

# **HENDERSON VALUE TRUST PLC**

## **HALF-YEAR REPORT (unaudited) for the six months ended 31 March 2015**

[www.hendersonvaluetrust.com](http://www.hendersonvaluetrust.com)

**HENDERSON VALUE TRUST PLC**  
**Unaudited Results for the half-year ended 31 March 2015**

**Investment Objective**

The Company exploits global opportunities to provide long-term growth to shareholders via a diversified, international, multi-strategy portfolio which offers access also to specialist funds including hedge and private equity. The Company aims to outperform the FTSE World Index on a total return basis.

**Total Return Performance to 31 March** (including dividends reinvested and excluding transaction costs)

|   | 6 months | 1 year | 3 years | 5 years | 10 years |
|---|----------|--------|---------|---------|----------|
|   | %        | %      | %       | %       | %        |
| NAV <sup>1</sup>                                  | -0.4     | 0.0    | -12.8   | -7.3    | 21.6     |
| Share price <sup>2</sup>                          | -7.9     | -3.8   | -19.2   | -12.3   | 0.0      |
| FTSE World Index <sup>3</sup>                     | 12.4     | 18.8   | 50.2    | 63.2    | 153.0    |
| FTSE Developed/EM<br>75/25 Composite <sup>4</sup> | 11.6     | 18.7   | 42.2    | 52.8    | 168.9    |

1 Net asset value total return per ordinary share with income reinvested for 6 months, 1, 3 and 5 years and capital NAV plus income reinvested for 10 years

2 Share price total return using mid-market share price

3 FTSE World Index total return in sterling terms - the Company's benchmark

4 FTSE Developed Index total return (75%) / FTSE Emerging Market Index total return (25%) – a composite index introduced as an additional performance measure

Sources: Morningstar Funddata, Datastream, Henderson

# HENDERSON VALUE TRUST PLC

## Unaudited Results for the half-year ended 31 March 2015

### INTERIM MANAGEMENT REPORT

#### CHAIRMAN'S STATEMENT

##### **Continuation Vote and Tender Offer**

The Company passed its triennial continuation vote in December 2014 by a significant margin. On behalf of the Board I would like to thank shareholders for their continued support. This has now given our Fund Managers the necessary time that they need to complete the final leg of their portfolio restructuring and to put the Company firmly back on the path of attractive long-term performance.

The tender offer for up to 10% of the Company's shares, which was conditional upon the passing of the continuation vote, was fully subscribed and completed in January. This returned a total of £12.8 million to tendering shareholders at a discount of 2% to NAV less costs.

##### **Performance**

During the half-year the Company delivered a NAV total return of -0.4% compared with a 12.4% rise in its FTSE World Index benchmark. Portfolio performance is reviewed in the Fund Managers' Report.

Following the continuation vote and the completion of the tender offer there was some selling pressure on the Company's shares which contributed to the Company's share price discount to NAV per share widening to 20.8% by the half-year end.

Your Directors consider the current level of discount to be unsatisfactory. Improved NAV performance and the successful marketing of the Company's shares will be the main levers for narrowing the discount. We look to the Company's Fund Managers to deliver positive results in these areas as soon as possible and for continued improved performance to be attained over the next 18 months.

##### **Benchmark**

During February, the Board undertook a review of the suitability of the Company's FTSE World Index benchmark and concluded that it should be retained. Given the risk and income profile of the Company's alternative and specialist investments, the Board believes that shareholders should expect a return above that of global equity markets over the longer-term. The FTSE World Index therefore represents a sensible long-term return target for the Company.

The Board acknowledges, however, that the FTSE World Index, which has been the Company's benchmark since 1991, is dominated by developed equity markets. Given the growth of emerging equity markets since the Company's inception, and the fact that the Company's portfolio includes a number of emerging market exposures, the Board has decided to adopt an additional informal performance measure which we will also report against. This will be a composite index comprising the FTSE Developed Index total return (75%) and the FTSE Emerging Market Index total return (25%).

##### **Proposed Change of Name**

The Board is recommending that shareholders consider a change of name to Henderson Alternative Strategies Trust plc. This name better reflects the composition of the Company's portfolio of alternative and specialist investments and reinforces that we are seeking to deliver global equity market returns through a distinct and differentiated approach, including access to specialist funds not otherwise available through the market. A circular describing the change of name proposal in more detail will be announced shortly and posted to shareholders along with the Company's Half-year Update.

##### **Change of Broker**

During March the Company announced that it has changed brokers from Panmure Gordon & Co to Stifel Nicolaus Europe Limited (previously Oriel Securities). The Board would like to record its thanks to Panmure Gordon & Co for its valuable efforts.

**HENDERSON VALUE TRUST PLC**  
**Unaudited Results for the half-year ended 31 March 2015**

**Outlook**

In our last Annual Report, I said that the future for Henderson Value Trust is now brighter than at any time in recent years. Your Board firmly believes that the Company is now back on the right path with two years of major transitioning and restructuring behind us. Despite the disappointing NAV return for the half-year, the performance of new investments made by Henderson is encouraging. Your Board regards continued improved performance as a top priority in the near-term and we will pursue also a sustained marketing campaign to attract a wider investor base. All of the Directors now own shares in the Company which is a further indication of your Board's confidence in the Company's future.

**Richard Gubbins**  
**Chairman**  
**21 May 2015**

# HENDERSON VALUE TRUST PLC

## Unaudited Results for the half-year ended 31 March 2015

### FUND MANAGERS' REPORT

#### Portfolio Activity

Our portfolio restructuring is now well-advanced. At the half-year end 71% of the total investment portfolio comprised nineteen investments selected by Henderson and six inherited positions we plan to retain. We expect this figure to increase to approximately 85% by the 30 September 2015 financial year-end, with the then remaining 15% of relatively illiquid inherited investments generating cash flow for redeployment over the following six months.

Although it was necessary to accumulate a significant level of cash in anticipation of the Company's tender offer, we still managed to make a number of exciting and, we believe, high-quality investments during the period.

For example, we spent £3.8 million on a holding in **Riverstone Energy Limited**, a UK-listed private equity fund mainly targeting the US shale oil and gas sector. The experienced managers of this fund have successfully accelerated their deployment of capital since last year's oil price fall. We invested £4.0 million in **Ediston Property Investment Company plc**, a small fund focused on regional UK commercial property where attractive returns are available. We invested in its IPO (Initial Public Offering), having been particularly impressed during our due diligence process by the quality and experience of the management team and the growth potential of the initial property portfolio. We also invested £4.0 million in **Pershing Square Holdings Limited**, a US focused activist investment fund with an outstanding long-term performance record.

#### Portfolio Performance

Although the Company's NAV per share fell slightly by 0.4% during the period, this masks some encouraging developments within the investment portfolio. In particular, the new investments made by Henderson which were in the portfolio during the half-year have themselves generated a six-month gross total return of 3.6%. This was achieved despite the fact that some of these holdings were either still in capital deployment mode or were not part of the Company's portfolio over the full half-year period.

We also estimate that in the 18-month period to 31 March 2015 new investments made by Henderson have themselves generated a gross total return of 12.4% (8.1% annualised). This period excludes the first six months of Henderson's management of the Company's portfolio during which a detailed review of existing holdings took priority over new investment activity. As additional new investments are made over the coming months and the portfolio restructuring is completed, we believe this level of performance bodes well for the Company's future NAV growth prospects.

During the half-year there were notable positive contributions from a range of funds. Apart from the three new investments mentioned above, other strong performers were the **BlackRock European Hedge Fund Limited** (a Henderson selection) and two inherited holdings which we hold in high regard, being **Value Partners China Greenchip Limited** and **Oryx International Growth Fund Limited**.

On the negative side, **BlackRock World Mining Trust plc** continued to underperform and we sold our entire holding during the period. This, combined with earlier disposals, means that the Company's exposure to basic resources has now been reduced to 2.2%. The Company's Russian private equity holdings in two **Baring Vostok Investments Limited** share classes also disappointed given Russia's difficult macro and political backdrop. Despite this, we continue to believe that, over the medium-term, the quality of the underlying assets in this vehicle combined with the manager's experience and outstanding track record will generate attractive returns from current valuation levels. The Company's exposure to Russian assets at the half-year end was 6.4%.

## **HENDERSON VALUE TRUST PLC**

### **Unaudited Results for the half-year ended 31 March 2015**

#### **Outlook**

The Company's global equity FTSE World Index benchmark continued to perform strongly during the half-year. Given the extent to which the benchmark is dominated by the US this was not a surprise with US equity markets pushing to new highs and the US dollar strengthening significantly against sterling (thereby further boosting the level of the Company's sterling based benchmark). Although the Company's short-term performance understandably attracts the market's attention, our goal is to beat the benchmark over the longer-term by accessing good-quality investments across the global alternative asset and specialist fund sector rather than invest in mainstream funds which are strongly correlated to global equity markets. Once the portfolio restructuring is completed, shareholders should expect to begin, in a consistent manner, to reap the benefits of the investment approach we have adopted.

During the second half of the Company's financial year we are likely to make approximately five new investments taking the number of core holdings we currently expect to keep for the medium to long-term to around 30. This reflects our strategy to run a more concentrated higher-conviction portfolio within our well-structured risk management framework.

One of these investments has already been made since the half-year end, being a £4.8 million commitment to **Mantra Secondary Opportunities**. This is a small unlisted vehicle which invests in mature private equity partnerships at attractive valuations across the globe. One-third of the Company's commitment has already been drawn. This type of niche, hard-to-access fund reflects one of our key investment themes (mature private equity funds) and is viewed as an excellent fit for the Company. We are also seeking investments to add European and Asian exposure to the Company's portfolio.

#### **Marketing**

Apart from improved investment performance, an effective and sustained marketing programme to existing and new investors is now key to attracting more buyers of the Company's shares. With last December's continuation vote successfully behind us, and with a clear and differentiated investment mandate and an investment portfolio which we believe contains multiple NAV growth opportunities, we are now embarking on a renewed marketing campaign to attract a wider investor base.

**Ian Barrass and James de Bunsen**  
**Fund Managers**  
**21 May 2015**

# **HENDERSON VALUE TRUST PLC**

## **Unaudited Results for the half-year ended 31 March 2015**

### **Related Party Transactions**

Other than the relationship between the Company and its Directors, the provision of services by Henderson is the only related party arrangement currently in place as defined in the Listing Rules. 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 affecting the financial position or performance of the Company during the period under review.

### **Principal Risks and Uncertainties**

The principal risks and uncertainties associated with the Company are market related and include market price, foreign exchange, interest rate, liquidity and credit risk.

Information on these risks is given in the Annual Report for the year ended 30 September 2014. In the view of the Board these principal risks and uncertainties are applicable to the remaining six months of the financial year as they were to the six months under review.

### **Going Concern**

Having considered the Company's investment objective, risk management and capital management policies, the nature of the portfolio and expenditure projections, the Directors believe that the Company has adequate resources and an appropriate financial structure in place to continue in operational existence for the foreseeable future. The Board considers that there is reasonable evidence to support continuing to adopt the going concern basis in preparing the financial statements.

### **Statement of Directors' Responsibilities**

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

- a) the financial statements for the half-year ended 31 March 2015 have been prepared in accordance with the Accounting Standards Board's statement 'Half-Yearly Financial Reports';
- 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**

**Richard Gubbins**

**Chairman**

**21 May 2015**

**HENDERSON VALUE TRUST PLC**  
**Unaudited Results for the half-year ended 31 March 2015**

**INVESTMENT PORTFOLIO at 31 March 2015**

| <b>Investments (excluding CFDs)</b>   | <b>Focus</b>         | <b>Valuation<br/>£'000</b> | <b>Portfolio<br/>%</b> |
|---|----------------------|----------------------------|------------------------|
| Value Partners China Greenchip Limited <sup>3</sup>                               | Specialist Geography | 6,970                      | 6.0                    |
| BlackRock European Hedge Fund Limited <sup>3</sup>                                | Hedge                | 6,604                      | 5.6                    |
| Polar Capital Global Financials Trust plc <sup>2</sup>                            | Specialist Sector    | 4,954                      | 4.2                    |
| Oryx International Growth Fund Limited <sup>2</sup>                               | Specialist Sector    | 4,915                      | 4.2                    |
| Riverstone Energy Limited <sup>2</sup>  | Private Equity       | 4,515                      | 3.9                    |
| Pershing Square Holdings Limited <sup>2</sup>                                     | Hedge                | 4,461                      | 3.8                    |
| Ediston Property Investment Company Plc <sup>2</sup>                              | Property             | 4,320                      | 3.7                    |
| SW Mitchell Small Cap European Fund <sup>3</sup>                                  | Hedge                | 4,264                      | 3.6                    |
| Eurovestech plc <sup>1</sup>  | Private Equity       | 4,100                      | 3.5                    |
| Weiss Korea Opportunity Fund Limited <sup>2</sup>                                 | Specialist Geography | 4,099                      | 3.5                    |
| <b>Ten largest</b>  |                      | <b>49,202</b>              | <b>42.0</b>            |
| Baring Vostok Investments Limited core <sup>1</sup>                               | Private Equity       | 4,012                      | 3.4                    |
| CEIBA Investments Limited <sup>4</sup>  | Property             | 3,835                      | 3.3                    |
| NB Distressed Debt Investment Fund Limited -<br>Global Shares <sup>2</sup>        | Specialist Sector    | 3,803                      | 3.3                    |
| Metage Emerging Markets Opportunities Fund <sup>4</sup>                           | Hedge                | 3,732                      | 3.2                    |
| Blackstone/GSO Loan Financing Limited <sup>2</sup>                                | Specialist Sector    | 3,672                      | 3.1                    |
| NB Private Equity Partners Limited <sup>2</sup>                                   | Private Equity       | 3,271                      | 2.8                    |
| Standard Life European Private Equity Trust Plc <sup>2</sup>                      | Private Equity       | 3,079                      | 2.6                    |
| The Renewables Infrastructure Group Limited <sup>2</sup>                          | Specialist Sector    | 3,077                      | 2.6                    |
| Firebird Republics Fund SPV <sup>4</sup>  | Specialist Geography | 2,905                      | 2.5                    |
| Princess Private Equity Holding Limited <sup>2</sup>                              | Private Equity       | 2,608                      | 2.2                    |
| <b>Twenty largest</b>   |                      | <b>83,196</b>              | <b>71.0</b>            |
| Chenavari Capital Solutions Limited <sup>2</sup>                                  | Specialist Sector    | 2,581                      | 2.2                    |
| Tetragon Financial Group Limited <sup>2</sup>                                     | Specialist Sector    | 2,556                      | 2.2                    |
| Real Estate Credit Investments PCC Limited <sup>2</sup>                           | Specialist Sector    | 2,219                      | 1.9                    |
| NB Distressed Debt Investment Fund Limited -<br>Extended Life Shares <sup>2</sup> | Specialist Sector    | 2,094                      | 1.8                    |
| Firebird New Russia Fund Limited <sup>3</sup>                                     | Specialist Geography | 2,072                      | 1.8                    |
| ASM Asian Recovery Fund <sup>4</sup>  | Hedge                | 1,900                      | 1.6                    |
| IP Fund SPC - VBF Segregated Portfolio - Class<br>A <sup>3</sup>                  | Specialist Geography | 1,796                      | 1.5                    |
| BP Marsh & Partners plc <sup>2</sup>  | Private Equity       | 1,554                      | 1.3                    |
| Century Capital Partners IV L.P. <sup>4</sup>                                     | Private Equity       | 1,479                      | 1.3                    |
| Baring Vostok Investments Limited cell <sup>1</sup>                               | Private Equity       | 1,432                      | 1.2                    |
| <b>Thirty largest</b>   |                      | <b>102,879</b>             | <b>87.8</b>            |
| Blue Capital Global Reinsurance Fund Limited <sup>2</sup>                         | Specialist Sector    | 1,414                      | 1.2                    |
| Renewable Energy and Infrastructure Fund II <sup>4</sup>                          | Specialist Sector    | 1,290                      | 1.1                    |
| Firebird Republics Fund Limited <sup>3</sup>                                      | Specialist Geography | 1,246                      | 1.1                    |
| IP Fund SPC - VBF Segregated Portfolio - Class<br>C <sup>3</sup>                  | Specialist Geography | 1,217                      | 1.0                    |
| Amber Trust SCA <sup>4</sup>  | Private Equity       | 1,201                      | 1.0                    |
| EPE Special Opportunities plc - CULS <sup>1</sup>                                 | Private Equity       | 980                        | 0.8                    |
| City Natural Resources High Yield Trust plc <sup>2</sup>                          | Specialist Sector    | 966                        | 0.8                    |
| Zouk Solar Opportunities Limited <sup>4</sup>                                     | Specialist Sector    | 956                        | 0.8                    |
| South African Property Opportunities plc <sup>2</sup>                             | Property             | 790                        | 0.7                    |
| Ludgate Environmental Fund Limited <sup>2</sup>                                   | Specialist Sector    | 788                        | 0.7                    |
| <b>Forty largest</b>  |                      | <b>113,727</b>             | <b>97.0</b>            |



**HENDERSON VALUE TRUST PLC**  
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**INVESTMENT PORTFOLIO at 31 March 2015 continued**

| <b>Investments (excluding CFDs)</b>                                      | <b>Focus</b>         | <b>Valuation<br/>£'000</b> | <b>Portfolio<br/>%</b> |
|--|----------------------|----------------------------|------------------------|
| Acheron Portfolio Corporation - A Shares <sup>1</sup>                    | Specialist Sector    | 686                        | 0.6                    |
| EPE Special Opportunities plc - Ordinary <sup>2</sup>                    | Private Equity       | 625                        | 0.5                    |
| Steel Partners China Access I L.P. <sup>4</sup>                          | Private Equity       | 449                        | 0.4                    |
| Prosperity Voskhod Fund Limited <sup>4</sup>                             | Specialist Geography | 359                        | 0.3                    |
| Denholm Hall Russia Arbitrage Fund B - Investment <sup>4</sup>           | Hedge                | 213                        | 0.2                    |
| International Oil & Gas Technology Limited <sup>2</sup>                  | Specialist Sector    | 147                        | 0.1                    |
| Armadillo Investments Limited <sup>4</sup>                               | Liquidation          | 87                         | 0.1                    |
| Value Catalyst Fund Limited <sup>4</sup>                                 | Specialist Sector    | 75                         | 0.1                    |
| Strathdon Investments plc <sup>4</sup>                                   | Specialist Sector    | 67                         | 0.1                    |
| Denholm Hall Russia Arbitrage Fund B - Redemption <sup>4</sup>           | Hedge                | 49                         | 0.0                    |
| <b>Fifty largest</b>   |                      | <b>116,484</b>             | <b>99.4</b>            |
| Polar Capital Global Financials Trust - Subscription Shares <sup>2</sup> | Specialist Sector    | 43                         | 0.0                    |
| Low Carbon Accelerator Limited <sup>4</sup>                              | Liquidation          | 36                         | 0.0                    |
| China CDM Exchange Centre Limited <sup>1</sup>                           | Specialist Sector    | 1                          | 0.0                    |
| iO Adria Limited <sup>4</sup>  | Property             | 0                          | 0.0                    |
| PSource Structured Debt Limited <sup>4</sup>                             | Liquidation          | 0                          | 0.0                    |
| Thompson Clive Investments plc <sup>4</sup>                              | Liquidation          | 0                          | 0.0                    |
| Buena Vista Latin America Fund Limited <sup>4</sup>                      | Property             | 0                          | 0.0                    |
| Buena Vista Latin America Fund Limited - CULS <sup>4</sup>               | Property             | 0                          | 0.0                    |
| <b>Sixty largest</b>   |                      | <b>116,564</b>             | <b>99.4</b>            |
| Buena Vista 8% Promissory Notes <sup>4</sup>                             | Property             | 0                          | 0.0                    |
| <b>Total Investments (excluding CFDs)</b>                                |                      | <b>116,564</b>             | <b>99.4</b>            |

| <b>CFD Assets</b>                                     | <b>Focus</b>      | <b>Gross<br/>Market<br/>Exposure<br/>£000</b> | <b>Fair value<br/>of CFD<br/>£'000</b> | <b>Portfolio<br/>%</b> |
|---|-------------------|---|--|------------------------|
| Ecofin Water and Power Opportunities plc <sup>2</sup> | Specialist Sector | 3,188   | 664                                    | 0.6                    |
| <b>Total Investments</b>                              |                   |   | <b>117,228</b>                         | <b>100.0</b>           |

1 Listed on Minor Market

2 Listed on Major Market

3 Unlisted investment - with redemption rights

4 Unlisted investment - without redemption rights

1 Minor Market includes: Luxembourg Stock Exchange, Channel Islands Stock Exchange, Bermuda Stock exchange, ISDX and LMMX

2 Major Market includes: London Stock Exchange (full listing and AIM) and Euronext

**HENDERSON VALUE TRUST PLC**  
**Unaudited Results for the half-year ended 31 March 2015**

**Investment by geography on a look-through basis**

|                               | <b>2015</b> | 2014 |
|-------------------------------|-------------|------|
|                               | %           | %    |
| West Europe                   | <b>34</b>   | 31   |
| North America                 | <b>20</b>   | 15   |
| Russia                        | <b>6</b>    | 11   |
| Other BRICS                   | <b>9</b>    | 11   |
| Asia Emerging                 | <b>6</b>    | 5    |
| Eastern Europe                | <b>5</b>    | 5    |
| Frontier                      | <b>3</b>    | 8    |
| Japan, Australia, New Zealand | <b>2</b>    | 5    |
| Miscellaneous                 | <b>3</b>    | 1    |
| Cash and Other Assets         | <b>12</b>   | 8    |

**Investment by sector on a look-through basis**

|                               | <b>2015</b> | 2014 |
|-------------------------------|-------------|------|
|                               | %           | %    |
| Property                      | <b>17</b>   | 14   |
| Technology and Media          | <b>13</b>   | 15   |
| Financial Services and Banks  | <b>9</b>    | 9    |
| Personal Goods and Retail     | <b>6</b>    | 6    |
| Utilities and Telecoms        | <b>5</b>    | 7    |
| Insurance                     | <b>5</b>    | 5    |
| Healthcare and Education      | <b>5</b>    | 3    |
| Industrial Goods and Services | <b>4</b>    | 5    |
| Infrastructure and Transport  | <b>4</b>    | 5    |
| Oil and Gas                   | <b>4</b>    | 3    |
| Basic Resources               | <b>2</b>    | 10   |
| Food and Beverage             | <b>1</b>    | 2    |
| Miscellaneous                 | <b>13</b>   | 8    |
| Cash and Other Assets         | <b>12</b>   | 8    |

**HENDERSON VALUE TRUST PLC**  
**Unaudited Results for the half-year ended 31 March 2015**

**Value of investments by vehicle type**

|                                      | <b>2015</b> | 2014     |
|--------------------------------------|-------------|----------|
| <b>Category of Listing</b>           | <b>%</b>    | <b>%</b> |
| Listed - Major Exchange              | <b>54</b>   | 56       |
| Listed - Minor Exchange              | <b>10</b>   | 13       |
| Unlisted - with redemption rights    | <b>22</b>   | 19       |
| Unlisted - without redemption rights | <b>14</b>   | 12       |
| Liquidation                          | <b>0</b>    | 0        |

**Value of investments by classification**

|                         | <b>2015</b> | 2014     |
|-------------------------|-------------|----------|
| <b>Investment Focus</b> | <b>%</b>    | <b>%</b> |
| Specialist Sector       | <b>31</b>   | 38       |
| Private Equity          | <b>25</b>   | 24       |
| Specialist Geography    | <b>18</b>   | 24       |
| Hedge                   | <b>18</b>   | 10       |
| Property                | <b>8</b>    | 4        |
| Liquidation             | <b>0</b>    | 0        |

**HENDERSON VALUE TRUST PLC**  
**Unaudited Results for the half-year ended 31 March 2015**

**INCOME STATEMENT**

for the half-year ended 31 March 2015

|   | (Unaudited)<br>Half-year ended<br>31 March 2015 |                |                | (Unaudited)<br>Half-year ended<br>31 March 2014 |              |              | (Audited)<br>Year ended<br>30 September 2014 |                |              |
|---|---|----------------|----------------|---|--------------|--------------|--|----------------|--------------|
|   | Revenue   | Capital        | Total          | Revenue   | Capital      | Total        | Revenue                                      | Capital        | Total        |
|   | return  | return         |                | return  | return       |              | return                                       | return         |              |
|   | £'000   | £'000          | £'000          | £'000   | £'000        | £'000        | £'000  | £'000          | £'000        |
| Investment income   | 1,023   | -              | 1,023          | 1,104   | -            | 1,104        | 2,129  | -              | 2,129        |
| Exchange differences  | -   | 6              | 6              | -   | (92)         | (92)         | -  | (147)          | (147)        |
| (Losses)/gains on investments held at fair value through profit or loss | -   | (1,800)        | (1,800)        | -   | 755          | 755          | -  | 1,105          | 1,105        |
| <b>Total income</b>   | <b>1,023</b>                                    | <b>(1,794)</b> | <b>(771)</b>   | <b>1,104</b>                                    | <b>663</b>   | <b>1,767</b> | <b>2,129</b>                                 | <b>958</b>     | <b>3,087</b> |
| <b>Expenses (Note 2)</b>  |   |                |                |   |              |              |  |                |              |
| Management fees   | (45)  | (403)          | (448)          | (49)  | (439)        | (488)        | (98)   | (879)          | (977)        |
| Other expenses  | (162)   | (16)           | (178)          | (169)   | (20)         | (189)        | (327)  | (45)           | (372)        |
| <b>Net return/(loss) before interest and taxation</b>                   | <b>816</b>                                      | <b>(2,213)</b> | <b>(1,397)</b> | <b>886</b>                                      | <b>204</b>   | <b>1,090</b> | <b>1,704</b>                                 | <b>34</b>      | <b>1,738</b> |
| Finance costs   | (2)   | (20)           | (22)           | (11)  | (102)        | (113)        | (19)   | (175)          | (194)        |
| <b>Net return/(loss) on ordinary activities before taxation</b>         | <b>814</b>                                      | <b>(2,233)</b> | <b>(1,419)</b> | <b>875</b>                                      | <b>102</b>   | <b>977</b>   | <b>1,685</b>                                 | <b>(141)</b>   | <b>1,544</b> |
| Taxation  | -   | -              | -              | -   | -            | -            | -  | -              | -            |
| <b>Net return/(loss) on ordinary activities after taxation</b>          | <b>814</b>                                      | <b>(2,233)</b> | <b>(1,419)</b> | <b>875</b>                                      | <b>102</b>   | <b>977</b>   | <b>1,685</b>                                 | <b>(141)</b>   | <b>1,544</b> |
| <b>Return/(loss) per ordinary share (Note 3)</b>                        | <b>1.78p</b>                                    | <b>(4.88p)</b> | <b>(3.10p)</b> | <b>1.83p</b>                                    | <b>0.21p</b> | <b>2.04p</b> | <b>3.53p</b>                                 | <b>(0.30p)</b> | <b>3.23p</b> |

The total column of this statement represents the profit and loss account of the Company.

The Company had no recognised gains or losses other than those recognised in the Income Statement.

No operations were acquired or discontinued in the period.

All revenue and capital items in the above statement derive from continuing operations.

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

**HENDERSON VALUE TRUST PLC**  
**Unaudited Results for the half-year ended 31 March 2015**

**RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**  
**for the half-year ended 31 March 2015**

|                                     | (Unaudited)                   |                           |   |                                       |                             |                |
|-------------------------------------|-------------------------------|---------------------------|---|---------------------------------------|-----------------------------|----------------|
|                                     | Half-year ended 31 March 2015 |                           |   |                                       |                             |                |
|                                     | Share<br>capital<br>£'000     | Share<br>premium<br>£'000 | Capital<br>redemption<br>reserve<br>£'000 | Other<br>capital<br>reserves<br>£'000 | Revenue<br>reserve<br>£'000 | Total<br>£'000 |
| Balance at 1 October 2014           | 11,938                        | 10,966                    | 6,515                                     | 108,289                               | 1,700                       | 139,408        |
| Return attributable to shareholders | -                             | -                         | -   | (2,233)                               | 814                         | (1,419)        |
| Shares bought back – Tender Offer   | (1,194)                       | -                         | 1,194                                     | (12,922)                              | -                           | (12,922)       |
| Ordinary dividends                  | -                             | -                         | -   | -                                     | (1,433)                     | (1,433)        |
| <b>Balance at 31 March 2015</b>     | <b>10,744</b>                 | <b>10,966</b>             | <b>7,709</b>                              | <b>93,134</b>                         | <b>1,081</b>                | <b>123,634</b> |

|                                     | (Unaudited)                   |                           |   |                                       |                             |                |
|-------------------------------------|-------------------------------|---------------------------|---|---------------------------------------|-----------------------------|----------------|
|                                     | Half-year ended 31 March 2014 |                           |   |                                       |                             |                |
|                                     | Share<br>capital<br>£'000     | Share<br>premium<br>£'000 | Capital<br>redemption<br>reserve<br>£'000 | Other<br>capital<br>reserves<br>£'000 | Revenue<br>reserve<br>£'000 | Total<br>£'000 |
| Balance at 1 October 2013           | 11,938                        | 10,966                    | 6,515                                     | 108,430                               | 731                         | 138,580        |
| Return attributable to shareholders | -                             | -                         | -   | 102                                   | 875                         | 977            |
| Ordinary dividends                  | -                             | -                         | -   | -                                     | (716)                       | (716)          |
| Balance at 31 March 2014            | 11,938                        | 10,966                    | 6,515                                     | 108,532                               | 890                         | 138,841        |

|                                     | (Audited)                    |                           |   |                                       |                             |                |
|-------------------------------------|------------------------------|---------------------------|---|---------------------------------------|-----------------------------|----------------|
|                                     | Year ended 30 September 2014 |                           |   |                                       |                             |                |
|                                     | Share<br>capital<br>£'000    | Share<br>premium<br>£'000 | Capital<br>redemption<br>reserve<br>£'000 | Other<br>capital<br>reserves<br>£'000 | Revenue<br>reserve<br>£'000 | Total<br>£'000 |
| Balance at 1 October 2013           | 11,938                       | 10,966                    | 6,515                                     | 108,430                               | 731                         | 138,580        |
| Return attributable to shareholders | -                            | -                         | -   | (141)                                 | 1,685                       | 1,544          |
| Ordinary dividends                  | -                            | -                         | -   | -                                     | (716)                       | (716)          |
| Balance at 30 September 2014        | 11,938                       | 10,966                    | 6,515                                     | 108,289                               | 1,700                       | 139,408        |

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

**HENDERSON VALUE TRUST PLC**  
**Unaudited Results for the half-year ended 31 March 2015**

**BALANCE SHEET**  
**at 31 March 2015**

|  | (Unaudited)<br>31 March<br>2015<br>£'000 | (Unaudited)<br>31 March<br>2014<br>£'000 | (Audited)<br>30 September<br>2014<br>£'000 |
|--|--|--|--|
| <b>Fixed assets</b>  |  |  |  |
| Investments held at fair value through profit or loss                | <b>117,228</b>                           | 125,611                                  | 119,933                                    |
| <b>Current assets</b>  |  |  |  |
| Securities sold for future settlement                                | -  | 214                                      | 964  |
| Taxation recoverable   | <b>12</b>                                | -  | -  |
| Prepayments and other receivables                                    | <b>67</b>                                | 231                                      | 73   |
| Cash at bank   | <b>1,806</b>                             | -  | 129  |
| Money market funds   | <b>2,672</b>                             | 5,945                                    | 16,250                                     |
| Cash held as CFD margin deposit                                      | <b>2,872</b>                             | 7,356                                    | 2,641                                      |
| <b>Total current assets</b>  | <b>7,429</b>                             | 13,746                                   | 20,057                                     |
| <b>Creditors: amounts falling due within one year</b>                |  |  |  |
| Securities purchased for future settlement                           | <b>(439)</b>                             | -  | -  |
| Accruals and deferred income   | <b>(584)</b>                             | (287)                                    | (582)                                      |
| Bank overdraft   | -  | (229)                                    | -  |
|  | <b>(1,023)</b>                           | (516)                                    | (582)                                      |
| <b>Net current assets</b>  | <b>6,406</b>                             | 13,230                                   | 19,475                                     |
| <b>Total assets less current liabilities</b>                         | <b>123,634</b>                           | 138,841                                  | <b>139,408</b>                             |
| <b>Capital and reserves:</b>   |  |  |  |
| Share capital (Note 5)   | <b>10,744</b>                            | 11,938                                   | 11,938                                     |
| Share premium  | <b>10,966</b>                            | 10,966                                   | 10,966                                     |
| Capital redemption reserve   | <b>7,709</b>                             | 6,515                                    | 6,515                                      |
| Capital reserves   | <b>93,134</b>                            | 108,532                                  | 108,289                                    |
| Revenue reserve  | <b>1,081</b>                             | 890                                      | 1,700                                      |
| <b>Total equity shareholders' funds</b>                              | <b>123,634</b>                           | 138,841                                  | <b>139,408</b>                             |
| <b>Net asset value per ordinary share (pence)</b><br><b>(Note 6)</b> | <b>287.68</b>                            | 290.76                                   | <b>291.94</b>                              |

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

**HENDERSON VALUE TRUST PLC**  
**Unaudited Results for the half-year ended 31 March 2015**

**CASH FLOW STATEMENT**

for the half-year ended 31 March 2015

|  | (Unaudited)<br>Half-year ended<br>31 March 2015<br>£'000 | (Unaudited)<br>Half-year ended<br>31 March 2014<br>£'000 | (Audited)<br>Year ended<br>30 September<br>2014<br>£'000 |
|--|--|--|--|
| <b>Reconciliation of revenue before interest and taxation to net cash inflow from operating activities</b> |  |  |  |
| Net (loss)/return before interest and taxation   | (1,397)  | 1,090  | 1,738  |
| Net gains/(loss) on investments  | 1,794  | (663)  | (958)  |
| Transaction costs  | 16   | 20   | 45   |
| Movement in debtors  | (6)  | (205)  | (47)   |
| Movement in creditors  | 2  | (2)  | 293  |
| Net cash inflow from operating activities  | <u>409</u>   | <u>240</u>   | <u>1,071</u>   |
| <b>Returns on investment and servicing of finance</b>  |  |  |  |
| Finance costs paid   | <u>(22)</u>  | <u>(113)</u>   | <u>(194)</u>   |
| <b>Capital expenditure and financial investment</b>  |  |  |  |
| Purchases of fixed asset investments   | (16,152)   | (14,414)   | (31,733)   |
| Sales of fixed asset investments   | 18,444   | 6,341  | 28,913   |
|  | <u>2,292</u>   | <u>(8,073)</u>   | <u>(2,820)</u>   |
| <b>Equity dividends paid</b>   | <u>(1,433)</u>   | <u>(716)</u>   | <u>(716)</u>   |
| <b>Management of liquid resources</b>  |  |  |  |
| Purchases of money market funds  | (16,002)   | (12,552)   | (42,497)   |
| Sales of money market funds  | 29,580   | 18,279   | 37,919   |
| <b>Net cash inflow/(outflow) from management of liquid resources</b>                                       | <u>13,578</u>  | <u>5,727</u>   | <u>(4,578)</u>   |
| <b>Net cash inflow/(outflow) before financing</b>  | <u>14,824</u>  | <u>(2,935)</u>   | <u>(7,237)</u>   |
| <b>Financing</b>   |  |  |  |
| Share buybacks   | <u>(12,922)</u>  | <u>-</u>   | <u>-</u>   |
| <b>Increase/(decrease) in cash</b>   | <u>1,902</u>   | <u>(2,935)</u>   | <u>(7,237)</u>   |
| <b>Reconciliation of net cash flow to movement in net cash</b>   |  |  |  |
| Movement in cash in the period   | 1,902  | (2,935)  | (7,237)  |
| Net cash at start of period  | 19,020   | 21,826   | 21,826   |
| Net change in liquid resources   | (13,578)   | (5,727)  | 4,578  |
| Exchange rate differences  | 6  | (92)   | (147)  |
| Net cash at end of the period  | <u>7,350</u>   | <u>13,072</u>  | <u>19,020</u>  |

Net cash at the end of the half-year comprises cash held at bank of £1,806,000, cash held at UBS related to CFD transactions of £2,872,000 and balances held at money market funds of £2,672,000.

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

# HENDERSON VALUE TRUST PLC

## Unaudited Results for the half-year ended 31 March 2015

### NOTES TO THE FINANCIAL STATEMENTS

**1. Accounting policies - basis of preparation**

The condensed set of financial statements has been prepared using the same accounting policies as are set out in the Company's Annual Report for the year ended 30 September 2014 and in accordance with IAS 34. The financial statements have not been audited or reviewed by the Company's auditor.

**2. Expenses and Management Fees**

Expenses, finance costs and taxation for the period over the six months to 31 March 2015.

Henderson Investment Funds Limited ('Henderson') receives a management fee of 0.7% per annum, payable quarterly in arrears based on the level of net chargeable assets at the relevant quarter end. Management fees are allocated 90% to capital and 10% to revenue.

**3. Return/(loss) per ordinary share**

The return/loss per ordinary share figure is based on the net loss for the half-year of £1,419,000 (half-year ended 31 March 2014: net profit £977,000; year ended 30 September 2014: net profit £1,544,000) and on 45,757,389 (half-year ended 31 March 2014: 47,751,404; year ended 30 September 2014: 47,751,404) ordinary shares, being the weighted average number of ordinary shares in issue during the period.

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

|   | (Unaudited)<br>31 March 2015<br>£'000 | (Unaudited)<br>31 March 2014<br>£'000 | (Audited)<br>30 September 2014<br>£'000 |
|---|---------------------------------------|---------------------------------------|---|
| Net revenue profit  | 814                                   | 875                                   | 1,685                                   |
| Net capital (loss)/profit   | <b>(2,233)</b>                        | 102                                   | (141)                                   |
| Total (loss)/profit   | <b>(1,419)</b>                        | 977                                   | 1,544                                   |
|   |                                       |                                       |   |
| Weighted average number of ordinary shares in issue during the period | <b>45,757,389</b>                     | 47,751,404                            | 47,751,404                              |
|   |                                       |                                       |   |
|   |                                       | Pence                                 |   |
| Revenue profit per ordinary share                                     | <b>1.78</b>                           | 1.83                                  | 3.53                                    |
| Capital (loss)/profit per ordinary share                              | <b>(4.88)</b>                         | 0.21                                  | (0.30)                                  |
| Total (loss)/profit per ordinary share                                | <b>(3.10)</b>                         | 2.04                                  | 3.23                                    |

**4. Dividends**

The Company has not declared an interim dividend (2014: nil).

The final dividend of 3.0p per ordinary share, paid on 13 February 2015, in respect of the year ended 30 September 2014, has been recognised as a distribution in the period.

**5. Called up share capital**

At 31 March 2015 there were 42,976,264 ordinary shares in issue (31 March 2014: 47,751,404; 30 September 2014: 47,751,404). During the half-year ended 31 March 2015 the Company bought back 4,775,140 ordinary shares pursuant to the 10% tender offer (half-year ended 31 March 2014: nil; year ended 30 September 2014: nil) and the shares were subsequently cancelled.

The cost of the shares bought back, including stamp duty, amounted to £12,772,000 (half-year ended 31 March 2014: £nil; year ended 30 September 2014: £nil).

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

The net asset value per ordinary share is based on the net assets attributable to the equity shareholders of £123,634,000 (31 March 2014: £138,841,000; 30 September 2014: £139,408,000) and on 42,976,264 (31 March 2014: 47,751,404; 30 September 2014: 47,751,404) ordinary shares, being the number of ordinary shares (excluding treasury shares) in issue at the period end.



## **HENDERSON VALUE TRUST PLC**

### **Unaudited Results for the half-year ended 31 March 2015**

#### **7. Transaction costs**

Purchase transaction costs for the half-year ended 31 March 2015 were £9,000 (half-year ended 31 March 2014: £17,000; year ended 30 September 2014: £33,000). These comprise mainly stamp duty and commission. Sale transaction costs for the half-year ended 31 March 2015 were £7,000 (half-year ended 31 March 2014: £3,000; year ended 30 September 2014: £12,000).

#### **8. Comparative information**

The financial information contained in this half-yearly financial report does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. The financial information for the half-years ended 31 March 2015 and 31 March 2014 has not been audited.

The information for the year ended 30 September 2014 has been extracted from the statutory accounts for that year, which have been filed with the Registrar of Companies. The report of the auditors on those accounts was unqualified and contained no statement under either section 498(2) or section 498(3) of the Companies Act 2006.

#### **9. General information**

##### *a) Company Status*

The Company is an investment trust company, registered in Scotland with company registration number SC015905.

The SEDOL/ISIN number is GB0001216000.

The London Stock Exchange (EPIC) Code is HVTR.

The Company's Legal Entity Identifier (LEI) is 213800J6LLOCA3CUDF69.

The Company's Global Intermediary Identification Number (GIIN) is AEFUI2.99999.SL.826.

##### *c) Directors, Secretary and Registered Office*

The Directors of the Company are Richard Gubbins (Chairman), Graham Oldroyd (Audit Committee Chairman), Graham Fuller (Senior Independent Director) and Jamie Korner.

The Corporate Secretary is Henderson Secretarial Services Limited, represented by Rachel Peat, ACIS.

The registered office is Leven House, 10 Lochside Place, Edinburgh Park, Edinburgh EH12 9DF.

The correspondence address is Henderson Global Investors, 201 Bishopsgate, London EC2M 3AE.

##### *d) 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.hendersonvaluetrust.com](http://www.hendersonvaluetrust.com)

#### **10. Financial Report for the half-year ended 31 March 2015**

An abbreviated version, the Half-Year Update will be circulated to shareholders in June. Both the Half-Year Report and the Half-Year Update will be available from the Corporate Secretary at the Company's correspondence address: 201 Bishopsgate, London EC2M 3AE.