



**Fund Manager -
Neil Hermon**

Fund Objective

The objective of The Henderson Smaller Companies Investment Trust plc is to maximise shareholders' total returns by investing in smaller companies that are listed in the United Kingdom.

Fund Manager's Commentary

The UK stock market made modest progress in May, as tentative signs emerged that global economic conditions were stabilising. Additionally, a return of confidence to banking markets, signs of life in the UK housing market, and rising commodity prices all helped investor confidence. Small- and mid-cap stocks performed in line with large caps.

Notable contributors to performance included Topps Tiles, the tile and ceramics retailer, which rose 70% as confidence grew that the company would not breach banking covenants and was trading satisfactorily. Southern Cross, the nursing home operator, rose 27.5% as the company reported reasonable interim results and confirmed that trading was in line with expectations. The main detractor was WSP Group, the engineering consultant, which fell 23.1% as investors fretted over its public sector exposure and late cycle characteristics.

We increased our position in Northgate, the rental provider of light commercial vehicles, as we believe the company is trading satisfactorily and will soon refinance its debt obligations. We also increased our position in Taylor Wimpey, the housebuilder, as its recent equity issue has significantly improved its financial position.

Trust Information

Epic Code	HSL
AIC Sector	UK Smaller Companies
Trust Type	Conventional (Ords)
Launch Date	1887
Financial Year End	31 May
Dividend Payment	October
Last Ex Div Date	27 August
*Risk Rating	Slightly Above Average
Premium/Discount	-16.6%
Gearing	13%
Yield	1.32%
Management Fee	0.35%
Performance Fee	Yes
Total Expense Ratio (TER)	0.51%
	(year end 31/05/2008)

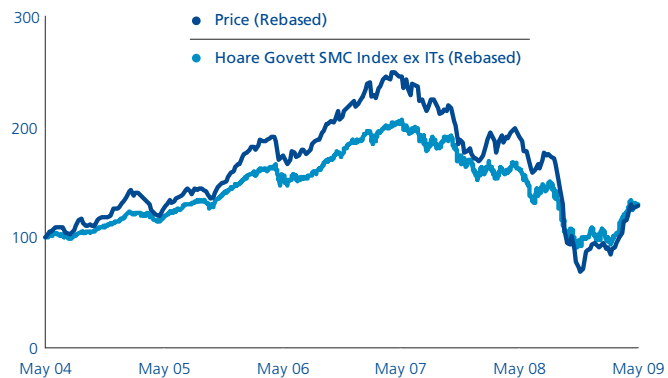
Trust Statistics

Gross total assets	£175m
NAV per ordinary share (cum income)	200.3p
NAV per ordinary share (ex income)	195.6p
Share Price	167.0p

Source: FundData.com

*WINS Investment Trusts

Performance vs Benchmark



Cumulative Growth

Performance over:	1yr	2yrs	3yrs	5yrs	10yrs
Share Price (Total Return)	-32.6%	-47.2%	-26.2%	29.2%	-27.0%
Net Asset Value (Total Return)	-36.8%	-49.0%	-28.3%	17.6%	-34.0%
Benchmark (Total Return)	-19.4%	-36.6%	-15.8%	30.3%	65.3%
Relative NAV Outperformance	-17.4%	-12.4%	-12.4%	-12.7%	-99.3%
Peer Group Ranking	13/15	10/15	9/15	8/15	14/14

Peer group rankings are based on the AIC sector

Annual Growth to 31 March 2009

	2008/2009	2007/2008	2006/2007	2005/2006	2004/2005
Share Price (Total Return)	-48.3%	-20.7%	26.5%	40.1%	21.2%
Net Asset Value (Total Return)	-45.6%	-17.5%	27.3%	36.1%	22.7%

Please remember that past performance is not a guide to future performance. The value of an investment and the income from it can rise as well as fall as a result of market and currency fluctuations, and you may not get back the amount originally invested.

All performance, cumulative growth and annual growth, source: FundData.com

Sector Breakdown

Industrials	40.7%
Consumer Services	14.6%
Financials	13.2%
Technology	10.1%
Oil & Gas	6.1%
Basic Materials	6.1%
Consumer Goods	5.6%
Health Care	3.6%

Top 10 Holdings = 24.4% of Portfolio

Informa	3.6%	Balfour Beatty	2.3%
WS Atkins	2.9%	Spectris Group	2.2%
WSP Group	2.7%	Premier Oil	2.1%
Bellway	2.6%	Domino Printing	1.9%
Carillion	2.3%	Interserve	1.8%

All geographical data, sector breakdowns and top 10 holdings, source: BNP Paribas

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All data in this factsheet is as at or to 31 May 2009 unless otherwise stated. Tax assumptions may change if the law changes, and the value of tax relief will depend upon your individual circumstances. Henderson Global Investors is the name under which Henderson Global Investors Limited (reg. no. 906355), Henderson Fund Management plc (reg. no. 2607112), Henderson Investment Funds Limited (reg. no. 2678531), Henderson Investment Management Limited (reg. no. 1795354), Henderson Alternative Investment Advisor Limited (reg. no. 962757) and Henderson Equity Partners Limited (reg. no. 2606646) (each authorised and regulated by the Financial Services Authority and of 201 Bishopsgate, London, EC2M 3AE) provide investment products and services. We may record telephone calls for our mutual protection and to improve customer service.