

Legal & General European Index Trust
Interim Manager's Report
for the period ended
31 January 2017
(Unaudited)

**EVERY
DAY
MATTERS.®**



Contents

	Page Number
Manager's Investment Report	2
Authorised Status	5
Directors' Statement	5
Portfolio Statement	6
Statement of Total Return	17
Statement of Change in Net Assets attributable to Unitholders	17
Balance Sheet	18
Notes to the Financial Statements	19
Trust Information	20
Risk and Reward Profile	21
General Information	22

Manager's Investment Report

Investment Objective and Policy

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

Manager's Investment Report

During the period under review, the bid price of the Trust's R-Class distribution units rose by 7.18%. 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 foreign exchange rates and also ignoring the effect of taxation. On this basis, over the review period, the Trust rose by 8.63% on a capital only basis compared with the FTSE World Europe (excluding UK) Index rise of 8.62% (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.

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

The FTSE World Europe (excluding UK) Index is calculated by FTSE International Limited ("FTSE"). FTSE does not sponsor, endorse or promote this product.

All copyright in the Index values and constituent list belongs to FTSE. Legal & General has obtained full licence from FTSE to use such copyright in the creation of this product.

"FTSE™", "FT-SE®" and "Footsie®" are trademarks of the London Stock Exchange Plc and The Financial Times Limited and are used by FTSE International Limited ("FTSE") under license.

Market/Economic Review

Globally, equity markets have made significant gains over the last six months, shrugging off the shock of the UK referendum vote to leave the European Union in June. In the UK, equities were led higher by globally focused large cap stocks, as Sterling's depreciation is positive for international earnings. More domestically focused mid-cap and smaller companies also performed well, as indicators suggested the UK economy has weathered the post-referendum volatility well. In the autumn, the US presidential election was the focus of attention and Donald Trump's victory led investors to discount the prospect of fiscal stimulus in the form of increased infrastructure spending and tax cuts. Although the strengthening Dollar remains a significant impediment for revenue growth, the latest quarterly earnings season has been broadly

Manager's Investment Report continued

encouraging with results from leading IT and banking stocks exceeding forecasts. Financials have also been boosted by expectations that the new Republican administration will loosen the regulatory regime for the banking sector.

In Europe, corporate results generally exceeded low expectations, although this was mainly due to cost cutting. Concerns over the fragility of the European banking system resurfaced with Deutsche Bank in the spotlight, although Germany's leading bank subsequently reported it had returned to profit during the third quarter of 2016.

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.

At the quarterly Index review in September 2016, there were nine additions, the largest of which were Huhtamaki (Finland), ICA Gruppen (Sweden) and Flughafen Zurich (Switzerland). There were also six deletions from the Index, the largest of which were Banco Popolare (Italy), GAM Holdings (Switzerland) and Banco Comercial Portugues (Portugal). There were 65 changes to the free share capital of constituents with the largest increases being Credit Suisse Group (Switzerland) and Iberdrola (Spain) and the largest decreases being UBS (Switzerland) and Fresenius SE & Co (Germany), resulting in total two-way Index turnover of 1.2%.

The December quarterly Index review resulted in no additions and no deletions. There were 57 changes to the free share capital of constituents with the largest increases being Daimler (Germany), CaixaBank (Spain) and Fresenius SE & Co (Germany) and the largest decreases being Telefonica (Spain), Luxottica (Italy) and Ryanair Holdings (Ireland), resulting in total two-way Index turnover of 0.8%.

Deletions occurring outside the quarterly Index reviews included TVN (Poland), a cable & satellite television provider, which was deleted September, following its acquisition by Scripps Networks Interactive (USA, non-Index constituent) for 3.3 billion Zlotys; Celesio (Germany), a wholesale and retail pharmaceuticals firm, which was deleted October, following the transfer of its listing from the Regulated Market to the over-the-counter trading market; and Pirelli & C (Italy), a consumer and industrial tyres manufacturer, which was deleted in November, following a tender offer by ChemChina (non-Index constituent) for €6.5 billion.

Outside the Index reviews, Innogy (Germany) was added to the Index as a fast entry in October 2016 following its successful Initial Public Offering which raised €4.64 billion. Technip's (France) Index weight was doubled following its merger with FMC Technologies (US) in January 2017 as FTSE maintained the new company, TechnipFMC, in the Index under its French listing.

Manager's Investment Report continued

Elsewhere there were weight increases for several companies following share offerings including Abertis (Spain), ABN Amro (Netherlands) and EDP (Portugal) and for several Spanish companies including: Repsol, Banco Santander and Telefonica after distributions of Bonus shares. Total (France) and EDF (France) both offered a Script option dividend with 10% dividend reinvestment plan discount.

The largest countries in the Trust at the end of the review period were Germany (20.5%), France (20.2%), and Switzerland (19.4%). The largest stocks were Nestlé (3.9%), Novartis (3.0%) and Roche Holding (2.9%).

Outlook

European markets have struggled to make headway during January 2017 with the benchmark Index returning +0.6% on a capital only basis, in Sterling terms (Source: Bloomberg). Investors were closely watching the proposed fiscal policies of the new Trump administration, while executive orders changing both US trade and immigration policies were signed.

Despite the risks of a political or more systemic crisis weighing on the fragile global economy, we believe that it should continue to grow around the same pace of recent years. The Eurozone should see the most direct effect via reduced exports to the UK and increased concern around the future of the EU. So far, we have seen very limited negative effects in Europe after the UK Brexit vote. This is a positive surprise so far, as we identified European contagion risk as the most important downside risk.

Continued activity from the European Central Bank, lower oil prices and a loosening in lending standards remain positive tailwinds for Eurozone growth. Low central bank interest rates are easing the pressure on both public and private sector borrowing costs. Despite improving growth prospects, inflation expectations have remained low. European equities, given their low commodity exposure, above-average earnings growth prospects and the supportive central bank are expected to continue to increase with valuations further supported by the increasingly low yields on offer in fixed income.

The Trust remains well placed to capture the performance of the benchmark Index.

Legal & General Investment Management Limited
(Investment Adviser)
20 February 2017

Authorised Status

Authorised Status

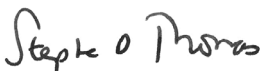
This Trust is an Authorised Unit Trust Scheme as defined in section 243 of the Financial Services and Markets Act 2000 and is a UCITS Retail Scheme within the meaning of the FCA Collective Investment Schemes sourcebook.

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
21 March 2017

Portfolio Statement

Portfolio Statement as at 31 January 2017

All investments are in ordinary shares unless otherwise stated. The percentages in brackets show the equivalent country holdings at 31 July 2016.

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	IRELAND — 0.44% (0.47%)		
373,310	Anglo Irish Bank [^]	—	—
15,487,869	Bank of Ireland	3,407,458	0.13
20,968	Glanbia (UK listing)	281,853	0.01
71,034	Glanbia (Irish listing)	954,844	0.04
8,095	Kerry Group 'A' (UK listing)	452,365	0.02
74,632	Kerry Group 'A' (Irish listing)	4,170,592	0.16
161,093	Ryanair Holdings	2,002,808	0.08
		11,269,920	0.44
	CONTINENTAL EUROPE — 98.77% (97.78%)		
	Austria — 0.47% (0.39%)		
39,339	Andritz	1,696,531	0.07
155,682	Erste Bank Group	3,855,624	0.15
250,659	Immoeast†	—	—
60,000	Immofinanz†	—	—
82,362	OMV	2,337,165	0.09
79,223	Raiffeisen Bank International	1,411,465	0.05
78,957	Telekom Austria	389,932	0.01
62,585	Voest-Alpine	2,135,848	0.08
23,074	Wiener Staedtische Allgemeine	453,100	0.02
		12,279,665	0.47
	Belgium — 2.72% (2.96%)		
14,193	Ackermans	1,542,920	0.06
113,914	Ageas	3,931,788	0.15
450,251	Anheuser-Busch InBev	37,867,701	1.45
79,593	Belgacom	1,836,950	0.07
58,147	bpost	1,128,778	0.04
38,159	Colruyt	1,497,654	0.06
45,455	Groupe Bruxelles Lambert	3,127,991	0.12
155,319	KBC	8,126,106	0.31
7,355	Sofina	797,340	0.03
39,121	Solvay	3,673,983	0.14
28,724	Telenet	1,237,138	0.05
67,655	UCB	3,736,341	0.15
52,589	Umicore	2,361,644	0.09
		70,866,334	2.72
	Czech Republic — 0.13% (0.12%)		
95,732	CEZ	1,303,711	0.05
45,905	Komercni Banka	1,300,283	0.05
275,772	Moneta Money Bank	725,135	0.03
13,324	O2 Czech Republic	109,806	—
		3,438,935	0.13
	Denmark — 3.69% (4.40%)		
2,493	A.P. Moller-Maersk 'A'	3,239,050	0.13
3,406	A.P. Moller-Maersk 'B'	4,630,732	0.18
1,733	Carlsberg 'A'	124,241	—
57,530	Carlsberg 'B'	4,154,427	0.16
50,572	Chr. Hansen Holding	2,473,951	0.09

Portfolio Statement continued

Holding/ Nominal	Investment	Market Value £	% of Net Assets
	Denmark — (cont.)		
56,037	Coloplast 'B'	3,198,286	0.13
421,376	Danske Bank	11,247,702	0.43
45,893	Dong Energy	1,387,921	0.05
107,754	DSV	4,177,507	0.16
30,533	Genmab	4,710,841	0.18
33,585	Lundbeck 'H'	1,146,603	0.05
105,362	ISS	2,982,299	0.11
40,036	Jyske Bank	1,648,756	0.06
1,042,470	Novo Nordisk 'B'	30,099,954	1.15
124,196	Novozymes 'B'	3,865,500	0.15
62,810	Pandora	6,586,802	0.25
449,649	TDC	1,890,858	0.07
60,012	Tryg	914,768	0.04
122,993	Vestas Wind Systems	6,871,384	0.26
66,739	William Demant	990,211	0.04
		96,341,793	3.69
	Finland — 2.26% (2.30%)		
88,976	Elisa	2,404,326	0.09
248,757	Fortum	3,169,966	0.12
60,049	Huhtamaki	1,772,383	0.07
37,610	Kesko	1,516,344	0.06
213,003	Kone	7,746,081	0.30
79,643	Metso	1,953,544	0.08
72,732	Neste Oil	2,008,676	0.08
3,127,398	Nokia	11,317,236	0.43
83,985	Nokia ADR	305,302	0.01
75,308	Nokian Renkaat	2,262,396	0.09
57,782	Orion 'B'	2,157,139	0.08
266,907	Sampo 'A'	9,973,484	0.38
332,026	Stora Enso 'R'	3,030,795	0.12
294,721	UPM-Kymmene	5,472,076	0.21
86,867	Wartsila	3,527,750	0.14
		58,617,498	2.26
	France — 20.20% (19.78%)		
97,131	Accor	3,171,922	0.12
17,296	Aéroports de Paris	1,566,873	0.06
214,658	Air Liquide	18,742,448	0.72
88,337	Alstrom	2,010,937	0.08
21,797	Amundi	959,104	0.04
40,883	Arkema	3,251,106	0.12
51,430	AtoS	4,390,229	0.17
1,061,948	AXA	21,018,194	0.80
8,700	AXA ADR	171,954	0.01
14,198	BIC	1,492,628	0.06
9,319	bioMérieux	1,181,511	0.05
544,995	BNP Paribas	28,334,815	1.08
554,259	Bolloré	1,779,868	0.07
3,760	Bolloré	12,327	—
108,913	Bouygues	3,216,043	0.12
145,339	Bureau Veritas	2,284,074	0.09
89,364	Cap Gemini	5,879,740	0.22
320,825	Carrefour	6,335,964	0.24
29,221	Christian Dior	5,023,335	0.19
264,181	Cie de St-Gobain	10,423,211	0.40
35,303	Cie Plastic Omnium	965,386	0.04
97,486	CNP Assurances	1,463,071	0.06

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	France — (cont.)		
637,199	Crédit Agricole	6,841,774	0.26
71,980	Dassault Systèmes	4,456,491	0.17
120,144	Edenred	2,116,687	0.08
155,638	EDF	1,235,653	0.05
42,734	Eiffage	2,463,280	0.10
112,099	Essilor International	10,556,604	0.40
23,478	Eurazeo	1,158,862	0.04
9,736	Euler Hermes	701,904	0.03
100,358	Eutelsat Communications	1,387,983	0.05
43,049	Faurecia	1,503,682	0.06
23,053	Fonciere des Regions	1,538,859	0.06
1,068,369	France Télécom	13,324,107	0.51
852,744	GDF Suez	8,122,439	0.31
21,115	Gecina	2,186,105	0.08
32,027	Groupe Casino	1,381,194	0.05
316,228	Groupe Danone	15,892,601	0.61
245,822	Groupe Eurotunnel	1,847,725	0.07
13,482	Hermès International	4,709,201	0.18
22,047	ICADE	1,248,011	0.05
13,228	Iliad	2,265,445	0.09
21,238	Imerys	1,364,563	0.05
30,764	Ingenico Group	2,094,733	0.08
20,079	Ipsen	1,238,125	0.05
37,786	JC Decaux	988,459	0.04
111,028	Klépierre	3,383,389	0.13
67,517	Lagardère	1,372,712	0.05
150,145	Legrand	7,014,683	0.27
134,392	L'Oréal	19,688,373	0.75
140,377	LVMH	22,648,336	0.86
101,239	Michelin	8,760,876	0.33
526,769	Natixis	2,534,659	0.10
59,129	Numericable Group	1,387,612	0.05
21,872	Opera	1,428,321	0.05
119,491	Pernod-Ricard	11,252,724	0.43
218,476	Peugeot	3,292,085	0.13
41,820	Pinault-Printemps-Redoute	8,056,965	0.31
114,183	Publicis Groupe	6,314,780	0.24
13,968	Remy Cointreau	1,020,743	0.04
97,700	Renault	7,113,516	0.27
173,846	Rexel	2,426,845	0.09
165,117	Sagem	8,993,450	0.34
623,585	Sanofi	40,265,044	1.54
13,164	Sartorius Stedim Biotech	627,848	0.02
301,653	Schneider Electric	17,486,827	0.67
89,120	SCOR	2,453,198	0.09
15,622	SEB	1,570,223	0.06
410,223	Société Générale	16,388,780	0.63
50,961	Sodexho Alliance	4,506,720	0.17
182,302	Suez Environnement	2,220,879	0.08
263,848	TechnipFMC	7,015,929	0.27
32,159	Teleperformance	2,781,542	0.11
59,197	Thales	4,464,364	0.17
1,224,692	Total	49,624,934	1.89
54,644	Unibail-Rodamco	9,994,868	0.38
133,268	Valeo	6,540,097	0.25
277,202	Véolia Environnement	3,788,352	0.14
261,977	Vinci	14,718,932	0.56
623,385	Vivendi	9,229,377	0.35

Portfolio Statement continued

Holding/ Nominal	Investment	Market Value £	% of Net Assets
	France — (cont.)		
17,087	Wendel Investissement	1,630,496	0.06
114,477	Zodiac Aerospace	2,778,348	0.11
		529,076,054	20.20
	Germany — 20.52% (19.37%)		
112,432	adidas	14,618,470	0.56
253,666	Allianz	34,885,850	1.33
28,013	Axel Springer	1,183,555	0.05
515,121	BASF	40,123,567	1.53
461,431	Bayer	41,523,104	1.58
182,150	BMW	13,433,600	0.51
30,094	Bayerische Motoren Werke (Preference shares)	1,835,685	0.07
56,056	Beiersdorf	3,972,123	0.15
86,423	Brenntag	4,063,727	0.16
586,706	Commerzbank	4,118,416	0.16
61,158	Continental	9,677,236	0.37
36,588	Covestra	2,227,389	0.09
574,949	Daimler	34,956,853	1.33
770,405	Deutsche Bank	12,529,368	0.48
107,461	Deutsche Boerse	7,925,271	0.30
133,881	Deutsche Lufthansa	1,456,575	0.06
530,617	Deutsche Post	14,379,634	0.55
1,801,612	Deutsche Telekom	25,336,557	0.97
2,300	Deutsche Telekom ADR	32,170	—
188,479	Deutsche Wohnen	4,915,051	0.19
1,076,951	E.ON	6,635,195	0.25
86,807	Evonik Industries	2,286,173	0.09
13,736	Fielmann	771,033	0.03
20,843	Fraport	1,010,637	0.04
223,887	Fresenius SE & Co	14,193,737	0.54
120,963	Fresenius Medical Care	7,825,223	0.30
18,792	Fuchs Petrolub	639,858	0.02
42,545	Fuchs Petrolub (Preference Shares)	1,581,882	0.06
98,746	Gea Group	3,326,045	0.13
33,857	Hannover Rueckversicherungs	3,014,581	0.12
81,722	HeidelbergCement	6,343,595	0.24
24,723	Hella KGaA Hueck & Co.	810,557	0.03
65,515	Henkel	5,538,871	0.21
97,082	Henkel (Preference Shares)	9,452,333	0.36
13,048	Hochtief	1,502,316	0.06
36,249	Hugo Boss	1,880,242	0.07
631,251	Infineon Technologies	9,329,496	0.36
71,290	Innogy	1,971,620	0.08
114,777	K+S	2,358,823	0.09
37,679	Kion	1,827,958	0.07
51,471	Lanxess	3,008,199	0.11
35,076	Leg Immobilien	2,222,498	0.08
104,174	Linde	13,648,121	0.52
19,872	MAN	1,647,645	0.06
72,433	Merck	6,364,968	0.24
93,250	Metro	2,580,562	0.10
28,604	MTU Aero Engines Holding	2,781,310	0.11
79,733	Munich Re	12,079,845	0.46
48,642	OSRAM Licht	2,251,961	0.09
86,599	Porsche (Preference Shares)	4,228,159	0.16
125,530	ProSiebenSat.1 Media	4,298,062	0.16
2,389	Rational	871,877	0.03
281,308	RWE 'A'	2,987,713	0.11

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	Germany — (cont.)		
20,202	RWE (Preference shares)	162,620	0.01
499,199	SAP	36,613,602	1.40
19,460	Sartorius	1,091,999	0.04
423,856	Siemens	43,261,524	1.65
40,081	Suedzucker	844,986	0.03
67,935	Symrise	3,300,486	0.13
21,865	Talanx	609,422	0.02
405,459	Telefonica Deutschland Holding	1,359,404	0.05
239,576	ThyssenKrupp	4,881,238	0.19
104,444	Uniper	1,206,148	0.05
65,051	United Internet	2,168,932	0.08
17,160	Volkswagen	2,226,711	0.08
102,699	Volkswagen (Preference Shares)	13,056,149	0.50
269,323	Vonovia	7,045,331	0.27
8,050	Wacker Chemie	783,089	0.03
65,389	Wirecard	2,546,907	0.10
61,059	Zalando	1,946,538	0.07
		537,570,382	20.52
	Greece — 0.24% (0.24%)		
699,377	Alpha Bank	1,013,723	0.04
1,076,803	Eurobank Ergasias	527,695	0.02
20,239	FF Group	305,231	0.01
136,706	Hellenic Telecommunications Organisation	997,830	0.04
19,200	Hellenic Telecommunications Organisation ADR	69,759	—
53,850	Jumbo	615,602	0.02
43,653	Motor Oil	491,876	0.02
2,987,892	National Bank of Greece	569,713	0.02
103,405	OPAP	735,136	0.03
3,810,862	Piraeus Bank	591,827	0.02
24,462	Titan Cement	443,844	0.02
		6,362,236	0.24
	Hungary — 0.22% (0.20%)		
267,923	Magyar Telekom	380,617	0.01
26,957	MOL	1,524,347	0.06
106,342	OTP Bank	2,603,035	0.10
78,036	Richter Gedeon NYRT	1,356,514	0.05
		5,864,513	0.22
	Italy — 3.98% (4.08%)		
708,956	Assicurazioni Generali	9,095,550	0.35
298,546	Atlantia	5,427,184	0.21
121,236	Banca Mediolanum	734,813	0.03
163,383	Davide De Campari Milano	1,315,891	0.05
4,249,176	Enel	14,217,108	0.54
1,376,703	ENI	17,163,539	0.66
212,266	Fincobank	1,016,418	0.04
212,799	Finmeccanica	2,249,077	0.09
554,602	Intesa Sanpaolo (Participating cumulative)	988,577	0.04
6,708,656	Intesa Sanpaolo	12,618,007	0.48
275,274	Italgas	838,851	0.03
92,635	Luxottica	3,996,169	0.15
439,372	Mediaset	1,518,595	0.06
312,947	Mediobanca	2,195,129	0.08

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	Italy — (cont.)		
197,948	Parmalat	510,989	0.02
280,595	Poste Italiane	1,417,443	0.05
117,238	Prismian	2,466,044	0.09
57,350	Recordati	1,312,712	0.05
3,293,942	Saipem	1,332,017	0.05
39,213	Salvatore Ferragamo	838,697	0.03
1,376,370	Snam Rete Gas	4,208,503	0.16
6,300,437	Telecom Italia	4,318,802	0.17
3,489,828	Telecom Italia (RNC)	1,963,136	0.07
824,154	Terna	2,903,975	0.11
325,447	UniCredit	7,219,056	0.28
487,289	Unione di Banche Italiane	1,370,575	0.05
607,441	Unipolsai 'A'	1,028,257	0.04
		104,265,114	3.98
	Luxembourg — 0.63% (0.58%)		
1,032,984	ArcelorMittal	6,514,038	0.25
5,264	Eurofins Scientific	1,892,056	0.07
21,679	RTL Group	1,350,627	0.05
101,855	SES	1,635,413	0.06
85,928	SES Global 'A'	1,367,823	0.05
270,373	Tenaris	3,758,007	0.15
		16,517,964	0.63
	Netherlands — 7.61% (7.27%)		
157,213	ABN Amro	2,969,156	0.11
1,054,071	Aegon	4,654,455	0.18
138,947	Akzo Nobel	7,653,160	0.29
215,213	Altice 'A'	3,772,108	0.14
63,527	Altice 'B'	1,112,362	0.04
179,014	ASML Holdings	17,460,485	0.67
513,645	CNH Industrial	3,742,497	0.14
45,211	Koninklijke Boskalis Westminster	1,349,253	0.05
305,933	EADS	16,792,630	0.64
509,677	Elsevier	6,917,075	0.26
63,488	EXOR	2,336,197	0.09
74,612	Ferrari	3,746,540	0.14
591,194	Fiat Chrysler Automobiles	5,192,500	0.20
45,731	Gemalto	2,143,627	0.08
26,820	GrandVision	516,362	0.02
125,788	Heineken	7,566,505	0.29
51,756	Heineken Holding	2,912,328	0.11
2,158,853	ING Group	24,977,593	0.95
100,471	Koninklijke DSM	5,164,639	0.20
507,248	Philips Electronics	11,969,511	0.46
713,133	Koninklijke Ahold	12,234,743	0.47
337	Koninklijke Ahold ADR	5,717	—
36,567	Koninklijke Vopak	1,268,593	0.05
1,746,176	KPN	4,010,466	0.15
181,568	NN Group	5,153,876	0.20
46,275	OCI	704,677	0.03
123,456	Quiagen	2,831,696	0.11
61,454	Randstad	2,855,187	0.11
345,926	STMicroelectronics	3,688,930	0.14
882,466	Unilever	28,559,052	1.09
167,586	Wolters Kluwer	5,126,417	0.20
		199,388,337	7.61

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
Norway — 1.43% (1.28%)			
592,370	DNB	7,927,360	0.30
92,181	Gjensidige-Forsikring	1,261,319	0.05
225,075	Marine Harvest	3,184,483	0.12
753,140	Norsk Hydro	3,434,845	0.13
408,388	Orkla ASA	3,065,281	0.12
47,915	Schibsted 'B'	943,244	0.04
45,699	Schibsted	961,663	0.04
549,307	Statoil	8,230,004	0.31
387,794	Telenor	4,967,757	0.19
100,266	Yara International	3,421,601	0.13
		37,397,557	1.43
Poland — 0.87% (0.80%)			
46,347	Alior Bank	565,966	0.02
42,430	Asseco Poland	481,788	0.02
17,341	Bank Handlowy w Warszawie	267,342	0.01
333,496	Bank Millennium	390,639	0.01
84,789	Bank Pekao	2,291,222	0.09
16,914	Bank Zachodni WBK	1,170,029	0.04
7,053	BRE Bank	532,502	0.02
4,964	Budimex	212,904	0.01
15,120	CCC	624,846	0.02
5,000	Ciech	68,538	—
130,197	Cyfrowy Polsat	632,328	0.03
121,144	Enea	248,569	0.01
116,730	Energa	239,280	0.01
49,284	Eurocash	384,956	0.01
35,554	Grupa Azoty	487,995	0.02
66,111	Grupa Lotos	495,582	0.02
78,571	KGHM Polska Miedz	1,948,675	0.07
760	LPP	785,607	0.03
361,079	Polska Grupa Energetyczna	794,827	0.03
484,899	Powszechna Kasa Oszczednosci Bank Polski	2,980,953	0.11
178,721	Polski Koncern Naftowy Orlen	2,908,032	0.11
913,428	Polskie Gornictwo Naftowe I Gazownictwo	998,975	0.04
317,946	Powszechny Zaklad Ubezpieczen	2,227,582	0.09
254,015	Synthos	304,118	0.01
693,675	TAURON Polska Energia	402,121	0.02
385,313	Telekomunikacja Polska	409,886	0.02
		22,855,262	0.87
Portugal — 0.32% (0.32%)			
1,495,194	Banco Espirito Santo ^A	—	—
1,264,874	Energias de Portugal	2,938,883	0.11
291,587	Galp Energia	3,465,441	0.14
137,914	Jeronimo Martins	1,874,078	0.07
		8,278,402	0.32
Spain — 6.85% (6.57%)			
384,626	Abertis	4,411,901	0.17
13,373	Acciona	831,192	0.03
94,010	Acerinox	1,030,093	0.04
99,685	ACS	2,472,671	0.09
99,685	ACS Rights	36,295	—
36,373	Aena	4,300,876	0.16
233,290	Amadeus	8,653,919	0.33

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	Spain — (cont.)		
3,637,431	Banco Bilbao Vizcaya Argentaria	19,921,884	0.76
2,885,409	Banco de Sabadell	3,502,678	0.13
1,687,623	Banco Popular Espanol	1,409,450	0.05
7,758	Banco Santander (GBP)	34,911	—
8,039,243	Banco Santander (EUR)	36,220,193	1.38
2,627,905	Bankia	2,226,486	0.09
393,952	Bankinter	2,558,713	0.10
1,802,780	CaixaBank	5,321,016	0.20
10,282	Corporacion Financiera Alba	380,392	0.01
330,815	Distribuidora Internacional de Alimentacion	1,402,267	0.06
126,706	EDP	653,291	0.02
127,344	Enagas	2,490,193	0.10
179,094	Endesa	2,948,981	0.12
271,143	Ferrovial	3,924,277	0.15
122,978	Gamesa	2,063,166	0.08
173,135	Gas Natural	2,650,694	0.10
183,193	Grifols 'A'	3,116,840	0.12
153,935	Grifols 'B'	2,113,697	0.08
3,223,485	Iberdrola	16,247,477	0.62
592,888	Inditex	15,693,751	0.60
564,839	Mapfre Corporacion	1,380,607	0.05
104,994	Mediaset	1,024,080	0.04
244,660	Red Electrica de Espana	3,481,882	0.13
632,829	Repsol	7,477,340	0.29
2,399,527	Telefonica	18,719,269	0.72
107,369	Zardoya Otis	722,557	0.03
		179,423,039	6.85
	Sweden — 6.49% (6.12%)		
176,388	Alfa Laval	2,649,369	0.10
532,109	Assa Abloy 'B'	8,036,068	0.31
349,162	Atlas Copco 'A'	9,082,950	0.35
220,025	Atlas Copco 'B'	5,141,026	0.20
151,921	Boliden	3,573,314	0.14
126,829	Electrolux 'B'	2,713,303	0.10
1,712,011	Ericsson 'B'	8,144,263	0.31
56,650	Fastighets AB Balder	926,927	0.04
103,390	Getinge 'B'	1,328,251	0.05
535,235	Hennes & Mauritz 'B'	12,222,659	0.47
143,358	Hexagon 'B'	4,563,067	0.17
208,166	Husqvarna 'B'	1,407,480	0.05
55,738	ICA Gruppen	1,444,855	0.06
194,404	Industrivarden 'A'	3,200,431	0.12
22,026	Industrivarden 'C'	340,487	0.01
5,417	Latour Investment	166,141	0.01
256,791	Investor 'B'	8,295,549	0.32
139,768	Kinnevik 'B'	2,907,160	0.11
15,846	L E Lundbergforetagen	815,307	0.03
99,244	Lundin Petroleum	1,722,637	0.07
1,792,467	Nordea Bank	17,348,604	0.66
609,291	Sandvik	6,514,621	0.25
172,762	Securitas 'B'	2,206,853	0.07
809,411	Skandinaviska Enskilda Banken 'A'	7,279,689	0.28
203,109	Skanska 'B'	3,992,829	0.15
223,856	SKF 'B'	3,626,017	0.14
335,068	Svenska Cellulosa 'B'	8,049,359	0.31
21,198	Svenska Handelsbanken	253,556	0.01
824,353	Svenska Handelsbanken 'A'	9,882,924	0.38

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	Sweden — (cont.)		
596,905	Swedbank 'A'	12,099,452	0.46
104,848	Swedish Match	2,727,471	0.10
201,940	Tele2 'B'	1,417,013	0.05
1,454,954	TeliaSonera	4,706,824	0.18
138,852	Trelleborg 'B'	2,332,800	0.09
870,689	Volvo 'B'	8,840,470	0.34
		169,959,726	6.49
	Switzerland — 19.41% (20.14%)		
1,076,580	ABB	20,559,071	0.78
53,520	Actellon	11,696,056	0.45
90,260	Adecco	5,133,774	0.20
46,432	Aryzta	1,036,480	0.04
26,245	Baloise Holdings	2,711,782	0.10
1,611	Banque Cantonale Vaudoise	883,085	0.03
1,134	Barry Callebaut	1,118,537	0.04
286,278	Cie Financiere Richemont	18,041,863	0.69
158,724	Clariant	2,384,326	0.09
1,168,520	Credit Suisse Group	14,369,533	0.55
14,668	DKSH Holding	870,451	0.03
27,209	Dufry	3,097,366	0.12
4,049	EMS-Chemie Holding	1,671,171	0.06
8,868	Flughafen Zuerich	1,401,683	0.05
2,309	Galenica	2,023,627	0.07
20,743	Geberit	7,082,228	0.27
5,128	Givaudan	7,375,666	0.28
3,574	Helvetia Holding	1,619,599	0.06
202,008	Holcim	8,705,086	0.33
122,745	Julius Baer	4,613,607	0.18
28,160	Kuehne & Nagel	3,069,021	0.12
69,202	LafargeHolcim	2,982,908	0.11
569	Lindt & Spruengli (Part Certified)	2,525,584	0.10
57	Lindt & Spruengli (Registered)	2,972,662	0.11
29,388	Lonza Group	4,300,569	0.16
1,732,826	Nestlé	100,800,581	3.85
1,327,867	Novartis	77,565,699	2.96
17,531	Pargesa	934,757	0.04
11,807	Partners Group	4,772,950	0.18
23,125	PSP Swiss Property	1,657,440	0.06
8,694	Roche Holding	1,658,154	0.06
401,817	Roche Holding (Part Certified)	75,304,169	2.87
22,700	Schindler Holding (Part Certified)	3,477,862	0.13
11,614	Schindler Holding (Registered)	1,757,782	0.07
2,837	SGS	4,812,183	0.18
1,185	Sika	4,967,575	0.19
28,294	Phonak Holding	2,982,972	0.11
5,951	Straumann	1,925,744	0.07
7,524	Sulzer	683,742	0.03
29,713	Swatch Group	1,658,775	0.06
16,661	Swatch Group 'B'	4,720,005	0.18
18,272	Swiss Life Holding	4,440,709	0.17
35,558	Swiss Prime Site	2,378,935	0.09
183,992	Swiss Re	13,789,736	0.53
12,764	Swisscom	4,486,975	0.17
51,594	Syngenta	17,573,892	0.67
1,963,847	UBS	25,721,716	0.98
83,715	Zurich Financial Services	19,343,844	0.74
		509,661,932	19.41

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	Turkey — 0.73% (0.86%)		
1,182,120	Akbank	2,090,389	0.08
88,163	Anadolu Efes Biracilik ve Malt Sanayii	396,025	0.02
95,211	Arcelik	466,491	0.02
109,860	Aselsan Elektronik Sanayi	320,207	0.01
37,481	Aygaz	101,686	—
125,103	BIM Birlesik Magazalar	1,423,486	0.05
42,532	Coca-Cola Icecek	349,961	0.01
1,157,462	Emlak Konut Gayrimenkul Yatirim	751,880	0.03
380,594	Enka Insaat ve Sanayi	463,761	0.02
813,768	Eregli Demir ve Celik Fabrikalari	1,001,957	0.04
37,897	Ford Otomotiv	279,804	0.01
435,259	Haci Omer Sabanci Holding	924,916	0.04
384,626	KOC Holdings	1,233,740	0.05
26,786	Koza Altin Isletmeleri	100,078	—
28,852	Migros Ticaret	112,881	—
286,337	Petkim Petrokimya Holding	256,514	0.01
84,042	TAV Havalimanlari Holding	278,675	0.01
65,646	Tuerk Otomobil	368,460	0.01
67,434	Turpras-Turkiye Petrol Rafinerileri	1,168,126	0.04
323,520	Turk Hava Yollari Anonim Ortakligi	383,914	0.01
321,318	Turk Telekomunikasyon	387,439	0.01
7,132	Turk Traktor ve Ziraat Makineleri	119,153	—
423,407	Turkcell Iletism Hizmetleri	1,019,276	0.04
1,157,198	Turkiye Garanti Bankasi	2,009,470	0.08
322,447	Turkiye Halk Bankasi	773,495	0.03
795,127	Turkiye Is Bankasi	1,000,949	0.04
455,048	Turkiye Sinai Kalkinma Bankasi	138,138	0.01
343,811	Turkiye Sise ve Cam Fabrikalari	291,944	0.01
596,098	Turkiye Valiflar Bankasi	627,653	0.02
86,362	Ulker Biskuvi Sanayi	332,385	0.01
432,828	Yapi ve Kredi Bankasi	353,750	0.01
56,986	Yazicilar Holding	181,218	0.01
		19,707,821	0.73
	Forward Currency Contracts — 0.00% (0.00%)		
€(150,000)	Sold Euro		
£127,751	For Sterling (Expires on 02/02/2017)	(1,666)	—
CHF(150,000)	Sold Swiss Franc		
£119,618	For Sterling (Expires on 02/02/2017)	(1,657)	—
		(3,323)	—
	Futures — 0.00% (0.00%)		
150	DJ Euro Stoxx 50 Future Expiry March 2017	(16,186)	—
11	Swiss Market Index Future Expiry March 2017	5,186	—
		(11,000)	—

Portfolio Statement continued

	Market Value £	% of Net Assets
Portfolio of investments*	2,599,128,161	99.21
Net other assets	20,732,403	0.79
Total net assets	£2,619,860,564	100.00%

* Including investment liabilities.

† These are unlisted securities and have been valued at the Manager's best assessment of their fair value.

^ These are delisted securities and have been valued at the Manager's best assessment of their fair value.

Total purchases for the period: £72,643,270.

Total sales for the period: £159,174,727.

Financial Statements

Statement of Total Return for the period ended 31 January 2017

	31/01/17		31/01/16	
	£	£	£	£
Income				
Net capital gains/(losses)		240,859,564		(168,250,205)
Revenue	13,877,693		12,746,223	
Expenses	(6,608,035)		(6,223,345)	
Interest payable and similar charges		(54,604)		(41,920)
Net revenue before taxation	7,215,054		6,480,958	
Taxation	(697,795)		(783,311)	
Net revenue after taxation for the period		<u>6,517,259</u>		<u>5,697,647</u>
Total return before distributions		247,376,823		(162,552,558)
Distributions		<u>14,280</u>		<u>120,057</u>
Change in net assets attributable to Unitholders from investment activities		<u>£247,391,103</u>		<u>£(162,432,501)</u>

Statement of Change in Net Assets attributable to Unitholders for the period ended 31 January 2017

	31/01/17		31/01/16	
	£	£	£	£
Opening net assets attributable to Unitholders		2,490,248,979		2,321,958,828
Amounts received on issue of units	107,400,284		112,753,287	
Amounts paid on cancellation of units	(205,655,967)		(43,086,662)	
Amounts paid on in-specie transactions		<u>(19,523,835)</u>		
		(117,779,518)		69,666,625
Change in net assets attributable to Unitholders from investment activities		247,391,103		(162,432,501)
Unclaimed distributions		<u>—</u>		<u>1,941</u>
Closing net assets attributable to Unitholders		<u>£2,619,860,564</u>		<u>£2,229,194,893</u>

The difference between the opening net assets and the comparative closing net assets is the movement in the second half of the year.

Financial Statements continued

Balance Sheet as at 31 January 2017

	31/01/17	31/07/16
	£	£
ASSETS		
Fixed assets:		
Investments	2,599,147,670	2,446,601,898
Current assets:		
Debtors	15,236,136	63,483,668
Cash and bank balances	17,997,709	75,107,709
Total assets	<u>2,632,381,515</u>	<u>2,585,193,275</u>
LIABILITIES		
Investment liabilities	(19,509)	(23,561)
Creditors:		
Bank overdrafts	(9,055,926)	(16,963,535)
Distributions payable	—	(47,566,266)
Other creditors	(3,445,516)	(30,390,934)
Total liabilities	<u>(12,520,951)</u>	<u>(94,944,296)</u>
Net assets attributable to Unitholders	<u>£2,619,860,564</u>	<u>£2,490,248,979</u>

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. Accounting Policies

The accounting policies applied are consistent with the most recent annual Financial Statements.

(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 assets and liabilities measured at fair value through profit or loss.

Trust Information

Net Asset Values and Units in Issue

Class	Net Asset Value (£)	Units in Issue	Net Asset Value per Unit (p)
R-Class			
Distribution Units	1,198,788,900	466,677,332	256.88
Accumulation Units	218,365,775	62,372,000	350.10
I-Class			
Distribution Units	333,020,785	129,104,690	257.95
Accumulation Units	631,577,477	170,485,777	370.46
F-Class			
Distribution Units	141,401	54,826	257.91
Accumulation Units	562,336	157,406	357.25
C-Class			
Distribution Units	155,069,607	60,119,396	257.94
Accumulation Units	82,334,283	22,194,163	370.97

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.

Ongoing Charges Figures

	31 Jan 17	31 Jul 16
R-Class	0.84%	0.84%
I-Class	0.12%	0.12%
F-Class	0.36%	0.38%
C-Class	0.09%	0.09%

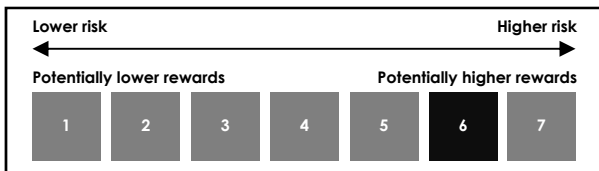
The Ongoing Charges Figure (OCF) is the ratio of the Trust's total discloseable costs (excluding overdraft interest) to the average net assets of the Trust.

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.

Distribution Information

The policy is to distribute, on an annual basis, all available revenue, after deduction of those expenses which are chargeable in calculating the distribution. This being the case, there is no interim distribution.

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 six because it invests in European 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:	13 June 1989
Period end date for distribution:	31 July
Distribution date:	30 September
Minimum initial lump sum investment:	R-Class £500 I-Class £1,000,000 F-Class* £500 C-Class† £100,000,000
Minimum monthly contribution:	R-Class £50 I-Class N/A F-Class* £50 C-Class† N/A
Valuation point:	12 noon
Fund management fee:	R-Class Annual 0.84% I-Class Annual 0.12% F-Class* Annual 0.36% C-Class† Annual 0.09%
Initial charge:	R-Class Nil I-Class Nil F-Class* Nil C-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.

† 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.

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.

General Information continued

Buying and Selling Units

Units may be bought on any business day from the Manager or through a financial adviser by completing, 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.

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.

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.

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 3 years to the end of January 2017, 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 +/-0.50% per annum.

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

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

Directors of the Manager

R. M. Bartley

A. J. C. Craven

S. Hynes

H. Solomon

S. D. Thomas

L. W. Toms

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

