

Legal & General Distribution Trust

**Interim Manager's
Short Report
for the period ended
14 April 2013**



Investment Objective and Policy

The investment objective of this Trust is to provide a combination of income and long-term capital growth.

The Manager will seek to achieve this objective by investing (directly, or indirectly through Collective Investment Schemes) in a diversified portfolio of bonds and equities, as well as such other assets as may be permitted (from time to time) for investment by this type of Trust.

The Manager will aim to identify a combination of investments that are expected to produce income, together with some potential for capital growth. Investments may be selected from any geographical area or economic sector. The Manager may invest in other Collective Investment Schemes, including those managed by companies in the Legal & General Group.

Risk Profile

Credit Risk

This Trust is invested in Collective Investment Schemes, which may directly invest in financial securities such as bonds. With these investments, there is a risk of suffering loss due to a party not meeting its financial obligations.

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.

Interest Rate Risk

This Trust is invested in interest bearing Collective Investment Schemes. The performance of the Trust may therefore be affected by changes in interest rates, through its holdings in these Schemes.

Currency Risk

This Trust holds investments in overseas financial securities. It also invests in Collective Investment Schemes that hold investments 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

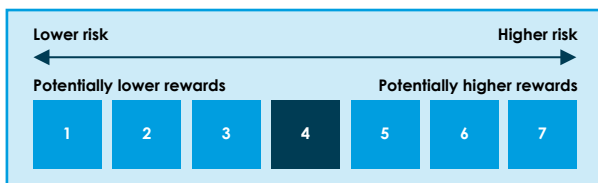
Period End Dates for Distributions:	14 Apr, 14 Oct	
Distribution Dates:	14 Jun, 14 Dec	
Ongoing Charges Figures:	14 Apr 13	14 Oct 12
R-Class	1.47%	1.46%
I-Class	0.68%	0.67%
F-Class*	0.97%	—

* 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) and all costs suffered through holdings in underlying Collective Investment Schemes, 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 four because it invests, sometimes through other funds, in a variety of investments. A mixture of higher risk investments and lower risk investments has a balancing effect. The result is that this Trust is lower risk than one investing only in company shares and higher risk than one investing only in investment grade bonds.
- 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
14 Oct 10			
R-Class			
Distribution Units	£15,471,794	52.29p	29,591,100
Accumulation Units	£27,318,247	67.95p	40,202,707
14 Oct 11			
R-Class			
Distribution Units	£13,275,684	48.36p	27,449,848
Accumulation Units	£25,198,855	65.11p	38,701,578
14 Oct 12			
R-Class			
Distribution Units	£14,310,142	52.92p	27,040,325
Accumulation Units	£26,687,337	73.70p	36,208,500
I-Class*			
Distribution Units	£1,001	53.44p	1,873
Accumulation Units	£11,938	74.39p	16,048
14 Apr 13			
R-Class			
Distribution Units	£14,817,291	55.67p	26,614,063
Accumulation Units	£27,773,368	78.73p	35,277,878
I-Class*			
Distribution Units	£216,124	56.30p	383,856
Accumulation Units	£442,666	79.78p	554,854
F-Class**			
Distribution Units	£6,069	56.21p	10,797
Accumulation Units	£34,397	79.57p	43,227

* I-Class units were launched on 17 August 2012.

** 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 14 June 2013 is 0.8537p net per unit for distribution units and 1.1890p net per unit for accumulation units.

I-Class

The distribution payable on 14 June 2013 is 0.9532p net per unit for distribution units and 1.3275p net per unit for accumulation units.

F-Class

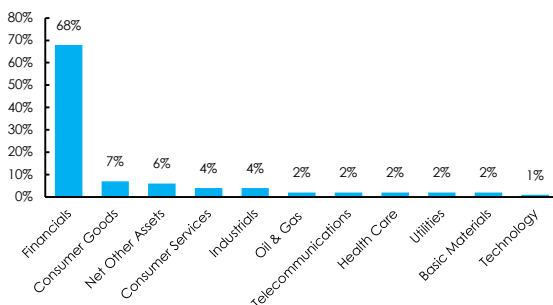
The distribution payable on 14 June 2013 is 0.9021p net per unit for distribution units and 1.2563p net per unit for accumulation units.

Portfolio Information

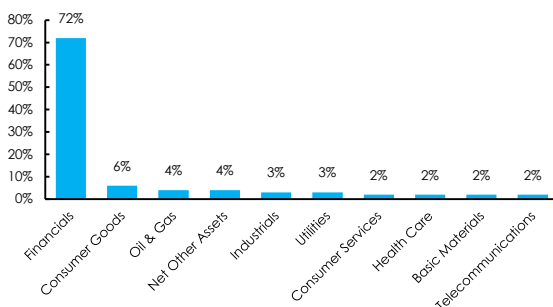
The top 10 holdings and their associated weighting for the current period and preceding year are:

Top 10 Holdings at 14 April 2013		Top 10 Holdings at 14 October 2012	
Holding	Percentage of Net Asset Value	Holding	Percentage of Net Asset Value
Legal & General Dynamic Bond Trust	17.81%	Legal & General Managed Monthly Income Trust	17.22%
Legal & General Managed Monthly Income Trust	14.86%	Legal & General Dynamic Bond Trust	16.16%
Legal & General High Income Trust	13.47%	Legal & General High Income Trust	15.84%
Legal & General Fixed Interest Trust	10.09%	Legal & General Fixed Interest Trust	15.67%
HSBC	1.95%	British American Tobacco	1.64%
Prudential	1.90%	Prudential	1.64%
Legal & General Sterling Income Trust	1.86%	Royal Dutch Shell 'B'	1.58%
Vodafone Group	1.75%	Vodafone Group	1.49%
GlaxoSmithKline	1.34%	BP	1.31%
Royal Dutch Shell 'B'	1.33%	GlaxoSmithKline	1.20%

Trust Holdings as at 14 April 2013



Trust Holdings as at 14 October 2012



Unit Price Range and Net Revenue

R-Class Units

Year	Highest Offer	Lowest Bid	Net Revenue
Distribution Units			
2008	59.13p	40.40p	2.1612p
2009	53.69p	38.11p	2.1548p
2010	56.28p	48.75p	1.8005p
2011	55.70p	48.25p	1.7770p
2012	56.94p	49.98p	1.7712p
2013 ⁽²⁾	59.90p	53.94p	0.8537p
Accumulation Units			
2008	67.59p	48.34p	2.4970p
2009	66.91p	45.60p	2.6124p
2010	72.22p	62.35p	2.2803p
2011	73.55p	63.92p	2.3285p
2012	79.31p	67.29p	2.4054p
2013 ⁽²⁾	84.43p	75.11p	1.1890p

I-Class Units*

Year	Highest Offer	Lowest Bid	Net Revenue
Distribution Units			
2012 ⁽¹⁾	54.81p	52.91p	0.8414p
2013 ⁽²⁾	57.81p	54.52p	0.9532p
Accumulation Units			
2012 ⁽¹⁾	76.34p	72.55p	1.1319p
2013 ⁽²⁾	80.51p	75.92p	1.3275p

* There are no prior year comparatives for the I-Class which launched on 17 August 2012.

⁽¹⁾ From 17 August 2012.

⁽²⁾ The above tables show the highest offer and lowest bid prices to 14 April 2013 and the net revenue per unit to 14 June 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⁾	54.70p	53.66p	—
2013 ⁽²⁾	57.68p	54.40p	0.9021p
Accumulation Units			
2012 ⁽¹⁾	76.18p	74.73p	—
2013 ⁽²⁾	80.30p	75.76p	1.2563p

** There are no prior year comparatives for the F-Class which launched on 19 December 2012.

⁽¹⁾ From 19 December 2012.

⁽²⁾ The above table shows the highest offer and lowest bid prices to 14 April 2013 and the net revenue per unit to 14 June 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 5.19%.

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Market/Economic Review

The global economy has faced significant challenges over the review period, with the European sovereign (government) debt crisis taking centre stage as policymakers attempted to avert a collapse in economic activity. The emerging economies have been the driving force of global growth, although fears surrounding a slowdown in China forced the authorities to sanction interest rate cuts to rebalance the economy away from export-led and towards domestic-led growth. Governments in the G7 countries have to varying degrees tried to reduce their budget deficits and implement austerity programmes, while simultaneously leaving interest rates at historically low levels. In the US, UK and Japan this has been accompanied by further asset purchases (quantitative easing) aimed at reviving growth. Despite central bank action many global economic indicators continued to show subdued growth in many nations.

At the turn of the year however, some data releases from the US and China did prove more encouraging. In addition, some key factors were expected to further contribute towards a pick up in world trade during 2013, including very loose monetary policy and the unprecedented Japanese monetary and fiscal stimulus programme. After a prolonged period of stagnation, any improvement in global trade and production served as a welcome catalyst for stronger global growth, and in turn stronger equity markets.

Credit spreads, the difference between government and corporate bond yields, narrowed as investor appetite for higher returns remained strong against a backdrop of exceptionally low interest rates in developed economies and the continuing rally in equity markets. High yield bonds outperformed investment grade issues as investors continued to favour riskier securities. In UK government bond markets, even though the inconclusive outcome to the Italian elections and the onset of the Cypriot banking crisis triggered a rally in the gilt market as investors looked for safe haven assets, this was short-lived and gilts underperformed risk assets over the review period.

Trust Review

The Trust produced positive performance over the review period. The strength in UK equity performance was one of many contributors to Trust returns. UK equity markets initially rallied in the review period as investors were assured by the work of the European Central Bank (ECB) to avert any crisis and later continued to rally as broadly encouraging global economic data and ongoing central bank support underpinned investor confidence.

Manager's Investment Report continued

Sector wise, Telecommunications and Industrials led the UK equity market higher. Amongst the former, Vodafone performed well as investors were relieved that the mobile telecommunications group shelved plans to make a takeover bid for Kabel Deutschland.

Housebuilders such as Bellway, Persimmon and Barratt

Developments rose sharply on optimism that mortgage subsidies announced in the March budget would herald an upsurge in demand for residential property.

The corporate bonds exposure in the Trust was reduced slightly over the review period, partly as these began to look poor value but also to lock in gains after a very strong 2012. The proceeds were partially added to UK equity holdings and also used to increase our exposure to high yield bonds; a market which performed extremely well over the review period. Within the Legal & General High Income Trust, holdings in emerging market regions and UK retail sector bonds, such as House of Fraser, benefited overall Trust returns.

Alternative holdings in the Legal & General Dynamic Bond Trust, which can seek out the best opportunities across the full fixed income spectrum also performed well during the review period. As safe haven assets such as gilts generally underperformed risky assets, the extremely low weight held in gilts also helped the Trust's performance over the period.

Outlook

Looking ahead, advanced economies still have obstacles to clear, with debt problems likely to weigh on growth in both the short and medium-term. Advanced economy growth is expected to remain barely positive and insufficient to address medium-term fiscal concerns.

In the UK, the Office for Budget Responsibility downgraded its growth forecast from 1.2% to 0.6% for 2013. Consensus expected a negative GDP number for the first quarter of 2013, as the prolonged winter weather was thought to have dragged down construction numbers. However, the UK managed to avoid the much-touted 'triple dip' recession, posting a 0.3% increase.

The policy measures from central banks have provided the support for risk assets and the Bank of Japan's decision to implement quantitative easing on such an unprecedented scale has significantly changed the investment landscape. Overall, we expect central bank support to continue for some time, with little chance of tightening monetary policy, making it an ongoing supportive environment for equities. Credit and sovereign bonds have continued to benefit from high levels of liquidity, low inflation and the promise to keep interest rates low for the foreseeable future. Risk assets remain vulnerable to growth disappointment and any resurgence in European sovereign concerns, consequently the Trust will be managed vigilant of these risks.

Legal & General Investment Management Limited
(Investment Adviser)

3 May 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.

EU Savings Directive

The Trust has been reviewed against the requirements of the Directive 2003/48/EC on Taxation of savings in the form of interest payments (ESD), following the HM Revenue & Customs debt investment reporting guidance notes.

Under the Directive, information is collected about the payment of distributions to residents in certain other countries and is reported to HM Revenue & Customs to be exchanged with tax authorities in those countries.

The Trust falls within the 25% debt investment reporting threshold. This means that details of all distributions and redemption proceeds paid to non UK investors will be reported by Legal & General (Unit Trust Managers) Limited to HM Revenue & Customs to be exchanged with the relevant tax authorities.

Significant Changes

New Unit Classes: 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.

Minimum Investment Amounts

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

R-Class	£20
I-Class	£1,000,000
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.

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Manager

Legal & General (Unit Trust Managers) Limited

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Financial Conduct Authority**

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