

**Schroder**

# **Income Growth Fund plc**

Half-Year Report for the six months ended 28 February 2013

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**Schroders**

## Investment Objective

The Company's principal investment objectives are to provide real growth of income, being growth of income in excess of the rate of inflation, and capital growth as a consequence of the rising income.

## Directors

**Sir Paul Judge (Chairman)**

**Ian Barby**

**David Causer**

**Bridget Guerin**

**Keith Niven**

**Peter Readman**

## Advisers

### **Investment Manager and Company Secretary**

Schroder Investment Management Limited  
31 Gresham Street  
London EC2V 7QA

### **Registered Office**

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### **Registrar**

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Aspect House  
Spencer Road  
Lancing  
West Sussex BN99 6DA

Shareholder Helpline: 0800 032 0641\*

Website: [www.shareview.co.uk](http://www.shareview.co.uk)

\*Calls to this number are free of charge from UK landlines.

### **Lending Bank**

Scotiabank Europe PLC  
201 Bishopsgate  
6th Floor  
London EC2M 3NS

### **Independent Auditors**

Deloitte LLP  
Hill House  
2 New Street Square  
London EC4A 3BZ

### **Custodian**

JP Morgan Chase Bank, N.A.  
1 Chaseside  
Bournemouth  
Dorset BH7 7DB

### **Corporate Broker**

Panmure Gordon (UK) Limited  
One New Change  
London EC4M 9AF

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## Financial Highlights

### Total returns (including dividends reinvested)

Six months ended  
28 February 2013

Net asset value ("NAV") per Ordinary share <sup>1</sup>	<b>16.0%</b>
Share price <sup>1</sup>	<b>21.1%</b>
FTSE All-Share Index <sup>2</sup>	<b>14.2%</b>

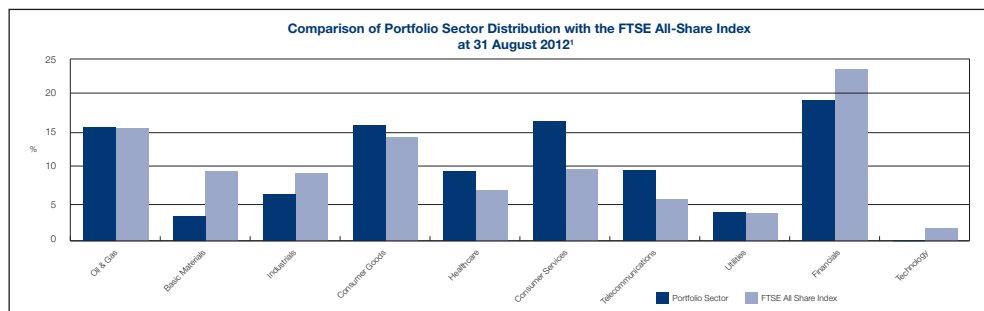
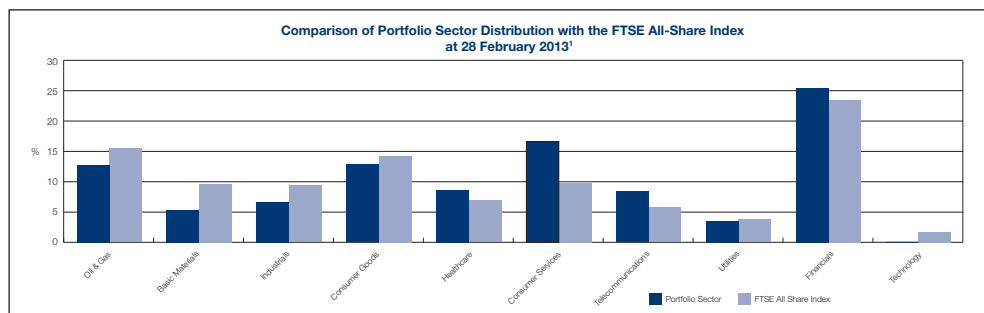
Dividends declared in respect of the six months ended 28 February 2013 amounted to 4.00p per share (six months ended 29 February 2012: 4.00p).

	<b>28 February 2013</b>	31 August 2012	% Change
Shareholders' funds (£'000)	<b>159,722</b>	143,100	+11.6
NAV per Ordinary share	<b>232.53p</b>	208.33p	+11.6
Share price	<b>235.50p</b>	199.75p	+17.9
Share price premium/(discount) to NAV	<b>1.3%</b>	(4.1)%	

<sup>1</sup>Source: Morningstar.

<sup>2</sup>Source: Thomson Financial Datastream.

## Portfolio Sector Distribution



<sup>1</sup>Source: Thomson Financial Datastream.

## Interim Management Report

### Chairman's Statement

#### Investment Performance

The Company's revenue return per share amounted to 3.11 pence during the six months ended 28 February 2013 (six months ended 29 February 2012: 3.76 pence). This reduction in revenue return compared with the first six months of last year was largely attributable to a fall in special dividends receivable of 0.66 pence per share and lower option premium income of 0.20 pence per share. Dividend income (excluding special dividends) increased by 8.6% during the period under review. Further information about dividend income may be found in the Investment Manager's Review to this Report.

The Company's net asset value produced a total return of 16.0%<sup>1</sup> during the period under review, outperforming the FTSE All-Share Index, which produced a total return of 14.2%<sup>2</sup>.

The Company's share price produced a total return of 21.1%<sup>1</sup> during the six months under review. The share price, in common with the Company's wider peer group, was re-rated during the period and the Company's shares moved from a discount to a sustained premium. As at 28 February 2013, the Company's shares stood at a premium to net asset value of 1.3% compared with a discount of 4.1% at the beginning of the period.

#### Dividends

The Company paid a first interim dividend for the year ending 31 August 2013 of 2.00 pence per share (2012: 2.00 pence per share) on 31 January 2012. The Board has since declared the payment of a second interim dividend for the current financial year of 2.00 pence per share (2012: 2.00 pence per share), which will be paid on 30 April 2013 to shareholders who were on the register at the close of business on 2 April 2013. This continues the Board's cycle of paying three equal interim dividends, with a larger fourth interim dividend payment in October.

#### Gearing

The Company maintains a credit facility of £15 million, of which £6.7 million has remained drawn down throughout the period. Gearing<sup>3</sup> was 3.8% at the beginning of the period under review, and had increased marginally to 3.9% as at 28 February 2013. The Board has established parameters within which the use of gearing is operated and it regularly reviews the level and use of the Company's gearing.

#### Share Capital

The Board continued to monitor the share price relative to net asset value during the period under review. Since 1 January 2013, the shares have traded at a premium and, consequently, no shares were purchased for cancellation or holding in treasury during the period. The Board has been assessing whether to issue new shares to provide liquidity to the market and will consider doing so should the premium continue.

#### Board Composition

Further to my statement in the last Annual Report, as part of the planned refreshment of the Board I shall retire as a non-executive Director and Chairman of the Company with effect from the Company's year-end, 31 August 2013. I am pleased to say that my fellow Director, Mr Ian Barby, will succeed me as Chairman.

#### Outlook

The contribution to overall investment income from special dividends and writing covered call options is likely to be materially lower this year than last. Therefore, the prospects for the Company's income and its capacity to continue to increase its annual dividend are very dependent on the ability of its portfolio companies to continue to raise their regular dividends. It is, therefore, encouraging to note that the underlying growth in regular dividends received remains relatively robust at present although this rate of increase may slow down given today's uncertain economic environment.

#### Sir Paul Judge

Chairman

30 April 2013

<sup>1</sup>Source: Morningstar.

<sup>2</sup>Source: Thomson Financial Datastream.

<sup>3</sup>Gearing represents borrowings used for investment purposes less cash, expressed as a percentage of net assets.

## Interim Management Report (continued)

### Investment Manager's Review

In the six months to the end of February 2013, the Company's net asset value produced a total return of 16.0%<sup>1</sup>. This compares to a 14.2%<sup>2</sup> total return from the FTSE All-Share Index.

#### Market Background and Investment Performance

Like most stock markets around the world, the UK market rose steadily over the six months under review, as further central bank liquidity and the absence of bad news from the Eurozone allowed a gradual recovery in investor confidence. Global economic data was mixed – slightly encouraging in the US, slightly uncertain in China, neutral in the UK – but interest rates almost everywhere remain low supported by ongoing quantitative easing, giving investors another incentive to look at the higher income available from equities.

The UK market participated in many of these global trends, and the broader indices are now back to the 2007-08 levels. The recovery in confidence has been fragile, however, and while there has been increased corporate activity, capital expenditure remains at low levels. As evidence of the economy's inability to shake off the challenges of the last few years, the UK lost its AAA credit rating and sterling has fallen sharply against the dollar.

The portfolio outperformed the FTSE All-Share Index. While those shares which are perceived to have secure and rising dividends generally have benefited the most from market attention on yield, the successes in the Company were more stock-specific. EasyJet nearly doubled as profits rose due to a combination of better passenger numbers, higher ancillary revenues and lower costs. Daily Mail and General Trust was a significant contributor to returns after its business-to-business operations continued to show good growth, the market began to develop a greater appreciation of the hidden value in its online businesses and it disposed of its regional newspaper business to a joint venture. Halfords also performed strongly as bicycle sales picked up from a low level last summer and the Autocentres car maintenance and repair business is growing ahead of expectations. There was a good contribution from one of the overseas holdings, Swedbank. Its lower risk business mix generates stable revenue growth which together with cost reductions has boosted earnings. In addition its strong capital position has enabled the company to amend its dividend policy leading to a significant increase in the dividend resulting in the shares performing strongly whilst yielding a very attractive level. Disappointments included not participating in the rally in UK domestic banks, and relative weakness in two of our larger holdings, Vodafone and Imperial Tobacco, where investors focussed their concerns on these companies' exposure to difficult European markets.

Dividend income has been generally in line with expectations. Total income was lower than a year ago because of the absence of the large special dividends mentioned at that time, and there has been a modest shift towards a greater proportion of the portfolio's dividends to be paid in the second half of the Company's fiscal year. Although the pace of ordinary dividend growth is moderating after the recovery period since 2010, the underlying trend is one of modest rises above the rate of inflation. It has proved more challenging to find attractive ways of boosting income by writing call options, with call premiums falling in line with the market's lower volatility. This source of income has fallen year on year.

#### Outlook

The economic backdrop in 2013 is likely to continue to be one of weak global recovery led by growth in developing markets but supported by the US despite its fiscal headwinds. Central banks have provided important support to allay the worst fears of Eurozone contagion and supply liquidity to markets. While the tail risks still remain from the Eurozone's problems and possible further shocks elsewhere, if further economic progress can be sustained there is the potential for a virtuous circle to develop. Investors have over the past two years searched for alternatives to bonds with negligible interest rates, pushing valuations of companies that pay reliable dividends to high levels by historic standards.

The portfolio is therefore structured to expect a challenging but potentially profitable future. Our principal goal is to produce recurring investment income at a level sufficient to allow the Board to grow the dividend, and it is therefore encouraging that, as mentioned above, most of the holdings have businesses and balance sheets that look capable of generating sufficient cash to meet the Company's income objective.

Policy remains broadly as six months ago, with the changes being mostly reducing exposure to some of the recent successes where valuations are more reflective of good fundamentals (such as Compass, IML and Unilever) or to control position size (easyJet). We have added to some of our current favourite holdings where valuations look attractive together with prospects for maintained or growing ordinary dividends (e.g. ITV, ICAP, Swedbank and Resolution). We also established a new holding in Direct Line where the yield is attractive and has the potential to grow if the management is successful in its turnaround plans.

#### Schroder Investment Management Limited

30 April 2013

<sup>1</sup>Source: Morningstar.

<sup>2</sup>Source: Thomson Financial Datastream.

## Interim Management Report

### Principal Risks and Uncertainties

The principal risks and uncertainties associated with the Company's business fall into the following categories: financial risk; strategic risk; and accounting, legal and regulatory risk. A detailed explanation of the risks and uncertainties in each of these categories can be found on pages 10 and 11 of the Company's published Annual Report and Accounts for the year ended 31 August 2012. These risks and uncertainties have not materially changed during the six months ended 28 February 2013.

### Going Concern

The Directors believe, having considered the Company's investment objectives, risk management policies, capital management policies and procedures, the nature of the portfolio and expenditure projections, that the Company has adequate resources, an appropriate financial structure and suitable management arrangements in place to continue in operational existence for the foreseeable future. For these reasons, they consider there is reasonable evidence to continue to adopt the going concern basis in preparing the accounts.

### Related Party Transactions

Details of related party transactions can be found on page 34 of the Company's published Annual Report and Accounts for the year ended 31 August 2012. There have been no material transactions with the Company's related parties during the six months ended 28 February 2013.

### Directors' Responsibility Statement

The Directors confirm that, to the best of their knowledge, this set of condensed financial statements has been prepared in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP) and with the Statement of Recommended Practice: Financial Statements of Investment Companies and Venture Capital Trusts (SORP) issued in January 2009 and the Interim Management Report as set out above includes a fair review of the information required by 4.2.7R and 4.2.8R of the FCA's Disclosure and Transparency Rules.

## Ten largest investments

At 28 February 2013

Company and Activity	Market value of holding £'000	% of shareholders' funds
<b>Vodafone</b> Global mobile telephone provider	9,430	5.90
<b>HSBC</b> Banking and financial services group	8,745	5.48
<b>Legal &amp; General</b> UK financial services group	8,527	5.34
<b>British American Tobacco</b> International cigarette company	8,426	5.28
<b>GlaxoSmithKline</b> Global pharmaceutical company	8,172	5.12
<b>Royal Dutch Shell 'B'</b> Integrated oil company	7,994	5.00
<b>Swedbank (Sweden)</b> Banking and financial services group	7,009	4.39
<b>Imperial Tobacco</b> International cigarette company	6,205	3.88
<b>AstraZeneca</b> Global pharmaceutical company	6,047	3.79
<b>BP</b> Integrated oil company	5,833	3.65
<b>Total</b>	<b>76,388</b>	<b>47.83</b>

At 31 August 2012, the ten largest investments represented 51.76% of shareholders' funds.



## Income Statement

	<b>(Unaudited)</b> <b>For the six months</b> <b>ended 28 February 2013</b>			<b>(Unaudited)</b> <b>For the six months</b> <b>ended 29 February 2012</b>			<b>(Audited)</b> <b>For the year</b> <b>ended 31 August 2012</b>		
	<b>Revenue</b> <b>£'000</b>	<b>Capital</b> <b>£'000</b>	<b>Total</b> <b>£'000</b>	<b>Revenue</b> <b>£'000</b>	<b>Capital</b> <b>£'000</b>	<b>Total</b> <b>£'000</b>	<b>Revenue</b> <b>£'000</b>	<b>Capital</b> <b>£'000</b>	<b>Total</b> <b>£'000</b>
Gains on investments held at fair value through profit or loss	-	18,737	18,737	-	9,188	9,188	-	9,359	9,359
Net foreign currency (losses)/gains	-	(3)	(3)	-	-	-	-	2	2
Income from investments	2,597	-	2,597	2,849	26	2,875	7,627	26	7,653
Other interest receivable and similar income	53	-	53	192	-	192	232	-	232
<b>Gross return</b>	<b>2,650</b>	<b>18,734</b>	<b>21,384</b>	<b>3,041</b>	<b>9,214</b>	<b>12,255</b>	<b>7,859</b>	<b>9,387</b>	<b>17,246</b>
Investment management fee	(304)	(304)	(608)	(287)	(287)	(574)	(589)	(589)	(1,178)
Performance fee	-	(142)	(142)	-	(38)	(38)	-	(127)	(127)
Administrative expenses	(171)	-	(171)	(153)	-	(153)	(303)	-	(303)
<b>Net return before finance costs and taxation</b>	<b>2,175</b>	<b>18,288</b>	<b>20,463</b>	<b>2,601</b>	<b>8,889</b>	<b>11,490</b>	<b>6,967</b>	<b>8,671</b>	<b>15,638</b>
Finance costs	(27)	(27)	(54)	(4)	(4)	(8)	(31)	(31)	(62)
<b>Net return on ordinary activities before taxation</b>	<b>2,148</b>	<b>18,261</b>	<b>20,409</b>	<b>2,597</b>	<b>8,885</b>	<b>11,482</b>	<b>6,936</b>	<b>8,640</b>	<b>15,576</b>
Taxation (note 4)	(9)	-	(9)	(15)	-	(15)	(50)	-	(50)
<b>Net return on ordinary activities after taxation</b>	<b>2,139</b>	<b>18,261</b>	<b>20,400</b>	<b>2,582</b>	<b>8,885</b>	<b>11,467</b>	<b>6,886</b>	<b>8,640</b>	<b>15,526</b>
<b>Return per Ordinary share (note 5)</b>	<b>3.11p</b>	<b>26.59p</b>	<b>29.70p</b>	<b>3.76p</b>	<b>12.93p</b>	<b>16.69p</b>	<b>10.02p</b>	<b>12.58p</b>	<b>22.60p</b>

The "Total" column of this statement is the profit and loss account of the Company. The "Revenue" and "Capital" columns represent supplementary information prepared under guidance issued by The Association of Investment Companies. The Total column includes all the information that is required to be disclosed in a Statement of Total Recognised Gains and Losses ("STRGL"). For this reason a STRGL has not been presented.

All revenue and capital items in the above statement derive from continuing operations. No operations were acquired or discontinued in the period.

## Reconciliation of Movements in Shareholders' Funds

## For the six months ended 28 February 2013 (Unaudited)

	Called-up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Share purchase reserve £'000	Warrant exercise reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
At 31 August 2012	6,869	7,404	2,011	34,936	1,596	85,053	5,231	143,100
Net return on ordinary activities	–	–	–	–	–	18,261	2,139	20,400
Ordinary dividends paid in the period	–	–	–	–	–	–	(3,778)	(3,778)
<b>At 28 February 2013</b>	<b>6,869</b>	<b>7,404</b>	<b>2,011</b>	<b>34,936</b>	<b>1,596</b>	<b>103,314</b>	<b>3,592</b>	<b>159,722</b>

## For the six months ended 29 February 2012 (Unaudited)

	Called-up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Share purchase reserve £'000	Warrant exercise reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
At 31 August 2011	6,869	7,404	2,011	34,936	1,596	76,413	5,558	134,787
Net return on ordinary activities	–	–	–	–	–	8,885	2,582	11,467
Ordinary dividends paid in the period	–	–	–	–	–	–	(4,465)	(4,465)
At 29 February 2012	6,869	7,404	2,011	34,936	1,596	85,298	3,675	141,789

## For the year ended 31 August 2012 (Audited)

	Called-up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Share purchase reserve £'000	Warrant exercise reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
At 31 August 2011	6,869	7,404	2,011	34,936	1,596	76,413	5,558	134,787
Net return on ordinary activities	–	–	–	–	–	8,640	6,886	15,526
Ordinary dividends paid in the year	–	–	–	–	–	–	(7,213)	(7,213)
At 31 August 2012	6,869	7,404	2,011	34,936	1,596	85,053	5,231	143,100

## Balance Sheet

	<b>(Unaudited)</b> <b>28 February</b> <b>2013</b> <b>£'000</b>	(Unaudited) 29 February 2012 £'000	(Audited) 31 August 2012 £'000
<b>Fixed assets</b>			
Investments held at fair value through profit or loss	<b>165,698</b>	144,633	145,852
<b>Current assets</b>			
Debtors	<b>1,669</b>	819	3,122
Cash and short-term deposits	<b>419</b>	1,384	1,316
	<b>2,088</b>	2,203	4,438
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	<b>(8,064)</b>	(4,846)	(7,190)
Derivative financial instruments held at fair value through profit or loss – written options	–	(201)	–
	<b>(8,064)</b>	(5,047)	(7,190)
<b>Net current liabilities</b>	<b>(5,976)</b>	(2,844)	(2,752)
<b>Net assets</b>	<b>159,722</b>	141,789	143,100
<b>Capital and reserves</b>			
Called-up share capital	<b>6,869</b>	6,869	6,869
Share premium	<b>7,404</b>	7,404	7,404
Capital redemption reserve	<b>2,011</b>	2,011	2,011
Share purchase reserve	<b>34,936</b>	34,936	34,936
Warrant exercise reserve	<b>1,596</b>	1,596	1,596
Capital reserves	<b>103,314</b>	85,298	85,053
Revenue reserve	<b>3,592</b>	3,675	5,231
<b>Total equity shareholders' funds</b>	<b>159,722</b>	141,789	143,100
<b>Net asset value per Ordinary share (note 6)</b>	<b>232.53p</b>	206.42p	208.33p

## Cash Flow Statement

	<b>(Unaudited) For the six months ended 28 February 2013 £'000</b>	(Unaudited) For the six months ended 29 February 2012 £'000	(Audited) For the year ended 31 August 2012 £'000
Net cash inflow from operating activities (note 7)	<b>2,047</b>	2,388	6,149
Net cash outflow from servicing of finance	<b>(53)</b>	–	(48)
Taxation paid	<b>(4)</b>	(7)	(68)
Net cash inflow/(outflow) from investment activities	<b>894</b>	(2,346)	(5,520)
Dividends paid	<b>(3,778)</b>	(4,465)	(7,213)
Net cash inflow from financing	<b>–</b>	4,500	6,700
<b>Net cash (outflow)/inflow in the period</b>	<b>(894)</b>	70	–
<b>Reconciliation of net cash flow to movement in net debt</b>			
Net cash (outflow)/inflow in the period	<b>(894)</b>	70	–
Exchange movements	<b>(3)</b>	–	2
Loan drawn down	<b>–</b>	(4,500)	(6,700)
Changes in net debt arising from cash flows	<b>(897)</b>	(4,430)	(6,698)
Net (debt)/funds at the beginning of the period	<b>(5,384)</b>	1,314	1,314
<b>Net debt at the end of the period</b>	<b>(6,281)</b>	(3,116)	(5,384)
<b>Represented by:</b>			
Cash and short-term deposits	<b>419</b>	1,384	1,316
Bank loan	<b>(6,700)</b>	(4,500)	(6,700)
Net debt	<b>(6,281)</b>	(3,116)	(5,384)

## Notes to the Accounts

### 1. Financial statements

The information contained within the accounts in this half-year report has not been audited or reviewed by the Company's auditors.

The figures and financial information for the year ended 31 August 2012 are extracted from the latest published accounts of the Company and do not constitute statutory accounts for that year. Those accounts have been delivered to the Registrar of Companies and included the report of the auditors which was unqualified and did not contain a statement under either section 498(2) or 498(3) of the Companies Act 2006.

### 2. Accounting policies

The accounts have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice and with the Statement of Recommended Practice "Financial Statements of Investment Trust Companies and Venture Capital Trusts" issued in January 2009.

All of the Company's operations are of a continuing nature.

The accounting policies applied to these interim accounts are consistent with those applied in the accounts for the year ended 31 August 2012.

### 3. Dividends

	(Unaudited) For the six months ended 28 February 2013 £'000	(Unaudited) For the six months ended 29 February 2012 £'000	(Audited) For the year ended 31 August 2012 £'000
Fourth interim dividend of 3.5p (2011: 4.5p)	2,404	3,091	3,091
First interim dividend of 2.0p (2012: 2.0p)	1,374	1,374	1,374
Second interim dividend of 2.0p	–	–	1,374
Third interim dividend of 2.0p	–	–	1,374
	<b>3,778</b>	4,465	7,213

A second interim dividend of 2.0p (2012: 2.0p) per share, amounting to £1,374,000 (2012: £1,374,000) has been declared payable in respect of the six months ended 28 February 2013.

In 2012 there was a change in dividend policy to rebalance the first three and fourth interim dividends with a higher proportion of the total being paid as the first three interim dividends.

### 4. Taxation

The Company's effective corporation tax rate is nil, as deductible expenses exceed taxable income. The tax charge comprises irrecoverable overseas withholding tax deducted from dividends receivable.

### 5. Return per Ordinary share

	(Unaudited) For the six months ended 28 February 2013 £'000	(Unaudited) For the six months ended 29 February 2012 £'000	(Audited) For the year ended 31 August 2012 £'000
Revenue return	2,139	2,582	6,886
Capital return	18,261	8,885	8,640
Total return	<b>20,400</b>	11,467	15,526
Weighted average number of Ordinary shares in issue during the period	<b>68,688,343</b>	68,688,343	68,688,343
Revenue return per share	<b>3.11p</b>	3.76p	10.02p
Capital return per share	<b>26.59p</b>	12.93p	12.58p
Total return per share	<b>29.70p</b>	16.69p	22.60p

### 6. Net asset value per Ordinary share

Net asset value per share is calculated by dividing shareholders' funds by the number of shares in issue at 28 February 2013 of 68,688,343 (29 February 2012: 68,688,343 and 31 August 2012: 68,688,343).

## 7. Reconciliation of total return on ordinary activities before finance costs and taxation to net cash inflow from operating activities

	(Unaudited) For the six months ended 28 February 2013 £'000	(Unaudited) For the six months ended 29 February 2012 £'000	(Audited) For the year ended 31 August 2012 £'000
Total return on ordinary activities before finance costs and taxation	<b>20,463</b>	11,490	15,638
Less capital return on ordinary activities before finance costs and taxation	<b>(18,288)</b>	(8,889)	(8,671)
Decrease/(increase) in accrued dividends and interest receivable	<b>321</b>	222	(96)
Increase in other debtors	<b>(1)</b>	(6)	(27)
Management fee and performance fee allocated to capital	<b>(446)</b>	(325)	(716)
(Decrease)/increase in accrued expenses	<b>(2)</b>	(107)	31
Increase/(decrease) in deferred option income	<b>-</b>	3	(10)
Net cash inflow from operating activities	<b>2,047</b>	2,388	6,149

## Company Summary

### The Company

Schroder Income Growth Fund plc was established in March 1995 and is an independent investment trust whose Ordinary shares are listed on the London Stock Exchange. As at 30 April 2013, the Company had 68,688,343 Ordinary shares of 10p each in issue. The Company is administered by Schroders, which also manages its assets.

It is not intended that the Company should have a limited life, but the Directors consider it desirable that shareholders should have the opportunity to review the future of the Company at appropriate intervals. Accordingly, the Articles of Association of the Company contain provisions requiring the Directors to put forward a proposal for the continuation of the Company to shareholders at five yearly intervals. The next proposal will be put forward at the Annual General Meeting in 2015.

### Website and Share Price Information

The Company has a dedicated website, which may be found at [www.schroderincomegrowthfund.com](http://www.schroderincomegrowthfund.com). The website has been designed to be utilised as the Company's primary method of electronic communication with shareholders. It contains details of the Company's share price (subject to a delay of 15 minutes) and copies of Report and Accounts and other documents published by the Company as well as information on the Directors, Terms of Reference of Committees and other governance arrangements. In addition, the site contains links to announcements made by the Company to the market, Equiniti's shareview service and Schroders' website. There is also a section entitled "How to Invest" which provides details of the Schroder ISA.

The Company releases its net asset value on both a cum and ex income basis to the market daily.

Share price information may also be found in the Financial Times and on Schroders' website at [www.schroders.co.uk/its](http://www.schroders.co.uk/its).

### Registrar Services

Communications with shareholders are mailed to the address held on the register. Any notifications and enquiries relating to shareholdings, including a change of address or other amendment should be directed to Equiniti Limited at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA. The helpline telephone number of Equiniti Registrars is 0800 032 0641. Calls to this number are free of charge from UK landlines. Other telephone providers' costs may vary.

Equiniti maintains a web-based enquiry service for shareholders. Currently the "Shareview" site (address below) contains information available on public registers. Shareholders will be invited to enter their name, shareholder reference (account number) and postcode and will be able to view information on their own holding. Visit [www.shareview.co.uk](http://www.shareview.co.uk) for more details.

### Association of Investment Companies

The Company is a member of the Association of Investment Companies. Further information on this association can be found on its website: [www.theaic.co.uk](http://www.theaic.co.uk).

[www.schroderincomegrowthfund.com](http://www.schroderincomegrowthfund.com)