

Artemis Income Fund



Adrian Frost
Fund manager, since
January 2002



Nick Shenton
Fund manager, since
October 2012



Andy Marsh
Fund manager, since
February 2018

Class I accumulation units, GBP

September 2019
Data as of 31 August 2019

The fund's aims

The fund aims to produce a rising income with capital growth from a portfolio primarily made up of investments in the UK including ordinary shares, convertibles and fixed interest securities.

Fund update

Global equity markets fell in August. The UK market was no exception, falling by 3.6%.

The three years of uncertainty since the referendum mean it is not uncommon to see managers of UK equity funds searching for solace and clutching at straws. We are no different. Delving into our depleted supply of straws, we note the continuing trend for public companies in the UK to be taken into private hands.

August saw a bid for Greene King at a 50% premium to its share price. By our reckoning, this year has seen seven notable deals with a collective value of £20bn. We accept that in this upside-down world of minimal bond yields and interest rates, anomalies abound. But we can't help but scratch our heads when pension plans shun publicly-traded equities (especially in the UK) and yet are so receptive to private equity.

The very same private equity operators are paying public markets premia of 40% (or more) and supercharging the businesses acquired with lashings of debt. As for the wisdom of this? We will clutch at another straw and hope that our worries prove unfounded.



Third party endorsements are not a recommendation to buy. For information, visit artemisfunds.com/endorsements.

Composition

Top ten holdings

3i	5.5%
RELX Group	4.7%
BP	4.7%
GSK	4.1%
Royal Dutch Shell	3.9%
Segro	3.6%
Informa	3.5%
Tesco	3.3%
London Stock Exchange	3.3%
Imperial Brands	3.1%

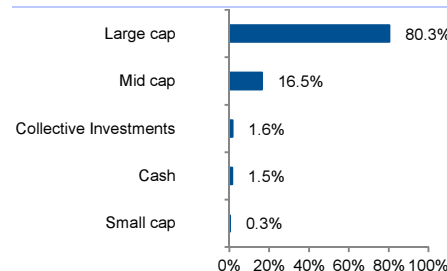
Source: Artemis as at 31 August 2019.

Market sector split

Financials	37.2%
Consumer Services	21.4%
Oil & Gas	8.5%
Industrials	8.3%
Consumer Goods	8.1%
Healthcare	6.2%
Basic Materials	3.9%
Telecommunications	2.3%
Collective Investments	1.6%
Technology	0.8%
Utilities	0.4%

Source: Artemis as at 31 August 2019. Please note that figures may not add up to 100% due to rounding and the cash holding.

Asset allocation



Source: Artemis as at 31 August 2019. Please note figures may not add up to 100% due to rounding.

Performance

Cumulative performance

	Since launch	5 years	3 years	1 year	6 months
Artemis Income Fund	415.3%	35.7%	19.8%	0.7%	6.0%
FTSE All-Share TR	304.7%	31.2%	20.2%	0.4%	4.3%
IA UK Equity Income NR	278.5%	24.4%	10.8%	-4.0%	1.2%

'Since launch' data from 3 February 2003 to 7 March 2008 reflects class R accumulation units, and from 7 March 2008 to 31 August 2019 reflects class I accumulation units, mid to mid in sterling. All figures show total returns with dividends reinvested. From 4 February 2019, this fund changed from a dual-priced to single-priced basis; historic performance is unaffected. Benchmarks shown are for comparison: further information can be found in the fund's Key Investor Information Document. This class may be in a currency or have charges or a hedging approach different from those in the IA sector benchmark.

Discrete performance to year end

	2018	2017	2016	2015	2014
12 months to 31 December	-9.8%	12.6%	10.5%	5.2%	4.3%

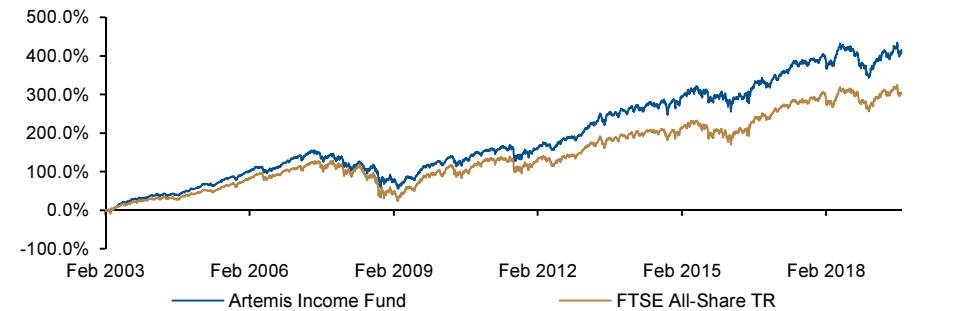
Please remember that past performance is not a guide to the future. Source: Lipper Limited, mid to mid in sterling. All figures show total returns with dividends reinvested.

Discrete performance to quarter end

	2019	2018	2017	2016	2015
12 months to 30 June	-1.4%	9.0%	20.2%	0.0%	6.6%

Please remember that past performance is not a guide to the future. Source: Lipper Limited, mid to mid in sterling. All figures show total returns with dividends reinvested.

Percentage growth



Data from 3 February 2003 to 7 March 2008 reflects class R accumulation units, and from 7 March 2008 to 31 August 2019 reflects class I accumulation units, mid to mid in sterling. All figures show total returns with dividends reinvested. From 4 February 2019, this fund changed from a dual-priced to single-priced basis; historic performance is unaffected.

Key facts

Fund type	Unit trust
Focus	Income
Asset class	Equity
Regional focus	United Kingdom
IA sector	IA UK Equity Income NR
SEDOL	B2PLJH1
ISIN	GB00B2PLJH12
Type	Accumulation
Class currency	GBP
Accumulation/distribution date	31 December, 30 June
Valuation point (UK business days)	12:00
Year end	30 April
Fund launch date	6 June 2000
Class launch date	7 March 2008
Class launch price	204.84p
SRRI	5
Fund size (mid basis)	£5,528.1m

Source: Artemis as at 31 August 2019.

Prices and yield

Mid price	474.80p
Historic yield	4.19%

The historic yield reflects distributions declared over the past twelve months as a percentage of the mid-market price, as at the date shown. It does not include any preliminary charge and investors may be subject to tax on their distributions.

Charges

Initial charge	0%
Ongoing charge	0.800%

The ongoing charge includes the annual management charge of 0.75% and is shown as at the date of the Key Investor Information Document (KIID), where a full explanation of the fund's charges can be found.

Risks and important information

To ensure you understand whether this fund is suitable for you, please read the Key Investor Information Document and Costs and Charges Information document, which are available, along with the fund's Prospectus, from artemisfunds.com. The value of any investment, and any income from it, can rise and fall with movements in stockmarkets, currencies and interest rates. These can move irrationally and can be affected unpredictably by diverse factors, including political and economic events. This could mean that you won't get back the amount you originally invested. The fund's past performance should not be considered a guide to future returns. Because one of the key objectives of the fund is to provide income, some or all of the annual management charge is taken from capital rather than income. This can reduce the potential for capital growth. Any research and analysis in this communication has been obtained by Artemis for its own use. Although this communication is based on sources of information that Artemis believes to be reliable, no guarantee is given as to its accuracy or completeness. Any forward-looking statements are based on Artemis' current expectations and projections and are subject to change without notice. Third parties (including FTSE and Morningstar) whose data may be included in this document do not accept

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