

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you should consult your independent financial adviser authorised under the Financial Services and Markets Act 2000 without delay.

This document comprises a supplementary prospectus (the "Supplementary Prospectus") relating to Finsbury Growth & Income Trust PLC (the "Company") and has been prepared in accordance with the Prospectus Rules made under section 84 of the Financial Services and Markets Act 2000. The Supplementary Prospectus does not contain or constitute an offer to sell or to issue any shares in the Company (the "Shares") or the solicitation of an offer to buy or subscribe for Shares. This Supplementary Prospectus has been approved by and filed with the Financial Services Authority in accordance with the Prospectus Rules.

Winterflood Securities Limited, which is authorised and regulated by the Financial Services Authority, is acting for the Company and will not regard any person other than the Company as its customer or be responsible to anyone other than the Company for providing the protections afforded to customers of Winterflood Securities Limited or for providing advice in relation to the contents of this document or any matters referred to herein.

FINSBURY GROWTH & INCOME TRUST PLC

(incorporated and registered in Scotland with registered number SC013958 and an investment company under section 833 of the Companies Act 2006)

Supplementary Prospectus

This document is supplemental to, and should be read in conjunction with, the Prospectus of the Company dated 12 December 2011 (the "Prospectus") published in connection with the placing of up to 40,000,000 Shares. Words or expressions defined in the Prospectus have the same meaning when used in this document unless the context requires otherwise. Save as disclosed in this document there has been no significant change affecting any matter contained in the Prospectus and no significant new matter has arisen since publication of the Prospectus.

The distribution of this Supplementary Prospectus in certain jurisdictions may be restricted by law. No action has been taken by the Company or Winterflood Securities Limited that would permit an offer of the Shares or possession or distribution of this Supplementary Prospectus or any other offering or publicity material in any jurisdiction where action for that purpose is required, other than in the United Kingdom. Persons into whose possession this Supplementary Prospectus comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

19 December 2011

Purpose of Supplementary Prospectus

This document constitutes a Supplementary Prospectus required under Prospectus Rules 3.4.1 and 3.4.2 and is being published to note significant new factors relating to the information included in the Prospectus.

On 14 December 2011, the Company published its annual report for the year to 30 September 2011 (the "Annual Report") which constitutes a significant new factor relating to financial information and to disclosure regarding capitalisation and indebtedness contained in the Prospectus.

A copy of the Annual Report has been filed with the Financial Services Authority and, by virtue of this Supplementary Prospectus, such Annual Report is incorporated in, and forms part of, the Prospectus.

Copies of the Annual Report may be obtained, free of charge, during normal business hours at the offices of Frostrow Capital LLP, as described below.

FINANCIAL INFORMATION RELATING TO THE COMPANY

1. Statutory accounts for the financial year ended 30 September 2011

Statutory accounts of the Company for the financial year ended 30 September 2011, in respect of which the Company's auditors, Grant Thornton UK LLP, have given unqualified opinions that the accounts give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the Company and of its total return and cash flows for the year ended 30 September 2011 and have been properly prepared in accordance with the Companies Act 2006. Grant Thornton UK LLP is a member of the Institute of Chartered Accountants in England and Wales.

2. Published annual report and accounts for the financial year ended 30 September 2011

2.1 *Historical financial information*

The published annual report and audited accounts for the Company for the financial year ended 30 September 2011, which have been incorporated in this document by reference, included, on the pages specified in the table below, the following information:

<i>Nature of Information</i>	2011 Page No(s)
Income statement	31
Balance Sheet.....	33
Cash Flow Statement.....	34
Notes to the financial statements (incorporating summary of principal accounting policies)	35-46
Audit Report	30

2.2 *Selected financial information*

The key audited figures that summarise the Company's financial condition in respect of the financial year ended 30 September 2011, which have been extracted without material adjustment from the historical financial information referred to in paragraph 2.1 (unless otherwise indicated in the notes below the following table), are set out in the following table:

	<u>2011</u>
Total net assets (£'000)	177,618
Cum income NAV per Share (pence)	310.30
<i>Revenue</i>	
Gross return (£'000)*	5,451
Return per Share (pence)	9.7
Dividend per Share (pence).....	9.2
<i>Total</i>	
Gross return (£'000)**	8,997
Return attributable to Shareholders (£'000).....	8,599
Return per Share (pence)	15.8
*Income less management fees and other expenses	
**Return on ordinary activities before finance charges and taxation	

2.3 *Operating and financial review*

The Company's published annual report and accounts for the financial year ended 30 September 2011 included, on the pages specified in the table below, descriptions of the Company's financial condition (in both capital and revenue terms); details of the Company's investment activity and portfolio exposure; and changes in its financial condition for the year.

<i>Nature of Information</i>	<u>2011 Page No(s)</u>
Chairman's statement	2-3
Investment manager's review	4-5
Portfolio distribution and analysis	9
Performance summary	6

The causes of material changes in the capital value of the Company's assets in the financial year can be summarised as follows:

During the year ended 30 September 2011, the Company delivered a return on ordinary activities after taxation of £8,599,000, made up of a capital profit of £3,346,000 and a net revenue return of £5,253,000. A total dividend of £5,149,000 was declared for the year representing 9.2p per share.

The Company delivered a net asset value total return of +5.8% and a share price total return of +6.5%. The results compare to a total return from the FTSE All Share index of -4.4%. The strong outperformance of the Company when compared to the FTSE All Share index was mainly attributable to the Company's holdings in Diageo, Pearson, Unilever and Rathbone Brothers.

Note: the information shown above is sourced from the statutory accounts for the financial year ended 30 September 2011.

3. **Capitalisation and indebtedness**

The following table shows, sourced from the Company's internal accounting records, the Company's unaudited indebtedness (distinguishing between guaranteed and unguaranteed, secured and unsecured indebtedness) as at 15 December 2011 (being the latest practicable date prior to the publication of this document) and the Company's audited capitalisation as at 30

September 2011 (being the last date in respect of which the Company has published financial information).

	<i>15 December 2011</i>
	<i>£'000</i>
<i>Total Current Debt</i>	
Guaranteed	-
Secured	14,050
Unguaranteed/unsecured	-
<i>Total Non-Current Debt</i>	-
	<i>30 September</i>
	<i>2011</i>
	<i>£'000</i>
<i>Shareholder equity</i>	
Share capital	14,309
Other reserves *	158,415
Total Shareholders' equity*	172,724

* Excludes the Company's revenue reserve

As at 15 December 2011 (being the latest practicable date prior to the publication of this document), there has been no material change in the unaudited capitalisation of the Company since 30 September 2011 (being the last date in respect of which the Company has published financial information) save that the total Shareholders' funds (excluding revenue reserve) had increased to £181,661 million due to the rises in the market value of the Company's portfolio (sourced from the Company's internal accounting records).

The following table shows the Company's unaudited net indebtedness as at 15 December 2011 (being the latest practicable date prior to the publication of this document).

	<i>15 December 2011</i>
	<i>£'000</i>
A. Cash	314
B. Cash equivalent	0
C. Trading securities	0
D. <i>Liquidity (A + B + C)</i>	314
E. Current financial receivable	0
F. Current bank debt	14,050
G. Current portion of non-current debt	0
H. Other current financial debt	0
I. <i>Current financial debt (F + G + H)</i>	14,050
J. <i>Net current financial indebtedness (I – E – D)</i>	13,736
K. Non-current bank loans	0
L. Bonds issued	0
M. Other non-current loans	0
N. <i>Non-current financial indebtedness (K + L + M)</i>	0
O. <i>Net financial indebtedness (J + N)</i>	13,736

Withdrawal rights

In accordance with Section 87Q(4) FSMA, investors who have agreed before this Supplementary Prospectus is published to purchase or subscribe for Shares the allotment of which has not become fully unconditional have the right, exercisable before the end of the period of two working days beginning with the working day after the date on which this Supplementary Prospectus was published, to withdraw their agreement. Such investors should contact the Company Secretary on 3008 4913.

Responsibility

The Company, whose registered office appears below, and the Directors, whose names appear below, accept responsibility for the information contained in this Supplementary Prospectus. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Directors of the Company are:

Anthony Townsend (Chairman)
John Allard
Neil Collins
David Hunt, FCA
Vanessa Renwick
Giles Warman

The registered office of the Company is at:
50 Lothian Road
Festival Square
Edinburgh EH3 9WJ

Documents Available for Inspection

Copies of the Prospectus dated 12 December 2011, this Supplementary Prospectus and the Annual Report may be inspected free of charge at the offices of Frostrow Capital LLP, 25 Southampton Buildings, London WC2A 1AL during normal business hours on any weekday (Saturdays and public holidays excepted) from the date of this document and while the Prospectus remains valid.

Definitions

Terms used in this document shall, unless the context otherwise requires, bear the meaning given to them in the Prospectus issued by Finsbury Growth & Income Trust PLC on 12 December 2011.