BlackRock

BlackRock Income and Growth Investment Trust plc

July 2021

Key risk factors

Capital at risk The value of investments and the income from them can fall as well as rise and are not guaranteed. Investors may not get back the amount originally invested.

The companies investments may be subject to liquidity constraints, which means that shares may trade less frequently and in small volumes, for instance smaller companies. As a result, changes in the value of investments may be more unpredictable. In certain cases, it may not be possible to sell the security at the last market price quoted or at a value considered to be fairest.

The Company may from time to time utilise gearing. A fuller definition of gearing is given in the glossary.

The latest performance data can be found on the BlackRock Investment Management (UK) Limited website at blackrock.com/uk/brig.

Kepler INCOME RATING

BlackRock Income and Growth was awarded the income rating.
Kepler Rating: As at 30 January 2020

Past performance is not a reliable indicator of current or future results.

blackrock.com/uk/brig

The information contained in this release was correct as at 31 July 2021. Information on the Company's up to date net asset values can be found on the London Stock Exchange website at:
https://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html

Company objective

To provide growth in capital and income over the long term through investment in a diversified portfolio of principally UK listed equities.

Fund information (as at 31/07/21)	
Net asset value - capital only:	198.29p
Net asset value - cum income*:	199.87p
Share price:	195.00p
Total assets (including income):	£43.5m
Discount to NAV (cum income):	2.4%
Gearing:	5.8%
Net yield**:	3.7%
Ordinary shares in issue***:	21,742,207
Gearing range (as a % of net assets)	0-20%
Ongoing charges****:	1.2%

The figures shown relate to past performance. Past performance is not a reliable indicator of current or future results and should not be the sole factor of consideration when selecting a product or strategy.

* includes net revenue of 1.58 pence per share
** The Company's yield based on dividends announced in the last 12 months as at the date of the release of this announcement is 3.7% and includes the 2020 final dividend of 4.60p per share declared on 01 February 2021 and paid to shareholders on 17 March 2021 and the 2021 interim dividend of 2.60p per share declared on 23 June 2021 with a pay date of 1 September 2021.
*** excludes 10,081,532 shares held in treasury
**** Calculated as a percentage of average net assets and using expenses, excluding performance fees and interest costs for the year ended 31 October 2020.

See glossary for further explanation of terms used.

Annual performance to the last quarter end (as at 30/06/21)

	30/06/20 30/06/21 %	30/06/19 30/06/20 %	30/06/18 30/06/19 %	30/06/17 30/06/18 %	30/06/16 30/06/17 %
Net asset value	18.7	-9.8	-1.3	7.8	18.4
Share price	18.2	-12.3	-2.1	7.7	20.6
Benchmark[1]	21.5	-13.0	0.6	9.0	18.1

Cumulative performance (as at 31/07/21)

Sterling	1M%	3M%	1Y%	3Y%	5Y%	Since 1 April 2012[2]
Share price	6.2	7.4	32.5	6.5	28.7	106.6
Net asset value	-0.1	0.9	23.8	4.0	28.2	92.4
Benchmark[1]	0.5	1.8	26.6	5.5	32.3	87.4

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The latest performance data can be found on our website: www.blackrock.com/uk/brig

The above Net Asset Value (NAV) performance statistics are based on a NAV including income, with any dividends reinvested on the ex-dividend date, net of ongoing charges and any applicable performance fee.

A fuller definition of ongoing charges (which includes the annual management fee) is given in the glossary. Details of the management fee are given in the key company details section overleaf. The Company does not have a performance fee.

Share price performance figures are calculated on a mid market basis in sterling terms with income reinvested on the ex-dividend date.

Source: BlackRock, Datastream

[1] The Company's benchmark is the FTSE All-Share Index (on a total return basis).

[2] BlackRock took over the investment management of the Company with effect from 1 April 2012.

*Ten largest investments (in % total assets order 31/07/21)

Company	% of total assets
AstraZeneca	6.4
RELX	4.7
Rio Tinto	4.6
Reckitt Benckiser	4.1
Unilever	4.1
Royal Dutch Shell 'B'	3.8
British American Tobacco	3.7
Ferguson	3.1
3i	2.8
Smith & Nephew	2.8

* These percentages reflect portfolio exposure per stock and include more than one holding per stock where relevant.

Holdings are as at the date shown and do not necessarily represent current or future portfolio holdings. **Risk**: The specific companies identified and described above do not represent all of the companies purchased or sold, and no assumptions should be made that the companies identified and discussed were or will be profitable.

Sector allocations (as at 31/07/21)	% of total assets
Support Services	12.3
Financial Services	8.7
Pharmaceuticals & Biotechnology	8.3
Household Goods & Home Construction	7.9
Mining	6.8
Oil & Gas Producers	5.5
Personal Goods	5.3
Media	4.7
Banks	4.6
Life Insurance	4.5
Tobacco	3.7
Travel & Leisure	3.5
Nonlife Insurance	3.4
General Retailers	3.3
Health Care Equipment & Services	2.8
Food & Drug Retailers	2.0
General Industrials	1.9
Electricity	1.4
Electronic & Electrical Equipment	1.4
Industrial Metals & Mining	1.3
Food Producers	1.1
Real Estate Investment Trusts	1.0
Technology Hardware & Equipment	0.7
Industrial Engineering	0.7
Real Estate Investment & Services	0.1
Net Current Assets	3.1
Total	**100.0**

Comments from the Portfolio Managers

Please note that the commentary below includes historic information in respect of index performance data and the Company's NAV performance.

The figures shown relate to past performance. Past performance is not a reliable indicator of current or future results.

Performance Overview:
The Company returned -0.1% during the month, underperforming the FTSE All-Share Index which returned 0.5%.

Market Summary:
In July, global equity markets were modestly up, however, volatility was high throughout the month due to the increasing number of COVID-19 Delta variant cases and rapid swings of sentiment regarding inflation expectations. Both EU and US equities reached record highs in the first part of the month followed by a significant sell-off and a partial rebound in the second half of July.

10-year U.S. Treasury yields retracted to 1.18%1 (the lowest in 5 months) around mid-July and pulled back up slightly after. According to the U.S. Department of Labor, inflation surged at its fastest pace in nearly 13 years, as the Consumer Price Index (CPI) increased 5.4%2 from a year earlier. Oil prices decreased in July as a result of the Organization of the Petroleum Exporting Countries (OPEC), the oil cartel, agreeing to boost supply driving the valuation of the Energy sector lower.

The UK was hit with disruptions by the "pingdemic" where the NHS Test and Trace application closed down parts of the UK economy despite the government's attempts to lift remaining lockdown restrictions on "Freedom Day". The UK vaccination rollout continued to prove strength with over 70% of the population fully inoculated3. England's participation in the Euro Cup Finals provided a boost to retail sales and the travel and leisure sector also saw a boost later in the month with the announcement of restrictions on inbound arrivals to the UK being eased.

The FTSE All Share Index rose 0.5% with Basic Materials, Technology and Industrials as top performing sectors while Telecommunication, Oil & Gas, and Health Care were top underperformers.

Stocks:
Rentokil was a top positive contributor during the month; the company delivered a strong set of results with revenues accelerating as workplaces reopened and mobility increased. RELX was another top contributor; the company also reported a guidance upgrade, despite continued weakness in its exhibitions business with revenue and profit growth guided to be above historical levels. Another company with a strong statement was 3i as the valuation of their largest position Action, the discount retailer, grew strongly during the first half.

Reckitt Benckiser was the top detractor from the portfolio on the back of the release of a disappointing earnings statement; margin guidance was lowered primarily as a function of higher input costs and dilution from M&A. Smith & Nephew also detracted from the portfolio despite releasing a strong earnings statement where revenues grew by almost 50% since the last quarter.

Portfolio Activity:
During the period, we did not purchase nor sell any holdings. We reduced Smiths Group and Rio Tinto. We also added to Tate & Lyle.

Outlook:
After five years under a Brexit-induced cloud, the relative position of the UK in the eyes of global investors appears to have improved, helped by the vaccination programme, and evidenced by the resurgence in takeover activity as bidders look to capitalise on the discount at which UK equities trade relative to global peers. Specifically, we've seen acquisitions of real assets potentially demonstrating a desire to find unlevered free cash flow.

The pandemic has generated an economic cycle unlike any other with unprecedented fiscal and monetary responses. Despite the continuation of COVID-19 restrictions globally, economic activity has been less impacted as consumers and corporates in Developed Markets have adapted their behaviours since the development of an effective vaccine. Concerns have been raised around new variants; however, recovery has been buoyed by ongoing monumental monetary and fiscal support.

We have seen during this results season, that the growth in economic activity has caused some strains on supply chains with specific industry shortages as well as building inflationary pressures. Whilst there may be a lag time in companies pricing this inflation leading to short term earnings weakness, we continue to concentrate on owning those businesses who display pricing power in the long term. We continue to monitor the bond market to determine if the current surge in inflation is transitory or, fuelled by a more relaxed Fed, a phenomenon that may persist. We are also cognisant of the evolution of relationships between China and the West and the potential impact on industries and shares.

Comments from the Portfolio Managers (continued)

We continue to have conviction in cash-generative companies that have delivered for the portfolio and we foresee delivering into the future. We view the dividend outlook for the UK market with renewed optimism as we expect dividends, in aggregate, to be more resilient and to grow faster in the future as those companies that had been overdistributing for a number of years reset their dividends during the pandemic. Resilience was a crucial feature of the Company and its underlying holdings in 2020 and while this will still be important in 2021, we are excited by the approaching economic recovery and the opportunity to deliver strong capital and dividend growth for our clients over the long-term.

[1] Source: MarketWatch, July 2021 https://www.marketwatch.com/story/10-year-treasury-yield-slides-to-5-month-low-below-1-23-11626695866
[2] Source: CNBS, July 2021 https://www.cnbc.com/2021/07/13/consumer-price-index-increases-5point4percent-in-june-vs-5percent-estimate.html
[3] Source: BBC, August 2021 https://www.bbc.com/news/health-55274833

Any opinions or forecasts represent an assessment of the market environment at a specific time and is not intended to be a forecast of future events or a guarantee of future results. This information should not be relied upon by the reader as research, investment advice or a recommendation.

Risk: Reference to the names of each company in this communication is merely for explaining the investment strategy, and should not be construed as investment advice or investment recommendation of those companies.

Unless otherwise stated all data is sourced from BlackRock as at 31 July 2021.

Country Allocation (as at 30/06/21)	% of total assets
United Kingdom	90.0
United States	3.5
France	1.9
Italy	1.3
Sweden	0.2
Net Current Assets	3.1
Total	**100.0**

Allocations are as of the date shown and do not necessarily represent current or future portfolio holdings.

A full disclosure of portfolio investments for the Company as at 30 June 2021 has been made available on the Company's website at the link given below:

https://www.blackrock.com/uk/individual/literature/policies/blk-income-growth-portfolio.pdf

Key company details

Fund characteristics:	
Launch date	14 December 2001
Dealing currency	Sterling
Association of Investment Companies sector (AIC)	UK Equity Income
Benchmark	FTSE All-Share Total Return Index
Traded	London Stock Exchange
Management	
Alternative Investment Fund Manager (with effect from 2 July 2014)	BlackRock Fund Managers Limited
Portfolio managers	Adam Avigdori & David Goldman
Annual management fee	0.6% per annum of the Company's market capitalisation

Included in the ongoing charges ratio

- BlackRock Income and Growth Investment Trust plc will not invest more than 15% of its gross assets in other closed-ended listed investment funds.
- BlackRock Income and Growth Investment Trust plc is traded on the London Stock Exchange and dealing may only be through a member of the Exchange.

Financial calendar:	
Year end	October
Results announced	December
Annual General Meeting	March
Dividends paid	March and September
Fund codes:	
ISIN	GB0030961691
Sedol	3096169
Bloomberg	BRIG:LN
Reuters	BRIG.L
Ticker	BRIG/LON

NMPI status

The Company currently conducts its affairs so that its securities can be recommended by Independent Financial Advisers to ordinary retail investors in accordance with the Financial Conduct Authority's (FCA) rules in relation to Non-Mainstream Pooled Investments (NMPI) and intends to continue to do so for the foreseeable future. The securities are excluded from the FCA's restrictions which apply to non-mainstream pooled investments because they are shares in an investment trust.

Glossary Of Terms

Alternative Investment Market (AIM)
AIM is the London Stock Exchange's international market for smaller growing companies. The AIM market has no restrictions on market capitalisation, and financial reporting is more flexible than for companies listed on the main market of the London Stock Exchange.

Discount/Premium
Investment trust shares frequently trade at a discount or premium to NAV. This occurs when the share price is less than (a discount) or more than (a premium) to the NAV. The discount or premium is the difference between the share price (based on mid-market share prices) and the NAV, expressed as a percentage of the NAV.

Discounts and premiums are mainly the consequence of supply and demand for the shares on the stock market.

Gearing
Investment companies can borrow to purchase additional investments. This is called 'gearing'. It allows investment companies to take advantage of a long-term view on a sector or to take advantage of a favourable situation or a particularly attractive stock without having to sell existing investments.

Gearing works by magnifying the company's performance. If a company 'gears up' and then markets rise and the returns on the investments outstrip the costs of borrowing, the overall returns to investors will be even greater. But if markets fall and the performance of the assets in the portfolio is poor, then losses suffered by the investor will also be magnified.

Net yield
The net yield is calculated using total dividends declared in the last 12 months (as at date of this factsheet) as a percentage of month end share price.

NAV (Net Asset Value)
A company's undiluted NAV is its available shareholders' funds divided by the number of shares in issue (excluding treasury shares), before making any adjustment for any potentially dilutive securities which the Company may have in issue, such as subscription shares, convertible bonds or treasury shares. A diluted NAV is calculated on the assumption that holders of any convertibles have converted, subscription shares have been exercised and treasury shares are re-issued at the mid-market price, to the extent that the NAV per share is higher than the price of each of these shares or securities and that they are 'in the money'. The aim is to ensure that shareholders have a full understanding of the potential impact on the Company's NAV if these instruments had been exercised on a particular date.

Ongoing charges ratio
Ongoing charges (%) =

$$\frac{\text{Annualised ongoing charges}}{\text{Average undiluted net asset value in the period}}$$

Ongoing charges are those expenses of a type which are likely to recur in the foreseeable future, whether charged to capital or revenue, and which relate to the operation of the investment company as a collective fund, excluding the costs of acquisition/disposal of investments, financing charges and gains/losses arising on investments. Ongoing charges are based on costs incurred in the year as being the best estimate of future costs and include the annual management fee.

Want to know more?

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Risk Warnings

Capital at risk. The value of investments and the income from them can fall as well as rise and are not guaranteed. Investors may not get back the amount originally invested.

Past performance is not a reliable indicator of current or future results and should not be the sole factor of consideration when selecting a product or strategy.

Changes in the rates of exchange between currencies may cause the value of investments to diminish or increase. Fluctuation may be particularly marked in the case of a higher volatility fund and the value of an investment may fall suddenly and substantially. Levels and basis of taxation may change from time to time.

Trust Specific Risks

Gearing risk. Investment strategies, such as borrowing, used by the Trust can result in even larger losses suffered when the value of the underlying investments fall.

Liquidity risk. The Fund's investments may have low liquidity which often causes the value of these investments to be less predictable. In extreme cases, the Fund may not be able to realise the investment at the latest market price or at a price considered fair.

Important Information

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Net Asset Value (NAV) performance is not the same as share price performance, and shareholders may realise returns that are lower or higher than NAV performance.

BlackRock Income and Growth Investment Trust plc currently conducts its affairs so that its securities can be recommended by IFAs to ordinary retail investors in accordance with the Financial Conduct Authority's rules in relation to non-mainstream investment products and intends to continue to do so for the foreseeable future. The securities are excluded from the Financial Conduct Authority's restrictions which apply to non-mainstream investment products because they are shares in an investment trust.

BlackRock has not considered the suitability of this investment against your individual needs and risk tolerance. To ensure you understand whether our product is suitable, please read the fund specific risks in the Key Investor Document (KID) which gives more information about the risk profile of the investment. The KID and other documentation are available on the relevant product pages at www.blackrock.co.uk/its. We recommend you seek independent professional advice prior to investing.

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