

Henderson Horizon Fund

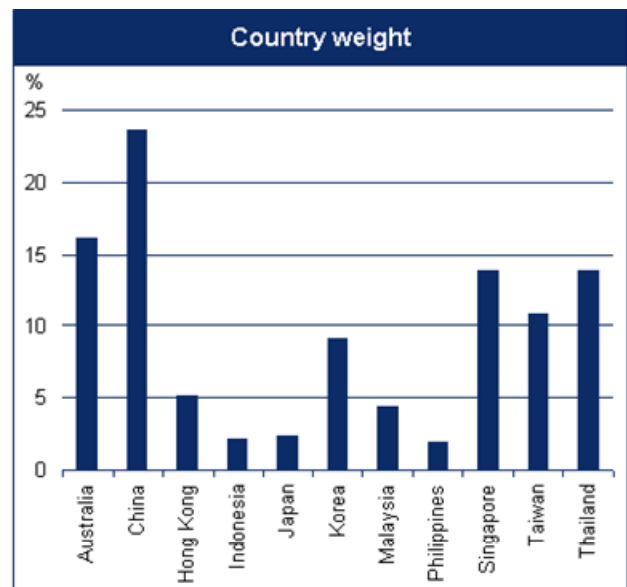
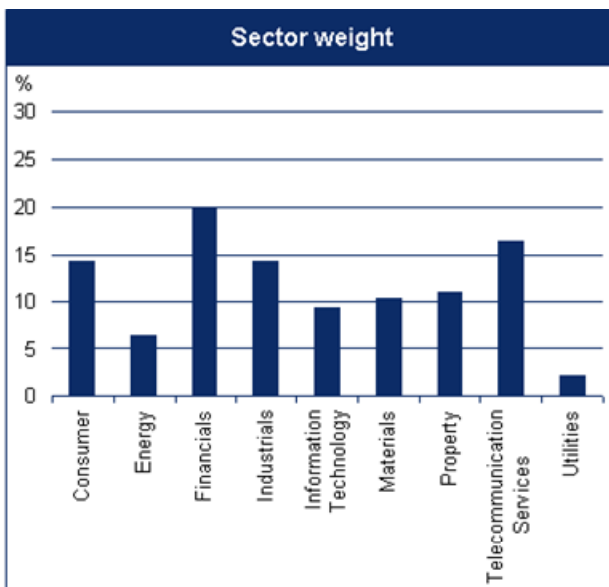
Asian Dividend Income Fund

Fund



News Bytes for Henderson Horizon Fund – Asian Dividend Income Fund (the ‘Fund’)

- The Fund generally outperformed its benchmark over the past month as the defensive nature of income generating stocks proved resilient despite the portfolios having higher exposure to some of the worst performing markets eg China.
- The focus on quality high yield investments can provide a greater certainty of return over time and we expect value shares to also outperform growth shares in the early stage recovery.
- In terms of outlook, Asian markets offer compelling value over the medium to long term and we are using this period of uncertainty to add to preferred positions. Price to earnings multiples on Asian shares have fallen to around 10 times on an historic basis and just over 9 times forward, well below long-term averages. And dividend yields have risen sharply compared to bond yields which mean equities only require modest capital growth to provide an attractive return premium versus bonds.
- In the short term, however, we expect markets to remain volatile while investors digest news flow over the problems in Europe and global growth.
- For portfolio positioning, the Fund continues to be domestically focused, favouring themes such as banks, REITs, infrastructure, telecoms rather than energy, materials and technology. By countries, China offers most value and accounts for around 20% of the portfolio. Singapore is also an overweight position, with key stock examples such as Ascendas, Capitamall Trust, DBS, F&N, SingTel and Venture.



Source: FactSet, Henderson Global Investors, as at 30 September 2011

- The other interesting feature of the Fund is its selective use of derivatives to enhance income. With the recent increase in market volatility, the Fund has increased its exposure to options to 7% of NAV in 5 stocks – Bank of China, Santos, Dongyue, Oriental Union Chemical and KB Financial.

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- We are expecting a dividend payout of around 0.75 to 1% this coming quarter given the seasonality of dividend announcements from selective companies in Thailand, Hong Kong and China as well as the possibility of higher dividend if we write more options. If this materialises, then we will have achieved around 6% for 2011 dividend yield, which is purely derived from a combination of core and income growth stocks as well as the selective/opportunistic use of call/put option and participation notes.

Dividend history since launch

Year	Dividend yield
2007	3.92%
2008	5.55%
2009	4.62%
2010	5.93%

Note: Dividend distribution applies to holders of Distribution Shares (A1) only. Dividend calculation dates are the last day of March, June, September and December. Annual dividend yield is based on the sum of the four quarterly dividend yield derived in a calendar year. The dividend yield is calculated based on the NAV price on record date. Positive distribution rate does not imply positive return. Intended quarterly dividend distribution by the Fund and its derived yield are not guaranteed and are subject to change without any prior notice. Past yield are not necessarily indicative of future or likely distribution.

- In an uncertain world, this will appeal to investors who are looking for assets that are somewhat resilient to market volatility but yield more than cash.

Key investment risks to be considered before investing

- Investments in the Fund are exposed to varying degree of risks to economic, political, regulatory and social development changes in the Asia-Pacific region.
- The Fund may invest a substantial amount of its assets in companies located in a single country within the Asia-Pacific region (including emerging market) which may involve a higher concentration of risk and market volatility, including liquidity risks for investments in emerging markets, than funds investing in developed markets and following a more diversified policy.
- The Fund uses trading strategies that use derivatives which may be unsuccessful due to a number of reasons; including volatile market conditions, imperfect correlation between the movements in securities on which derivatives are based, lack of liquidity within markets and counterparty default risk.
- Investments in the Fund involve varying degree of investment risks (eg. market, legal, financial, interest rate, currency, etc). In extreme market conditions, you may lose your entire investment in the Fund.

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Note: You should not make investment decisions based solely on marketing materials. The above investment risks summary may not have set out all the risks and other significant aspects involved in investing in the Fund. You should read the Prospectus of the Fund for more details of the investment risks and seek independent professional advice where appropriate.

Important information

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Past performance of the fund is not necessarily indicative of the future or likely performance of the fund. An investment in collective schemes/funds, and/or other investment products is subject to investment risks, including the possible loss of the principal amount invested. The value of the units and the income from the funds may fall as well as rise as a result of market and currency fluctuations. Investments in and the rate of return for the Fund are not obligations of, deposits in, guaranteed or insured by Henderson Global Investors or any of its affiliates or appointed distributors. The Singapore Representative of the Henderson Horizon Fund is Henderson Global Investors (Singapore) Limited and is distributed by authorised distributors. The prospectus of the Fund is available and may be obtained from the Singapore Representative's office and the participating distributors' offices. Investors should read the prospectus before deciding whether to invest in the units of the Fund.

Henderson Global Investors (Singapore) Limited Company Registration No. 199700782N

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