



Trojan Income Fund

www.taml.co.uk

May 2011

INVESTMENT OBJECTIVE of the Trojan Income Fund is to provide an above average income with the potential for capital growth in the medium term. The policy is to invest substantially in UK and overseas equities and fixed interest securities but may also invest in collective investment schemes and money market instruments. Any comparisons against indices are for illustrative purposes only.

Prices	All data as at 31st May 2011				Yield	Fund Size	
172.09p 'O' accumulation shares	130.97p 'O' income shares				4.3%	£283m	
Percentage Growth from 30/09/2004 to 31/05/2011				Asset Allocation			
Total Return to 31 May 2011	Since 30/10/04 Since launch	31/05/2006 5 years	31/05/2008 3 years	31/05/2009 2 years	31/05/2010 1 year	30/11/2010 6 months	
Trojan Income Fund	+72.1%	+45.3%	+27.3%	+39.7%	+22.0%	+11.1%	
LIBID*	+25.6%	+16.3%	+4.5%	+0.9%	+0.5%	+0.2%	
IMA UK Equity Income	+55.9%	+16.1%	+10.7%	+43.1%	+19.6%	+10.1%	
FTSE All Share Index	+72.9%	+27.7%	+13.0%	+48.0%	+20.4%	+10.8%	
Discrete Calendar Annual Returns	2005	2006	2007	2008	2009	2010	2011 YTD
Trojan Income Fund	+11.7%	+16.8%	+5.0%	-12.1%	+14.7%	+14.4%	+5.1%
<p>*London Inter Bank Bid Rate # From launch (30.09.04)</p> <p style="text-align: center;">Past performance is not a guide to future performance.</p> <p style="text-align: right;">Source: Lipper Hindsight</p>							

May Commentary

Your Fund returned +1.5% during the month compared to -0.7% for the FTSE All Share Index.

As in 2010 the financial press is currently dominated by the debate surrounding a new Greek bailout and concerns are escalating over the worsening US economic data. Again we are approaching the end of a Federal Reserve Quantitative Easing package and already we are hearing the first calls from the most sensitive investors for a third tranche of extraordinary monetary support. This uncertainty has led to a reduction in

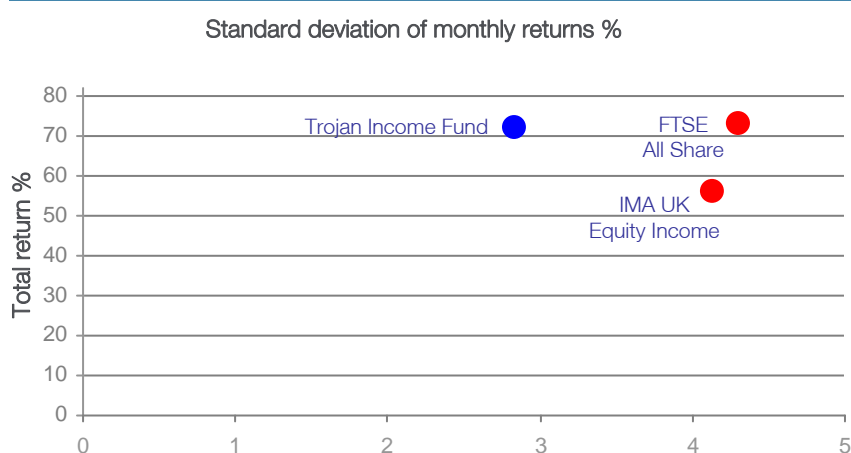
risk appetite and equity indices have traded sideways. As investors sought the reassurance of more stable earnings streams many higher quality stocks, including those held within the Fund, performed well compared to the broad index.

During the month the Fund's holding in United Utilities was sold. This utility was trading on a high p/e multiple of 16x. This is in line with businesses such as Nestlé that we consider far superior on many different measures. We reinvested the proceeds in 3I Infrastructure

which yields just under 5%. This investment company holds stakes in a number of utilities and infrastructure assets in the UK and overseas. The investment was made at a small discount to NAV.

The weakness of the Western economic recovery is not good for equity markets but it is important to recognise that many high quality, well financed companies will continue to deliver positive returns to investors in the form of dividends and modest capital returns.

Return vs volatility since launch



Source: Lipper Hindsight

Risk analysis	Fund	Index*
Total return	+72.1%	+72.9%
Max drawdown ¹	-23.4%	-41.1%
Best month	+6.6%	+9.9%
Worst month	-6.9%	-13.2%
Positive months	67.5%	60.0%

¹ Measures the worst investment period * FTSE All Share

Top 10 Holdings (excl short-dated gov't bonds)	% Fund
Vodafone	4.1
Nestlé	4.1
BP	3.9
Unilever	3.8
British American Tobacco	3.7
Royal Dutch Shell	3.7
GlaxoSmithKline	3.6
Imperial Tobacco	3.5
Centrica	3.4
Tesco	3.1
Total Top 10	36.9
32 other holdings	54.1
Cash & equivalent	9.0
Total	100.0

Awards



Fund Information

A copy of the latest Prospectus upon which you should base your investment is available from Capita Financial Managers, the Funds Authorised Corporate Director and Administrator on 0845 608 0950

Structure	Management Fee	Dealing
Sub-fund Trojan Investment	'O' (ordinary) shares: 1.00%	Daily at noon
Funds OEIC	'S' (charity) shares: 0.75%	Tel: 0845 608 0950
Investment Adviser	'I' (intermediary) shares: 1.50%	Registrar
Troy Asset Management Ltd	Dilution Levy 0.50%	Capita Finance Administrators Limited
Brookfield House	Total Expense Ratio	Auditor
44 Davies Street	'O' shares: 1.07%	Ernst & Young LLP
London W1K 5JA	Dividend Ex Dates	Depository
Tel: 020 7499 4030	1 Aug (interim), 1 Feb (final)	BNY Mellon Trust & Depository (UK) Limited
Fax: 020 7491 2445	Dividend Pay Dates	Bloomberg
email: info@taml.co.uk	30 Sep (interim), 31 Mar (final)	TROJINC_LN (Acc), TROJINI_LN (Inc)
Fund Manager	Fund Yield (historic) 4.3%	SEDOL
Francis Brooke	Minimum Investment £1,000	B01BP17 (Acc), B01BNW4 (Inc)
Currency £ Sterling	Authorised Corporate Dealer	Pricing
Initial Fee Nil	Capita Financial Managers Limited	Fund prices published daily in the FT
	Tel: 0845 300 2110	Launch Date 30 September 2004

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