

Henderson Industries of the Future Fund



Fund manager
Tim Dieppe

Fund facts at 31 December 2010

Fund aim

To provide capital growth by investing in companies that meet the ethical criteria applied by the Authorised Corporate Director. The fund may invest in companies in any economic sector and any area of the world.

Launch date

13 February 1995

IMA sector

Global Growth

Fund size

£107.17m

Yields (%) Historical

Class A 0.0
Class I 0.2

Type of shares

Income

XD dates

30 Apr, 31 Oct (ann)

Dividend pay dates

30 Jun, 31 Dec

Minimum investment

Lump sum £1,000
Subsequent £500
Regular saving £50

Charges (%) Initial Annual
Class A 5.00 1.50
Class I Nil 1.00

SEDOL numbers

0773120 (A – Income)
0774004 (I – Accumulation)
0773700 (I – Income)

Fund manager comment

The MSCI World index ended a turbulent year strongly despite concerns over Chinese inflation and the ongoing Eurozone debt issues. The index gained 6.8% during December to end the year at its highest month-end close since 2008.

The fund outperformed its MSCI World benchmark during December with a rise of 7.7%. The Health theme, which makes up almost a quarter of the fund, led the way as Emergency Medical Services announced they were considering a sale of the company, boosting the share price. Agilent Technologies was also strong on some broker upgrades. Gentex, a recent purchase in the Safety theme, was the top performing stock during the month after favourable legislation mandating rear-view cameras in new automobiles was proposed in the US. Energy efficiency company Eaga also enjoyed a strong month as it recovered some of the losses sustained in October.

At the other end of the scale mining and energy stocks rallied, to the detriment of fund performance given our underweight position in these areas. US company Veeco (Efficiency) fell slightly due to talk of subsidy cuts for its products in China.

During the month we initiated a position in JB Hunt (Sustainable Transport). The US transport logistics company is well positioned to benefit from the growth in intermodal transport in the future. We also bought into Torishima Pump Manufacturing (Water), a Japanese manufacturer of desalination pumps. We sold out of NuVasive in the Health theme and also reduced the size of our position in Emergency Medical Services after the shares rose.

Top 10 holdings

| | (%) |
|---------------------------------|-----------|
| Agilent Technologies | 2.1 |
| Roper Industries | 2.0 |
| Johnson Controls | 1.9 |
| Nalco Holding | 1.9 |
| Umicore | 1.9 |
| Acuity Brands | 1.8 |
| Schneider Electric | 1.8 |
| Union Pacific | 1.8 |
| ABB | 1.8 |
| Quanta Services | 1.8 |
| Total number of holdings | 91 |

Top 10 countries

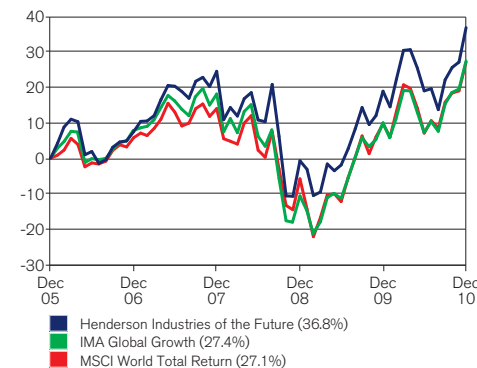
| | (%) |
|----------------|------|
| United States | 55.3 |
| Japan | 9.6 |
| United Kingdom | 9.2 |
| France | 5.3 |
| Switzerland | 3.5 |
| Germany | 2.9 |
| Italy | 2.2 |
| Hong Kong | 2.0 |
| Belgium | 1.9 |
| Canada | 1.8 |

Top 10 sectors

| | (%) |
|-----------------------------|------------|
| Industrials | 29.2 |
| Healthcare | 13.7 |
| General Industrials | 13.3 |
| Non-Cyclical Consumer Goods | 7.6 |
| Consumer Services | 6.8 |
| Cyclical Services | 6.1 |
| Consumer Goods | 4.9 |
| Basic Materials | 4.2 |
| Utilities | 3.5 |
| Other Services & Businesses | 2.1 |
| Cash | 1.5 |

Performance

Percentage growth, 30 Dec 05 to 31 Dec 10.



Source: at 31 Dec 10. © 2011 Morningstar. All Rights Reserved, nav-nav, UK sterling, net income reinvested.

| Cumulative performance | A % change | I (Acc) % change | I (Inc) % change | Sector % change | Quartile ranking† |
|------------------------|------------|------------------|------------------|-----------------|-------------------|
| 1 year | 15.0 | 15.8 | 15.8 | 15.8 | 3rd |
| 2 years | 37.7 | 39.3 | 39.4 | 42.5 | 3rd |
| 3 years | 9.8 | 11.7 | 11.9 | 7.9 | 2nd |
| 4 years | 27.2 | 30.0 | 30.3 | 18.2 | 1st |
| 5 years | 36.8 | 40.4 | 40.6 | 27.4 | 2nd |

Source: at 31 Dec 10. © 2011 Morningstar. All Rights Reserved, nav-nav, UK sterling, net income reinvested.

| Discrete year performance | A % change | I (Acc) % change | I (Inc) % change |
|---------------------------|------------|------------------|------------------|
| 30/12/2005 to 29/12/2006 | 7.5 | 8.0 | 8.0 |
| 29/12/2006 to 31/12/2007 | 15.8 | 16.4 | 16.4 |
| 31/12/2007 to 31/12/2008 | -20.3 | -19.9 | -19.7 |
| 31/12/2008 to 31/12/2009 | 19.7 | 20.3 | 20.4 |
| 31/12/2009 to 31/12/2010 | 15.0 | 15.8 | 15.8 |

Source: at 31 Dec 10. © 2011 Morningstar. All Rights Reserved, nav-nav, UK sterling, net income reinvested. Discrete performance data may change due to final dividend information being received after quarter end. † 1st quartile means the fund is ranked in the top 25% of funds in its sector.

For further information please visit our website at www.henderson.com

Past performance is not a guide to future performance.

Please note: due to rounding the figures in the holdings breakdowns may not add up to 100%. GICS classifications are used for sector data. Yields are shown net except for bond funds which are shown gross. The Historical Yield reflects distributions declared over the past 12 months as a percentage of the mid-market share price, as at the date shown. It does not include any preliminary charge and investors may be subject to tax on their distributions. The fund's annual Authorised Corporate Director's fee is charged to capital. This has the effect of increasing the distribution(s) for the year by 1.50% and constraining the fund's capital performance to an equivalent extent. All credit, country and sector breakdowns relate to end of day trading positions. Fund size at 12pm on last business day of month. Unless otherwise indicated all figures sourced from Morningstar, Henderson Global Investors and BNP Paribas. Please note the views, opinions and forecasts expressed in this document are based on Henderson Global Investors' research, analysis and house views at the time of publication. No recommendations to buy or sell investments are implied. The value of an investment and the income from it can fall as well as rise and you may not get back the amount originally invested. Tax assumptions and reliefs depend upon an investor's particular circumstances and may change if those circumstances or the law change. If you invest through a third party provider you are advised to consult them directly as charges, performance and terms and conditions may differ materially. Issued in the UK by Henderson Global Investors. 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), Henderson Equity Partners Limited (reg. no. 2606646) (each incorporated and registered in England and Wales with registered office at 201 Bishopsgate, London EC2M 3AE and authorised and regulated by the Financial Services Authority) provide investment products and services.



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