



Finsbury Growth & Income Trust PLC

Managed by
Frostrow Capital LLP

Investment Manager
Lindsell Train Limited



Nick Train

Fund Information as at 31 October 2007

www.finsburygt.com

Investment Objective and Benchmark Index

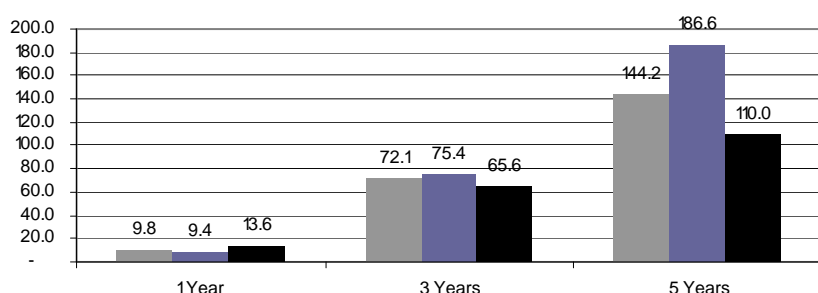
Finsbury Growth & Income Trust PLC invests in the shares of UK listed companies with the objective of achieving capital and income growth and providing a total return in excess of that of its benchmark, the FTSE All-Share Index (net dividends reinvested).

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	2002	2003	2004	2005	2006	YTD
NAV	-21.7	22.4	31.4	21.7	21.9	4.0
Share Price	-23.6	27.6	43.4	29.2	20.5	1.3
Index	-22.7	20.9	12.8	22.0	16.8	10.3

Standardised Discrete Performance (%)

Percentage Growth 12 Month Return	Oct 02-Oct 03	Oct 03-Oct 04	Oct 04-Oct 05	Oct 05-Oct 06	Oct 06-Oct 07
NAV	13.8	24.7	24.8	25.5	9.8
Share Price	20.6	35.4	30.0	23.3	9.4
Index	13.6	11.6	19.8	21.7	13.6

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

Investment Outlook

During the month of October, the NAV rose 3.4% while the index rose 4.3%. Four major portfolio positions rose by more than 10% in the month. We think their identity and the drivers behind the moves are significant – in that they tell us something about changing investor preferences in the stock market and, we hope, something about the potential for our strategy. The shares were Fidessa, Rathbone, Cadbury Schweppes and Schroders. Fidessa is a software company, that has built and maintains an equity trading platform for the investment banking industry. Rathbone and Schroders are investment managers. Cadbury, of course, is a global consumer branded-goods concern. The common denominator is that each is a “growth” business. By this we mean that each has a significant, multi-year opportunity to grow earnings – an opportunity that is not directly dependent on mainstream or cyclical economic growth. In other words, the general economy could suffer a slowdown and the growth opportunity for these businesses would not necessarily be badly impaired. Fidessa’s growth is driven by the increasing role of technology in the processing of financial transactions and the increasing complexity of compliance, to such directives as MIFID. Rathbone and Schroders can look forward to growth in their funds under management as the savings ratio in the UK rises and, for Schroders, as it builds on its important presence in Asia Pacific. Cadbury too has a significant opportunity to expand in Developing Economies, while its traditional business is fairly recession-proof. People eat more chocolate when they are depressed!

The UK stock market has enjoyed a period when its returns have been led by cyclical growth companies – metals and basic industrials. It seems possible that the recession in US housing and the turmoil in financial markets may cause something of a slowdown for these industries. In that case, we expect companies such as the four discussed above to take up the running. We own many other “growth” stocks, in Media, software and other branded goods and have high hopes for returns from such names as Pearson, Reed, Sage and Unilever – all of which have been dull performers until very recently and appear undervalued, on our analysis.

Finally, investor sentiment against the UK banks remains intensely negative. In our opinion any further worsening of credit conditions will precipitate a sharp reduction in short term interest rates by central banks. Sound banks and we believe we are invested in such, can perform very well in such conditions.

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 £546m as at 31 October 2007. 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.

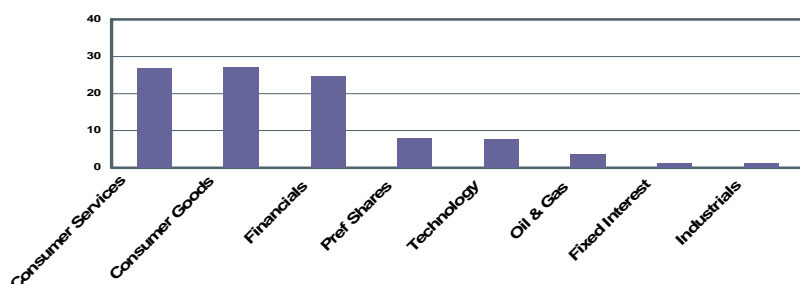
Finsbury Growth & Income Trust PLC

Ten Largest Holdings as at 31 October 2007 (% of total investments)

Name	Sector	Total
HBOS	Financials	9.8
Diageo	Consumer Goods	8.2
Cadbury Schweppes	Consumer Goods	7.3
Unilever	Consumer Goods	5.9
Barr (AG)	Consumer Goods	5.6
Marston's	Consumer Services	5.6
Reuters	Consumer Services	5.2
Lloyds TSB	Financials	4.7
Pearson	Consumer Services	4.5
Rathbone Brothers	Financials	4.2
Total		61.0

HBOS shares are split: Ordinary shares 4.3% & Preference shares 5.5%

Sector Breakdown as at 31 October 2007 (%)



Share Price Total Return on £100 (£) as at 31 October 2007

YTD	101.3
1 year	109.4
3 years	175.4
5 years	286.6

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.

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Fast facts

As at 31 October 2007

Launch Date	1926
Annual Management Fee (payable by the Trust)	0.50% of the market capitalisation <u>plus</u> £200,000
Performance fee	See Annual Report for details
Year / interim end	30 September / 31 March
Capital Structure	52,697,423 Ordinary shares of 25p

Trust Characteristics

Number of Holdings	27
Net Assets (£m)	£169.2m
Dividend Policy	Provisional dates: June & October
Current Net Yield	2.8%
Gearing (AIC basis)	115
Share Price (p)	319.75
NAV (p)	321.06
(Discount) / Premium	(0.4%)

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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