

Legal & General Pacific Index Trust

**Interim Manager's
Short Report
for the period ended
25 September 2013**



Investment Objective and Policy

The investment objective of this Trust is to track the capital performance of the stock markets of the Pacific region, as represented by the FTSE World Asia Pacific (excluding Japan) Index, by investment in a representative sample of stocks selected from all economic sectors.

Securities in the FTSE World Asia Pacific (excluding Japan) 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.

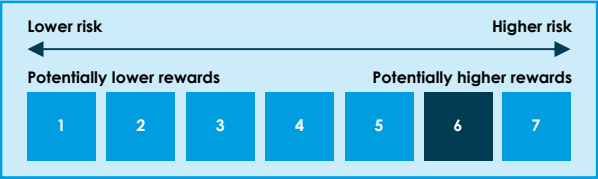
Trust Facts

Period End Dates for Distributions:	25 Mar, 25 Sep	
Distribution Dates:	25 May, 25 Nov	
Ongoing Charges Figures	25 Sep 13	25 Mar 13
R-Class	0.86%	0.86%
I-Class	0.22%	0.27%
F-Class	0.41%	0.41%

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 from the Pacific region 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
25 Mar 11			
R-Class			
Distribution Units	£512,445,065	81.09p	631,969,462
Accumulation Units	£147,820,261	98.38p	150,260,162
I-Class			
Distribution Units	£38,536,714	80.82p	47,684,656
Accumulation Units	£197,698,099	100.50p	196,712,190
25 Mar 12			
R-Class			
Distribution Units	£502,149,643	77.64p	646,807,671
Accumulation Units	£146,961,228	96.70p	151,971,610
I-Class			
Distribution Units	£35,938,417	77.28p	46,503,479
Accumulation Units	£184,324,346	99.27p	185,680,169
25 Mar 13			
R-Class			
Distribution Units	£587,773,919	87.83p	669,241,776
Accumulation Units	£159,025,015	111.79p	142,253,378
I-Class			
Distribution Units	£36,116,743	87.45p	41,300,672
Accumulation Units	£145,207,851	115.43p	125,801,540
F-Class*			
Distribution Units	£1,094	88.08p	1,242
Accumulation Units	£3,097	112.25p	2,759
25 Sep 13			
R-Class			
Distribution Units	£410,464,395	83.32p	492,611,808
Accumulation Units	£151,783,547	107.54p	141,146,579
I-Class			
Distribution Units	£43,553,369	82.96p	52,496,859
Accumulation Units	£184,102,278	111.50p	165,120,033
F-Class*			
Distribution Units	£311,859	83.57p	373,190
Accumulation Units	£27,368	108.22p	25,289

* F-Class 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 25 November 2013 is 1.1603p net per unit for distribution units and 1.4799p net per unit for accumulation units.

I-Class

The distribution payable on 25 November 2013 is 1.4301p net per unit for distribution units and 1.8882p net per unit for accumulation units.

F-Class

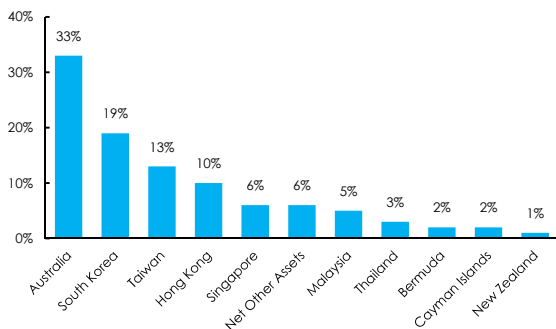
The distribution payable on 25 November 2013 is 1.3505p net per unit for distribution units and 1.7345p net per unit for accumulation units.

Portfolio Information

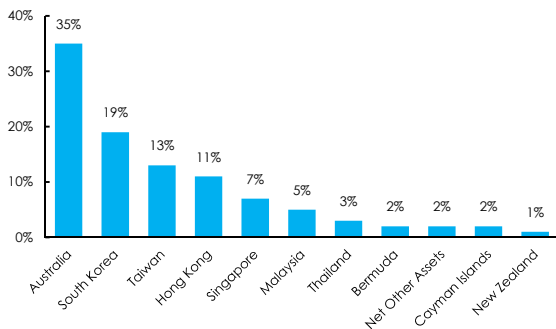
The top 10 holdings and their associated weighting for the current period and preceding year are:

Top 10 Holdings at 25 September 2013		Top 10 Holdings at 25 March 2013	
Holding	Percentage of Net Asset Value	Holding	Percentage of Net Asset Value
Samsung Electronics	4.19%	Samsung Electronics	4.67%
Commonwealth Bank of Australia	3.40%	Commonwealth Bank of Australia	3.69%
BHP Billiton	3.34%	BHP Billiton	3.60%
Westpac Banking (AUD)	2.95%	Westpac Banking (AUD)	3.19%
Taiwan Semiconductor Manufacturing	2.59%	Australia & New Zealand Banking Group	2.63%
Australia & New Zealand Banking Group	2.48%	Taiwan Semiconductor Manufacturing	2.61%
National Australia Bank	2.36%	National Australia Bank	2.38%
AIA Group	1.78%	AIA Group	1.73%
Woolworths	1.27%	Woolworths	1.40%
Wesfarmers	1.21%	Wesfarmers	1.34%

Trust Holdings as at 25 September 2013



Trust Holdings as at 25 March 2013



Unit Price Range and Net Revenue

R-Class Units

Year	Highest Offer	Lowest Bid	Net Revenue
Distribution Units			
2008	70.53p	36.35p	1.1951p
2009	70.73p	39.28p	1.1606p
2010	85.40p	65.20p	1.4738p
2011	85.82p	64.37p	1.7361p
2012	82.23p	69.93p	1.7513p
2013 ⁽¹⁾	92.11p	77.19p	1.8573p
Accumulation Units			
2008	80.45p	42.12p	1.3759p
2009	83.59p	45.50p	1.3486p
2010	102.80p	77.04p	1.7499p
2011	104.10p	79.52p	2.1011p
2012	103.80p	87.11p	2.1739p
2013 ⁽¹⁾	116.40p	98.25p	2.3598p

I-Class Units

Year	Highest Offer	Lowest Bid	Net Revenue
Distribution Units			
2008	70.52p	36.26p	1.5012p
2009	69.94p	38.96p	1.3869p
2010	85.38p	64.88p	1.8422p
2011	85.67p	64.51p	2.1603p
2012	81.98p	70.09p	2.1546p
2013 ⁽¹⁾	91.95p	77.17p	2.3657p
Accumulation Units			
2008	81.22p	42.61p	1.7253p
2009	84.08p	45.77p	1.6460p
2010	105.10p	78.07p	2.2388p
2011	106.50p	81.92p	2.6888p
2012	107.00p	90.05p	2.7556p
2013 ⁽¹⁾	120.10p	101.80p	3.1101p

⁽¹⁾ The above tables show the highest offer and lowest bid prices to 25 September 2013 and the net revenue per unit to 25 November 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⁾	82.11p	80.49p	—
2013 ⁽²⁾	92.98p	77.70p	2.1250p
Accumulation Units			
2012 ⁽¹⁾	103.70p	101.70p	—
2013 ⁽²⁾	117.40p	99.01p	2.7439p

* The F-Class was launched on 19 December 2012.

⁽¹⁾ The above table shows the highest offer and lowest bid prices from 19 December 2012 to 31 December 2012.

⁽²⁾ The above table shows the highest offer and lowest bid prices to 25 September 2013 and the net revenue per unit to 25 November 2013.

Past performance is not a guide to future performance.

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Manager's Investment Report

From 12 noon on 25 March 2013 to 12 noon on

25 September 2013, the bid price of the Trust's R-Class distribution units fell by 4.50%.

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 12 noon. Therefore, for tracking purposes the Trust has been revalued using closing prices and foreign exchange rates and adjusted for the effects of Trust charges and taxation. On this basis, over the review period from the close of business on 25 March 2013 to the close of business on 25 September 2013, the Trust fell by 5.30% on a capital only basis, compared with the FTSE World Asia Pacific (ex Japan) Index decrease of 5.44%, producing a tracking difference of 0.14% (Source: Bloomberg).

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Market/Economic Review

Over the period under review, the FTSE World Asia Pacific (ex Japan) Index returned -5.44%, in Sterling terms on a capital only basis, compared with the broader FTSE World Index return of 2.27% on a capital only basis. The global economy has faced several headwinds over the review period. Emerging market economies were, at first, the driving force of global growth, but there was a slowdown in China as the authorities attempted to cool credit-fuelled spending. Governments in the G7 countries maintained austerity programmes, while simultaneously leaving interest rates at historically low levels.

Concerns that the US Federal Reserve would scale back quantitative easing sparked a slide in equity markets across the globe that lasted into late summer. The Federal Reserve's tapering discussions also sparked currency stress in major emerging market economies, with several exchange rates falling by 15% or more between May and August 2013. Reassurance that US interest rate rises were not on the immediate horizon, coupled with a bout of some softer US economic data, helped markets recover in July, but the volatility around expected interest rate movements continued throughout the remainder of the review period.

Manager's Investment Report continued

Towards the end of the review period, industrial production data and the closely watched purchasing managers' survey of manufacturing activity in China exceeded analysts' expectations. New Zealand and Australia outperformed other Pacific regions, with the latter buoyed by an encouraging results season and the strength of leading mining stocks such as BHP Billiton, as Chinese economic indicators improved. Korea's stock market rose on heavy buying by foreign investors, in marked contrast to some other Asian and emerging markets which were subject to capital flight, attracted by the country's current account surplus and sizeable foreign exchange reserves.

Thailand (+4.63%) and New Zealand (-0.04%) were among the region's strongest performers, whereas Australia (-10.27%) and Singapore (-7.01%) fell the most out of the other Asian countries. The best performing sectors were Software & Computer Services (+41.73%) and Industrial Engineering (+14.95%), whereas Beverages (-27.37%) and Real Estate Investment Trusts (-14.44%) were the weakest sectors.

Over the review period all currencies in the region depreciated against Sterling. The Australian Dollar and Thai Baht were amongst the weakest currencies, depreciating -15.3% and -11.7% respectively.

Trust Review

During the review period there were two quarterly Index rebalances, in June 2013 and September 2013.

At the quarterly Index review in June 2013 there were 37 changes to the free share capital of constituents, with the largest increases being Samsung Electronics (Korea), Telecom Corp of New Zealand and IHH Healthcare (Malaysia), and the largest decreases Sime Darby, AirAsia (both Malaysia) and Mega Financial Holding (Taiwan). Two-way index turnover was 0.7%.

The September 2013 quarterly Index review saw 11 changes to the free share capital of constituents, with the largest increases being Quanta Computer, Fubon Financial Holding and Pegatron Corp (all Taiwan), and the largest decreases StarHub (Singapore) and Crown (Australia). Two-way index turnover was 0.2%.

Outside the reviews, there were several index changes due to merger and acquisition activity. Fraser & Neave (Singapore) was deleted from the Index as a result of its cash takeover by TCC Assets Limited (non-constituent). Korean Exchange Bank was deleted from the Index as a result of an acquisition by Hana Financial. In Thailand, Siam Makro, a food retailer was deleted from the Index after it was acquired by CP ALL.

During the review period, a number of Index constituents were actively raising capital via rights issues. Shui On Land, a Chinese real estate company, raised cash to finance its involvement in two large scale urban renewal projects in Shanghai. ALS, the Australian

Manager's Investment Report continued

commercial services company, raised capital to pay for upstream acquisitions in oil and gas. Cathay Financial Holding, the Taiwanese life insurance company raised cash to boost the tier 1 ratio of its banking subsidiary for further expansion of its offshore banking unit. Following weaker than expected results, Korea Gas raised additional cash through a rights offering.

Outlook

We believe that the global economy remains on track for slow and steady growth this year, now with a greater contribution to growth sourced from advanced economies.

Pockets of emerging market economies running current account deficits look increasingly vulnerable. Termed the 'fragile five', South Africa, Indonesia, Turkey, Brazil and India are most at risk because of external funding requirements. However, the majority of the largest emerging markets do not face funding challenges, and those that do, are still in much better shape than in the 1990s during the last emerging market crisis.

Asia Pacific markets will continue to be influenced by policymaker action in the United States and China. Asia's smaller, export-driven economies such as Hong Kong, Taiwan, Singapore and Malaysia are among those most susceptible to a demand shock from the United States or the eurozone. There are some potential risks looking ahead, not least US debt negotiations, Middle East volatility and China's ability to manage down to more contained growth levels, but the market does not seem particularly vulnerable unless the situation markedly deteriorates. Should the economic backdrop improve in line with consensus forecasts, risk assets should be supported in the medium term and there is potential for improving global growth going forward.

The Trust is well positioned to capture the region's market performance.

Legal & General Investment Management Limited

(Investment Adviser)

22 October 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.

Information on Tracking Error

The 'Tracking Error' of a Trust is the measure of the volatility of the differences between the return of the Trust and the return of the benchmark Index. It provides an indication of how closely the Trust is tracking the performance of the benchmark Index after considering things such as Trust charges and taxation.

Using monthly returns, over the review year, the annualised Tracking Error of the Trust is 0.06%, whilst over the last three years to the end of September 2013, the annualised Tracking Error is 0.07%. These Tracking Errors are within the anticipated Tracking Error levels set out in the Trust's Prospectus of 0.5% per annum.

Significant Changes

Change to Annual Management Charge

With effect from 1 April 2013, the management charge for I-Class units will be 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	£1,000,000
F-Class	£500

In addition, monthly contributions can be made into the R-Class and F-Class, 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

Registered office:

One Coleman Street,

London EC2R 5AA

Telephone: 0370 050 3350

Authorised and regulated by the Financial Conduct Authority

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

Trustee

National Westminster Bank Plc

Trustee and Depositary Services

135 Bishopsgate

London EC2M 3UR

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential

Regulation Authority

Independent Auditors

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London SE1 2RT

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Financial Conduct Authority**

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