

Henderson

UK Index

Fund

Short Report

For the six months ended 30 April 2013

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Fund Manager

Chris Handley

Investment objective and policy

This Fund is designed to track the capital performance of the FTSE All-Share Index and to maintain a gross income yield equal to that of the Index. The Fund is managed on a fully invested basis and has a portfolio of typically, over 600 stocks comprising the FTSE All-Share Index although, occasionally, the Fund may invest in stocks outside the Index. The emphasis is on maintaining tracking precision. Stocks are screened to minimise deviation from the Index. The portfolio also maintains a balance between large and small capitalisation stocks.

The Fund may also invest at the Manager's discretion in other transferable securities, money market instruments, cash and near cash, derivative instruments and forward transactions, deposits and units in collective investment schemes (use may be made of stocklending, borrowing, cash holdings, hedging and other investment techniques permitted in applicable FCA (Financial Conduct Authority) Rules).

Synthetic risk and reward profile

The Fund currently has 3 types of shares in issue:

A income, A accumulation and I accumulation.

The risk and reward profile is the same for each type of share and is as follows:

Typically Lower potential risk/reward Typically Higher potential risk/reward

Lower Risk Higher Risk

1 2 3 4 5 6 7

The value of an investment in the Fund can go up and 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 focuses on a single country
- As a category, shares are more volatile than either bonds or money market instruments
- As a tracker fund, the Fund takes no measures to reduce exposure to market risks

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.

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 Factors" section of the Fund's prospectus.

Manager's commentary

The Fund returned 12.8% over the six month period, compared to the FTSE All-Share Total Return Index, which gained 14.0%.

During the six-month period, global equity markets were boosted by positive macroeconomic data which pointed to an improvement in the global economy. While the Cyprus banking bail-out in April dented investor sentiment and raised new fears for the eurozone, on the whole investors appeared to focus on the value offered by equities versus other asset classes. Although UK economic indicators were at best mixed, there was something to cheer about when gross domestic product (GDP) data confirmed the British economy had grown 0.9% in the third quarter of 2012, bringing the economy out of recession. Although the economy contracted in Q4 2012, a triple-dip recession was avoided as the UK grew by 0.3% in the first quarter of 2013, driven by the dominant services sector. On the whole, the UK corporate reporting season for 2012 was well-received, with upgrades exceeding downgrades and strong dividend growth.

In terms of company size groupings, UK smaller and medium-sized companies outperformed larger ones. The FTSE All-Share's strongest performing sectors were technology, telecoms, health care and consumer goods. Conversely basic materials and oil & gas were laggards owing to volatile commodities and oil prices. The stocks that contributed the most to index performance included HSBC Holdings (London listed), GlaxoSmithKline, Vodafone and British American Tobacco; the weakest were miners and oil & gas companies such as Anglo American, Tullow Oil, BHP Billiton and Randgold Resources.

Equities are regaining their popularity with investors as they represent good value on both an absolute and relative basis, particularly compared to bonds. UK corporates are in good health with strong balance sheets, dividends are growing and mergers and acquisitions (M&A) activity continues to be a feature of the market.

Performance summary

	1 May 12- 30 Apr 13 %	1 May 11- 30 Apr 12 %	1 May 10- 30 Apr 11 %	1 May 09- 30 Apr 10 %	1 May 08- 30 Apr 09 %
Henderson UK Index Fund	17.0	(2.2)	12.3	35.5	(26.2)
FTSE All-Share Index	17.8	(2.0)	13.7	36.6	(26.9)

Source: Morningstar – mid to mid (excluding initial charge) with net revenue reinvested for a basic rate taxpayer, net of fees, 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* 30/04/13 p	Net asset value* 31/10/12 p	Net asset value % change
Class A income	350.10	311.66	12.33
Class A accumulation	449.26	395.55	13.58
Class I accumulation	459.74	404.04	13.79

+ 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.

Fund facts

Accounting dates	Payment dates	
30 April, 31 October	30 June, 31 December	
Ongoing charge figure	30/04/13 %	31/10/12 %
Class A income	0.76	0.76
Class A accumulation	0.76	0.76
Class I accumulation	0.38	0.38

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

Performance record

Calendar year	Net revenue (pence per share)	Highest price (pence per share)	Lowest price (pence per share)
Class A income			
2008	9.05	334.91	192.82
2009	7.44	282.15	180.40
2010	6.57	316.44	255.16
2011	6.12	324.83	264.19
2012	7.70	323.84	282.73
2013	3.92+	356.66*	326.90*
Class A accumulation			
2008	10.15	372.28	217.72
2009	8.66	334.99	207.65
2010	7.86	384.16	306.96
2011	7.49	395.43	323.69
2012	9.58	410.96	354.65
2013	4.97+	452.61*	414.85*
Class I accumulation			
2008	10.93	375.74	220.11
2009	9.30	339.43	210.07
2010	8.66	390.04	311.35
2011	8.57	401.90	329.29
2012	11.24	420.01	361.69
2013	5.79+	462.94*	424.01*

* to 30 April

+ to 28 June

Net revenue distribution

Share class	30/04/13 p	30/04/12 p
Class A income	3.92	4.01
Class A accumulation	4.97	4.95
Class I accumulation	5.79	5.77

Total dividend distributions for the six months ended 30 April 2013, comparison is for the same period last year.

Past performance is not a guide to future performance.

Major holdings

as at 30/04/13	%
HSBC Holdings (London listed)	6.56
Vodafone	4.90
BP	4.49
Royal Dutch Shell 'A'	4.15
GlaxoSmithKline	4.13
British American Tobacco	3.50
Royal Dutch Shell 'B'	2.98
Diageo	2.50
AstraZeneca	2.13
BHP Billiton	1.90

Major holdings

as at 31/10/12	%
HSBC Holdings (London listed)	6.35
BP	4.78
Vodafone	4.70
Royal Dutch Shell 'A'	4.45
GlaxoSmithKline	3.94
British American Tobacco	3.38
Royal Dutch Shell 'B'	3.29
Diageo	2.53
BHP Billiton	2.38
Rio Tinto	2.19

Asset allocation

as at 30/04/13	%
Financials	22.88
Oil & Gas	15.10
Consumer Goods	14.25
Consumer Services	9.73
Industrials	9.30
Basic Materials	7.98
Healthcare	7.45
Telecommunications	6.36
Utilities	3.97
Technology	1.71
Futures	0.01
Net other assets	1.26
Total	100.00

Asset allocation

as at 31/10/12	%
Financials	21.44
Oil & Gas	16.65
Consumer Goods	13.44
Basic Materials	9.93
Consumer Services	9.29
Industrials	8.92
Healthcare	7.14
Telecommunications	5.96
Utilities	3.93
Technology	1.42
Futures	(0.03)
Net other assets	1.91
Total	100.00

Report and accounts

This document is a short report of the Henderson UK Index Fund for the six months ended 30 April 2013.

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 period it covers and the results of those activities at the end of the period.

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

Depository

HSBC Bank plc
8 Canada Square, Canary Wharf, London E14 5HQ
Authorised and regulated by the Financial Conduct Authority.

From 20 May 2013
National Westminster Bank plc
135 Bishopsgate
London EC2M 3UR

Investment Manager

State Street Global Advisors Limited
20 Churchill Place, Canary Wharf, London E14 5HJ
Authorised and regulated by the Financial Conduct Authority.

Risk warning

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.

Important Information

On 20 May 2013, the Depositary changed from HSBC Bank plc to National Westminster Bank plc.

Registrar

International Financial Data Services (UK) Limited
IFDS House, St. Nicholas Lane, Basildon SS15 5FS
Authorised and regulated by the Financial Conduct Authority.

Auditor

PricewaterhouseCoopers LLP
141 Bothwell Street, Glasgow G2 7EQ
Institute of Chartered Accountants in England and Wales.

Contact us

Client Services 0800 832 832
www.henderson.com

Head Office address:
201 Bishopsgate, London EC2M 3AE

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 30 April 2013. 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 UK Index 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. 9063355), Henderson Fund Management Limited (reg. no. 2607112), Henderson Investment Funds Limited (reg. no. 2678531), Henderson Investment Management Limited (reg. no. 17955554), 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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