

LIONTRUST

EUROPEAN GROWTH FUND

MONTHLY FACTSHEET MAY 2012

MANAGED BY
GARY WEST &
JAMES INGLIS-JONES

THE LIONTRUST
CASHFLOW SOLUTION

OVERVIEW

The Fund

Liontrust European Growth Fund invests in a concentrated portfolio of companies from developed Europe, aiming for long-term capital growth in excess of the developed Europe stock market.

Objective

The investment objective of Liontrust European Growth Fund is to provide long-term capital growth through a concentrated portfolio of investments primarily in European companies excluding the UK.

Although the Fund may invest in all economic sectors in all parts of the world, it is intended that it will currently invest primarily in equities in companies incorporated in any European Economic Area ("EEA") Member State, together with Switzerland, but other than the UK, which are listed on a recognised stock exchange of an EEA Member State or Switzerland.

Process

The Fund is managed in accordance with a proprietary, tried and tested investment process, *The Liontrust Cashflow Solution*, researched and documented by the managers at Liontrust.

The Fund only buys lowly valued stocks with unusually strong cash flows where investors have low profit expectations. Strong company cash flows (after investment spending) are a good indicator of strong growth in future reported profits.

Fund Managers

Gary West
James Inglis-Jones



Gary and James joined Liontrust in March 2006 and have managed the Liontrust European Growth Fund since its launch on 15 November 2006

Gary West

- 24 years' investment experience
- Previously worked at Touche Remnant, Henderson Investors, Fleming Investment Management, JP Morgan Fleming and Polar Capital

James Inglis-Jones

- 14 years' investment experience
- Previously worked at Fleming Investment Management, JP Morgan Fleming and Polar Capital

The Fund returned -4.5%, whilst the FTSE All-World Developed Europe (ex UK) Index returned -5.5% in April.

The highest contributors to performance of the European Growth Fund in April were *Wartsila* (+8.1%), *Schindler* (+8.1%) and *Andritz* (+7.8%).

Wartsila announced first quarter results, which although showed some weakness in turnover, growth revealed a strong order book and resilient margins. Schindler had solid first quarter results, with new orders better than expected and very strong operating cash flows and Andritz received some positive broker coverage.

At the other end of the spectrum, the worst performers in the month were *Mobistar* (-23.5%), *Wincor Nixdorf* (-20.6%) and *Red Electrica* (-10.4%).

Mobistar's first quarter results were disappointing and worse than expected owing to increased competition from Belgacom and increased investment in staff members. However, the company retained their full year guidance. Wincor Nixdorf released disappointing first half results as the group suffered from a decline in European banking capital spending. In response they announced a restructuring plan in order to lower costs. Red Electrica was down due to continued concerns regarding the potential for the Spanish government to impose a harsh regulatory settlement on the group later this year.

Discrete Years' Performance (%)

To previous quarter, 12 months ending:	Mar-08	Mar-09	Mar-10	Mar-11	Mar-12
Liontrust European Growth Fund	3.2	-30.3	50.7	20.4	-9.4
FTSE All-World Developed Europe ex-UK	2.8	-30.8	48.2	7.5	-11.2

Source: Financial Express, bid-to-bid, total return.

Cumulative Performance (%)

	3 Months	6 Months	1 Year	3 Years	5 Years	YTD	*Since Launch
Liontrust European Growth Fund	-3.0	-3.3	-15.5	39.0	6.6	2.5	25.9
FTSE All-World Developed Europe ex-UK	-0.4	-0.9	-19.6	19.9	-9.9	3.6	-0.1
IMA Europe ex-UK sector average	1.0	-0.9	-16.0	23.0	-11.0	6.3	-0.5
Quartile Ranking	4	4	2	1	1	4	1

Source: Financial Express at 30.04.2012, total return, bid-to-bid.
*Launch date 15.11.2006.

Past performance is not a guide to future performance. Investment in the Fund carries the risk of potential total loss of capital. The Fund holds a concentrated portfolio which could mean that it will be volatile when compared to its benchmark index. Investment in the Fund involves a foreign currency, it may be subject to fluctuations in value due to movements in exchange rates.



LIONTRUST EUROPEAN GROWTH FUND

Fund Information

Launch Date	15.11.06
IMA Sector	IMA Europe ex-UK
Benchmark Index	FTSE All-World Developed Europe ex-UK
Fund Size	£53m
Number of Holdings	23
Historic Yield	1.34%

Historic Yield: Reflects distributions declared over the past twelve months as a percentage of the mid-market unit price. It does not include any preliminary charge and investors may be subject to tax on their distributions.

Key Information

Initial Charge	5%
Annual Charge	1.50%
Minimum Initial Investment	£1,000
Minimum Additional Investment	£1,000
Total Expense Ratio (as at 31.10.11)	1.72%
Ex-Dividend Date	1 May
Distribution Date	30 June
Sedol Code	B1GKBD0

Sector Breakdown[†]

Basic Materials	5.8%
Consumer Goods	4.1%
Consumer Services	10.9%
Financials	3.5%
Healthcare	4.4%
Industrials	43.9%
Oil & Gas	11.8%
Technology	2.7%
Telecommunications	2.5%
Utilities	3.3%
Cash	7.0%

Risk Ratios (annualised over 36 months)

Alpha	5.79%
Beta	0.92
Information Ratio (Relative)	0.57
Annual Volatility	20.64%

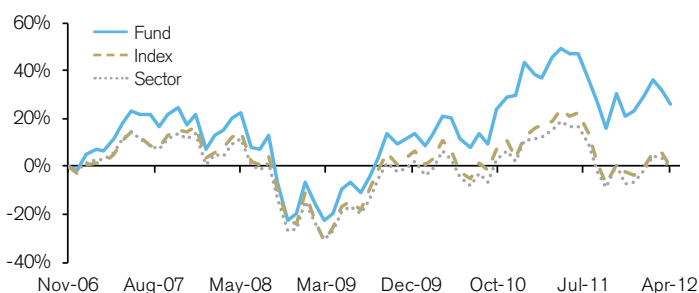
ALPHA: A measure of the portfolio's expected return when the benchmark produces no movement.

BETA: The amount the Fund is expected to gain or lose when the benchmark moves by one unit. It takes account of the relative risk of the Fund as well as the correlation of movements between the Fund and the benchmark.

INFORMATION RATIO (RELATIVE): The overall Fund returns minus the benchmarked returns and divided by the tracking error. Shows the value added, in units of assumed risk, of the fund manager's decisions in excess of what the market would have delivered.

ANNUAL VOLATILITY: Demonstrates how widely the range of returns from the Fund differed from its average return during the review period: the smaller the volatility value the lesser the degree of fluctuation around its eventual average movement over the period.

Performance Since Launch (15.11.2006)[†]



Past performance is not a guide to future performance.

Geographic Breakdown[†]

Austria	5.1%
Belgium	2.5%
Finland	5.3%
France	8.6%
Germany	6.4%
Ireland	6.3%
Italy	2.7%
Norway	8.1%
Portugal	4.8%
Spain	6.9%
Sweden	27.6%
Switzerland	8.7%

Top 10 Holdings[†]

Lundin Petroleum	6.9%
Paddy Power	6.3%
Wartsila	5.3%
Andritz	5.1%
Fred Olsen Energy	4.9%
Schindler	4.9%
Jeronimo Martins	4.8%
Assa Abloy	4.8%
Publicis Groupe	4.6%
AstraZeneca	4.4%

How to Buy the Fund – Distribution Channels

Liontrust European Growth Fund is available through a wide range of fund platforms, primarily those shown below. For full details of all the Fund's 3rd party distributors, please contact your Liontrust Sales Manager.

- Allfunds
- Ascentric/Fundsdirect
- AXA Elevate
- Cofunds
- FundsNetwork
- HL Vantage
- Novia
- Nucleus
- Pershing Nexus Funds
- Skandia Investment Solutions
- Standard Life Fundzone
- Transact

[†]Source: Financial Express as at 30.04.2012.

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