

Legal & General UK 100 Index Trust
**Interim Manager's
Short Report
for the period ended
5 November 2017**

**EVERY
DAY
MATTERS.®**



Investment Objective and Policy

The investment objective of this Trust is to track the capital performance of the UK equity market as represented by the FTSE 100 Index.

Securities in the FTSE 100 Index will be held with weightings generally proportionate to their company's market capitalisation.

From time to time non Index constituents may be held as a result of a corporate action and these holdings will be sold or transferred as soon as reasonably practical.

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:	5 May, 5 Nov	
Distribution Dates:	5 Jul, 5 Jan	
Ongoing Charges Figures:	5 Nov 17	5 May 17
R-Class	0.82%	0.82%
E-Class	0.82%	0.92%
F-Class	0.34%	0.34%
I-Class	0.10%	0.10%
C-Class	0.06%	0.06%

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 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 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.

Distribution Information

R-Class

The distribution payable on 5 January 2018 is 2.3182p per unit for distribution units and 3.2430p per unit for accumulation units.

E-Class

The distribution payable on 5 January 2018 is 2.8318p per unit for accumulation units.

F-Class

The distribution payable on 5 January 2018 is 2.6922p per unit for distribution units and 3.8419p per unit for accumulation units.

I-Class

The distribution payable on 5 January 2018 is 2.8597p per unit for distribution units and 4.2997p per unit for accumulation units.

C-Class

The distribution payable on 5 January 2018 is 2.8838p per unit for distribution units and 4.3480p per unit for accumulation units.

Net Asset Values and Units in Issue

Class	Net Asset Value (£)	Units in Issue	Net Asset Value per Unit (p)
R-Class			
Distribution Units	12,224,676	8,274,436	147.74
Accumulation Units	153,155,322	72,960,066	209.92
E-Class			
Accumulation Units	17,293,413	9,434,194	183.31
F-Class			
Distribution Units	1,258	848	148.35
Accumulation Units	196,206	90,972	215.68
I-Class			
Distribution Units	40,433,507	27,388,458	147.63
Accumulation Units	281,819,527	124,510,862	226.34
C-Class			
Distribution Units	98,021,451	66,401,753	147.62
Accumulation Units	107,206,459	47,253,282	226.88

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.

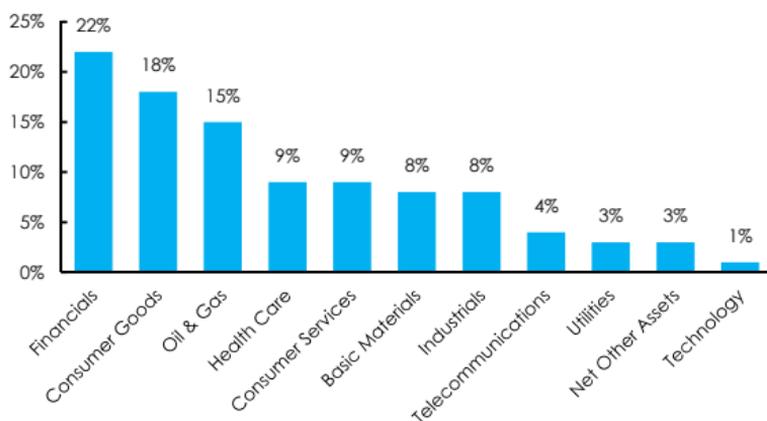
Exchange rate changes may cause the value of any overseas investments to rise or fall.

Portfolio Information

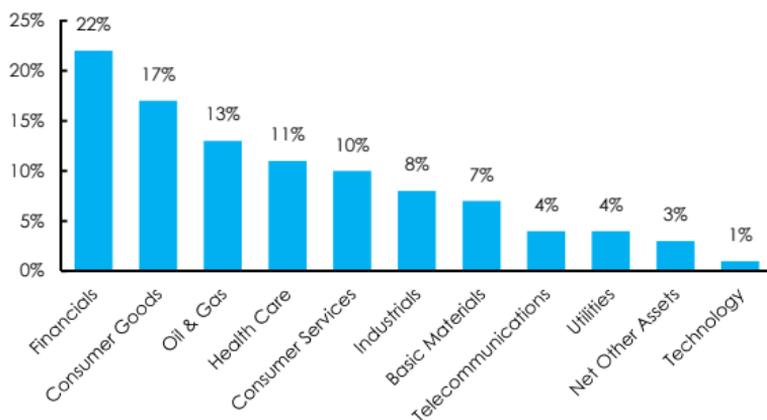
The top 10 holdings and their associated weighting at the current period end and preceding year end were:

Top 10 Holdings at 5 November 2017		Top 10 Holdings at 5 May 2017	
Holding	Percentage of Net Asset Value	Holding	Percentage of Net Asset Value
HSBC	7.42%	HSBC	6.96%
British American Tobacco	5.52%	British American Tobacco	5.17%
Royal Dutch Shell 'A' (Dutch listing)	4.99%	BP	4.46%
BP	4.97%	Royal Dutch Shell 'A' (Dutch listing)	4.20%
Royal Dutch Shell 'B'	4.65%	Royal Dutch Shell 'B'	4.14%
GlaxoSmithKline	3.28%	GlaxoSmithKline	4.09%
AstraZeneca	3.25%	AstraZeneca	3.08%
Diageo	3.19%	Diageo	3.01%
Vodafone Group	2.93%	Vodafone Group	2.86%
Unilever	2.52%	Unilever	2.53%

Trust Holdings as at 5 November 2017



Trust Holdings as at 5 May 2017



Manager's Investment Report

During the period under review, the bid price of the Trust's R-Class distribution units rose by 4.31%. 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. On this basis over the review period, the Trust returned 3.60% on a capital only basis, matching the FTSE 100 Index return of 3.60% (Source: Bloomberg).

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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.

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Market/Economic Review

In the aftermath of the UK vote to leave the European Union in the June 2016 referendum, Sterling fell to a 31-year low against the US Dollar. For UK investors, the weakness of Sterling enhanced returns from international equities. During the period under review, UK equities continued to advance as economic indicators suggested the UK economy had weathered the post-referendum volatility well and the UK economic indicators remained broadly positive. In this stable environment the Conservatives aimed to take advantage of their healthy opinion poll lead over Labour and grow their majority to make a success of Brexit by announcing a snap general election. However, Sterling weakened against the Euro during May 2017 on the back of a narrowing in the polls, which showed Labour making significant ground against the Conservatives leading the market to doubt the probability of a more substantial Conservative majority in the June election, which ended up being the case. European markets pushed higher as investors saw the pro-EU economic reformer Emmanuel Macron succeed in his bid for the French presidency in May. Inflation has been steadily increasing since the EU referendum, pushing up to 3.0% in September 2017. However, the weakness in wage growth intensified the debate on whether the Bank of England should hike interest rates or leave them unchanged.

Major sectors such as Mining (+28.53%), Equity Investment Instruments (+20.33%) and Food Producers (+19.04%) showed the largest positive returns during the review period, whilst Fixed Line Telecommunications (-18.53%), Gas, Water & Multi Utilities (-12.84) and Automobiles & Parts (-11.34%) were the worst performing sectors.

Manager's Investment Report continued

In the UK, the domestically focused FTSE 250 Index (+3.76%) and FTSE SmallCap Index (+5.98%) outperformed the more the more internationally focused FTSE 100 Index (+3.55%).

Trust Review

The Trust holds all 100 companies in the Index, with weightings generally in line with those of the Index. Hence investment activity, other than to raise or invest cash, is only necessary when there are changes in the issued share capital or free float of the constituent companies, or to the constituents of the Index.

There were two Index reviews during the reporting period. The annual Index review in June 2017 resulted in property investment company Segro and security company G4S being promoted from the FTSE 250 Index. Shopping center manager Intu Properties and healthcare company Hikma Pharmaceuticals were both demoted to the FTSE 250 Index. There were 88 changes to the free share capital of constituents with the largest increases being Lloyds Banking Group, Royal Dutch Shell 'A' and BP while the largest decreases were for Anglo American, GlaxoSmithKline and Diageo.

At the quarterly Index review in September 2017, property developer Berkeley Group and health care company NMC Health were promoted from the FTSE 250 Index. These additions replaced postal services provider Royal Mail and personal credit provider Provident Financial that were demoted to the FTSE 250 Index. There were 9 changes to the free share capital of constituents with the largest increases being for Centrica and Scottish Mortgage Investment Trust and the largest decreases being Rio Tinto, Unilever and Burberry Group.

There was a number of noteworthy mergers and acquisitions impacting the Trust over the review period: Standard Life PLC increased its weight in the Index following a £3.7 billion all stock acquisition of Aberdeen Asset Management, British American Tobacco acquired its remaining stake in Reynolds American Inc. (US) in a cash and stock deal worth £58.7 billion and subsequently increased its weight from 5.36% to 6.54% in the FTSE All Share Index. Following a £6.8 billion takeover of Hewlett Packard's Software business, Micro Focus International also substantially increased its weight in the Index as it became the largest technology company in the Index.

At the end of the period, the Trust had holdings in all 100 companies in the Index. The three largest stocks in the Index at the end of the period were Royal Dutch Shell (10.35%), HSBC (7.60%) and British American Tobacco (5.86%).

Outlook

Prime Minister Theresa May triggered Article 50 allowing the two-year window for official negotiations on Brexit to start. A 'hard Brexit' would imply giving up full access to the single market, with Britain having full control over its borders, making new trade deals

Manager's Investment Report continued

and applying laws within its own territory. In LGIM's view, such a scenario could be negative for Sterling, but we only attribute a relatively low probability to this outcome.

Given Brexit uncertainties most market participants anticipated that the Bank of England would keep rates on hold for a long time, but following the latest stronger inflation data, the Monetary Policy Committee adopted a more hawkish tilt indicating that some withdrawal of monetary stimulus was likely to be appropriate over the coming months. Lower trend growth and a weaker pound mean that if the Bank of England doesn't hike rates, inflation could remain above target. But if it raises rates too fast, the economy could be hurt should downside risks materialise. As a result, the Bank of England increased interest rates by 0.25% to 0.5% on 2nd November. The last time the UK saw a rate hike was in July 2007.

The Bank of England was also keen to stress that inflation would not return to target unless interest rates were hiked further. They broadly agree with market expectations of another couple of hikes in the next three years. This is consistent with our own expectation of slow rate hikes. Expect the mantra of "limited" and "gradual" to be reiterated in the following days/weeks/months.

Subsequently, signs that the Brexit negotiations are yielding little progress and a further round of subdued UK economic data reinforced the suggestion that businesses and individuals are likely to adopt a more cautious approach.

Given this backdrop of uncertainty, the Trust remains well positioned to capture the performance of the Index.

Legal & General Investment Management Limited
(Investment Adviser)
29 November 2017

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 0.02%, whilst over the last three years to the end of November 2017, the annualised Tracking Error of the Trust is 0.03%. These Tracking Errors are within the anticipated Tracking Error levels set out in the Trust's Prospectus of +/-0.5% per annum.

Minimum Investment Amounts

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

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

In addition, monthly contributions can be made into the R-Class, E-Class, 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 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.

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 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.

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 Limited

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

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London SE1 2RT

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

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