Lindsell Train Investment Trust PLC

All data at 31 October 2018

Market Capitalisation
£239.5m

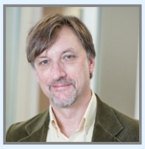
Share Price: £1,197.50

Net Asset Value: £827.27

Premium (Discount): 44.8%

Source: Lindsell 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.

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 (%) 31 October 2018	*Since Launch*	*5yr*	*3yr*	*1yr*	*YTD*	*3m*	*1m*
Lindsell Train Investment Trust NAV	+987.6	+201.6	+112.1	+20.2	+15.1	+2.6	-1.7
Lindsell Train Investment Trust Price	+1447.3	+272.5	+144.3	+48.6	+45.1	+6.9	+0.8
MSCI World Index £	+164.2	+74.8	+51.9	+5.1	+3.4	-3.2	-5.4
Benchmark*	+118.5	+22.2	+12.6	+4.0	+3.4	+1.0	+0.3

Source: Lindsell 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)	
Lindsell Train Limited (unlisted)	46.7
Diageo	6.9
London Stock Exchange	6.4
Nintendo	6.0
AG Barr	5.8
Unilever	5.3
PayPal	4.0
RELX	3.0
Heineken Holdings	3.0
LT Japanese Equity Fund	2.8

Allocation (% NAV)	
Equities:	
Consumer Franchises	23.8
Financials	6.4
Media	15.7
Unlisted Securities	46.7
Funds	7.5
Cash & Equivalent	-0.1
Total	**100.0**

Lindsell Train sector definitions

Fund Exposure %	*Equity*	*Funds*	*Cash*	*Total*
UK	75.7	1.9	-0.1	**77.5**
USA	7.0	-	-	**7.0**
Europe (ex UK)	3.9	-	-	**3.9**
Japan	6.0	2.8	-	**8.8**
Global	-	2.8	-	**2.8**
Total	**92.6**	**7.5**	**-0.1**	**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 Lindsell *
Richard Hughes
Nicholas Allan

* non independent

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Phone: +44 20 7808 1210 / info@lindselltrain.com

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

Portfolio Manager's Comments

Finsbury Growth & Income Trust (FGT) went ex-div on its second interim dividend in early October. The payment was 8.1p. Combined with the first interim the total for the year is 15.3p, which is up 7.7% on the previous year. Since Lindsell Train Limited (LTL) was appointed as investment adviser to FGT - as long ago as December 2000 - the dividend has grown from 3.2p, paid in our first full year of 2001. That represents a compound annual rate of dividend growth of 9.6% over the 17 years.

Getting on for 10% pa compound is a nice confirmation of the earnings growth and cash generation of FGT's core holdings over coming up for two decades (because, you won't be surprised to hear, the portfolio constituents haven't changed that much over that period). In the meantime the NAV total return (dividend plus capital return) for FGT shareholders since Lindsell Train's appointment is 10.1% pa. This compares to the FTSE All-Share total return of 5.1% pa.

This is all relevant to you because of Lindsell Train Investment Trust's (LTIT) longstanding investment in FGT, of course. The investment was endorsed by your Board at the time, is reviewed regularly and demonstrates a commonality of interest between the companies. FGT itself has a holding in your company. The intention is to signal that what is good for FGT is also good for both Lindsell Train Limited and LTIT. FGT shareholders will know that we are motivated to do the best possible job we can for them, because shares in FGT are held in our eponymous Trust. Happily that has proved to be the case. Respectable investment performance for FGT has allowed that company to expand, by issuing new shares at a premium. That investment performance has helped push LTIT's NAV progression over the years. But even more importantly the growth in assets for FGT – and it is now a £1.3bn market capitalisation (against c£70m on our appointment) has helped push up the value of LTL within LTIT. Meanwhile the holding of LTIT in FGT is up over 12-fold – meaning its shareholders have shared in the value that was created by appointing LTL as its adviser in the first place. Finally I should note that all my own investment in the UK equity market is solely in the shares of FGT. I'm a believer in the investment strategy!

That may sound a complicated structure of cross holdings, but to us it is simple. If we do well then all our valued counterparties – clients and shareholders and colleagues - stand to do well too. Skin in the game is an important factor in helping people make the better decisions (even if they won't always necessarily be the right decisions, of course) and we believe LTIT's holding in FGT remains a meaningful signal that we are still highly motivated to do the best we can.

Nick Train, Lindsell Train Ltd

For the month of October the top three contributors to the Fund are Lindsell Train Ltd, A G Barr and Lindsell Train Global LLC and the top three detractors from the Fund are Unilever, London Stock Exchange and Nintendo.