

Legal & General Growth Trust
**Annual Manager's
Short Report**
for the year ended
15 May 2018

**EVERY
DAY
MATTERS.®**



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.

Risk Profile

Market 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. The Manager adheres to the investment guidelines and in this way, monitors and controls the exposure to risk from any type of security, sector or issuer.

Trust Facts

Period End Dates for Distributions:	15 May, 15 Nov	
Distribution Dates:	15 Jul, 15 Jan	
Ongoing Charges Figures:	15 May 18	15 May 17
R-Class	1.71%	1.82%
E-Class*	1.82%	1.82%
F-Class	1.21%	1.32%
I-Class	0.88%	0.93%
C-Class**	0.50%	N/A

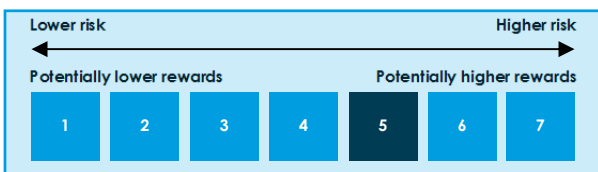
*E-Class units ceased to exist on 10 November 2017. Value shown was the OCF up to the closure on this date.

**See Significant Changes on pages 17 and 18.

The Ongoing Charges Figure (OCF) is the ratio of the Trust's total discloseable 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.

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 number highlighted above reflects the rate at which the Trust's unit price has moved up and down in the past. If the Trust has less than five years' track record, the number also reflects the rate at which a representative benchmark has moved up and down in the past. Higher numbers mean the potential reward could be greater, but this comes with increased risk of losing money.
- The Trust is in category five because it invests in company shares which are sensitive to variations in the stock market. The value of company shares can change substantially over short periods of time. Company shares are generally considered to be higher risk investments than bonds or cash.
- 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.

Distribution Information

R-Class

The distribution payable on 15 July 2018 is 0.0261p per unit for distribution units and 0.0312p per unit for accumulation units.

F-Class

The distribution payable on 15 July 2018 is 0.2661p per unit for distribution units and 0.3255p per unit for accumulation units.

I-Class

The distribution payable on 15 July 2018 is 0.3918p per unit for distribution units and 0.5081p per unit for accumulation units.

C-Class

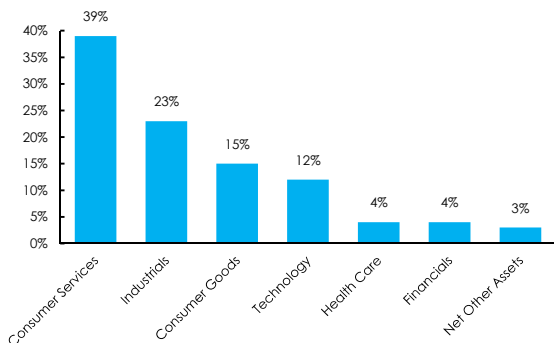
The distribution payable on 15 July 2018 is 0.3210p per unit for distribution units and 0.3210p per unit for accumulation units.

Portfolio Information

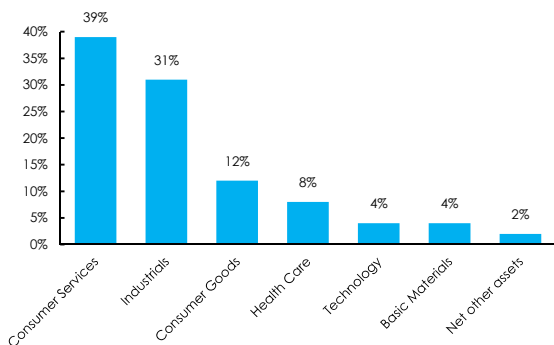
The top 10 holdings and their associated weighting at the current and preceding year ends were:

Top 10 Holdings at 15 May 2018		Top 10 Holdings at 15 May 2017	
Holding	Percentage of Net Asset Value	Holding	Percentage of Net Asset Value
Boohoo.com	4.27%	Just Eat	4.12%
GVC	4.22%	Shire	4.06%
Sophos Group	4.21%	Playtech	4.05%
Ashtead Group	4.17%	Burberry Group	4.04%
Just Eat	4.11%	DCC	4.04%
Burberry Group	4.06%	B&M European Value Retail	4.03%
NMC Health	4.01%	Rentokil Initial	4.00%
Auto Trader Group	4.00%	Asos	4.00%
BAE Systems	3.97%	Coca-Cola	3.99%
Coca-Cola HBC	3.93%	Melrose	3.99%

Trust Holdings as at 15 May 2018



Trust Holdings as at 15 May 2017



Comparative Tables

R-Class Distribution Units

Change in Net Asset Value per Unit

Accounting year ending	15/05/18 (pence per unit)	15/05/17 (pence per unit)	15/05/16 (pence per unit)
Opening net asset value per unit	88.85	70.13	70.03
Return before operating charges*	7.28	20.32	1.83
Operating charges (calculated on average price)	(1.54)	(1.45)	(1.16)
Return after operating charges*	5.74	18.87	0.67
Distributions on income units	(0.26)	(0.15)	(0.57)
Closing net asset value per unit	94.33	88.85	70.13
*after direct transaction costs of:	0.40	0.50	0.56

Performance

Return after charges	6.46%	26.90%	0.96%
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Other Information

Closing net asset value (£)	180,811,482	920,389	714,911
Closing number of units	191,681,889	1,035,920	1,019,363
Operating charges†	1.71%	1.82%	1.69%
Direct transaction costs	0.45%	0.63%	0.82%

Prices

Highest unit price	97.04p	93.92p	76.90p
Lowest unit price	85.29p	66.22p	60.83p

† 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.

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.

Comparative Tables continued

R-Class Accumulation Units

Change in Net Asset Value per Unit

Accounting year ending	15/05/18 (pence per unit)	15/05/17 (pence per unit)	15/05/16 (pence per unit)
Opening net asset value per unit	106.07	83.55	82.75
Return before operating charges*	8.71	24.26	2.17
Operating charges (calculated on average price)	(1.83)	(1.74)	(1.37)
Return after operating charges*	6.88	22.52	0.80
Distributions	(0.32)	(0.18)	(0.68)
Retained distributions on accumulation units	0.32	0.18	0.68
Closing net asset value per unit	112.95	106.07	83.55
*after direct transaction costs of:	0.48	0.60	0.67

Performance

Return after charges	6.49 %	26.96%	0.97%
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Other Information

Closing net asset value (£)	13,543,340	11,077,736	7,567,919
Closing number of units	11,990,670	10,443,430	9,057,716
Operating charges†	1.71%	1.82%	1.69%
Direct transaction costs	0.45%	0.63%	0.82%

Prices

Highest unit price	115.80p	112.10p	91.31p
Lowest unit price	102.10p	78.90p	72.23p

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Comparative Tables continued

E-Class Distribution Units

Change in Net Asset Value per Unit

Accounting year ending	16/05/17 to 10/11/17 ¹ (pence per unit)	16/05/16 to 15/05/17 (pence per unit)	16/05/15 to 15/05/16 (pence per unit)
Opening net asset value per unit	88.85	70.13	70.03
Return before operating charges*	0.71	20.32	1.83
Operating charges (calculated on average price)	(0.79)	(1.45)	(1.16)
Return after operating charges*	(0.08)	18.87	0.67
Distributions on income units	(0.24)	(0.15)	(0.57)
Closing net asset value per unit	88.53	88.85	70.13
*after direct transaction costs of:	0.24	0.50	0.56

Performance

Return after charges	(0.09)%	26.90%	0.96%
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Other Information

Closing net asset value (£)	–	166,421,630	129,604,672
Closing number of units	–	187,311,384	184,802,390
Operating charges†	1.82%	1.82%	1.69%
Direct transaction costs	0.27%	0.63%	0.82%

Prices

Highest unit price	92.42p	89.45p	73.24p
Lowest unit price	85.46p	66.21p	60.84p

¹ E-Class units ceased to exist on 10 November 2017. Value shown is the closing net asset value at this date.

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Comparative Tables continued

E-Class Accumulation Units

Change in Net Asset Value per Unit

Accounting year ending	16/05/17 to 10/11/17 ¹ (pence per unit)	16/05/16 to 15/05/17 (pence per unit)	16/05/15 to 15/05/16 (pence per unit)
Opening net asset value per unit	106.07	83.55	82.75
Return before operating charges*	0.85	24.25	2.17
Operating charges (calculated on average price)	(0.94)	(1.73)	(1.37)
Return after operating charges*	(0.09)	22.52	0.80
Distributions	(0.29)	(0.18)	(0.68)
Retained distributions on accumulation units	0.29	0.18	0.68
Closing net asset value per unit	105.98	106.07	83.55
*after direct transaction costs of:	0.29	0.60	0.67

Performance

Return after charges	(0.08)%	26.96%	0.97%
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Other Information

Closing net asset value (£)	–	2,018,509	1,780,073
Closing number of units	–	1,902,945	2,130,530
Operating charges†	1.82%	1.82%	1.69%
Direct transaction costs	0.27%	0.63%	0.82%

Prices

Highest unit price	110.30p	106.70p	86.96p
Lowest unit price	102.10p	78.90p	72.23p

¹ E-Class units ceased to exist on 10 November 2017. Value shown is the closing net asset value at this date.

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Comparative Tables continued

F-Class Distribution Units

Change in Net Asset Value per Unit

Accounting year ending	15/05/18 (pence per unit)	15/05/17 (pence per unit)	15/05/16 (pence per unit)
Opening net asset value per unit	89.69	70.72	70.61
Return before operating charges*	7.21	20.54	1.85
Operating charges (calculated on average price)	(1.09)	(1.06)	(0.82)
Return after operating charges*	6.12	19.48	1.03
Distributions on income units	(0.73)	(0.51)	(0.92)
Closing net asset value per unit	95.08	89.69	70.72
*after direct transaction costs of:	0.40	0.49	0.57

Performance

Return after charges	6.82%	27.55%	1.46%
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Other Information

Closing net asset value (£)	618	583	1,285
Closing number of units	650	650	1,817
Operating charges†	1.21%	1.32%	1.19%
Direct transaction costs	0.45%	0.63%	0.82%

Prices

Highest unit price	95.93p	90.40p	73.88p
Lowest unit price	86.21p	66.80p	61.40p

† 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.

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Comparative Tables continued

F-Class Accumulation Units

Change in Net Asset Value per Unit

Accounting year ending	15/05/18 (pence per unit)	15/05/17 (pence per unit)	15/05/16 (pence per unit)
Opening net asset value per unit	109.33	85.69	84.44
Return before operating charges*	9.00	24.93	2.24
Operating charges (calculated on average price)	(1.33)	(1.29)	(0.99)
Return after operating charges*	7.67	23.64	1.25
Distributions	(0.89)	(0.62)	(1.11)
Retained distributions on accumulation units	0.89	0.62	1.11
Closing net asset value per unit	117.00	109.33	85.69
*after direct transaction costs of:	0.49	0.62	0.68

Performance

Return after charges	7.02%	27.59%	1.48%
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Other Information

Closing net asset value (£)	144,328	184,630	152,043
Closing number of units	123,357	168,878	177,440
Operating charges†	1.21%	1.32%	1.19%
Direct transaction costs	0.45%	0.63%	0.82%

Prices

Highest unit price	117.60p	110.00p	89.02p
Lowest unit price	105.40p	80.96p	73.98p

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Comparative Tables continued

I-Class Distribution Units

Change in Net Asset Value per Unit

Accounting year ending	15/05/18 (pence per unit)	15/05/17 (pence per unit)	15/05/16 (pence per unit)
Opening net asset value per unit	88.91	70.13	70.02
Return before operating charges*	7.31	20.35	1.85
Operating charges (calculated on average price)	(0.79)	(0.74)	(0.55)
Return after operating charges*	6.52	19.61	1.30
Distributions on income units	(1.03)	(0.83)	(1.19)
Closing net asset value per unit	94.40	88.91	70.13
*after direct transaction costs of:	0.40	0.50	0.56

Performance

Return after charges	7.33%	27.96%	1.86%
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Other Information

Closing net asset value (£)	2,218,520	2,143,923	1,880,990
Closing number of units	2,350,196	2,411,321	2,682,235
Operating charges†	0.88%	0.93%	0.80%
Direct transaction costs	0.45%	0.63%	0.82%

Prices

Highest unit price	95.30p	89.84p	73.32p
Lowest unit price	85.61p	66.28p	60.96p

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Past performance is not a guide to future performance.

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Comparative Tables continued

I-Class Accumulation Units

Change in Net Asset Value per Unit

Accounting year ending	15/05/18 (pence per unit)	15/05/17 (pence per unit)	15/05/16 (pence per unit)
Opening net asset value per unit	115.20	89.93	88.28
Return before operating charges*	9.51	26.23	2.35
Operating charges (calculated on average price)	(1.02)	(0.96)	(0.70)
Return after operating charges*	8.49	25.27	1.65
Distributions	(1.33)	(1.07)	(1.51)
Retained distributions on accumulation units	1.33	1.07	1.51
Closing net asset value per unit	123.69	115.20	89.93
*after direct transaction costs of:	0.52	0.65	0.71

Performance

Return after charges	7.37%	28.10%	1.87%
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Other Information

Closing net asset value (£)	6,848,835	6,110,071	3,219,246
Closing number of units	5,536,938	5,304,031	3,579,563
Operating charges†	0.88%	0.93%	0.80%
Direct transaction costs	0.45%	0.63%	0.82%

Prices

Highest unit price	124.30p	115.90p	93.29p
Lowest unit price	111.20p	85.01p	77.57p

† 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.

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Comparative Tables continued

C-Class Distribution Units

Change in Net Asset Value per Unit

Accounting year ending	12/12/17 to 15/05/18 ¹ (pence per unit)
Opening net asset value per unit	50.00
Return before operating charges*	3.63
Operating charges (calculated on average price)	(0.11)
Return after operating charges*	3.52
Distributions on income units	(0.32)
Closing net asset value per unit	53.20
*after direct transaction costs of:	0.09

Performance

Return after charges	7.04%
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Other Information

Closing net asset value (£)	1,064
Closing number of units	2,000
Operating charges†	0.50%
Direct transaction costs	0.45%

Prices

Highest unit price	53.82p
Lowest unit price	48.39p

¹ C-Class units launched on 12 December 2017.

† 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.

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.

Comparative Tables continued

C-Class Accumulation Units

Change in Net Asset Value per Unit

Accounting year ending	12/12/17 to 15/05/18 ¹ (pence per unit)
Opening net asset value per unit	50.00
Return before operating charges*	3.66
Operating charges (calculated on average price)	(0.11)
Return after operating charges*	3.55
Distributions	(0.32)
Retained distributions on accumulation units	0.32
Closing net asset value per unit	53.55
*after direct transaction costs of:	0.09

Performance

Return after charges	7.10%
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Other Information

Closing net asset value (£)	1,071
Closing number of units	2,000
Operating charges [†]	0.50%
Direct transaction costs	0.45%

Prices

Highest unit price	53.82p
Lowest unit price	48.39p

¹ C-Class units launched on 12 December 2017.

[†] 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.

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Manager's Investment Report

During the year under review, the bid price of the Trust's R-Class distribution units rose by 6.20%. This compares to a rise in the FTSE All-Share Index of 3.99% on a capital only basis (Source: Bloomberg).

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Market/Economic Review

The global economic background has improved over the past twelve months, led by solid growth in the major developed economies, although recent indicators suggest the global industrial cycle peaked during the winter and has since lost momentum. Despite a rise in commodity prices, with the oil price recovering to \$74 per barrel in April 2018, its highest level since 2014, inflationary pressures worldwide have remained subdued by historical standards. In the UK, both economic and political uncertainty have heightened over the last 12 months, as the June 2017 general election resulted in a hung parliament and Brexit negotiations began. The Bank of England voted to increase interest rates to 0.5% in November 2017, removing the emergency support announced in August 2016 in the wake of the EU referendum. The UK economy grew at its slowest pace in five years during the first quarter of 2018.

Although UK equities performed well in 2017, the market recorded three consecutive months of losses before rebounding strongly in April 2018. The market has been led higher by resources stocks, benefitting from the strength of commodity markets. Autos also performed well driven by a hostile takeover bid for component supplier GKN from Melrose Industries, which eventually received shareholder approval. The weakest sectors have been utilities, telecoms and tobacco. These sectors have similar characteristics to bonds and are less sensitive to the economic cycle. They tend to underperform when investors are more optimistic about the economic outlook and earnings growth prospects.

Trust Review

The Trust delivered a positive return over the course of the review year. During the first half of the review year, Dixons Carphone and Greene King detracted from performance after disappointing trading updates. Both positions were sold and the proceeds were subsequently re-invested into a new holding in Reckitt Benckiser Group. We view this as potentially one of the fastest growing global names in FMCG (fast moving consumer goods). This is largely due to our optimism on the integration and growth turnaround of Mead Johnson, a US-based infant nutrition business.

We also introduced a new position in Ocado Group, which was a key contributor to performance over the review year. The company has a strong intellectual property offering (Ocado Smart Platform) and is investing heavily in automation in two of its customer

Manager's Investment Report continued

fulfilment centres. Ocado's focus on automated solutions is a key structural growth driver for the shares. We also added a holding in global outsourcer Bunzl, which supplies non-food consumable products to various industries that includes grocery, hygiene and healthcare. We can identify considerable opportunities across geographic regions and categories where the company can benefit from further outsourcing and market consolidation. We sold out of power solutions business Aggreko, as we were concerned by the impact of legacy contracts ending, which could affect profitability in the group's utility business.

Outlook

While global economic growth appears increasingly synchronised, investors may be under-estimating inflationary pressures.

We believe the equity market is pricing in more bad news for UK-orientated stocks over Brexit than currency markets are for Sterling. A protracted negotiation with the EU raises the likelihood of a 'no deal' scenario or one which is unlikely to be beneficial for the movement of goods and services and therefore may create a difficult environment for British businesses. This negative sentiment, however, affords us the opportunity to identify investment opportunities on a selective basis.

On a sector-specific basis, we see demand for global cyber protection increasing in light of a number of recent, high-profile data breaches. We retain a positive view on the extent of this market opportunity.

Legal & General Investment Management Limited

(Investment Adviser)

18 May 2018

Manager's Report and Accounts

Copies of the most recent Interim and Annual Long Form Manager's Reports are available free of charge by telephoning 0370 050 0955, by writing to the Manager or are available on the internet at www.legalandgeneral.com/investments/fund-information/managers-reports.

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

Minimum Investment Amounts

The minimum initial lump sum investment amounts for each class are as follows:

R-Class	£100
F-Class	£500
I-Class	£1,000,000
C-Class	£100,000,000

In addition, monthly contributions can be made into the R-Class with a minimum amount of £20 per month and F-Class with a minimum amount of £50 per month.

F-Class units are only available to:

- i) investors who have received advice from authorised intermediaries, platforms or other distributors in relation to their investment in units in the Trust and
- ii) 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.

Other Information

The information in this report is designed to enable unitholders to understand how the Trust has performed during the year under review and how it is invested at the year end. Further information on the activities and performance of the Trust can be obtained by telephoning 0370 050 0955 or by writing to the Manager.

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.

Significant Changes

Change in Fund Management Fee (FMF)

With effect from 2 January 2018, the FMF for three share classes were reduced as shown below:

	Old FMF	New FMF
R-Class	1.82%	1.53%
F-Class	1.32%	1.03%
I-Class	0.93%	0.78%

Removal of the Initial Charge for R-Class

With effect from 6 June 2017, the initial charge for R-Class units has been removed. Prior to this change the initial charge was 5%. The removal of the initial charge will provide better value for investors, as there is no longer a cost of setting up the investment.

Removal of Initial Commission

With effect from 6 June 2017, initial commission will no longer be paid on the Trust. The initial commission was intended to reflect the costs incurred by the product provider and the intermediary for setting up and selling the business, however, Legal & General no longer consider it appropriate to continue to pay commission on such transactions.

Closure of E-Class

As at the 10 November 2017, the E-Class was closed. All unitholders in the E-Class as at 10 November 2017 have been moved into the R-Class which is identical to the E-Class. The terms and charges are identical between the classes.

New Unit Class: C-Class

With effect from 12 December 2017, C-Class units were launched within the Trust with accumulation and distribution units available.

Significant Changes continued

Change of Auditor

With effect from 28 April 2018, PricewaterhouseCoopers LLP ceased to be Independent Auditors of the Trust and KPMG LLP have been appointed. The change of Auditor has no impact on the way the Trust is operated.

General Data Protection Regulation (GDPR)

Legal & General takes your privacy very seriously. Under data protection legislation, we have classified ourselves as a 'data controller'. This means that we are subject to certain obligations relating to how we process personal data. These obligations include, without limitation, providing individuals with certain information regarding how we process their personal data.

We will use the personal data you have provided to us in connection with an investment in units of Legal & General Growth Trust, including your name, age, contact details, bank account details, transactions and the invested amount, and any information regarding the dealing in units in accordance with all applicable data protection laws and our Privacy Policy which is available from 25 May 2018 at www.lgim.com/UTMprivacy (or available upon request). Our Privacy Policy sets out, amongst other things, the purpose or purposes for which your personal data is collected and intended to be processed and also contains any other information prescribed by data protection legislation.

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

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

Trustee

Northern Trust Global Services PLC

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

Independent Auditors

KPMG LLP

15 Canada Square,

London E14 5GL

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

Legal & General
(Unit Trust Managers) Limited
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GWT0718

