

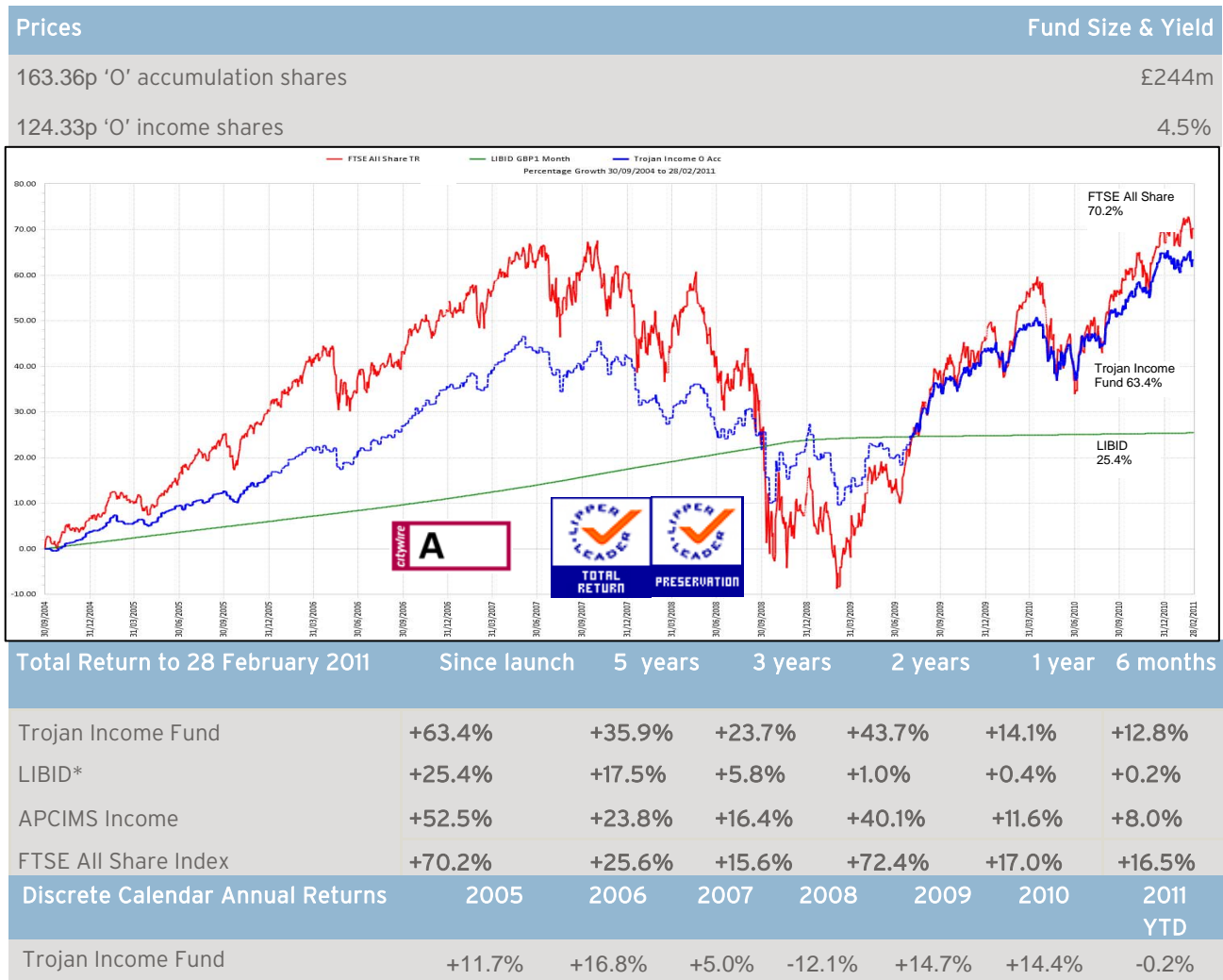


Trojan Income Fund

28 February 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.



February Commentary

Past performance is not a guide to future performance.

The Fund return of +1.8% in the month compares with a return of +2.4% for the FTSE All Share Index. Equities continued to make erratic progress. The UK market moved up strongly in the first half of the month before investor confidence was derailed by the development of a political crisis in Libya. As a significant oil producer the risk of disruption to production sent the oil price to over \$115, which was enough to send markets lower.

The inflationary impact of higher oil prices added to the debate being played out by the members of the Monetary Policy Committee which seems to be moving inexorably towards raising short term interest rates later this year. The monetary tightening which may be needed to choke off

inflationary pressures could also stifle a weak recovery, so the argument is finely balanced. The Governor's view that 4-5% inflation is temporary and will fall meekly back to the 2% target carries considerable risk in our view.

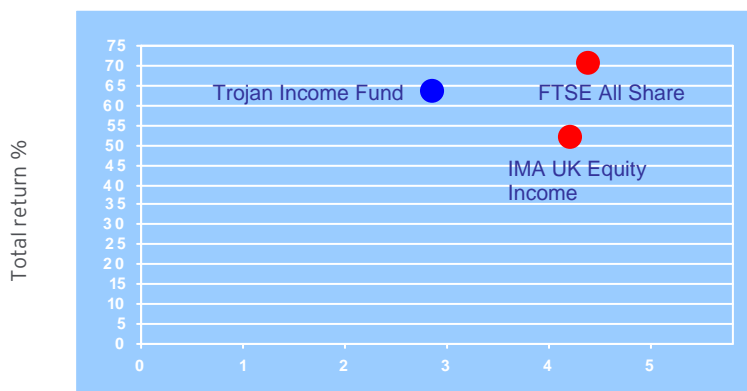
The first month of the Fund's financial year brought good news for the revenue account. BP returned to the dividend list, albeit at half the pre-oil spill rate, while three large holdings in the fund (Nestle, Centrica and BAT Industries) announced bumper double digit dividend increases. These were ahead of our expectations. When combined with more modest increases from companies like Diageo and Primary Health Properties the prospects for the year are very encouraging.

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Return v Volatility (since launch)



Standard deviation of monthly returns %

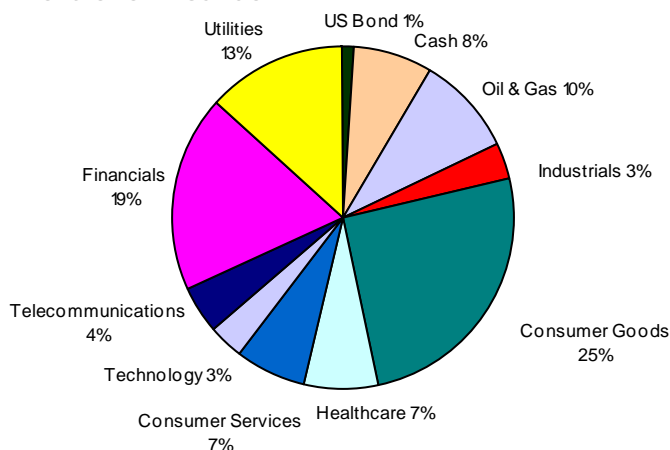
Source: Lipper Hindsight

Risk analysis	Fund	Index*
Total return	+63.4%	+70.2%
Max drawdown ¹	-23.4%	-41.1%
Best month	+6.6%	+9.9%
Worst month	-6.9%	-13.2%
Positive months	+66.7%	+60.9%

¹ Measures the worst investment period

* FTSE All Share

Portfolio Breakdown



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

Top 10 Equity Holdings	% Fund
Royal Dutch Shell 'B'	4.3
Vodafone	4.3
British American Tobacco	3.8
GlaxoSmithKline	3.7
Unilever	3.7
Imperial Tobacco	3.6
Centrica	3.1
AstraZeneca	2.9
Tesco	2.9
Nestlé	2.8
Total Top 10	35.1
34 other holdings	57.3
Cash	7.6
Total	100.0

Source: Troy Asset Management, Lipper Hindsight

Fund Information

Structure	Sub-fund of Trojan Investment Funds OEIC	Dividend Ex Dates	1 Aug (interim), 1 Feb (final)
		Dividend Pay Dates	30 Sep (interim), 31 Mar (final)
Investment Adviser	Troy Asset Management Ltd Brookfield House 44 Davies Street London W1K 5JA Tel: 020 7499 4030 Fax: 020 7491 2445 email: info@taml.co.uk	Fund Yield – O INC	4.5%
		Minimum Investment	£1,000
Fund Manager	Francis Brooke	Authorised Corporate Director	Capita Financial Managers Limited Tel: 0845 300 2110
Currency	£ Sterling	Dealing	Daily at noon Tel: 0845 608 0950
Initial Fee	Nil	Registrar	Capita Financial Administrators Limited
Management Fee	'O' (ordinary) shares: 1.00% 'S' (charity) shares: 0.75% 'I' (intermediary) shares: 1.50%	Auditor	Ernst & Young LLP
Dilution Levy	0.50%	Depositary	The Bank of New York Trust & Depositary Company
Total Expense Ratio	'O' shares: 1.07%	Bloomberg SEDOL	TROJINC_LN (Acc), TROJIN_LN (Inc) B01BP17 (Acc), B01BNW4 (Inc)
		Pricing	Fund prices published daily in the FT
		Launch Date	30 September 2004

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