

LIONTRUST

INCOME FUND

Also available is the Liontrust Dynamic Income Fund⁽¹⁾, a Guernsey 'B' scheme fund which invests exclusively in the Liontrust Income Fund.

MONTHLY FACTSHEET MAY 2012

MANAGED BY
GARY WEST &
JAMES INGLIS-JONES

THE LIONTRUST CASHFLOW SOLUTION

OVERVIEW

The Fund

Liontrust Income Fund invests in a portfolio of high yielding UK companies, aiming for a high level of income and capital growth in excess of the FTSE All-Share Index over five years.

Objective

The investment objective of Liontrust Income Fund is to provide a high level of income, with capital values keeping pace with inflation.

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 securities in companies listed on the International Stock Exchange of the UK and Ireland.

The Fund may also invest in shares issued by companies incorporated in any European Economic Area ("EEA") Member State other than the UK which are listed on a recognised stock exchange of an EEA Member State.

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 high-yielding 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 -0.4% in April, whilst the FTSE All-Share returned -0.3%.

The highest contributors to performance of the Income Fund in April were *Ladbrokes* (+12.1%), *De La Rue* (+8.4%) and *Fred Olsen* (+6.3%).

Ladbrokes posted first quarter results that were better than expected, while there was no new corporate news on either De La Rue or Fred Olsen.

At the other end of the spectrum, the worst performers in the month were *Mobistar* (-23.5%), *Halfords* (-11.4%) and *Go-Ahead* (-8.5%).

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. Halfords announced their final quarter results and revealed an updated guidance on costs for the year ahead, which caused most analysts to downgrade their profit estimates. Go-Ahead issued a trading statement that was in line with expectations. However, the shares suffered from an earlier profits warning issued by their competitor FirstGroup.

Discrete Years' Performance (%)

To previous quarter, 12 months ending:	Mar-08	Mar-09	Mar-10	Mar-11	Mar-12
Liontrust Income Fund	-19.5	-37.5	50.0	9.5	2.9
FTSE All-Share Index	-7.7	-29.3	52.3	8.7	1.4

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

Cumulative Performance (%)

	3 Months	6 Months	1 Year	3 Years	5 Years	YTD	*Fund Manager Inception
Liontrust Income Fund	2.8	2.6	-2.0	46.7	-17.5	6.5	69.1
FTSE All-Share Index	3.0	6.2	-2.0	52.2	6.5	5.8	68.3
IMA UK Equity Income	3.4	4.3	-0.9	46.1	-2.1	5.9	61.3
Quartile Ranking	3	4	3	2	4	2	1

Source: Financial Express at 30.04.2012, total return, bid-to-bid.
*Gary & James took over management of the Fund on 25.03.2009.

Yield

Historic Yield	5.55%
Prospective Yield	5.18%

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.
Prospective Yield: Dividends paid in the last 12 months by all stocks held in the portfolio as a percentage of its current value.

Past performance is not a guide to future performance. Investment in the Fund carries the risk of potential total loss of capital. Investment in the Fund involves a foreign currency and may be subject to fluctuations in value due to movements in exchange rates. A portion of the Fund's expenses are charged to capital. This has the effect of increasing the distribution for the year by 1.5 percentage points and constraining the Fund's capital performance to an equivalent extent.

(1) Liontrust Dynamic Income Fund is a sub fund of Liontrust Guernsey Fund Limited, available to professional investors only, an open-ended investment company, authorised as a class 'B' Scheme under the Protection of Investors (Bailiwick of Guernsey) Law 1987 and invests solely in Liontrust Income Fund.

LIONTRUST INCOME FUND

Fund Information

Launch Date	02.07.90
IMA Sector	IMA UK Equity Income
Benchmark Index	FTSE All-Share Index
Fund Size	£293m
Number of Holdings	27

Key Information

Initial Charge	5%
Annual Charge	1.50%
Renewal Commission	0.50%
Minimum Initial Investment	£1,000
Minimum Additional Investment	£1,000
Total Expense Ratio (as at 31.12.11)	1.64%
Interim Ex-Dividend Date	1 January
Final Ex-Dividend Date	1 July
Interim Distribution Date	End February
Final Distribution Date	31 August
Sedol Code	0701079

Sector Breakdown[†]

Basic Materials	0.0%
Consumer Goods	0.0%
Consumer Services	16.9%
Financials	28.0%
Health Care	8.5%
Industrials	17.1%
Oil & Gas	5.3%
Technology	0.0%
Telecommunications	1.3%
Utilities	19.6%

Risk Ratios (annualised over 36 months)

Alpha	0.61%
Beta	0.87
Information Ratio (Relative)	-0.23
Annual Volatility	13.63%

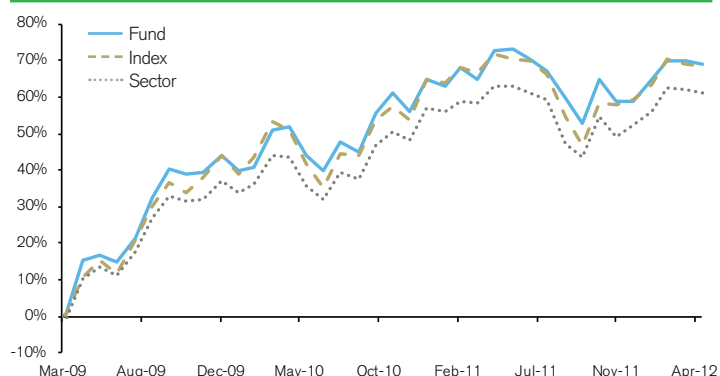
ALPHA: A measure of the portfolio's expected return when the benchmark produces no movement.

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 Fund Manager Inception (25.03.2009)[†]



Past performance is not a guide to future performance.

Asset Allocation[†]

FTSE 100 Index	44.49%
FTSE Mid 250 Index	41.33%
FTSE Small Cap. Index	0.00%
FTSE Fledgling Index	0.00%
European Equities	10.88%
Cash	3.30%

Top 10 Holdings[†]

De La Rue	5.4%
Next	5.4%
Scottish & Southern	5.2%
Provident Financial	5.2%
National Grid	4.9%
Drax	4.9%
Ladbroke	4.8%
Hays	4.7%
Legal & General	4.7%
GlaxoSmithKline	4.6%

How to Buy the Fund – Distribution Channels

Liontrust Income 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
- Aviva Wrap
- AXA Elevate
- Cofunds
- FundsNetwork
- HL Vantage
- Pershing Nexus Funds
- Novia
- Nucleus
- Skandia Investment Solutions
- Standard Life Fundzone
- Transact

[†]Source: Financial Express as at 30.04.2012.

This document provides information about the Liontrust Income Fund ('the Fund') and Liontrust Fund Partners LLP ('the Manager'). Liontrust Fund Partners LLP is authorised and regulated in the UK by the Financial Services Authority to undertake regulated investment business. This document is based upon retail class units; institutional class units are also available as described in the prospectus. The issue of units in Liontrust Income Fund may be subject to an initial charge, which will have an impact on the realisable value of the investment, particularly in the short term. Equity investment should always be considered as long term. A portion of the Fund's expenses are charged to capital. This has the effect of increasing the distribution for the year by 1.5 percentage points and constraining the Fund's capital performance to an equivalent extent. This document does not constitute or form part of, and should not be construed as, an invitation to buy or sell units and neither this document nor anything contained or referred to in it shall form the basis of, or be relied on in connection with, any offer or commitment whatsoever. The value of units and shares and the income generated from them can fall as well as rise and are not guaranteed; investors may not get back the amount originally subscribed. This document is for professional advisers and existing investors only. Any other person receiving this document should not rely upon its content. Investors should not purchase the Fund referred to in this document except on the basis of information contained in the Fund's Prospectus. We recommend that investors who are not professional investors should contact their professional adviser. Past performance is not a guide to future performance. Investment in the Fund carries the risk of potential total loss of capital. Investment in the Fund involves a foreign currency and may be subject to fluctuations in value due to movements in exchange rates. The information and analysis contained in this document is believed to be accurate at the date of this document but is subject to change without notice. The Fund's Prospectus and Simplified Prospectus are available from www.liontrust.co.uk or direct from Liontrust.

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