

THE ENCLOSED LETTERS ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION.
 EACH LETTER RELATES TO PROPOSED CHANGES TO HENDERSON FUND(S) YOU
 CURRENTLY OWN AND REQUIRES ACTION ON YOUR PART.

For use at the meeting of Class A shareholders of Henderson UK Growth & Income Fund (a sub-fund of Henderson UK & Europe Funds) (the "Fund") to be held at the offices of Henderson Investment Funds Limited at 201 Bishopsgate, London EC2M 3AE on 24 May 2010 at 11.00 a.m.

6 May 2010

PROPOSED CHANGES TO THE HENDERSON UK GROWTH & INCOME FUND

Proposed merger of the Class A shares of the Henderson UK Growth & Income Fund with the Class A shares of the Henderson Higher Income Fund

As an investor in the Henderson UK Growth and Income Fund this letter serves to explain our proposal to merge the fund with the Henderson Higher Income Fund. This letter should be read in conjunction with the accompanying circular, which provides full details about the proposal. If there is anything about which you are uncertain, you should consult your financial adviser.

Reasons for the proposed merger

The Henderson UK Growth & Income Fund and the Henderson Higher Income Fund are very similar in that both aim to achieve an above-average yield by investing predominantly in UK equities. Both funds follow the same investment philosophy and process and have a high degree of commonality in terms of fund holdings. Moreover, the two funds are run by the same fund management team of Graham Kitchen and Andrew Jones. Given the strong similarities we believe it would be beneficial to merge the Class A shares of the Henderson UK Growth & Income Fund into the Henderson Higher Income Fund. This would remove unnecessary administration duplication and allow the fund managers to spend a greater proportion of their time on portfolio management and stock analysis. Additionally, being part of a larger fund would dilute the fixed costs of the portfolio across a wider investment base, reducing these costs for investors. Please note that the Henderson Higher Income Fund also distributes income on a quarterly basis as opposed to semi-annually, which we believe should appeal to income-seeking investors.

Terms of the proposal

Should the proposal be approved by investors, you will receive new units in the Henderson Higher Income Fund on 18 June 2010. Your holding in the new Fund will have the same value immediately post merger although the number of units held will differ owing to price differences between the funds. Since the Henderson Higher Income Fund offers both income shares and accumulation shares you will be allocated the same type of share that you currently hold. Henderson will pay all the costs of implementing the proposal.

The proposals will allow investors to preserve their tax status since we have been advised that the merger with Henderson Higher Income Fund will not be treated as a taxable event.

Action to be taken

Implementation of the proposed merger depends on the passing of an extraordinary resolution at an Extraordinary General Meeting to be held on **24 May 2010 at 11.00am**, notice of which is given in

Account Number:

I/We, the undersigned, being a Class A shareholder in the Fund hereby appoint the Chairman of the meeting or (see Note 1)

Name:

Address:

to act as my proxy to vote on my behalf at the Extraordinary General Meeting of the Class A shareholders of the Fund and at any adjournment(s) thereof in relation to the Extraordinary Resolution specified in the Notice of Meeting dated 6 May 2010 (the "Resolution").

Please indicate how you wish your proxy to vote in respect of the Resolution set out below by placing a 'tick' in the appropriate box under either 'for' or 'against'. In respect of the Resolution. I direct my proxy to vote as follows (see Note 2);

Resolution	For	Against
Approval of scheme of arrangement to merge Class A shares of Henderson UK Growth & Income Fund (a sub-fund of Henderson UK & Europe Funds) with Class A shares of Henderson Higher Income Fund (a sub-fund of Henderson Investment Fund OEIC)	<input type="checkbox"/>	<input type="checkbox"/>

Please complete and return this Proxy to us by 11.00 a.m. on 21 May 2010. A reply-paid envelope is enclosed. Please read the Notes overleaf carefully.

Signature

Date:



Appendix 5 of the enclosed proposal circular. The procedure for the Extraordinary General Meeting is set out in Appendix 4. **If approved changes become effective from 18 June 2010.**

Your vote counts

We urge you to vote in favour of the extraordinary resolution. To be passed, the resolution requires a majority in favour of no less than 75% of the votes cast, so it is important that you exercise your right to vote. Whether or not you intend to be present at the Extraordinary General Meeting, it is important that you complete and return the enclosed Form of Proxy in the reply-paid envelope provided to Henderson Investment Funds Limited, c/o Corporate Mailing Solutions Limited, Unit 4b, Chelmsford Road Industrial Estate, Great Dunmow, Essex CM6 1HD.

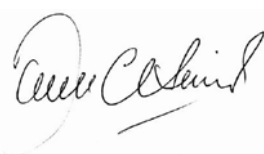
Alternatively, you can complete your Form of Proxy online at: www.henderson.castavote.co.uk using the unique username and password provided below. Completing and returning the Form of Proxy will not preclude you from attending and voting at the Extraordinary General Meeting - and any adjourned meeting - in person if you so wish.

Username: Password:

Your Form of Proxy must arrive by post or be completed online by no later than 11.00am on 21 May 2010.

If you have any queries about the proposal, or require any further information, please contact your financial adviser or call us on 0800 832 832 between 9am and 5pm Monday to Friday.

Yours faithfully



Jim Harris
Head of Investor Services
For and on behalf of
Henderson Global Investors

For your protection telephone calls are recorded and may be monitored.

Past performance is not a guide to future performance

NOTES:

1. If you wish to appoint someone other than the Chairman of the meeting, please delete the words 'the Chairman of the meeting' above, and insert the name and address of your appointee in the box provided. This person need not be a Class A shareholder, but must attend the meeting in person to represent you. Any such amendment must be initially by you. If you wish to appoint the Chairman as your proxy, as above, please leave the box blank.
2. Please indicate with a tick how you wish to vote in respect of the resolution. If the Form of Proxy is signed and returned without any specific direction as to voting, the proxy is therefore directed to vote or abstain from voting as he or she thinks fit. You have a vote for each Class A share you hold in Henderson UK Growth & Income Fund. If you do not wish to vote the same way in respect of all your Class A shares, please contact us.
3. To be valid, each Form of Proxy together with the authority (if any) under which it is signed (or a notarially certified copy of that authority) must be returned together in the reply-paid envelope provided to Henderson Investment Funds Limited, c/o Corporate Mailing Solutions Limited, Unit 4b, Chelmsford Road Industrial Estate, Great Dunmow CM6 1HD to be received not less than 72 hours before the time set for the meeting.
4. In the case of a body corporate this Form of Proxy must be executed under seal or signed on its behalf by an officer as attorney authorised in writing.
5. In the case of joint Class A shareholders any such Class A shareholder may sign, but in the event of more than one tendering votes, the vote of the senior who votes, whether in person or by proxy, must be accepted to the exclusion of the other joint Class A shareholders. For this purpose, seniority must be determined by the order in which the names stand in the register of Class A shareholders.
6. The completion and return of a Form of Proxy will not preclude a Class A shareholder from attending and voting at the meeting.
7. On a poll, the voting rights attached to each Class A share are such proportion of the voting rights attached to each Class A shares in issue that the price of the Class A Shares bears to the aggregate price or prices of all Class A shares in issue. A Class A shareholder entitled to more than one vote need not, if he votes, use all his votes, or cast all the votes he uses in the same way.