Portfolio Update

The information contained in this release was correct as at 30 June 2025. Information on the Company’s up to date net asset values can be found on the London Stock Exchange Website at:

http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html.

BLACKROCK INCOME & GROWTH INVESTMENT TRUST PLC (LEI:5493003YBY59H9EJLJ16)
All information is at **30 June 2025** and unaudited.

Performance at month end with net income reinvested

	One Month	Three Months	One Year	Three Years	Five Years	Since 1 April 2012
Sterling						
Share price	-1.7%	2.8%	6.1%	25.7%	49.2%	145.4%
Net asset value	-0.3%	3.1%	7.7%	30.2%	55.0%	151.4%
FTSE All-Share Total Return	0.5%	4.4%	11.2%	35.5%	67.3%	156.8%

Source: BlackRock

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

At month end
Sterling:

Net asset value – capital only:	224.82p
Net asset value – cum income*:	230.34p
Share price:	201.50p
Total assets (including income):	£50.3m
Discount to cum-income NAV:	12.5%
Gearing:	8.0%
Net yield**:	3.8%
Ordinary shares in issue***:	19,226,610
Gearing range (as a % of net assets):	0-20%
Ongoing charges****:	1.15%

* Includes net revenue of 5.52 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 3.8% and includes the 2024 final dividend of 4.90p per share declared on 07 January 2025 with pay date 14 March 2025 and the Interim Dividend of 2.70p per share declared on 19 June 2025 with pay date 02 September 2025.
*** excludes 10,081,532 shares held in treasury.
**** The Company’s ongoing charges are calculated as a percentage of average daily net assets and using management fee and all other operating expenses excluding finance costs, direct transaction costs, custody transaction charges, VAT recovered, taxation and certain non-recurring items for the year ended 31 October 2024. In addition, the Company’s Manager has also agreed to cap ongoing charges by rebating a portion of the management fee to the extent that the Company’s ongoing charges exceed 1.15% of average net assets.

Sector Analysis	**Total assets (%)**
Banks	10.6
Support Services	8.1
Nonequity Investment Instruments	7.3
Pharmaceuticals & Biotechnology	6.9
General Retailers	6.3

Financial Services	6.2
Real Estate Investment Trusts	5.9
Oil & Gas Producers	5.3
Software & Computer Services	5.2
Nonlife Insurance	4.4
Aerospace & Defence	3.7
Mining	3.6
Tobacco	3.5
Household Goods & Home Construction	3.5
Personal Goods	3.2
Industrial Engineering	2.5
Travel & Leisure	2.3
Life Insurance	2.2
Food Producers	1.5
Electronic & Electrical Equipment	1.2
General Industrials	1.0
Beverages	0.7
Net Current Assets	4.9

Total	100.0
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Country Analysis	**Percentage**
United Kingdom	91.8
United States	3.3
Net Current Assets	4.9

	100.0

Top 10 Holdings	**Fund %**
AstraZeneca	6.5
RELX	5.5
Shell	4.2
3i Group	4.1
British American Tobacco	3.7
Standard Chartered	3.6
London Stock Exchange Group	3.5
Lloyds Banking Group	3.4
Unilever	3.4
HSBC Holdings	2.8

Commenting on the markets, representing the Investment Manager noted:

Market Summary:
Over the past nine weeks, global equity markets have mounted one of the strongest rallies on record, rebounding sharply from the correction earlier in the year. This momentum continued through June, with the S&P 500 reaching a new all-time high at month-end—its first since February. The S&P 500 and Nasdaq Composite delivered gains of 5.0% and 6.6% respectively, while the FTSE All-Share posted a more modest return of 0.5%.

June saw renewed inflationary pressures and ongoing uncertainty in the UK. Chancellor Rachel Reeves faced mounting economic headwinds ahead of the June spending review, including a policy reversal on welfare spending and concerns over a potential funding gap. Bank of England Governor Andrew Bailey urged caution on further rate cuts, citing inflation volatility and trade-related risks. The Bank held rates steady at 4.25% mid-month, in line with market expectations.

In Europe, the ECB implemented a widely anticipated rate cut, reducing the deposit facility rate to 2.00% in an “almost unanimous” decision. The move followed a drop in eurozone inflation to 1.9% in May, marking the first sub-2% reading since September 2024. The Federal Reserve (Fed) maintained its policy stance, keeping rates unchanged despite mounting political pressure from President Donald Trump, although the Fed continues to project two rate cuts in 2025.

While the first half of June was relatively calm, geopolitical tensions escalated later in the month. Israel launched a series of strikes on Iranian nuclear facilities and senior military figures, prompting a sharp 13% overnight spike in oil prices and a modest pullback in equities. However, the localised nature of the conflict limited the impact on global markets despite US participation in the bombing of Iran's nuclear facilities. Markets also rallied later in the month on news that the US and China had reached an agreement to deescalate trade tensions, although the specifics of any deal are yet to be determined.

In the UK, M&A activity remained elevated, with further high-profile takeover bids from foreign investors targeting British firms. Notably, US-based institutions made offers for Spectris and Alphawave Semiat significant (90%+) premiums. Year-to-date, there have been 30 bids for UK-listed companies with market capitalisations over £100 million, totalling £25 billion in value.

European equities had their second-worst month of the year, with the Stoxx 600 down 1.3%, while US markets outperformed for a third consecutive month. This narrowed Europe's year-to-date performance lead over the US significantly. A key factor behind the cooling in European equities may be valuation—currently trading at a forward P/E of c.16x, this sits above the 5-year average for the market.

Stock comments:
June's underperformance was characterised by a number of holdings underperforming modestly on limited newsflow.

MasterCard shares fell on concerns of increased competition from stablecoins and the potential for disruption to traditional payment networks. We remain confident in Mastercard's ability to navigate this threat given the attractions and trust in current payment systems combined with Mastercard's own initiatives to integrate blockchain technology into its infrastructure. **Tate & Lyle** shares drifted lower during the month as concerns regarding US tariffs and USD weakness prompted small downgrades, The shares have since reacted well to Tate's capital markets day that highlighted the group's potential following the acquisition of CP Kelco.

As usual, there were both contributors and detractors amongst the names we are underweight or do not own. **Rolls-Royce**, an underweight position, detracted as the shares reacted positively to the announcement that the company had been selected as preferred bidder for the UK's first small modular nuclear reactors and continued momentum in the European Aerospace and Defence sector. **Spectris**, not owned, detracted following competing bids from Advent and KKR. Conversely, the underweight positions in **Unilever** and **GlaxoSmithKline** combined with not owning **Diageo** and **Haleon** contributed to performance during the month. USD weakness and tariff concerns weighing on these shares.

Great Portland continued its strong year-to-date performance as the company demonstrated strong rental growth, progressed its flexible office strategy leading to Net Asset Value (NAV) growth and yet the shares remain on a large (30%+) discount to NAV.

Standard Chartered also continued its strong year-to-date performance reflecting the encouraging operational momentum, a higher than expected rate backdrop while benefitting from its low starting valuation.

Changes:
We sold the position in **Pearson** during the month. Having performed strongly since purchase, the investment case has been under pressure in recent months as the Trump administration has targeted the Department of Education; potentially impacting Pearson's assessments and virtual school divisions while concerns over foreign students in the US is also unhelpful even if Pearson's focus tends to be on community colleges rather than Ivy League institutions. Meanwhile Australian peer, IDP AU, has warned on language testing volumes due to the impact of immigration law changes, enacted or perceived, in key markets - notably UK, US, Australia and Canada. Although the magnitude of the exposure is markedly lower for Pearson, it represents a headwind for the group. F/X, notably dollar weakness, is also a source of pressure for the company. Against these headwinds we expect Pearson to be making good progress in its Enterprise division. Valuation is also

not demanding with the shares on 17x P/E FY25, however, we see better opportunities elsewhere in the portfolio.

Outlook:
The outlook for investment markets continues to be driven by a complex interplay of elevated geopolitical uncertainty, easing monetary policy and resilient demand. 1H25 saw global markets fall sharply as tariffs were threatened only to be followed by an impressive recovery as proposed tariff levels were lowered and their implementation delayed. However, tariffs remain a key source of market volatility with the potential for outsized impacts on specific industries and companies. Expectations of Fed rate cuts have consistently been pushed out this year with two cuts now expected in 2H25. However, tariffs, immigration policies and the recently passed 'Big, Beautiful Bill' combined with resilience in US labour markets continue to challenge the narrative of easing inflationary pressures. Expectations of Fed rate cuts have consistently been pushed out this year with two cuts now expected in 2H25. US President Trump's deliberate unpredictability, whether tariff related or more generally, suggests volatility in both equity and bond markets is likely to remain elevated. These factors have also driven weakness in the US Dollar impacting companies with USD earnings. Our response is to focus on those companies that have strong and sustainable competitive advantages alongside sufficient pricing power to navigate these uncertain times while seeking opportunities that may result from elevated volatility in markets.

The outlook for Europe is buoyed by a combination of rate cuts by the ECB (from 3.0% to 2.0%) and significant fiscal expansion from Germany with an emphasis on defence and infrastructure spending. This has already led to the significant outperformance of European defence exposed companies though the question is whether this spend stimulates economic activity more broadly in Germany and then Europe as a whole. In our conversations with corporates, those exposed to highlighted industries, such as defence, are very optimistic, yet the outlook more generally suggests stabilisation rather than anything more for now. Meanwhile, China continues to fight weak domestic demand and deflationary pressures with a broad range of fiscal and monetary tools with limited success to date; the uncertainty created by US tariffs clearly hampering their efforts.

In the UK, the Labour government seeks to thread the needle of stimulating growth while preserving fiscal credibility and adhering to its election pledges, a challenge not helped by external pressures such as US tariffs. Meanwhile, UK savings rates remain elevated and real wages continue to grow highlighting the potential for UK economic recovery when consumer and business confidence improves. The Bank of England has cut rates twice this year reducing the rate from 4.75% to 4.25%, crucially leading to an improvement in both the cost and availability of key banking products such as mortgages. With a further 50bp reduction in rates expected during 2H25, we see the potential for increased economic activity to follow.

The UK stock market remains very depressed in valuation terms relative to other developed markets offering double-digit discounts across a range of valuation metrics. This valuation anomaly saw further reactions from UK corporates who continue to use excess cashflows to fund buybacks. Combining this with a dividend yield of 3.5% (FTSE All Share Index yield as at 30 June 2025; source: FT), the cash return of the UK market is attractive in absolute terms and higher than other developed markets. This valuation anomaly has also been evidenced by the continuation of inbound M&A for UK listed companies. Although we anticipate further volatility ahead, we believe that risk appetite will return and opportunities are emerging. We have identified several potential opportunities with new positions initiated throughout the year in both UK domestic and midcap companies.

We continue to focus the portfolio on cash generative businesses that we believe offer durable, competitive advantages as we believe these companies are best placed to drive returns over the long term. Whilst we anticipate economic and market volatility will persist throughout the year, we are excited by the opportunities this will likely create; by seeking to identify the companies that strengthen their long-term prospects as well as attractive turnaround situations.

16 July 2025

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