Return per Ordinary share

The revenue return per Ordinary share is calculated by dividing the net revenue return of £1,338,000 (six months ended 31 March 2004: return of £986,000; year ended 30 September 2004: return of £2,277,000) by 37,616,627 (six months ended 31 March 2004: 38,856,430; year ended 30 September 2004: 37,177,663), being the weighted average number of Ordinary shares in issue. The capital return per Ordinary share is calculated by dividing the net capital return attributable to Ordinary shareholders of £12,475,000 (six months ended 31 March 2004: return of £8,456,000; year ended 30 September 2004: return of £13,855,000) by the weighted average number of Ordinary shares in issue, as above.

### 6. International Financial Reporting Standards (“IFRS”)

The financial statements are currently prepared in accordance with UK GAAP. If IFRS had been applied as at 31 March 2005, the main effect would be the valuation of investments on a fair value (bid) basis, and the exclusion of the proposed dividend. As an indication of the effect of this, if investments were valued on a bid, as opposed to mid basis, the effect on the net asset value (NAV) would be a reduction in the investment value of £29,000.

The effect of excluding the proposed dividend from the financial statements would increase both shareholders funds and revenue retained by £1,565,000 and, with investments at bid, result in a increase to the NAV of £1,536,000.

### 7. Comparative information

The figures and financial information for the year ended 30 September 2004 are an extract from the latest published financial statements and do not constitute statutory financial statements for that year. Those financial statements have been delivered to the Registrar of Companies and included the report of the auditors which was unqualified and did not contain a statement under either section 237(2) or 237(3) of the Companies Act 1985. The interim accounts have been neither audited nor reviewed by the Company’s auditors. They have been prepared using the same accounting policies as those adopted in the financial statements for the year ended 30 September 2004.

## COMPANY INFORMATION

### Directors

Michael Reeve, *Chairman*

John Allard

Vanessa Renwick

Anthony Townsend

Giles Warman

### Consultant

Stewart Urry

### Company Secretary

Close Finsbury Asset Management Limited

### Registered Office

59 Lothian Road, Festival Square,

Edinburgh EH3 9BY

### Company Registration Number

13958 (Registered in Scotland)

### Investment Manager

Close Finsbury Asset Management Limited

10 Crown Place, London EC2A 4FT

*Authorised and regulated by the Financial Services Authority*

### Investment Adviser

Lindsell Train Limited

35 Thurloe Street, London SW7 2LQ

*Authorised and regulated by the Financial Services Authority*

### Stockbrokers

Close Brothers Securities Limited

The Atrium Building, Cannon Bridge,

25 Dowgate Hill, London EC4R 2GA

### Registrars

Capita IRG plc

The Registry

34 Beckenham Road, Beckenham,

Kent BR3 4TU

Telephone: 0870 162 3100

Please contact the Registrars if you have a query about a certificated holding in the Company's shares.

### Auditors

RSM Robson Rhodes LLP

186 City Road, London EC1V 2NU

## Close Finsbury ISA, Savings Scheme and PEP

Block C, Western House, Lynchwood  
Business Park, Peterborough, PE2 6BP

Investor Helpline: 0800 169 6968\*

Professional Advisors Helpline:

020 7426 4372

e-Mail: [info@closefinsbury.com](mailto:info@closefinsbury.com)

Please contact the Investor Helpline to obtain information and literature concerning the Company or other Close Finsbury investment trusts, or if you have a query concerning a Close Finsbury ISA, Savings Scheme or PEP account.

*\*Calls to this number are recorded for monitoring purposes.*

Online investment and account management is available for the Close Finsbury ISA, Savings Scheme and PEP at [www.closefinsbury.com](http://www.closefinsbury.com)

## Share Price Listings

The price of your shares can be found in various publications including the Financial Times under the heading Investment Companies and in the Daily Telegraph under the heading Investment Trusts.

The Company's Net Asset Value per share is announced daily and is available daily on the Close Finsbury website at [www.closefinsbury.com](http://www.closefinsbury.com) and on the TrustNet website at [www.trustnet.com](http://www.trustnet.com)

## Identification Codes

Ordinary Shares:

SEDOL : 0781606

ISIN : GB0007816068

BLOOMBERG: FGTLN

EPIC : FGT

## Disability Act

Copies of this interim report and other documents issued by the Company are available from the Company Secretary. If needed, copies can be made available in a variety of formats, including Braille, audio tape or larger type as appropriate. You can contact the Registrar to the Company, Capita IRG plc, which has installed telephones to allow speech and hearing impaired people who have their own telephone to contact them directly, without the need for an intermediate operator, for this service please call 020 8639 2062. Specially trained operators are available during normal business hours to answer queries via this service. Alternatively, if you prefer to go through a 'typetalk' operator (provided by The Royal National Institute for Deaf People) you should dial 18001 from your textphone followed by the number you wish to dial.

## INVESTING WITH FINSBURY GROWTH & INCOME TRUST PLC

There are a variety of ways you can buy shares in the Company. You have the choice of lump sum or regular savings within a Close Finsbury ISA or Savings Scheme. There is also a PEP transfer facility if you already hold a PEP. Alternatively you can buy shares direct through your stockbroker or bank.

As the Company pays dividends, you have the option to benefit from automatic income reinvestment, therefore compounding your returns.

### The **CLOSE FINSBURY ISA**

– enables investors to invest tax free up to £7,000 each year

### The **CLOSE FINSBURY SAVINGS SCHEME**

– is open to lump sum investment or regular savings

### A **SAVING FOR CHILDREN** facility

– is available within the Savings Scheme

Investment in the ISA and Savings Scheme can be made by lump sum from £1,000 or regular monthly savings from as little as £100 per month. Once invested, you can top up your Schemes at any time subject to a minimum of £100.

### The **CLOSE FINSBURY PEP TRANSFER**

– can be used to transfer the value of your existing PEP. A minimum of £1,000 can be invested in shares of the Company.

You can open an account and deal **ONLINE** for the ISA and Savings Scheme on the Close Finsbury website **www.closefinsbury.com**. Account management for all the Investment Schemes is also available on the website. This enables you to:

Access your account 24 hours a day	Amend your personal details
Obtain up-to-date valuations	Change Direct Debit details
View current and historic statements	Set up income payments
Purchase online by debit card	Sell online

#### To find out more either:

**Phone:** 0800 169 6968\*  
**Click:** [www.closefinsbury.com](http://www.closefinsbury.com)  
**Email:** [info@closefinsbury.com](mailto:info@closefinsbury.com)

All of the Close Finsbury managed investment trusts are available within the Close Finsbury ISA, Savings Scheme or PEP. The range includes:

**Close Finsbury EuroTech Trust PLC**  
**Finsbury Growth & Income Trust PLC**  
**Finsbury Emerging Biotechnology Trust PLC**  
**Finsbury Technology Trust PLC**  
**Finsbury Worldwide Pharmaceutical Trust PLC**

\*calls to this number are recorded for monitoring purposes

Close Finsbury Asset Management Limited is authorised and regulated by the Financial Services Authority



**FINSBURY GROWTH & INCOME TRUST PLC**

10 CROWN PLACE, LONDON EC2A 4FT [www.closefinsbury.com](http://www.closefinsbury.com) [info@closefinsbury.com](mailto:info@closefinsbury.com)