

Fund Particulars

Launch date:
6 March 2006

Fund Manager:
Tim Gibson

Base currency: SGD

Benchmark:
FTSE EPRA/NAREIT Pure Asia total return net dividend Index (Capital constrained)

Minimum Investment:

S\$ 1,000 (initial);
S\$ 100 (subsequent)

Fund size:

S\$ 54.27 m
(Feeder fund)
US\$ 279.91 m
(Luxembourg fund)

NAV: S\$ 0.59

Subscription: Cash / SRS

Fee structure:

- **Initial charge:** Up to 5%
- **Annual management fee:**
0.13% pa (Feeder fund)
1.2% pa (Luxembourg fund)

Dividend policy**:**

Potential annual payout, subject to distributions paid by Luxembourg fund (around 22/10/2012)

Last dividend:

S\$ 0.0085 per unit
(20 October 2011)

Investors should refer to the prospectus of the Fund for full details on fee structure and dividend policy.

Trading Frequency: Daily

Codes:

Lipper: 65010026

Bloomberg:

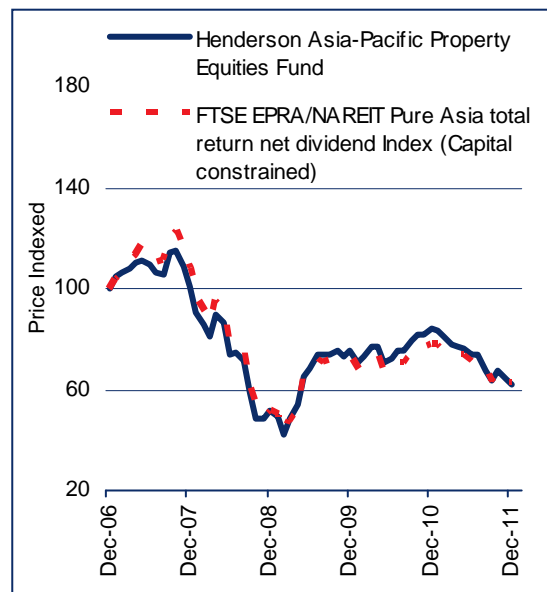
HENAPPE SP Equity

Published NAV:

- The Business Times
- Bloomberg
- www.henderson.com.sg

About the fund

The investment objective of the Henderson Asia-Pacific Property Equities Fund (the "Fund") is to seek to provide investors through investment as a feeder fund in the Luxembourg-based Henderson Horizon Fund – Asia-Pacific Property Equities Fund with long-term capital appreciation by investing at least 75% of its total assets in the quoted equity securities of companies or real estate investment trusts (or their equivalents) having their registered offices in the Asia-Pacific Region and listed or traded on a regulated market, which derive the predominant part of their revenue from the ownership, management and/or development of real estate in the Asia-Pacific Region.

Performance chart (S\$)***Performance as at 31 December 2011***

	Fund %	Index %
3 months	-2.0	+0.6
6 months	-15.8	-12.2
1 year	-26.2	-19.0
3 years (pa)	+6.5	+6.9
5 years (pa)	-9.0	-8.8
Since launch (pa)	-6.5	-5.1

(Net of 5% maximum initial charge)**

	Fund %	Index %
3 months	-6.9	+0.6
6 months	-20.0	-12.2
1 year	-29.9	-19.0
3 years (pa)	+4.7	+6.9
5 years (pa)	-10.0	-8.8
Since launch (pa)	-7.4	-5.1

Top 10 holdings***

	%
Sun Hung Kai Properties	9.5
Mitsui Fudosan	9.1
Mitsubishi Estate	8.9
Hang Lung Properties	6.5
Link	4.5
Sumitomo Realty & Development	4.3
Mirvac	4.1
CFS Retail Property	3.8
Ascendas	3.8
Westfield	3.8
Total number of holdings	30

Country breakdown***

	%
Japan	35.0
Hong Kong	26.8
Australia	18.8
Singapore	10.1
China	2.8
Indonesia	1.8
India	0.5
Cash	4.1



Henderson Asia-Pacific Property Equities Fund

Manager's Commentary***

Overview

Risk appetite returned for the month of December for two reasons. First, a temporary semblance of stability was restored in Europe as central banks around the globe engaged in a coordinated response to provide US dollar liquidity to European banks. Second, the market increasingly discounted an inflexion point in the Chinese monetary tightening cycle following the cut to the bank reserve requirement ratio at the end of November, coupled with economic data which suggested a marked slowdown in economic activity in China. Nonetheless, the FTSE EPRA NAREIT Pure Asia Index was down 1.7%, pulled lower by the 6.2% fall in Japanese developers, despite attractive valuations and benign newsflow. In contrast, the higher beta Chinese property stocks outperformed (+6.4%) on the back of increasing hopes of a policy turnaround. Hong Kong developers (+5.0%), with a material exposure to China, were close behind. Australia (-2.8%), being more defensive, lagged behind in the race for beta. Unsurprisingly, Singapore (-7.9%) was the worst performer for the month as the government introduced a punitive set of property measures to cool the residential market by imposing additional buyers stamp duty on property purchases. Outside core markets, Indonesia proved to be the best performer on the back of a positive inflation print (3.8%) and the approval of a land acquisition bill, which will improve the speed and execution of property development.

Performance and Activity

The fund underperformed the benchmark due to our cautious outlook on the increased risk of the Chinese residential sector, as well as our preference for Japanese developers, which were out of favour over the month.

No major changes to the portfolio were undertaken for the month and we retain our preference for large, blue chip quality names.

Outlook

We enter 2012 cautiously optimistic expecting volatility to remain with macro events (centering around Europe) to continue to dominate equity markets. We believe that the threat of a funding risk within European banks has receded somewhat post the ECB easing through an increase in liquidity in the European banking system. With expectations of an absolute resolution on the Euro crisis already low, share prices in Asian property already reflect a lot of negative news. It is also pertinent to note that property supply fundamentals, in most markets, are much more favourable than in previous cycles.

Against the backdrop of weakening global demand coupled with domestic tightening, China's policy response this year may detract from a long run ideal of a consumption centric model in pursuit of short term pragmatism. Thus, to safeguard the current economic structure, we expect credit easing to happen some time this year, albeit to a smaller extent to that seen in 2009.

* Source: Henderson Global Investors (Singapore) Limited / Morningstar's Workstation v4.0, gross income reinvested at NAV price, NAV to NAV, in Singapore dollars, performance to 31 December 2011.

** The performance calculation is based on a maximum initial sales charge of 5%. The actual initial sales charge paid by the unitholder may be different based on the discount, if any, applied by distributors. As such, the performance return may differ based on the discount, if any, applied by distributors.

*** Information relates to the Henderson Horizon Fund – Asia-Pacific Property Equities Fund (Luxembourg fund).

**** Note: There is no guarantee that the Managers' intention to make the annual payout will be achieved.

Note: A performance fee is also payable to the manager of the Luxembourg fund. Further details on the performance fee as well as other fees and charges are available in the prospectus of the Fund.

Important Information

The information contained in the document has not been reviewed or endorsed by the MAS. The prospectus of the Fund is available and may be obtained from the Manager's office and the participating distributors' offices. **Investors should read the prospectus before deciding whether to invest in the units of the Fund. The value of the units and the income from the Fund may fall as well as rise. Past performance or any forecast made is not necessarily indicative of the future or likely performance of the Fund. Investments in and the rate of return for the Fund are not obligations of, deposits in, guaranteed or insured by Henderson Global Investors or any of its affiliates or appointed distributors. The information is strictly for information purposes only and should not be construed as an offer or solicitation to deal in the Fund.** No representation or warranty, express or implied, is made or given by or on behalf of Henderson Global Investors or its employees as to the accuracy, validity or completeness of the information or opinions contained in this document. Unless otherwise stated, the source of information is from Henderson Global Investors.

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