

Legal & General Growth Trust

**Annual Manager's Report
for the year ended
15 May 2017**

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* These collectively comprise the Authorised Fund Manager's Report.

Manager's Investment Report

Investment Objective and Policy

The investment objective of this Trust is to secure capital growth by investing in a portfolio principally of UK shares. Securities of companies with strong growth prospects will be chosen.

Manager's Investment Report

During the year under review, the bid price of the Trust's R-Class distribution units rose by 26.26%. This compares to a rise in the FTSE All-Share Index of 21.03% on a capital only basis (Source: Bloomberg).

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

Global economic activity has improved markedly over the past twelve months. The recovery has been particularly strong in the manufacturing sector, accompanied by an upturn in global trade volumes.

A stabilisation and subsequent increase in commodity prices has been reflected in rising consumer price inflation in the major developed economies. While the recovery has been broad-based, it has been most noticeable in the US where growth accelerated during the second half of 2016 led by consumer demand. There has also been a pick-up in investment spending and inventory levels, as Donald Trump's unexpected victory in the November presidential election focused investors on the prospect of increased infrastructure spending and tax cuts. The Federal Reserve has signalled a gradual tightening of monetary policy, raising interest rates in December 2016 and March 2017 and signalling two further rate hikes in 2017.

UK equities rose on the improving economic outlook. Although the result in favour of Brexit in the EU referendum last June heightened volatility, subsequent domestic economic indicators were broadly reassuring. Returns from international markets were substantially enhanced for UK-based investors as Sterling plunged to a 31-year low against the US Dollar in the aftermath of the UK referendum result.

Trust Review

The UK vote to leave the European Union triggered a bout of marked volatility for the Trust, the UK market and the Sterling in the early months of the year under review. However, over the course of the review year, the Trust delivered a strong positive absolute level of return, outperforming its relative benchmark. A weakened Sterling helped support businesses with international earnings profiles and a supportive economic outlook helped boost the whole market.

Strong stock selection helped drive Trust performance over the course of the review year. A strong contributor to returns during the first half of the year was ARM Holdings. The share price rallied following a takeover bid from Japanese telecom operator Softbank at a significant premium against ARM's mid-July 2016 share price. Despite a slightly

Manager's Investment Report continued

disappointing trading update in the first quarter of 2017, the new addition of Domino's Pizza performed well in the final months of the review year, along with the Trust's similar holding in takeaway specialist Just Eat. In 2016, the takeaway food market in the UK was worth £6.1 billion, with 51% of orders still made via the telephone. Of the UK online portion, Just Eat currently has over half of the market share, with a margin greater than 50%.

In terms of trading activity, we added Playtech, an online gaming company as it continued to grow revenues above market rates. We initiated a new position in British luxury brand Burberry Group, whose management is increasingly focused on reducing its cost base and improving sales density, which should support the long-term turnaround story. We anticipate growth in Chinese consumer spending to support the company's recovery. The position in Tullow Oil was sold down on concerns over the slow pace of organic deleveraging and a poorly timed rights issue announcement in the first quarter of 2017. We took the decision to sell out of the positions in Standard Chartered, Randgold Resources and Reckitt Benckiser.

Outlook

The UK economy has recovered from the post-referendum volatility well; however, further consequences of the fall in the value of the pound could be felt more strongly in the year ahead. As inflation rises, the real world value of UK incomes could come under pressure. We also expect weak business investment and less employment growth as uncertainty around the UK's future relationship with the EU leads to a deferral of expansion plans. In this environment, the Bank of England is likely to be faced with a combination of above-target inflation but sluggish growth. As a result, the bank is likely to opt to do very little.

We have a positive view on global growth and the performance of risk assets over the year ahead. However, we are wary that markets haven't fully considered the medium-term headwinds to growth, or to the risks. The market enthusiasm behind President Trump's proposed policies (tax cuts and infrastructure spending for example) may run out of steam if he can't deliver, or indeed if he does deliver what the market believes to be the wrong policies. Furthermore, we have material political and economic risks to be wary of, including European politics in the short and medium term and Chinese debt levels over the longer term.

Overall, we remain focused on investing in high-quality companies that have sustainable earnings growth, strong barriers to entry, are able to improve their returns on equity and are attractively valued.

Legal & General Investment Management Limited
(Investment Adviser)
6 June 2017

Authorised Status

Authorised Status

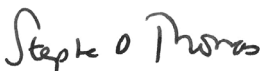
This Trust is an Authorised Unit Trust Scheme as defined in section 243 of the Financial Services and Markets Act 2000 and is a UCITS Retail Scheme within the meaning of the FCA Collective Investment Schemes sourcebook.

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
5 July 2017

Statement of Responsibilities

Statement of the Manager's Responsibilities

The Manager of the Trust is required by the FCA Collective Investment Schemes sourcebook (COLL) to prepare financial statements for each accounting period which give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the net revenue and the net capital gains or losses on the Scheme property for the accounting period, and the financial position of the Trust at the end of that period. In preparing these financial statements, the Manager is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are prudent and reasonable;
- state whether applicable Accounting Standards have been followed, subject to any material departure disclosed and explained in the financial statements; and
- prepare the financial statements on the basis that the Trust will continue in operation unless it is inappropriate to presume this.

The Manager is also required to manage the Trust in accordance with the Trust Deed, the Prospectus and the COLL, maintain proper accounting records to enable them to ensure that the financial statements comply with the Statement of Recommended Practice for UK Authorised Funds issued by The Investment Association in May 2014 and the COLL and take in these respects reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of Responsibilities continued

Statement of the Trustee's Responsibilities

The Depositary in its capacity as Trustee of Legal & General Growth Trust must ensure that the Trust is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Trust Deed and Prospectus (together "the Scheme documents") as detailed below.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Trust and its investors.

The Depositary is responsible for the safekeeping all of custodial assets and maintaining a record of all other assets of the Trust in accordance with the Regulations.

The Depositary must ensure that:

- the Trust's cash flows are properly monitored and that cash of the Trust is booked in cash accounts in accordance with the Regulations;
- the sale, issue, repurchase, redemption and cancellation of units are carried out in accordance with the Regulations;
- the value of units of the Trust are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Trust's assets is remitted to the Trust within the usual time limits;
- the Trust's income is applied in accordance with the Regulations; and
- the instructions of the Authorised Fund Manager ("the AFM"), which is the UCITS Management Company, are carried out (unless they conflict with the Regulations).

Report of the Trustee

Report of the Trustee to the Unitholders of the Legal & General Growth Trust (“the Trust”) for the year ended 15 May 2017

The Depositary also has a duty to take reasonable care to ensure that the Trust is managed in accordance with the Regulations and the Scheme documents of the Trust in relation to the investment and borrowing powers applicable to the Trust.

Having carried out such procedures as we considered necessary to discharge our responsibilities as Depositary of the Trust, it is our opinion, based on the information available to us and the explanations provided, that, in all material respects the Trust, acting through the AFM:

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Trust’s units and the application of the Trust’s income in accordance with the Regulations and the Scheme documents of the Trust; and
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Trust in accordance with the Regulations and the Scheme documents of the Trust.

Northern Trust Global Services Limited
UK Trustee and Depositary Services
5 July 2017

Portfolio Statement

Portfolio Statement as at 15 May 2017

All investments are in ordinary shares unless otherwise stated. The percentages in brackets show the equivalent sector holdings at 15 May 2016.

| Holding/ Nominal Value | Investment | Market Value £ | % of Net Assets |
|------------------------------|--|----------------------|-----------------------|
| | UNITED KINGDOM | | |
| | — 66.06% (90.80%) | | |
| | Oil & Gas Producers | | |
| | — 0.00% (8.04%) | | |
| | Mining — 0.00% (3.64%) | | |
| | Construction & Materials | | |
| | — 3.99% (0.00%) | | |
| 3,180,000 | Melrose | 7,528,650 | 3.99 |
| | Aerospace & Defense | | |
| | — 3.84% (0.00%) | | |
| 1,135,000 | BAE Systems | 7,252,650 | 3.84 |
| | Industrial Transportation | | |
| | — 3.76% (0.00%) | | |
| 2,363,742 | BBA Aviation | 7,105,408 | 3.76 |
| | Support Services — 11.64% (11.97%) | | |
| 435,000 | Ashtead | 6,938,250 | 3.67 |
| 2,926,500 | Rentokil Initial | 7,547,443 | 4.00 |
| 2,380,104 | Worldpay | 7,502,088 | 3.97 |
| | | 21,987,781 | 11.64 |
| | Automobiles & Parts | | |
| | — 3.66% (0.00%) | | |
| 1,996,935 | GKN | 6,909,395 | 3.66 |
| | Household Goods & Home Construction — 0.00% (4.03%) | | |
| | Personal Goods — 4.04% (0.00%) | | |
| 461,000 | Burberry Group | 7,629,550 | 4.04 |
| | Health Care Equipment & Services | | |
| | — 3.97% (3.99%) | | |
| 569,500 | Smith & Nephew | 7,494,620 | 3.97 |
| | Food & Drug Retailers | | |
| | — 0.00% (4.28%) | | |
| | General Retailers | | |
| | — 11.89% (11.17%) | | |
| 122,675 | Asos | 7,544,512 | 4.00 |
| 2,214,500 | Dixons Carphone | 7,126,261 | 3.77 |
| 1,340,560 | Just Eat | 7,788,654 | 4.12 |
| | | 22,459,427 | 11.89 |
| | Media — 3.90% (11.90%) | | |
| 1,776,860 | Auto Trader Group | 7,375,746 | 3.90 |
| | Travel & Leisure — 11.48% (12.38%) | | |
| 2,223,500 | Domino's Pizza | 6,932,873 | 3.67 |
| 990,000 | Greene King | 7,276,500 | 3.86 |
| 175,500 | Intercontinental Hotels | 7,469,280 | 3.95 |
| | | 21,678,653 | 11.48 |

Portfolio Statement continued

| Holding/ Nominal Value | Investment | Market Value £ | % of Net Assets |
|---------------------------------|---|----------------------|-----------------------|
| | Fixed Line Telecommunications — 0.00% (3.71%) | | |
| | Financial Services — 0.00% (3.80%) | | |
| | Software & Computer Services — 3.89% (8.01%) | | |
| 1,069,500 | Sage Group | 7,342,118 | 3.89 |
| | Technology Hardware & Equipment — 0.00% (3.88%) | | |
| | IRELAND — 7.97% (8.12%) | | |
| | Construction & Materials — 3.93% (4.07%) | | |
| 260,220 | CRH | 7,431,883 | 3.93 |
| | Support Services — 4.04% (4.05%) | | |
| 103,425 | DCC | 7,627,594 | 4.04 |
| | ISLE OF MAN — 4.05% (0.00%) | | |
| | Travel & Leisure — 4.05% (0.00%) | | |
| 794,760 | Playtech | 7,649,565 | 4.05 |
| | CHANNEL ISLANDS — 11.59% (0.00%) | | |
| | Mining — 3.65% (0.00%) | | |
| 2,372,000 | Glencore | 6,896,590 | 3.65 |
| | Pharmaceuticals & Biotechnology — 4.06% (0.00%) | | |
| 163,470 | Shire | 7,659,387 | 4.06 |
| | Media — 3.88% (0.00%) | | |
| 430,000 | WPP | 7,322,900 | 3.88 |
| | LUXEMBOURG — 4.03% (0.00%) | | |
| | General Retailers — 4.03% (0.00%) | | |
| 2,115,085 | B&M European Value Retail | 7,612,191 | 4.03 |
| | SWITZERLAND — 3.99% (0.00%) | | |
| | Beverages — 3.99% (0.00%) | | |
| 344,705 | Coca-Cola | 7,542,145 | 3.99 |
| Portfolio of investments | | 184,506,253 | 97.69 |
| Net other assets | | 4,371,218 | 2.31 |
| Total net assets | | £188,877,471 | 100.00% |

Total purchases for the year: £214,458,638.

Total sales for the year: £212,362,338.

Independent Auditors' Report

Independent Auditors' Report to the Unitholders of Legal & General Growth Trust (the "Trust")

Report on the financial statements

Our opinion

In our opinion, Legal & General Growth Trust's financial statements, (the "financial statements"):

- give a true and fair view of the financial position of the Trust as at 15 May 2017 and of the net revenue and the net capital gains of the scheme property of the Trust for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Trust Deed.

What we have audited

The financial statements, included within the Annual Manager's Report, comprise:

- the balance sheet as at 15 May 2017;
- the statement of total return for the year then ended;
- the statement of change in net assets attributable to unitholders for the year then ended;
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information; and
- the distribution tables.

The financial reporting framework that has been applied in their preparation is United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and applicable law), the Statement of Recommended Practice 'Financial Statements of UK Authorised Funds' issued by the Investment Management Association (the "Statement of Recommended Practice for UK Authorised Funds"), the Collective Investment Schemes sourcebook and the Trust Deed.

In applying the financial reporting framework, the Authorised Fund Manager has made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Independent Auditors' Report continued

Opinions on matters prescribed by the Collective Investment Schemes sourcebook

In our opinion:

- we have obtained all the information and explanations we consider necessary for the purposes of the audit; and
- the information given in the Authorised Fund Manager's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Propriety of accounting records and information and explanations received

Under the Collective Investment Schemes sourcebook we are required to report to you if, in our opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the Authorised Fund Manager

As explained more fully in the Authorised Fund Manager's Responsibilities Statement on page 5, the Authorised Fund Manager is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Trust's unitholders as a body in accordance with paragraph 4.5.12 of the Collective Investment Schemes sourcebook and for no other purpose.

We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Independent Auditors' Report continued

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the Trust's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the Authorised Fund Manager; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Manager's Report (the "Annual Report") to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
5 July 2017

Notes:

- a) The maintenance and integrity of the Legal & General website is the responsibility of the Fund Manager; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.
- b) Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Financial Statements

Statement of Total Return for the year ended 15 May 2017

| | Notes | 15/05/17 | | 15/05/16 | |
|--|-------|-------------|--------------------|-------------|-----------------|
| | | £ | £ | £ | £ |
| Income | | | | | |
| Net capital gains | 3 | | 39,059,962 | | 144,137 |
| Revenue | 4 | 3,254,903 | | 3,750,157 | |
| Expenses | 5 | (2,982,568) | | (2,418,123) | |
| Interest payable and similar charges | 7 | | (280) | | (4) |
| Net revenue before taxation | | 272,055 | | 1,332,030 | |
| Taxation | 6 | (11,360) | | (92,401) | |
| Net revenue after taxation for the year | | | 260,695 | | 1,239,629 |
| Total return before distributions | | | 39,320,657 | | 1,383,766 |
| Distributions | 7 | | (377,468) | | (1,244,842) |
| Change in net assets attributable to Unitholders from investment activities | | | £38,943,189 | | £138,924 |

Statement of Change in Net Assets attributable to Unitholders for the year ended 15 May 2017

| | 15/05/17 | | 15/05/16 | |
|--|----------|---------------------|----------|---------------------|
| | £ | £ | £ | £ |
| Opening net assets attributable to Unitholders | | 144,921,139 | | 150,962,466 |
| Amounts received on issue of units | | 9,142,769 | | 2,654,759 |
| Amounts paid on cancellation of units | | (4,204,950) | | (8,961,864) |
| | | 4,937,819 | | (6,307,105) |
| Change in net assets attributable to Unitholders from investment activities | | 38,943,189 | | 138,924 |
| Retained distributions on accumulation units | | 75,324 | | 126,854 |
| Closing net assets attributable to Unitholders | | £188,877,471 | | £144,921,139 |

Financial Statements continued

Balance Sheet as at 15 May 2017

| | Notes | 15/05/17 £ | 15/05/16 £ |
|---|-------|---------------------|---------------------|
| ASSETS | | | |
| Fixed assets: | | | |
| Investments | | 184,506,253 | 143,349,991 |
| Current assets: | | | |
| Debtors | 8 | 1,672,777 | 530,922 |
| Cash and bank balances | 9 | 3,663,783 | 1,822,367 |
| Total assets | | 189,842,813 | 145,703,280 |
| LIABILITIES | | | |
| Creditors: | | | |
| Bank overdrafts | 9 | (808,060) | — |
| Distributions payable | | (8,065) | (454,158) |
| Other creditors | 10 | (149,217) | (327,983) |
| Total liabilities | | (965,342) | (782,141) |
| Net assets attributable to Unitholders | | £188,877,471 | £144,921,139 |

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. Summary of Significant Accounting Policies

(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.

The Trust has early adopted the amendment to FRS 102 in respect of the fair value hierarchy/valuation techniques disclosure.

The principal accounting policies which have been applied consistently are set out below.

(b) Functional and Presentation Currency

The functional and presentation currency of the Trust is Sterling.

(c) Recognition of revenue

Revenue from quoted equities and non-equity shares is recognised net of attributable tax credits when the security is quoted ex-dividend.

Special dividends are treated as either revenue or capital depending on the facts of each particular case.

Overseas revenue received after the deduction of withholding tax is shown gross of taxation, with the taxation consequences shown within the taxation charge.

All other revenue is recognised on an accruals basis.

(d) Treatment of expenses

All expenses (other than those relating to the purchase and sale of investments) are charged against revenue on an accruals basis.

Notes to the Financial Statements continued

(e) Distribution Policy

The policy is to distribute all available revenue, after deduction of those expenses which are chargeable in calculating the distribution. In order to conduct a controlled dividend flow, interim distributions will be at the Manager's discretion, up to a maximum of the distributable revenue for the period. All remaining revenue is distributed in accordance with the COLL.

The fund management fee is deducted from revenue for the purpose of calculating the distribution.

The ordinary element of stock dividends is treated as revenue and forms part of the distribution. In the case of an enhanced stock dividend, the value of the enhancement is treated as capital and does not form part of the distribution.

Distributions which have remained unclaimed by Unitholders for over six years are credited to the capital property of the Trust.

(f) Basis of valuation of investments

All investments are valued at their fair value as at 12 noon on 15 May 2017, being the last working day of the accounting year. The fair value for non-derivative securities is bid market price.

Where values cannot be readily determined, the securities are valued at the Manager's best assessment of their fair and reasonable value.

(g) Taxation

Provision is made for Taxation at current rates on the excess of investment revenue over expenses.

Deferred tax is provided for on all timing differences that have originated but not reversed by the balance sheet date, other than those differences that are regarded as permanent. Any liability to deferred tax is provided for at the average rate of tax expected to apply.

Notes to the Financial Statements continued

3. Net capital gains

The net capital gains during the year comprise:

Non-derivative securities
 Currency gains
 Transaction charges
 Net capital gains

| | 15/05/17 | 15/05/16 |
|---------------------------|-------------------|----------------|
| | £ | £ |
| Non-derivative securities | 39,059,962 | 144,470 |
| Currency gains | — | 2 |
| Transaction charges | — | (335) |
| Net capital gains | 39,059,962 | 144,137 |

4. Revenue

UK franked dividends
 Non-taxable overseas dividends
 Bank interest

| | 15/05/17 | 15/05/16 |
|--------------------------------|------------------|------------------|
| | £ | £ |
| UK franked dividends | 2,452,438 | 3,344,139 |
| Non-taxable overseas dividends | 800,749 | 400,500 |
| Bank interest | 1,716 | 5,518 |
| Total Revenue | 3,254,903 | 3,750,157 |

5. Expenses

Payable to the Manager, associates of the Manager and agents of either of them:

Manager's periodic fee
 Fund management fees
 Registration fees

Payable to the Trustee, associates of the Trustee and agents of either of them:

Trustee's fees

Other expenses:

Audit fee*
 VAT on audit fee
 FCA fee

Total expenses

| | 15/05/17 | 15/05/16 |
|------------------------|------------------|------------------|
| | £ | £ |
| Manager's periodic fee | — | 103,624 |
| Fund management fees | 2,982,568 | 2,302,637 |
| Registration fees | — | 10,283 |
| Total | 2,982,568 | 2,416,544 |
| Trustee's fees | — | 734 |
| Total | — | 734 |
| Audit fee* | — | 695 |
| VAT on audit fee | — | 139 |
| FCA fee | — | 11 |
| Total | — | 845 |
| Total expenses | 2,982,568 | 2,418,123 |

* Audit fees of £8,145 plus VAT of £1,629 have been borne by the Manager out of its fund management fee in the current year. In the prior year, the total audit fee was £8,020 plus VAT of £1,604. The amounts charged to the Trust are shown in the table above, with the remainder borne by the Manager out of its fund management fee.

Notes to the Financial Statements continued

6. Taxation

(a) Analysis of taxation charge in year

| | 15/05/17 | 15/05/16 |
|--------------------------|----------|----------|
| | £ | £ |
| Overseas Tax | 11,360 | 92,401 |
| Current tax [note 6(b)] | 11,360 | 92,401 |
| Deferred tax [note 6(c)] | — | — |
| Total taxation | 11,360 | 92,401 |

(b) Factors affecting taxation charge for the year

The current tax charge excludes capital gains and losses for the reason that Authorised Unit Trusts are not subject to Corporation Tax on these items. Current tax differs from taxation assessed on net revenue before taxation as follows:

| | | |
|---|-----------|-----------|
| Net revenue before taxation | 272,055 | 1,332,030 |
| Net revenue before taxation multiplied by the applicable rate of Corporation Tax at 20% (2016: 20%) | 54,411 | 266,406 |
| Effects of: | | |
| Overseas Tax | 11,360 | 92,401 |
| Revenue not subject to taxation | (650,638) | (748,928) |
| Excess unutilised expenses | 596,227 | 482,522 |
| Current tax | 11,360 | 92,401 |

(c) Provision for deferred tax

There is no deferred tax provision in the current or preceding year. At the year end, there is a potential deferred tax asset of £5,800,960 (15 May 2016: £5,204,733) due to surplus management expenses.

It is unlikely the Trust will generate sufficient taxable profits in the future to utilise this amounts and therefore no deferred tax asset has been recognised (15 May 2016: same).

Notes to the Financial Statements continued

7. Distributions

The distributions take account of revenue received on the creation of units and revenue deducted on the cancellation of units and comprise:

| | 15/05/17 | 15/05/16 |
|--|----------------|------------------|
| | £ | £ |
| Interim distribution | 350,517 | 721,384 |
| Final distribution | 31,290 | 512,180 |
| | <u>381,807</u> | <u>1,233,564</u> |
| Add: Revenue deducted on cancellation of units | 2,771 | 16,999 |
| Less: Revenue received on creation of units | <u>(7,110)</u> | <u>(5,721)</u> |
| Distributions for the year | 377,468 | 1,244,842 |
| Interest payable and similar charges | | |
| Bank overdraft interest | 280 | 4 |
| | <u>377,748</u> | <u>1,244,846</u> |

The differences between the net revenue after taxation and the distributions for the year are as follows:

| | 15/05/17 | 15/05/16 |
|---|----------------|------------------|
| | £ | £ |
| Net revenue after taxation for the year | 260,695 | 1,239,629 |
| Add: Equalisation uplift | — | 5,213 |
| Add: Income deficit | <u>116,773</u> | <u>—</u> |
| Distributions for the year | 377,468 | 1,244,842 |

8. Debtors

| | 15/05/17 | 15/05/16 |
|--|------------------|----------------|
| | £ | £ |
| Amounts receivable for creation of units | 184,079 | 85,574 |
| Sales awaiting settlement | 630,119 | — |
| Accrued income | 849,380 | 445,348 |
| Overseas tax recoverable | 9,199 | — |
| | <u>1,672,777</u> | <u>530,922</u> |

9. Net uninvested cash

| | 15/05/17 | 15/05/16 |
|------------------------|------------------|------------------|
| | £ | £ |
| Cash and bank balances | 3,663,783 | 1,822,367 |
| Bank overdrafts | <u>(808,060)</u> | <u>—</u> |
| Net uninvested cash | <u>2,855,723</u> | <u>1,822,367</u> |

Notes to the Financial Statements continued

10. Creditors

| | 15/05/17 | 15/05/16 |
|---|----------------|----------------|
| | £ | £ |
| Amounts payable for cancellation of units | 12,927 | 12,073 |
| Accrued expenses | 136,290 | 315,910 |
| | <u>149,217</u> | <u>327,983</u> |

11. Contingent liabilities and outstanding commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date (15 May 2016: same).

12. Financial Instruments and Associated Risks

The investments of a Trust in financial securities and derivatives are subject to normal market fluctuations and other risks inherent in investing in such instruments. Legal & General (Unit Trust Managers) Limited (UTM) is the Authorised Fund Manager and has responsibility for ensuring appropriate risk management processes are implemented for each Unit Trust.

The UTM Board has delegated the risk oversight function to the Fund Manager Oversight Committee (FMOC), a committee of the Legal & General Investment Management (Holdings) Limited (LGIMH) Board that meets monthly. The primary objective of the FMOC is to ensure proper oversight of the investment management activities and associated services performed by LGIM, its delegates and other Fund Managers, under the Investment Management Agreement (IMA), on behalf of UTM in its capacity as Authorised Fund Manager. The committee consists of senior members of LGIMH and members of the UTM Board. Other senior staff members are also in attendance, as required by the agenda.

Each Trust has Investment Guidelines, an Investment Objective and Investment Restrictions, against which the fund manager will operate. These are set out in Schedule 1 of the IMA between LGIM and UTM. The Schedule is maintained by each fund manager, reviewed by the LGIM Operational Risk and Compliance Teams and approved senior members of LGIMH on behalf of the UTM board. The Schedule provides the detail needed to determine the risk profile for each fund. Fund managers are not permitted to invest into any new instruments without first gaining approval from UTM.

The Investment Objective and Policy of this Trust is detailed on page 2.

Notes to the Financial Statements continued

(a) Market Risk arising from other price risk

Market Risk arises mainly from uncertainty about future prices. It represents the potential loss the Trust may suffer through holding market positions in the face of market movements.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting similar instruments traded in the market.

The assets held by the Trust can be seen in the Portfolio Statement starting on page 8. Movements in the prices of these investments result in movements in the performance of the Trust. The Manager adheres to the investment guidelines established in the Trust Deed, the Prospectus, the COLL and the Trust's IOG, and in this way, monitors and controls the exposure to risk from any type of security, sector or issuer.

At 15 May 2017, if the price of the investments held by the Trust increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to unitholders would increase or decrease by approximately £9,225,313 (15 May 2016: £7,167,500).

(b) Interest Rate Risk

Interest Rate Risk is the risk of movements in the value of financial instruments as a result of fluctuations in interest rates.

The Trust's only interest bearing financial instruments were its bank balances and overdraft facilities as disclosed in note 9. Cash is deposited and overdraft facilities utilised on normal commercial terms and earn or bear interest based on LIBOR or its overseas equivalent.

In the event of a change in interest rates, there would be no material impact upon the assets of the Trust.

(c) Foreign Currency Risk

Foreign Currency Risk is the risk of movements in the value of financial instruments as a result of fluctuations in exchange rates. This risk may be managed by the use of forward currency contracts or currency futures as necessary. Forward Currency Contract were not utilised during the current or preceding year.

At the year end, the Trust had no significant exposures to currencies other than Sterling (15 May 2016: same).

Notes to the Financial Statements continued

(d) Credit Risk

Credit Risk is the risk of suffering financial loss as a result of a counterparty to a financial transaction being unable to fulfil their financial obligations as they fall due.

This risk is managed by appraising the credit profile of financial instruments and issuers in line with the Trust's investment objective and policy.

(e) Liquidity Risk

Liquidity Risk relates to the capacity to meet liabilities as they fall due. The primary source of this risk to the Trust is the liability to Unitholders for any cancellation of units.

This risk is minimised by holding a large proportion of readily realisable assets, cash balances and via access to overdraft facilities.

Notes to the Financial Statements continued

(g) Fair value

The fair value of a financial instrument is the amount for which it could be exchanged between knowledgeable, willing parties in an arm's length transaction. There is no material difference between the value of the financial assets and liabilities, as shown in the financial statements, and their fair value.

The Statement of Recommended Practice for Financial Statements of UK Authorised Funds issued by the Investment Management Association in May 2014, and subsequently amended by Financial Reporting Exposure Draft 62 (FRED62), requires the classification of the Trust's financial instruments held at the year end into a 3 tiered fair value hierarchy. The 3 tiers of the hierarchy and the classification of the Trust's financial instruments as at the balance sheet date were:

| 15/05/17 | Assets | Liabilities |
|----------------------------|--------------------|--------------------|
| Valuation technique | £ | £ |
| Level 1 | 184,506,253 | — |
| Level 2 | — | — |
| Level 3 | — | — |
| Total | 184,506,253 | — |

| 15/05/16 | Assets | Liabilities |
|----------------------------|--------------------|--------------------|
| Valuation technique | £ | £ |
| Level 1 | 143,349,991 | — |
| Level 2 | — | — |
| Level 3 | — | — |
| Total | 143,349,991 | — |

Level 1

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Inputs other than quoted prices included within Level 1 that are observable (i.e., developed using market data) for the asset or liability, either directly or indirectly.

Level 3

Inputs are unobservable (i.e., for which market data is unavailable) for the asset or liability.

Notes to the Financial Statements continued

13. Portfolio transaction costs

| 15/05/17 Purchases | Value £'000 | Commissions £'000 | % | Taxes £'000 | % | Total £'000 |
|-------------------------------|------------------------|------------------------------|-------------|------------------------|-------------|------------------------|
| Equities | 213,507 | 101 | 0.05 | 851 | 0.40 | 214,459 |
| Total | 213,507 | 101 | 0.05 | 851 | 0.40 | 214,459 |

| 15/05/17 Sales | Value £'000 | Commissions £'000 | % | Taxes £'000 | % | Total £'000 |
|---------------------------|------------------------|------------------------------|-------------|------------------------|----------|------------------------|
| Equities | 212,460 | (98) | 0.05 | — | — | 212,362 |
| Total | 212,460 | (98) | 0.05 | — | — | 212,362 |

Commissions and taxes as % of average net assets

| | |
|-------------|-------|
| Commissions | 0.12% |
| Taxes | 0.51% |

| 15/05/16 Purchases | Value £'000 | Commissions £'000 | % | Taxes £'000 | % | Total £'000 |
|-------------------------------|------------------------|------------------------------|-------------|------------------------|-------------|------------------------|
| Equities | 146,087 | 221 | 0.15 | 737 | 0.50 | 147,045 |
| Total | 146,087 | 221 | 0.15 | 737 | 0.50 | 147,045 |

| 15/05/16 Sales | Value £'000 | Commissions £'000 | % | Taxes £'000 | % | Total £'000 |
|---------------------------|------------------------|------------------------------|-------------|------------------------|----------|------------------------|
| Equities | 151,058 | (225) | 0.15 | — | — | 150,833 |
| Total | 151,058 | (225) | 0.15 | — | — | 150,833 |

Commissions and taxes as % of average net assets

| | |
|-------------|-------|
| Commissions | 0.31% |
| Taxes | 0.51% |

Transaction costs consist of expenses incurred in the process of the purchase and sales of securities above the cost of the securities.

The average portfolio dealing spread, including the effect of foreign exchange, as at the balance sheet date was 0.07% (15 May 16: 0.13%).

Notes to the Financial Statements continued

14. Unit classes

The Trust currently has four unit classes: R-Class, E-Class, F-Class and I-Class. The fund management fee on each unit class can be found on page 39. The net asset value per unit of each unit class and the number of units in each class are given in the comparative tables on pages 30 to 37. The distribution per unit class is given in the distribution tables on pages 27 to 28. All classes have the same rights on winding up.

| R-Class | Distribution | Accumulation |
|-----------------|---------------------|---------------------|
| Opening Units | 1,019,363 | 9,057,716 |
| Units issued | 190,010 | 2,428,666 |
| Units cancelled | (173,453) | (1,024,828) |
| Units converted | — | (18,124) |
| Closing Units | 1,035,920 | 10,443,430 |

| E-Class | Distribution | Accumulation |
|-----------------|---------------------|---------------------|
| Opening Units | 184,802,390 | 2,130,530 |
| Units issued | 4,820,721 | — |
| Units cancelled | (2,311,727) | (227,585) |
| Units converted | — | — |
| Closing Units | 187,311,384 | 1,902,945 |

| F-Class | Distribution | Accumulation |
|-----------------|---------------------|---------------------|
| Opening Units | 1,817 | 177,440 |
| Units issued | 2,547 | 12,471 |
| Units cancelled | (3,714) | (18,706) |
| Units converted | — | (2,327) |
| Closing Units | 650 | 168,878 |

| I-Class | Distribution | Accumulation |
|-----------------|---------------------|---------------------|
| Opening Units | 2,682,235 | 3,579,563 |
| Units issued | 168,634 | 2,456,864 |
| Units cancelled | (439,548) | (751,321) |
| Units converted | — | 18,925 |
| Closing Units | 2,411,321 | 5,304,031 |

Notes to the Financial Statements continued

15. Ultimate controlling party and related party transactions

The Manager and Trustee are regarded as controlling parties of the Trust by virtue of having the ability to act in concert in respect of Trust operations. The ultimate controlling parties of the Manager and Trustee are Legal & General Group Plc and Northern Trust Global Services Limited, respectively. These entities and their subsidiaries are also related parties of the Trust.

Legal & General (Unit Trust Managers) Limited acts as the principal on all the transactions of the units in the Trust. The aggregated monies received through creations or paid on cancellations are disclosed in the statement of change in net assets attributable to unitholders.

At the year end, the Manager and its associates held 88.00% (88.82% as at 15 May 2016) of the Trust's units in issue.

There were no units held by the Trustee or its associates. Details of all other material related party transactions during the year and any payment amounts outstanding at the balance sheet date are disclosed in notes 5, 7, 8 and 10 to the financial statements, the statement of change in net assets attributable to unitholders. Within note 10, accrued expenses of £136,285 (£315,910 as at 15 May 2016) are due to the Manager.

16. Post balance sheet market movements

As at the close of business on the balance sheet date, the Net Asset Value per R-Class distribution unit was 88.85p. The Net Asset Value per R-Class distribution unit for the Trust as at 12 noon on 3 July 2017 was 86.99p. This represents a decrease of 2.09% from the year end value.

Distribution Tables

Distribution Tables for the year ended 15 May 2017

Group 1: units purchased prior to a distribution period.

Group 2: units purchased during a distribution period.

Equalisation is the average amount of revenue included in the purchase price of all Group 2 units and is refunded to the holders of these units as a return of capital. As capital it is not liable to Income Tax but must be deducted from the cost of units for Capital Gains Tax purposes.

| Interim dividend distribution in pence per unit | Period | | | |
|---|----------------------|--------------|-----------------------|------------------------|
| | 16/05/16 to 15/11/16 | | | |
| | Net Revenue | Equalisation | Distribution 15/01/17 | Distribution 13/01/16* |
| R-Class Distribution Units | | | | |
| Group 1 | 0.1526 | — | 0.1526 | 0.3354 |
| Group 2 | 0.0794 | 0.0732 | 0.1526 | 0.3354 |
| R-Class Accumulation Units | | | | |
| Group 1 | 0.1819 | — | 0.1819 | 0.3963 |
| Group 2 | 0.0855 | 0.0964 | 0.1819 | 0.3963 |
| E-Class Distribution Units | | | | |
| Group 1 | 0.1526 | — | 0.1526 | 0.3354 |
| Group 2 | 0.0992 | 0.0534 | 0.1526 | 0.3354 |
| E-Class Accumulation Units | | | | |
| Group 1 | 0.1819 | — | 0.1819 | 0.3963 |
| Group 2 | — | 0.1819 | 0.1819 | 0.3963 |
| F-Class Distribution Units | | | | |
| Group 1 | 0.3476 | — | 0.3476 | 0.5123 |
| Group 2 | — | 0.3476 | 0.3476 | 0.5123 |
| F-Class Accumulation Units | | | | |
| Group 1 | 0.4234 | — | 0.4234 | 0.6107 |
| Group 2 | 0.2227 | 0.2007 | 0.4234 | 0.6107 |
| I-Class Distribution Units | | | | |
| Group 1 | 0.4950 | — | 0.4950 | 0.6431 |
| Group 2 | 0.2739 | 0.2211 | 0.4950 | 0.6431 |
| I-Class Accumulation Units | | | | |
| Group 1 | 0.6341 | — | 0.6341 | 0.8123 |
| Group 2 | 0.4713 | 0.1628 | 0.6341 | 0.8123 |

* To accommodate the transition of Trustee, the Trust's period end date, normally 15 November, was moved to 13 November 2015, with the distribution date changed to 13 January 2016.

Distribution Tables continued

| Final dividend distribution in pence per unit | Period 16/11/16 to 15/05/17 | | | |
|---|--------------------------------|--------------|--------------------------|--------------------------|
| | Net Revenue | Equalisation | Distribution 15/07/17 | Distribution 15/07/16 |
| R-Class Distribution Units* | | | | |
| Group 1 | — | — | — | 0.2364 |
| Group 2 | — | — | — | 0.2364 |
| R-Class Accumulation Units* | | | | |
| Group 1 | — | — | — | 0.2862 |
| Group 2 | — | — | — | 0.2862 |
| E-Class Distribution Units* | | | | |
| Group 1 | — | — | — | 0.2364 |
| Group 2 | — | — | — | 0.2364 |
| E-Class Accumulation Units* | | | | |
| Group 1 | — | — | — | 0.2862 |
| Group 2 | — | — | — | 0.2862 |
| F-Class Distribution Units | | | | |
| Group 1 | 0.1646 | — | 0.1646 | 0.4160 |
| Group 2 | — | 0.1646 | 0.1646 | 0.4160 |
| F-Class Accumulation Units | | | | |
| Group 1 | 0.1991 | — | 0.1991 | 0.5017 |
| Group 2 | 0.1667 | 0.0324 | 0.1991 | 0.5017 |
| I-Class Distribution Units | | | | |
| Group 1 | 0.3344 | — | 0.3344 | 0.5511 |
| Group 2 | 0.2622 | 0.0722 | 0.3344 | 0.5511 |
| I-Class Accumulation Units | | | | |
| Group 1 | 0.4315 | — | 0.4315 | 0.7013 |
| Group 2 | 0.3286 | 0.1029 | 0.4315 | 0.7013 |

* As at 15 May 2017, R-Class and E-Class were in a shortfall position as the expenses exceeded the revenue of the class, and as such, there are no distributions payable for the R-Class and E-Class on 15 July 2017.

Trust Information

The Comparative Tables on pages 30 to 37 give the performance of each active unit class in the Trust.

The 'Return after charges' disclosed in the Comparative Tables is calculated as the return after operating charges per unit divided by the opening net asset value per unit. It differs from the Trust's performance disclosed in the Manager's report, which is calculated based on the latest published price.

Portfolio transaction costs are incurred when investments are bought or sold by a trust in order to achieve the investment objective. These transaction costs affect an investor in different ways depending on whether they are joining, leaving or continuing with their investment in the Trust.

Direct transaction costs include broker commission and taxes. Broker commission includes the fee paid to a broker to execute the trades and research costs.

In addition, there are indirect portfolio transaction costs arising from the 'dealing spread' – the difference between the buying and selling prices of underlying investments in the portfolio. Unlike shares whereby broker commissions and stamp duty are paid by a fund on each transaction, other types of investments (such as bonds, money instruments, derivatives, collective investment schemes) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and money market sentiment.

Trust Information continued

Comparative Tables

R-Class Distribution Units

Change in Net Asset Value per Unit

| Accounting year ending | 15/05/17 (pence per unit) | 15/05/16 (pence per unit) | 15/05/15 (pence per unit) |
|--|---------------------------------|---------------------------------|---------------------------------|
| Opening net asset value per unit | 70.13 | 70.03 | 63.37 |
| Return before operating charges | 20.32 | 1.83 | 8.26 |
| Operating charges (calculated on average price) | (1.45) | (1.16) | (1.07) |
| Return after operating charges | 18.87 | 0.67 | 7.19 |
| Distributions on income units | (0.15) | (0.57) | (0.53) |
| Closing net asset value per unit | 88.85 | 70.13 | 70.03 |
| after direct transaction costs of: | 0.50 | 0.56 | 0.55 |

Performance

| | | | |
|----------------------|--------|-------|--------|
| Return after charges | 26.90% | 0.96% | 11.35% |
|----------------------|--------|-------|--------|

Other Information

| | | | |
|-----------------------------|-----------|-----------|-----------|
| Closing net asset value (£) | 920,389 | 714,911 | 935,284 |
| Closing number of units | 1,035,920 | 1,019,363 | 1,335,560 |
| Operating charges† | 1.82% | 1.69% | 1.67% |
| Direct transaction costs | 0.63% | 0.82% | 0.85% |

Prices

| | | | |
|--------------------|--------|--------|--------|
| Highest unit price | 93.92p | 76.90p | 74.38p |
| Lowest unit price | 66.22p | 60.83p | 56.10p |

† Operating charges, otherwise known as the OCF is the ratio of the Trust's total disclosable costs (excluding overdraft interest) to the average net assets of the Trust. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a Trust and is calculated based on the last period's figures.

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.

Trust Information continued

Comparative Tables continued

R-Class Accumulation Units

Change in Net Asset Value per Unit

| Accounting year ending | 15/05/17 (pence per unit) | 15/05/16 (pence per unit) | 15/05/15 (pence per unit) |
|--|---------------------------------|---------------------------------|---------------------------------|
| Opening net asset value per unit | 83.55 | 82.75 | 74.28 |
| Return before operating charges | 24.26 | 2.17 | 9.73 |
| Operating charges (calculated on average price) | (1.74) | (1.37) | (1.26) |
| Return after operating charges | 22.52 | 0.80 | 8.47 |
| Distributions | (0.18) | (0.68) | (0.63) |
| Retained distributions on accumulation units | 0.18 | 0.68 | 0.63 |
| Closing net asset value per unit | 106.07 | 83.55 | 82.75 |
| after direct transaction costs of: | 0.60 | 0.67 | 0.64 |

Performance

| | | | |
|----------------------|--------|-------|--------|
| Return after charges | 26.96% | 0.97% | 11.40% |
|----------------------|--------|-------|--------|

Other Information

| | | | |
|-----------------------------|------------|-----------|------------|
| Closing net asset value (£) | 11,077,736 | 7,567,919 | 9,405,146 |
| Closing number of units | 10,443,430 | 9,057,716 | 11,365,937 |
| Operating charges† | 1.82% | 1.69% | 1.67% |
| Direct transaction costs | 0.63% | 0.82% | 0.85% |

Prices

| | | | |
|--------------------|---------|--------|--------|
| Highest unit price | 112.10p | 91.31p | 87.56p |
| Lowest unit price | 78.90p | 72.23p | 65.75p |

† Operating charges, otherwise known as the OCF is the ratio of the Trust's total disclosable costs (excluding overdraft interest) to the average net assets of the Trust. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a Trust and is calculated based on the last period's figures.

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.

Trust Information continued

Comparative Tables continued

E-Class Distribution Units

Change in Net Asset Value per Unit

| Accounting year ending | 15/05/17 (pence per unit) | 15/05/16 (pence per unit) | 15/05/15 (pence per unit) |
|--|---------------------------------|---------------------------------|---------------------------------|
| Opening net asset value per unit | 70.13 | 70.03 | 63.37 |
| Return before operating charges | 20.32 | 1.83 | 8.26 |
| Operating charges (calculated on average price) | (1.45) | (1.16) | (1.07) |
| Return after operating charges | 18.87 | 0.67 | 7.19 |
| Distributions on income units | (0.15) | (0.57) | (0.53) |
| Closing net asset value per unit | 88.85 | 70.13 | 70.03 |
| after direct transaction costs of: | 0.50 | 0.56 | 0.55 |

Performance

| | | | |
|----------------------|--------|-------|--------|
| Return after charges | 26.90% | 0.96% | 11.35% |
|----------------------|--------|-------|--------|

Other Information

| | | | |
|-----------------------------|-------------|-------------|-------------|
| Closing net asset value (£) | 166,421,630 | 129,604,672 | 135,791,153 |
| Closing number of units | 187,311,384 | 184,802,390 | 193,905,870 |
| Operating charges† | 1.82% | 1.69% | 1.67% |
| Direct transaction costs | 0.63% | 0.82% | 0.85% |

Prices

| | | | |
|--------------------|--------|--------|--------|
| Highest unit price | 89.45p | 73.24p | 70.84p |
| Lowest unit price | 66.21p | 60.84p | 56.10p |

† Operating charges, otherwise known as the OCF is the ratio of the Trust's total disclosable costs (excluding overdraft interest) to the average net assets of the Trust. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a Trust and is calculated based on the last period's figures.

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.

Trust Information continued

Comparative Tables continued

E-Class Accumulation Units

Change in Net Asset Value per Unit

| Accounting year ending | 15/05/17 (pence per unit) | 15/05/16 (pence per unit) | 15/05/15 (pence per unit) |
|--|---------------------------------|---------------------------------|---------------------------------|
| Opening net asset value per unit | 83.55 | 82.75 | 74.28 |
| Return before operating charges | 24.25 | 2.17 | 9.73 |
| Operating charges (calculated on average price) | (1.73) | (1.37) | (1.26) |
| Return after operating charges | 22.52 | 0.80 | 8.47 |
| Distributions | (0.18) | (0.68) | (0.63) |
| Retained distributions on accumulation units | 0.18 | 0.68 | 0.63 |
| Closing net asset value per unit | 106.07 | 83.55 | 82.75 |
| after direct transaction costs of: | 0.60 | 0.67 | 0.64 |

Performance

| | | | |
|----------------------|--------|-------|--------|
| Return after charges | 26.96% | 0.97% | 11.40% |
|----------------------|--------|-------|--------|

Other Information

| | | | |
|-----------------------------|-----------|-----------|-----------|
| Closing net asset value (£) | 2,018,509 | 1,780,073 | 1,866,025 |
| Closing number of units | 1,902,945 | 2,130,530 | 2,255,067 |
| Operating charges† | 1.82% | 1.69% | 1.67% |
| Direct transaction costs | 0.63% | 0.82% | 0.85% |

Prices

| | | | |
|--------------------|---------|--------|--------|
| Highest unit price | 106.70p | 86.96p | 83.39p |
| Lowest unit price | 78.90p | 72.23p | 65.75p |

† Operating charges, otherwise known as the OCF is the ratio of the Trust's total disclosable costs (excluding overdraft interest) to the average net assets of the Trust. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a Trust and is calculated based on the last period's figures.

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.

Trust Information continued

Comparative Tables continued

F-Class Distribution Units

Change in Net Asset Value per Unit

| Accounting year ending | 15/05/17 (pence per unit) | 15/05/16 (pence per unit) | 15/05/15 (pence per unit) |
|--|---------------------------------|---------------------------------|---------------------------------|
| Opening net asset value per unit | 70.72 | 70.61 | 63.90 |
| Return before operating charges | 20.54 | 1.85 | 8.34 |
| Operating charges (calculated on average price) | (1.06) | (0.82) | (0.76) |
| Return after operating charges | 19.48 | 1.03 | 7.58 |
| Distributions on income units | (0.51) | (0.92) | (0.87) |
| Closing net asset value per unit | 89.69 | 70.72 | 70.61 |
| after direct transaction costs of: | 0.49 | 0.57 | 0.55 |

Performance

| | | | |
|----------------------|--------|-------|--------|
| Return after charges | 27.55% | 1.46% | 11.86% |
|----------------------|--------|-------|--------|

Other Information

| | | | |
|-----------------------------|-------|-------|-------|
| Closing net asset value (£) | 583 | 1,285 | 1,283 |
| Closing number of units | 650 | 1,817 | 1,817 |
| Operating charges† | 1.32% | 1.19% | 1.17% |
| Direct transaction costs | 0.63% | 0.82% | 0.85% |

Prices

| | | | |
|--------------------|--------|--------|--------|
| Highest unit price | 90.40p | 73.88p | 71.59p |
| Lowest unit price | 66.80p | 61.40p | 56.69p |

† Operating charges, otherwise known as the OCF is the ratio of the Trust's total disclosable costs (excluding overdraft interest) to the average net assets of the Trust. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a Trust and is calculated based on the last period's figures.

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.

Trust Information continued

Comparative Tables continued

F-Class Accumulation Units

Change in Net Asset Value per Unit

| Accounting year ending | 15/05/17 (pence per unit) | 15/05/16 (pence per unit) | 15/05/15 (pence per unit) |
|--|---------------------------------|---------------------------------|---------------------------------|
| Opening net asset value per unit | 85.69 | 84.44 | 75.42 |
| Return before operating charges | 24.93 | 2.24 | 9.92 |
| Operating charges (calculated on average price) | (1.29) | (0.99) | (0.90) |
| Return after operating charges | 23.64 | 1.25 | 9.02 |
| Distributions | (0.62) | (1.11) | (1.03) |
| Retained distributions on accumulation units | 0.62 | 1.11 | 1.03 |
| Closing net asset value per unit | 109.33 | 85.69 | 84.44 |
| after direct transaction costs of: | 0.62 | 0.68 | 0.66 |

Performance

| | | | |
|----------------------|--------|-------|--------|
| Return after charges | 27.59% | 1.48% | 11.96% |
|----------------------|--------|-------|--------|

Other Information

| | | | |
|-----------------------------|---------|---------|---------|
| Closing net asset value (£) | 184,630 | 152,043 | 174,606 |
| Closing number of units | 168,878 | 177,440 | 206,781 |
| Operating charges† | 1.32% | 1.19% | 1.17% |
| Direct transaction costs | 0.63% | 0.82% | 0.85% |

Prices

| | | | |
|--------------------|---------|--------|--------|
| Highest unit price | 110.00p | 89.02p | 85.09p |
| Lowest unit price | 80.96p | 73.98p | 66.90p |

† Operating charges, otherwise known as the OCF is the ratio of the Trust's total disclosable costs (excluding overdraft interest) to the average net assets of the Trust. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a Trust and is calculated based on the last period's figures.

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.

Trust Information continued

Comparative Tables continued

I-Class Distribution Units

Change in Net Asset Value per Unit

| Accounting year ending | 15/05/17 (pence per unit) | 15/05/16 (pence per unit) | 15/05/15 (pence per unit) |
|--|---------------------------------|---------------------------------|---------------------------------|
| Opening net asset value per unit | 70.13 | 70.02 | 63.36 |
| Return before operating charges | 20.35 | 1.85 | 8.27 |
| Operating charges (calculated on average price) | (0.74) | (0.55) | (0.50) |
| Return after operating charges | 19.61 | 1.30 | 7.77 |
| Distributions on income units | (0.83) | (1.19) | (1.11) |
| Closing net asset value per unit | 88.91 | 70.13 | 70.02 |
| after direct transaction costs of: | 0.50 | 0.56 | 0.55 |

Performance

| | | | |
|----------------------|--------|-------|--------|
| Return after charges | 27.96% | 1.86% | 12.26% |
|----------------------|--------|-------|--------|

Other Information

| | | | |
|-----------------------------|-----------|-----------|-----------|
| Closing net asset value (£) | 2,143,923 | 1,880,990 | 1,693,099 |
| Closing number of units | 2,411,321 | 2,682,235 | 2,417,872 |
| Operating charges† | 0.93% | 0.80% | 0.78% |
| Direct transaction costs | 0.63% | 0.82% | 0.85% |

Prices

| | | | |
|--------------------|--------|--------|--------|
| Highest unit price | 89.84p | 73.32p | 71.13p |
| Lowest unit price | 66.28p | 60.96p | 56.29p |

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Trust Information continued

Comparative Tables continued

I-Class Accumulation Units

Change in Net Asset Value per Unit

| Accounting year ending | 15/05/17 (pence per unit) | 15/05/16 (pence per unit) | 15/05/15 (pence per unit) |
|--|---------------------------------|---------------------------------|---------------------------------|
| Opening net asset value per unit | 89.93 | 88.28 | 78.54 |
| Return before operating charges | 26.23 | 2.35 | 10.37 |
| Operating charges (calculated on average price) | (0.96) | (0.70) | (0.63) |
| Return after operating charges | 25.27 | 1.65 | 9.74 |
| Distributions | (1.07) | (1.51) | (1.38) |
| Retained distributions on accumulation units | 1.07 | 1.51 | 1.38 |
| Closing net asset value per unit | 115.20 | 89.93 | 88.28 |
| after direct transaction costs of: | 0.65 | 0.71 | 0.68 |

Performance

| | | | |
|----------------------|--------|-------|--------|
| Return after charges | 28.10% | 1.87% | 12.40% |
|----------------------|--------|-------|--------|

Other Information

| | | | |
|-----------------------------|-----------|-----------|-----------|
| Closing net asset value (£) | 6,110,071 | 3,219,246 | 1,095,870 |
| Closing number of units | 5,304,031 | 3,579,563 | 1,241,391 |
| Operating charges† | 0.93% | 0.80% | 0.78% |
| Direct transaction costs | 0.63% | 0.82% | 0.85% |

Prices

| | | | |
|--------------------|---------|--------|--------|
| Highest unit price | 115.90p | 93.29p | 88.96p |
| Lowest unit price | 85.01p | 77.57p | 69.78p |

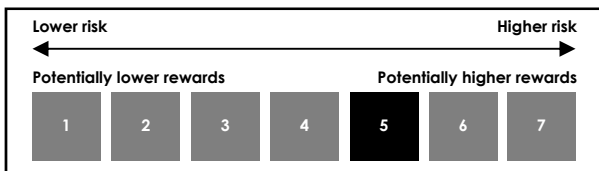
† Operating charges, otherwise known as the OCF is the ratio of the Trust's total disclosable costs (excluding overdraft interest) to the average net assets of the Trust. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a Trust and is calculated based on the last period's figures.

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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.

Risk and Reward Profile



- This risk and reward profile is based on historical data which may not be a reliable indication of the Trust's risk and reward category in the future.
- The category is based on the rate at which the value of the Trust has moved up and down in the past.
- This Trust is in category five because it invests in company shares which generally provide higher rewards and higher risks than other investments such as bonds, cash or commercial property.
- The Trust's category is not guaranteed to remain the same and may change over time.
- Even a trust in the lowest category is not a risk free investment.

General Information

Constitution

| | |
|--------------------------------------|---|
| Launch date: | 1 November 2000 |
| Period end dates for distributions: | 15 May, 15 November |
| Distribution dates: | 15 July, 15 January |
| Minimum initial lump sum investment: | R-Class £500 E-Class £100,000 F-Class* £500 I-Class £1,000,000 |
| Minimum monthly contributions: | R-Class £50 E-Class N/A F-Class* £50 I-Class N/A |
| Valuation point: | 12 noon |
| Fund management fees: | R-Class Annual 1.82% E-Class Annual 1.82% F-Class* Annual 1.32% I-Class Annual 0.93% |
| Initial charge: | R-Class 5% E-Class Nil F-Class* Nil I-Class Nil |

* 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 Trust 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.

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.

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.

General Information continued

ISA Status

This Trust 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.

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

Dual Pricing Arrangement

The Manager's fixed dual pricing arrangement has a set spread to account for the costs of transacting in a particular Trust. 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 Trust in the form of a payment from the Manager. This provides an enhanced return to the Trust, through the size of any return will be dependent on the size of subscriptions and redemptions.

General Information continued

Remuneration Disclosure

In accordance with the Undertakings for collective investment in transferable securities (UCITs) Directive, often referred to as the UCITs V Directive, the Legal & General Growth Trust, as a UCITs Scheme, is required to disclose the aggregate remuneration paid by the UCITs Manager and by the UCITs Scheme to Identified Staff, together with the number of beneficiaries, and, where relevant, performance fees paid by the UCITs Scheme. The aggregate amount of remuneration must be broken down by category of employees or other staff members and be split into fixed and variable remuneration.

The following provides information on the remuneration of persons whose professional activities have a material impact on the management company and the funds managed by it:

Controlled Functions

| Headcount | Fund Value at 31.12.16 (£'000) | Total Assets managed by UTM at 31.12.16 (£'000) | % Fund Value of Total Assets |
|-----------|--------------------------------|---|------------------------------|
| 16 | 172,270 | 35,886,497 | 0.48 |

| Fixed Remuneration (£,000) | Variable Remuneration (£,000) | Total Remuneration (£,000) | Remuneration related to this Fund (Pro-rated) (£'000) |
|----------------------------|-------------------------------|----------------------------|---|
| 3,278 | 5,980 | 9,258 | 27 |

Material Risk Takers

| Headcount | Fund Value at 31.12.16 (£'000) | Total Assets managed by the Equity Fund Management Team at 31.12.16 (£'000) | % Fund Value of Total Assets |
|-----------|--------------------------------|---|------------------------------|
| 20 | 172,270 | 8,100,000 | 2.13 |

| Fixed Remuneration (£,000) | Variable Remuneration (£,000) | Total Remuneration (£,000) | Remuneration related to this Fund (Pro-rated) (£'000) |
|----------------------------|-------------------------------|----------------------------|---|
| 2,991 | 4,914 | 7,905 | 168 |

General Information continued

Remuneration Disclosure continued

Controlled Functions

As at 31 December 2016, Legal & General Unit Trust Managers Limited (UTM) engaged the services of five employees of Legal & General Investment Management (Holdings) Limited (LGIMH), plus a further two employees of Legal & General Resources (LGR) to act as Directors. In addition, one LGIMH employee plus one LGR employee were also engaged in Director Services during the year, but resigned in 2016. UTM also engaged the services of a further five LGIMH employees and a further two L&G Resources (LGR) employees to act in a variety of Controlled Functions, including Chief Compliance Officer, Money Laundering Reporting Officer, Client Asset Oversight, Systems and Controls Functions and Significant Management Functions. These employees were also engaged by other companies in the L&G Group. The aggregate remuneration received by these individuals, for all their services across the L&G Group, is disclosed in the table above. We present the total value of the Fund, and total value of assets managed by UTM, to help put this remuneration in context.

Material Risk Takers

As at the 31 December 2016, UTM engaged the services of Legal & General Investment Management's Equity Fund Management team which is constituted of 20 investment professionals located in our London Office. The team includes a variety of Fund Managers, Analysts and Support Staff, with the Fund Managers empowered to take discretionary investment management decisions on behalf of the Fund. The team is also engaged in managing other Legal & General Funds/Schemes and is also engaged by other companies in the L&G Group. The aggregate remuneration received by the members of the team, for all their services across the L&G Group, is disclosed in the table above. We present the total value of the Fund, and total value of assets managed by the teams, to help put this remuneration in context.

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 (appointed 29 June 2016)

H. Solomon

S. D. Thomas

L. W. Toms (appointed 17 May 2016)

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,

Canary Wharf,

London E14 5NT

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority

General Information continued

Independent Auditors

PricewaterhouseCoopers LLP
7 More London Riverside
London SE1 2RT

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**

Legal & General
(Unit Trust Managers) Limited
Registered in England and Wales No. 01009418
Registered office:
One Coleman Street,
London EC2R 5AA
www.legalandgeneral.com

