

Worldwide Income Fund

HFAAX, HFABX, HFACX

Quarterly update and outlook

March 31, 2011



John Pattullo, Head of Retail Fixed Income
Jenna Barnard, CFA Director Retail Fixed Income

Overview

Although volatile, the US Treasury market posted a broadly flat return over the first quarter. Default rates continued on their downward trend while resilient equity markets, even in the face of geopolitical unrest and a Japanese earthquake, provided a supportive backdrop. Perhaps the biggest surprise of the quarter came from the European Central Bank which offered coded guidance to markets that interest rates would begin to rise as soon as April.

Fund performance

The Fund (A shares at NAV) outperformed its benchmark, the 50% ML Global High Yield Index (USD hedged) /50% ML Global Broad Market Corp Index (USD hedged). The Fund's positioning in subordinated financial bonds and high yield corporate bonds made a positive contribution. Investment grade and the modest equity portfolio also made material contributions to performance.

Investment activity

The Fund's theme continued to be the rotation of assets away from low yielding and interest rate sensitive, investment grade towards high yielding, more default but less interest rate sensitive high yield bonds. Consequently, the Fund continued to rotate away from names such as **Heineken**, **Yum! Brands** and **Dish Network** which were sold for profit. With the proceeds the Fund invested in new, predominately US high yield names. The Fund purchased some US gaming bonds **Boyd** and **Pinnacle** as it appears Las Vegas is seeing some meaningful turnaround in activity post the financial crisis. The Fund also bought some cyclical dependent rentals business in the form of **United Rentals** which is experiencing a material

pickup in demand. In addition the Fund bought some restaurant exposure in the form of **Burger King** and **DineEquity**. We also purchased some cinema and telecom exposure in the form of **Regal Entertainment** and **Windstream** accordingly. We feel these names still offer good value given where we are in the cycle.

Both portfolio managers attended separate US conferences; one went to a US high yield conference and one to a Telecom and Media Convergence conference – some new ideas and themes were discovered there. Given the positive re-regulatory theme, we continue to favor subordinated financial bonds of significantly important institutions – most of these bonds are formally rated investment grade but trade with greater yield than the rating. We continue to believe these bonds offer good value as such re-regulation is beneficial for bondholders.

Finally, regarding duration (interest rate sensitivity) we remain very cautious and stay short of the 5 year part of the US curve. We expect the curve to flatten as the market anticipates rate hikes.

Outlook

As the end of QE2 (quantitative easing) approaches we are mindful that markets are sensitive to any change in central bank thinking. Indeed the divergence of view between the US and Europe is especially concerning given that we consider the US economic cycle to be ahead of Europe. Although we continue to see value in high yield we are generally more interested in existing high yield businesses with proven business strategies and reasonable balance sheets (and leverage levels). The quality of the new deals is deteriorating so we are being very stock selective going forwards.

International investing involves certain risks and increased volatility not associated with investing solely in the US. These risks included currency fluctuations, economic or financial instability, lack of timely or reliable financial information or unfavorable political or legal developments. The Fund may invest in securities issued by smaller companies which typically involves greater risk than investing in larger companies. Also, the Fund may invest in limited geographic areas and/or sectors which may result in greater market volatility. In addition, the Fund may invest in derivatives. Derivatives involve special risks different from, and potentially greater than, the risks associated with investing directly in securities and may result in greater losses.

The Worldwide Income Fund invests in high yield, lower rated (junk) bonds which involve a greater degree of risk than investment grade bonds in return for higher yield potential. As such, securities rated below investment grade generally entail greater credit, market, issuer and liquidity risk than investment grade securities. Moreover, the Fund is subject to interest rate risk which is the risk that debt securities in the Fund's portfolio will decline in value because of increases in market interest rates. The Fund may borrow money which may affect the return to shareholders of the Fund, also known as leverage risk.

For more information

For additional information on any of the Henderson Global Funds or to obtain a prospectus, please call 1.866.443.6337 or visit our website at www.hendersonglobalinvestors.com



Henderson
GLOBAL INVESTORS

Worldwide Income Fund

HFAAX, HFABX, HFACX

Quarterly update and outlook

Top 5 sectors

1. Consumer-HY	24.2%
2. Financial-HY	22.6%
3. Communications-HY	17.7%
4. Industrials-HY	12.9%
5. Financial-Banking	4.8%

Top 10 holdings

1. ISS Holdings	3.4%
2. Arran Corp Loans	3.3%
3. Service Corp	3.3%
4. AXA SA	3.0%
5. Cablecom Luxembourg	2.8%
6. ITV plc	2.8%
7. Daily Mail & General Trust	2.7%
8. Legal & General Group	2.7%
9. Iron Mountain	2.6%
10. Aviva	2.6%

Performance as of March 31, 2011

	3 months	1 year	3 years	5 years	Since inception ¹
HFAAX at NAV	2.83%	7.17%	3.80%	3.08%	5.50%
HFAAX w/ sales charge	—	2.07%	2.12%	2.09%	4.81%
50% ML Global High Yield/50% ML Global Broad Market Corp	2.23%	9.28%	10.31%	7.58%	7.19%
Lipper Global Income Funds Average	1.46%	7.13%	4.63%	5.90%	5.64%

¹Inception date 9/30/03

The Lipper Global Income Funds Average is compiled by Lipper, Inc., which is an independent mutual fund rating service. Lipper returns do not take into effect sales charges.

Performance data quoted represents past performance and is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. For the most recent month-end performance please call 1.866.443.6337 or visit the Fund's website at www.hendersonglobalinvestors.com. Performance results at offering price reflect the deduction of the maximum front-end sales charge of 4.75%. Performance presented at NAV which does not include these sales charges would be lower if these charges were reflected. As stated in the current prospectus, the Fund's annual operating expense ratio (gross) is 1.64%. However, the Fund's adviser has agreed to contractually waive a portion of its fees and/or reimburse expenses such that total operating expenses do not exceed 1.31% which is in effect until July 31, 2020.

Returns greater than 1-year are annualized and all returns include the reinvestment of dividends and capital gains. Performance results reflect expense subsidies and waivers in effect during certain periods shown. Returns are for Class A shares; other share classes will vary. Absent these waivers, results would have been less favorable for certain periods.

The Bank of America Merrill Lynch Global High Yield Index (USD-hedged) tracks the performance in US dollars on a hedged basis of Canadian Dollar, British sterling, US dollar and euro denominated developed market below investment grade corporate debt publicly issued in the major US or eurobond markets. The Bank of America Merrill Lynch Global Corporate Index (USD-hedged) tracks the performance in US dollars on a hedged basis of developed market investment grade corporate debt publicly issued in the major US and eurobond markets. One cannot invest directly in an index or an average. Holdings subject to change at any time for any reason and may not be current as of the publication of this piece or thereafter.

One should consider the investment objectives, risks, fees and expenses of any mutual fund carefully before investing. This and other important information is available in the Fund's prospectus and summary prospectus which are available at www.hendersonglobalinvestors.com, by calling 1.866.443.6337 or by contacting your financial adviser. Please read the prospectus or summary prospectus carefully before investing.

The views in the summary were those of the Fund manager as of the listed date and may not reflect the views of the manager on the date the material is first published or anytime thereafter. The views are intended to assist readers in understanding the Fund's investment methodology and do not constitute investment advice. This should not be considered as an offer to sell or a solicitation of an offer to buy securities mentioned herein. Portfolio holdings and allocation may change at any time. Not FDIC insured, Not bank guaranteed, May lose money.