

Legal & General
Global Inflation Linked Bond Index Fund
Interim Manager's Report
for the period ended
5 December 2017
(Unaudited)

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Manager's Investment Report

Investment Objective and Policy

The objective of the Fund is to achieve income and capital growth in line with the performance of the Barclays World Government Ex UK Inflation Linked Bonds TR Hedged GBP Index (the "Index") (after adjustment for management charges and taxation).

The Fund will invest predominantly in securities that are included in the Index.

The Fund will be passively managed and employs a sampling strategy whereby such securities will be held with weightings generally proportionate to the weightings in the Index. The bonds the Fund invests in will be composed primarily of securities issued by sovereign entities excluding the UK which are denominated in the currency of the issuer and which are inflation linked. Sub-investment grade bonds may be held. The Fund may also invest in other transferable securities, fixed interest securities, permitted deposits, money market instruments, cash, near cash and units in collective investment schemes.

The Fund will use forward foreign exchange or currency future derivatives in order to manage the currency exposure in line with the Index. This may mean that, at times, the Fund may use derivatives for investment purposes. The Fund may also hold other types of derivatives for efficient portfolio management purposes only.

Manager's Investment Report

During the period under review, the bid price of the Fund's F-Class accumulation units rose by 1.06%. Barclays, the Index compiler, calculates the benchmark Index at the end of the business day using closing prices, whereas the Fund is valued using prevailing prices at 3pm. Therefore, for tracking purposes the Fund has been revalued using closing prices and adjusted for the effects of charges and taxation. On this basis over the review period, the Fund rose by 1.39%, compared with the benchmark Index rise of 1.41% (Source: Bloomberg), producing a tracking difference of -0.02%.

Past performance is not a guide to future performance.

The value of investments and any income from them may go down as well as up.

Exchange rate changes may cause the value of any overseas investments to rise or fall.

Market/Economic Review

The major international bond markets have struggled to make headway over the last six months, as investors began to discount an end to the low growth, low inflation environment that has prevailed since the global financial crisis. In the US the first estimate of the third quarter economic growth (GDP) surprised positively at 3.0% leading to higher growth expectations for 2018. The Federal Reserve (Fed) sanctioned a gradual tightening of monetary policy, raising interest rates in June by 0.25% and signalling a further rate hike prior to the year-end. A further 0.25% hike was delivered by the Fed at its 13th December meeting. The Fed also confirmed it would begin shrinking its balance sheet in October by allowing \$10 billion of bonds to mature each month without reinvesting the proceeds back into the bond market. Thereby starting to unwind its asset purchase programme, known as quantitative easing (QE), which began in 2008 and has seen the Fed's balance sheet grow to \$4.5 trillion. Although the European Central Bank (ECB) announced it would taper its QE programme from January, the ECB commented it stood ready to extend QE beyond next September if necessary. The Bank of Japan's (BOJ) negative interest rate policy, and its announcement that it will intervene if necessary to keep the yield on benchmark 10-year bonds at around 0%, underpinned Japanese government bonds. Conventional

Manager's Investment Report continued

gilts ended the review period lower, as did index-linked securities. In the UK, inflation accelerated to its highest level for over five years in November (CPI +3.1% year on year; RPI 3.9% year on year), as the depreciation in Sterling since last year's EU referendum has fed through to import prices. The UK base rate was increased by 0.25% to 0.50% at the Monetary Policy Committee's (MPC) November meeting. It had been flagged by the MPC and was in effect a reversal of the surprise 0.25% cut seen in August 2016 following the Brexit vote.

Fund Review

The US had six monthly auctions over the review period, totalling \$60 billion of new issuance. A new 10-year bond was launched in July and was subsequently re-opened another two times, raising \$36 billion; the 30-year benchmark bond was reopened twice for a total of \$10 billion, increasing its size to \$18.7 billion; whilst the 5-year benchmark was only reopened once with issuance totalling \$14 billion. One bond, the 1.375% July 2018, left the Index at the end of July when its remaining life to maturity fell below one year. For the remaining countries within the Index four bonds left, one each from France, Italy, Japan and Australia, whilst one bond from Australia entered the Index.

The Fund experienced net positive cash flow during the review period, which was invested in such a way so as to ensure the Fund maintained an Index distribution at all times.

Outlook

The near term global economic outlook is positive and appears to have strengthened in many parts of the world to well above potential pace, leading to recruitment difficulties and rising capacity utilisation. There is a robust outlook for global manufacturing as inventories appear slightly lean and underlying demand strong. In recent months the recovery in economic activity has been most pronounced in the euro area, with economic confidence recording its highest level for more than a decade. In the UK, whilst both economic and political uncertainty has heightened over the last 12 months, economic indicators have exceeded expectations. The strong synchronised global growth and low inflation will cause central banks to turn more hawkish as inflationary pressures build and we see some increases in interest rates, but a high chance of another downturn before normalisation is complete. The market is expecting three 0.25% Fed hikes in 2018.

Legal & General Investment Management Limited
(Investment Adviser)
5 January 2018

Authorised Status

Authorised Status

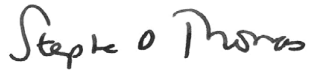
This Fund is an Authorised Unit Trust Scheme as defined in section 243 of the Financial Services and Markets Act 2000 and is a UCITS Retail Scheme within the meaning of the FCA Collective Investment Schemes sourcebook.

Directors' Statement

We hereby certify that this Manager's Report has been prepared in accordance with the requirements of the FCA Collective Investment Schemes sourcebook.



A. J. C. Craven
(Director)



S. D. Thomas
(Director)

Legal & General (Unit Trust Managers) Limited
24 January 2018

Portfolio Statement

Portfolio Statement as at 5 December 2017

All investments are in investment grade securities unless otherwise stated. The percentages in brackets show the equivalent holdings at 5 June 2017.

Holding/ Nominal Value	Investment	Market value £	% of Net Assets
	NORTH AMERICA		
	— 64.23% (64.36%)		
	United States — 61.37% (61.56%)		
USD237,000	US Treasury Index Linked Bond 1.375% 15/07/2018	203,956	0.02
USD10,985,000	US Treasury Index Linked Bond 2.125% 15/01/2019	9,590,237	0.83
USD38,350,000	US Treasury Index Linked Bond 0.125% 15/04/2019	29,939,965	2.58
USD11,485,000	US Treasury Index Linked Bond 1.875% 15/07/2019	10,178,728	0.88
USD13,640,000	US Treasury Index Linked Bond 1.375% 15/01/2020	11,873,672	1.02
USD38,480,000	US Treasury Index Linked Bond 0.125% 15/04/2020	30,040,274	2.59
USD23,532,000	US Treasury Index Linked Bond 1.25% 15/07/2020	20,432,818	1.76
USD26,876,900	US Treasury Index Linked Bond 1.125% 15/01/2021	23,197,273	2.00
USD33,140,000	US Treasury Index Linked Bond 0.125% 15/04/2021	25,500,688	2.20
USD26,590,000	US Treasury Index Linked Bond 0.625% 15/07/2021	22,028,780	1.90
USD30,930,000	US Treasury Index Linked Bond 0.125% 15/01/2022	24,926,301	2.15
USD22,650,000	US Treasury Index Linked Bond 0.125% 15/04/2022	16,934,628	1.46
USD30,320,000	US Treasury Index Linked Bond 0.125% 15/07/2022	24,085,222	2.08
USD32,370,000	US Treasury Index Linked Bond 0.125% 15/01/2023	25,485,234	2.20
USD31,780,700	US Treasury Index Linked Bond 0.375% 15/07/2023	25,189,603	2.17
USD30,515,000	US Treasury Index Linked Bond 0.625% 15/01/2024	24,395,160	2.11
USD29,299,900	US Treasury Index Linked Bond 0.125% 15/07/2024	22,341,289	1.93
USD29,298,000	US Treasury Index Linked Bond 0.25% 15/01/2025	22,445,433	1.94
USD20,040,000	US Treasury Index Linked Bond 2.375% 15/01/2025	22,191,950	1.92
USD32,200,000	US Treasury Index Linked Bond 0.375% 15/07/2025	24,881,972	2.15
USD31,360,000	US Treasury Index Linked Bond 0.625% 15/01/2026	24,520,651	2.12
USD13,970,000	US Treasury Index Linked Bond 2% 15/01/2026	14,485,209	1.25
USD28,905,000	US Treasury Index Linked Bond 0.125% 15/07/2026	20,521,068	1.77
USD28,950,000	US Treasury Index Linked Bond 0.375% 15/01/2027	21,724,372	1.87
USD13,475,000	US Treasury Index Linked Bond 2.375% 15/01/2027	14,291,917	1.23

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market value £	% of Net Assets
United States — (cont.)			
USD27,560,000	US Treasury Index Linked Bond 0.375% 15/07/2027	20,456,558	1.77
USD11,230,000	US Treasury Index Linked Bond 1.75% 15/01/2028	11,007,010	0.95
USD12,710,000	US Treasury Index Linked Bond 3.625% 15/04/2028	18,852,985	1.63
USD10,618,500	US Treasury Index Linked Bond 2.5% 15/01/2029	10,948,290	0.94
USD14,954,800	US Treasury Index Linked Bond 3.875% 15/04/2029	22,648,518	1.95
USD3,346,700	US Treasury Index Linked Bond 3.375% 15/04/2032	4,758,343	0.41
USD11,345,000	US Treasury Index Linked Bond 2.125% 15/02/2040	12,401,471	1.07
USD18,057,500	US Treasury Index Linked Bond 2.125% 15/02/2041	19,613,356	1.69
USD17,330,000	US Treasury Index Linked Bond 0.75% 15/02/2042	14,011,341	1.21
USD17,059,200	US Treasury Index Linked Bond 0.625% 15/02/2043	13,132,596	1.13
USD17,020,000	US Treasury Index Linked Bond 1.375% 15/02/2044	15,253,307	1.32
USD17,410,700	US Treasury Index Linked Bond 0.75% 15/02/2045	13,408,753	1.16
USD15,520,000	US Treasury Index Linked Bond 1% 15/02/2046	12,633,736	1.09
USD13,700,000	US Treasury Index Linked Bond 0.875% 15/02/2047	10,646,979	0.92
		<hr/>	
		711,179,643	61.37
<hr/>			
Canada — 2.86% (2.80%)			
CAD3,808,000	Canadian Government Index Linked Bond 4.25% 01/12/2021	4,090,919	0.35
CAD4,006,000	Canadian Government Index Linked Bond 4.25% 01/12/2026	4,736,589	0.41
CAD4,304,000	Canadian Government Index Linked Bond 4% 01/12/2031	5,364,337	0.46
CAD4,115,000	Canadian Government Index Linked Bond 3% 01/12/2036	4,449,036	0.39
CAD5,646,000	Canadian Government Index Linked Bond 2% 01/12/2041	5,160,842	0.45
CAD5,372,000	Canadian Government Index Linked Bond 1.5% 01/12/2044	4,416,581	0.38
CAD5,592,000	Canadian Government Index Linked Bond 1.25% 01/12/2047	4,154,535	0.36
CAD1,260,000	Canadian Government Index Linked Bond 0.5% 01/12/2050	731,653	0.06
		<hr/>	
		33,104,492	2.86
<hr/>			
CONTINENTAL EUROPE			
— 30.35% (29.06%)			
Denmark — 0.31% (0.31%)			
DKK26,585,000	Denmark Government Index Linked Bond 0.1% 15/11/2023	3,603,529	0.31
		<hr/>	

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market value £	% of Net Assets
	France — 13.25% (12.77%)		
EUR8,975,000	France Government Index Linked Bond 1.3% 25/07/2019	8,993,539	0.77
EUR15,045,000	France Government Index Linked Bond 2.25% 25/07/2020	18,297,128	1.58
EUR4,740,000	France Government Index Linked Bond 0.1% 01/03/2021	4,506,145	0.39
EUR5,655,000	France Government Index Linked Bond 0.1% 25/07/2021	5,418,046	0.47
EUR13,595,000	France Government Index Linked Bond 1.1% 25/07/2022	14,675,072	1.27
EUR11,188,000	France Government Index Linked Bond 2.1% 25/07/2023	13,198,062	1.14
EUR11,555,000	France Government Index Linked Bond 0.25% 25/07/2024	11,661,802	1.01
EUR6,520,000	France Government Index Linked Bond 0.1% 01/03/2025	6,346,724	0.55
EUR12,622,000	France Government Index Linked Bond 1.85% 25/07/2027	15,515,927	1.34
EUR3,275,000	France Government Index Linked Bond 0.1% 01/03/2028	3,190,102	0.27
EUR6,605,000	France Government Index Linked Bond 3.4% 25/07/2029	11,172,816	0.96
EUR8,830,000	France Government Index Linked Bond 0.7% 25/07/2030	9,387,819	0.81
EUR7,345,000	France Government Index Linked Bond 3.15% 25/07/2032	12,883,607	1.11
EUR8,495,000	France Government Index Linked Bond 1.8% 25/07/2040	13,234,667	1.14
EUR5,180,000	France Government Index Linked Bond 0.1% 25/07/2047	5,067,219	0.44
		153,548,675	13.25
	Germany — 4.01% (3.73%)		
EUR12,535,568	Germany (Federal Republic) Index Linked Bond 1.75% 15/04/2020	13,280,995	1.15
EUR11,783,939	Germany (Federal Republic) Index Linked Bond 0.1% 15/04/2023	11,850,889	1.02
EUR8,505,000	Germany (Federal Republic) Index Linked Bond 0.1% 15/04/2026	8,539,045	0.74
EUR6,876,855	Germany (Federal Republic) Index Linked Bond 0.5% 15/04/2030	7,293,311	0.63
EUR5,020,000	Germany (Federal Republic) Index Linked Bond 0.1% 15/04/2046	5,461,172	0.47
		46,425,412	4.01
	Italy — 8.84% (8.63%)		
EUR1,325,000	Italy Government Index Linked Bond 1.7% 15/09/2018	1,232,756	0.11
EUR12,440,000	Italy Government Index Linked Bond 2.35% 15/09/2019	13,195,375	1.14
EUR12,360,000	Italy Government Index Linked Bond 2.1% 15/09/2021	13,397,713	1.16
EUR5,280,000	Italy Government Index Linked Bond 0.1% 15/05/2022	4,917,781	0.42
EUR13,295,000	Italy Government Index Linked Bond 2.6% 15/09/2023	15,923,792	1.37

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market value £	% of Net Assets
	Italy — (cont.)		
EUR9,905,000	Italy Government Index Linked Bond 2.35% 15/09/2024	9,923,356	0.86
EUR9,440,000	Italy Government Index Linked Bond 3.1% 15/09/2026	11,094,526	0.96
EUR5,350,000	Italy Government Index Linked Bond 1.3% 15/05/2028	5,104,698	0.44
EUR6,520,000	Italy Government Index Linked Bond 1.25% 15/09/2032	6,123,244	0.53
EUR10,020,000	Italy Government Index Linked Bond 2.35% 15/09/2035	13,337,964	1.15
EUR6,630,000	Italy Government Index Linked Bond 2.55% 15/09/2041	8,112,859	0.70
		102,364,064	8.84
	Spain — 2.54% (2.25%)		
EUR7,015,000	Spain Government Index Linked Bond 0.55% 30/11/2019	6,564,475	0.57
EUR3,425,000	Spain Government Index Linked Bond 0.3% 30/11/2021	3,256,164	0.28
EUR9,865,000	Spain Government Index Linked Bond 1.8% 30/11/2024	10,252,871	0.88
EUR5,026,000	Spain Government Index Linked Bond 0.65% 30/11/2027	4,719,739	0.41
EUR4,875,000	Spain Government Index Linked Bond 1% 30/11/2030	4,669,719	0.40
		29,462,968	2.54
	Sweden — 1.40% (1.37%)		
SEK18,200,000	Swedish Government Index Linked Bond 0.125% 01/06/2019 ¹	1,723,353	0.15
SEK27,370,000	Swedish Government Index Linked Bond 4% 01/12/2020	3,816,221	0.33
SEK20,760,000	Swedish Government Index Linked Bond 0.25% 01/06/2022	2,110,532	0.18
SEK23,675,000	Swedish Government Index Linked Bond 1% 01/06/2025	2,598,514	0.23
SEK10,100,000	Swedish Government Index Linked Bond 0.125% 01/06/2026 ¹	1,050,133	0.09
SEK5,800,000	Swedish Government Index Linked Bond 0.125% 01/12/2027 ¹	596,117	0.05
SEK21,010,000	Swedish Government Index Linked Bond 3.5% 01/12/2028	3,635,718	0.31
SEK6,900,000	Swedish Government Index Linked Bond 0.125% 01/06/2032 ¹	717,436	0.06
		16,248,024	1.40
	ASIA — 3.39% (3.42%)		
	Japan — 3.39% (3.42%)		
JPY103,000,000	Japanese Government Index Linked Bond 1.2% 10/12/2017	701,454	0.06
JPY51,000,000	Japanese Government Index Linked Bond 1.4% 10/03/2018	347,707	0.03
JPY138,000,000	Japanese Government Index Linked Bond 1.4% 10/06/2018	945,382	0.08
JPY180,000,000	Japanese Government Index Linked Bond 0.1% 10/09/2023	1,280,767	0.11

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market value £	% of Net Assets
	Japan — (cont.)		
JPY416,000,000	Japanese Government Index Linked Bond 0.1% 10/03/2024	2,950,073	0.25
JPY519,500,000	Japanese Government Index Linked Bond 0.1% 10/09/2024	3,595,788	0.31
JPY1,395,000,000	Japanese Government Index Linked Bond 0.1% 10/03/2025	9,694,192	0.84
JPY1,213,000,000	Japanese Government Index Linked Bond 0.1% 10/03/2026	8,428,286	0.73
JPY1,624,000,000	Japanese Government Index Linked Bond 0.1% 10/03/2027	11,356,375	0.98
		39,300,024	3.39
	PACIFIC BASIN — 2.20% (2.32%)		
	Australia — 1.59% (1.68%)		
AUD3,810,000	Australia Government Index Linked Bond 4% 20/08/2020	3,975,207	0.34
AUD4,375,000	Australia Government Index Linked Bond 1.25% 21/02/2022	2,845,674	0.25
AUD5,425,000	Australia Government Index Linked Bond 3% 20/09/2025	4,331,045	0.37
AUD2,200,000	Australia Government Index Linked Bond 0.75% 21/11/2027	1,251,412	0.11
AUD3,320,000	Australia Government Index Linked Bond 2.5% 20/09/2030	2,649,278	0.23
AUD2,790,000	Australia Government Index Linked Bond 2% 21/08/2035	2,012,239	0.17
AUD2,210,000	Australia Government Index Linked Bond 1.25% 21/08/2040	1,376,334	0.12
		18,441,189	1.59
	New Zealand — 0.61% (0.64%)		
NZD3,835,000	New Zealand Government Index Linked Bond 2% 20/09/2025	2,169,699	0.19
NZD3,555,000	New Zealand Government Index Linked Bond 3% 20/09/2030	2,208,801	0.19
NZD3,640,000	New Zealand Government Index Linked Bond 2.5% 20/09/2035	2,107,723	0.18
NZD1,100,000	New Zealand Government Index Linked Bond 2.5% 20/09/2040	613,984	0.05
		7,100,207	0.61
	FORWARD CURRENCY CONTRACTS		
	— -0.25% (0.61%)		
GBP(149,394) AUD266,000	Sold Sterling for Australian Dollar (Expires 05/01/2018) ²	1,086	—
GBP(263,982) CAD453,000	Sold Sterling for Canadian Dollar (Expires 05/01/2018) ²	1,981	—
GBP(29,688) DKK252,000	Sold Sterling for Danish Krone (Expires 05/01/2018) ²	167	—
GBP(2,662,310) EUR3,037,000	Sold Sterling for Euro (Expires 05/01/2018) ²	15,127	—
AUD(33,261,000) GBP18,658,389	Sold Australian Dollar for Sterling (Expires 05/01/2018) ²	(157,832)	(0.01)

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market value £	% of Net Assets
FORWARD CURRENCY CONTRACTS			
— (cont.)			
CAD(56,688,000) GBP32,643,519	Sold Canadian Dollar for Sterling (Expires 05/01/2018) ²	(638,919)	(0.06)
JPY(6,012,715,376) GBP39,776,757	Sold Japanese Yen for Sterling (Expires 05/01/2018) ²	37,395	—
USD(961,818,000) GBP713,136,617	Sold US Dollars for Sterling (Expires 05/01/2018) ²	(1,750,887)	(0.15)
NZD(14,057,000) GBP7,128,510	Sold New Zealand Dollar for Sterling (Expires 05/01/2018) ²	(52,079)	—
EUR(380,156,000) GBP334,660,094	Sold Euro for Sterling (Expires 05/01/2018) ²	(488,272)	(0.04)
SEK(185,167,000) GBP16,441,765	Sold Swedish Krona for Sterling (Expires 05/01/2018) ²	93,591	0.01
DKK(31,541,000) GBP3,731,337	Sold Danish Krone for Sterling (Expires 05/01/2018) ²	(5,382)	—
GBP(314,911) JPY48,000,000	Sold Sterling for Japanese Yen (Expires 05/01/2018) ²	2,328	—
GBP(56,700) NZD112,000	Sold Sterling for New Zealand Dollar (Expires 05/01/2018) ²	512	—
GBP(130,095) SEK1,479,000	Sold Sterling for Swedish Krona (Expires 05/01/2018) ²	482	—
GBP(5,677,238) USD7,684,000	Sold Sterling for US Dollars (Expires 05/01/2018) ²	33,988	—
		<u>(2,906,714)</u>	<u>(0.25)</u>
Portfolio of investments³		1,157,871,513	99.92
Net other assets		928,563	0.08
Total net assets		<u>£1,158,800,076</u>	<u>100.00%</u>

¹ These are unrated fixed interest securities and represent 0.35% of the net assets of the Fund.

² Unlisted securities are valued at the Manager's best assessment of their fair and reasonable value.

³ Including investment liabilities.

Total purchases for the period: £303,013,405.

Total sales for the period: £79,774,961.

Financial Statements

Statement of Total Return for the period ended 5 December 2017

	05/12/17		05/12/16	
	£	£	£	£
Income				
Net capital gains/ (losses)		5,932,977		(12,911,481)
Revenue	9,084,010		6,525,869	
Expenses	(1,005,364)		(612,024)	
Interest payable and similar charges	(30,286)		(498)	
Net revenue before taxation	8,048,360		5,913,347	
Taxation	-		-	
Net revenue after taxation for the period		8,048,360		5,913,347
Total return before distributions		13,981,337		(6,998,134)
Distributions		(8,048,360)		(3,812,738)
Change in net assets attributable to Unitholders from investment activities		£5,932,977		£(10,810,872)

Statement of Change in Net Assets attributable to Unitholders for the period ended 5 December 2017

	05/12/17		05/12/16	
	£	£	£	£
Opening net assets attributable to Unitholders		958,373,826		488,984,487
Amounts received on issue of units	238,809,209		330,769,595	
Amounts paid on cancellation of units	(48,619,597)		(19,499,590)	
		190,189,612		311,270,005
Change in net assets attributable to Unitholders from investment activities		5,932,977		(10,810,872)
Retained distributions on accumulation units		4,303,661		1,572,003
Closing net assets attributable to Unitholders		£1,158,800,076		£791,015,623

The difference between the opening net assets and the comparative closing net assets is the movement in the second half of the year.

Financial Statements continued

Balance Sheet as at 5 December 2017

	05/12/17 £	05/06/17 £
ASSETS		
Fixed assets:		
Investments	1,160,964,884	956,172,949
Current assets:		
Debtors	18,864,442	7,623,165
Cash and bank balances	2,640,977	3,818,928
Total assets	1,182,470,303	967,615,042
LIABILITIES		
Investment liabilities		
	(3,093,371)	(8,052)
Creditors:		
Bank overdrafts	(2,412,319)	(1,053,749)
Distributions payable	(4,104,465)	(5,226,353)
Other creditors	(14,060,072)	(2,953,062)
Total liabilities	(23,670,227)	(9,241,216)
Net assets attributable to Unitholders	£1,158,800,076	£958,373,826

Notes to the Financial Statements

1. Statement of Compliance

The Financial Statements have been prepared in compliance with UK Financial Reporting Standard 102 (FRS 102) and in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Association in May 2014 (2014 SORP).

2. Accounting Policies

The accounting policies applied are consistent with the most recent annual Financial Statements.

(a) Basis of Preparation

The Financial Statements have been prepared on a going concern basis, under the historical cost convention as modified by the revaluation of certain financial assets and liabilities measured at fair value through profit or loss.

Fund Information

Net Asset Values and Units in Issue

Class	Net Asset Value (£)	Units in Issue	Net Asset Value per Unit (p)
F-Class			
Distribution Units	151,829	288,247	52.67
Accumulation Units	235,924	435,050	54.23
I-Class			
Distribution Units	90,560,215	171,565,490	52.78
Accumulation Units	502,608,883	918,632,898	54.71
C-Class			
Distribution Units	73,374,180	138,879,422	52.83
Accumulation Units	118,775,788	216,345,624	54.90
L-Class			
Distribution Units	373,093,257	705,821,755	52.86

Past performance is not a guide to future performance.

The price of units and any income from them may go down as well as up.

Exchange rate changes may cause the value of any overseas investments to rise or fall.

Ongoing Charges Figures

	5 Dec 17	5 Jun 17
F-Class	0.51%	0.51%
I-Class	0.27%	0.27%
C-Class	0.17%	0.17%
L-Class	0.07%	0.07%

The Ongoing Charges Figure (OCF) is the ratio of the Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the Fund.

The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a fund and is calculated based on the last period's figures.

Fund Information continued

Distribution Information

F-Class

The distribution payable on 5 February 2018 is 0.2987p per unit for distribution units and 0.3058p per unit for accumulation units.

I-Class

The distribution payable on 5 February 2018 is 0.3629p per unit for distribution units and 0.3736p per unit for accumulation units.

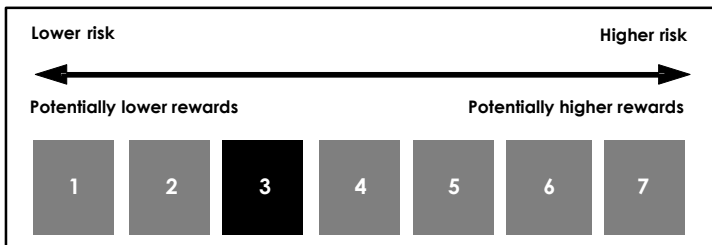
C-Class

The distribution payable on 5 February 2018 is 0.3896p per unit for distribution units and 0.4021p per unit for accumulation units.

L-Class

The distribution payable on 5 February 2018 is 0.4165p per unit for distribution units.

Risk and Reward Profile



- This risk and reward profile is based on historical data which may not be a reliable indication of the Fund's risk and reward category in the future.
- The category is based on the rate at which the value of the Fund and the Index it is tracking have moved up and down in the past.
- This Fund is in category three because it invests in bonds issued by governments. These generally provide higher rewards and higher risks than investments in cash and lower rewards and lower risks than investments in company shares.
- The Fund's category is not guaranteed to remain the same and may change over time.
- Even a fund in the lowest category is not a risk free investment.

General Information

Constitution

Launch date:	28 August 2013
Period end dates for distributions:	5 June, 5 December
Distribution dates:	5 August, 5 February
Minimum initial lump sum investment:	F-Class** £500 I-Class £1,000,000 C-Class† £100,000,000 L-Class* £100,000
Minimum monthly contributions:	F-Class** £50 I-Class N/A C-Class† N/A L-Class* N/A
Valuation point:	3pm
Fund management fees:	F-Class** Annual 0.51% I-Class Annual 0.27% C-Class† Annual 0.17% L-Class* Annual 0.07%
Initial charge:	F-Class** Nil I-Class Nil C-Class† Nil L-Class* Nil

* L-Class is not available to retail customers and is intended only for investment by Legal & General group companies.

** F-Class units are only available to:

- (i) investors who have received advice from authorised intermediaries and platforms in relation to their investment in units in the Fund and
 - (ii) authorised intermediaries or distributors who the Manager reasonably considers will adequately bear the costs of marketing to and acquiring investors at no or limited cost to the Manager, and to whom the Manager has confirmed that such distributor or investor meets the criteria for investment in such units.
- † C-Class units are only available to distributors who actively market and distribute such units (or whom the Manager believes intends to do so) and to whom the Manager has confirmed by letter that they meet the criteria for investment in such units.

Pricing and Dealing

The prices are published on the internet at www.legalandgeneral.com/investments/fund-information/daily-fund-prices immediately after they become available.

Dealing in units takes place on a forward pricing basis, from 8:30am to 6:00pm, Monday to Friday.

General Information continued

Buying and Selling Units

Units may be bought on any business day from the Manager or through a financial adviser by completing an application form or on the internet at www.legalandgeneral.com. Units may normally be sold back to the Manager on any business day at the bid price calculated at the following valuation point.

ISA Status

This Fund may be held within this tax advantaged savings arrangement. The favourable tax treatment of ISAs may not be maintained. For full written information, please contact your usual financial adviser or ring 0370 050 0955.

Call charges will vary. We may record and monitor calls.

Prospectus and Manager's Reports

The Manager will send to all persons on the Unitholder Register annual and interim short form reports.

Copies of the Prospectus and the most recent annual or interim reports are available free of charge by telephoning 0370 050 0955 or by writing to the Manager.

Do you have difficulty in reading information in print because of a disability? If so, we can help. We are able to produce information for our clients in large print and braille. If you would like to discuss your particular requirements, please contact us on 0370 050 0955.

Information on Tracking Error

The 'Tracking Error' of a Fund is the measure of the volatility of the differences between the return of the Fund and the return of the benchmark Index. It provides an indication of how closely the Fund is tracking the performance of the benchmark Index after considering things such as Fund charges and taxation.

Using monthly returns, over the review period, the annualised Tracking Error of the Fund is 0.04%, whilst over the last three years to the end of December 2017, the annualised Tracking Error of the Fund is 0.03%. These Tracking Errors are within the anticipated Tracking Error levels set out in the Fund's Prospectus of +/-0.50% per annum.

EU Savings Directive

The Fund has been reviewed against the requirements of the Directive 2003/48/EC on Taxation of savings in the form of interest payments (ESD), following the HM Revenue & Customs debt investment reporting guidance notes.

Under the Directive, information is collected about the payment of distributions to residents in certain other countries and is reported to HM Revenue & Customs to be exchanged with Tax authorities in those countries.

The Fund falls within the 25% debt investment reporting threshold. This means that details of all distributions and redemption proceeds paid to non UK investors will be reported by Legal & General (Unit Trust Managers) Limited to HM Revenue & Customs to be exchanged with the relevant Tax authorities.

General Information continued

Dual Pricing Arrangement

The Manager's fixed dual pricing arrangement has a set spread to account for the costs of transacting in a particular Fund. Where the Manager operates a box through which unit subscriptions and unit redemptions are netted into a single trade instruction to the Trustee, the netting reduces the actual transaction costs and this generates a revenue to the Manager. The revenue generated from this activity is calculated on a monthly basis and returned to the Fund in the form of a payment from the Manager. This provides an enhanced return to the Fund, though the size of any return will be dependent on the size of subscriptions and redemptions.

General Information continued

Authorised Fund Manager

Legal & General (Unit Trust Managers) Limited
Registered in England and Wales No. 01009418
Registered office:
One Coleman Street,
London EC2R 5AA
Telephone: 0370 050 3350
Authorised and regulated by the Financial Conduct Authority

Directors of the Manager

R. M. Bartley
A. J. C. Craven
S. Hynes
H. Solomon
S. D. Thomas
L. W. Toms
A. R. Toutouchi*
M. J. Zinkula

*Non-executive Director

Secretary

J. McCarthy

Registrar

Legal & General (Unit Trust Managers) Limited
P.O. Box 6080,
Wolverhampton WV1 9RB
Authorised and regulated by the Financial Conduct Authority

Dealing: 0370 050 0956
Enquiries: 0370 050 0955
Registration: 0370 050 0955

Call charges will vary. We may record and monitor calls.

Trustee

Northern Trust Global Services Limited
Trustee and Depositary Services
50 Bank Street,
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Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority

Independent Auditors

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7 More London Riverside
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Investment Adviser

Legal & General Investment Management Limited
One Coleman Street,
London EC2R 5AA
Authorised and regulated by the Financial Conduct Authority

**Authorised and regulated by the
Financial Conduct Authority**

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