

FINSBURY GROWTH & INCOME TRUST

March 2006

All data as at 31st Mar 2006

Fund Objective

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

Fund Breakdown

Top 10 Holdings	% Gross	% NAV	Industry Breakdown	% Gross	% NAV
HBOS (Ord & Pref)	13.4	15.3	Consumer Branded Goods	30.5	35.0
Diageo	7.9	9.0	Financial Services	27.5	31.5
Cadbury Schweppes	6.8	7.8	Technology/Media	22.6	26.0
Wolverhampton & Dudley	6.2	7.1	Preference Shares	13.8	15.96
Lloyds TSB	5.6	6.4	Energy	4.0	4.6
AG Barr	5.4	6.2	Industrials	1.2	1.3
Pearson	5.1	5.9	Other	0.4	0.5
Sage Group	4.8	5.5	Total	100.0	114.8
Bradford & Bingley	4.6	5.3			£
Reed Elsevier	4.2	4.8	Total Investments	a	158.7
			Net Cash	b	(1.3)
			Borrowings	c	(20.0mn)
			Net Assets (a+b+c)	d	137.4
			Gearing ((a-d)/d)		15.5%

Fund Exposure	Bonds	Prefs	Equity	Funds	Cash	Total
UK %	2.2	13.7	98.0	0.9	-	114.8
Other %	-	-	-	-	-	-
Total %	2.2	13.7	98.0	0.9	-	114.8

Fund Performance

Past performance is not a guide to future performance. The price of units and the income from them may go down as well as up. Investors may not get back what they invested.

5 Year History (Jan-Dec)	2001	2002	2003	2004	2005	2006
FGT NAV TR%	-10.9	-22.0	+23.7	+33.2	+21.8	+9.9
FGT Price TR%	-9.7	-23.9	+28.5	+46.8	+29.2	+10.4
FTSE All Share TR%	-13.3	-23.2	+22.0	+14.1	+22.0	+8.1

Source: LTL S&P Micropal. TR=Total Return (with dividends reinvested) LTL was appointed to FGIT in Dec

2005	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YE 2005
NAV TR %★	+0.7	+2.8	+1.4	-3.0	+4.6	+3.1	+0.1	+0.4	+3.8	-2.3	+3.8	+4.7	+21.8
Price TR %★	+5.8	+3.6	-2.3	+0.3	+3.7	+3.6	-0.7	+0.6	+4.5	-3.0	+4.9	+5.4	+29.2
Since Appointment NAV TR %	+13.7	+16.2	+17.8	+14.6	+19.2	+23.2	+23.2	+23.9	+28.8	+26.5	+30.3	+36.5	
Since Appointment Price TR %	+33.6	+38.4	+35.3	+35.7	+40.7	+45.8	+44.8	+45.6	+52.1	+47.6	+54.8	+63.1	

2006	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD 2006
NAV TR %★	+3.7	+2.4	+2.4										+9.9
Price TR %★	+2.3	+2.2	+3.3										+10.4
Since Appointment NAV TR %	+41.5	+44.7	+50.0										
Since Appointment Price TR %	+66.9	+70.6	+78.8										

Source: LTL and S&P Micropal unless otherwise indicated. TR=Total Return (with dividends reinvested) LTL was appointed to FGIT in Dec 2000.

★ Source: Monthly performance is sourced from LTL and Bloomberg.

Market Capitalisation	£ 141.0mn
Net Asset Value	£ 2.9368
Share Price	£ 3.0150
Premium (Discount)	2.7%
Estimated Gross Yield [▲]	2.7%

Source: Bloomberg. [▲]Source: LT & Close Finsbury AM

Fund Manager:	Nick Train
Launch Date:	1926
Denominated Currency:	Sterling
Year End:	30th September
Dividend:	
<i>Interim:</i>	Ex-Date - June Payable - June
<i>Final:</i>	Ex-Date - November Payable - January
Benchmark:	FTSE All Share Index (net dividends reinvested)
Investment Trust Sector:	UK Growth & Income
Annual Mgmt Fee:	0.65% of average market capitalisation
Performance Fees:	15% of any increase in Trust's mkt capitalisation in any year, subject to an absolute return hurdle being the sum of the increase in the Retail Price Index in the year plus 6%. Total fee payable capped 1.25% of average market capitalisation.
The Board:	MAF Reeve JP Allard VE Renwick GWB Warman
ISIN:	GB0007816068
Bloomberg:	FGT LN
Listing:	London Stock Exchange

Fund Manager's Comments

Your NAV rose 2.4% in March, although this lagged the FT All-Share, which put on an impressive 3.1%. This capped a strong first quarter for UK equities, with the All-Share gaining 7.0% and your Company's NAV up 8.7%. It is hard to see an immediate end to these favourable conditions, with the two main drivers for the market - takeovers and rising commodity prices- going from strength to strength. Nonetheless, with the FT All-Share's dividend yield below 3.0% net, investors should recognise that UK equities are not undervalued by historic standards and that the news will need to remain excellent for further progress to be made.

The month started encouragingly for the Company, with a bid for London Stock Exchange boosting NAV. The LSE closed up 23.5% on the month, for a gain in 2006 of 70.0%. This despite the bidder, US exchange NASDAQ, walking away from its offer before the end of the month. It appears certain that the LSE will be involved in some consolidation during 2006 and we remain supportive of management's efforts to secure the most value-creating alliance - rather than capitulating to the first decent cash bid. As March went on, conditions became less helpful for your Company, with leadership in the equity market increasingly dominated by resource company shares. We understand the enthusiasm other investors have for these companies, that always look cheap when commodity prices are rising rapidly. Nonetheless, we remain lowly exposed to the sector, which offers a more volatile and risky means of participating in global growth than we care to participate in. Notable gains within the Company during March include Pearson, Reed Elsevier and Diageo, up 12.5%, 7.2% and 3.5% respectively - all major holdings. All three are also beneficiaries of accelerating global growth, like the commodity extractors, but with far more predictable business models, we believe.

The Company benefited from significant inflows of dividend during the month, as several major holdings went XD - although these do not show up in the daily NAVs. We are particularly pleased with Lloyds Bank, which closed March down 0.6%, despite going XD its final dividend, worth 4.3%. Bradford & Bingley too, did well, up 6.7%, excluding its 2.6% final dividend. These and other payments have enabled your Company to announce an increased interim dividend, up 5.0%, during the month.

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All data as at 31st Mar 2006

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