

Legal & General
All Stocks Index Linked Gilt Index Trust
**Interim Manager's
Short Report
for the period ended
26 May 2019**



Investment Objective and Policy

The objective of the Trust is to track the performance of the FTSE Actuaries UK Index Linked Gilt All Stock Index (after adjustment for management charge and taxation).

The Manager will seek to achieve this objective by investing primarily in government or other public securities issued by the government of the United Kingdom. The Manager may also invest in other assets, including government or public securities issued by other public bodies (including those outside the United Kingdom), and may make use of optimisation techniques in order to construct and maintain a portfolio, the underlying value of which exhibits the total return performance characteristics of the Index. The Manager may invest in other Collective Investment Schemes, including those managed by companies in the Legal & General Group

For the purposes of Efficient Portfolio Management, any of the forms of derivative in the Prospectus may be effected.

Risk Profile

Credit Risk

This Trust is invested in financial securities such as bonds. With these investments, there is a risk of suffering loss due to a party not meeting its financial obligations. This risk is managed by monitoring the credit profile of financial instruments and Government counterparties.

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.

Interest Rate Risk

This Trust is invested in interest bearing securities. The performance of the Trust may therefore be affected by changes in interest rates. The active monitoring and adjustment of the investments in the portfolio manages this risk.

Trust Facts

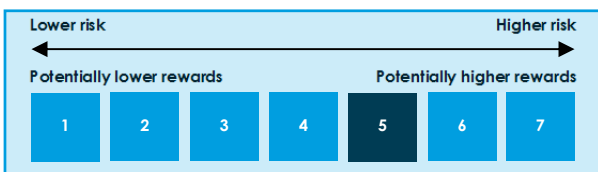
| | | |
|-------------------------------------|----------------|-----------|
| Period End Dates for Distributions: | 26 May, 26 Nov | |
| Distribution Dates: | 26 Jul, 26 Jan | |
| Ongoing Charges Figures: | 26 May 19 | 26 Nov 18 |
| F-Class | 0.37% | 0.37% |
| I-Class | 0.15% | 0.15% |
| C-Class | 0.10% | 0.10% |
| L-Class ¹ | 0.03% | — |

¹ L- Class units launched on 25 April 2019

The Ongoing Charges Figure (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 fund and is calculated based on the last period's figures.

Risk and Reward Profile



- The Risk and Reward Indicator table demonstrates where the Trust ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is not guaranteed to remain the same and may change over time. It is based on historical data and may not be a reliable indication of the future risk profile of the Trust. The shaded area in the table above shows the Trust's ranking on the Risk and Reward Indicator.
- The Trust is in category five because it invests in company or government bonds which are sensitive to changes in interest rates, inflation and credit. This can be driven by political and economic changes and other significant events and may cause the value to go up and down. Bonds that are closer to their maturity date tend to be more stable in value. Bonds are generally considered to be higher risk investments than cash, but lower risk than company shares.
- Even a trust in the lowest category is not a risk free investment.

Distribution Information

As at 26 May 2019, the whole Trust was in a shortfall position, as the expenses of the Trust exceeded distributable revenue and as such there is no interim distribution payable.

Net Asset Values and Units in Issue

| Class | Net Asset Value (£) | Units in Issue | Net Asset Value per Unit (p) |
|--------------------|---------------------|----------------|------------------------------|
| F-Class | | | |
| Distribution Units | 19,327 | 15,391 | 125.57 |
| Accumulation Units | 1,570,679 | 1,085,906 | 144.64 |
| I-Class | | | |
| Distribution Units | 502,652,263 | 397,384,106 | 126.49 |
| Accumulation Units | 683,402,476 | 467,730,114 | 146.11 |
| C-Class | | | |
| Distribution Units | 211,607,795 | 166,499,555 | 127.09 |
| Accumulation Units | 82,501,872 | 56,189,615 | 146.83 |
| L-Class | | | |
| Accumulation Units | 1,036 | 2,000 | 51.80 |

Past performance is not a guide to future performance.

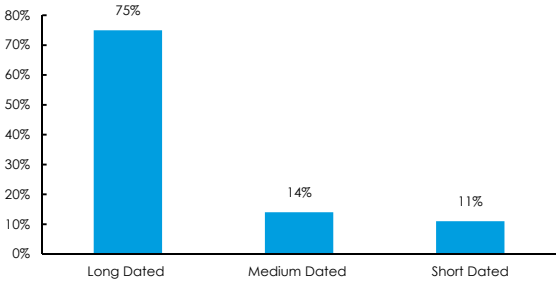
The price of units and any income from them may go down as well as up.

Portfolio Information

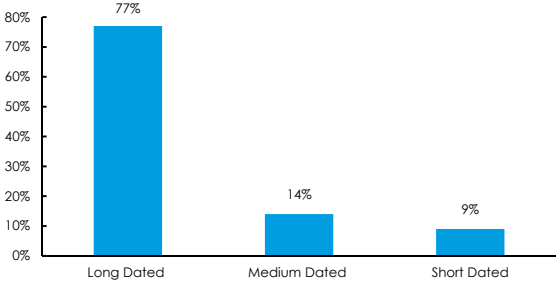
The top 10 holdings and their associated weighting at the current period end and preceding year end were:

| Top 10 Holdings at 26 May 2019 | | Top 10 Holdings at 26 November 2018 | |
|--|----------------------------------|--|----------------------------------|
| Holding | Percentage of Net Asset Value | Holding | Percentage of Net Asset Value |
| United Kingdom Gilt Inflation Linked 1.25% 22/11/2055 | 5.36% | United Kingdom Gilt Inflation Linked 1.25% 22/11/2055 | 5.17% |
| United Kingdom Gilt Inflation Linked 0.125% 22/03/2068 | 5.04% | United Kingdom Gilt Inflation Linked 0.375% 22/03/2062 | 4.67% |
| United Kingdom Gilt Inflation Linked 0.375% 22/03/2062 | 5.02% | United Kingdom Gilt Inflation Linked 0.125% 22/03/2068 | 4.61% |
| United Kingdom Gilt Inflation Linked 0.5% 22/03/2050 | 4.46% | United Kingdom Gilt Inflation Linked 1.125% 22/11/2037 | 4.43% |
| United Kingdom Gilt Inflation Linked 0.75% 22/11/2047 | 4.34% | United Kingdom Gilt Inflation Linked 0.625% 22/03/2040 | 4.31% |
| United Kingdom Gilt Inflation Linked 1.125% 22/11/2037 | 4.31% | United Kingdom Gilt Inflation Linked 0.5% 22/03/2050 | 4.30% |
| United Kingdom Gilt Inflation Linked 0.625% 22/03/2040 | 4.24% | United Kingdom Gilt Inflation Linked 0.75% 22/11/2047 | 4.29% |
| United Kingdom Gilt Inflation Linked 0.125% 22/03/2044 | 4.20% | United Kingdom Gilt Inflation Linked 0.125% 22/03/2044 | 4.11% |
| United Kingdom Gilt Inflation Linked 0.625% 22/11/2042 | 4.09% | United Kingdom Gilt Inflation Linked 1.25% 22/11/2027 | 4.11% |
| United Kingdom Gilt Inflation Linked 0.25% 22/03/2052 | 3.91% | United Kingdom Gilt Inflation Linked 0.625% 22/11/2042 | 4.08% |

Trust Holdings as at 26 May 2019



Trust Holdings as at 26 November 2018



Manager's Investment Report

During the period under review, the bid price of the Trust's I-Class accumulation units rose by 9.27%. FTSE, the Index compiler, calculates the benchmark Index at the end of the business day using closing prices, whereas the Trust is valued using prevailing prices at 12 noon. Therefore, for tracking purposes the Trust has been revalued using closing prices and adjusted for Trust charges and taxation. On this basis, over the review period, the Trust performance was 10.08%, compared with the Index performance of 10.09% (Source: Bloomberg), producing a tracking difference of -0.01%.

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.

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Market Review

The index-linked gilt market gained ground through the period under review, despite a decelerating inflation rate, as the marked rise in volatility experienced during the fourth quarter of 2018 and more recently in May 2019 highlighted the 'safe haven' appeal of major government bond markets. Since the turn of the year, major central banks have also announced plans to postpone additional rate hikes, further underpinning government bonds.

Trust Review

All investment activity was prompted either by unit holder investment or redemption or by changes in the profile of the benchmark.

There were four auctions, one syndication and a tender of index-linked securities during the review period, which raised a total of £9.2 billion for government funding. The only bond tapped by syndication was the 0.125% Index-linked Treasury Gilt 2041 for £2.5 billion nominal in February 2019. Each issuance resulted in a change to the constituent weightings of the benchmark Index and required the Trust to be rebalanced in line with the revised Index distribution.

The Trust experienced net negative cash flow during the review period. The cash flows were used to adjust the Trust's holdings in such a way so as to ensure the Trust maintained an Index distribution at all times.

Manager's Investment Report continued

Outlook

For the longer term, we retain a bias towards being long duration as we remain cautious about global growth and the ability of a highly leveraged global economy to withstand higher interest rates. We still believe that any uncertainty or progress in Brexit negotiations will be the leading driver of relative UK government bond performance during 2019 versus the rest of the world.

Legal & General Investment Management Limited

(Investment Adviser)

1 July 2019

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.

Information on Tracking Error

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

Using monthly returns, over the review period, the annualised Tracking Error of the Trust is 0.09%, whilst over the last three years to the end of May 2019, the annualised Tracking Error of the Trust is 0.08%. These Tracking Errors are within the anticipated Tracking Error levels set out in the Trust's Prospectus of +/-0.25% per annum.

EU Savings Directive

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

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

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

Minimum Investment Amounts

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

| | |
|---------|--------------|
| F-Class | £500 |
| I-Class | £1,000,000 |
| C-Class | £100,000,000 |
| L-Class | £100,000 |

Class F units are 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.

Class C units are available to certain eligible investors who meet the criteria for investment in such units as outlined in the share class policy of the Manager, which is available to investors in the C-Class upon request. Where investors in the C-Class no longer continue to meet the criteria for investment in such units, further investment in such units may not be permitted.

Class L units are only available to other Legal & General funds and/or companies which have entered into agreement with the Manager or an affiliate of the Manager.

Other Information

The information in this report is designed to enable unitholders to understand how the Trust has performed during the period under review and how it is invested at the period 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.

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

Significant Changes

New Unit Class: L-Class

L-Class accumulation units were launched on 25 April 2019.

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 SE UK Branch

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

Independent Auditors

KPMG LLP

15 Canada Square,

London E14 5GL

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

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