

Legal & General International Index Trust
**Interim Manager's
Short Report
for the period ended
6 April 2018**

**EVERY
DAY
MATTERS.®**



Investment Objective and Policy

The investment objective of the Trust is to track the capital performance of global equity markets, as represented by the FTSE World (excluding UK) Index, by investment mainly in a representative sample of stocks selected from all economic sectors.

Exposure to securities in the FTSE World (excluding UK) Index will be held with weightings generally proportionate to each company's market capitalisation. Derivatives will be used for efficient portfolio management purposes only.

Where the Trust is of a relatively small size, the accuracy of the weighting of holdings may not reflect the composition of the FTSE World (excluding UK) Index.

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.

The Trust may also invest in deposits, cash, near cash, Collective Investment Schemes and money market instruments.

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.

Currency Risk

This Trust is invested in overseas financial securities. The performance of the Trust may therefore be affected by changes in exchange rates. This risk may be managed by the use of forward currency contracts, which aim to manage the effect of changing exchange rates.

Trust Facts

Period End Dates for Distributions:	6 Apr, 6 Oct	
Distribution Dates:	6 Jun, 6 Dec	
Ongoing Charges Figures:	6 Apr 18	6 Oct 17
R-Class	0.85%	0.88%
F-Class	0.37%	0.37%
I-Class	0.13%	0.13%
C-Class	0.08%	0.08%

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 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 the Index the Trust tracks 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 6 June 2018 is 0.5110p per unit for distribution units and 0.5828p per unit for accumulation units.

F-Class

The distribution payable on 6 June 2018 is 0.7619p per unit for distribution units and 0.8874p per unit for accumulation units.

I-Class

The distribution payable on 6 June 2018 is 0.8859p per unit for distribution units and 1.0668p per unit for accumulation units.

C-Class

The distribution payable on 6 June 2018 is 0.9133p per unit for distribution units and 1.1023p 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	19,517,265	18,480,967	105.61
Accumulation Units	78,432,958	64,797,047	121.04
F-Class			
Distribution Units	109,263	103,244	105.83
Accumulation Units	925,519	745,817	124.09
I-Class			
Distribution Units	285,193,149	269,888,135	105.67
Accumulation Units	559,460,560	436,092,465	128.29
C-Class			
Distribution Units	432,446,903	409,382,762	105.63
Accumulation Units	202,241,410	157,294,095	128.58

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.

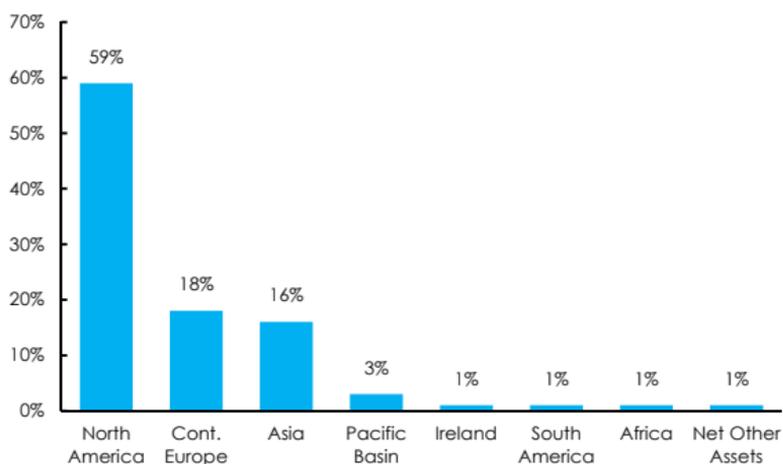
Exchange rate changes may cause the value of any overseas investments to rise or fall.

Portfolio Information

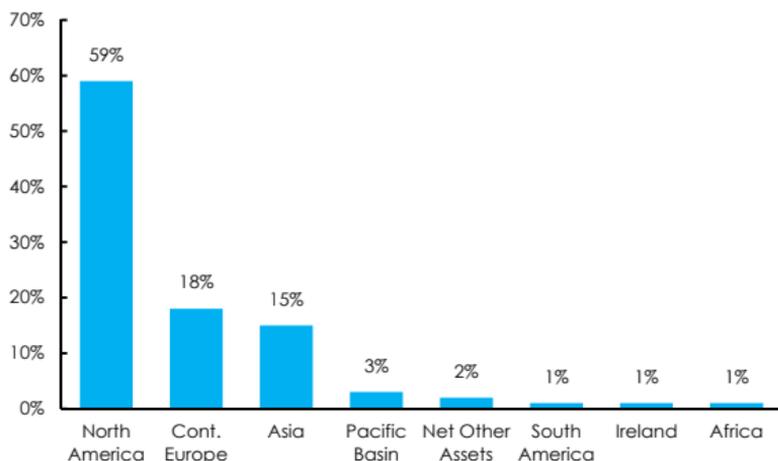
The top 10 holdings and their associated weighting at the current period end and preceding year end were:

Top 10 Holdings at 6 April 2018		Top 10 Holdings at 6 October 2017	
Holding	Percentage of Net Asset Value	Holding	Percentage of Net Asset Value
Apple	2.14%	Apple	2.04%
Microsoft	1.70%	Microsoft	1.43%
Amazon.com	1.43%	Facebook 'A'	1.00%
JPMorgan Chase	0.94%	Amazon.com	0.99%
Facebook 'A'	0.92%	Johnson & Johnson	0.91%
Johnson & Johnson	0.86%	Exxon Mobil	0.87%
Exxon Mobil	0.78%	JPMorgan Chase	0.87%
Alphabet 'A'	0.76%	Alphabet 'C'	0.74%
Alphabet 'C'	0.76%	Alphabet 'A'	0.74%
Bank of America	0.71%	Nestle	0.67%

Trust Holdings as at 6 April 2018



Trust Holdings as at 6 October 2017



Manager's Investment Report

During the period under review, the bid price of the Trust's R-Class distribution units fell by 4.16%. FTSE, the Index compiler, calculates the benchmark Index at the end of the business day using closing prices and foreign exchange rates, whereas the Trust is valued using prevailing prices at 3pm. Therefore, for tracking purposes the Trust has been revalued using closing prices and foreign exchange rates. On this basis over the review period, the Trust fell by 5.13% on a capital only basis compared with the FTSE World (excluding UK) Index decrease of 5.11% (Source: Bloomberg), producing a tracking difference of -0.02%.

Past performance is not a guide to future performance.

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

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

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Market/Economic Review

Equity markets began 2018 on a positive note. Europe outperformed other developed markets as the Eurozone economy expanded at its fastest pace for a decade in 2017, marking 19 consecutive quarters of expansion. Southern European markets – Italy, Spain and Greece – were strongest last month. Italy benefited from an improving political outlook as Berlusconi's centre-right alliance gained momentum ahead of elections due in March. The US equity market continued to post record highs, registering its strongest start to the year since 1987 on optimism over the impact of tax cuts on corporate earnings. Expectations that an improving outlook for global economic growth will underpin corporate earnings helped the Japanese equity market to make further progress, although the market gave back some of its earlier gains as the Yen strengthened against the US Dollar. The smaller Asia Pacific markets posted their best start for six years in January, as a combination of improving global economic prospects, US Dollar weakness and a continuing rally in commodity prices underpinned investor sentiment. The best performing markets in the Asia Pacific region last month were Thailand and Malaysia, while the Australian market underperformed as rising bond yields meant utilities and real estate stocks drove the market lower.

Manager's Investment Report continued

Global equity indices ended the period broadly unchanged. Although markets closed 2017 on a strong note, reflecting a steady improvement in global economic indicators and corporate earnings growth, selling pressures have emerged in recent months. Market volatility has risen markedly, particularly as trade tensions between the US and China have escalated. Over the period as a whole, technology stocks performed well in anticipation of an upturn in the semiconductor industry, while earnings announcements from the major technology companies, particularly in the US, have also been encouraging. More recently however, investors have favoured sectors perceived as less sensitive to the economic cycle, notably utilities.

Emerging market equities generated solid gains, outperforming their global peers. Despite rising volatility as investors factored in steeper rises in US interest rates, emerging market equities' gains reflected confidence that developing countries will be leading beneficiaries of improving global growth. Asian markets headed the gains, helped by strong returns from IT stocks, such as Chinese internet giant Tencent. Eastern European equities produced more subdued rises, as strength in the energy-rich Russian market was offset by falls in Polish equities amid political uncertainty. However, despite gains in resource-rich Brazilian stocks, Mexico dragged on Latin American equities, weighed by North America Free Trade Agreement (NAFTA)-related uncertainty.

Trust Review

Companies held within the Trust are held with weightings generally proportionate to those of the benchmark Index. Therefore, investment activity, other than to raise or invest cash, is only necessary when there are changes to the benchmark Index, or as a result of a corporate action.

The quarterly Index review in December 2017 resulted in four additions, with Delivery Hero (Germany), ALD (France) and Dino Polska (Poland) as the largest. The review saw nine deletions with the largest three being Christian Dior (France), JBG Smith Properties and Tegna (both US). There were also changes to the free share capital for 323 constituents, the largest of which were decreases to Apple, JPMorgan Chase (both US) and Novartis (Switzerland). All these changes contributed to a two-way Index turnover of 0.8%.

At the March 2018 semi-annual Index review, there were 56 additions, of which the largest were SVB Financial Group and MSCI (both US). There were also 25 deletions, the largest being DST Systems (US) and Hotai Motor (Taiwan). In addition, 282 companies had changes to their free share capital, with the largest being decreases in Apple Inc (US) and an increase in ASML (Netherlands). Total two-way Index turnover was 1.6%.

Manager's Investment Report continued

Outside of the Index reviews, the Index saw several mergers and acquisitions during the period. In October, Centurylink increased its Index weight following a stock merger with fellow constituent Level 3 Communications which was subsequently deleted from the Index. January saw Becton Dickinson undertake a stock and cash takeover of CR Bard for a total value of USD 24 billion. Finally, Agrium and Potash announced a merger of equals to form Nutrien, the newly formed constituent subsequently entered the Index.

At the end of the period, the Trust had holdings spread across 34 countries, with North America accounting for 60.8%, Europe (excluding UK) 17.6%, Japan 9.8% and the other regions accounting for 11.8%. The three largest stocks in the Index were Apple (2.1%), Microsoft (1.7%) and Amazon (1.4%).

Outlook

There has been a clear divergence between economic growth and asset valuations in recent years. Central bank support has more than offset underlying structural economic problems. We believe that as monetary policy tightens, the gap will narrow.

While we are optimistic about the long-term productivity improvements and investment opportunities highlighted by our technology and energy research, I think the demographic drag looks set to dominate growth prospects for now. As monetary policy support is withdrawn in 2018, many investors face a rude awakening if the risk premium is more accurately priced into markets.

The Trust remains well positioned to capture the market performance.

Legal & General Investment Management Limited
(Investment Adviser)
4 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.

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 the last three years to the end of March 2018, the annualised Tracking Error of the Trust is 0.02%. These Tracking Errors are within the anticipated Tracking Error levels set out in the Trust's Prospectus of +/- 0.75% per annum.

Minimum Investment Amounts

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

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

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 the 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.

Significant Changes

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 International Index 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

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Financial Conduct Authority**

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