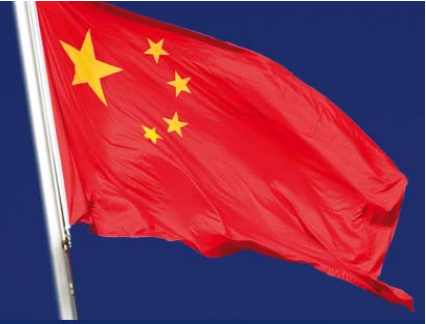
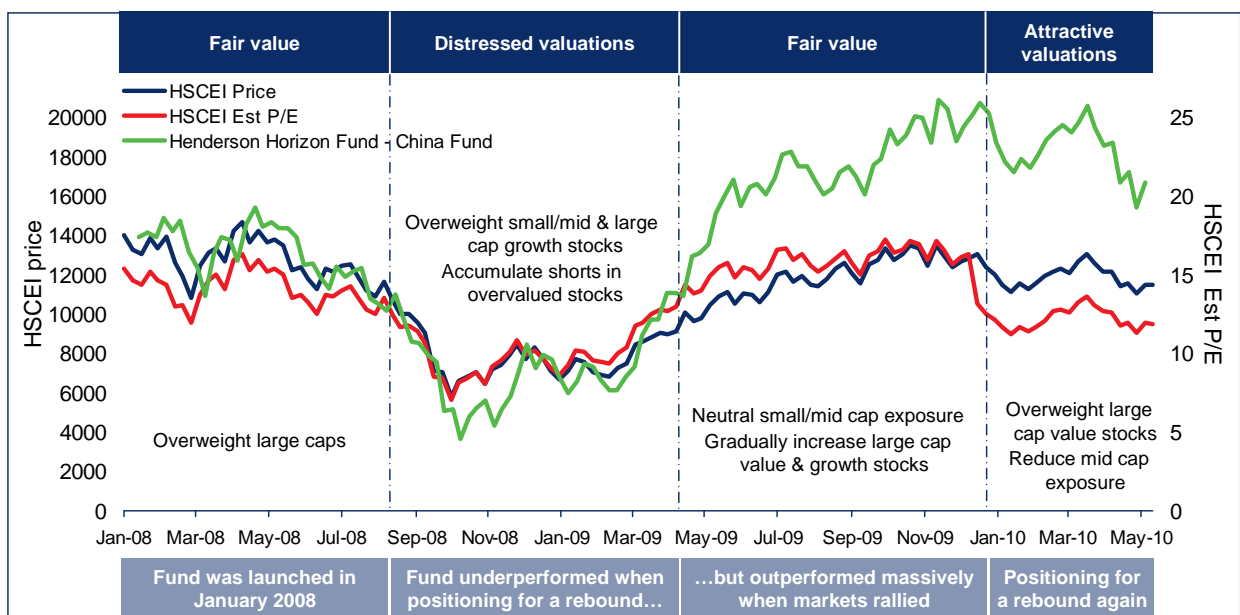


China Update



Positioning the Henderson Horizon Fund – China Fund (the “Fund”) for a rebound

- We are positioning the Fund for a price recovery in big cap, liquid stocks (e.g. Bank of China, Petrochina) given the widening valuation gap between big caps (8-13x) and mid caps (20-25x). While this has not yet paid off because of recent uncertainty in markets, we expect it to happen when sentiment reverses.



Source: Henderson Global Investors, as at 3 June 2010

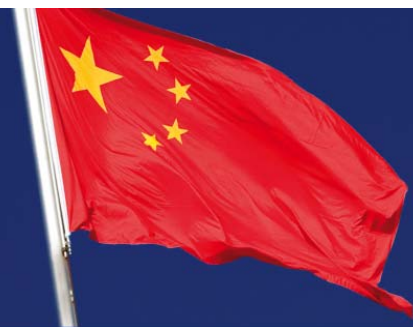
Portfolio breakdown by market cap:

	Large caps > US\$25Bn	Mid Caps US\$1Bn – 25Bn	Small Caps < US\$1Bn	Futures	Total
Long	64.2	73.0	7.7	0	144.8
Short	(7.1)	(35.4)	0	(5.5)	48.0
Net	57.1	37.5	7.7	(5.5)	96.8

Source: Henderson Global Investors, as at 3 June 2010

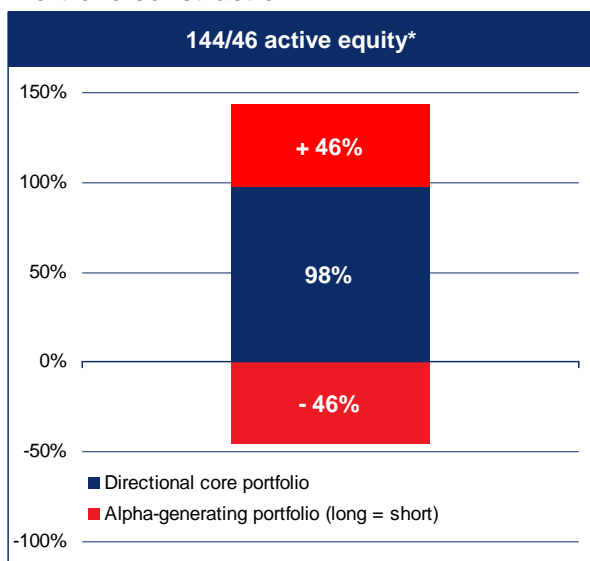
- Over the past month, we have started shorting overpriced consumer names (e.g. Wumart, Tingyi, Want Want) as we find it hard to justify their excessive earnings multiples of 25-30x earnings.
- At present valuations, we believe investors are not buying Chinese equities at elevated multiples. The portfolio valuation is currently close to 10x 2010 earnings and 8x 2011 earnings.

China Update



- We are currently not taking a defensive stance as the recent sharp correction in markets has already factored in a lot of near term uncertainties.

Portfolio construction:



Portfolio composition (% of total NAV)*	
Long exposure	144
Short exposure	-46
Net market exposure	98
Gross market exposure	189

No. of holdings in the portfolio	
Long	42
Short	14
Total	56

Source: Henderson Global Investors, 31 May 2010

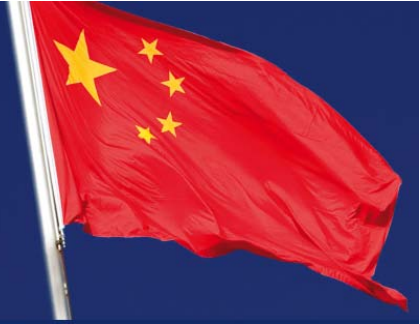
* Rounded off to the nearest whole number

Note: The investment strategy and risks inherent in the fund are not typically encountered in the traditional 100% long only equity funds. The fund typically holds long and short positions mainly through the use of financial derivative instruments ("FDI") combining with direct investments and its total market exposure may exceed 100%. Such investment strategy and the use of FDI are inherently volatile and depending on market condition, the fund could potentially be exposed to additional risk and costs should the market move against it and incur losses consequently.

- We maintain the view that the Chinese equity market is undervalued (MSCI China index at 12.5x 2010 P/E*). The loosening of a currency peg will not have a significant immediate impact on company earnings but may provide a catalyst for the market to gain back some of its year to date underperformance.
- It is difficult to time the bottom of the market but the MSCI China at about 15% below historical average should provide valuation support as China's industrial profit continues to rise and economic expansion remains on track.
- However, should companies' earnings miss expectations or economic growth falters, we do have the option of shorting futures aggressively or reducing our long exposure in order to reduce net exposure and hence the beta of the Fund.

*Source: Bloomberg, June 2010

China Update



Key investment risks to be considered before investing

- The Fund primarily invests in equity securities and equity instruments of companies listed in China, Hong Kong and Taiwan and may also invest in companies incorporated elsewhere that have significant assets, business, production, trading activity or other interests in China, Hong Kong or Taiwan.
- The Fund may invest a substantial amount of its assets in companies in China (emerging market) which may involve a higher concentration of risk and also may experience higher risks of economic, political, regulatory and social development changes. Investments in emerging market may be less liquid and more volatile than funds that invest in developed and more geographically diversified markets.
- The Fund uses trading strategies that use financial derivative instruments (“FDI”) 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.
- The Fund typically holds long and short positions mainly through the use of FDI combining with direct investments and its total gross market exposure may exceed 100%. Such investment strategy and the use of FDI are inherently volatile and depending on market condition, the Fund could potentially be exposed to additional risk and costs should the market move against it and incur losses consequently.
- 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.
- The Fund may not be suitable for all investors. The intermediary who offers it to the investor should advise the investor why the product is suitable for him and how it is consistent with his investment objectives and meet his financial needs.

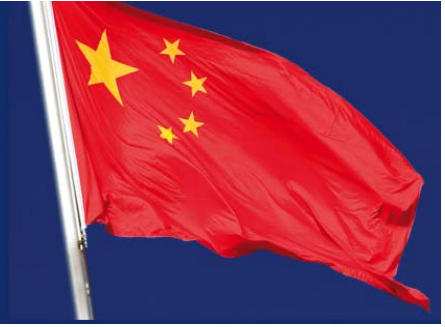
Note: The above investment risks summary may not have set out all the risks and other significant aspects involved in investing in the Fund. You are advised to read the Prospectus of the Fund for more details of the investment risks.

Important Information

Henderson Global Investors (Singapore) Limited and its affiliates are referred to herein as Henderson Global Investors. This document has been produced based on Henderson Global Investors' research and analysis and represents our house view which is **solely for the use of professional intermediaries and not for general public distribution. All the information contained in the document is intended for information, illustration or discussion purposes only and should not be relied on for any investment decisions or regarded as a substitute for the exercise of your own judgement. The information contained in the document has not been reviewed or endorsed by the MAS.**

The contents of this document are prepared without consideration to the specific investment objective, financial situation and particular needs of any specific person. It does not constitute an advertisement and should not constitute or form part of any offer or solicitation to issue, sell, subscribe or purchase any investment in any jurisdiction and do not purport to represent or warrant the outcome of any investment strategy, program or product. Any information and views provided herein is subject to change without further notice. None of the material, nor its content, nor any copy of it, maybe altered in any way, transmitted to, copied or distributed to any other party, without prior express written permission of Henderson Global Investors. The information contained herein is obtained and / or compiled from sources believed to be reliable and current and Henderson Global Investors do not warrant,

China Update



guarantee or represent, either expressly or impliedly, the accuracy, validity or completeness of such information. Henderson Global Investors or any directors or employees of Henderson Global Investors shall not be liable for any damages arising from any person's reliance on this information and shall not be liable for any errors or omissions (including but not limited to errors or omissions made by third party sources) in this information. Unless otherwise indicated, the source for all data is Henderson Global Investors.

Past performance of any fund, a security, an investment or manager and any opinions, forecasts, assumptions, estimates or valuations made are not necessarily indicative of the future or likely performance of the fund, the security, investment or manager. 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.

Henderson Global Investors (Singapore) Limited Company Registration No. 199700782N
Date of issue: 25 June 2010