Dunedin Income Growth Investment Trust PLC

An investment trust offering income and capital growth mainly from UK equities, founded in 1873

Half Yearly Report
31 July 2018

Contents

Investment Objective

The Company's objective is to achieve growth of income and capital from a portfolio invested mainly in companies listed or quoted in the United Kingdom.

Benchmark

The Company's benchmark is the FTSE All-Share Index (total return). Performance is measured on a net asset value total return basis over the long-term.

Highlights and Financial Calendar

	31 July 2018	31 January 2018	% change
Total assets[A]	£522,495,000	£512,159,000	+2.0
Equity shareholders' funds	£452,499,000	£442,384,000	+2.3
Market capitalisation	£391,304,000	£389,167,000	+0.5
Net asset value per Ordinary share	304.13p	295.55p	+2.9
Net asset value per Ordinary share with debt at fair value[B]	291.16p	283.04p	+2.9
Share price per Ordinary share (mid)	263.00p	260.00p	+1.2
Discount to net asset value with debt at fair value[AB]	9.7%	8.1%	
Revenue return per Ordinary share[C]	8.39p	7.85p	+6.9
Gearing – net[A]	13.8%	14.4%	
Gearing – equity[A]	7.2%	7.8%	
Ongoing charges[A]	0.61%	0.61%	

[A] Considered to be an Alternative Performance Measure.
[B] Based on capital only net asset values (see note 7 for disclosure on net asset values).
[C] Figure for 31 July 2018 is for six months to that date. Figure for 31 January 2018 is for the six months to 31 July 2017.

Performance (total return[A])

	Six months ended 31 July 2018	Year ended 31 January 2018
Net asset value per Ordinary share[B]	+5.6%	+12.0%
Share price per Ordinary share	+3.9%	+11.3%
FTSE All-Share Index	+5.0%	+11.7%

[A] Considered to be an Alternative Performance Measure.
[B] Debt at fair value.

A summary of the Alternative Performance Measures is provided on pages 20 and 21.

Financial Calendar

24 August 2018 **23 November 2018** **22 February 2019** **31 May 2019**	Payment dates of quarterly dividends
31 January 2019	Financial year end
March 2019	Expected announcement of results for year ended 31 January 2019
23 May 2019	Annual General Meeting (Dundee)

Half Yearly Board Report – Chairman's Statement

Review of the Period

The Company continued to deliver solid absolute and relative returns for the six month period ended 31 July 2018. The net asset value ("NAV") increased by 5.6% on a total return basis, outperforming its benchmark, the FTSE All-Share Index, which produced a total return of 5.0%. The share price total return for the period was 3.9%, reflecting a widening of the discount at which the Company's shares trade to the NAV. The discount at the end of the period (on an ex-income basis with borrowings stated at fair value) was 9.7%, compared to 8.1% at the beginning of the period.

Although equity markets ended the period higher, there was a significant increase in volatility over the six months with the FTSE All-Share Index falling sharply during February and March as investors became concerned about the timings of future interest rate rises. However, as economic indicators, particularly in the US, remained strong, markets regained their confidence, with the FTSE All Share Index, further boosted by a sharp decline in Sterling, reaching a new all-time high in May.

The Investment Manager has continued to implement our strategy of reducing the dependence on higher yielding, lower growth companies, and increasing the exposure to lower yielding high quality businesses with good long-term growth prospects. As we have stated in previous reports, this strategy should enhance the Company's longer term potential for both faster dividend growth and better capital performance. Our distribution policy remains to grow the dividend faster than inflation over the medium term and, with the Company's increasingly robust revenue reserves and the healthy underlying dividend growth of the companies within the portfolio, that policy remains well supported.

The Board is encouraged by the progress made so far by the Investment Manager in executing the strategy. This reduces income in the short term but lays the potential for a higher underlying rate of income growth from the portfolio in the longer term. As a result of the changes over the last two years the Company's portfolio now has much stronger quality characteristics, including higher returns on equity, higher margins and lower levels of financial indebtedness. Income considered at risk has continued to decline while the underlying rate of dividend growth for the companies held within the portfolio has increased. The portfolio's positioning has also become more distinct, with mid and small cap companies now making up approximately 30% of the portfolio and its active share is now almost 68% compared with just over 60% two years ago.

A detailed review of portfolio activity during the period is contained in the Investment Manager's Review.

Earnings and Dividends

Revenue earnings per share increased by 6.9% during the period to 8.39p per share (2017: 7.85p), due to an increase in income generated from option writing as the Investment Manager took advantage of increased volatility in markets, and the receipt of several special dividends. The underlying level of dividend income earned during the period was also generally ahead of the Investment Manager's expectations.

A first interim dividend in respect of the year ending 31 January 2019, of 3.0p per share (2018: 2.575p), was paid on 24 August 2018 and the Board has declared a second interim dividend of 3.0p per share (2018: 2.575p), which will be paid on 23 November 2018 to shareholders on the register on 2 November 2018.

The rate of first and second interim dividends have been increased this year, having last been increased in August 2013. The Board has been mindful that the increases in the overall annual rate of dividend since 2013 have caused the final dividend to become a growing percentage of the total annual payment. The Board therefore decided (and announced this intention on 2 July 2018) to increase the rate of each interim dividend this year to 3.0p per share so as to create a more even balance between the rates of the interim and final dividends. The 16.5% increase in the rate of interim dividends therefore represents a rebalancing of dividend payments.

As a result of this rebalancing, the final dividend is expected to be lower than last year but it remains the Board's intention to continue a policy of growing total annual dividends in real terms.

Gearing

The Company currently employs three sources of gearing. The £28.6 million debenture maturing in April 2019, the £30 million loan notes maturing in 2045, and a new three year £15 million multi-currency revolving credit facility that was taken out in July 2018. The revolving credit facility replaced the previous £25 million facility that expired at that time. Under the terms of the facility the Company has the option to increase the level of the commitment from £15 million to £30 million at any time, subject to the lender's credit approval. A Sterling equivalent of £11.7 million was drawn down under the facility at the end of the period.

The proceeds of the loan note issuance are invested in a portfolio of investment grade bonds which, taking into account the call features or prepayment options on several of the bonds, broadly matches the duration of the 2019 debenture and the income from which largely offsets the interest cost of the issue. The Company's equity gearing is therefore very much lower than the headline gearing figure would suggest. With debt valued at par, the Company's net gearing decreased from 14.4% to 13.8%

during the period and, on a pure equity basis, after netting off cash and bonds, gearing decreased from 7.8% to 7.2%. The Board believes this remains a relatively conservative level of equity gearing and, with the option to increase the commitment under the revolving credit facility, provides the Company with financial flexibility should opportunities to deploy additional capital arise.

Following the repayment of the debenture in April 2019 the Company's overall capital structure will be simpler, with a lower level of absolute borrowings and a portfolio that is entirely invested in equities.

Discount

As stated above, the discount at the end of the period (on an ex-income basis with borrowings stated at fair value) was 9.7%, compared to 8.1% at the beginning of the period.

The Board and Manager monitor the discount level carefully and, during the period, the Company continued to buy back shares, buying back 894,789 shares to hold in treasury at a cost of £2.3 million. The Company has continued to buy back shares since the period end.

Based on last year's annual dividend of 12.1p per share, the dividend yield on the Company's shares was 4.6% at the end of the period. This is one of the highest yields available from the AIC's UK Equity Sector and is approximately 20% higher than the yield available from the UK equity market as measured by the FTSE All-Share Index.

The Board will continue to monitor the level of discount carefully and make further use of the Company's share buy back powers to address any imbalance of supply and demand in the Company's shares. The Board believes that this action, together with the recent improvement in performance, ongoing changes to the portfolio, simplification of the balance sheet in 2019, rebalancing of the dividend and our commitment to grow the dividend faster than inflation over the medium term should all help narrow the Company's discount relative to its peers.

Board Composition

As previously reported, following a formal recruitment process with independent search, Howard Williams was appointed as an independent non-executive Director on 1 April 2018. Howard has over 35 years' of fund management experience and was, until October 2017, Chief Investment Officer and Head of the Global Equity Team at JPMorgan Asset Management.

Outlook

Equity markets remain relatively buoyant although there are a number of headwinds developing, particularly around global trade and the increase in protectionism which could have an impact on global growth, especially at a time of generally tighter monetary policy. In the UK, as Brexit negotiations enter their final phase there is still a great deal of uncertainty regarding the outcome. This, combined with a relatively fluid domestic political situation and an economy that continues to exhibit only modest growth, makes it important to be particularly selective towards the Company's exposure to domestically focused companies.

Following the recent recovery in equity markets your Investment Manager retains a relatively cautious outlook and sees little reason to shift from a conservative focus on higher quality businesses, consistent with delivering your Company's strategy.

David Barron
Chairman
27 September 2018

Half Yearly Board Report – Other Matters

Directors' Responsibility Statement

The Directors are responsible for preparing the Half Yearly Financial Report in accordance with applicable law and regulations. The Directors confirm that to the best of their knowledge:

- the condensed set of financial statements has been prepared in accordance with Financial Reporting Standard 104 'Interim Financial Reporting';
- the Interim Board Report (constituting the interim management report) includes a fair review of the information required by DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the year; and
- the financial statements include a fair review of the information required by DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the financial year and that have materially affected the financial position or performance of the Company during that period, and any changes in the related party transactions described in the last Annual Report that could do so.

Principal Risks and Uncertainties

The Board regularly reviews the principal risks and uncertainties faced by the Company together with the mitigating actions it has established to manage the risks. These are set out within the Strategic Report contained within the Annual Report for the year ended 31 January 2018 and comprise the following risk categories:

- Investment objectives
- Investment strategies
- Investment performance
- Income/dividends
- Financial/market
- Gearing
- Regulatory
- Operational

The Company's principal risks and uncertainties have not changed materially since the date of the Annual Report and are not expected to change materially for the remaining six months of the Company's financial year.

Going Concern

The Company's assets consist mainly of equity shares in companies listed on the London Stock Exchange and in most circumstances are realisable within a short timescale. The Board has set limits for borrowing and derivative contract positions and regularly reviews actual exposures, cash flow projections and compliance with loan covenants. The Company's £28.6 million 7 7/8% Debenture Stock matures on 30 April 2019 and it is the Board's current intention that this will be funded from the realisation of the Company's portfolio of fixed income investments. The Directors believe that the Company has adequate financial resources to continue in operational existence for the foreseeable future and for at least twelve months from the date of this Report. Accordingly, they continue to adopt the going concern basis of accounting in preparing the financial statements.

On behalf of the Board

David Barron
Chairman
27 September 2018

Investment Manager's Review

It has been a particularly busy period for portfolio activity as we continue to progress with our strategic shift away from higher yielding, lower growth investments into companies we believe can drive medium term capital and income growth for the Company. As part of this we have been striving to improve the overall quality of holdings while maintaining appropriate diversity and balancing the near term requirements of the relatively high yield. We would stress that as long term, buy and hold investors we do not expect to be making this number of changes on an ongoing basis, however we are eager to position the Company in the best way to deliver the desired outcome for the long term. With market volatility and new investment ideas coming to the fore in the past six months it has proved an opportune time for us to take action.

We initiated nine new positions that fit into two broad categories. The first category is companies with a below average dividend yield but where we see superior prospects for sustainable growth; the second category is high yielding companies that add diversity to the mix of income with sound business models and well underpinned dividends.

Six of the new entrants fit into the first category: **Abcam**, **Dechra Pharmaceuticals**, **Genus**, **Just Eat**, **Kone** and **London Stock Exchange**. It can be seen from the descriptions below that these are a diverse range of businesses, but what they have in common are sustainable competitive advantages that should allow them to maintain their growth rates, which in turn should translate into strong growth in cash flows and dividends. The majority of these companies are mid-caps where businesses tend to be earlier in their lifecycle and thereby have more scope for expansion.

Abcam specialises in the manufacture and distribution of antibodies used in scientific research. End markets are growing as investment into diagnostics and life sciences expands whilst barriers to entry are high allowing them to make robust margins and returns. At present the dividend yield is low but we are confident that the company can generate double digit dividend growth into the medium term and believe the shares will continue to outperform.

Dechra Pharmaceuticals is a veterinary pharmaceutical company which has exposure to the attractive companion animal market. It has multiple avenues of growth into the medium term including taking market share in the large US market, developing new assets from its pipeline and expanding geographic reach through sensible acquisitions.

Genus is a global leader in the provision of sexing technology primarily for the rearing of pigs and cows. It is well positioned to benefit from increasing global demand for protein from limited resources. Being at the forefront of rapidly advancing genomic technology that selects the best breeding animals, it is well placed to help producers make improvements in herd genetics.

Just Eat operates in the online takeaway market in the UK and in a number of international markets such as Brazil. It benefits from structural growth in the takeaway market as consumers increasingly prioritise convenience with a tailwind from the ongoing shift to online ordering. While the company is not currently paying a dividend we anticipate that the capital light model and strong cash generation should support a healthy pay out to investors within the next few years and one that should increase at good rates over the longer term.

Kone is a Finnish listed elevator and escalator manufacturer which derives the majority of its revenues from its services and spares business which offers high resilience to its earnings, while providing a significant barrier to entry for what is already a reasonably consolidated industry. It is well positioned for growth in emerging markets over the medium term and it keeps a strong balance sheet giving it the option to participate in further industry consolidation should the opportunity arise.

London Stock Exchange has successfully transitioned away from the traditional exchange operations which are now only one third of profits, towards derivative clearing and market data services. This provides the company with a stable income stream and we believe with these exposures it can continue its impressive growth trajectory, earning high and improving returns over time.

Falling into the second category of higher yielding initiations are **Rio Tinto**, **Telecom Plus** and **Direct Line Insurance**.

Rio Tinto owns the highest quality iron ore mining assets in the world giving it sustainable cost advantages over other players in the industry. The company now has a strong culture of capital discipline and, with emphasis on streamlining its areas of focus through asset disposals, this further strengthens its balance sheet and enables it to distribute much of the free cash flow it generates to shareholders as dividends.

Telecom Plus sits at the smaller end of the market cap range and offers household services in the UK such as telecoms and utilities through a network of agents. The company regularly comes top in customer satisfaction surveys and the likely changes to the standard variable tariff for utilities should further improve its competitive position. The yield is attractive and is supported by a strong balance sheet.

Direct Line Insurance is a more mature and cash generative proposition than other names that we have been introducing, however it has a robust competitive position, is prudently capitalised and is committed to returning surplus cash to shareholders. This offers further diversification to the other high yielding companies within the portfolio.

We selectively added to some of the existing positions where we remain confident in the investment theses, for example **Aveva**, **Tecan**, **Amadeus** and **Experian**. We added to **British American Tobacco** and **Vodafone** on relative price weakness as well as participating in an equity raise for **Weir Group**.

To fund these purchases we exited a number of holdings. These fall into various different categories. We exited some positions that are higher yielding but where total return opportunity is lower than we can find elsewhere, examples here being **BP**, **Imperial Brands**, **Inchcape** and **Zurich Insurance**. There were some holdings with average to low yields where we believe likely dividend progression is insufficient to warrant a position such as Nestlé, Roche, Rolls Royce and RPC.

We also exited a few holdings where we see the quality of the franchise deteriorating below the high bar that we set ourselves. For example **Essentra** was sold given concerns over potential operational and cyclical risks within the business, as well as **Wood Group** following the purchase of Amec Foster Wheeler where we had uncertainty over liabilities taken on and its high level of debt. We exited **Sage** noting that the company appears to be finding the transition of its products to the cloud challenging coupled with fears that employees are not easily adjusting to the high performance culture that management advocate. In addition **Inmarsat** was sold following the approach by EchoStar, with the issues around weakness in the maritime division, delays to aviation revenues and the debt burden compromising the quality characteristics of the company. Finally, we exited Temenos on valuation grounds following spectacular share price performance during our holding period.

We have been closely monitoring the impact of these changes on the portfolio and are pleased to see that metrics are moving in line with what we are trying to achieve. For example the percentage of the portfolio invested in companies with dividends growing at over 5% per annum has more than doubled from 21% at the start of 2016 to 44%. The amount invested in companies where we judge there to be heightened risk of a dividend cut has fallen and the active share (a measure of deviation from the benchmark) has risen from just over 60% to almost 68%. In addition, the percentage we have invested in small and mid-cap companies has increased from 15% to around 30%. This process is not complete, but we have made meaningful changes that we firmly believe will drive future capital performance and income growth, whilst keeping the dividend secure.

Performance has been sound in the first half. Some of the relatively recent European holdings have had a positive influence, with French food voucher company **Edenred**, Italian hearing aid retailer **Amplifon** and Swiss life sciences equipment manufacturer **Tecan** performing particularly well. In addition, **Aveva** shares were strong as the market continued to warm to the corporate combination with Schneider Software and recognise the potential synergy benefits from the transaction.

Partially offsetting this was the underweight to the Oil and Gas sector which was strong amidst a rising oil price, as well as not holding Shire and Sky that both received take out bids.

Income generation has also been robust. The dividend season generally ran ahead of our expectations with companies such as **Compass** and **Brunello Cucinelli** beating our forecasts, partially offset by Inmarsat's reduction which we had anticipated. Higher levels of volatility and a desire to implement more strategic changes have continued to present opportunities to generate option premium resulting in above average income during the period. Despite selling down some of the higher yielding names we continue to generate a healthy amount of income and the Company's dividend is well underpinned.

Following the merger of Aberdeen Asset Management with Standard Life the equity teams are now fully integrated. The Company management, investment philosophy and strategy remain unchanged, however we now have significantly greater resource as a combined group that we believe can enhance our ability to find the best investment ideas.

Looking ahead, the global economic environment continues to be relatively benign, however there are indications that underlying growth momentum may be gently slowing and regional divergence increasing. We are conscious that a rise in protectionism could have a significant impact on growth with the potential to also increase inflationary pressures. Closer to home, the outcome of negotiations between the UK and the European Union remains unclear and until we gain more clarity this uncertainty is likely to act as a brake on growth. With equities rebounding following their dip at the start of the 2018, valuations remain relatively full so we are still cautious on this front. However, we are firm in our stance that in the long run the underlying strength of our holdings will prevail whatever comes of the broader economic picture.

Ben Ritchie & Louise Kernohan
Aberdeen Asset Managers Limited
27 September 2018

Investment Portfolio – Equities

As at 31 July 2018

Company	Sector	Market value £'000	Total assets %
British American Tobacco	Tobacco	25,941	5.0
Prudential	Life Insurance	22,544	4.3
Unilever	Personal Goods	21,427	4.1
Royal Dutch Shell 'B'	Oil & Gas Producers	21,077	4.0
BHP Billiton	Mining	17,862	3.4
Rio Tinto	Mining	15,901	3.0
Vodafone	Mobile Telecommunications	15,256	2.9
Total	Oil & Gas Producers	14,528	2.8
Chesnara	Life Insurance	14,414	2.8
Assura	Real Estate Investment Trusts	14,301	2.7
Ten largest equity investments		**183,251**	**35.0**
Schroders	Financial Services	14,271	2.7
BBA Aviation	Industrial Transportation	12,598	2.4
HSBC Holdings	Banks	12,380	2.4
Rotork	Industrial Engineering	12,298	2.4
Compass	Travel & Leisure	12,217	2.3
AstraZenaca	Pharmaceuticals & Biotechnology	11,905	2.3
Croda	Chemicals	11,822	2.3
Edenred	Support Services	10,507	2.0
GlaxoSmithKline	Pharmaceuticals & Biotechnology	10,439	2.0
Weir	Industrial Engineering	10,102	1.9
Twenty largest equity investments		**301,790**	**57.7**
Close Brothers	Banks	10,098	1.9
Experian	Support Services	9,565	1.8
Diageo	Beverages	9,415	1.8
Aveva	Software & Computer Services	9,368	1.8
Unibail-Rodamco-Westfield	Real Estate Investment Trusts	9,323	1.8
National Grid	Gas Water & Multi-utilities	9,280	1.8
Novo-Nordisk	Pharmaceuticals & Biotechnology	8,979	1.7
Telecom Plus	Fixed Line Telecommunications	8,769	1.7
Kone	Industrial Engineering	8,044	1.6
Standard Chartered	Banks	7,767	1.5
Thirty largest equity investments		**392,398**	**75.1**
Euromoney Institutional Investor	Media	7,137	1.4
Direct Line Insurance	Nonlife Insurance	6,919	1.3
Amplifon	Health Care Equipment & Services	6,879	1.3
Tecan	Health Care Equipment & Services	6,094	1.2
Amadeus	Support Services	5,925	1.1
Ultra Electronics	Aerospace & Defense	5,919	1.1
RELX	Media	5,586	1.1
SGS	Support Services	5,576	1.1
Big Yellow	Real Estate Investment Trusts	5,433	1.0
Hansteen Holdings	Real Estate Investment Trusts	5,100	1.0
Forty largest equity investments		**452,966**	**86.7**

Investment Portfolio – Equities continued

As at 31 July 2018

Company	Sector	Market value £'000	Total assets %
Manx Telecom	Fixed Line Telecommunications	4,747	0.9
Brunello Cucinelli	Personal Goods	4,496	0.9
Grandvision	Health Care Equipment & Services	4,190	0.8
GIMA	Industrial Engineering	3,231	0.6
Genus	Pharmaceuticals & Biotechnology	2,782	0.5
Abcam	Pharmaceuticals & Biotechnology	2,650	0.5
Dechra Pharmaceuticals	Pharmaceuticals & Biotechnology	2,643	0.5
Heineken	Beverages	2,469	0.5
Just Eat	General Retailers	2,371	0.5
London Stock Exchange	Financial Services	2,352	0.4
Total equity investments		**484,897**	**92.8**

Investment Portfolio – Fixed Income Investments

As at 31 July 2018

Company	Sector	Market value £'000	Total assets %
Legal & General Grp 5.875% Var 29/03/49 EMTN	Fixed Income	4,182	0.8
HBOS Cap Funding 6.461% Var Perp	Fixed Income	2,531	0.5
Southern Water Services Finance 6.125% 31/03/19 EMTN	Fixed Income	2,292	0.5
Barclays Bank 8.25% FRN 29/12/49 EMTN	Fixed Income	2,246	0.4
SSE 3.875% Var Perp	Fixed Income	2,140	0.4
Citigroup 5.125% 12/12/18 EMTN	Fixed Income	1,621	0.3
EE Finance 4.375% 28/03/19 EMTN	Fixed Income	1,575	0.3
Rabobank Cap Funding Trust IV 5.556% FRN Perp	Fixed Income	1,555	0.3
FirstGroup 6.125% 18/01/19	Fixed Income	1,531	0.3
Daimler Intl Finance 3.5% 06/06/19 EMTN	Fixed Income	1,222	0.2
Ten largest other investments		**20,895**	**4.0**
Heathrow Funding 6% 20/03/20 EMTN	Fixed Income	1,178	0.2
Asif III Jersey 5% 18/12/18 EMTN	Fixed Income	1,116	0.2
Credit Agricole 8.125% FRN Perp	Fixed Income	1,063	0.2
Imperial Brands Finance 7.75% 24/06/19 EMTN	Fixed Income	1,056	0.2
HSBC Bank Funding 5.862% FRN 29/04/49	Fixed Income	1,049	0.2
Lloyds Bank 5.75% FRN 09/07/25 EMTN	Fixed Income	1,043	0.2
ESB Finance 6.5% 05/03/20 EMTN	Fixed Income	539	0.1
Motability Operations Grp 6.625% 10/12/19 EMTN	Fixed Income	246	0.1
Total fixed income investments		**28,185**	**5.4**
Total equity investments		**484,897**	**92.8**
Net current assets[A]		**9,413**	**1.8**
Total assets less current liabilities (excluding borrowings)		**522,495**	**100.0**

[A] Before deduction of bank borrowings of £11,685,000 and the Debenture Stock of £28,590,000.

Condensed Statement of Comprehensive Income (unaudited)

		Six months ended 31 July 2018			Six months ended 31 July 2017		
		Revenue	Capital	Total	Revenue	Capital	Total
	Note	£'000	£'000	£'000	£'000	£'000	£'000
Gains on investments		–	12,169	12,169	–	28,530	28,530
Income	2	14,259	–	14,259	13,605	–	13,605
Investment management fees		(339)	(508)	(847)	(342)	(513)	(855)
Administrative expenses		(489)	–	(489)	(509)	–	(509)
Exchange losses		–	(280)	(280)	–	(378)	(378)
Net return before finance costs and tax		13,431	11,381	24,812	12,754	27,639	40,393
Finance costs		(728)	(1,087)	(1,815)	(719)	(1,077)	(1,796)
Return before taxation		12,703	10,294	22,997	12,035	26,562	38,597
Taxation	3	(180)	–	(180)	(245)	–	(245)
Return after taxation		**12,523**	**10,294**	**22,817**	**11,790**	**26,562**	**38,352**
Return per Ordinary share (pence)	5	**8.39**	**6.89**	**15.28**	**7.85**	**17.69**	**25.54**

The total column of the Condensed Statement of Comprehensive Income is the profit and loss account of the Company. All revenue and capital items in the above statement derive from continuing operations.

The accompanying notes are an integral part of the financial statements.

Condensed Statement of Financial Position (unaudited)

	Note	As at 31 July 2018 £'000	As at 31 January 2018 £'000
Non-current assets			
Equity securities		484,897	477,015
Fixed interest securities		28,185	28,246
Investments at fair value through profit or loss		513,082	505,261
Current assets			
Debtors		3,153	2,022
Cash and short-term deposits		7,437	5,983
		10,590	8,005
Creditors: amounts falling due within one year			
Bank loans		(11,685)	(11,476)
Debenture Stock 2019		(28,590)	–
Traded options		(74)	–
Other creditors		(1,103)	(1,107)
		(41,452)	(12,583)
Net current liabilities		(30,862)	(4,578)
Total assets less current liabilities		482,220	500,683
Creditors: amounts falling due after more than one year			
Debenture Stock 2019		–	(28,584)
Loan Notes 2045		(29,721)	(29,715)
		(29,721)	(58,299)
Net assets		**452,499**	**442,384**
Capital and reserves			
Called-up share capital		38,419	38,419
Share premium account		4,619	4,619
Capital redemption reserve		1,606	1,606
Capital reserve	6	378,620	370,634
Revenue reserve		29,235	27,106
Equity shareholders' funds		**452,499**	**442,384**
Net asset value per Ordinary share (pence)	7	**304.13**	**295.55**

The accompanying notes are an integral part of the financial statements.

Condensed Statement of Changes in Equity (unaudited)

Six months ended 31 July 2018

	Note	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 31 January 2018		38,419	4,619	1,606	370,634	27,106	442,384
Return after taxation		–	–	–	10,294	12,523	22,817
Dividends paid	4	–	–	–	–	(10,394)	(10,394)
Buyback of Ordinary shares for treasury		–	–	–	(2,308)	–	(2,308)
Balance at 31 July 2018		**38,419**	**4,619**	**1,606**	**378,620**	**29,235**	**452,499**

Six months ended 31 July 2017

	Note	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 31 January 2017		38,419	4,619	1,606	345,486	25,680	415,810
Return after taxation		–	–	–	26,562	11,790	38,352
Dividends paid	4	–	–	–	–	(9,831)	(9,831)
Buyback of Ordinary shares for treasury		–	–	–	(1,032)	–	(1,032)
Balance at 31 July 2017		**38,419**	**4,619**	**1,606**	**371,016**	**27,639**	**443,299**

The accompanying notes are an integral part of the financial statements.

Condensed Statement of Cash Flows (unaudited)

	Six months ended 31 July 2018 £'000	Six months ended 31 July 2017 £'000
Operating activities		
Net return before finance costs and taxation	24,812	40,393
Adjustments for:		
Gains on investments	(12,169)	(28,530)
Exchange losses	280	378
Increase in accrued dividend income	(898)	(395)
Increase in accrued interest income	(83)	(188)
Stock dividends included in dividend income	(615)	(347)
Amortisation of fixed income book cost	284	146
Decrease in other debtors	12	4
Increase in other creditors	222	435
Net tax paid	(342)	(443)
Net cash inflow from operating activities	11,503	11,453
Investing activities		
Purchases of investments	(115,264)	(32,913)
Sales of investments	119,714	33,723
Net cash from investing activities	4,450	810
Financing activities		
Interest paid	(1,796)	(1,785)
Dividends paid	(10,394)	(9,831)
Buyback of Ordinary shares for treasury	(2,238)	(1,032)
Net cash used in financing activities	(14,428)	(12,648)
Increase/(decrease) in cash and cash equivalents	**1,525**	**(385)**
Analysis of changes in cash and cash equivalents during the period		
Opening balance	5,983	8,648
Effect of exchange rate fluctuations on cash held	(71)	81
Increase/(decrease) in cash as above	1,525	(385)
Closing balance	**7,437**	**8,344**

The accompanying notes are an integral part of the financial statements.

Notes to the Financial Statements (unaudited)

1. **Accounting policies**

Basis of preparation

The condensed financial statements have been prepared in accordance with Financial Reporting Standard 104 'Interim Financial Reporting' and with the Statement of Recommended Practice for 'Financial Statements of Investment Trust Companies and Venture Capital Trusts'. They have also been prepared on a going concern basis and on the assumption that approval as an investment trust will continue to be granted.

The Half Yearly financial statements have been prepared using the same accounting policies applied as the preceding annual financial statements, which were prepared in accordance with Financial Reporting Standard 102.

2. **Income**	**Six months ended 31 July 2018 £'000**	**Six months ended 31 July 2017 £'000**
Income from investments		
UK dividend income	9,652	9,634
Overseas dividend income	2,421	2,586
Fixed income	511	683
Stock dividends	615	347
	13,199	13,250
Other income		
Income from traded options	1,060	337
Income from stock lending	–	13
Underwriting commission	–	5
	1,060	355
Total income	**14,259**	**13,605**

3. **Taxation**

The taxation expense reflected in the Condensed Statement of Comprehensive Income is based on the estimated annual tax rate expected for the full financial year. The estimated annual corporation tax rate used for the year to 31 January 2019 is an effective rate of 19%. This is in line with the current corporation tax rate of 19%.

4. **Ordinary dividends on equity shares**	**Six months ended 31 July 2018 £'000**	**Six months ended 31 July 2017 £'000**
Third interim dividend 2018 of 2.575p (2017 – 2.575p)	3,854	3,876
Final dividend 2018 of 4.375p (2017 – 3.975p)	6,540	5,969
Refund of unclaimed dividends	–	(14)
	10,394	**9,831**

A first interim dividend in respect of the year ending 31 January 2019 of 3.0p per Ordinary share (2018 – 2.575p) was paid on 24 August 2018 to shareholders on the register on 3 August 2018. The ex-dividend date was 2 August 2018.

5. Returns per share	Six months ended 31 July 2018 p	Six months ended 31 July 2017 p
Revenue return	8.39	7.85
Capital return	6.89	17.69
Total return	**15.28**	**25.54**

The returns per share are based on the following:

	Six months ended 31 July 2018 £'000	Six months ended 31 July 2017 £'000
Revenue return	12,523	11,790
Capital return	10,294	26,562
Total return	**22,817**	**38,352**
Weighted average number of Ordinary shares	**149,329,893**	**150,193,191**

6. Capital reserves

The capital reserve reflected in the Condensed Statement of Financial Position at 31 July 2018 includes gains of £118,597,000 (31 January 2018 – gains of £126,163,000) which relate to the revaluation of investments held at the reporting date.

7. Net asset value

Equity shareholders' funds have been calculated in accordance with the provisions of Financial Reporting Standard 102. The analysis of equity shareholders' funds on the face of the Condensed Statement of Financial Position does not reflect the rights under the Articles of Association of the Ordinary shareholders on a return of assets. These rights are reflected in the net asset value and the net asset value per share attributable to Ordinary shareholders at the period end, adjusted to reflect the deduction of the Debenture Stock and the Loan Notes at par. A reconciliation between the two sets of figures is given below:

	As at 31 July 2018	As at 31 January 2018
Net assets attributable (£'000)	**452,499**	**442,384**
Number of Ordinary shares in issue at the period end[A]	**148,784,898**	**149,679,687**
Net asset value per Ordinary share	**304.13p**	**295.55p**

[A] Excluding shares held in treasury

Adjusted net assets	**£'000**	**£'000**
Net assets attributable (as above)	452,499	442,384
Unamortised Debenture Stock premium and issue expenses	(10)	(16)
Unamortised Loan Notes issue expenses	(279)	(285)
Adjusted net assets attributable	**452,210**	**442,083**
Number of Ordinary shares in issue at the period end[A]	**148,784,898**	**149,679,687**
Adjusted net asset value per Ordinary share	**303.94p**	**295.35p**

[A] Excluding shares held in treasury.

Net assets – debt at fair value	As at 31 July 2018 £'000	As at 31 January 2018 £'000
Net assets attributable	452,499	442,384
Amortised cost Debenture Stock	28,590	28,584
Amortised cost Loan Notes	29,721	29,715
Market value Debenture Stock	(29,787)	(30,684)
Market value Loan Notes	(35,298)	(35,069)
Net assets attributable – debt at fair value	**445,725**	**434,930**
Number of Ordinary shares in issue at the period end[A]	**148,784,898**	**149,679,687**
Net asset value per Ordinary share (debt at fair value)	**299.58p**	**290.57p**

[A] Excluding shares held in treasury.

Net assets – debt at fair value (capital basis)	£'000	£'000
Net assets attributable – debt at fair value (as above)	445,725	434,930
Less: revenue return for the period	(12,523)	(18,969)
Add: interim dividend paid	–	7,730
Less: refund of unclaimed dividends	–	(32)
Net assets attributable – debt at fair value (capital basis)	**433,202**	**423,659**
Number of Ordinary shares in issue at the period end[A]	**148,784,898**	**149,679,687**
Net asset value per Ordinary share – debt at fair value (capital basis)	**291.16p**	**283.04p**

[A] Excluding shares held in treasury.

8. Transaction costs

During the period expenses were incurred in acquiring or disposing of investments classified as fair value through profit or loss. These have been expensed through capital and are included within gains on investments in the Condensed Statement of Comprehensive Income. The total costs were as follows:

	Six months ended 31 July 2018 £'000	Six months ended 31 July 2017 £'000
Purchases	509	61
Sales	36	18
	545	**79**

9. Fair value hierarchy

FRS 102 requires an entity to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following classifications:

Level 1: unadjusted quoted prices in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: inputs other than quoted prices included within Level 1 that are observable (ie developed using market data) for the asset or liability, either directly or indirectly.

Level 3: inputs are unobservable (ie for which market data is unavailable) for the asset or liability.

The financial assets and liabilities measured at fair value in the Condensed Statement of Financial Position are grouped into the fair value hierarchy at the reporting date as follows:

As at 31 July 2018	Note	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial assets at fair value through profit or loss					
Quoted equities	a)	484,897	–	–	484,897
Quoted bonds	b)	–	28,185	–	28,185
Total		484,897	28,185	–	513,082
Financial liabilities at fair value through profit or loss					
Derivatives	c)	(74)	–	–	(74)
Net fair value		**484,823**	**28,185**	**–**	**513,008**

As at 31 January 2018	Note	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial assets at fair value through profit or loss					
Quoted equities	a)	477,015	–	–	477,015
Quoted bonds	b)	–	28,246	–	28,246
Total		477,015	28,246	–	505,261
Financial liabilities at fair value through profit or loss					
Derivatives	c)	–	–	–	–
Net fair value		**477,015**	**28,246**	**–**	**505,261**

a) Quoted equities

The fair value of the Company's investments in quoted equities has been determined by reference to their quoted bid prices at the reporting date. Quoted equities included in Fair Value Level 1 are actively traded on recognised stock exchanges.

b) Quoted bonds

The fair value of the Company's investments in quoted bonds has been determined by reference to their quoted bid prices at the reporting date. Bonds included in Fair Value Level 2 are Corporate Bonds. Investments categorised as Level 2 are not considered to trade in active markets.

c) Derivatives

The fair value of the Company's investments in Exchange Traded Options has been determined using observable market inputs on an exchange traded basis and has been included in Fair Value Level 1.

10. Transactions with the Manager

The Company has agreements with the Standard Life Aberdeen Group (the "Manager") for the provision of investment management, secretarial, accounting and administration and promotional activity services.

The management fee is calculated, on a monthly basis, at 0.45% per annum on the first £225 million, 0.35% per annum on the next £200 million and 0.25% per annum on amounts over £425 million of the net assets of the Company, with debt at par and excluding commonly managed funds. The management fee is chargeable 40% to revenue and 60% to capital. During the period £847,000 (31 July 2017 – £855,000) of investment management fees were payable to the Manager, with a balance of £143,000 (31 July 2017 – £nil) being due at the period end. There were no commonly managed funds held in the portfolio during the six months to 31 July 2018 (2017 – none).

The management agreement may be terminated by either party on not less than six months' written notice. On termination by the Company on less than the agreed notice period the Manager would be entitled to receive fees which would otherwise have been due up to that date.

The Manager also receives a separate promotional activities fee which is based on a current annual amount of £310,000 (+ VAT) payable quarterly in arrears. During the period £186,000 (31 July 2017 – £186,000) of fees were payable to the Manager, with a balance of £31,000 (31 July 2017 – £31,000) being due at the period end.

11. Segmental information

The Company is engaged in a single segment of business, which is to invest mainly in equity securities. All of the Company's activities are interrelated, and each activity is dependent on the others. Accordingly, all significant operating decisions are based on the Company as one segment.

12. The financial information contained in this Half Yearly Financial Report does not constitute statutory accounts as defined in Sections 434 – 436 of the Companies Act 2006. The financial information for the six months ended 31 July 2018 and 31 July 2017 has not been audited.

The information for the year ended 31 January 2018 has been extracted from the latest published audited financial statements which have been filed with the Registrar of Companies. The report of the auditor on those accounts contained no qualification or statement under Section 498 of the Companies Act 2006.

The auditor has reviewed the financial information for the six months ended 31 July 2018 pursuant to the Auditing Practices Board guidance on Review of Interim Financial Information. The report of the auditor is on page 19.

13. This Half Yearly Financial Report was approved by the Board on 27 September 2018.

Independent Review Report to Dunedin Income Growth Investment Trust PLC

We have been engaged by the Company to review the condensed set of financial statements in the Half Yearly Financial Report for the six months ended 31 July 2018 which comprises the Condensed Statement of Comprehensive Income, Condensed Statement of Financial Position, Condensed Statement of Changes in Equity, the Condensed Statement of Cash Flows and the related explanatory notes 1 to 13. We have read the other information contained in the Half Yearly Financial Report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the Company in accordance with International Standard on Review Engagements (UK and Ireland) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board. Our work has been undertaken so that we might state to the Company those matters we are required to state to it in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our review work, for this report, or for the conclusions we have formed.

Directors' Responsibilities

The Half Yearly Financial Report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the Half Yearly Financial Report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

As disclosed in note 1, the annual financial statements of the Company are prepared in accordance with United Kingdom Generally Accepted Accounting Practice (including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). The condensed set of financial statements included in this Half Yearly Financial Report has been prepared in accordance with Financial Reporting Standard 104 'Interim Financial Reporting'.

Our Responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the Half Yearly Financial Report based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of half yearly financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the Half Yearly Financial Report for the six months ended 31 July 2018 is not prepared, in all material respects, in accordance with Financial Reporting Standard 104 and Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Deloitte LLP
Statutory Auditor
Edinburgh
UK
27 September 2018

Alternative Performance Measures ("APMs")

Alternative performance measures are numerical measures of the Company's current, historical or future performance, financial position or cash flows, other than financial measures defined or specified in the applicable financial framework. The Company's applicable financial framework includes FRS 102 and the AIC SORP.

The Directors assess the Company's performance against a range of criteria, including the performance measures noted below, which are viewed as particularly relevant for closed-end investment companies.

Total assets

Defined as total assets per the Statement of Financial Position less current liabilities (before deduction of bank loans and Debenture Stock).

Total assets calculation	31 July 2018 £'000	31 January 2018 £'000
Total assets less current liabilities	482,220	500,683
Bank loans	11,685	11,476
Debenture Stock 2019	28,590	–
	522,495	**512,159**

Total return

NAV total return involves investing the same net dividend in the NAV of the Company with debt at fair value at the time the shares were quoted ex-dividend. Share price total return involves reinvesting the net dividend in the month that the share price goes ex-dividend.

The tables below provide information relating to the NAVs and share prices of the Company on the dividend reinvestment dates during the six months ended 31 July 2018 and the year ended 31 January 2018.

Six months ended 31 July 2018	Dividend rate	NAV[A]	Share price
31 January 2018	N/A	290.57p	260.00p
1 February 2018	2.575p	285.03p	256.00p
3 May 2018	4.375p	282.72p	253.00p
31 July 2018	N/A	299.58p	263.00p
Total return		**5.6%**	**3.9%**

Year ended 31 January 2018	Dividend rate	NAV[A]	Share price
31 January 2017	N/A	270.34p	243.50p
2 February 2017	2.575p	269.01p	243.50p
4 May 2017	3.975p	285.04p	257.50p
3 August 2017	2.575p	290.39p	261.00p
2 November 2017	2.575p	291.81p	262.88p
31 January 2018	N/A	290.57p	260.00p
Total return		**12.0%**	**11.7%**

[A] Cum-income NAV with debt at fair value

Share price discount to net asset value per share

The discount is the amount by which the market price per share of an Investment Trust is lower than the net asset value per share. The discount is normally expressed as a percentage of the net asset value per share.

		31 July 2018	31 January 2018
NAV per Ordinary share – capital only (p)	a	**291.16**	**283.04**
Share price (p)	b	**263.00**	**260.00**
Discount	(a – b) ÷ a	**9.7%**	**8.1%**

Ongoing charges

Ongoing charges ratio is calculated in accordance with guidance issued by the AIC and represents the total of the investment management fee and administrative expenses (annualised) divided by the average cum income net asset value throughout the period. The ratio for 31 July 2018 is based on forecast ongoing charges for the year ending 31 January 2019. The ratio for 31 January 2018 is based on ongoing charges for the year ended 31 January 2018.

		31 July 2018	31 January 2018
Investment management fees (£'000)		1,721	1,717
Administrative expenses (£'000)		928	954
Less: non-recurring charges (£'000)		(8)	(30)
Ongoing charges (£'000)	a	**2,641**	**2,641**
Average net assets (£'000)	b	**433,792**	**433,055**
Ongoing charges ratio	(a ÷ b)	**0.61%**	**0.61%**

Gearing

Net gearing is calculated by dividing total borrowings less cash and cash equivalents by shareholders' funds, expressed as a percentage.

Net gearing calculation		31 July 2018 £'000	31 January 2018 £'000
Loan Notes 2045		29,721	29,715
Debenture Stock 2019		28,590	28,584
Bank loans		11,685	11,476
Cash and cash equivalents		(7,437)	(5,983)
	a	**62,559**	**63,792**
Shareholders' funds	b	**452,499**	**442,384**
Net gearing	(a ÷ b)	**13.8%**	**14.4%**

Equity gearing is calculated as the amount by which the total value of equity securities exceeds shareholders' funds, expressed as a percentage of shareholder funds.

Equity gearing calculation		31 July 2018 £'000	31 January 2018 £'000
Total equity investments	a	**484,897**	**477,015**
Shareholders' funds	b	**452,499**	**442,384**
Equity gearing	(a ÷ b)	**7.2%**	**7.8%**

Investor Information

Alternative Investment Fund Managers Directive ("AIFMD") and Pre-Investment Disclosure Document ("PIDD")

The Company has appointed Aberdeen Fund Managers Limited as its alternative investment fund manager and The Bank of New York Mellon (International) Limited as its depositary under the AIFMD.

The AIFMD requires Aberdeen Fund Managers Limited, as the Company's AIFM, to make available to investors certain information prior to such investors' investment in the Company. Details of the leverage and risk policies which the Company is required to have in place under the AIFMD are published in the Company's PIDD which can be found on its website: dunedinincomegrowth.co.uk.

Investor Warning: Be alert to share fraud and boiler room scams

Aberdeen Standard Investments has been contacted by investors informing us that they have received telephone calls and emails from people who have offered to buy their investment company shares, purporting to work for Aberdeen Standard Investments or for third party firms. Aberdeen Standard Investments has also been notified of emails claiming that certain investment companies under our management have issued claims in the courts against individuals. These may be scams which attempt to gain your personal information with which to commit identity fraud or could be 'boiler room' scams where a payment from you is required to release the supposed payment for your shares. These callers/senders do not work for Aberdeen Standard Investments and any third party making such offers/claims has no link with Aberdeen Standard Investments.

Aberdeen Standard Investments does not 'cold-call' investors in this way. If you have any doubt over the veracity of a caller, do not offer any personal information, end the call and contact our Customer Services Department.

The Financial Conduct Authority provides advice with respect to share fraud and boiler room scams at: fca.org.uk/consumers/scams

Shareholder Enquiries

For queries regarding shareholdings, lost certificates, dividend payments, registered details and related matters, shareholders holding their shares directly in the Company are advised to contact the Registrars (see Corporate Information). Changes of address must be notified to the Registrars in writing.

If you have any general questions about your Company, the Manager or performance, please telephone the Aberdeen Standard Investments Customer Services Department, send an email to inv.trusts@aberdeenstandard.com or write to:

Aberdeen Standard Investment Trusts
PO Box 11020
Chelmsford
Essex CM99 2DB

Dividend Tax Allowance

The annual tax-free personal allowance for dividend income for UK investors is £2,000 for the 2018/19 tax year (2017/18: £5,000). Above this amount, individuals pay tax on their dividend income at a rate dependent on their income tax bracket and personal circumstances. The Company provides registered shareholders with a confirmation of dividends paid and this should be included with any other dividend income received when calculating and reporting to HMRC total dividend income received. It is the shareholder's responsibility to include all dividend income when calculating any tax liability.

How to Invest

Investors can buy and sell shares in the Company directly through a stockbroker or indirectly through a lawyer, accountant or other professional adviser. Alternatively, for retail clients, shares can be bought directly through the Aberdeen Standard Investment Plan for Children, Investment Trust Share Plan or Investment Trust Individual Savings Account ("ISA").

Aberdeen Standard Investment Plan for Children

Aberdeen Standard Investments operates an Investment Plan for Children (the "Children's Plan") which covers a number of investment companies under its management, including the Company. Anyone can invest in the Children's Plan (subject to the eligibility criteria as stated within the terms and conditions), including parents, grandparents and family friends. All investments are free of dealing charges on the initial purchase of shares, although investors will suffer the bid-offer spread, which can, on some occasions, be a significant amount. Lump sum investments start at £150 per trust, while regular savers may invest from £30 per month. Investors simply pay Government Stamp Duty (currently 0.5%) on entry where applicable. Selling costs are £10 + VAT. There is no restriction on how long an investor need invest in the Children's Plan, and regular savers can stop or suspend participation by instructing Aberdeen Standard Investments in writing at any time.

Aberdeen Standard Investment Trust Share Plan

Aberdeen Standard Investments operates an Investment Trust Share Plan (the "Plan") through which shares in the Company can be purchased. There are no dealing charges on the initial purchase of shares, although investors will suffer the bid-offer spread, which can, on some occasions, be a significant amount. Lump sum investments start at £250, while regular savers may invest from £100 per month. Investors simply pay Government Stamp Duty (currently 0.5%) on entry where applicable. Selling costs are £10 + VAT. There is no restriction on how long an investor need invest in a Plan, and regular savers can stop or suspend participation by instructing Aberdeen Standard Investments in writing at any time.

Aberdeen Standard Investment Trust ISA

Aberdeen Standard Investments operates an Investment Trust ISA ("ISA") through which an investment may be made of up to £20,000 in the 2018/19 tax year.

There are no brokerage or initial charges for the ISA, although investors will suffer the bid-offer spread, which can be a significant amount. Investors only pay Government Stamp Duty (currently 0.5%) on purchases where applicable. Selling costs are £15 + VAT. The annual ISA administration charge is £24 + VAT, calculated annually and applied on 31 March (or the last business day in March) and collected soon thereafter either by direct debit or, if there is no valid direct debit mandate in place, from the available cash in the ISA prior to the distribution or reinvestment of any income, or, where there is insufficient cash in the ISA, from the sale of investments held in the ISA. Under current legislation, investments in ISAs can grow free of capital gains tax.

ISA Transfer

Investors can choose to transfer previous tax year investments to Aberdeen Standard Investments, which can be invested in the Company while retaining their ISA wrapper. The minimum lump sum for an ISA transfer is £1,000 and is subject to a minimum per trust of £250.

Nominee Accounts and Voting Rights

All investments in the Aberdeen Standard Investments Children's Plan, Investment Trust Share Plan and Investment Trust ISA are held in nominee accounts and investors have full voting and other rights of share ownership.

Keeping You Informed

Further information about the Company may be found on its dedicated website: dunedinincomegrowth.co.uk. This provides access to information on the Company's share price performance, capital structure, London Stock Exchange announcements, current and historic Annual and Half-Yearly Reports, and the latest monthly factsheet on the Company issued by the Manager.

The Company's Ordinary share price appears under the heading 'Investment Companies' in the Financial Times.

Alternatively, please call 0808 500 0040 (Freephone) or email inv.trusts@aberdeenstandard.com or write to the address for Aberdeen Standard Investment Trusts stated above.

Details are also available at: invtrusts.co.uk.

Key Information Document ("KID")

The KID relating to the Company and published by the Manager can be found on the Manager's website at: invtrusts.co.uk/en/investmenttrusts/literature-library.

Literature Request Service

For literature and application forms for Aberdeen Standard Investment's investment trust products, please contact:

invtrusts.co.uk or contact:

Email: aam@lit-request.com
Telephone: 0808 500 4000

Or write to:-

Aberdeen Standard Investment Trusts
PO Box 11020
Chelmsford
Essex CM99 2DB

Terms and Conditions

Terms and conditions for Aberdeen Standard Investments managed savings products can also be found under the Literature section of our website at: invtrusts.co.uk.

Suitable for Retail/NMPI Status

The Company's shares are intended for investors, primarily in the UK, including retail investors, professionally-advised private clients and institutional investors who are seeking growth of income and capital from a portfolio invested mainly in companies listed or quoted in the United Kingdom, and who understand and are willing to accept the risks of exposure to equities.

Investors should consider consulting a financial adviser who specialises in advising on the acquisition of shares and other securities before acquiring shares. Investors should be capable of evaluating the risks and merits of such an investment and should have sufficient resources to bear any loss that may result.

The Company currently conducts its affairs so that the securities issued by the Company can be recommended by a financial adviser to ordinary retail investors in accordance with the Financial Conduct Authority's rules in relation to non-mainstream pooled investments ("NMPIs") and intends to continue to do so for the foreseeable future. The Company's securities are excluded from the Financial Conduct Authority's restrictions which apply to NMPIs because they are securities issued by an investment trust.

Online Dealing

There are a number of online dealing platforms for private investors that offer share dealing, ISAs and other means to invest in the Company. Real-time execution-only stockbroking services allow you to trade online, manage your portfolio and buy UK listed shares. These sites do not give advice. Some comparison websites also look at dealing rates and terms.

Discretionary Private Client Stockbrokers

If you have a large sum to invest, you may wish to contact a discretionary private client stockbroker. They can manage your entire portfolio of shares and will advise you on your investments. To find a private client stockbroker visit The Personal Investment Management & Financial Advice Association at: pimfa.co.uk.

Financial Advisers

To find an adviser who recommends on investment trusts, visit: unbiased.co.uk.

Regulation of Stockbrokers

Before approaching a stockbroker, always check that they are regulated by the Financial Conduct Authority:
Tel: 0800 111 6768 or at fca.org.uk/firms/systems-reporting/register/search
Email: register@fca.org.uk

Note

Please remember that past performance is not a guide to the future. Stock market and currency movements may cause the value of shares and the income from them to fall as well as rise and investors may not get back the amount they originally invested.

As with all equity investments, the value of investment trusts purchased will immediately be reduced by the difference between the buying and selling prices of the shares, the market maker's spread.

Investors should further bear in mind that the value of any tax relief will depend on the individual circumstances of the investor and that tax rates and reliefs, as well as the tax treatment of ISAs, may be changed by future legislation.

The information on pages 22 to 24 has been approved for the purposes of Section 21 of the Financial Services and Markets Act 2000 (as amended by the Financial Services Act 2012) by Aberdeen Asset Managers Limited which is authorised and regulated by the Financial Conduct Authority in the United Kingdom.

Corporate Information

Directors

David Barron (Chairman)
Catherine Claydon
Jasper Judd
Elisabeth Scott
Howard Williams

Registered Office & Company Secretary

Aberdeen Asset Management PLC
40 Princes Street
Edinburgh EH2 2BY

Alternative Investment Fund Manager

Aberdeen Fund Managers Limited
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1 Bread Street
London EC4M 9HH

Investment Manager

Aberdeen Asset Managers Limited
40 Princes Street
Edinburgh EH2 2BY

Aberdeen Customer Services Department, Children's Plan, Share Plan and ISA enquiries

Aberdeen Standard Investment Trusts
PO Box 11020
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(open Monday to Friday, 9.00 a.m. to 5.00 p.m.)
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Company Registration Number

SC00881 (Scotland)

Website

dunedinincomegrowth.co.uk

Registrar

Equiniti Limited
Aspect House
Spencer Road
Lancing
West Sussex BN99 6DA

Shareholder Helpline: 0371 384 2441*

(*Lines open 8.30 a.m. to 5.30 p.m., Monday to Friday excluding bank holidays in England and Wales. Charges for calling telephone numbers starting with '03' are determined by the caller's service provider.)

Overseas helpline number: +44 (0)121 415 7047

Depositary

The Bank of New York Mellon (International) Limited
1 Canada Square
London E14 5AL

Stockbroker

JPMorgan Cazenove
25 Bank Street
Canary Wharf
London E14 5JP

Auditor

Deloitte LLP
Saltire Court
20 Castle Terrace
Edinburgh EH1 2DB

United States Internal Revenue Service FATCA Registration Number ("GIIN")

CJ1DH9.99999.SL.826

Legal Entity Identifier ("LEI")

549300PPXLZPR5JTL763

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Aberdeen Standard Investments