



ANNUAL SHORT REPORT

For the year ended
31 January 2014

Henderson
GLOBAL INVESTORS

Henderson Multi-Manager Active Fund

Multi-Manager Active Fund

Short Report

For the year ended 31 January 2014

Fund Manager

Henderson Multi-Asset Team

With effect from 20 January 2014 PricewaterhouseCoopers LLP replaced KPMG Audit Plc as the Auditors of the Fund.

Investment objective and policy

To achieve capital growth by investing in markets in both the UK and overseas.

The Fund may invest in collective investment schemes, exchange traded funds, unregulated collective investment schemes (which include limited partnerships), money-market instruments and deposits.

Investment will not be confined to any particular sector.

Risk and reward profile

The Fund currently has 4 types of share classes in issue: A accumulation, I accumulation, B accumulation and Y accumulation. The risk and reward profile of each type of share class is as follows:



The Synthetic Risk and Reward Indicator (SRRI) is calculated based on historical volatility over a rolling 5 year period, it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRI level. The SRRI is an indicator and may not accurately reflect future volatility and market conditions. The value of an investment in the Fund can go up or down. When you sell your shares, they may be worth less than you paid for them. The risk/reward rating above is based on medium-term volatility. In the future, the Fund's actual volatility could be higher or lower and its rated risk/reward level could change.

The lowest category does not mean risk free.

The Fund's risk level reflects the following:

- The Fund invests in, or otherwise gains exposure to, a mix of different asset classes
- Fluctuations in exchange rates may cause the value of your investment to rise or fall

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events which could amplify everyday risk and trigger other risks such as:

Counterparty risk The Fund could lose money if an entity with which it interacts becomes unwilling or unable to meet its obligations to the Fund.

Focus risk The Fund's value may fall where it has concentrated exposure to an issuer or type of security that is heavily affected by an adverse event.

Liquidity risk Certain securities could become hard to value or sell at a desired time and price.

Management risk Investment management techniques that have worked well in normal market conditions could prove ineffective or detrimental at other times.

The full list of the Fund's risks are contained in the "Risk Warnings" section of the Fund's prospectus.

Fund Manager's commentary

The Fund returned 11.3% over the period under review, outperforming the IMA Flexible Investment Sector Average by 5.2%.

Developed markets performed well over the review period, as an improving economic picture counteracted concerns about the impact of the eventual reduction in the scale of US quantitative easing (QE). Throughout the course of the year, the extent of the developed market economic recovery became clear as the US and then the UK housing markets showed signs of life, which translated into improved consumer confidence and then increased corporate hiring and industrial activity. However, the picture was not so positive for emerging market asset

classes (bonds, currencies and equities); emerging market equities were the weakest performers.

Overall, the Fund benefited from being overweight developed market equities (specifically US and Japan) versus being underweight Asian and emerging market equities.

Key positive performance contributions during the period were received from underlying holdings in Cazenove UK Smaller Companies Fund, Old Mutual UK Dynamic Equity Fund, Artemis European Growth Fund, Findlay Park American Fund, GLG Japan CoreAlpha Fund and Henderson Global Growth Fund.

Detractors to the Fund's performance were holdings in ETFS Physical Gold, Schroder ISF Asian Total Return Fund, First State Global Emerging Market Leaders Fund and JPM Emerging Markets Income Fund.

We were initially overweight European equities in early 2013, maintaining the position established in July 2012 following European Central Bank president Mario Draghi's outright monetary transactions (OMTs) speech. However, it became clear as we moved into spring 2013 that exposure to European equities was increasingly a consensus view as investors chased the rally that had begun

the previous year. As Europe became a crowded trade, the economic fundamentals did not appear to be improving in line with the growing enthusiasm for European equities. We therefore swiftly took profits from our holdings and moved underweight, a position that we maintained into the end of 2013.

During the period we fully divested positions in Schroder UK Alpha Plus Fund, Thesis Australian Natural Resources Fund, and BlackRock Gold & General Fund and introduced new positions in Majedie UK Equity Fund, JPM Emerging Markets Income Fund, and Veritas Global Equity Income Fund.

The arrival of the Federal Reserve's 'tapering' (reduction of monthly bond purchases) and strengthened forward guidance has removed some uncertainty hanging over the markets. US QE tapering will be highly data dependent, meaning markets will likely experience short bouts of volatility around data releases that beat or miss expectations. We retain a cautious outlook on risk assets as investors appear complacent and markets continue to rally. Given this background, we maintain our preference for equities over bonds with a bias towards less market sensitive equity exposure.

Performance summary

	31 Jan 13 - 31 Jan 14 %	31 Jan 12 - 31 Jan 13 %	31 Jan 11 - 31 Jan 12 %	31 Jan 10 - 31 Jan 11 %	31 Jan 09 - 31 Jan 10 %
Henderson Multi-Manager Active Fund	11.3	12.6	(13.1)	17.9	27.0
IMA Flexible Investment sector average	6.1	12.4	(4.1)	17.1	24.4

Source: Morningstar, mid to mid, basic tax rate, GBP.

Figures in brackets are negative.

Please remember that past performance is not a guide to future performance. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

Summary of Fund performance

Share class	Net asset value* 2014 p	Net asset value* 2013 p	Net asset value % change
Class I accumulation	127.32	113.67	12.01
Class A accumulation	161.77	145.61	11.10
Class B accumulation	98.95	n/a	n/a
Class Y accumulation	129.94	116.96	11.10

* The net asset value is calculated as at close of business on the last business day of the accounting period. The investments are valued at fair value which is generally deemed to be the bid market price.

Net revenue distribution

Share class	2014 p	2013 p
Class I accumulation	0.33	0.23
Class A accumulation	-	-
Class B accumulation	0.39	n/a
Class Y accumulation	-	-

Total dividend distributions for the year ended 31 January 2014, comparison is for the same period last year.

Fund facts

Accounting dates	Payment dates
31 January, 31 July	31 May

Ongoing charge figure

	2014 %	2013 %
Class I	1.69**	1.88
Class A	2.52*	2.47
Class Y	2.52*	2.47
Class B	1.01	n/a***

The ongoing charge figure (OCF) of the Fund is the ratio of the total ongoing charges to the net asset value for twelve months.

The OCF includes a synthetic element of 0.84% (2013:1.13%) to incorporate the OCF of underlying funds.

This Fund is a non-UCITS retail fund and we have adopted this disclosure to enable comparison across our fund range.

From 10 August 2013, the General Administration Charge (GAC) decreased from:

* 0.18% to 0.14%

**0.1% to 0.075%

*** Share class B was launched on 26 November 2013

Performance record

Calendar year	Net revenue (pence per share)	Highest price (pence per share)	Lowest price (pence per share)
Class I accumulation			
2012~	-	106.70	100.10
2013	0.23	130.50	107.20
2014	0.33*	132.70+	127.30+
Class A accumulation			
2009	-	107.90	97.79
2010	-	152.10	124.20
2011	-	153.40	121.20
2012	-	136.80	123.00
2013	-	165.90	137.40
2014	-*	168.60+	161.70+
Class B accumulation			
2013**	-	101.40	98.89
2014	0.39*	103.10+	98.91+
Class Y accumulation			
2011#	-	120.70	97.30
2012	-	109.80	98.77
2013	-	133.30	110.30
2014	-*	135.40+	129.90+

* to 30 May

+ to 31 January

Share class Y was launched on 12 May 2011

~ Share class I was launched on 1 August 2012

** Share class B was launched on 26 November 2013

Past performance is not a guide to future performance.

Major holdings

as at 2014	%
Findlay Park American	8.74
Brown Advisory US Equity Value	7.31
GLG Japan CoreAlpha	5.63
Artemis European Growth	5.49
Cazenove UK Smaller Companies	5.34
JO Hambro UK Opportunities	5.34
BlackRock European Dynamic	5.31
Old Mutual UK Dynamic Equity	5.20
Schroder International Selection Asian Total Return	4.84
Majedie Asset Management 'X' Acc	4.78

Major holdings

as at 2013	%
Findlay Park American	7.36
Thesis Australian Natural Resources	5.86
GLG Japan CoreAlpha	5.19
JO Hambro UK Opportunities	5.11
Artemis European Growth	4.71
CF Lindsell Train UK Equity	4.61
Legg Mason US Smaller Companies	4.37
Jupiter Japan Income	4.34
Schroder UK Alpha Plus	4.30
Polar Capital Global Insurance	4.09

Asset allocation

as at 2014	%
United Kingdom	31.95
North America	18.59
Europe	15.10
Global equities	11.04
Japan	7.12
Emerging markets	5.70
Asia Pacific ex-Japan	4.84
Other	3.44
Global bond	1.38
Futures	(0.11)
Net other assets	0.95
Total	100.00

Asset allocation

as at 2013	%
United Kingdom	27.75
Europe	15.87
North America	15.42
Japan	9.53
Other	7.34
Asia Pacific ex-Japan	7.02
Global equities	6.20
Emerging markets	5.14
Global bond	2.00
Derivatives	0.67
Net other assets	3.06
Total	100.00

Report and accounts

This document is a short report of the Henderson Multi-Manager Active Fund for the year ended 31 January 2014.

Copies of the annual and half yearly long form report and financial statements of this Fund are available on our website www.henderson.com or contact client services on the telephone number provided.

Other information

The information in this report is designed to enable you to make an informed judgement on the activities of the Fund during the year it covers and the results of those activities at the end of the year.

Issued by:

Henderson Investment Funds Limited

Registered office:

201 Bishopsgate,
London EC2M 3AE

Member of the IMA and authorised and regulated
by the Financial Conduct Authority.
Registered in England No 2678531

Risk warning

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Depository

National Westminster Bank Plc

135 Bishopsgate
London EC2M 3UR

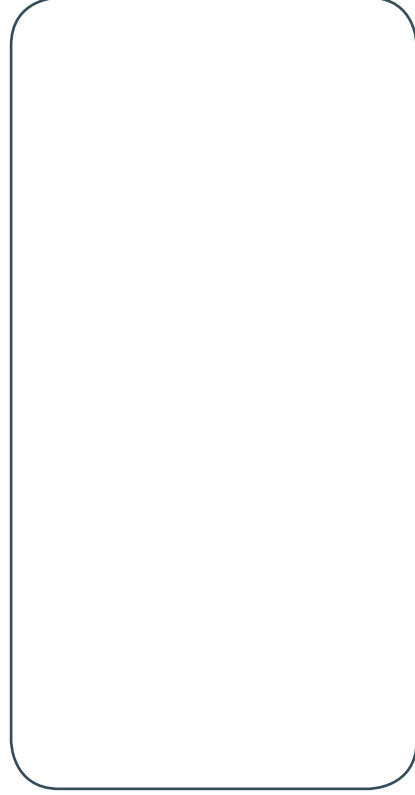
Auditor

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From 20 January 2014
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141 Bothwell Street
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Changes of address – regulatory requirements

FCA regulation requires us to send this report mailing to the address held on file on the accounting date of 31 January 2014. If you have confirmed a change of address with us since that date we will ensure all future correspondence will be sent to your new address.

Online valuations

You can value your Henderson Multi-Manager Active Fund at any time by logging on to www.henderson.com. Select 'Personal Investor' and then access 'Valuations' from the Tools Menu. Simply select the fund you hold and enter the appropriate number of shares.

Any questions?

Further information about the activities and performance of the fund for this and previous periods can be obtained from the Investment Manager. If you have any questions please call our Client Services Team on 0800 832 832 or email support@henderson.com.

Important Information

Henderson Global Investors is the name under which Henderson Global Investors Limited (reg. no. 906355), Henderson Fund Management Limited (reg. no. 2607112), Henderson Investment Funds Limited (reg. no. 2678531), Henderson Investment Management Limited (reg. no. 1795354), Henderson Alternative Investment Advisor Limited (reg. no. 962757), Henderson Equity Partners Limited (reg. no. 2606646), Gartmore Investment Limited (reg. no. 1508030), (each incorporated and registered in England and Wales with registered office at 201 Bishopsgate, London EC2M 3AE) are authorised and regulated by the Financial Conduct Authority to provide investment products and services. Telephone calls may be recorded and monitored. Ref: 34V

Unless otherwise stated, all data is sourced by Henderson Global Investors.

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