



Finsbury Growth & Income Trust PLC

Managed by
Frostrow Capital LLP

Investment Manager
Lindsell Train Limited

Nick Train



Fund Information as at 31st March 2007

Investment Objective and Benchmark Index

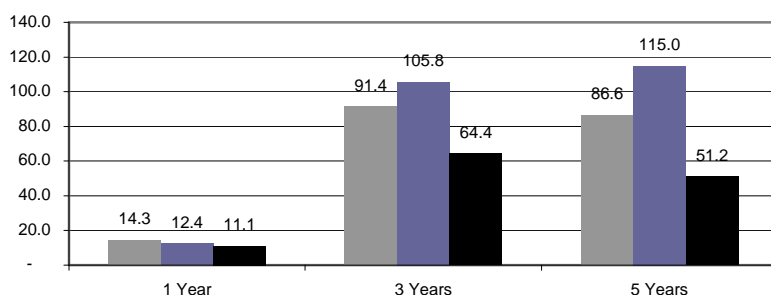
Finsbury Growth & Income Trust PLC invests in the shares of UK listed companies with the objective of achieving capital and income growth and providing a total return in excess of that of the its benchmark, the FTSE All-Share Index (net dividends reinvested).

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	2002	2003	2004	2005	2006
NAV	-21.7	22.4	31.4	21.7	21.9
Share Price	-23.6	27.6	43.4	29.2	20.5
Index	-22.7	20.9	12.8	22.0	16.8

Standardised Discrete Performance (%)

Percentage Growth 12 Month Return	Mar 02- Mar 03	Mar 03- Mar 04	Mar 04- Mar 05	Mar 05- Mar 06	Mar 06- Mar 07
NAV	-28.6	36.6	30.9	27.9	14.3
Share Price	-31.0	51.5	38.5	32.1	12.4
Index	-29.8	31.0	15.6	28.0	11.1

Source: NAV & Share Price – Fundamental Data. Index - Thomson Financial Limited. Past performance is not a guide to future performance.

Investment Outlook

Your NAV rebounded in March, by 3.5%, carrying it ahead of the benchmark for the month and for the calendar year to date. The return was driven by, in particular, five stocks which delivered double digit gains. Of course, this is pleasing, but what is most relevant for shareholders, we believe, is that each of the five offers significantly more potential, if our estimates of fair value are confirmed. The five are Cadbury, Pearson, Rathbone, Schroders and Unilever. The two fund managers both rallied with the stock market in general - Schroders with the support of a good set of annual results, accompanied by a most welcome 20.0% increase in its final dividend. Pearson and Unilever each continue to attract a better investor following than in recent years. Each also continue to offer above market average dividend yields, with valuable strategic business assets, whose worth is undervalued, in our opinion. Cadbury gained the best part of 20.0% in March, as investors responded to the company's plan to split its business in two. This decision must surely have been precipitated by the stake built in Cadbury stock by an arbitrageur. We share Nelson Peltz' conviction that Cadbury was and remains an undervalued equity and, as a result, had built a major holding in it for your company over recent years. The gain in price is important, therefore, for our strategy, but we want to emphasise here that future gain could still be considerable. Simply stated, by splitting the company, Cadbury has increased the chances of corporate activity, which might put a full value on its exceptional properties. We cannot believe that if a competitive auction developed, that brands of the calibre of Dairy Milk and Dr Pepper would change hands at anything less than 3.0x annual sales and possibly much more. In such a circumstance, Cadbury stock is worth closer to £10.0 than the current £6.50. This value gap is sufficiently wide to encourage us to add to the holding and we advise shareholders to watch this situation developing over the next few months.

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 £480m (as at 28/02/07). 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.

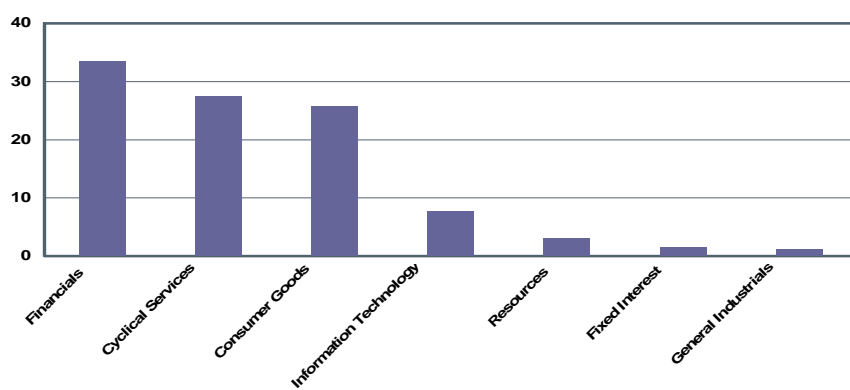
Finsbury Growth & Income Trust PLC

Ten Largest Holdings as at 31 March 2007 (%)

Name	Sector	Total
HBOS	Financials	11.3
Diageo	Consumer Goods	7.7
Cadbury Schweppes	Consumer Goods	7.2
Marston's	Cyclical Services	7.2
Barr (AG)	Consumer Goods	5.8
Unilever	Consumer Goods	4.9
Pearson	Cyclical Services	4.9
Lloyds TSB	Financials	4.8
Rathbone Brothers	Financials	4.0
Reed Elsevier	Cyclical Services	4.0
Total		61.8

HBOS shares are split: Ordinary shares 5.1% & Preference shares 6.2%

Sector Breakdown as at 31 March 2007 (%)



Share Price Total Return on £100 (£)

YTD	102.2
1 year	112.4
3 years	205.8
5 years	215.0

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

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.

As at 31 March 2007

Fast facts

Launch Date	1926
Annual Management Charge	0.65% of average market capitalisation (payable by the Trust)
Performance fee	See Annual Report for details
Year / interim end	30 September / 31 March
Capital Structure	51,547,423 Ordinary shares of 25p

Trust Characteristics

Number of Holdings	26
Net Assets (£m)	£168.6m
Dividend Policy	Provisional dates: April & October
Current Net Yield	2.5%
Gearing (AIC basis)	114
Share Price (p)	331.50
NAV (p)	327.01
(Discount) / Premium	1.4%

Codes

Sedol	0781606
ISIN	GB0007816068
Bloomberg	FGT LN
Epic	FGT

ISA, PEP and Savings Scheme

The trust is available within the Close Investments ISA, PEP, Savings Scheme and MileStones Plan.

For all queries concerning these products, please contact the Client Services Team on 0845 600 1213 or via www.closeinvestments.com.

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