

Legal & General

All Stocks Index Linked Gilt Index Trust

**Interim Manager's
Short Report
for the period ended
26 May 2013**



Investment Objective and Policy

The investment objective of this Trust is to track the performance of the FTSE Actuaries British Government Index-Linked All Stocks Index (after adjustment for management charge and taxation).

The Manager will seek to achieve this objective by investing primarily in Government or other public securities issued by the Government of the United Kingdom. The Manager may also invest in other assets, including Government or public securities issued by other public bodies (including those outside the United Kingdom), and may make use of optimisation techniques in order to construct and maintain a portfolio, the underlying value of which exhibits the total return performance characteristics of the Index. 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 financial securities such as bonds. With these investments, there is a risk of suffering loss due to a party not meeting its financial obligations. This risk is managed by monitoring the credit profile of financial instruments and Government counterparties.

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 securities. The performance of the Trust may therefore be affected by changes in interest rates. The active monitoring and adjustment of the investments in the portfolio manages this risk.

Trust Facts

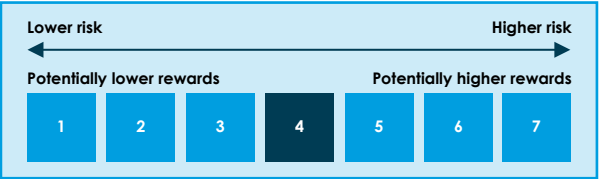
Period End Dates for Distributions:	26 May, 26 Nov	
Distribution Dates:	26 Jul, 26 Jan	
Ongoing Charges Figures:	26 May 13	26 Nov 12
M-Class	0.20%	0.23%
I-Class*	0.19%	—
F-Class*	0.37%	—

* I-Class and F-Class units 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 four because it invests in investment grade bonds which generally provide lower rewards and lower risks than other investments such as sub-investment grade bonds or company shares.
- 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
26 Nov 10			
M-Class			
Distribution Units	£388,412,404	67.09p	578,950,426
Accumulation Units	£607,936,648	75.01p	810,511,442
26 Nov 11			
M-Class			
Distribution Units	£579,332,208	78.83p	734,924,865
Accumulation Units	£757,032,893	89.13p	849,373,712
26 Nov 12			
M-Class			
Distribution Units	£578,184,372	78.75p	734,171,615
Accumulation Units	£740,882,826	89.93p	823,876,699
26 May 13			
M-Class			
Distribution Units	£488,250,858	84.80p	575,791,357
Accumulation Units	£789,548,709	97.08p	813,327,818
I-Class*			
Distribution Units	£6,833,247	84.94p	8,044,376
Accumulation Units	£4,654,701	97.26p	4,786,030
F-Class*			
Distribution Units	£1,389	84.95p	1,635
Accumulation Units	£85,165	97.20p	87,619

* I-Class and F-Class units 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.

Distribution Information

M-Class

The distribution payable on 26 July 2013 is 0.2157p net per unit for distribution units and 0.2463p net per unit for accumulation units.

I-Class

The distribution payable on 26 July 2013 is 0.2280p net per unit for distribution units and 0.2608p net per unit for accumulation units.

F-Class

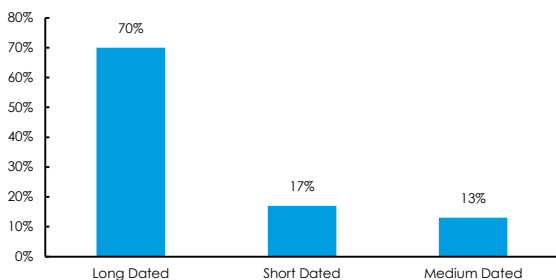
The distribution payable on 26 July 2013 is 0.1896p net per unit for distribution units and 0.2239p net per unit for accumulation units.

Portfolio Information

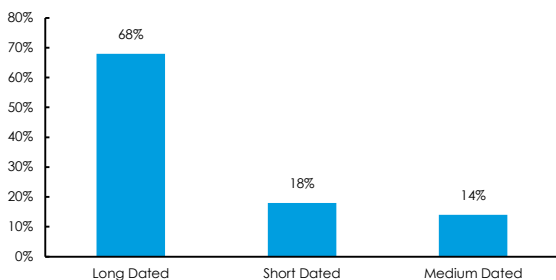
The top 10 holdings and their associated weighting for the current period and preceding year are:

Top 10 Holdings at 26 May 2013		Top 10 Holdings at 26 November 2012	
Holding	Percentage of Net Asset Value	Holding	Percentage of Net Asset Value
Treasury 2.5% Index-Linked 26/07/2016	6.92%	Treasury 2.5% Index-Linked 26/07/2016	7.63%
Treasury 2.5% Index-Linked 16/04/2020	6.35%	Treasury 2.5% Index-Linked 16/04/2020	6.85%
Treasury 1.875% Index-Linked 22/11/2022	6.26%	Treasury 1.875% Index-Linked 22/11/2022	6.75%
Treasury 2.5% Index-Linked 17/07/2024	6.02%	Treasury 2.5% Index-Linked 17/07/2024	6.46%
Treasury 1.25% Index-Linked 22/11/2027	5.90%	Treasury 1.25% Index-Linked 22/11/2027	6.21%
Treasury 2.5% Index-Linked 16/08/2013	5.36%	Treasury 2.5% Index-Linked 16/08/2013	6.01%
Treasury 1.25% Index-Linked 22/11/2055	5.35%	Treasury 1.25% Index-Linked 22/11/2032	5.29%
Treasury 1.125% Index-Linked 22/11/2037	5.07%	Treasury 1.125% Index-Linked 22/11/2037	5.19%
Treasury 2% Index-Linked 26/01/2035	4.93%	Treasury 1.25% Index-Linked 22/11/2055	5.10%
Treasury 1.25% Index-Linked 22/11/2032	4.91%	Treasury 2% Index-Linked 26/01/2035	5.09%

Trust Holdings as at 26 May 2013



Trust Holdings as at 26 November 2012



Unit Price Range and Net Revenue

M-Class Units

Year	Highest Offer	Lowest Bid	Net Revenue
Distribution Units			
2008	65.00p	55.76p	0.9973p
2009	65.94p	58.04p	0.9607p
2010	69.25p	61.88p	0.8729p
2011	81.36p	66.27p	0.8439p
2012	82.16p	76.65p	0.8161p
2013 ⁽²⁾	88.66p	78.02p	0.6077p
Accumulation Units			
2008	70.10p	60.64p	1.0624p
2009	72.50p	63.14p	1.0405p
2010	76.94p	68.30p	0.9602p
2011	91.99p	74.10p	0.9405p
2012	92.90p	87.09p	0.9177p
2013 ⁽²⁾	101.20p	89.09p	0.6918p

I-Class Units*

Year	Highest Offer	Lowest Bid	Net Revenue
Distribution Units			
2012 ⁽¹⁾	80.65p	79.42p	—
2013 ⁽²⁾	88.82p	78.27p	0.2280p
Accumulation Units			
2012 ⁽¹⁾	92.10p	90.69p	—
2013 ⁽²⁾	101.40p	89.38p	0.2608p

F-Class Units*

Year	Highest Offer	Lowest Bid	Net Revenue
Distribution Units			
2012 ⁽¹⁾	80.53p	79.42p	—
2013 ⁽²⁾	88.79p	78.27p	0.1896p
Accumulation Units			
2012 ⁽¹⁾	91.95p	90.69p	—
2013 ⁽²⁾	101.30p	89.37p	0.2239p

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

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

⁽²⁾ The above tables show the highest offer and lowest bid prices to 26 May 2013 and the net revenue per unit to 26 July 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.

Manager's Investment Report

During the period under review, the bid price of the Trust's M-Class accumulation units rose by 7.95%.

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 adjusted for the effects of Trust charges and taxation. On this basis, over the review period from the close of business on 26 November 2012 to the close of business on 26 May 2013, the Trust performance was 9.20%, compared with the benchmark Index performance of 9.16% (Source: Bloomberg), producing a tracking deviation of +0.04%.

Past performance is not a guide to future performance.

The value of investments and any income from them may go down as well as up.

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Market/Economic Review

At the start of the period, UK gilt yields rose as equity markets rallied on the successful negotiation of a last-minute deal to avoid an automatic tightening of US fiscal policy, while loose monetary policy in the major developed economies continued to fuel 'risk-on' trades (where risky assets such as equities perform well due to positive investor sentiment). Subsequently, an 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.

Domestically, the gilt market largely ignored Moody's decision to downgrade the UK's sovereign credit rating, as the announcement had been widely anticipated. The appointment of a new governor for the Bank of England (BoE), Mark Carney, raised the prospect of additional measures to boost the economy, while Monetary Policy Committee officials confirmed that further quantitative easing had not been ruled out. The immediate outlook for the UK economy worsened as the Office for Budget Responsibility (OBR) downgraded its growth forecast from 1.2% to 0.6% for 2013. Concerns that the US Federal Reserve could be considering withdrawing some of the monetary stimulus it offers caused gilts to sell off into the end of the period.

Index-linked gilts significantly outperformed conventional issues over the period, with 10-year yields outperforming by approximately

Manager's Investment Report continued

0.25%. The catalyst came in January 2013 with the unexpected announcement that the methodology for calculating the Retail Price Index (RPI) was to remain unchanged. The UK's statistics office decided to reject advice from the Consumer Pricing Advisory Committee (CPAC) which had argued the methodology used to calculate the RPI be brought more closely into line with the Consumer Price Index (CPI). Investors, who had shunned the market in the expectation that future returns on Index-linked gilts would be substantially lower if this proposal had been accepted, returned.

Trust Review

All investment activity was prompted either by unit holder investment or redemption or by changes in the profile of the benchmark Index.

There were eight auctions and one syndication of Index-linked securities during the period, which raised a total of £14.25 billion for government funding. Each issuance resulted in a change to the constituent weightings of the benchmark Index and required the Trust to be rebalanced in line with the revised Index distribution.

The Trust experienced net negative cash flow during the period. The cash flows were used to adjust the Trust's holdings in such a way so as to ensure the Trust maintained an Index distribution at all times.

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. However, easier credit conditions are expected to result in a modest increase in UK consumer spending towards the end of the year. Carney's arrival at the BoE and how he will exert his influence on policy going forward, especially in light of his loose monetary views in the face of low inflation, will be closely followed.

Current global growth is steady but low. Whilst there has been more encouraging economic data flows from the US, the inflationary pressure has eased across most developed markets which provides an ongoing supportive environment for central bank stimulus. As such, we expect central bank support to continue for some time, with little chance of tightening monetary policy. Sovereign bonds have continued to benefit from high levels of liquidity, low inflation and the promise to keep interest base rates at zero for the foreseeable future and had been largely range-bound. The recent sharp move higher in yields was not likely before the Fed signalled it was preparing to taper QE, though markets continue to remain vulnerable to growth disappointment and any resurgence in European sovereign concerns.

Legal & General Investment Management Limited
(Investment Adviser)
17 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.

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.

Effective Yield

Since 27 November 2007, the Trust has been accounting for income from debt securities on an effective yield basis. Effective yield considers the difference between purchase and redemption price of each security, and spreads that discount or premium across the life of the security.

Legal & General (Unit Trust Managers) Limited had obtained a modification of the Collective Investment Scheme Sourcebook rules to allow us to distribute on a coupon basis as opposed to an effective yield basis.

With effect from 27 November 2012, this modification has expired and as such the Trust will now distribute on an effective yield basis, in accordance with the Collective Investment Schemes Sourcebook. In order that the Trust may achieve its financial objective, the effect of changes in the Retail Price Index (RPI) will be retained within the capital value of the Trust.

Significant Changes

Change in Annual Management Charges

With effect from 1 April 2013, the management charge for M-Class & I-Class units have been reduced from 0.20% to 0.15%.

Minimum Investment Amounts

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

M-Class	£1,000,000
I-Class	£1,000,000
F-Class	£500

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

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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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