THE LINDSELL TRAIN INVESTMENT TRUST PLC

Half-year report for the six months
ended 30 September 2012

Contents

Financial Highlights

Performance comparisons 1 April 2012 – 30 September 2012

Mid-market share price per Ordinary Share#	**+28.4%**
Net asset value per Ordinary Share^	+7.8%
Benchmark*	+1.9%
MSCI World Index (Sterling)	+0.6%
UK RPI Inflation (all items)	+1.4%

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 2012 has been adjusted to include the dividend of £4.15 per Ordinary Share paid on 3 August 2012.

Source: Bloomberg/Phoenix Administrative 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, currently 24.4%, in Lindsell Train Limited 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.

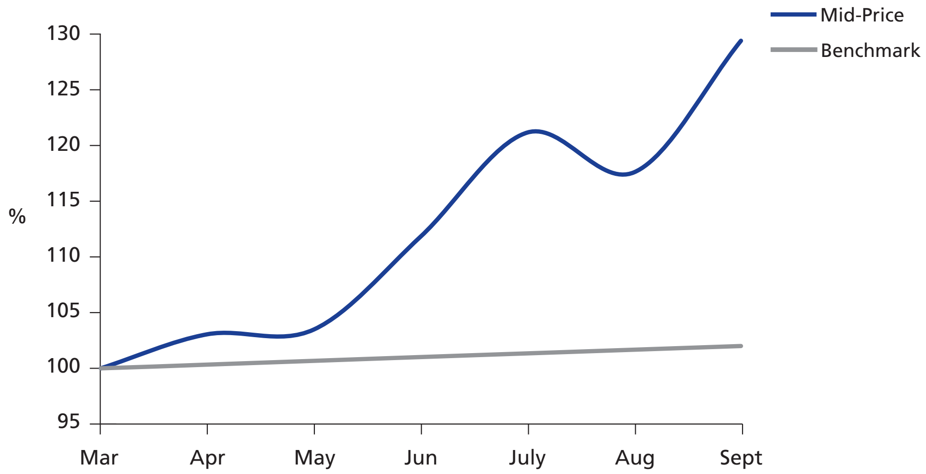
Gearing
The Directors' policy is to permit borrowings up to 50% of the net asset value of the Company in order to enhance returns where and to the extent that this is considered appropriate.

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

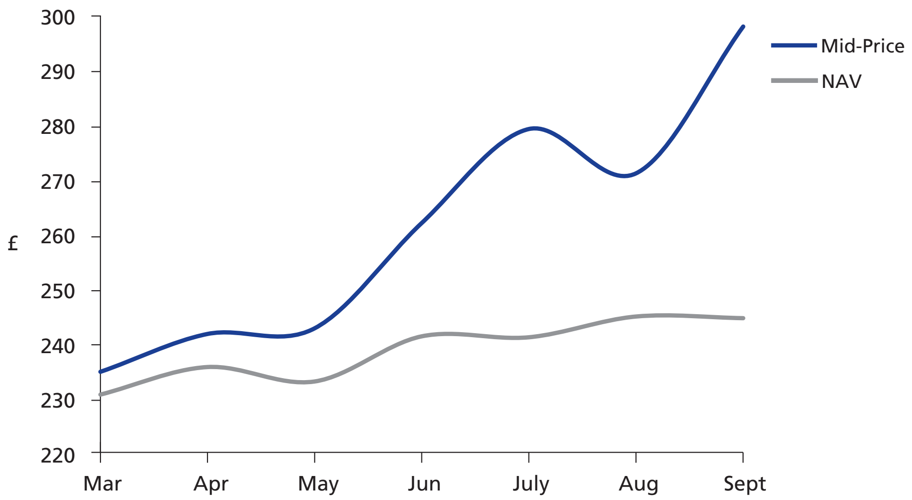
The current composition of the portfolio, which may be changed at any time at the discretion of the Investment Manager within the confines of the policy stated above, is shown on pages 14 to 16.

Performance

Share price performance relative to the Benchmark from 1 April 2012 to 30 September 2012



Share price performance relative to net asset value from 1 April 2012 to 30 September 2012



Sources: Bloomberg and Lindsell Train Limited.

Chairman's Statement

The first six months of the Company's financial year continued as last year's ended, with the Company's net asset value rising more than the benchmark and world equity markets. The NAV was up 7.8%, the benchmark 1.9% and world markets measured by the MSCI World Index in Sterling up 0.6%. What has changed more is the share price. It was up 28.4% and at the end of September was trading at a premium to NAV of 21%. The Manager wrote about the premium in its September monthly update. The Board would like to support and reiterate some of the comments, and in particular would caution new investors buying shares at a heightened premium to NAV. In time the premium may contract and there is a risk that the shares will trade at a discount in the future. Should that occur at a time when markets are weak and the NAV is falling the loss of value for investors buying at a significant premium could be material. It would be wrong for existing investors to celebrate a high price that results from a large premium. The Manager's annual management and performance fees are calculated on the market capitalisation of the Company not the NAV. Calculating the fee on the market capitalisation was designed to align the Manager's interests with shareholders, recognising that investment trusts have generally traded at discounts. This works to shareholders' advantage when discounts exist but that advantage is reversed when a premium prevails.

Aside from communicating our concern and reiterating that the price the Board ascribes to its holding in Lindsell Train Limited is realistic and not undervalued (as some shareholders have suggested), there is little the Board can do to help resolve the situation other than issuing new shares. In previous statements, I have commented that the strong growth in LTL's business is much to be welcomed as is the greater strength and depth which the business is developing, but LTL remains significantly dependent on its two original founders and on continued good investment performance. The Board is currently reluctant to issue more shares as we believe this would dilute shareholders' interest in LTL, hitherto the most important and value creating asset the Company owns.

A frustration for shareholders is the widening spread between offer and bid prices quoted on the London Stock Exchange on a daily basis. As I write it is 12% but it has been even higher in recent times. In a sense this is a product of the Company's success. We have a loyal base of long-term shareholders. With few sellers, the daily trade in the Company's shares is small. The low volume and the custom to make a market in at least 100 shares makes it difficult for the market maker in the Company's shares, J.P.Morgan Cazenove, to cover its costs, especially in a market dominated by buyers, without widening the spread. We would suggest that investors wishing to transact set a firm price to deal in the shares within the spread, even if it cannot be immediately fulfilled. In our experience, sellers or buyers will in due course materialise, allowing the transaction to take place.

In an important development, the independent Directors sold 15 of the Company's 666 shares in Lindsell Train Limited for cash to Jane Orr, LTL's marketing director. She has been with LTL since 2007 and has been instrumental in initiating and consolidating customer and consultant relationships, and providing a platform for growth in funds under management since her tenure began. We want key employees to share in the ownership of LTL, not least because it encourages their retention. This follows the precedent of Michael Lim, LTL's chief operating officer, who became an owner of LTL in 2003 having joined the company at its start. Michael Lindsell and Nick Train sold some of their LTL shares to him through option arrangements and he now owns c.2%. They will also sell 10 shares to Jane through options struck at the same time and exercise price as the Company's direct sale of shares. The important principle that Michael, Nick and the Company, as the original shareholders of LTL, have agreed is that if in future we sell shares to other LTL executives our resultant ownership will be proportionate to the original holdings, 37.5%, 37.5% and 25% respectively. This is why more of Jane's were ceded by the Company. After future sales, though none are planned currently, we expect full proportionality to be established. In this way the three original shareholders of LTL will bear a responsibility proportionate to their original holding in ceding ownership in order to foster the growth of LTL in the future. All the share transactions took place at the prevailing valuation of LTL as determined by the Directors' price formula and measures have been taken to ensure that shares sold to executives by LTIT will be reclaimed in the event of the buyer leaving the employment of LTL.

We view this as a positive development for all parties including the Company. It has always been keen to support and encourage the growth of LTL and with this sale, and any others in the future, we hope to align those interests with those of the key personnel in LTL in such a way as to provide the foundation to grow more value for all LTL shareholders than would otherwise be the case.

The only dealing activity this half year was an addition to the holding of Nintendo. The Manager expects a revival in Nintendo's business once the installed base of users of its new hardware products rises in response to sales of its well known software franchises and is adding to the position at a low point in sales and at historically low valuations.

Long-term shareholders know that following the 2008 financial crisis, the Board has monitored closely the risk to the Company from the custody of its assets with its prime brokerage and custodian, Morgan Stanley. Since 2008 the Company has endeavoured to ensure that its assets are segregated from the custodian's assets. In doing so, in the unlikely event of bankruptcy the assets would be ring-fenced and not ranked as a general creditor of the custodian. Maintaining this security has proven more expensive and difficult than we thought and in light of the continuing risks the Board decided to terminate the agreement with Morgan Stanley and establish a more conventional custody agreement with Northern Trust. In addition, the Board has agreed a borrowing facility with Northern Trust giving the Company access to borrowing of up to c.10% of NAV. Gross borrowings under the facility are currently £968,000.

Notwithstanding the precarious economic environment, the Company's investments have in aggregate continued to progress and in some cases prosper. On balance, we think this can continue even if the market periodically takes fright as occurred in mid-year. These lurches down often coincide with bouts of good performance from our remaining gilt positions. We still await an opportunity to switch these residual holdings into equities.

D Adamson
Chairman
27 November 2012

Investment Manager's Report

Conventional wisdom has it that corporate acquisitions are more often than not damaging to the acquiring company – that acquirers typically overpay and underestimate the challenges of consolidating the acquired businesses. We have doubts about this conventional wisdom, not least because the critical question – what would have happened to the acquiring company if it hadn't done a deal – can never be answered. Whatever the truth of the matter though, there is no doubt that hope springs eternal and companies and their investors welcome the promise and perhaps simply the excitement of deal-making.

I make these comments because three of our portfolio holdings are engaged in or have recently closed major strategic transactions. In fact all of them are beverage companies – Barr, Diageo and Heineken. Combined, these three account for 27% of your portfolio – so we better hope that the conventional wisdom about deals is wrong. And, in truth, we find ourselves applauding the acquirers – despite some high prices being paid. Barr is seeking to merge with its peer Britvic in the UK, looking to realise consolidation cost savings and improve distribution. Diageo and Heineken have purchased brands and assets in Emerging Markets. In all three cases the shares have responded well to the corporate activity, with both Diageo and Heineken up a quarter or more in calendar 2012, as investors welcome the increased exposure to Emerging Market consumers and Barr up a still very useful 15%.

Perhaps our euphoria and that of other investors, will wear off and the premium price that Heineken, in particular, has paid to win Asia Pacific Breweries (APB) will come back and bite its ambitious board and shareholders. But, on balance, we think the lesson is that companies are right to take the risk, because strategic opportunities of this importance come up so rarely and need to be grasped with both hands. We know that Barr has aspired to do a deal with Britvic for years and that Diageo, too, had talks with United Spirits in India back in 2008. It just happens that 2012 is the time those aspirations became actionable. As so often, Shakespeare has it right:

"There is a tide in the affairs of men, which taken at the flood, leads on to fortune…"

A tough tide for the global economy means that strong companies can get transactions done, transactions that would simply not be available in happier times.

So, some commentators chide Heineken for the premium it paid for APB (in which, to be fair, Heineken already held a 40% stake), but not as much as we would have done if Heineken had blinked and let this wonderful asset pass into the hands of a rival.

On this topic, but from a different perspective, even we, as long term supporters, wonder if Nintendo might not have been sensible to have taken advantage of its cash-rich balance sheet to acquire one or more distressed Japanese content creators during this hiatus for the video game industry. We admire Nintendo's single-minded focus on its own business model and intellectual property and perhaps the company is right not to compromise these principles. However, its unwillingness to improve profitability through industry consolidation or to be seen to be taking advantage of competitors' weakness is very Japanese. The Anglo-Saxon model, though more brutal, has tended to keep the corporate sector more profitable and vibrant.

As concluding comments for this interim report, we reiterate our happiness with the current industry/thematic mix of our equity assets. Some great consumer brands, with reliable cash flows, some pricing power and opportunities for revenue growth in new geographies – Unilever still pregnant with value, we think. And several media companies – Pearson, Reed, eBay and, yes, Nintendo – well positioned to exploit technology change to bring their entertainment, information and services to more and more consumers with ever greater utility.

N Train
Lindsell Train Limited – Investment Manager
27 November 2012

Income Statement

	Notes	Revenue £'000	Six months ended 30 September 2012 Unaudited Capital £'000	Total £'000
Gains/(losses) on investments		–	4,084	4,084
Exchange gains on currency balances		–	35	35
(Losses)/gains on forward currency contracts		–	(47)	(47)
Gains/(losses) on futures contracts		–	190	190
Income	5	987	–	987
Investment management fees	6	(144)	(1,350)	(1,494)
Other expenses	7	(140)	(13)	(153)
Net return before finance costs and tax		703	2,899	3,602
Interest payable and similar charges		(5)	–	(5)
Return on ordinary activities before tax		698	2,899	3,597
Tax on ordinary activities	8	(11)	–	(11)
Return on ordinary activities after tax for the financial period		687	2,899	3,586
Return per Ordinary Share	10	£3.43	£14.50	£17.93

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 2011 Unaudited Revenue £'000	Capital £'000	Total £'000	Year ended 31 March 2012 Audited Revenue £'000	Capital £'000	Total £'000
–	(46)	(46)	–	3,546	3,546
–	145	145	–	97	97
–	94	94	–	–	–
–	46	46	–	(188)	(188)
752	–	752	1,535	–	1,535
(123)	–	(123)	(245)	(127)	(372)
(131)	(1)	(132)	(229)	(15)	(244)
498	238	736	1,061	3,313	4,374
(3)	–	(3)	(5)	–	(5)
495	238	733	1,056	3,313	4,369
(15)	–	(15)	(9)	–	(9)
480	238	718	1,047	3,313	4,360
£2.40	£1.19	£3.59	£5.23	£16.57	£21.80

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 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 six months ended 30 September 2011					
At 31 March 2011	150	19,850	20,926	1,657	42,583
Return on ordinary activities after tax for the financial period	–	–	238	480	718
Dividends paid	–	–	–	(730)	(730)
At 30 September 2011	150	19,850	21,164	1,407	42,571

	Share capital £'000	Special reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
For the year ended 31 March 2012					
At 31 March 2011	150	19,850	20,926	1,657	42,583
Return on ordinary activities after tax for the financial year	–	–	3,313	1,047	4,360
Dividends paid	–	–	–	(730)	(730)
At 31 March 2012	150	19,850	24,239	1,974	46,213

Balance Sheet

	Note	**30 September 2012 Unaudited £'000**	30 September 2011 Unaudited £'000	31 March 2012 Audited £'000
Fixed Assets				
Investments held at fair value through profit or loss		**50,484**	42,451	46,311
Current assets				
Forward currency contracts held at fair value through profit or loss		**3,900**	4,026	3,940
Debtors		**368**	196	723
Cash at bank		**509**	392	239
		4,777	4,614	4,902
Current liabilities				
Forward currency contracts held at fair value through profit or loss		**(3,881)**	(3,904)	(4,021)
Futures held at fair value through profit or loss		**(27)**	(15)	(92)
Bank overdraft		**(986)**	(538)	(706)
Other payables		**(1,398)**	(37)	(181)
Net current (liabilities)/assets		**(1,515)**	120	(98)
Net assets		**48,969**	42,571	46,213
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		**27,138**	21,164	24,239
Revenue reserve		**1,831**	1,407	1,974
Equity shareholders' funds		**48,969**	42,571	46,213
Net asset value per Ordinary Share	9	**£244.85**	£212.86	£231.06

Cash Flow Statement

	Six months ended 30 September 2012 Unaudited £'000	Six months ended 30 September 2011 Unaudited £'000	Year ended 31 March 2012 Audited £'000
Net cash inflow from operating activities	**556**	26	522
Servicing of finance	**(4)**	(3)	(5)
Taxation	**(12)**	(19)	(11)
Financial investment	**245**	(320)	(1,095)
Net cash inflow/(outflow) before financing	**785**	(316)	(589)
Equity dividends paid	**(830)**	(730)	(730)
Decrease in cash in the period	**(45)**	(1,046)	(1,319)
Reconciliation of net cash flow to movement in net debt			
Decrease in cash in the period	**(45)**	(1,046)	(1,319)
Exchange movements	**35**	145	97
Opening net funds	**(467)**	755	755
Closing net debt	**(477)**	(146)	(467)
Represented by			
Cash at bank	**509**	392	239
Overdrafts	**(986)**	(538)	(706)
	(477)	(146)	(467)
Reconciliation of operating profit to net cash inflow from operating activities			
Net return before finance costs and taxation	**3,602**	736	4,374
(Gains)/losses on investments held at fair value	**(4,084)**	46	(3,546)
Movements in derivatives contracts held	**(65)**	(9)	68
Gains on exchange movements	**(35)**	(145)	(97)
Decrease/(increase) in other debtors	**50**	(122)	(46)
Decrease in accrued income	**12**	19	7
Increase/(decrease) in creditors	**1,076**	(499)	(238)
Net cash inflow from operating activities	**556**	26	522

Notes to the Financial Statements

1. The financial information for the year ended 31 March 2012 included in this half-year report has been based upon the Company's full accounts for the year to 31 March 2012 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 2012 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 2012.

3. The Income Statement for the six months ended 30 September 2012, six months ended 30 September 2011 and year ended 31 March 2012 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 2012, 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 2012 Unaudited £'000	Six months ended 30 September 2011 Unaudited £'000	Year ended 31 March 2012 Audited £'000
Overseas dividends	**88**	109	164
Overseas stock dividends	**29**	–	38
UK dividends	**786**	559	1,165
UK fixed interest	**84**	84	168
	987	752	1,535

6. Investment management fees

	Six months ended 30 September 2012 Unaudited £'000	Six months ended 30 September 2011 Unaudited £'000	Year ended 31 March 2012 Audited £'000
Investment management fee	**168**	151	303
Manager's performance fee provision	**1,350**	–	127
Rebate of investment management fee	**(24)**	(28)	(58)
	1,494	123	372

7. Other expenses

	Six months ended 30 September 2012 Unaudited £'000	Six months ended 30 September 2011 Unaudited £'000	Year ended 31 March 2012 Audited £'000
Administration fee	**35**	35	70
Directors' fees	**39**	28	67
Auditor's remuneration for:			
– audit of the financial statements of the Company	**11**	11	22
– other services relating to taxation	**1**	–	6
Legal and professional fees	**13**	4	9
Provision for VAT written off	**17**	19	–
Other*	**24**	34	55
	140	131	229
Capital charges	**13**	1	15
	153	132	244

* Includes registrar's fees, printing fees, London Stock Exchange/FSA 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 2012 is 1.56% (year ended 31 March 2012: 0.85% and six months ended 30 September 2011: 3.03%) based on revenue return before tax of £698,000 (year ended 31 March 2012: £1,056,000 and six months ended 30 September 2011: £495,000). This differs from the standard rate of tax, 24% (year ended 31 March 2012 and six months ended 30 September 2011: 26%) as a result of income not taxable for Corporation Tax purposes.

9. Net asset value per Ordinary Share

	Six months ended 30 September 2012 Unaudited	Six months ended 30 September 2011 Unaudited	Year ended 31 March 2012 Audited
Net assets attributable	**£48,969,000**	£42,571,000	£46,213,000
Ordinary Shares in issue at the period end	**200,000**	200,000	200,000
Net asset value per Ordinary Share	**£244.85**	£212.86	£231.06

10. Return per Ordinary Share

	Six months ended 30 September 2012 Unaudited	Six months ended 30 September 2011 Unaudited	Year ended 31 March 2012 Audited
Total return per Ordinary Share			
Total return	**£3,586,000**	£718,000	£4,360,000
Weighted average number of Ordinary Shares in issue during the period	**200,000**	200,000	200,000
Total return per Ordinary Share	**£17.93**	£3.59	£21.80

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

Revenue return per Ordinary Share			
Revenue return	**£687,000**	£480,000	£1,047,000
Weighted average number of Ordinary Shares in issue during the period	**200,000**	200,000	200,000
Revenue return per Ordinary Share	**£3.43**	£2.40	£5.23
Capital return per Ordinary Share			
Capital return	**£2,899,000**	£238,000	£3,313,000
Weighted average number of Ordinary Shares in issue during the period	**200,000**	200,000	200,000
Capital return per Ordinary Share	**£14.50**	£1.19	£16.57

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 45% 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
27 November 2012

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 2012.

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 2012.

The half-year report for the six months ended 30 September 2012 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 27 November 2012 and the above Responsibility Statement was signed on its behalf by:

D Adamson
Chairman

Portfolio Holdings at 30 September 2012

(All Ordinary Shares unless otherwise stated)

Holding	Security	Fair value £'000	% of total assets	*Look-through basis: % of total assets†*
651	Lindsell Train Limited*	7,453	15.22	*15.22*
1,263,393	AG Barr	5,649	11.54	*11.78*
318,000	Diageo	5,530	11.29	*12.18*
4,059,947	Lindsell Train Global Equity Fund B	4,614	9.42	*5.16*
6,555,661	Lindsell Train Japanese Equity Fund B	3,449	7.04	*2.46*++
149,750	Unilever	3,372	6.89	*7.84*
202,500	Pearson	2,450	5.00	*5.87*
£3,350,000	2.5% Consolidated Loan Stock#	2,280	4.66	*4.66*
73,000	Heineken	2,196	4.49	*5.42*
25,500	Nintendo	2,007	4.10	*4.69*
66,400	eBay	1,989	4.06	*4.55*
76,552	Kraft Foods	1,960	4.00	*4.58*
£2,500,000	Treasury 2.5%#	1,739	3.55	*3.55*
420,000	Finsbury Growth & Income Trust	1,569	3.20	*1.27*
252,500	Reed Elsevier	1,495	3.05	*3.66*
1,067,791	Marston's	1,219	2.49	*2.58*
123,750	London Stock Exchange	1,166	2.38	*2.92*
17,500	Canon	347	0.71	*1.09*
	Total Investments	50,484	103.09	*99.48*
(25)	Nikkei 225 Index 13-Dec-12 Future	(27)	(0.06)	*(0.06)*++
	Net current liabilities	(1,488)	(3.03)	*0.58*
	Total assets less current liabilities	**48,969**	**100.00**	***100.00***

Undated

* 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 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 2012:

Fund	Net Equity exposure
Lindsell Train Japanese Equity Fund B	96.8%
Lindsell Train Global Equity Fund B	94.7%
Finsbury Growth & Income Trust	106.4%

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

Analysis of Investment Portfolio at 30 September 2012

Breakdown by geography (look-through basis)†		**% of total assets**
Long-term fixed interest		
UK	8.21%	
		8.21%
Equities		
UK	64.33%	
USA	10.64%	
Japan	9.74%+	
Europe	6.56%	
		91.27%
Cash		
UK	(9.73)%	
USA	8.21%	
Japan	3.78%	
Europe	(1.74)%	
		0.52%
		100.00%

Breakdown by currency (look-through basis)†	
£	62.81%
US$	18.85%
Yen	13.52%
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 2012 continued

Look Through Sector Exposure

	Direct	Look through Basis
Consumer Franchise/Brands	41.40%	49.34%
Financials	17.60%	19.22%
Media	16.22%	21.09%
Healthcare	0.00%	1.04%
Other	0.00%	0.14%
Bonds	8.21%	8.21%
Funds	19.66%	0.00%
Futures (Notional)	(0.06)%	(3.61)%
Cash & Equivalent	(3.03)%	4.57%
Total	**100.00%**	**100.00%**

Directors

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

Investment Manager

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