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Price Data Monday 31st December

| Share Class | Income Type | Price p |
|-----------------------|--------------|---------|
| Direct T Class | Accumulation | 129.41 |
| Direct T Class | Income | 126.71 |
| Advised R Class | Accumulation | 128.03 |
| Advised R Class | Income | 126.33 |
| Institutional I Class | Accumulation | 129.67 |
| Institutional I Class | Income | 126.77 |

Fund Type: UK OEIC
Launch Date: November 2010
Units: Income & Accumulation
Min. Lump Sum: £1,000
Min Regular Saving: £100 per month
Initial Charge: None
AMC (T/R/I Class): 1%, 1.5%, 0.9%
TER* (T/R/I Class): 1.19%, 1.69%, 1.09%
Registrar: IFDS Ltd.
Depository: State Street Trustees Ltd.
Auditor: Deloitte LLP
Dealing: Daily at noon
IMA Sector: Global Growth
Fund Size: £839m as at 31.12.12
Gross Portfolio Yield: 2.4% as at 31.12.12
PTR[^]: -0.19% to 30.06.12
2 Day Fund Liquidity: 70% as at 31.12.12
No. Holdings: 28
Average Co. Founded : 1902
Average Co. Mkt. Cap.: £41bn as at 31.12.12
Dividend Dates: On or about 28/2 & 31/8

Geographic Split by Listing

| As at 31st December | % |
|---------------------|----|
| UK | 27 |
| Continental Europe | 13 |
| US | 60 |

Portfolio Sector Exposure

| As at 31st December | % |
|------------------------|----|
| Consumer Staples | 44 |
| Healthcare | 17 |
| Industrials | 11 |
| Technology | 11 |
| Consumer Discretionary | 13 |
| Materials | 2 |
| Cash | 2 |

Security Identification Codes

| SHARE CLASS | SEDOL | ISIN | MEXID |
|--------------|---------|--------------|---------|
| EQUITY T ACC | B4Q5X52 | GB00B4Q5X527 | FUEQUI |
| EQUITY T INC | B4M93C5 | GB00B4M93C53 | FUSMIT |
| EQUITY R ACC | B4LPDJ1 | GB00B4LPDJ14 | FUNDISM |
| EQUITY R INC | B4QBRK3 | GB00B4QBRK32 | FUDSMI |
| EQUITY I ACC | B41YBW7 | GB00B41YBW71 | FUQUIT |
| EQUITY I INC | B4MR8G8 | GB00B4MR8G82 | FUUNDS |

Equity Fund Aim

The Company will invest in equities on a global basis.

The Company's approach is to be a long-term investor in its chosen stocks. It will not adopt short-term trading strategies.

The Company has stringent investment criteria which the ACD, as investment manager, adheres to in selecting securities for the Company's investment portfolio. These criteria aim to ensure that the Company invests in:

- high quality businesses that can sustain a high return on operating capital employed;
- businesses whose advantages are difficult to replicate;
- businesses which do not require significant leverage to generate returns;
- businesses with a high degree of certainty of growth from reinvestment of their cash flows at high rates of return;
- businesses that are resilient to change, particularly technological innovation;
- businesses whose valuation is considered by the Company to be attractive.

Investors should be aware that the application of these investment criteria significantly limits the number of potential investments for the Company's portfolio. It is envisaged that the investment portfolio of the Company will be concentrated, generally comprising between 20 and 30 stocks.

The Company will not invest in derivatives and will not hedge any currency exposure arising from within the operations of an investee business nor from the holding of an investment denominated in a currency other than sterling.

Performance Data, % Total Return, T Class, Accumulation:

| | Last Month - Dec | 2012 | 2011 | Since Inception to 31.12.12 |
|------------------------------------|------------------|-------|-------|-----------------------------|
| Fundsmith Equity Fund ¹ | -1.4 | +12.5 | +8.4 | +29.4 |
| Equities ² | +0.6 | +11.4 | -4.5 | +14.8 |
| UK Bonds ³ | -0.5 | +2.7 | +15.6 | +17.8 |
| Cash ⁴ | +0.04 | +0.8 | +0.9 | +1.8 |

¹Net of Fees priced at midday GMT time

²MSCI World Index (E Acc) priced at close of business US time

³FtSE Actuaries Govt Securities UK Gilts Index ⁴3 Month £ LIBOR Interest Rate

Portfolio Comment for December 2012

There were no outright sales or purchases made in the month. Daily cash flows were invested into the portfolio. The top 5 contributors in the month were Intercontinental Hotels, Schindler, Domino's Pizza, Waters and Choice Hotels. The top 5 detractors in the month were Imperial Tobacco, Philip Morris, Procter & Gamble, Dr Pepper Snapple and Unilever.

Top 10 Holdings

- Reckitt Benckiser
- Dr Pepper Snapple
- Stryker
- Imperial Tobacco
- Domino's Pizza
- Automatic Data Processing
- Intercontinental Hotels
- Becton Dickinson
- Microsoft
- Unilever

Our Values

- No performance fees
- No initial fees
- No redemption fees
- No overtrading
- No leverage
- No shorting
- No hedging
- No derivatives
- No over diversification
- No closet indexing
- No lack of conviction
- No other equity strategies

Just a small number of high quality, resilient, global growth companies that are good value and which we intend to hold for a long time, and in which we invest our own money.

^{*}The TER (Total Expense Ratio) is the total expenses paid by the fund (excluding transaction charges and bank overdraft interest), annualised, against its average net asset value. The TER will fluctuate as the average net assets and costs change. The TER is from launch on 1 November 2010 to 31 December 2011.

[^]The PTR (Portfolio Turnover Ratio) has been calculated in accordance with the methodology laid down by the FSA. This compares the total share purchases and sales less total creations and liquidations with the average net asset value of the fund.

An English language prospectus for the Fundsmith Equity Fund is available on request and via the Fundsmith website and investors should consult this document before purchasing shares in the fund. Past performance is not necessarily a guide to future performance. The value of investments and the income from them may fall as well as rise and be affected by changes in exchange rates, and you may not get back the amount of your original investment. Fundsmith LLP does not offer investment advice or make any recommendations regarding the suitability of its product. This financial promotion is intended for UK residents only and is communicated by Fundsmith LLP which is authorised and regulated by the Financial Services Authority.