2 April 2012

Henderson Global Trust

12 Months Ending	Total Share Return* (%)	Total NAV Return* (%)	Total Return Composite Benchmark* (%)	Total Return FTSE World Index* (%)
30/03/09	(13.1)	(17.0)	(17.0)	(20.3)
30/03/10	51.4	49.7	49.7	48.7
30/03/11	5.3	9.0	8.4	7.4
30/03/12	(4.5)	(1.1)	1.2	0.7

Note: *12 month rolling discrete performance.

Investment summary: Global trust with strong dividend growth

Recognising the importance of dividend income in the current market environment, Henderson Global Trust Plc (HGL) has grown its total dividend by 20% for the year ended 31 January 2012. Tactically, the portfolio has been relatively defensively positioned, and while HGL's performance was ahead of its benchmark at the interim stage, the defensive stance saw HGL lag the market during the rally at the end of 2011. As a result, for the year ended 31 January, HGL has, in total return terms, reported an NAV fall of 2.5% vs a benchmark fall of 0.7%.

Investment strategy: Global exposure, keen risk controls

HGL is a global fund that invests in larger and medium-sized companies listed on the major equity markets. It maintains a focused portfolio, with a core of around 40 stocks (c 80% of the portfolio), and is managed using a mixture of top-down and bottom-up strategies. HGL also has a trading subsidiary, limited to 15% of the total value of gross investments, which is used to take advantage of short-term opportunities. Gearing, up to a maximum of 25% of net assets, is used when it is expected to enhance returns although current net gearing is -5.4%. A stated objective is to control portfolio risk and keep the tracking error below 5%.

Sector outlook: Manager bullish on global equities

The manager is positive on the long-term prospects for equity markets, particularly versus corporate bonds, but is still cautiously positioned, anticipating further volatility. Recent US data has shown an improvement and, while the global economy faces potential headwinds from Europe and China, corporate profitability has held up well during the last 12 months and should continue to support decent dividend growth even if global economic growth slows.

Valuation: Discount above longer-term averages

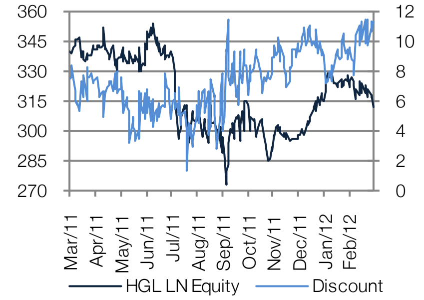
The current discounts of 10.4% (debt valued at par) and 10.6% (debt valued at market) are significantly above their three-year discount averages of 3.5% and 3.8%, respectively. In addition, the current dividend is above the sector average and the board is committed to a progressive dividend policy.

Price	315.0p
Market Cap	£125.4m
AUM	£142.7m
NAV	351.7p*
Discount to NAV	10.4%*
NAV	352.4p**
Discount to NAV	10.6%**
Yield	3.0%

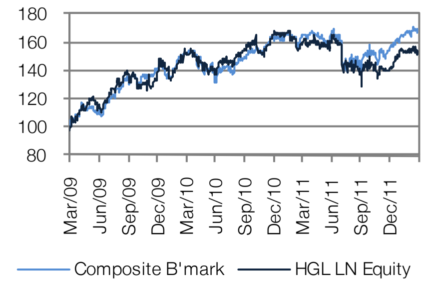
** Adjusted for debt at par value and excluding income, as at 29 March 2012.*

*** Adjusted for debt at market value, excluding income, as at 29 March 2012.*

Share price/discount graph



3-year cumulative performance graph



Share details

Code	HGL
Listing	FULL
AIC Sector	Global Growth
Shares in issue	39.8m

Price

52 week	High	Low
Price	354.00p	273.00p
NAV*	372.35p	301.35p

** Adjusted for debt at par value and excluding income.*

Gross Gearing	0.7%
Net Gearing	(5.4%)

Analysts

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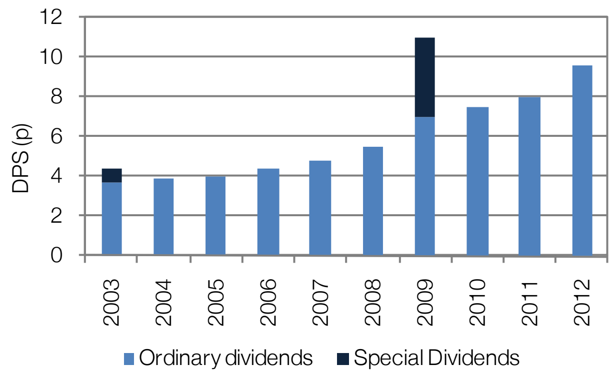
Henderson Global Trust is a research client of Edison Investment Research Limited

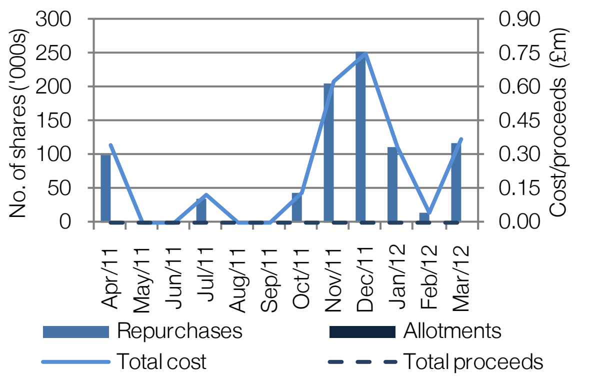
Exhibit 1: Trust at a glance

Investment objective and fund background	Developments last quarter
Henderson Global Trust's objective is long-term capital growth from a concentrated portfolio of international equities, with a secondary objective to increase dividends. The manager aims to outperform (by at least 2%) the composite benchmark, which comprises 50% FTSE All-Share Index and 50% Morgan Stanley Capital World Index ex UK, within a target tracking error of not more than 5%.	2 April 2012: Annual results for the year ended 31 January 2012 released. 29 February 2012: Second interim dividend of 6.85p, in lieu of a final, announced for year ended 31 January 2012.

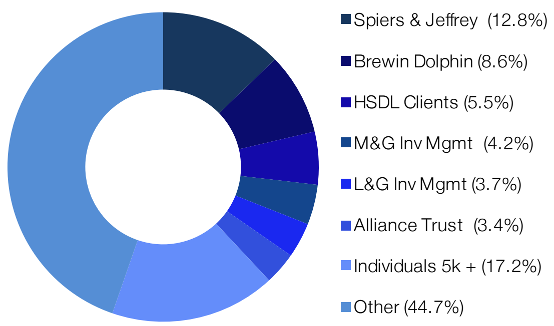
Forthcoming		Capital structure		Fund details	
AGM	May 2012	Total expense ratio	0.88%	Group	Henderson Global Investors
Results	March 2013	Net Gearing	(5.4%)	Manager	Brian O'Neill, Hamish Chamberlayne
Year end	31 January	Annual mgmt fee	See pg 7	Address	201 Bishopsgate, London EC2M 3AE
Dividend paid	April, October	Performance fee	None		
Launch date	1929	Trust life	Indefinite	Phone	020 7818 1818
Wind-up date	See pg 7	Loan facilities	See pg 7	Website	www.hendersonglobaltrust.com

Dividend policy and history	Share buyback policy and history
Two dividends annually, interims paid in October and finals in April. The dividend is expected to rise over the longer term.	Renewed annually, the trust has authority to purchase up to 14.99%, and allot up to 10% of issued share capital.

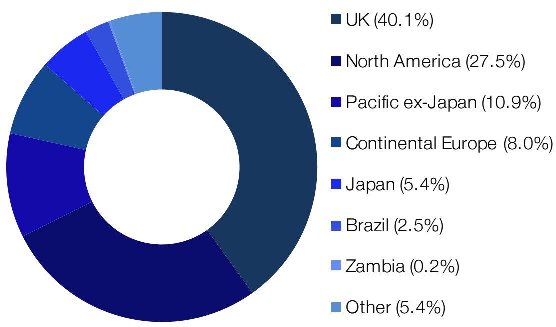




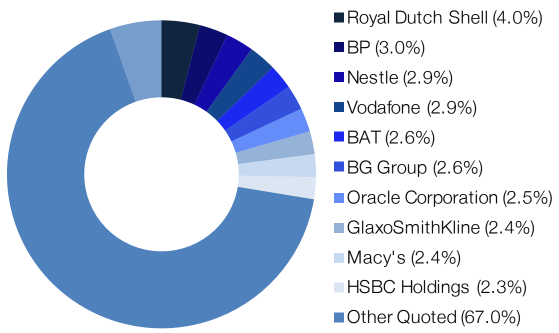
Shareholder base (as at 29 February 2012)



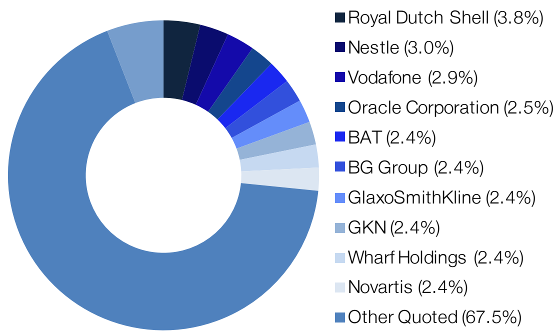
Geographic distribution of portfolio (as at 29 February 2012)



Portfolio composition (as at 29 February 2012)



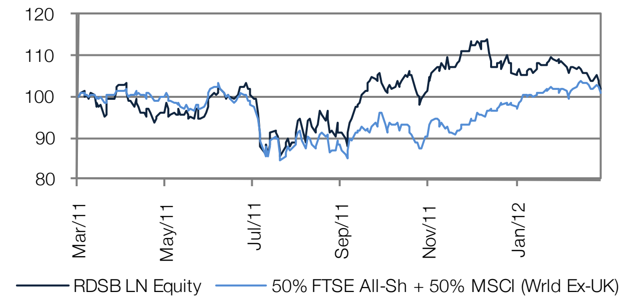
Portfolio composition (as at 31 August 2011)



Source: Henderson Global Trust, Edison Investment Research

Exhibit 2: Trust holdings at a glance

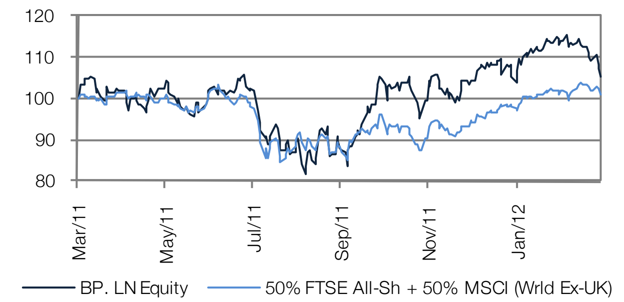
Royal Dutch Shell 'B' — Code: RDSB LN — Market Cap: £58,508.4m



Div Yield (trailing 12 mths)	4.78%
Industry/Sector	Oil & Gas Producers/Integrated
Listing	UK – FULL
Website	www.shell.com

Based in the Netherlands, Shell is a global group of energy and petrochemicals companies that employs 102,000 people in over 100 countries. Shell is revising its business structure into four new main areas: upstream international, upstream Americas, downstream and projects & technology. Shell has proven reserves of 18.1bn barrels of crude, 45,000 service stations worldwide and interests in 25 refineries.

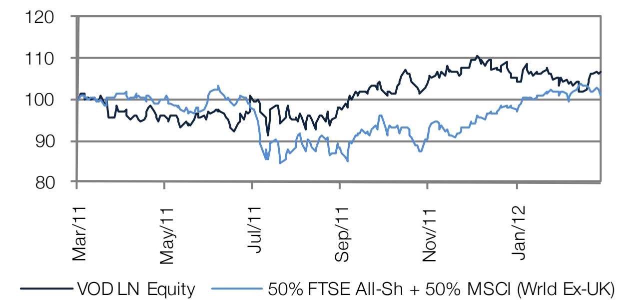
BP — Code: BP LN — Market Cap: £87,792.6m



Div Yield (trailing 12 mths)	3.93%
Industry/Sector	Oil & Gas Producers/Integrated
Listing	UK – FULL
Website	www.bp.com

One of the world's largest integrated oil companies, BP employs 96,000 people in over 100 countries. Headquartered in the UK, BP is structured around two main business segments: Exploration and Production, and Refining and Marketing. BP has proven reserves of 18.1bn barrels of crude, 22,600 service stations, interests in 17 refineries and its exploration business is active in 29 countries.

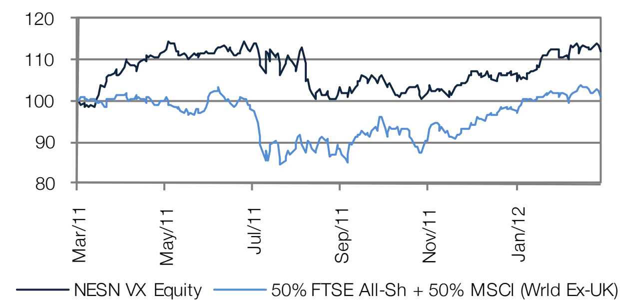
Vodafone Group — Code: VOD LN — Market Cap: £85,490.2m



Div Yield (trailing 12 mths)	5.28%
Industry/Sector	Mobile Telecommunications/Mobile
Listing	UK – FULL
Website	www.vodafone.com

Vodafone is one of the world's largest mobile telecommunications companies. It is based in the UK and listed in 1988. It has 323 million customers and interests in over 40 licensed network operators, located in 31 countries, spanning Europe, the Middle East, Africa, Asia-Pacific and the United States. Vodafone provides voice, messaging, data and fixed line services.

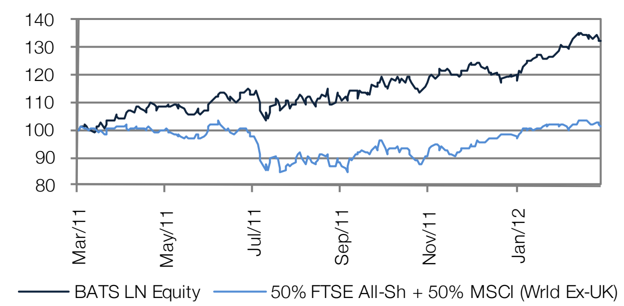
Nestle — Code: NESN VX — Market Cap: CHF187,439.9m



Div Yield (trailing 12 mths)	3.43%
Industry/Sector	Food-Miscellaneous/Diversified
Listing	Six Europe
Website	www.nestle.com

Nestle is a diversified business with a focus on food and beverages. Nestle operates in over 80 countries and has over 265,000 employees worldwide. Nestle breaks its activities down into the following segments: Prepared Dishes and Cooking Aids, Beverages, Confectionery, Ice Cream, Water, Pet Care, Milk Products, Nutrition and Pharmaceuticals.

British American Tobacco — Code: BAT LN — Market Cap: £61,892.4m



Div Yield (trailing 12 mths)	4.02%
Industry/Sector	Tobacco/Tobacco
Listing	UK – FULL
Website	www.bat.com

British American Tobacco (BAT) is the world's second largest quoted tobacco company, by market share. It has over 200 brands sold in over 180 countries and 46 factories in 39 countries. Its four main brands are Dunhill, Kent, Lucky Strike and Pall Mall. The manager considers that BAT, a long time portfolio constituent, has good management, is very cash generative and well positioned to benefit from emerging market growth.

Source: Thomson Datastream, Edison Investment Research

Fund profile

HGL was launched in 1929. Brian O'Neill, senior investment manager, has led the management of HGL since 1983 and has been assisted by Hamish Chamberlayne, deputy portfolio manager, since 2007. The long-term performance record shows the trust performing well in a variety of market conditions. It was part of the Gartmore stable until April 2011, when Henderson's acquisition of Gartmore Group was completed. The trust's name (previously Gartmore Global Trust) was changed in September 2011 to reflect this move. The global team moved in its entirety and remains a separate unit within Henderson's operations. Marketing and investor relations have been absorbed into Henderson's operations allowing HGL to benefit from an increased effort. During the 10 years to 27 March 2012, HGL has outperformed its composite benchmark index by 50.7% in terms of NAV total return and 71.5% in terms of share price total return. HGL is the only global fund that explicitly states its risk objective, to maintain a tracking error of not more than 5%. During the 12 months ending 31 January 2012 HGL's tracking error averaged 3.9%. Brian O'Neill has managed HGL for 29 years but has advised that he has no present intention of retiring.

The fund manager: Brian O'Neill

Manager's view

The manager is positive on the long-term prospects for equity markets, particularly versus corporate bonds, but is still cautiously positioned, anticipating further volatility. Recent US data has shown an improvement and, while the global economy faces potential headwinds from Europe and China, the manager believes that selective companies have responded positively to the challenges of the past three years, such that corporate profit margins are at record levels and in aggregate balance sheets are strong. These factors should have helped to support strong dividend growth during the last 12 months and should continue to support decent dividend growth even if economic growth slows. The portfolio has seen little change during the last six months but the manager anticipates moving the portfolio to a more fully invested position over the next quarter. Food and general retailers have been avoided, because of pricing pressure concerns, but luxury retailers, able to differentiate their products, have been added. The manager favours companies with strong cash generation, defensive earnings and strong franchises that will allow them to maintain or increase dividends.

Asset allocation

Investment process

HGL is managed using an investment style that combines both top-down and bottom-up analysis. Top-down analysis is used to assess the level of gearing utilised by the fund in rising markets and the degree of liquidity employed during falling markets. In terms of ideas generation, the manager has access to a variety of sources including Henderson's global team, regional teams, boutiques and dealers, as well as its quantitative screening processes. Having identified a theme, and potential stocks, further analysis is conducted by the global team using the following criteria:

1) Industry analysis – Porter's five forces analysis is employed to assess the environment a company operates in and to identify relevant factors for change.
2) Franchise analysis – Companies are assessed to identify those that are best positioned in the prevailing market environment. These may not always be 'the best' companies in a sector.

3) Valuation – The industry and franchise analysis are then used to produce earnings estimates, price targets and recommendations that focus on outcomes that the market does not expect.

The manager then reviews the analysis and makes the final investment decision taking into account the risk impact on the portfolio. Stocks are assessed on an ongoing basis to ascertain whether the level of holding remains appropriate. Once a price target is reached the stock is reviewed and the holdings will either be sold entirely or the manager will reduce the level, taking some profit, and a new price target will be set. The manager believes that managing a global fund using a bottom-up strategy based purely on best ideas cannot make sufficient allowance for risk. The trust maintains a focused portfolio, as the manager believes that the inclusion of too many stocks makes it impossible to properly monitor positions.

Overview

HGL has 71 equity investments. The top 10 holdings account for 27.6% of the portfolio, cash 5.4%, with the remaining 61 equity investments accounting for 67.0% of the portfolio. As displayed in Exhibit 3, HGL's asset allocations can vary significantly from those of the benchmark index, reflecting the actively managed nature of the trust.

Underweights

HGL's largest underweight is its industrials allocation with an active weight of -4.4%. It is also underweight information technology, financials, consumer staples and has marginal underweights with regards to utilities and materials. With the exception of utilities, all of the underweights are in more cyclical sectors.

Overweights

HGL's largest overweight relative to the benchmark remains its cash position, at 5.4% of the portfolio, which is a defensive allocation. It also has a small overweight in healthcare, which is also a defensive allocation. The consumer discretionary overweight reflects the manager's views on luxury consumer goods. HGL also has a marginal overweight in telecommunication services.

Exhibit 3: Sector allocations, as at 29 February 2012

	Trust Weight (%)	Benchmark Weight (%)	Trust Active Weight (%)	Trust Weight/ Benchmark Weight
Consumer discretionary	12.9	9.3	3.6	1.39
Healthcare	9.7	8.6	1.1	1.13
Telecommunication services	5.4	4.8	0.6	1.13
Energy	14.4	14.4	0.0	1.00
Materials	9.7	9.9	(0.2)	0.98
Utilities	3.0	3.7	(0.7)	0.81
Consumer staples	11.0	12.1	(1.1)	0.91
Financials	18.0	19.7	(1.7)	0.91
Information technology	5.3	7.8	(2.5)	0.68
Industrials	5.3	9.7	(4.4)	0.55
Other assets/liabilities inc cash	5.4	0.0	5.4	N/A
Total	**100.0**	**100.0**	**0.0**	

Source: Henderson Global Trust, Edison Investment Research

Current portfolio positioning

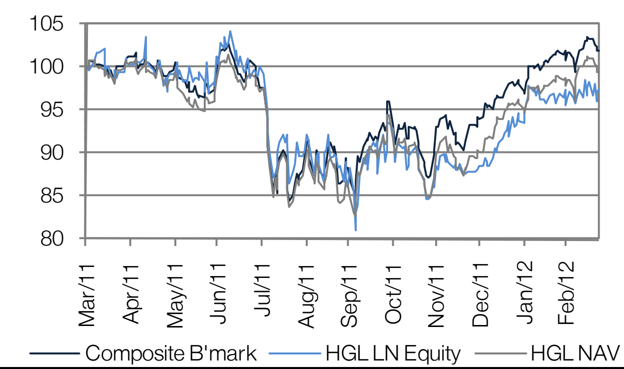
As Exhibit 3 illustrates, the manager has given HGL a more defensive allocation than the benchmark by underweighting cyclical and overweighting defensive sectors.

Recent performance

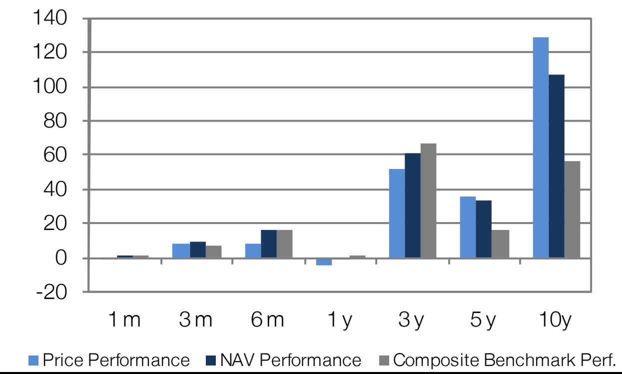
As Exhibits 4 and 5 illustrate, HGL has given a decent long-term performance, outperforming both its composite benchmark index and the FTSE World Index, in terms of both price and NAV total return over the five- and 10-year periods. Recent performance has been more mixed. HGL has underperformed both the composite benchmark and FTSE World, in terms of both price and NAV total return, over the one- and three-year periods, arguably difficult time frames given market volatility prevailing over these horizons. In both instances, the underperformance is not severe as HGL has always remained within specified tracking error limits. The last year has been difficult with the underperformance creeping in during the second half. First, during August and September, when the portfolio fell to a greater extent than the manager would have predicted given its defensive positioning; and secondly, as the market recovered, the portfolio has not recovered to quite the same extent, mostly as a consequence of its defensive positioning.

Exhibit 4: Investment trust performance

Price, NAV & benchmark total return performance 1 year rebased



Price, NAV & benchmark total return performance (%)



Source: Thomson Datastream, Edison Investment Research

Exhibit 5: Share price and NAV total return performance (sterling adjusted), relative to benchmarks

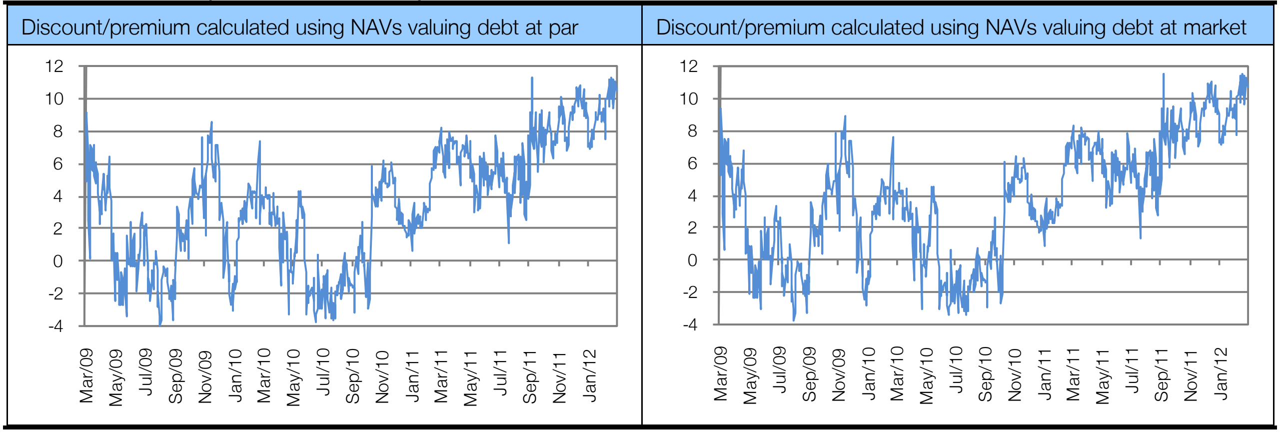
	1 month	3 months	6 months	1 year	3 years	5 years	10 years
Price relative to Composite B'mark	(0.4)	0.4	(8.0)	(5.6)	(14.2)	19.0	71.5
NAV relative to Composite B'mark	0.8	2.1	0.1	(2.3)	(5.0)	17.3	50.7
Price relative to FTSE World Index	(1.0)	(0.9)	(9.0)	(5.1)	(8.6)	10.4	70.9
NAV relative to FTSE World Index	0.2	0.8	(0.9)	(1.8)	0.7	8.8	50.1

Source: Henderson Global Trust, Thomson Datastream, Edison Investment Research

Discount

HGL has the authority to allot up to 10% or make market purchases of up to 14.99% of issued share capital, which provides the manager with mechanisms to influence the discount. HGL has an active share repurchase policy aimed at protecting shareholders from discount volatility. The board regularly reviews the level of the discount, in absolute terms and with reference to its peer group. Exhibit 6 shows the discount of the trust over the last three years. The first graph is produced using NAVs calculated valuing debt at par and the second valuing debt at market. Under both measures, the discount volatility increased substantially from September 2008, reflecting the financial climate, while the discount tightened. This tightening saw the discount reach a five-year low in August 2008 with HGL trading at premiums of 4.0% and 3.7%, excluding income, with debt valued at par and market, respectively. The last two and half years have seen the discount substantially widen and then tighten (with HGL at times trading at a premium) before widening again as the pattern has repeated. These movements have arguably been a reflection of the economic climate as well as concerns relating to HGL's future when that of Gartmore Investment Management also hung in the balance. Henderson's purchase of Gartmore was announced in January 2011. This coincided with a tightening of HGL's discount, which was followed by a reduction in repurchase activity. However, the past 18 months have seen a protracted widening of the discount and, as illustrated in Exhibit 1, repurchase activity has increased during the last six months as a reflection. The current discounts of 10.4% and 10.6% are above their three-year averages of 3.5% and 3.8%, excluding income, with debt valued at par and market, respectively.

Exhibit 6: Discount/premium over three years



Source: Thomson Datastream

Capital structure

HGL is a conventional trust with two classes of security in issue, 25p ordinary shares and 3.75% cumulative preference stock. There is £1m of the preference stock in issue, which can be redeemed at par but has no fixed redemption date, and is purely a means of gearing up the trust. HGL is permitted to gear up to 25% of the group's net assets, which gives it sufficient flexibility in choosing its gearing policy, although gearing would not normally be expected to exceed 15%. HGL currently has gross gearing of 1%. However, the portfolio's significant cash element more than offsets the effects of the gearing and HGL has net gearing of -5.4%. The management fee is 0.6% per annum of the first £200m of total assets and 0.35% per annum of the excess. There is no performance fee and the management contract can be terminated at three months' notice by either side. The total expense ratio (TER) was 0.88% for the year ended 31 January 2012 (0.92% for the year ended 31 January 2011). As illustrated in Exhibit 7, HGL's TER ranks 18th out of 29 when compared to its peers. HGL does not have a fixed life and there is no specific mechanism to wind up the company.

Dividend policy and record

HGL seeks to provide shareholders with long-term growth in dividends and dividend are paid semi-annually. For the year to 31 January 2012 HGL has declared a dividend of 9.6p (interim 2.75p and final 6.85p), an increase of 20.0% on 2011 and fully covered by HGL's revenue return, during the year, of 9.67p. HGL has a progressive dividend policy and has maintained or increased its dividend each year since 1993, a compound increase of 9.4% during the 19-year period, and well ahead of inflation of 2.9% pa during the period. At 31 January 2012, HGL had consolidated revenue reserves equal to 33.0p per share, or 26.2p after payment of the final dividend for 2012 of 6.85p. While 26.2p represents a fall from 2011 of 29.0p, it is still 2.7x the total dividend for 2012 and the manager is expecting decent growth in the revenue account over the next 12 months. In terms of expense allocation, transaction costs relating to the purchase and sale of investments and exchange gains/losses are charged to the capital account. Management fees and interest payable are charged one-third and two-thirds to the revenue and capital accounts, respectively, and preference dividends and other costs are charged to the revenue account. This allocation reflects HGL's investment mandate, which aims to provide capital growth, and while this offers capital less protection than if management fees and interest were charged predominantly, or exclusively, to the revenue account, it provides HGL with greater flexibility to smooth dividends.

Peer group comparison

As Exhibit 7 illustrates, the AIC global growth sector is a comprehensive peer group. There are 29 constituents (a sample is given below). Within this peer group HGL ranks 21st over one year, 23rd over three years and sixth over five years when considering share price total return.

Exhibit 7: Global Growth sector, as at 30 March 2012

Company	Share price total return on £100			Total expense ratio	(Disc)/ Prem	Net gearing (100 = no gearing)	5 year dividend growth (%)	Div yield
	1 year	3 year	5 year					
Sector average	98.8	166.5	121.2	0.78	(9.1)	107	4.4	1.9
Henderson Global	95.5	152.3	135.4	0.94	(11.3)	96	11.8	3.1
Alliance Trust	103.8	158.5	114.6	0.63	(15.8)	109	3.5	2.4
Bankers	103.0	159.7	115.0	0.42	(11.6)	104	5.2	3.2
Edinburgh Worldwide	99.4	200.3	133.5	1.04	(11.2)	114	0.0	0.7
F&C Global Smaller Companies	110.6	242.0	145.2	0.78	2.7	103	1.8	0.8
Foreign & Colonial	103.0	157.0	121.5	0.61	(10.3)	114	4.0	2.3
Independent	96.5	193.8	78.1	0.36	(12.5)	95	0.0	2.4
JPMorgan Overseas	92.9	188.6	141.1	0.65	(5.5)	99	6.2	1.7
Law Debenture	112.0	214.4	125.1	0.48	7.2	107	3.1	3.7
Martin Currie Global Portfolio	109.4	176.4	127.4	0.88	(7.6)	100	6.1	2.6
RIT Capital Partners	92.5	150.6	124.7	1.30	(0.1)	101	5.2	0.3
Witan	97.7	168.5	118.1	0.86	(11.1)	112	4.9	2.6

Source: The Association of Investment Companies

The board

All directors are non-executive and independent of the investment manager. They are: Richard Bernays (chairman), Miriam Greenwood, Richard Hills, Lance Moir and Richard Stone. The average length of director service is 8.4 years. Richard Bernays joined the board in May 2001 and has been HGL's chairman since March 2002. Reflects the board's policy on length of service, he will be stepping down from the board at the conclusion of the 2012 AGM. It is envisaged that Richard Stone will take over the role of chairman and that a new non-exec director will be found in due course. Excluding Richard Bernays, the average length of director service is 7.8 years.

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