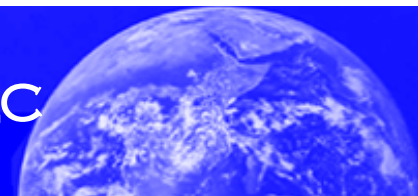


LINSELL TRAIN INVESTMENT TRUST PLC



Market Capitalisation

£209.5m

Share Price: £1,047.50

Net Asset Value: £765.22

Premium (Discount): 36.9%

Source: Linsell Train Ltd/ Maitland
Administration Services & Bloomberg.
Share Price is based on closing mid price.

Portfolio Manager



Nick Train

Fund Objective

To maximise long-term total return subject to the avoidance of loss of absolute value and with a minimum objective to maintain the real purchasing power of Sterling capital, as measured by the annual average running yield on the longest-dated UK government fixed rate bond.

All data at 30 April 2018

Fund Performance (GBP)

Calendar Year Performance (%)	2013	2014	2015	2016	2017		
Lindsell Train Investment Trust NAV	+25.9	+15.2	+23.0	+31.1	+37.6		
Lindsell Train Investment Trust Price	+21.5	+8.7	+54.3	+61.9	-6.2		
MSCI World Index £	+24.3	+11.5	+4.9	+28.2	+11.8		
Benchmark*	+4.0	+4.3	+4.0	+4.0	+4.0		
Cumulative Performance (%) 30 April 2018	Since Launch	5yr	3yr	1yr	YTD	3m	1m
Lindsell Train Investment Trust NAV	+879.7	+194.9	+101.2	+29.5	+3.7	+2.9	+2.4
Lindsell Train Investment Trust Price	+1230.0	+260.1	+133.0	+43.3	+24.7	+22.1	+1.7
MSCI World Index £	+150.5	+76.1	+38.8	+6.4	-1.9	-2.1	+3.0
Benchmark*	+114.2	+22.2	+12.6	+4.0	+1.3	+1.0	+0.3

Source: Linsell Train Ltd, Bloomberg and Morningstar Direct. Listed securities in the portfolio are valued at the closing bid price. GBP return net of fees and expenses. MSCI World Index is not the Trust's benchmark and is shown for comparative purposes only.

Benchmark*: Index of annual average running yield of the 2½% Consolidated Loan Stock until 31 March 2015 and then the Index of the annual average running yield on the longest-dated UK government fixed rate bond plus 0.5% with a minimum yield of 4%

Past performance is not a guide to future performance.

Strategy Profile

Top 10 Holdings (% NAV)

Linsell Train Limited (unlisted)	41.5
Nintendo	8.2
Diageo	7.1
London Stock Exchange	6.9
AG Barr	5.7
Unilever	5.6
LT Japanese Equity Fund	3.7
PayPal	3.6
Heineken Holdings	3.5
RELX	3.3

Allocation (% NAV)

Equities:	
Consumer Franchises	24.9
Financials	6.9
Media	18.0
Unlisted Securities	41.5
Funds	8.3
Cash & Equivalent	0.4
Total	100.0

Linsell Train sector definitions

Fund Exposure %	Equity	Funds	Cash	Total
UK	71.8	2.1	0.1	74.0
USA	6.7	-	-	6.7
Europe (ex UK)	4.6	-	0.2	4.8
Japan	8.2	3.7	0.1	12.0
Global	-	2.5	-	2.5
Total	91.3	8.3	0.4	100.0

Fund Information

Listing: London Stock Exchange

Launch Date: 22 January 2001

Base Currency: GBP (£)

Year End: 31 March

Benchmark: The annual average running yield on the longest-dated UK government fixed rate bond plus 0.5% with a minimum yield of 4%

Management Fees

Annual Fee:

0.65% of the lower of the market cap or NAV

Performance Fee :

10% of annual increase in the lower of NAV or share price above the benchmark return and calculated with a high watermark

Bloomberg:

LTI LN

ISIN :

GB0031977944

The Board:

Julian Cazalet (Chairman)
Vivien Gould
Rory Landman
Michael Linsell *
Michael Mackenzie

* non independent

Corporate Secretary & Registered Office:

Maitland Institutional Services Limited, Springfield Lodge, Colchester Road, ESSEX CM2 5PW
Phone: 01245 398950

Investment Manager & Promoter:

Linsell Train Ltd, 66 Buckingham Gate, London, SW1E 6AU
Phone: +44 20 7808 1210 / info@linselltrain.com

Registrars:

Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU

Portfolio Manager's Comments

Pearson was the best performer amongst the direct holdings in the portfolio this month, up double digits. Pearson is also held in Finsbury and the Global Fund, in which LTIT is invested too – to give a bigger “look-through” exposure. Over April there were other 10% or near gainers in those funds too – for instance Hargreaves Lansdown (held in Finsbury and the Global Fund) and Intuit and World Wrestling Entertainment (both held in Global too).

Those four interest us, because they are each developing digital strategies out of 20th Century business models, if I can put it that way. Each has to invest heavily in new versions of its traditional product or service. Each confronts new entrants or even the threat of complete disintermediation. But for each the promise of higher cash returns on capital, as a result of successful transition to asset-light ways of doing business – offers prospects for much higher valuations and share prices over time. Pearson, for instance, still trades on 1.5x its annual sales. With all humility, after our prolonged and torrid experience with this company, we persist in hoping that Pearson's equity might one day command a rating of 3x sales and rather higher sales too, if its digital strategy delivers.

These price gains have come during a period in the stock markets when investors' predilections are, purportedly, directed to commodities and value cyclicals. Oil and oil stocks certainly had a big month in April. But such is the underlying appetite investors have for credible digital strategies and such is the insecurity investors feel about the risk of missing out on such strategies – they'll push prices up. Even when the strategy's success is by no means proven – as remains the case with Pearson. Meanwhile it seems to us that Hargreaves and Intuit will be very different businesses in 10 years time, if their strategies are successful. Perhaps the increasing amount of data this pair will aggregate from their millions of customers will become a higher or even the dominant source of market value. Privacy issues are important, of course, but the same is true for Pearson – where future value may be derived as much from the struggles students demonstrate while completing its online courseware, as from the initial creation of the courseware. Knowing what really works in education is going to be of extraordinary social and perhaps business value.

Technology requires us to rethink our assumptions about all the companies we're invested in and their likely future value-added. It's a bit scary and rather exciting. But simply relying on 20th century business models just won't cut it anymore as we approach the third decade of the 21st.

Nick Train, Lindsell Train Ltd

Risk Warning

Past performance is not a guide or guarantee to future performance. Investments carry a degree of risk and the value of investments and income from them as a result of market or currency fluctuations may go down as well as up and you may not get back the amount you originally invested.

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