HENDERSON FAR EAST INCOME LIMITED

REPORT FOR THE HALF YEAR ENDED

28 FEBRUARY 2013

HENDERSON FAR EAST INCOME LIMITED
Report for the half year ended 28 February 2013

Financial Highlights	**As at 28 February 2013**
Total net assets	**£366,683,000**
Net asset value per ordinary share	**356.5p**
Market price per ordinary share	**354.0p**
Discount	**0.7%**
Dividends – first interim (paid 28 February 2013)	**4.1p**
– second interim (payable 31 May 2013)	**4.1p**

Performance	**Six months to 28 February 2013**
Net Asset Value Total Return	**23.5%**
Share Price Total Return +	**25.1%**
FTSE All -World Asia Pacific ex Japan Index (Total Return)*+	**21.9%**
FTSE All - World Asia Pacific Index (Total Return) *+	**21.4%**
Dividends paid in the period	**8.2p**

+ Source: Fundamental Data/Datastream
** There is no formal benchmark for the Company. These indices are shown purely for comparative purposes.*

INTERIM MANAGEMENT REPORT
Chairman's Statement

- ***Net asset value total return of 23.5%***
- ***Total revenue up 15% on the prior year period***
- ***Positive outlook for dividend growth in Asia***

I am pleased to report that the Company achieved a net asset value total return of 23.5% over the period under review, which was 1.6% better than the FTSE All -World Asia Pacific ex Japan Index total return of 21.9%. The share price total return for the period was 25.1%. Total revenue increased by 15%. More detail is covered in the Manager's Report.

Dividends
On 30 November 2012, your Company paid a fourth interim dividend of 4.1p per share in respect of the year ended 31 August 2012 making a total of 16.0p for the year, an increase of 6.7% over the previous year. In respect of the current financial year, a first interim dividend of 4.1p per share was paid on 28 February 2013 and a second interim dividend of the same amount has been declared and will be paid on 31 May 2013.

INTERIM MANAGEMENT REPORT (continued)
Chairman's Statement

Material Events or Transactions
A total of 1,265,000 new shares were issued in the six months to 28 February 2013 at a premium to net asset value, thereby enhancing the net asset value per share. Your Board will continue to allot shares where it is in the interests of shareholders to do so.

In February of this year the Company renewed its one year revolving multi-currency loan facility with Commonwealth Bank of Australia and increased the maximum amount of the loan to £45 million. At the period end £21.8 million had been drawn down.

In accordance with best practice, your Board conducted an audit review in February and appointed KPMG Channel Islands Limited as Auditor to the Company in place of Ernst & Young LLP.

Outlook
Asian markets rallied strongly over the period led by China, which was pleasing given our significant exposure to that country. Valuations remain attractive and the prospects for dividend growth are strong, thus providing a positive backdrop for the second half of the year. In view of this, your Board is confident that it will be able at least to maintain the level of annual dividend. Nevertheless, the recent escalation of nuclear threats by North Korea, combined with continuing concerns over US economic recovery and European Monetary Union mean that immediate prospects for markets are uncertain.

Overall, your Board remains positive on the economic outlook and revenue generating capability of the region and believes that the company's portfolio is well positioned to take advantage of current and future investment opportunities.

John Russell
Chairman
16 April 2013

Principal Risks and Uncertainties
The principal risks and uncertainties associated with the Company's business can be divided into the following main areas:

- Investment activity and performance risk
- Financial risk
- Regulatory risk
- Operational risk

Information on these risks and how they are managed is given in the Annual Report and Financial Statements for the year ended 31 August 2012. In the view of the Board these principal risks and uncertainties are as applicable to the remaining six months of the financial year as they were to the six months under review.

Related Party Transactions
Details of related party arrangements are contained in the Annual Report and Financial Statements for the year ended 31 August 2012. Other than fees payable in the ordinary course of business, there have been no material transactions with the related parties during the six month period under review which have materially affected the financial position or performance of the Company.

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Report for the half year ended 28 February 2013

Directors' Responsibility Statement
The Directors confirm that, to the best of their knowledge:

(a) the condensed set of financial statements has been prepared in accordance with IAS 34;

(b) the interim management report includes a fair review of the information required by Disclosure and Transparency Rule 4.2.7R (indication of important events during the first six months and description of principal risks and uncertainties for the remaining six months of the year); and

(c) the interim management report includes a fair review of the information required by Disclosure and Transparency Rule 4.2.8R (disclosure of related party transactions and changes therein).

For and on behalf of the Board
John Russell, Chairman
16 April 2013

Portfolio Manager's Report

Market
The Asian markets posted strong returns in the period under review with the FTSE All-World Asia Pacific ex Japan Index returning 21.9% in sterling terms. Although underlying markets were robust, returns were significantly bolstered by the weakness of sterling, which accounted for over 6% of the index return.

The macro factors that have dominated market direction in the last few years combined to produce a positive backdrop for global equities. The US economy continued to show tentative signs of recovery, especially in housing and the much feared 'fiscal cliff' negotiations in January 2013 passed without incident. Even though the growth outlook in Europe remains sluggish, the ECB's liquidity support has kept bond yields low: even an inconclusive Italian election was not enough to derail the optimism. In Japan the sweeping election victory of Shinzo Abe on a growth mandate of targeted inflation and aggressive quantitative easing led to renewed optimism that the world's third largest economy may at last drag itself out of its multi-year deflationary downturn.

The most important macro indicator for Asia though came in China. After bottoming at 7.4% in the third quarter of 2012, Chinese GDP growth accelerated to 7.9% in the fourth quarter allaying the fears that China's growth outlook was in terminal decline. The leadership change announced at the party congress in November 2012 and cemented at the Peoples' Congress in March 2013 passed without incident with the hope that new President Xi Jinping would embark on a more aggressive reform agenda than his predecessor.

The improving outlook for Chinese growth was reflected in share prices as the Chinese market outperformed most of its regional peers over the period. The other notable markets were the Philippines and Thailand which continued their strong recent performance rising 41% and 30% respectively in sterling terms. Malaysia was the major laggard as doubts about the ruling UMNO coalition's ability to hold onto power in the forthcoming election impacted market sentiment.

Returns at the sector level were less predictable with some sectors, including technology exposed to the global cycle performing well while others such as materials and energy languished. The same disparity was evident in the more defensive sectors with healthcare and consumer staples near the top of the list while telecoms and utilities were near the bottom.

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Portfolio Manager's Report (continued)

Performance
The portfolio performed well over the six month period with the total return NAV rising 23.5% in sterling terms. The outperformance was mainly due to our overweight positions in China and Thailand which were two of the best performing markets. On a relative basis we also benefited from the under-performance of energy and materials where we only have a modest exposure and India where although we have added a holding over the period we are still materially underweight. The heavy allocation to telecommunications and our underweight position in Australia were detrimental.

High income stocks continue to be in demand in a low interest rate environment but with the growth outlook improving, our exposure to dividend growth was also beneficial. The best performing stocks over the period reflected the strength of both themes with dividend growth companies such as Krung Thai Bank in Thailand, Kangwon Land in South Korea and Wharf in Hong Kong and high yielders such as Myer Holdings and Suncorp in Australia and SK Telecom in South Korea all producing strong gains.

Revenue
We remain optimistic on the dividend outlook for Asia this year. Last year dividend growth was lower than we expected as some companies chose to preserve cash in an uncertain global environment rather than committing to increased levels of dividend. With Asian economies on a firm footing and cash generation abundant we expect an improvement in this financial year.

This improvement is borne out in the revenue numbers at the half year stage. Although total revenue increased by a healthy 15% over the last year, income from dividends increased by 29.5% reflecting the improved distribution from the companies we own. Currency gains have further increased these returns and although this factor cannot be relied upon for the full year, the underlying dividend growth gives us confidence. The low levels of volatility in markets provided fewer opportunities to use derivatives and as a result the income derived from this strategy was down year on year.

As with previous years the majority of the Company's revenue will be generated in the second half of the financial year, reflecting the seasonality of dividend distribution in Asia Pacific.

Strategy
The portfolio retains its emphasis on domestically focused sectors and away from global cyclicals. We believe that the growth in world economies will be focused on emerging markets and in particular Asia in the coming years and that companies exposed to this trend are likely to be able to deliver sustainable cash flow and income. Forecasting pricing for commodities such as iron ore, steel, copper and also energy in the immediate future is extremely difficult and hence the portfolio tends to shy away from these sectors at this point in the cycle. The same can be said for technology stocks where a significant proportion of sales depend on western consumer demand, which in our view will be constrained by ongoing austerity measures.

The demand for yield from both international and domestic investors has pushed valuations in some of the more traditional high income sectors to unattractive levels. Utilities, healthcare and consumer staples are especially rich and we find it increasingly difficult to find suitable investments in these areas. For this reason our weightings in these areas are low or non-existent as we strongly believe that over paying for income can be detrimental to capital performance. We currently find that companies with lower yields and higher dividend growth are more appealing and as a result we have marginally tilted the portfolio towards these areas in recent months.

Portfolio Manager's Report (continued)

Although the performance of Chinese shares has improved of late we still believe that the valuation discount to the region is unjustified and as a result we are finding plenty of opportunities for high yield and dividend growth in this market. The weighting in China has not changed over the period although we have added China Construction Bank and property company Evergrande to the portfolio at the expense of Bosideng which we disposed of following a strong period of performance.

We also retain our positive view on Thailand despite the market's strong performance. Valuations remain attractive, especially compared to other ASEAN markets, and the continued political stability has led to increased consumer optimism. We also have a large weighting in Singapore which continues to benefit from strong GDP growth fuelled by immigration, tourism, finance and business services.

Of all the traditional yielding sectors telecommunications still offers the best value and we retain a large exposure to this area. In recent months the focus has moved away from the developed market telecoms of Australia, Taiwan and Hong Kong towards the emerging markets of Indonesia, Thailand, The Philippines and China where we feel that the growth prospects justify the current valuations. Recent additions include Singapore Telecommunications which we re-visited following a period of underperformance.

Although we are not positive on the outlook for Australian growth we have added a more domestic bias to our Australian portfolio. We have sold fertilizer company Incitec Pivot and added department store Myer Holdings and media company Seven West Media. Both of these companies are turnaround stories on improving cost efficiencies and are beneficiaries of falling interest rates.

For the first time in a number of years we have initiated a position in India. Overall we still believe the Indian market is expensive but the recent weakness has presented some opportunities and we have added Cairn India to the portfolio. Cairn is an oil and gas company with a strong production profile from its Rajasthan field with some of the lowest lifting costs of any energy company globally. The company is attractively priced with strong cash flow and a growing yield.

Outlook

We remain positive on the outlook for the region in the medium to long term but recognise that market direction will be dictated by global factors in the short term. The improving growth outlook in China and the tentative signs of recovery in the US should be positive for Asian economic and equity market growth. Valuations in Asia are attractive relative to their own history and other world markets and companies are cash rich with tremendous potential to increase dividends over time. We will use any market volatility as an opportunity to acquire quality high yielding or high dividend growth companies at attractive prices.

Michael Kerley
Portfolio Manager
16 April 2013

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Investment Portfolio

As at 28 February 2013

	Value £'000	% of portfolio
Australia		
Suncorp	12,140	
Myer Holdings	9,727	
Amcor	9,713	
Tabcorp Holdings	8,887	
Santos	7,420	
Australia and New Zealand Banking Group	7,343	
Telstra Corporation	7,213	
Seven West Media	6,313	
	68,756	**17.5**
China		
Bank of China	10,394	
Digital China Holdings	9,855	
MGM China	9,355	
Shanghai Industrial	8,831	
China Mobile	7,614	
China Construction Bank	7,128	
Jiangsu Expressway	6,846	
Guangzhou R&F Properties	5,225	
Evergrande Real Estate	4,701	
China Forestry Holdings	780	
	70,729	**18.0**
Hong Kong		
NWS Holdings	9,281	
New World Development	7,954	
Wharf Holdings	7,839	
Television Broadcasts	7,285	
Mapletree Greater China	7,227	
Cheung Kong Holdings	7,063	
	46,649	**11.8**
India		
Cairn India	**7,161**	**1.8**
Indonesia		
Telekomunikasi Indonesia	9,269	
Indo Tambangraya Megah	5,706	
	14,975	**3.8**
Malaysia		
UMW Holdings	**7,326**	**1.9**

	Value £'000	% of portfolio
New Zealand		
Telecom Corp of New Zealand	**10,707**	**2.7**
The Philippines		
Philippine Long Distance Telephone	**7,686**	**2.0**
Singapore		
DBS Group	7,363	
Ascendas Real Estate	7,332	
Capitalmall Trust REIT	7,282	
Singapore Telecommunications	7,251	
Sembcorp Marine	6,517	
SATS	4,984	
	40,729	**10.3**
South Korea		
SK Telecom	11,150	
Korean Reinsurance	7,671	
Kangwon Land	7,603	
Hyundai Motor	6,595	
Grand Korea Leisure	5,605	
Macquarie Korea Infrastructure Fund	4,399	
	43,023	**10.9**
Taiwan		
Asustek Computer	9,460	
Taiwan Semiconductor Manufacturing	7,902	
Catcher Technology*	6,350	
Asia Cement	6,303	
CTCI Corporation	5,637	
HTC Corp*	4,771	
HTC Corp March 13 put (expiry 01.03.13)	-	
Catcher Technology March 13 put (expiry 01.03.13)	(2)	
	40,421	**10.3**
Thailand		
Krung Thai Bank	10,063	
Charoen Pokphand Food	10,035	
LPN Development	7,728	
Advanced Information Services	7,640	
	35,466	**9.0**
Total Investments	**393,628**	**100.0**

*The value of the investments shown on the balance sheet has been grossed up to exclude options valued at (£2,000).

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Condensed Statement of Comprehensive Income
for the half year ended 28 February 2013

	Half year ended 28 February 2013 (Unaudited)			Half year ended 29 February 2012 (Unaudited)			Year ended 31 August 2012 (Audited)		
	Revenue return £'000	**Capital return £'000**	**Total £'000**	Revenue return £'000	Capital return £'000	Total £'000	Revenue return £'000	Capital return £'000	Total £'000
Investment income	**6,191**	**-**	**6,191**	4,779	-	4,779	18,643	-	18,643
Other income, including option premium income	**373**	**-**	**373**	928	-	928	2,220	-	2,220
Gains on investments held at fair value through profit or loss	**-**	**66,458**	**66,458**	-	22,078	22,078	-	9,085	9,085
Total income	**6,564**	**66,458**	**73,022**	5,707	22,078	27,785	20,863	9,085	29,948
Expenses									
Management fees	**(902)**	**(902)**	**(1,804)**	(691)	(690)	(1,381)	(1,423)	(1,423)	(2,846)
Other expenses	**(184)**	**(184)**	**(368)**	(171)	(171)	(342)	(379)	(379)	(758)
Profit before finance costs and taxation	**5,478**	**65,372**	**70,850**	4,845	21,217	26,062	19,061	7,283	26,344
Finance costs	**(54)**	**(54)**	**(108)**	(3)	(4)	(7)	(11)	(11)	(22)
Profit before taxation	**5,424**	**65,318**	**70,742**	4,842	21,213	26,055	19,050	7,272	26,322
Taxation	**(467)**	**-**	**(467)**	(263)	-	(263)	(1,555)	-	(1,555)
Profit for the period and total comprehensive income	**4,957**	**65,318**	**70,275**	4,579	21,213	25,792	17,495	7,272	24,767
Earnings per ordinary share basic and diluted (note 2)	**4.86p**	**64.09p**	**68.95p**	4.55p	21.08p	25.63p	17.31p	7.19p	24.50p

The total column of this statement represents the Condensed Statement of Comprehensive Income of the Company, prepared in accordance with IFRS as adopted by the EU.

The revenue return and capital return columns are supplementary to this and are prepared under guidance published by the Association of Investment Companies. All items in the above statement derive from continuing operations.

All income is attributable to the equity holders of Henderson Far East Income Limited. There are no minority interests.

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Condensed Statement of Changes in Equity
for the half year ended 28 February 2013

	Half year ended 28 February 2013 (Unaudited)				
	Stated capital £'000	**Distributable reserve £'000**	**Other capital reserves £'000**	**Revenue reserve £'000**	**Total £'000**
Total equity at 31 August 2012	**67,727**	**180,471**	**37,119**	**15,183**	**300,500**
Total comprehensive income:					
Profit for the period	**-**	**-**	**65,318**	**4,957**	**70,275**
Transaction with owners, recorded directly to equity:					
Dividends paid	**-**	**-**	**-**	**(8,382)**	**(8,382)**
Shares issued	**4,312**	**-**	**-**	**-**	**4,312**
Share issue costs	**(22)**	**-**	**-**	**-**	**(22)**
Total equity at 28 February 2013	**72,017**	**180,471**	**102,437**	**11,758**	**366,683**

	Half year ended 29 February 2012 (Unaudited)				
	Stated capital £'000	Distributable reserve £'000	Other capital reserves £'000	Revenue reserve £'000	Total £'000
Total equity at 31 August 2011	63,470	180,471	29,788	13,660	287,389
Total comprehensive income:					
Profit for the period	-	-	21,213	4,579	25,792
Transaction with owners, recorded directly to equity:					
Dividends paid	-	-	-	(7,848)	(7,848)
Shares issued	3,977	-	-	-	3,977
Share issue costs	(18)	-	-	-	(18)
Total equity at 29 February 2012	67,429	180,471	51,001	10,391	309,292

	Year ended 31 August 2012 (Audited)				
	Stated capital £'000	Distributable reserve £'000	Other capital reserves £'000	Revenue reserve £'000	Total £'000
Total equity at 31 August 2011	63,470	180,471	29,788	13,660	287,389
Total comprehensive income:					
Profit for the period	-	-	7,272	17,495	24,767
Transaction with owners, recorded directly to equity:					
Dividends paid	-	-	-	(15,972)	(15,972)
Shares issued	4,276	-	-	-	4,276
Share issue costs	(19)	-	-	-	(19)
Liquidation proceeds from predecessor company	-	-	59	-	59
Total equity at 31 August 2012	67,727	180,471	37,119	15,183	300,500

HENDERSON FAR EAST INCOME LIMITED
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Condensed Balance Sheet
as at 28 February 2013

	28 February 2013 (Unaudited) £'000	29 February 2012 (Unaudited) £'000	31 August 2012 (Audited) £'000
Non current assets			
Investments held at fair value through profit or loss	**393,630**	303,612	311,859
Current assets			
Other receivables	**12,765**	2,715	4,948
Cash and cash equivalents	**1,619**	3,753	6,076
	14,384	6,468	11,024
Total assets	**408,014**	310,080	322,883
Current liabilities			
Written options	**(2)**	(140)	(254)
Other payables	**(19,563)**	(648)	(715)
Bank overdrafts	**(21,766)**	-	(21,414)
	(41,331)	(788)	(22,383)
Net assets	**366,683**	309,292	300,500
Capital and reserves			
Stated capital	**72,017**	67,429	67,727
Distributable reserve	**180,471**	180,471	180,471
Retained earnings:			
Other capital reserves	**102,437**	51,001	37,119
Revenue reserve	**11,758**	10,391	15,183
Total equity	**366,683**	309,292	300,500
Net asset value per ordinary share (note 3)	**356.54p**	304.78p	295.82p

The Company does not have any dilutive securities, therefore the basic and diluted returns per share are the same.

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Condensed Cash Flow Statement
for the half year ended 28 February 2013

	Half year ended 28 February 2013 (Unaudited) £'000	Half year ended 29 February 2012 (Unaudited) £'000	Year ended 31 August 2012 (Audited) £'000
Net profit before tax	**70,742**	26,055	26,322
Less gains on investments held at fair value through profit or loss	**(66,458)**	(22,078)	(9,085)
Purchases of investments	**(125,256)**	(77,050)	(219,659)
Sales of investments	**110,795**	78,455	199,661
Decrease in other receivables	**-**	26	26
Decrease / (increase) in prepayments and accrued income	**1,698**	767	(1,554)
Increase in amounts due from brokers	**(9,515)**	(1,042)	(954)
Increase in other payables	**86**	32	88
Increase in amounts due to brokers	**18,771**	-	-
Stock dividends included in investment income	**(44)**	-	(66)
Taxation on investment income	**(478)**	(349)	(1,630)
Net cash inflow / (outflow) from operating activities	**341**	4,816	(6,851)
Net cash inflow / (outflow) before use of financing	**341**	4,816	(6,851)
Net cash (outflow)/inflow from financing	**(3,738)**	(3,312)	10,335
(Decrease)/increase in cash and cash equivalents	**(3,397)**	1,504	3,484
Cash and cash equivalents at the start of the period	**6,076**	2,784	2,784
Exchange movements	**(1,060)**	(535)	(192)
Cash and cash equivalents at the period end	**1,619**	3,753	6,076

HENDERSON FAR EAST INCOME LIMITED
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Notes:

1. **Accounting Policies: Basis of preparation**

The condensed interim financial information has been prepared on a going concern basis and in accordance with IAS 34.

The Annual Report and Financial Statements for the year ended 31 August 2012 were prepared in accordance with International Financial Reporting Standards ('IFRS') as adopted by the European Union and the unaudited results for the half year ended 28 February 2013 have been prepared using the same accounting policies.

The condensed financial information for the half years ended 28 February 2013 and 29 February 2012 have not been audited.

2. **Earnings per ordinary share**

The earnings per ordinary share figure is based on the net profit after taxation of £70,275,000 (half year ended 29 February 2012: £25,792,000; year ended 31 August 2012: £24,767,000) and on 101,922,995 ordinary shares (half year ended 29 February 2012: 100,613,256; year ended 31 August 2012: 101,077,558) being the weighted average number of ordinary shares in issue during each of the periods.

The earnings per ordinary share detailed above can be further analysed between revenue and capital, as below:

	Half year ended 28 February 2013 (Unaudited) £'000	Half year ended 29 February 2012 (Unaudited) £'000	Year ended 31 August 2012 (Audited) £'000
Net revenue gain	**4,957**	4,579	17,495
Net capital gain	**65,318**	21,213	7,272
Net total gain	**70,275**	25,792	24,767
Weighted average number of ordinary shares in issue during the period	**101,922,995**	100,613,256	101,077,558

	Pence	Pence	Pence
Revenue earnings per ordinary share	**4.86**	4.55	17.31
Capital earnings per ordinary share	**64.09**	21.08	7.19
Total earnings per ordinary share	**68.95**	25.63	24.50

3. **Net asset value per ordinary share**

The basic net asset value per ordinary share is based on a net asset value of £366,683,000 (29 February 2012: £309,292,000; 31 August 2012: £300,500,000) and on 102,845,564 (29 February 2012:101,480,564; 31 August 2012: 101,580,564) ordinary shares, being the number of ordinary shares in issue at each period end.

4. **Transaction costs**

Purchase transaction costs for the half year ended 28 February 2013 were £287,000 (half year ended 29 February 2012: £201,000; year ended 31 August 2012: £517,000). These mainly comprise commission. Sales transaction costs for the half year ended 28 February 2013 were £254,000 (half year ended 29 February 2012: £235,000; year ended 31 August 2012: £524,000).

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5. Share capital

During the six months under review the Company issued a total of 1,265,000 shares (half year ended 29 February 2012: 1,375,000; year ended 31 August 2012: 1,475,000) for proceeds of £4,290,000 (half year ended 29 February 2012: £3,959,000; year ended 31 August 2012: £4,257,000) net of costs.

6. Interim dividend

On 30 November 2012, the Company paid a fourth interim dividend of 4.1p per share in respect of the year ended 31 August 2012. A first interim dividend of 4.1p per share was paid on 28 February 2013. The second interim dividend of 4.1p per share will be paid on 31 May 2013 to shareholders on the register on 10 May 2012. The Company's shares will be quoted ex-dividend on 8 May 2012. Based on the number of shares in issue on 16 April 2013, the cost of this dividend will be £4,217,000.

7. Going concern

The Directors believe that it is appropriate to adopt the going concern basis in preparing the financial statements. The assets of the Company consist mainly of securities that are readily realisable and, accordingly, the Company has adequate financial resources to continue in operational existence for the foreseeable future. In reviewing the position as at the date of this statement, the Board has considered the going concern and liquidity risk: 'Guidance for Directors of UK Companies 2009' issued by the Financial Reporting Council in October 2009.

8. Half Year Report

The Half Year Report will be available on the Company's website (www.hendersonfareastincome.com) or in hard copy format from the Company's registered office, Liberté House, 19-23 La Motte Street, St Helier, Jersey, JE2 4SY from 24 April 2013. Shareholders will be sent a copy of the Update, an abridged version of the half year results, in late April.

9. General Information

a) Company Objective

To seek to provide a high level of dividends as well as capital appreciation over the long term, from a diversified portfolio of investments traded on the Pacific, Australasian, Japanese and Indian stock markets ('the Asia Pacific region').

b) Company Status

The Company is a Jersey domiciled closed-end investment company, number 95064, which was incorporated in 2006 and which is listed on the London and New Zealand Stock Exchanges. The ISIN number is JE00B1GXH751. The London Stock Exchange code is HFEL. The Company is a Jersey fund which is regulated by the Jersey Financial Services Commission.

c) Directors, Secretary and Registered Office

The Directors of the Company are John Russell (Chairman), David Mashiter, Simon Meredith Hardy, Richard Povey and David Staples. The Secretary is BNP Paribas Securities Services Fund Administration Limited, represented by Jeremy Hamon and which is regulated by the Jersey Financial Services Commission. The registered office is Liberté House, 19-23 La Motte Street, St Helier, Jersey, JE2 4SY.

d) Website

Details of the Company's share price and net asset value, together with general information about the Company, monthly factsheets and data, profiles of the Board, copies of announcements, reports and details of general meetings can be found at www.hendersonfareastincome.com

INDEPENDENT REVIEW REPORT TO HENDERSON FAR EAST INCOME LIMITED

Introduction

We have been engaged by Henderson Far East Income Limited (the 'Company') to review the condensed set of financial statements in the half-yearly financial report for the six months ended 28 February 2013 which comprises the Condensed Statement of Comprehensive Income, the Condensed Statement of Changes in Equity, the Condensed Balance Sheet, the Condensed Cash Flow Statement and the related explanatory notes.

We have read the other information contained in the half yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the company in accordance with the terms of our engagement to assist the Company in meeting the requirements of the Disclosure and Transparency Rules of the UK's Financial Conduct Authority. Our review has been undertaken so that we might state to the Company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our review work, for this report, or for the conclusions we have reached.

Directors' Responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial reporting in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

As disclosed in note 1, the annual financial statements of the company are prepared in accordance with IFRSs, as adopted by the EU. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting".

Our Responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope that an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Conclusion
Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 28 February 2013 is not prepared, in all material respects, in accordance with International Accounting Standard 34 and the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Heather J. MacCallum
For and on behalf of
KPMG Channel Islands Limited
Chartered Accountant and Recognised Auditor
37 Esplanade, St Helier
Jersey, JE4 8WQ
16 April 2013

The maintenance and integrity of www.hendersonfareastincome.com is the responsibility of the Directors; the work carried out by the auditors does not involve consideration of these matters and accordingly, KPMG Channel Islands Limited accepts no responsibility for any changes that may have occurred to the financial statements or our review report since 16 April 2013. KPMG Channel Islands Limited has carried out no procedures of any nature subsequent to 16 April 2013 which in any way extends this date.

Legislation in Jersey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. The directors shall remain responsible for establishing and controlling the process for doing so, and for ensuring that the financial statements are complete and unaltered in any way.