THE LINDSELL TRAIN INVESTMENT TRUST PLC

Half-year report for the six months
ended 30 September 2013

Contents

Financial Highlights

Performance comparisons 1 April 2013 – 30 September 2013

Mid-market share price per Ordinary Share#	**+15.9%**
Net asset value per Ordinary Share^	+3.6%
Benchmark*	+2.0%
MSCI World Index (Sterling)	+2.6%
UK RPI Inflation (all items)	+1.3%

Calculated on a total return basis.

* The index of the annual average yield on the UK 2.5% Consolidated Loan Stock between the relevant dates.

^ The net asset value at 30 September 2013 has been adjusted to include the dividend of £6.25 per Ordinary Share paid on 2 August 2013.

Source: Bloomberg/Phoenix Administration Services Limited

Objective of the Company

The objective of the Company is to maximise long-term total returns with a minimum objective to maintain the real purchasing power of Sterling capital as measured by the annual average yield on the UK 2.5% Consolidated Loan Stock.

Investment Policy

The Investment Policy of the Company is to invest:

- in a wide range of financial assets including equities, unquoted equities, bonds, funds, cash and other financial investments globally with no limitations on the markets and sectors in which investment may be made, although there may be bias towards Sterling assets consistent with a Sterling-dominated investment objective. The Directors expect that the flexibility implicit in these powers will assist in the achievement of the absolute returns that the investment objective requires;
- in Lindsell Train managed fund products, subject to Board approval, up to 25% of its gross assets;
- to retain a holding in Lindsell Train Limited, currently representing 24.4% of its issued Ordinary share capital, in order to benefit from the growth of the business of the Company's Investment Manager.

Diversification

The Company expects to invest in a concentrated portfolio of securities with the number of equity investments averaging fifteen companies. The Company will not make investments for the purpose of exercising control or management and will not invest in securities of or lend to any one company (or other members of its group) more than 15% by value of its gross assets. The Company will not invest more than 15% of gross assets in other closed-ended investment funds.

Gearing

The Directors' policy is to permit borrowings up to 50% of the net asset value of the Company in order to enhance returns where and to the extent that this is considered appropriate.

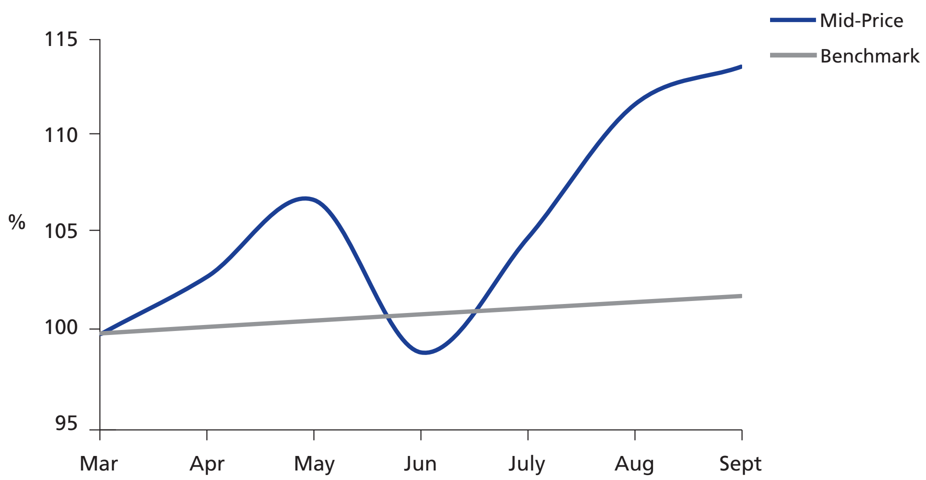
Dividends

The Directors' policy is to pay annual dividends consistent with retaining the maximum permitted earnings in accordance with investment trust regulations.

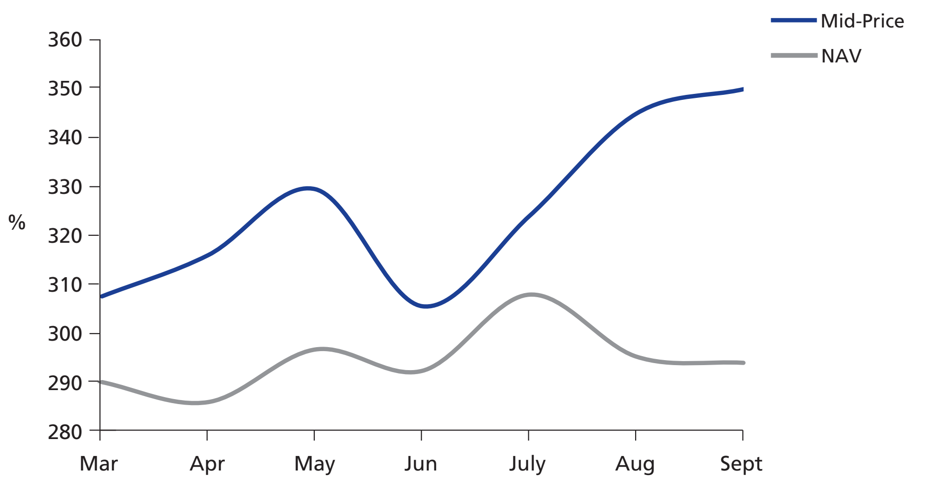
The current composition of the portfolio, which may be changed at any time at the discretion of the Investment Manager within the confines of the policy stated above, is shown on pages 14 to 16.

Performance

Share price performance relative to the Benchmark from 1 April 2013 to 30 September 2013



Share price performance relative to net asset value from 1 April 2013 to 30 September 2013



Sources: Bloomberg and Lindsell Train Limited.

Chairman's Statement

The net asset value ('NAV') of the Company was up 3.6% (including dividends) over the first half of the year and in doing so exceeded the benchmark (up 2.0%) and the performance of global equity markets as measured by the rise in the MSCI World Index (in Sterling) of 2.6%. This performance was materially influenced by the rise in the value of the biggest holding, Lindsell Train Limited. ('LTL') that was up 37% and represented 21% of NAV at the end of September. LTL continues to garner new assets and build investment and support infrastructure. This, together with the rise in markets, has increased funds under management to £2.9bn. Assuming the continued success of the asset management company in achieving outperformance for its clients and increasing its asset base, it remains a most important source of potential further value creation for shareholders . However, it is also worth repeating my previous cautionary note that any reversal in LTL's fortunes represents the biggest risk for the Company now that it has become such a large percentage of assets and bearing in mind that its dividends make up almost half of the Company's revenues.

The other holdings of the Company fared less well in aggregate, especially the core consumer franchises. Unilever, Heineken, Diageo and AG Barr, that collectively make up a third of the NAV, fell back 12%, 6%, 5% and 4% respectively. This was perhaps not so surprising given the strong performance over recent years, but some weakness in sales due to the effect of falling emerging market currencies was an important factor that impacted the share price of Unilever in particular. The investment in the Lindsell Train Global Equity Fund underperformed its index by 2.6% which reflected the true performance of Lindsell Train's broader global equity strategy without the influence of LTL. The Lindsell Train Japanese Equity Fund underperformed by 8% over the six months, again largely as a result of the disappointing performance of its consumer franchises together with its healthcare companies.

There was a little more activity than usual in the Company's portfolio. The position in Marston's was sold (see Manager's report) and some of the proceeds used to add to the holdings in Pearson and Unilever.

Whilst the Company's selection of quality companies has risen in valuation over the last five years, the Manager continues to believe that current values are well supported by future prospects.

The Company's share price continued to trade at a premium to the NAV throughout the six months, and ended September at a premium of 19%. The Directors repeat their caution to potential new investors from buying shares at such an elevated premium. A general fall in markets could impact the value of our quoted equities and, perhaps more significantly, the value of the 21% we have invested in LTL. Together these could quickly eliminate the premium, and potentially translate into material capital losses for such investors in the short term. The effect could be further magnified if the Company's share price were to trade at a discount to NAV, which has been the case for significant periods since the Company's launch.

D Adamson
Chairman
28 November 2013

Investment Manager's Report

We pay a lot of attention to the dividend declarations made by the boards of the companies we invest in. In part this is because we know how crucial growing dividends are to our long term total returns. In addition, although we are aware of and understand the academic work arguing that investors can be indifferent to the decisions companies make about retaining earnings or distributing those earnings as dividends – nonetheless we continue to place value on the "reality" of dividends received, compared to the "notional" quality of earnings. Dividend payments are exact; earnings reports are open to interpretation. In short, for us dividend announcements send an important signal to market participants about what executives believe is the likely long term sustainable growth rate for cash flow of their company.

Accordingly, we present here a quick review of the most recent dividend or interest announcements from the publically traded securities in your portfolio.

The two irredeemable *Gilts* have paid their coupons, of course. But by the end of the current reporting period this security of income was more lowly valued by other investors – the prices dropped c. 6.5%. At these levels they offer a running yield of c. 4.25%. We are not sellers on this basis.

Barr increased its most recent dividend by 8%. This reminder of growing cash flows is welcome, as we and its other shareholders come to terms with the disappointment of Barr's failure to consummate its nearly merger with Britvic – although this was absolutely not the company's fault. Barr's growth opportunities, profitability and pristine balance sheet still make for a wonderful equity asset.

Diageo delivered 9% dividend growth. We know that its shares and those of some other consumer stocks we own are currently out of favour, as other investors look for cyclical recovery stories. It is so important to remember, though, that these global brand owners are not mature companies – indeed their best growth is still to come. Diageo's near double digit dividend increase is a meaningful consolation for us in the meantime.

Unilever's last two quarterly dividends are 18% higher than the same pair last year. We don't expect this rate of growth, which is currency-flattered, to continue. However, it is a pointed reminder of the company's potency as a cash machine.

Pearson maintained its multi-decade record of annual real dividend growth with a 7% hike. At the period end Pearson's shares offered a 3.7% dividend yield. Now, dividend yield is never sufficient, on its own, to justify buying or selling a stock. But we can't help making the contrast between today's yield and that at the all time peak in Pearson's price, back in early 2000. The yield then was under 1%, as investors thrilled to the opportunities the internet offered the company. Since then Pearson's dividend has rather more than doubled, while the shares are down over 40%. And its internet opportunity is more real and imminent than ever.

Reed Elsevier's rehabilitation with investors in 2013 – shares up c. 35% so far – was encouraged by its 11% dividend increase. We think Reed can become valued as one of Europe's most reliable "growth" companies over the next few years. If we put Reed's growing earnings on a 20x "growth" rating we still get to a much higher warranted price than the market affords.

Finsbury Growth & Income Trust increased its final dividend by just under 10%, in part benefiting from some of the same dividend growth histories outlined here.

London Stock Exchange's 4% dividend uplift is perhaps the only mild disappointment in this list. Mind you, having paid a maiden annual dividend of 3.2p in 2000/01, it's hard to be too churlish about 2013's 29.5p – up almost 10-fold (during a period that was not exactly days of wine and roses for the UK stock market).

Kraft may not be an exciting business – domestic US grocery brands, but a 5% dividend lift on top of its 3.8% current yield gives us a warm feeling about its capacity to generate steady financial returns.

Mondelez – the global snack asset spun out of Kraft grew its dividend 8%. Quicker pace than new Kraft, but lower starting dividend yield – 1.8%. It will be interesting to see which company does best over the next 5 years.

eBay pays no dividend, which is fine, given its obvious reinvestment opportunities. eBay's earnings have risen 44-fold since 2000. We might quibble about some aspects of the earnings quality, but the quantum of the growth and, in particular, Paypal's opportunity keep us supporters.

Heineken is another currently unfashionable consumer brand company, with a hefty exposure to low growth European beer markets. The recent 9% dividend increase suggests that management and the dynastic majority owner still think there's plenty of cash growth mileage in owning the world's biggest international beer brand.

Nintendo forecasts a doubling and more of its dividend into 2014, as its earnings rebound from operating and currency losses. We will see. Shares were up 11% over the six month period, one of our best performers, as Nintendo's proprietary software drives unexpectedly strong sales of its latest handheld gaming device. Plenty still to prove.

Our conclusion is that the dividend paying potential of the constituents of your portfolio is good. We expect total returns to follow.

We exited a longstanding holding over the Summer. This was Marston's, the brewer and pub owner/ manager. We sold after the shares had gained nearly 70% from their lows in 2011. At that price the enterprise value of the company – its equity plus debt – was in the order of £2.0bn and in the vicinity of what we analyse to be fair. We still like the business of community pubs, particularly those that brew and retail their own cask ales – so it is conceivable we will return to Marston's shares if an opportunity presents.

N Train
Lindsell Train Limited – Investment Manager
28 November 2013

Income Statement

	Notes	Revenue £'000	Six months ended 30 September 2013 Unaudited Capital £'000	Total £'000
Gains on investments		–	2,137	2,137
Exchange (losses)/gains on currency balances		–	(177)	(177)
(Losses)/gains on forward currency contracts		–	(262)	(262)
(Losses)/gains on futures contracts		–	(104)	(104)
Income	5	873	–	873
Investment management fees	6	(182)	–	(182)
Other expenses	7	(189)	(2)	(191)
Net return before finance costs and tax		502	1,592	2,094
Interest payable and similar charges		(18)	–	(18)
Return on ordinary activities before tax		484	1,592	2,076
Tax on ordinary activities	8	(9)	–	(9)
Return on ordinary activities after tax for the financial period		475	1,592	2,067
Return per Ordinary Share	10	£2.37	£7.96	£10.33

All revenue and capital items in the above statement derive from continuing operations.

The total columns of this statement represent the profit and loss accounts of the Company. The revenue and capital columns are supplementary to this and are prepared under the guidance published by the Association of Investment Companies.

A statement of Total Recognised Gains and Losses is not required as all gains and losses of the Company have been reflected in the above statement.

No operations were acquired or discontinued during the period.

Six months ended 30 September 2012 Unaudited Revenue £'000	Capital £'000	Total £'000	Year ended 31 March 2013 Audited Revenue £'000	Capital £'000	Total £'000
–	4,084	4,084	–	13,100	13,100
–	35	35	–	(247)	(247)
–	(47)	(47)	–	195	195
–	190	190	–	(242)	(242)
987	–	987	2,078	–	2,078
(144)	(1,350)	(1,494)	(301)	(1,698)	(1,999)
(140)	(13)	(153)	(260)	(14)	(274)
703	2,899	3,602	1,517	11,094	12,611
(5)	–	(5)	(16)	–	(16)
698	2,899	3,597	1,501	11,094	12,595
(11)	–	(11)	(18)	–	(18)
687	2,899	3,586	1,483	11,094	12,577
£3.43	£14.50	£17.93	£7.41	£55.47	£62.88

Reconciliation of Movements in Shareholders' Funds

	Share capital £'000	**Special reserve £'000**	**Capital reserve £'000**	**Revenue reserve £'000**	**Total £'000**
For the six months ended 30 September 2013					
At 31 March 2013	**150**	**19,850**	**35,333**	**2,627**	**57,960**
Return on ordinary activities after tax for the financial period	**–**	**–**	**1,592**	**475**	**2,067**
Dividends paid	**–**	**–**	**–**	**(1,250)**	**(1,250)**
At 30 September 2013	**150**	**19,850**	**36,925**	**1,852**	**58,777**

	Share capital £'000	Special reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
For the six months ended 30 September 2012					
At 31 March 2012	150	19,850	24,239	1,974	46,213
Return on ordinary activities after tax for the financial period	–	–	2,899	687	3,586
Dividends paid	–	–	–	(830)	(830)
At 30 September 2012	150	19,850	27,138	1,831	48,969

	Share capital £'000	Special reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
For the year ended 31 March 2013					
At 31 March 2012	150	19,850	24,239	1,974	46,213
Return on ordinary activities after tax for the financial year	–	–	11,094	1,483	12,577
Dividends paid	–	–	–	(830)	(830)
At 31 March 2013	150	19,850	35,333	2,627	57,960

Balance Sheet

	Note	**30 September 2013 Unaudited £'000**	30 September 2012 Unaudited £'000	31 March 2013 Audited £'000
Fixed Assets				
Investments held at fair value through profit or loss		**59,541**	50,484	58,571
Current assets				
Forward currency contracts held at fair value through profit or loss		**3,891**	3,900	4,146
Debtors		**188**	368	790
Cash at bank		**1,525**	509	1,739
		5,604	4,777	6,675
Current liabilities				
Forward currency contracts held at fair value through profit or loss		**(3,920)**	(3,881)	(4,163)
Futures held at fair value through profit or loss		**(22)**	(27)	(127)
Bank overdraft		**(2,099)**	(986)	(1,237)
Other payables		**(327)**	(1,398)	(1,759)
		(6,368)	(6,292)	(7,286)
Net current liabilities		**(764)**	(1,515)	(611)
Net assets		**58,777**	48,969	57,960
Capital and reserves				
Called up share capital		**150**	150	150
Special reserve		**19,850**	19,850	19,850
		20,000	20,000	20,000
Capital reserve		**36,925**	27,138	35,333
Revenue reserve		**1,852**	1,831	2,627
Equity shareholders' funds		**58,777**	48,969	57,960
Net asset value per Ordinary Share	9	**£293.89**	£244.85	£289.80

Cash Flow Statement

	Six months ended 30 September 2013 Unaudited £'000	Six months ended 30 September 2012 Unaudited £'000	Year ended 31 March 2013 Audited £'000
Net cash (outflow)/inflow from operating activities	**(788)**	556	734
Servicing of finance	**(17)**	(4)	(16)
Taxation	**(12)**	(12)	(18)
Financial investment	**1,168**	245	1,346
Net cash inflow before financing	**351**	785	2,046
Equity dividends paid	**(1,250)**	(830)	(830)
(Decrease)/increase in cash in the period	**(899)**	(45)	1,216

Reconciliation of net cash flow to movement in net debt

(Decrease)/increase in cash in the period	**(899)**	(45)	1,216
Exchange movements	**(177)**	35	(247)
Opening net funds	**502**	(467)	(467)
Closing net (debt)/funds	**(574)**	(477)	502

Represented by

Cash at bank	**1,525**	509	1,739
Overdrafts	**(2,099)**	(986)	(1,237)
	(574)	(477)	502

Reconciliation of operating profit to net cash inflow from operating activities

Net return before finance costs and taxation	**2,095**	3,602	12,611
Gains on investments held at fair value	**(2,137)**	(4,084)	(13,100)
Movements in derivatives contracts held	**(105)**	(65)	35
Gains/(losses) on exchange movements	**177**	(35)	247
Decrease/(increase) in other debtors	**281**	50	(205)
Decrease/(increase) in accrued income	**578**	12	(574)
(Decrease)/increase in creditors	**(1,677)**	1,076	1,720
Net cash inflow from operating activities	**(788)**	556	734

Notes to the Financial Statements

1. The financial information for the year ended 31 March 2013 included in this half-year report has been based upon the Company's full accounts for the year to 31 March 2013 which carried an unqualified audit report and did not include statements under Sections 498(2) or 498(3) of the Companies Act 2006. Those accounts have been filed with the Registrar of Companies.

2. The Financial Statements for the six months ended 30 September 2013 have been prepared on a basis consistent with the accounting policies adopted by the Company in its statutory accounts for the year ended 31 March 2013.

3. The Income Statement for the six months ended 30 September 2013, six months ended 30 September 2012 and year ended 31 March 2013 have been prepared in accordance with the Statement of Recommended Practice "Financial Statements of Investment Trust Companies" issued by The Association of Investment Companies in January 2009, which has been adopted by the Company.

4. The Income Statement includes the results of the Company and together with the Reconciliation of Movements in Shareholders' Funds, Balance Sheet and Cash Flow Statement at 30 September 2013, are unaudited and do not constitute full statutory accounts within the meaning of Section 434 of the Companies Act 2006.

5. Income

	Six months ended 30 September 2013 Unaudited £'000	Six months ended 30 September 2012 Unaudited £'000	Year ended 31 March 2013 Audited £'000
Overseas dividends	**107**	88	216
Overseas stock dividends	**–**	29	–
UK dividends	**681**	786	1,692
UK fixed interest	**85**	84	170
	873	987	2,078

6. Investment management fees

	Six months ended 30 September 2013 Unaudited £'000	Six months ended 30 September 2012 Unaudited £'000	Year ended 31 March 2013 Audited £'000
Investment management fee	**213**	168	359
Manager's performance fee provision	**–**	1,350	1,698
Rebate of investment management fee	**(31)**	(24)	(58)
	182	1,494	1,999

7. Other expenses

	Six months ended 30 September 2013 Unaudited £'000	Six months ended 30 September 2012 Unaudited £'000	Year ended 31 March 2013 Audited £'000
Administration fee	**40**	35	77
Directors' fees	**39**	39	79
Auditor's remuneration for:			
– audit of the financial statements of the Company	**15**	11	22
– other services relating to taxation	**5**	1	8
Legal and professional fees	**8**	13	24
Provision for VAT written off	**14**	17	–
Other*	**68**	24	50
	189	140	260
Capital charges	**2**	13	14
	191	153	274

* Includes registrar's fees, printing fees, safe custody fees, London Stock Exchange/FCA fees and Directors' and Officers' liability insurance

Notes to the Financial Statements continued

8. Effective rate of tax
The effective rate of tax reported in the revenue column of the income statement for the six months ended 30 September 2013 is 1.86% (year ended 31 March 2013: 1.20% and six months ended 30 September 2012: 1.56%) based on revenue return before tax of £484,000 (year ended 31 March 2013: £1,501,000 and six months ended 30 September 2012: £698,000). This differs from the standard rate of tax, 23% (year ended 31 March 2013 and six months ended 30 September 2012: 24%) as a result of income not taxable for Corporation Tax purposes.

9. Net asset value per Ordinary Share

	Six months ended 30 September 2013 Unaudited	Six months ended 30 September 2012 Unaudited	Year ended 31 March 2013 Audited
Net assets attributable	**£58,777,000**	£48,969,000	£57,960,000
Ordinary Shares in issue at the period end	**200,000**	200,000	200,000
Net asset value per Ordinary Share	**£293.89**	£244.85	£289.80

10. Return per Ordinary Share

	Six months ended 30 September 2013 Unaudited	Six months ended 30 September 2012 Unaudited	Year ended 31 March 2013 Audited
Total return per Ordinary Share			
Total return	**£2,067,000**	£3,586,000	£12,577,000
Weighted average number of Ordinary Shares in issue during the period	**200,000**	200,000	200,000
Total return per Ordinary Share	**£10.33**	£17.93	£62.88

The total return per Ordinary Share detailed above can be further analysed between revenue and capital, as below:

	Six months ended 30 September 2013 Unaudited	Six months ended 30 September 2012 Unaudited	Year ended 31 March 2013 Audited
Revenue return per Ordinary Share			
Revenue return	**£475,000**	£687,000	£1,483,000
Weighted average number of Ordinary Shares in issue during the period	**200,000**	200,000	200,000
Revenue return per Ordinary Share	**£2.37**	£3.43	£7.41
Capital return per Ordinary Share			
Capital return	**£1,592,000**	£2,899,000	£11,094,000
Weighted average number of Ordinary Shares in issue during the period	**200,000**	200,000	200,000
Capital return per Ordinary Share	**£7.96**	£14.50	£55.47

11. The investment in Lindsell Train Limited ("LTL"), representing 24.4% of the Investment Manager, is held as part of the investment portfolio and is accounted for and disclosed in the same way as other investments in the portfolio. The Directors of the Company review the fair value of the investment in LTL at the end of each quarter using the simple average of:

(a) 1.5% of LTL's most recent funds under management ignoring any differences between types of asset class and fee structure; and

(b) LTL's net earnings (adjusted for a notional increase in total staff costs at 4.5% of revenues excluding performance fees*) divided by the annual average yield on the 2.5% Consolidated Loan Stock plus an equity risk premium of 4.5%.

The Board reserves the right to vary the valuation methodology at its discretion.

** The Board judged it necessary to adjust for the comparatively low level of staff costs, a function of the salary and bonus cap agreed between LTL and the Company at inception.*

12. It is the intention of the Directors to conduct the affairs of the Company so that the Company satisfies the conditions for approval as an Investment Trust Company set out in Sections 1158/1159 of the Corporation Tax Act 2010.

By order of the Board
Phoenix Administration Services Limited
Corporate Secretary
28 November 2013

Interim Management Report

The Directors are required to provide an Interim Management Report in accordance with the UK Listing Authority's Disclosure and Transparency Rules. They consider that the Chairman's Statement and the Investment Manager's Report on pages 3 to 5 of this half-year report, the following statement on related party transactions and the Directors' Responsibility Statement below together constitute the Interim Management Report for the Company for the six months ended 30 September 2013.

The Directors confirm that except as stated above no related party transactions were undertaken by the Company in the first six months of the current financial year, and there have been no changes to the related party disclosures set out in the Annual Report of the Company for the year ended 31 March 2013.

The half-year report for the six months ended 30 September 2013 has not been reviewed by the Company's auditor, Grant Thornton UK LLP.

Directors' Responsibility Statement

The Directors listed at the back of this half-year report confirm that to the best of their knowledge:

(a) the condensed set of Financial Statements, which has been prepared in accordance with the Accounting Standards Board's pronouncements on interim reporting, give a true and fair view of the assets, liabilities, financial position and profit of the Company;
(b) the Interim Management Report includes a fair review, as required by Disclosure and Transparency Rule 4.2.7 R of important events that have occurred during the first six months of the financial year, their impact on the condensed set of Financial Statements and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
(c) the Interim Management Report includes a fair review of the information concerning related parties transactions as required by Disclosure and Transparency Rule 4.2.8 R.

The half-year report was approved by the Board on 28 November 2013 and the above Responsibility Statement was signed on its behalf by:

D Adamson
Chairman

Portfolio Holdings at 30 September 2013

(All Ordinary Shares unless otherwise stated)

Holding	Security	Fair value £'000	% of total assets	*Look-through basis: % of total assets†*
651	Lindsell Train Limited*	12,358	21.03	*21.03*
1,263,393	Barr (AG)	6,639	11.30	*11.49*
318,000	Diageo	6,249	10.63	*11.29*
6,555,661	Lindsell Train Japanese Equity Fund – B	4,027	6.85	*2.37++*
2,855,308	Lindsell Train Global Equity Fund – B	4,010	6.82	*3.35*
161,000	Unilever	3,927	6.68	*7.46*
230,500	Pearson	2,893	4.92	*5.69*
73,000	Heineken	2,853	4.85	*5.59*
36,000	Nintendo	2,522	4.29	*5.24*
66,400	eBay	2,287	3.89	4.23
252,500	Reed Elsevier	2,102	3.58	*4.10*
420,000	Finsbury Growth & Income Trust	2,012	3.42	*1.52*
£3,350,000	2.5% Consolidated Loan Stock (undated)	1,959	3.33	*3.33*
123,750	London Stock Exchange	1,902	3.24	*3.76*
£2,500,000	Treasury 2.5% (undated)	1,490	2.53	*2.53*
76,552	Mondelez International	1,485	2.53	*2.88*
25,517	Kraft Foods	826	1.41	*1.56*
	Total Investments	59,541	101.30	*97.42*
(25)	Nikkei 225 Index 12-Dec-13 Future	(22)	(0.04)	*(0.04)++*
	Net current liabilities	(742)	(1.26)	*2.62*
	Total assets less current liabilities	**58,777**	**100.00**	***100.00***

* Unlisted investment

† Look-through basis: This adjusts the percentages held in each security upwards by the amount held indirectly by Lindsell Train managed funds and adjusts the fund holdings downwards to account for the overlap. It provides shareholders with a measure of stock specific risk by amalgamating the direct holdings of the Company with the indirect holdings held within the Lindsell Train funds.

++ Adjusted for the Nikkei Futures hedge against the Japanese Equity Fund.

Leverage

As well as the direct borrowings of the Company, funds managed by Lindsell Train Limited also have powers to borrow. We detail below the balance sheet positions of these Funds at 30 September 2013:

Fund	Net Equity exposure
Lindsell Train Japanese Equity Fund – B	96.00%
Lindsell Train Global Equity Fund – B	97.00%
Finsbury Growth & Income Trust	105.00%

Net Exposure: long equity positions minus short equity and equity futures positions.

Analysis of Investment Portfolio at 30 September 2013

Breakdown by geography (look-through basis)†

		% of total assets
Long-term fixed interest		
UK	5.86%	
		5.86%
Equities		
UK	69.69%	
USA	8.67%	
Japan	7.61%+	
Europe	5.59%	
		91.56%
Cash		
USA	7.66%	
Japan	3.57%	
Europe	(0.77)%	
UK	(7.88)%	
		2.58%
		100.00%

Breakdown by currency (look-through basis)†

£	67.67%
US$	16.33%
Yen	11.18%
Euro	4.82%
	100.00%

† Look-through basis: This adjusts the percentages held in each asset class, country or currency by the amount held by Lindsell Train managed funds. It provides shareholders with a more accurate measure of country and currency exposure by aggregating the direct holdings of the Company with the indirect holdings held by the Lindsell Train funds.

+ Adjusted for the underlying exposure of the Nikkei 225 Futures position.

Analysis of Investment Portfolio at 30 September 2013 continued

Look Through Sector Exposure	**Direct**	**Look through Basis**
Consumer Franchise/Brands	37.40%	43.82%
Financials	24.27%	25.82%
Media	16.68%	20.86%
Healthcare	0.00%	0.77%
Other	0.00%	0.14%
Bonds	5.86%	5.85%
Funds	17.09%	(0.02)%
Futures (Notional)	(0.04)%	(3.89)%
Cash & Equivalent	(1.26)%	6.65%
Total	**100.00%**	**100.00%**

Directors

Donald Adamson (Chairman)
Dominic Caldecott
Rory Landman
Michael Lindsell
Michael Mackenzie

Investment Manager

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