

**HENDERSON INTERNATIONAL  
INCOME TRUST PLC**

**HALF-YEAR REPORT  
(unaudited)  
for the six months ended 28 February 2014**

**HENDERSON INTERNATIONAL INCOME TRUST PLC**  
**Unaudited Results for the Half-Year ended 28 February 2014**

**FINANCIAL HIGHLIGHTS and PERFORMANCE**

	(unaudited) As at 28 February 2014	(audited) As at 31 August 2013
Net asset value per Ordinary share (basic)	<b>116.7p</b>	111.9p
Net asset value per Ordinary share (diluted)	<b>114.9p</b>	110.2p
Market price per Ordinary share	<b>111.6p</b>	114.1p
(Discount)/premium (basic)	<b>(4.4)%</b>	2.0%
(Discount)/premium (diluted)	<b>(2.9)%</b>	3.5%
Subscription share price	<b>14.0p</b>	16.0p

	(unaudited) Half-Year to 28 February 2014	(audited) Year ended 31 August 2013
Dividends per Ordinary share	<b>2.10p</b>	4.05p
Net asset value per Ordinary share total return (basic) (1)	<b>6.2%</b>	19.4%
Net asset value per Ordinary share total return (diluted) (1)	<b>6.2%</b>	17.6%
Ordinary share price total return (basic)	<b>(0.4)%</b>	17.7%
Revenue return per Ordinary share (basic)	<b>1.97p</b>	4.57p
Capital return per Ordinary share (basic)	<b>4.88p</b>	13.62p
Total return per Ordinary share (basic)	<b>6.85p</b>	18.19p
Total return per Ordinary share (diluted)	<b>6.71p</b>	17.88p
MSCI World ex UK Index (sterling adjusted) (2)	<b>6.0%</b>	22.0%

Sources: (1) FundData (2) Datastream

Total return assumes net dividends are reinvested and excludes transaction costs

**HENDERSON INTERNATIONAL INCOME TRUST PLC**  
**Unaudited Results for the Half-Year ended 28 February 2014**

**CHAIRMAN'S STATEMENT**  
**Interim Management Report**

**Market**

International equity markets have performed strongly over the period, driven primarily by the gradual improvement of a number of developed economies, especially the United States and the United Kingdom. This growth has continued despite ongoing geopolitical risks and a number of economic factors including debt ceiling discussions in the United States, the impact of tapering by the Federal Reserve, and adverse weather conditions particularly in the United States. Whilst economic growth continues to recover it is still subdued; in several emerging markets the side effects of tapering have actually resulted in slowing growth, and in some cases higher interest rates. Against this backdrop the Company has grown net asset value by 6.2%, slightly outperforming the index, and delivering investors a dividend of 1.05p per quarter, a 5% increase on the same period last year.

**Company Performance**

During the six months to 28 February 2014 the Net Asset Value ("NAV") per Ordinary Share (total return) was 6.2% and the Ordinary share price total return was (0.4)%. The diluted NAV total return per Ordinary share was 6.2%. These returns compare with the total return for the MSCI World ex UK Index of 6.0%.

The Company took advantage of on-going demand from investors to issue 18,268,500 shares during the period. The capital increase mainly took the form of C-Shares, which resulted in the issuance of 17,818,500 shares. 450,000 additional ordinary shares have been issued under the Company's block listing in the normal course of business. The capital increase was in line with the Company's strategy to widen demand for its shares in order to increase liquidity and to reduce on-going charges to investors. This has been carried out without dilution to existing shareholders.

**Earnings & Dividends**

The revenue return per Ordinary share was 1.97p. A fourth and final dividend of 1.05p per ordinary share for the period ended 31 August 2013 was paid to shareholders on 29 November 2013, making the total paid for the period 4.05p. For the year ended 31 August 2014 a first interim dividend of 1.05p per Ordinary share was paid to shareholders on 31 January 2014. The Board has declared a second interim dividend of 1.05p per Ordinary share, which is due to be paid on 30 April 2014 to shareholders registered at the close of business on 11 April 2014. The shares were quoted ex-dividend on 9 April 2014.

**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
- Portfolio and market price risk
- Tax and regulatory risk
- Operational risk

**Outlook**

There has been much discussion surrounding the reduction of quantitative easing in the United States, but the fact remains that monetary policy around the world remains focused on fostering economic growth and stimulating stubbornly low levels of inflation. To this end economic policy remains supportive for the global economy, and in turn for a recovery in aggregate corporate earnings. The Company has a diverse portfolio of investments that are exposed to a wide range of sectors and economies, and a flexible investment policy that allows it to adapt to changing investment opportunities as they arise. The investment team remain confident about the portfolio's potential for long term capital and income growth.

**Christopher Jonas CBE**  
**Chairman**  
**22 April 2014**

**HENDERSON INTERNATIONAL INCOME TRUST PLC**  
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## **PORTFOLIO MANAGER'S REVIEW**

### **Performance review**

The portfolio has generated good returns over the last six months, increasing the net asset value whilst generating healthy dividend income.

Corporate earnings growth is still being driven more by management actions to improve the efficiency or profitability of their businesses rather than sales growth. The cash generation of many of the companies held in the portfolio has continued to be strong and this has been reflected in healthy dividend growth across a wide range of companies. The largest dividend increases have continued to come from US listed companies; gaming group **Las Vegas Sands** increased their quarterly dividend by 42%, **United Parcel Services** by 8%, and **General Electric** by 16%. This is partly driven by better domestic GDP growth but also by increasing pay-out ratios from low levels. A number of European holdings also announced their dividends during the period, including non-life insurer **Scor**, an increase of 8% year on year, pharmaceutical companies **Roche** and **Novartis** which increased by 7% and 6% respectively, and satellite operator **SES** whose dividend increased by 7%.

Against this background of scarce top line growth, and perhaps encouraged by the prevailing low interest rate environment, there has been a pick-up in corporate activity as companies look for other ways to generate growth and a number of the Company's holdings have benefited from this. Three companies have received unsolicited bids over the period at healthy premiums to their prevailing share prices; cable companies **Time Warner Cable** and **Ziggo** were acquired by competitors, and Chinese online game company **Giant Interactive** is being taken private by its Chairman. Profits have been taken from these positions post the approaches. In addition to these direct bids there has been a general consolidation theme in the telecommunication sector, which has led to a revaluation of telecommunication assets and has driven the share prices of the Company's holdings in **Deutsche Telekom** and **Vivendi** significantly higher. Given the strength of many corporates' balance sheets and the low cost of debt finance this type of activity could be a continuing trend.

In addition to the M&A activity discussed above one of the general themes of the last six months has been the stabilisation of economic growth across a number of European countries, which has led to a renewed interest in domestic European companies. As a result some of the strongest contributors to performance over the period have been European media conglomerate **RTL**, German post and logistics operator **Deutsche Post**, and Netherlands insurer **Delta Lloyd**. Whilst developed economy stock markets have been strong, emerging markets have continued to struggle, impacted by a number of factors including the threat of higher US interest rates, currency movements, and continuing economic slowdowns in a number of countries, particularly those often referred to as the 'BRIC' group. As a result it is the Company's holdings with exposure to emerging markets and resources that have made the biggest negative contribution to performance, including electronic goods manufacturer **Electrolux**, which was impacted by weaker Brazilian currency rates, **China Mobile**, and Indonesian utility **Perusahaan Gas**.

### **Portfolio positioning and activity**

The portfolio's largest regional exposure continues to be to European listed companies, with 41% of its assets in the region, the largest country exposures being France and Germany. The second largest exposure remains North and South America at 35%, the majority of which is the United States representing 31% of the portfolio. Asia Pacific exposure is 24% of the portfolio, with the largest country exposures being China and Taiwan. The size of the regional exposures has not changed significantly over the period, but the composition has changed slightly. Based on consistently improving economic data we gained further confidence that the European domestic economy was recovering, and as a result we have continued to add to high yielding, attractively valued European companies that will benefit from stabilisation of economic growth in the region. New holdings initiated during the period included construction material distributor **Rexel**, French house builder **Nexity**, ceramic goods manufacturer **Sanitec**, and Swiss specialist lender **Cembra Moneybank**. Within the regional exposure there has been a shift out of the Canadian positions in **Bank of Montreal** and telecommunication company **BCE**, which have performed strongly since initiation. The proceeds were reinvested in US holdings including new positions in technology companies **Seagate** and **Garmin**, where we see more potential for capital upside given their current attractive valuations and growth potential.

**HENDERSON INTERNATIONAL INCOME TRUST PLC**  
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**PORTFOLIO MANAGER'S REVIEW CONTINUED**

At a sector level the biggest reduction in exposure has been to the telecommunications sector, where the weighting has fallen from over 10% to 5%. This has occurred despite the strong performance of the portfolio's holdings in European telecommunications companies **Deutsche Telekom** and **Vivendi**, and is a reflection of the fact that we have found it harder to find attractive valuations in the sector. The beneficiary of this reduction has been the financial sector, where exposure has increased to 22% from 16%. This increase has been done on a stock specific basis across a number of geographies, and reflects the fact that many companies in the sector are trading on low valuations with low growth expectations that we think underestimate their longer term earnings potential. The potential for further earnings recovery and the fact that they have significantly strengthened their balance sheet over the last few years has lead us to initiate positions in **BNP Paribas**, **Mizuho Financial Group** in Japan, Swiss lender **Cembra Moneybank**, and US corporate lender **Ares Capital**. These new positions were funded by closing a number of positions where we see less upside potential, or where the investment outlook has changed. Positions closed included **Emerson Electric**, **Mattel**, Brazilian toll road operator **CCR**, and **Statoil**.

The Company's gearing at the end of the period was 10.0%, slightly lower than the position at 31 August 2013 of 11.1%.

**Ben Lofthouse**  
**Portfolio Manager**  
**22 April 2014**

**HENDERSON INTERNATIONAL INCOME TRUST PLC**  
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**INVESTMENT PORTFOLIO**  
**as at 28 February 2014**

Sector/Company	£'000	% of portfolio	Sector/Company	£'000	% of portfolio
<b>Basic Materials</b>			<b>Oil &amp; Gas</b>		
BASF	1,607	1.8	<b>Total</b>	<b>1,922</b>	<b>2.2</b>
	<b>1,607</b>	<b>1.8</b>	ENI	1,806	2.1
<b>Consumer Goods</b>			Seadrill	1,299	1.5
<b>Reynolds American</b>	<b>2,350</b>	<b>2.7</b>	Petrochina	1,088	1.2
Ambev de Bebidas	1,714	1.9	Sembcorp Marine	842	1.0
Electrolux	1,557	1.8		<b>6,957</b>	<b>8.0</b>
Charoen Pokphand Foods	854	1.0	<b>Property</b>		
	<b>6,475</b>	<b>7.4</b>	Nexity	1,497	1.7
<b>Consumer Services</b>			Westfield Retail	1,473	1.7
Vivendi	1,912	2.2	Corrections Corp of America	1,294	1.5
RTL Group	1,821	2.1	Sun Hung Kai Properties	1,045	1.2
Six Flags Entertainment	1,743	2.0	Mapletree Greater China	787	0.9
SES	1,629	1.9	Eurocommercial	726	0.8
Aimia	1,624	1.8		<b>6,822</b>	<b>7.8</b>
Las Vegas Sands	1,475	1.7	<b>Technology</b>		
Myer Holdings	574	0.6	<b>Microsoft</b>	<b>1,978</b>	<b>2.2</b>
	<b>10,778</b>	<b>12.3</b>	Garmin	1,280	1.5
<b>Financials</b>			Seagate Technology	1,245	1.4
<b>PNC Financial Services Group</b>	<b>2,050</b>	<b>2.3</b>	Taiwan Semiconductor Manufacturing	1,116	1.3
<b>Zurich Insurance</b>	<b>1,962</b>	<b>2.2</b>	Tong Hsing Electronic	705	0.8
Och-Ziff Capital Management	1,756	2.0		<b>6,324</b>	<b>7.2</b>
Deutsche Börse	1,726	2.0	<b>Telecommunications</b>		
Mizuho Financial	1,634	1.9	<b>SK Telecom</b>	<b>1,954</b>	<b>2.2</b>
Scor Se	1,581	1.8	Deutsche Telekom	1,571	1.8
Commonwealth Bank of Australia	1,558	1.8	Telecom Corporation of New Zealand	1,063	1.2
Swedbank	1,538	1.8		<b>4,588</b>	<b>5.2</b>
BNP Paribas	1,360	1.5	<b>Utilities</b>		
Bank of China	1,291	1.5	Dominion Resources	1,699	2.0
Ares Capital	968	1.1		<b>1,699</b>	<b>2.0</b>
Cembra Money Bank	781	0.9	<b>Total Investments</b>	<b>87,408</b>	<b>100.0</b>
Delta Lloyd	703	0.8			
	<b>18,908</b>	<b>21.6</b>			
<b>Health Care</b>					
<b>Roche</b>	<b>2,566</b>	<b>2.9</b>			
<b>Pfizer</b>	<b>2,394</b>	<b>2.8</b>			
<b>Novartis</b>	<b>2,252</b>	<b>2.6</b>			
	<b>7,212</b>	<b>8.3</b>			
<b>Industrials</b>					
<b>Deutsche Post</b>	<b>2,134</b>	<b>2.4</b>			
Lockheed Martin	1,907	2.2			
United Parcel Services	1,697	2.0			
Rexel	1,591	1.8			
General Electric	1,504	1.7			
Eaton Corp	1,337	1.5			
Amcor	1,264	1.5			
Taiwan Cement	1,127	1.3			
NWS Holdings	940	1.1			
Sinopec Engineering	887	1.0			
Sanitec	845	1.0			
Shanghai Industrial	805	0.9			
	<b>16,038</b>	<b>18.4</b>			

The ten largest investments are shown in **bold**.

**HENDERSON INTERNATIONAL INCOME TRUST PLC**  
**Unaudited Results for the Half-Year ended 28 February 2014**

**INCOME STATEMENT**

**For the Half-Year ended 28 February 2014**

	(unaudited) Half-Year ended 28 February 2014			(unaudited) Half-Year ended 28 February 2013			(audited) Year ended 31 August 2013			
	Notes	Revenue return £'000	Capital return £'000	Total £'000	Revenue return £'000	Capital return £'000	Total £'000	Revenue return £'000	Capital return £'000	Total £'000
Gains from investments held at fair value through profit or loss		-	2,678	2,678	-	7,343	7,343	-	6,705	6,705
Income from investments held at fair value through profit or loss		1,433	-	1,433	1,047	-	1,047	2,846	-	2,846
Gains/(losses) on foreign exchange		-	196	196	-	(172)	(172)	-	133	133
Option premium income and interest received		53	-	53	33	-	33	37	-	37
<b>Gross revenue and capital gains</b>		<b>1,486</b>	<b>2,874</b>	<b>4,360</b>	<b>1,080</b>	<b>7,171</b>	<b>8,251</b>	<b>2,883</b>	<b>6,838</b>	<b>9,721</b>
Management fees		(67)	(202)	(269)	(48)	(145)	(193)	(104)	(314)	(418)
Other administrative expenses	3	(171)	-	(171)	(170)	-	(170)	(302)	-	(302)
<b>Net return on ordinary activities before finance charges and taxation</b>		<b>1,248</b>	<b>2,672</b>	<b>3,920</b>	<b>862</b>	<b>7,026</b>	<b>7,888</b>	<b>2,477</b>	<b>6,524</b>	<b>9,001</b>
Finance charges		(14)	(42)	(56)	(5)	(15)	(20)	(22)	(64)	(86)
<b>Net return on ordinary activities before taxation</b>		<b>1,234</b>	<b>2,630</b>	<b>3,864</b>	<b>857</b>	<b>7,011</b>	<b>7,868</b>	<b>2,455</b>	<b>6,460</b>	<b>8,915</b>
Taxation on net return on ordinary activities		(174)	-	(174)	(119)	-	(119)	(285)	-	(285)
<b>Net return on ordinary activities after taxation</b>		<b>1,060</b>	<b>2,630</b>	<b>3,690</b>	<b>738</b>	<b>7,011</b>	<b>7,749</b>	<b>2,170</b>	<b>6,460</b>	<b>8,630</b>
<b>Basic return per Ordinary share</b>	4	<b>1.97p</b>	<b>4.88p</b>	<b>6.85p</b>	<b>1.59p</b>	<b>15.15p</b>	<b>16.74p</b>	<b>4.57p</b>	<b>13.62p</b>	<b>18.19p</b>
<b>Diluted return per Ordinary share</b>	4	<b>1.93p</b>	<b>4.78p</b>	<b>6.71p</b>	<b>1.58p</b>	<b>15.02p</b>	<b>16.60p</b>	<b>4.50p</b>	<b>13.38p</b>	<b>17.88p</b>

The total column of this statement represents the Income Statement of the Company. The revenue return and capital return columns are supplementary to this and are prepared under guidance published by the Statements of Recommended Practice. All revenue and capital items derive from continuing operations. The Company had no recognised gains or losses other than those disclosed in the Income Statement.

The accompanying notes are an integral part of the financial statements.

**HENDERSON INTERNATIONAL INCOME TRUST PLC**  
**Unaudited Results for the Half-Year ended 28 February 2014**

**RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**  
**For the Half-Year ended 28 February 2014**

**Half-Year ended 28 February 2014 (unaudited)**

	Notes	Called up share capital £'000	Share premium Account £'000	Special reserve £'000	Other capital reserves £'000	Revenue reserve £'000	Total £'000
At 31 August 2013		581	2,958	45,732	5,504	954	55,729
Net return for the period		-	-	-	2,630	1,060	3,690
Dividends paid	5	-	-	-	-	(1,054)	(1,054)
Issue of Ordinary shares via C shares	8	178	21,000	-	-	-	21,178
Issue of Ordinary shares	8	5	334	-	-	-	339
C share issue costs		-	(420)	-	-	-	(420)
Ordinary shares issue costs		-	(7)	-	-	-	(7)
<b>As at 28 February 2014</b>		<b>764</b>	<b>23,865</b>	<b>45,732</b>	<b>8,134</b>	<b>960</b>	<b>79,455</b>

**Half-Year ended 28 February 2013 (unaudited)**

	Notes	Called up share capital £'000	Share premium account £'000	Special reserve £'000	Other capital reserves £'000	Revenue reserve £'000	Total £'000
At 31 August 2012		539	43,988	-	(956)	697	44,268
Net return for the period		-	-	-	7,011	738	7,749
Dividends paid		-	-	-	-	(931)	(931)
Ordinary shares issued	8	17	1,765	-	-	-	1,782
Issue costs		-	(20)	-	-	-	(20)
<b>As at 28 February 2013</b>		<b>556</b>	<b>45,733</b>	<b>-</b>	<b>6,055</b>	<b>504</b>	<b>52,848</b>

**Year ended 31 August 2013 (audited)**

	Notes	Called up share capital £'000	Share premium account £'000	Special reserve £'000	Other capital reserves £'000	Revenue reserve £'000	Total £'000
At 31 August 2012		539	43,988	-	(956)	697	44,268
Net return for the year		-	-	-	6,460	2,170	8,630
Dividends paid		-	-	-	-	(1,913)	(1,913)
Allotment of new ordinary shares in the year	8	42	4,739	-	-	-	4,781
Issue Costs		-	(37)	-	-	-	(37)
Cancellation of share premium account		-	(45,732)	45,732	-	-	-
<b>As at 31 August 2013</b>		<b>581</b>	<b>2,958</b>	<b>45,732</b>	<b>5,504</b>	<b>954</b>	<b>55,729</b>

The accompanying notes are an integral part of the financial statements.

**HENDERSON INTERNATIONAL INCOME TRUST PLC**  
**Unaudited Results for the Half-Year ended 28 February 2014**

**Balance Sheet**  
**At 28 February 2014**

	Notes	(unaudited) As at 28 February 2014 £'000	(unaudited) As at 28 February 2013 £'000	(audited) As at 31 August 2013 £'000
<b>Fixed Asset Investments held at fair value through profit or loss</b>		<b>87,408</b>	59,960	61,959
<b>Current assets</b>				
Debtors		3,490	479	2,153
Cash at bank		301	-	-
		<b>3,791</b>	479	2,153
<b>Creditors: amounts falling due within one year</b>		<b>(11,744)</b>	(7,591)	(8,383)
<b>Net current liabilities</b>		<b>(7,953)</b>	(7,112)	(6,230)
<b>Total net assets</b>		<b>79,455</b>	52,848	55,729
<b>Capital and reserves</b>				
Called up share capital	8	764	556	581
Share premium account		23,865	45,733	2,958
Special reserve		45,732	-	45,732
Other capital reserves		8,134	6,055	5,504
Revenue reserve		960	504	954
<b>Shareholders' funds</b>		<b>79,455</b>	52,848	55,729
<b>Net asset value per Ordinary share (basic)</b>	<b>6</b>	<b>116.7p</b>	111.9p	111.9p
<b>Net asset value per Ordinary share (diluted)</b>	<b>6</b>	<b>114.9p</b>	110.1p	110.2p

The accompanying notes are an integral part of the financial statements.

**HENDERSON INTERNATIONAL INCOME TRUST PLC**  
**Unaudited Results for the Half-Year ended 28 February 2014**

**CASH FLOW STATEMENT**  
**For the Half-Year ended 28 February 2014**

	(unaudited) Half-Year ended 28 February 2014 £'000	(unaudited) Half-Year ended 28 February 2013 £'000	(audited) Year-end 31 August 2013 £'000
Net cash inflow from operating activities	828	531	1,900
Net cash outflow from servicing of finance	(59)	(12)	(73)
Net taxation recovered on investments	20	19	29
Net cash outflow from financial investment	(21,096)	(7,876)	(12,641)
Equity dividends paid	5 (1,054)	(931)	(1,913)
Net cash inflow from financing	21,090	1,757	4,739
<b>Decrease in cash</b>	<b>(271)</b>	<b>(6,512)</b>	<b>(7,959)</b>
<b>Reconciliation of operating revenue to net cash inflow from operating activities</b>			
Net return before finance charges and taxation	3,920	7,888	9,001
Less: Capital return before finance and taxation	(2,672)	(7,026)	(6,524)
Net revenue return before finance costs and taxation	1,248	862	2,477
Movement in debtors	(172)	-	92
Movement in creditors	143	(55)	(31)
Expenses charged to capital	(202)	(145)	(314)
Overseas withholding tax suffered	(189)	(131)	(324)
<b>Net cash inflow from operating activities</b>	<b>828</b>	<b>531</b>	<b>1,900</b>
<b>Reconciliation of net cashflow to movements in net debt</b>			
Decrease in cash as above	(271)	(6,512)	(7,959)
Exchange movements	156	(96)	174
Net (debt)/funds brought forward	(7,783)	2	2
<b>Net debt at period end</b>	<b>(7,898)</b>	<b>(6,606)</b>	<b>(7,783)</b>
<b>Represented by:</b>			
Cash at bank	301	-	-
Bank overdraft	(8,199)	(6,606)	(7,783)
	<b>(7,898)</b>	<b>(6,606)</b>	<b>(7,783)</b>

The accompanying notes are an integral part of the financial statements.

**HENDERSON INTERNATIONAL INCOME TRUST PLC**  
**Unaudited Results for the Half-Year ended 28 February 2014**

**Notes to the Financial Statements**

The half-year financial statements cover the period from 31 August 2013 to 28 February 2014 and have not been either audited or reviewed by the Auditors.

**1. Principal activity**

The Company is an investment company as defined in section 833 of the Companies Act 2006 and operates as an investment trust in accordance with section 1158 of the Corporation Taxes Act 2010.

**2. Accounting policy – Basis of preparation**

The condensed set of financial statements has been prepared using the same accounting policies as set out in the Company's Annual Report and Financial Statements for the year ended 31 August 2013.

**3. Management fee**

The management fee is payable quarterly in arrears at the rate of 0.1875% per quarter of the Company's NAV (0.75% per annum). In accordance with the Directors' policy on the allocation of expenses between income and capital, in each financial year 75% of the management fee payable is charged to capital and the remaining 25% to income.

**4. Return per Ordinary share**

The total return can be further analysed as follows:

	<b>(unaudited) Half-Year ended 28 February 2014 £'000</b>	<b>(unaudited) Half-Year ended 28 February 2013 £'000</b>	<b>(audited) Year ended 31 August 2013 £'000</b>
Revenue return	1,060	738	2,170
Capital return	2,630	7,011	6,460
<b>Total</b>	<b>3,690</b>	<b>7,749</b>	<b>8,630</b>
<b>Basic return per share</b>			
Weighted average number of shares	<b>53,836,115</b>	46,283,594	47,434,946
Revenue return per Ordinary share	<b>1.97p</b>	1.59p	4.57p
Capital return per Ordinary share	<b>4.88p</b>	15.15p	13.62p
<b>Total return per Ordinary share</b>	<b>6.85p</b>	<b>16.74p</b>	<b>18.19p</b>
<b>Diluted return per share</b>			
Weighted average number of shares	<b>54,998,878</b>	46,690,784	48,257,132
Revenue return per Ordinary share	<b>1.93p</b>	1.58p	4.50p
Capital return per Ordinary share	<b>4.78p</b>	15.02p	13.38p
<b>Total return per Ordinary share</b>	<b>6.71p</b>	<b>16.60p</b>	<b>17.88p</b>

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For the purposes of calculating diluted revenue, capital and total returns per ordinary share, the number of ordinary shares is the weighted average used in the basic calculation plus the number of ordinary shares deemed to be issued for no consideration on exercise of all subscription shares by reference to the average share price of the ordinary shares during the period.

**5. Dividends on Ordinary shares**

	£'000
4 <sup>th</sup> and final interim dividend of 1.05p for the year ended 31 August 2013 (paid 29 Nov 2013)	526
1 <sup>st</sup> interim dividend of 1.05p for the period ending 31 August 2014 (paid 31 Jan 2014)	<u>528</u>
Total	<u>1,054</u>

The Board has declared a second interim dividend of 1.05p per Ordinary share to be paid on 30 April 2014 to Shareholders registered at the close of business on 11 April 2014. The shares will be quoted ex-dividend on 9 April 2014.

**6. Net asset value per Ordinary share**

The basic net asset value per Ordinary share is calculated on the net assets attributable to shareholders funds of £79,455,000 (28 February 2013: £52,848,000; 31 August 2013: £55,729,000) and on 68,071,550 (28 February 2013: 47,230,500; 31 August 2013: 49,803,050) Ordinary shares in issue.

The diluted net asset value per ordinary share has been calculated in accordance with guidelines issued by the Association of Investment Companies and assumes that all 8,300,000 outstanding Subscription shares in issue at each period end were converted into Ordinary shares at 100p. Therefore the net assets assuming exercise of all Subscription shares at 28 February 2014 are: £87,755,000 (28 February 2013: £61,148,000; 31 August 2013: £64,029,000) and the resultant number of Ordinary shares at 28 February 2014: 76,371,550 (28 February 2013: 55,530,500; 31 August 2013: 58,103,050).

The subscription shares which are exercisable at a subscription price of 100p, thirty days prior to the subscription date of 31 August 2014 are dilutive at each period end.

**7. Bank Overdraft**

At 28 February 2014, the Company had an overdraft with HSBC of £8,199,000 (28 February 2013: £6,606,000; 31 August 2013: £7,783,000).

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8. **Called up share capital**

	Number of shares in issue	Nominal value £'000
<b>Ordinary shares of 1p each</b>		
In issue at start of year	49,803,050	498
Shares issued via conversion of C shares	17,818,500	178
Allotment of new shares in the period	450,000	5
<b>As at 28 February 2014</b>	<b>68,071,550</b>	<b>681</b>
<b>C shares of 10p each</b>		
In issue at start of year	-	-
Shares issued in period	21,000,000	2,100
Converted into Ordinary shares	(21,000,000)	(2,100)
<b>As at 28 February 2014</b>	<b>-</b>	<b>-</b>
<b>Subscription shares of 1p each</b>		
In issue during the period	8,300,000	83
<b>At 28 February 2014</b>	<b>8,300,000</b>	<b>83</b>

During the half-year ended 28 February 2014 the Company issued 18,268,500 shares. The share issuance consisted of a capital increase in the form of a C-Share, which resulted in the issuance of 17,818,500 shares, and 450,000 shares which were issued under the Company's block listing in the normal course of business for a total consideration of £332,000 (Half year ended 28 February 2013: £1,762,000; year ended 31 August 2013: £4,744,000). The Company's 8,300,000 non-voting subscription shares issued at launch are due for exercise by 31 August 2014. If the share price remains above 100p the subscription shares will be subscribed for.

9. **Related Party Transactions**

Details of related parties are contained in the annual report. Other than fees payable by the Company in the ordinary course of business, there have been no material transactions with the Company's related parties effecting the financial position or performance of the Group during the half year.

10. **Going concern**

The Directors consider that it is appropriate to continue to adopt the going concern basis in preparing the financial statements. The assets of the Company consist almost entirely of securities that are readily realisable and, accordingly, the Company has adequate financial resources to continue in existence for the foreseeable future.

11. **Comparative information**

The financial information contained in this half year report does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. The financial information for the half years ended 28 February 2014 and 28 February 2013 has not been audited or reviewed by the Company's auditors. The figures and financial information for the year ended 31 August 2013 are an extract based on the latest published consolidated accounts and do not constitute statutory accounts for that year. Those accounts have been delivered to the Registrar of Companies and included the report of the independent auditors which was unqualified and did not contain a statement under either section 498(2) or 498(3) of the Companies Act 2006.

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**12. Investment Objective**

The Company seeks to provide a high and rising level of dividends as well as capital appreciation over the long-term from a focussed and internationally diversified portfolio of securities outside the UK.

**13. Half-Year Report**

The Half-Year Report will be available on the Company's website ([www.hendersoninternationalincometrust.com](http://www.hendersoninternationalincometrust.com)) or in hard copy from the Company's registered office. An abbreviated version of this Report, the 'Update', will be circulated to shareholders in May 2014.

**14. Company Status**

Henderson International Income Trust plc is registered in England and Wales, No: 7549407, has its registered office at 201 Bishopsgate, London, EC2M 3AE and is listed on the London Stock Exchange. The SEDOL/ISIN number is B3PHC58/GB00B3PHC586. The GIIN number is WRGF5X.99999.SL.826. The LEI Number is 2138006N35XWGK2YUK38.

**15. Directors and Secretary**

The Directors of the Company are Christopher Jonas (Chairman), Simon Jeffreys (Chairman of the Audit Committee), Peregrine Banbury and William Eason. The Secretary is Henderson Secretarial Services Limited, represented by David Rice ACIS.

**16. Website**

Details of the Company's share price and net asset value, together with general information about the Company, monthly factsheets and data, copies of announcements, reports and details of general meetings can be found at [www.hendersoninternationalincometrust.com](http://www.hendersoninternationalincometrust.com)

**GEOGRAPHICAL ANALYSIS**

<b>Continental Europe (excl. UK)</b>	40.6
<b>North and South America</b>	35.3
<b>Far East &amp; Australasia</b>	24.1
	<b>100.0%</b>

**SECTOR ANALYSIS**

<b>Basic Materials</b>	1.8
<b>Consumer Goods</b>	7.4
<b>Consumer Services</b>	12.3
<b>Financials</b>	21.6
<b>Healthcare</b>	8.3
<b>Industrials</b>	18.4
<b>Oil and Gas</b>	8.0
<b>Property</b>	7.8
<b>Technology</b>	7.2
<b>Telecommunications</b>	5.2
<b>Utilities</b>	2.0
	<b>100.0%</b>

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**DIRECTORS' RESPONSIBILITY STATEMENT**

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

- (a) the financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company;
- (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 of Directors

**Christopher Jonas CBE,**  
**Chairman**  
**22 April 2014**