

Legal & General US Index Trust

**Interim Manager's
Short Report
for the period ended
5 June 2013**



Investment Objective and Policy

The investment objective of this Trust is to track the capital performance of the US equity market, as represented by the FTSE World USA Index, by investment in a representative sample of stocks selected from all economic sectors.

Securities in the FTSE World USA Index will be held with weightings generally proportionate to their company's market capitalisation.

From time to time non-Index constituents may be held as a result of a corporate action and these holdings will be sold or transferred as soon as reasonably practical.

Risk Profile

Market Risk

Market risk arises mainly from uncertainty about future prices. The Manager adheres to the investment guidelines and in this way, monitors and controls the exposure to risk from any type of security, sector or issuer.

Currency Risk

This Trust is invested in overseas financial securities. The performance of the Trust may therefore be affected by changes in exchange rates. This risk may be managed by the use of forward currency contracts, which aim to manage the effect of changing exchange rates.

Trust Facts

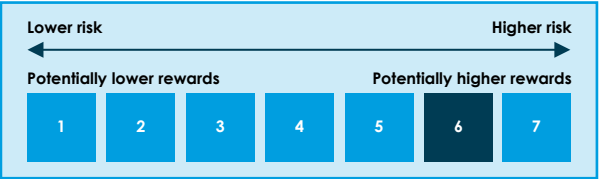
Period End Dates for Distributions:	5 Jun, 5 Dec	
Distribution Dates:	5 Aug, 5 Feb	
Ongoing Charges Figures:	5 Jun 13	5 Dec 12
R-Class	0.82%	0.82%
I-Class	0.20%	0.25%
F-Class*	0.37%	—

* F-Class units were launched on 19 December 2012.

The Ongoing Charges Figure (OCF) is the ratio of the Trust's total discloseable costs (excluding overdraft interest) to the average net assets of the Trust.

The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a trust and is calculated based on the last period's figures.

Risk and Reward Profile



- This risk and reward profile is based on historical data which may not be a reliable indication of the Trust’s risk and reward category in the future.
- The category is based on the rate at which the value of the Trust has moved up and down in the past.
- This Trust is in category six because it invests in company shares which generally provide higher rewards and higher risks than other investments such as bonds, cash or commercial property.
- The Trust’s category is not guaranteed to remain the same and may change over time.
- Even a trust in the lowest category is not a risk free investment.

Trust Performance

Accounting Date	Net Asset Value Of Trust	Net Asset Value Per Unit	Number Of Units In Issue
5 Dec 10			
R-Class			
Distribution Units	£596,635,138	156.55p	381,112,830
Accumulation Units	£191,629,830	169.40p	113,124,349
I-Class			
Distribution Units	£146,196,845	156.56p	93,378,394
Accumulation Units	£476,885,378	173.01p	275,636,357
5 Dec 11			
R-Class			
Distribution Units	£660,133,483	161.70p	408,246,230
Accumulation Units	£201,727,053	176.53p	114,271,142
I-Class			
Distribution Units	£156,648,912	161.72p	96,865,831
Accumulation Units	£458,658,034	181.14p	253,201,937
5 Dec 12			
R-Class			
Distribution Units	£754,608,093	175.96p	428,861,094
Accumulation Units	£217,005,796	194.28p	111,696,429
I-Class			
Distribution Units	£114,840,434	175.97p	65,261,709
Accumulation Units	£291,661,237	200.45p	145,502,015
5 Jun 13			
R-Class			
Distribution Units	£1,068,792,234	213.17p	501,376,225
Accumulation Units	£262,489,618	236.56p	110,959,713
I-Class			
Distribution Units	£415,615,788	213.19p	194,954,337
Accumulation Units	£401,400,887	244.82p	163,959,836
F-Class*			
Distribution Units	£23,608	213.36p	11,065
Accumulation Units	£90,963	237.23p	38,343

* F-Class units were launched on 19 December 2012.

Past performance is not a guide to future performance.

The price of units and any income from them may go down as well as up.

Exchange rate changes may cause the value of any overseas investments to rise or fall.

Distribution Information

R-Class

The distribution payable on 5 August 2013 is 1.1157p net per unit for distribution units and 1.2318p net per unit for accumulation units.

I-Class

The distribution payable on 5 August 2013 is 1.7233p net per unit for distribution units and 1.9665p net per unit for accumulation units.

F-Class

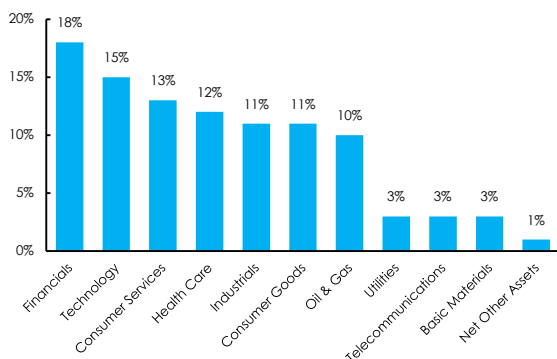
The distribution payable on 5 August 2013 is 1.5336p net per unit for distribution units and 1.6933p net per unit for accumulation units.

Portfolio Information

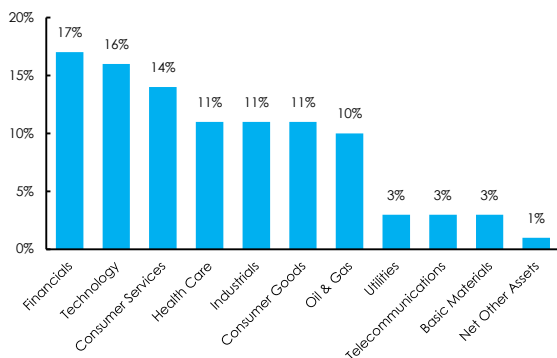
The top 10 holdings and their associated weighting for the current period and preceding year are:

Top 10 Holdings at 5 June 2013		Top 10 Holdings at 5 December 2012	
Holding	Percentage of Net Asset Value	Holding	Percentage of Net Asset Value
Apple	2.74%	Apple	3.82%
Exxon Mobil	2.62%	Exxon Mobil	2.94%
Microsoft	1.71%	General Electric	1.63%
General Electric	1.58%	Microsoft	1.63%
Chevron	1.55%	IBM	1.56%
Google 'A'	1.54%	Chevron	1.52%
Johnson & Johnson	1.50%	AT&T	1.42%
IBM	1.50%	Johnson & Johnson	1.41%
Wells Fargo & Co	1.39%	Procter & Gamble	1.40%
Procter & Gamble	1.38%	Pfizer	1.40%

Trust Holdings as at 5 June 2013



Trust Holdings as at 5 December 2012



Unit Price Range and Net Revenue

R-Class Units

Year	Highest Offer	Lowest Bid	Net Revenue
Distribution Units			
2008	147.20p	102.40p	1.2922p
2009	142.60p	98.10p	1.8156p
2010	165.00p	135.80p	1.1877p
2011	170.70p	137.90p	1.2769p
2012	183.30p	164.00p	1.6891p
2013 ⁽¹⁾	223.90p	180.30p	2.1832p
Accumulation Units			
2008	154.10p	107.70p	1.3514p
2009	153.00p	103.90p	1.9449p
2010	178.50p	145.70p	1.2725p
2011	185.50p	149.90p	1.3785p
2012	201.10p	179.00p	1.8389p
2013 ⁽¹⁾	247.20p	199.10p	2.4030p

I-Class Units

Year	Highest Offer	Lowest Bid	Net Revenue
Distribution Units			
2008	147.20p	102.50p	1.8700p
2009	142.20p	97.63p	2.2014p
2010	164.80p	135.90p	1.8969p
2011	170.10p	138.10p	1.9987p
2012	183.90p	163.80p	2.5286p
2013 ⁽¹⁾	224.70p	180.40p	3.3207p
Accumulation Units			
2008	155.50p	109.00p	2.0229p
2009	155.20p	104.90p	2.3516p
2010	182.10p	148.90p	2.0630p
2011	189.10p	153.60p	2.1973p
2012	207.60p	183.50p	2.8227p
2013 ⁽¹⁾	255.90p	205.50p	3.7694p

⁽¹⁾ The above tables show the highest offer and lowest bid prices to 5 June 2013, and the net revenue per unit to 5 August 2013.

Past performance is not a guide to future performance.

The price of units and any income from them may go down as well as up.

Exchange rate changes may cause the value of any overseas investments to rise or fall.

Unit Price Range and Net Revenue continued

F-Class Units

Year	Highest Offer	Lowest Bid	Net Revenue
Distribution Units			
2012 ⁽¹⁾	178.70p	175.30p	—
2013 ⁽²⁾	224.60p	180.50p	1.5336p
Accumulation Units			
2012 ⁽¹⁾	197.30p	193.50p	—
2013 ⁽²⁾	248.00p	199.30p	1.6933p

⁽¹⁾ From 19 December 2012.

⁽²⁾ The above table shows the highest offer and lowest bid prices to 5 June 2013, and the net revenue per unit to 5 August 2013.

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Manager's Investment Report

During the period under review, the bid price of the Trust's R-Class distribution units rose by 21.13%. FTSE, the Index compiler, calculates the benchmark Index at the end of the business day using closing prices, whereas the Trust is valued using prevailing prices at 3pm. Therefore, for tracking purposes the Trust has been revalued using closing prices and foreign exchange rates. On this basis, over the review period from the close of business on 5 December 2012 to the close of business on 5 June 2013, the Trust rose by 19.29% on a capital only basis compared with the FTSE World USA Index (Sterling adjusted) increase of 19.36% on a capital only basis (Source: Bloomberg), producing a tracking deviation of -0.07%.

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Market/Economic Review

Initial fears of the negative growth impact from fiscal sequestration (a procedure in US law that limits the size of the federal budget) were alleviated by assurances from the US Federal Reserve that monetary policy would remain accommodative to ensure economic growth would continue.

Whilst the manufacturing sector did contract somewhat, as companies reduced inventories, consumer spending remained supportive of growth, despite a rise in personal taxes and health care costs. The housing sector continued to improve, and importantly, greater evidence of rising home prices contributed to a more confident consumer.

Although equity markets have been volatile over the last 12 months, the majority of major markets recorded impressive gains as various central bank policy initiatives have fostered optimism amongst investors that global economic growth will recover, albeit modestly. US equities were underpinned by robust corporate profitability with the US Federal Reserve reaffirming its commitment to maintaining ultra-low interest rates, while there has also been a revival in merger and acquisition activity. However, towards the end of the review period, equity markets fell back on concerns that the US Federal Reserve was considering reducing its quantitative easing programme.

Manager's Investment Report continued

Over the review period the FTSE World USA Index outperformed the FTSE World Index by 5.1%. The best performing sectors over the review period were Alternative Energy (+78.2%), Automobiles & Parts (+36.2%) and Leisure Goods (+33.6%), whilst the worst performing sectors were Mining (-13.1%), Industrial Metals & Mining (-2.3%) and Technology Hardware & Equipment (+8.6%).

Trust Review

Companies held within the Trust are held with weightings generally proportionate to those of the benchmark Index. Therefore, investment activity, other than to raise or invest cash, is only necessary when there are changes to the benchmark Index, or as a result of a corporate action.

In December 2012, FTSE conducted its annual North America Index review. This was reduced in scope with the majority of changes being held back until March 2013, when the FTSE free float methodology was to be changed from banded to actual. Subsequently there were no additions or deletions, although there were 178 changes to the free share capital of constituents, the largest of these being increases for Apple and Google.

In the March 2013 Index rebalance there were 25 additions and 17 deletions. The largest of the additions were LinkedIn and Ensco, while the largest deletions were Kinder Morgan and LINN Energy, following the adjustment of FTSE rules to exclude limited partnerships. There were a further 249 changes to the free share capital of constituents. The most significant changes were decreases in Wal-Mart Stores and Oracle.

Outside of the reviews there were two deletions following acquisitions: Cooper Industries, acquired by Eaton, and Sunoco, acquired by Energy Transfer.

ADT was added to the Index following a demerger from Tyco International. Simultaneously, Tyco Flow Control was merged with Pentair leading to an increase in Index weight for the latter.

There were also increases in investability weights for American International Group, following the sale of common stock by the US Treasury, and Facebook, following the conversion of Class B shares. Investability weight decreases were applied to Exxon Mobil, General Electric, Pfizer and Chevron following share buybacks.

The three largest Index constituents at the end of the review period were Apple (2.8%), Exxon Mobil (2.6%) and Microsoft (1.7%).

Outlook

Looking forward, the degree to which companies are willing to accept more risk and invest back in the real economy, as opposed to returning capital to shareholders in a period of heightened uncertainty, will determine the financial landscape. While the US Federal Reserve has made it clear it intends to step back from its 'super accommodative' stance, it is still likely to adopt a very

Manager's Investment Report continued

friendly equity stance. Interest rates remain at an extraordinarily low level and there are more signs emerging that private sector demand growth is now on a more sustainable path. The good news from the housing sector has the potential to transmit very positively to consumer confidence, credit formation and jobs growth. The current rate of employment growth suggests that interest rates can remain low for a long time and the outlook for inflation is also very encouraging.

The recent rise in bond yields, the so called 'steepening of the yield curve', is a positive event for equities. As more investors gain confidence on the sustainability of economic growth, the valuation of the stock market should rise, even in a world of muted profits growth.

Legal & General Investment Management Limited
(Investment Adviser)
29 June 2013

Manager's Report and Accounts

Copies of the most recent Interim and Annual Long Form Manager's Reports are available free of charge by telephoning 0370 050 0955, by writing to the Manager or are available on the internet at www.legalandgeneral.com/investments/fund-information/managers-reports.

Call charges will vary. We may record and monitor calls.

Significant Changes

New Unit Class: F-Class

With effect from 19 December 2012, the Trust launched a new F-Class, with distribution and accumulation units available.

F-Class units are only available for investment through a financial adviser.

Change to Annual Management Charges

With effect from 1 April 2013, the annual management charge for the I-Class units has been reduced from 0.20% to 0.15%

Minimum Investment Amounts

The minimum initial lump sum investment amounts for each class are as follows:

R-Class	£500
I-Class	£100,000,000
F-Class	£500

In addition, monthly contributions can be made into the R-Class and F-Class only, with a minimum amount of £50 per month.

Other Information

The information in this report is designed to enable unitholders to understand how the Trust has performed during the period under review and how it is invested at the period end. Further information on the activities and performance of the Trust can be obtained by telephoning 0370 050 0955 or by writing to the Manager.

Manager

Legal & General (Unit Trust Managers) Limited

Registered in England No. 01009418

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Financial Conduct Authority**

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