Value and Income Trust PLC

Monthly Factsheet May 2020

KEY FACTS

Market Capitalisation	£76.2m
Total Assets (cum income)	£192.2m
Net Assets (cum income, debt at par)	£120.2m
Net Gearing (debt at par)	38%
Net Yield	7.2%
Five Year Average Annual Dividend Growth	6.8%
Year End	March
Dividends Paid	Jan, Apr, Jul, Oct
Ticker	VIN.L, VIN LN
ISIN	GB0008484718
AIC Sector	UK Equity Income
Next AGM	July 2020, Glasgow

INVESTMENT POLICY & AIMS

Value & Income Trust's ("VIT") policy is to invest in quoted UK equities, UK commercial property and cash or near cash. VIT does not normally invest in overseas shares or unquoted companies.

VIT invests in higher-yielding UK commercial property and quoted equity markets, particularly in medium and smaller sized companies. VIT aims for long-term real growth in dividends and capital value without undue risk.

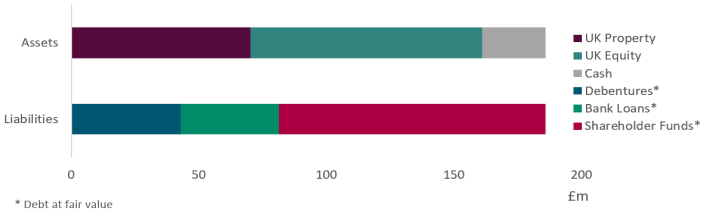
CHARGES

Annual Management Charges	0.6%
OCR to 24/4/20	5.1%
OCR to 24/4/20 excluding debt costs	2.1%

KEY STATISTICS

Share Price	167.3p
NAV (cum income, debt at par)	263.9p
Discount (debt at par)	36.6%
NAV (cum income, debt at fair value)	245.0p
Discount (debt at fair value)	31.7%

DISTRIBUTION OF ASSETS & LIABILITIES

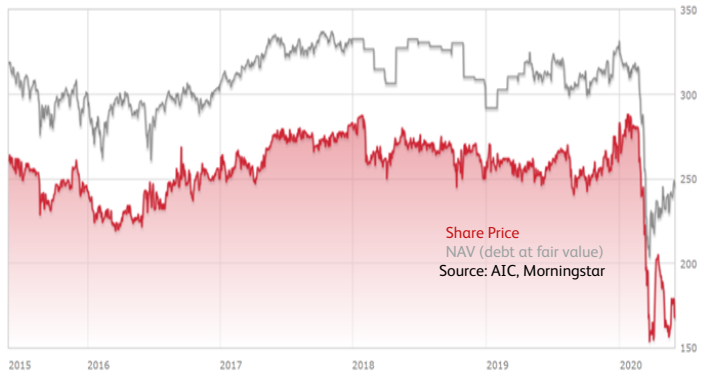


* Debt at fair value

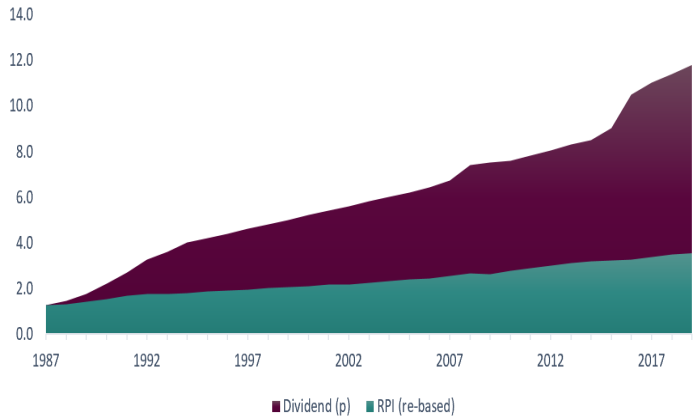
BENCHMARK

The fund is actively managed and is benchmarked against the FTSE All Share Index. The benchmark is a target that the fund seeks to outperform. The index has been chosen as the fund's target benchmark as it best reflects the scope of the fund's investment policy. The benchmark is used solely to measure the fund's performance and does not constrain the fund's portfolio construction.

SHARE PRICE / NAV PERFORMANCE



DIVIDEND HISTORY



CUMULATIVE PERFORMANCE

To 31/05/20	1 Yr	3 Yr	5 Yr	10 Yr
Total Shareholder Return	-28.3%	-30.4%	-19.2%	54.6%
NAV Total Return	-18.0%	-18.0%	-7.2%	70.5%
FTSE All Share Index Total Return	-11.2%	-8.4%	6.9%	80.2%

Source: AIC, Morningstar

DISCRETE PERFORMANCE

	Year to 31/5/16	Year to 31/5/17	Year to 31/5/18	Year to 31/5/19	Year to 31/5/20
Total Shareholder Return	-9.3%	28.1%	1.0%	-3.9%	-28.3%
NAV Total Return	-4.4%	18.4%	3.1%	-2.9%	-18.0%
FTSE All Share Index Total Return	-6.3%	24.5%	6.5%	-3.2%	-11.2%

Source: AIC, Morningstar

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OLIM Investment Managers

PROPERTY COMMENTARY

OLIM Property specialise in commercial properties with long, index-related income streams to deliver strong, long-term real returns. The property portfolio is independently valued by Savills at the end of March and September each year; As at 31 March 2020 the total was £70,200,000 up from 29 February 2020 £70,127,000 (All property valuations from end March 2020 until further notice are subject to a Material Uncertainty Clause due to Covid-19).

Running yield: 6.4% (4 rent reviews completed since March 2020).

All 26 Properties (28 tenancies): 100% let and on full repairing and insuring leases (tenants are responsible for repair, maintenance and outgoings), with upwards only rent reviews and a weighted average unexpired lease term of 17 years (15 years if the tenants' break options are exercised).

Contracted Index-related income: 86% as at May 2020 up from 79% end of March 2019 (RPI-Linked increases 70%, Fixed increases 16%, open market reviews 14%).

Since the end of December: One new purchase completed for £1,427,000 at yield of 8.8% net of purchase costs and one sale completed for £1,375,000 at a yield of 8.3% net of sale costs.

Sub Sectors: Due to a strategic sales programme over the last 10 years the property Fund is now no longer invested in high street shops or retail warehouses. We are in especially close contact with our tenants as they deal with the COVID-19 crisis.

EQUITY COMMENTARY

Equity markets continued their recovery from the March low point, driven higher by loose monetary conditions and some tentative lockdown easing measures. Despite government furlough schemes, unemployment has begun to rise sharply, both in the UK, where there were over 850,000 new unemployment claimants in April alone, and elsewhere around the world. This a worrying sign for the pace of the economic recovery from the lockdown induced halt to economic activity.

VIT's equity portfolio lagged a little behind the FTSE All Share Index in May as high yielding equities struggled again to match the wider market. The main factor affecting performance was stock selection, as several holdings came back after strong performances in April. The fund's two holdings with significant operations in Hong Kong, HSBC and Prudential, were negatively affected by increased tensions resulting from clashes between the authorities and pro-democracy protestors. FDM continued its recovery, rising by over 20%, and Vodafone was also strong (+19%) after the company confirmed its intention to pay its final dividend.

During the month we sold Lloyds Banking Group, which is unlikely to pay a dividend for some time and started a new holding in Telecom Plus which is a discount utility club with over 650,000 members. The company generates a high return on capital, has a strong balance sheet and should continue paying dividends even in the current circumstances.

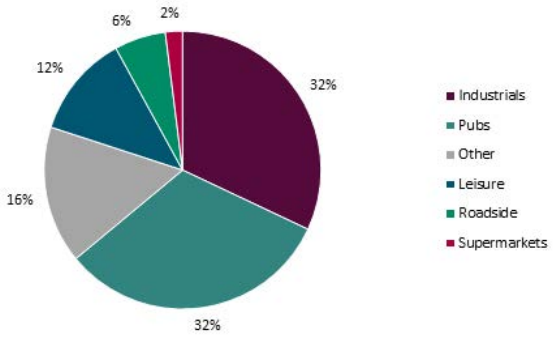
TOP 10 HOLDINGS - PROPERTY PORTFOLIO

Holiday Park, Dover (Caravan Park)	13%
Aylesford (Industrial)	8%
Milton Keynes (Industrial)	7%
Fareham (Industrial)	7%
London (Pub)	5%
Aberdeen (Industrial)	5%
Stafford (Leisure)	4%
Doncaster (Leisure)	4%
Bournemouth (Pub)	4%
Oxted (Pub)	3%

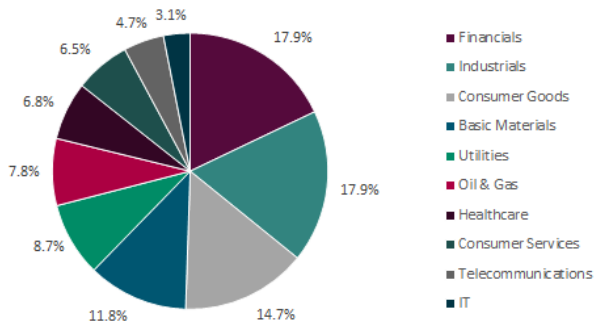
TOP 10 HOLDINGS - EQUITY PORTFOLIO

Unilever	7.3%
GlaxoSmithKline	6.8%
Croda International	5.2%
Pennon	4.9%
Vodafone	4.7%
Spectris	4.3%
DS Smith	4.1%
BP	4.0%
Royal Dutch Shell	3.9%
United Utilities	3.8%

PROPERTY SECTOR ALLOCATION



EQUITY SECTOR ALLOCATION



DISCLAIMER

Please remember past performance is not a reliable indicator of future results. The value of shares and the income from them can go down as well as up as a result of market and currency fluctuations. You may not get back the amount you invest. Before any investment in Value and Income Trust plc (the "Company"), you should obtain and review the current Key Information Document (KID) and Investor Disclosure Document for the Company which is available at: https://www.olimproperty.co.uk/services.html and https://www.olim.co.uk/investment-products/value-and-income-trust/. Nothing in this factsheet should be considered to be or relied upon as constituting investment advice or an investment recommendation. If you are unsure about the suitability of an investment, you should contact your financial advisor. Certain risks: External factors may cause an entire asset class to decline in value and values of all shares or property may decline at the same time, or fluctuate in response to general market conditions. The Company may utilise gearing (borrowing) which will exaggerate market movements both up and down and so may magnify gains or losses. The Company may have investments concentrated in a limited number of companies and/or properties which can be more risky than holding a wider range of investments. The Company has significant exposure to property investments. These assets may be difficult to buy or sell, so changes in their price may be greater. The Company can buy-back its own shares, which can have the effect of increasing gearing. The information and opinions in this factsheet are subject to change. No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions or projections contained herein. To the fullest extent permitted by law the Company, Value and Income Services Limited and their respective representatives shall not have any responsibility or liability whatsoever (for negligence or otherwise) for any loss howsoever arising from any use of this factsheet or its contents or otherwise arising in connection with this document. Company information, including performance calculations and other data is provided by BNP Paribas Securities Services unless otherwise stated. The ongoing charges ratio (OCR) includes the annual management charge and all other operating expenses. Issued and approved by Value and Income Services Limited (No: 467598), registered in Scotland with registered office at Kintyre House, 205 West George Street, Glasgow G2 2LW. Authorised and regulated by the Financial Conduct Authority.