

Henderson Multi-Manager Income & Growth Fund



Lead Fund manager Bill McQuaker
Co-Fund manager Chris Forgan

Fund facts at 30 December 2011

Fund aim

To provide an income in excess of the yield of the FTSE All-Share Index with prospects for some capital growth. The scheme will not be restricted to any particular economic sectors and the investment policy will take a long-term balanced view of stock markets worldwide while maintaining a core holding in the UK.

Launch date

16 February 1998

IMA sector

Mixed Investment 20-60% Shares

Fund size

£680.87m

Yield* (%)

2.1

Ratings

OBSR – A

Type of shares

Income

XD dates

23 Nov (ann), 23 Feb,
23 May, 23 Aug

Dividend pay dates

23 Jan, 23 Apr,
23 Jul, 23 Oct

Minimum investment

Lump sum £1,000
Subsequent £100

Charges (%)

Initial 5.00
Annual 1.50

SEDOL number

0254012

Fund manager comment

The Multi-Manager Income & Growth Fund gained 1.2% in December slightly underperforming the peer group average by 0.1%. During the month the MSCI World Index managed to gain 1.2% after falling over 3.0% last month. However, global equities finished the year down 4.3% due to the sharp falls in the summer. Although markets were volatile, actions by the European Central Bank – extending further liquidity measures to European banks and easing monetary policy – proved a short-term positive, helping equities to rally and somewhat eased the pressure on Spanish and Italian bond yields. Further signs of a gradual improvement in the US economy also helped sentiment. Over the month the fund's holdings in Invesco Perpetual Income Fund (+4.2%), Legg Mason US Smaller Companies Fund (+6.3%), Veritas Global Equity Income Fund (+3.7%) and Findlay Park American Fund (+5.3%) were beneficial to performance. Elsewhere, the fund's positions in BlackRock Gold & General Fund (-6.9%), ETFs Physical Gold (-8.6%), Pictet Emerging Local Currency Debt Fund (-0.8%) and Old Mutual Global Strategic Bond (-0.2%) contributed negatively to performance. As the portfolio remained well positioned no trades were made during December. Please note: on the 25th February 2011, the Henderson Cautious Portfolio Unit Trust merged into the Henderson Multi-Manager Income & Growth Fund.

Please note that as of 1st January 2012 the IMA Cautious Managed sector average changed its name to the IMA Mixed Investment 20-60% Shares sector average.

Portfolio breakdown

Asia Pacific ex Japan

First State Asia Pacific Leaders

Global Bonds

AXA US Short Duration High Yield
Old Mutual Dynamic Bond
Pictet Emerging Local Currency Debt
Royal London Global Index Linked
Thames River Global Bond
US 10YR Note Future 2012

Japan

GLG Japan CoreAlpha
Jupiter Unit Trust Japan Income

Other

Aberdeen UK ACTV Prop
Brevan Howard Macro FX
ETFs Physical Gold
GAM Star Fund

Specialist

BlackRock Gold & General
Polar Capital Global Insurance
Veritas Global Equity Income

UK Equities

Artemis Income
CF Lindsell Train UK Equity
Franklin Templeton Invest UK Mid Cap Inc
Invesco Perpetual Inc
LIF FTSE 100 Index 2011

North American

Brown Advisory US Equity Fund
Findlay Park American
Legg Mason US Smaller Companies

UK Fixed Interest

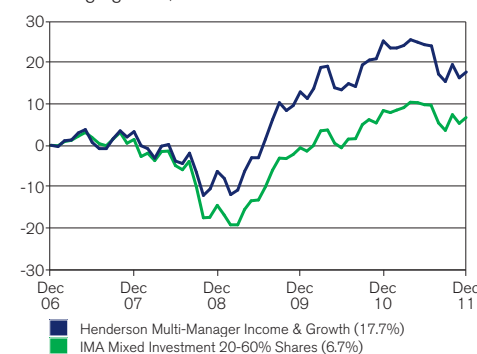
Henderson Strategic Bond
M&G Corporate Bond

Geographical allocation (%)

Global Bonds	31.1
UK Equities	13.4
Specialist	11.0
UK Fixed Interest	10.4
North America	8.4
Other	4.9
Japan	4.6
Asia Pacific ex Japan	2.3
Cash	13.8

Performance

Percentage growth, 29 Dec 06 to 30 Dec 11.



Source: at 30 Dec 11. © 2012 Morningstar. All Rights Reserved, nav-nav, UK sterling, net income reinvested.

Past performance is not a guide to future performance.

Cumulative performance	Fund % change	Sector % change	Quartile ranking†
1 year	-6.0	-1.6	4th
2 years	4.2	7.3	3rd
3 years	25.7	24.8	2nd
4 years	14.0	5.2	1st
5 years	17.7	6.7	1st

Source: at 30 Dec 11. © 2012 Morningstar. All Rights Reserved, nav-nav, UK sterling, net income reinvested.

Discrete year performance	Fund % change	Sector % change	Quartile ranking†
31/12/2010 to 30/12/2011	-6.0	-1.6	4th
31/12/2009 to 31/12/2010	10.9	9.1	2nd
31/12/2008 to 31/12/2009	20.6	16.3	1st
31/12/2007 to 31/12/2008	-9.3	-15.7	1st
29/12/2006 to 31/12/2007	3.3	1.4	2nd

Source: at 30 Dec 11. © 2012 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.

Henderson Multi-Manager Income & Growth Fund (continued)

General risks

- The value of the Funds and the income from them is not guaranteed and may fall as well as rise. You may get back less than you originally invested.
- Past performance is not a guide to future performance.
- You should note that your tax treatment in relation to any investments held outside an ISA will depend on your individual circumstances and may be subject to change in the future. Governments may change the tax rules which affect you or the Funds in which you have invested.

What are the risks specific to this fund?

- Where the Funds invest in assets (including cash) which are denominated in currencies other than the base currency (pounds sterling) then currency exchange rate movements may cause the value of investments to fall as well as rise.
- With funds investing in bonds there is a risk that interest rate fluctuations could affect the capital value of investments. Where long term interest rates rise, the capital value of shares/units is likely to fall, and vice versa. In addition to the interest rate risk, bond investments are also exposed to credit risk reflecting the ability of the borrower (i.e. bond issuer) to meet its obligations (i.e. pay the interest on a bond and return the capital on the redemption date). The risk of this happening is usually higher with bonds classified as 'sub-investment grade'. These may produce a higher level of income but at a higher risk than investments in 'investment grade' bonds. In turn, this may have an adverse impact on funds that invest in such bonds.
- If a Fund's management charge is taken from its capital, then this may allow more income to be paid, however, it may also restrict capital growth or even result in capital erosion over time.
- If you opt to receive a fixed monthly income, it may be necessary to sell some of your shares or units in order to meet the level of payment you have chosen. This can lead to capital erosion.
- The fund may invest in other types of collective investment schemes including property funds, commodity funds and hedge funds. Such schemes may expose investors to increased risk due to restrictions on withdrawals, less strict regulation and use of derivatives.

Important information

Please note: due to rounding the figures in the holdings breakdowns may not add up to 100%. 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. 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. 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. 9063355), Henderson Fund Management Limited (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), Gartmore Investment Limited (reg. no. 1508030), Gartmore Fund Managers Limited (reg. no. 1137353), (each incorporated and registered in England and Wales with registered office 201 Bishopsgate, London EC2M 3AE) are authorised and regulated by the Financial Services Authority to provide investment products and services.

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