

# Multi-Manager Absolute Return Fund

**With access to a wide range of investment vehicles, the Henderson Multi-Manager Absolute Return Fund seeks to deliver steady, consistent returns with lower volatility, over the long term.**

### Fund objective

The fund aims to provide a positive return over the long term, whether markets go up or down, by investing in a range of collective investment schemes. The fund aims to typically deliver absolute (more than zero) returns in each year, although this is not guaranteed. Over the short term it may experience periods of negative returns so the fund may not achieve this objective.

### Fund strategy

The fund combines approximately 25 investment funds, covering a broad range of asset classes while aiming for as little correlation between the funds as possible. Asset classes will typically include equities, fixed interest, hedge strategies, commodities and life settlements. The purpose of this strategy is to protect the fund's returns should one asset class suffer a period of negative growth. In order to achieve such low correlation, fund manager Tony Lanning and his experienced team use a number of sophisticated portfolio construction tools. They also have access to a wider range of investment vehicles than most retail investors.

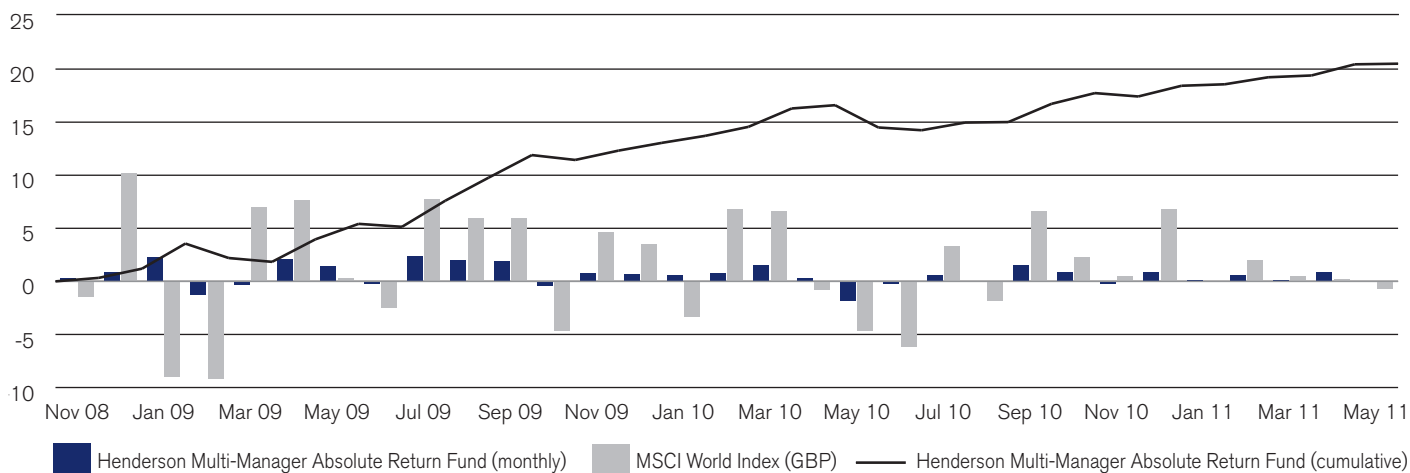


**Tony Lanning**  
Fund manager

“To use a cricket analogy, it's all about steady runs, steady singles. In my monthly returns, there shouldn't be any fours or sixes. That's what I am trying to do – avoid the risk of being caught out.”

The chart below shows how the fund has produced steady, consistent returns with low volatility, since launch. For example, consider the period shortly after the fund's inception when market returns were very inconsistent. In January 2009, as the market fell almost 10%, the fund managed to return 2.3%. In the following month, the market fell a further 10% while the fund lost just 1%. In this two month period alone, when equities lost almost 20%, the fund was up 1%. The fund's maximum drawdown, or largest ever loss from peak to trough, to date is 2%. Since inception the fund has delivered returns of 20.5%. Please note that past performance is not a guide to future performance. The value of your investment and the income from it may go down as well as up and you may not get back your original investment.

### Monthly and cumulative performance since inception (%)



Source: Henderson Global Investors. Fund Basis: mid to mid, net income reinvested, net of fees, in GBP. Index Basis: total return, in GBP. Monthly and cumulative performance data from launch on 31 October 2008 to 31 May 2011. Please note that the Henderson Multi-Manager Absolute Return Fund does not have an allocated benchmark. Fund performance shown against various indices on this document is for illustrative purposes only to demonstrate the performance against other asset classes.

# Multi-Manager Absolute Return Fund

## Attractive returns with minimal volatility

Due to the diversified nature of its multi-asset approach, the Henderson Multi-Manager Absolute Return Fund aims to generate attractive returns while minimising its volatility relative to all other asset classes. The risk/return ratio is a measure of the portfolio's excess return per unit of risk and is used to characterise how well the return of an asset compensates the investor for the risk taken. As the following table demonstrates, the fund is more attractive on a risk adjusted basis than a single investment in developed or developing equities, bonds, property or gold. The fund's investment in a variety of uncorrelated asset classes allows it to be best placed to achieve its target of delivering positive absolute returns over the long term.

## Risk-adjusted performance, since inception of Henderson Multi-Manager Absolute Return Fund

	Return pa (%)	Volatility	Risk/return ratio
LIBOR GBP 3 Months* (Cash)	1.8	0.5	3.6
<b>Henderson Multi-Manager Absolute Return Fund</b>	<b>7.5</b>	<b>3.4</b>	<b>2.2</b>
Markit iBoxx Sterling Non Gilts Overall (Corporate bonds)	10.8	5.8	1.9
MSCI Zhong Hua Total Return USD China (Equities)	31.5	19.2	1.6
MSCI Emerging Markets (Equities)	34.4	21.7	1.6
Gold Index*	27.7	21.6	1.3
FTSE All Share (Equities)	19.1	16.0	1.2
FTSE Small Cap (Equities)	26.4	22.1	1.2
S&P 500 (Equities)	15.3	17.8	0.9
MSCI World (Equities)	16.9	17.7	1.0
FTSE British Government All Stocks (Government bonds)	7.0	7.2	1.0
IPD UK All Property Monthly	3.4	7.1	0.5

Source: Henderson Global Investors, Morningstar at 31 May 2011. \* Henderson Global Investors, Datastream at 31 May 2011.

Please note that the Henderson Multi-Manager Absolute Return Fund does not have an allocated benchmark. Fund performance shown against various indices on this document is for illustrative purposes only to demonstrate the performance against other asset classes.

## Drivers of returns

The fund adopts a multi-asset investment approach. The theory behind multi-asset investing is simple. Should one asset class perform poorly over a certain period, other uncorrelated asset classes within the portfolio would not necessarily lose value at the same time.

The Henderson Multi-Manager Absolute Return Fund is diversified across a wide range of asset classes. Although the strategy of the fund is absolute return, the underlying holdings will not necessarily be absolute return funds. Further diversification is achieved by increasing the range of funds within each asset class. For example, the specialist equity sector includes insurance and infrastructure funds, whereas the fixed interest sector is spread across UK, European and emerging markets portfolios.

Diversification across asset classes helps in reducing the level of volatility within the fund. In addition, it is important to ensure that the underlying funds within the portfolio are delivering consistent and regular positive returns. The net result should be that no single investment dominates returns, whether positive or negative.

## Important considerations relating to the Henderson Multi-Manager Absolute Return Fund

- Funds investing outside the UK are exposed to and can hold investments in currencies other than sterling. Therefore, fluctuations in exchange rates may cause the value of your investment to rise or fall.
- 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.\*
- Past performance is not a guide to future performance. The value of an investment and the income from it may go down as well as up and you may not get back your original investment.

\* See glossary.

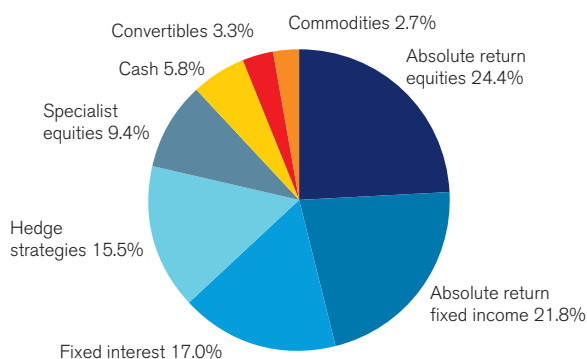
# Multi-Manager Absolute Return Fund

## Performance at 31 May 2011 (%)

	3 months	6 months	1 year	Since 31/10/08
Henderson Multi-Manager Absolute Return Fund	1.1	2.6	5.3	20.5

Source: Henderson Global Investors, Morningstar at 31 May 2011, based on mid-market prices with net income reinvested and net of fees, in GBP.

## Fund holdings



Source: Henderson Global Investors at 31 May 2011. Classification may include open-ended funds. The maximum investment in unregulated funds, such as hedge funds, is 20%.

Please note that section totals may not be the sum of the underlying holdings due to rounding.

## Fund performance

Discrete year performance	Fund % change
30/06/2010- 30/06/2011	4.9
30/06/2009- 30/06/2010	8.7
30/06/2008- 30/06/2009	n/a
30/06/2007- 30/06/2008	n/a
30/06/2006- 30/06/2007	n/a

n/a - as this fund launched in October 2008, performance is not yet available for all periods.

Source: Henderson Global Investors, Morningstar at 30 June 2011. Based on mid-market prices with net income reinvested and net of fees, in UK Sterling terms.

## Key reasons to invest

- The fund invests in a range of asset classes, such as equities, commodities, fixed interest, hedge strategies and life settlements meaning that the fund can potentially achieve positive returns from areas that are doing well, even when other areas of the market are underperforming.
- The diversity of the fund also means that risk is spread, potentially reducing the impact of volatility to deliver absolute growth over the long term, although this is not guaranteed.
- The team has access to a wider range of investment vehicles than most investors.
- As the risk adjusted performance table demonstrates, between the fund's launch on 31 October 2008 and 31 May 2011, the fund has achieved considerably lower volatility than gilts (UK government bonds) and equities.

## Key facts

Fund manager	Tony Lanning
Peer group	IMA Absolute Return
Launch date	October 2008
Fund size	£104.3m (at 31 May 2011)
Average no. of holdings	25

## Meet the fund manager



Tony Lanning

Tony joined Henderson in April 2011 from Gartmore where he was Head of the Multi-Manager team. Tony was Head of Collectives Research at the Private Bank, Arbuthnot Latham and Co. He has over 18 years' investment experience, specialising in investment in collective investment schemes.

## Glossary

**Drawdown:** The total loss a portfolio suffers during a period of negative returns. Maximum drawdown is the largest ever loss a portfolio has experienced, measured from the top to the bottom of the particular period of time.

**Derivatives:** Financial instruments enabling investors to gain exposure to equities, commodities or other investments without having to trade the physical assets or shares. Derivatives include CFDs, Futures, Options and Synthetic Assets.

**Please note that past performance is not a guide to future performance. The value of an investment and the income from it may go down as well as up and you may not get back your original investment.**

# Multi-Manager Absolute Return Fund

Fund

## Henderson Multi-Manager team

The Henderson Multi-Manager team is one of the most experienced retail multi-manager teams in the UK, with proven performance track records and particular strengths in absolute return, active managed, balanced managed and cautious managed portfolios.

The Henderson Multi-Manager team, led by Bill McQuaker, includes Chris Forgan, Paul Craig, Tony Lanning, Helen Bradshaw, Bradley Hounsom and William Edgar. Together they offer a broad range of complementary skills, from global economic analysis to in-depth fund and manager research.

The team is encouraged to draw on the knowledge base and investment expertise accumulated across Henderson's investment teams, including its offices in Europe, the US and Asia. This global market knowledge enables them to move quickly between different asset classes, tailoring portfolios with the aim of optimising returns.

## Team awards

- Multi-Manager Group of the Year 2010
- Winner of the 'Top Cautious Managed Fund' in the 2009 and 2010 *Moneywise* Pension Awards
- Bill McQuaker was awarded *Investment Week's* Cautious Managed Fund Manager of the Year 2010
- Winner of the Best (Large) Fund Management Group at the Professional Adviser awards 2011



**Please remember that past performance is not a guide to future performance.**

## Contact us

General Enquiries 0800 832 832

Email [support@henderson.com](mailto:support@henderson.com)

Website [www.henderson.com](http://www.henderson.com)



### Important Information

Please read all scheme documents before investing. Before entering into an investment agreement in respect of an investment referred to in this document, you should consult your own professional and/or investment adviser. Past performance is not a guide to future performance. 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. Nothing in this document is intended to or should be construed as advice. This document is not a recommendation to sell or purchase any investment. It does not form part of any contract for the sale or purchase of any investment. Any investment application will be made solely on the basis of the information contained in the Prospectus (including all relevant covering documents), which will contain investment restrictions. This document is intended as a summary only and potential investors must read the Prospectus before investing. 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 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 8 Fenchurch Place, London EC3M 4PB) are authorised and regulated by the Financial Services Authority to provide investment products and services. Telephone calls may be recorded and monitored.