Registered number 07549407

HENDERSON INTERNATIONAL INCOME TRUST PLC

Interim Accounts (unaudited)

For the period from 1 September 2013 to 28 February 2014

(prepared for the purposes of Section 838 of the Companies Act 2006)

HENDERSON INTERNATIONAL INCOME TRUST PLC

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HENDERSON INTERNATIONAL INCOME TRUST PLC

Statement of Directors' Responsibilities

The directors are responsible for preparing the interim accounts in accordance with applicable law and regulations

Company law requires the directors to prepare interim accounts for the period which are properly prepared in accordance with section 838 of the Companies Act 2006, or which have been so prepared subject only to matters which are not material for determining, by reference to items mentioned in section 836(1) of the Companies Act 2006, whether the proposed distribution would contravene the relevant section

In preparing these interim accounts, the directors are required to

* select suitable accounting policies and then apply them consistently,
* make judgments and accounting estimates that are reasonable and prudent,
* state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed in the accounts,
* prepare the accounts on the going concern basis unless it is inappropriate to presume that the Company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the interim accounts comply with the relevant provisions of the Companies Act 2006 They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions

To the best of our knowledge the interim accounts, prepared in accordance with the relevant provisions of the Companies Act 2006, have been properly prepared

Christopher Jonas
Chairman
16 April 2014

HENDERSON INTERNATIONAL INCOME TRUST PLC

Income Statement (unaudited)
For the period from 1 September 2013 to 28 February 2014

	Notes	Revenue return £'000	Capital return £'000	Total £'000
Gains from investments held at fair value through profit or loss		-	2,678	2,678
Income from investments held at fair value through profit or loss		1,433	-	1,433
Gains on foreign exchange		-	196	196
Option premium income and interest received		53	-	53
Gross revenue and capital gains		1,486	2,874	4,360
Management fees		(67)	(202)	(269)
Other administrative expenses	3	(171)	-	(171)
Net return on ordinary activities before finance charges and taxation		1,248	2,672	3,920
Finance charges		(14)	(42)	(56)
Net return on ordinary activities before taxation		1,234	2,630	3,864
Taxation on net return on ordinary activities	4	(174)	-	(174)
Net return on ordinary activities after taxation		1,060	2,630	3,690
Return per Ordinary share:				
Basic	5	1 97p	4 88p	6 85p
Diluted	5	1 93p	4 78p	6 71p

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 Association of Investment Companies 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

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Reconciliation of Movements in Shareholders' Funds (unaudited)

For the period from 1 September 2013 to 28 February 2014

	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
Dividend paid (note 6)	-	-	-	-	(1,054)	(1,054)
Issue of Ordinary shares via C shares (note 10)	178	20,822	-	-	-	21,000
C share issue costs	-	(420)	-	-	-	(420)
Ordinary shares issued (note 10)	5	512	-	-	-	517
Issue costs	-	(7)	-	-	-	(7)
At 28 February 2014	764	23,865	45,732	8,134	960	79,455

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Balance Sheet (unaudited)
as at 28 February 2014

	Notes	£'000
Fixed asset investments held at fair value through profit or loss	7	87,408
Current assets		
Cash at bank		301
Debtors	8	3,490
		3,791
Current liabilities		
Bank overdraft		(8,199)
Other payables	9	(3,545)
		(11,744)
Net current liabilities		(7,953)
Total net assets		79,455
Capital and reserves		
Called up share capital	10	764
Share premium		23,865
Special reserve		45,732
Other capital reserves		8,134
Revenue reserve		960
Equity Shareholders' funds		79,455
Net asset value per Ordinary share:		
Basic	11	116 72p
Diluted	11	114 91p

The interim accounts were approved by the directors on 16 April 2014 and signed on their behalf by

Christopher Jonas
Chairman
16 April 2014

HENDERSON INTERNATIONAL INCOME TRUST PLC

NOTES TO THE INTERIM UNAUDITED ACCOUNTS

The interim accounts cover the period from 1 September 2013 to 28 February 2014

1. Principal activity

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

2 Accounting policies

(a) Basis of accounting

The interim accounts have been prepared on a going concern basis and under the historical cost basis of accounting, as modified to include the revaluation of investments at fair value The interim accounts have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice to the extent necessary to prepare the accounts for the purpose of s 838 of the Companies Act 2006 and with the Statement of Recommended Practice ("the SORP") for investment trusts issued by the Association Investment Companies ("the AIC") in January 2009 All the Company's operations are of a continuing nature

(b) Fixed asset investments and derivatives held at fair value through profit or loss

All investments are designated upon initial recognition as held at fair value through profit or loss Assets are de-recognised at the trade date of the disposal Proceeds are measured at fair value, which is regarded as the proceeds of the sale less any transaction costs The fair value of the financial instruments is based on their quoted bid price at the balance sheet date, without deduction of the estimated future selling costs

Derivatives are measured at fair value based on market prices or at valuations based on market prices

Changes in the fair value of investments held at fair value through profit or loss and gains and losses on disposals are recognised in the Income Statement as "Gains or losses from investments held at fair value through profit or loss" Also included within this caption are transaction costs in relation to the purchase and sale of investments, including the difference between the purchase price of an investment and its bid price at the date of purchase

(c) Capital gains and losses

Profits or losses on disposal of investments and investment holding gains or losses are taken to the capital column in the Income Statement and transferred to other capital reserves

(d) Income

Dividends receivable (including overseas withholding taxes) from equity shares are taken to revenue return on an ex-dividend basis except where, in the opinion of the Directors, the dividend is capital in nature, in which case it is taken to the capital return

Option premium income is recognised as revenue over the life of the contract and included in the revenue column of the Income Statement unless the option has been written for the maintenance and enhancement of the Company's investment portfolio and represents an incidental part of a larger capital transaction, in which case any premiums arising are allocated to the capital column of the Income Statement

(e) Derivative financial instruments

Derivative transactions which the Company may enter into comprise forward exchange contracts (the purpose of which is to hedge foreign currency exposure) The Company may also write options on shares represented in the portfolio where such options are priced attractively relative to the Investment Manager's expectations for the relevant share prices to generate additional return for shareholders The Company does not use derivative financial instruments for speculative purposes

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in the Income Statement as they arise If capital in nature, the associated change in value is presented as a capital item in the Income Statement

Where options are written for the purpose of generating revenue, applicable premiums are recognised evenly over the life of the option and shown in the revenue return, with the appropriate amount shown as capital return such that the total return reflects the overall change in the fair value of the option

(f) Expenses

All expenses and finance charges are accounted for on an accruals basis On the basis of the Board's expected long-term split of total returns in the form of capital and revenue returns of 75% and 25%, respectively, the Company charges 75% of its finance costs and investment management fee to capital Any performance fee would be allocated 100% to capital All other administrative expenses are charged to the revenue column of the Income Statement

(g) Taxation

In line with the recommendations of the SORP, the tax effect of different items of expenditure is allocated between the capital return and revenue return using the 'marginal basis' Under this basis, if taxable income is capable of being offset entirely by expenses presented in the revenue column of the Income Statement, then no tax relief is transferred from the capital return column

Deferred taxation is provided on all timing differences that have originated but not been reversed by the balance sheet date, other than those differences regarded as permanent Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements Any liability to deferred tax is provided at the average rate of tax expected to apply based on tax rates and laws that have been enacted or substantially enacted at the balance sheet date Deferred tax assets and liabilities are not discounted to reflect the time value of money

(h) Going Concern

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

(i) Foreign currency

In accordance with FRS 23 "The effect of changes in Foreign Exchange Rates" the Company has nominated Sterling as the functional currency, being the currency in which the Company predominantly operates The Board, having regard to the currency of the Company's share capital and the predominant currency in which its shareholders operate, has determined the functional currency to be Sterling

Transactions denominated in foreign currencies are converted at actual exchange rates as at the date of the transaction Monetary assets and liabilities and equity investments held at fair value through profit or loss denominated in foreign currencies at the period end are translated at the rates of exchange prevailing at the period end Any gain or loss from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the revenue return or capital return, depending on whether the gain or loss is of a revenue or capital nature

3. Other administrative expenses

	Revenue return £'000	Capital return £'000	Total £'000
Audit fees	15	-	15
Directors' fees	50	-	50
Marketing	10	-	10
Other expenses	96	-	96
	171	-	171

4. Taxation on net return on ordinary activities

	Revenue return £'000	Capital return £'000	Total £'000
Irrecoverable overseas withholding tax	174	-	174

The Company has no liability to UK Corporation Tax due to the fact that its income consists mainly of dividends which are not taxable in the UK

5. Return per Ordinary share

The total return per share is based on the net return attributable to the Ordinary shares of £3,690,000 and on 53,836,115 ordinary shares

The total return can be further analysed as follows

	£'000
Revenue return	1,060
Capital return	2,630
Total	3,690

Basic return per share

Weighted average number of shares	53,836,115
Revenue return per ordinary share	1 97p
Capital return per ordinary share	4 88p
Total return per share	6 85p

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NOTES TO THE INTERIM UNAUDITED ACCOUNTS

5. **Return per Ordinary share (continued)**
Diluted return per share

Weighted average number of shares	54,998,878
Revenue return per ordinary share	1 93p
Capital return per ordinary share	4 78p
Total return per share	6 71p

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

6 **Dividends on Ordinary shares for the period ended 28 February 2014**	**£'000**
4th interim dividend of 1 05p for the year ended 31 August 2013	526
1st interim dividend of 1 05p for the period ending 31 August 2014	528
	1,054
Revenue reserves bought forward	954
4th interim divdend of 1 05p for the year ending 31 August 2013	(526)
Revenue reserve after payment of 4th interim dividend for the year ended 31 August 2013	428
Revenue available for distribution by way of dividend for the period	1,060
1st interim dividend of 1 05p for the period ending 31 August 2014	(528)
Revenue available for distribution	960

The board proposes to pay a second interim dividend of 1 05p per share, equivalent to £715,000, payable on 30 April 2014 to shareholders registered at the close of business on 11 April 2014

7 **Fixed Asset Investments held at fair value through profit or loss**	**£'000**
Valuation at 31 August 2013	61,959
Investment holding gains	(4,869)
Book cost at 31 August 2013	57,090
Purchases at cost	43,227
Sales at cost	(20,366)
Book cost of investments at 28 February 2014	79,951
Investment holding gains	7,457
Valuation at 28 February 2014	87,408

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NOTES TO THE INTERIM UNAUDITED ACCOUNTS

8	**Debtors**	**£'000**
	Sales for future settlement	3,079
	Taxation recoverable	58
	Accrued income	265
	Gain on forward exchange contract	59
	Prepaid expenses	29
		3,490

9	**Creditors: other payables**	**£'000**
	Purchases for future settlement	3,154
	Other creditors	391
		3,545

		Number of shares	**£'000**
10	**Equity share capital**		
	Ordinary shares of 1p each		
	At 31 August 2013	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
	At 28 February 2014	68,071,550	681
	C shares of 10p each		
	At 31 August 2013	-	-
	Shares issue during the period	21,000,000	2,100
	Converted into Ordinary shares	(21,000,000)	(2,100)
	At 28 February 2014	-	-
	Subscription shares of 1p each		
	In issue during the period	8,300,000	83
	At 28 February 2014	8,300,000	83

During the period to 28 February 2014, the Company issued 450,000 ordinary shares for a total a total consideration of £510,000 after deduction of issue costs

Following the conversion of 21,000,000 C shares on 17 January 2014, 17,818,500 new Ordinary shares were issued

The Company's 8,300,000 non-voting subscription shares issued at launch are due for exercise by 31 August 2014 and are likely to be subscribed for at 100p

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NOTES TO THE INTERIM UNAUDITED ACCOUNTS

11 Net asset value per Ordinary share

Basic:

The basic net asset value per Ordinary share of 116 72p is calculated on the net assets attributable to Ordinary shares of £79,455,000 and on 68,071,550 Ordinary shares in issue

Diluted:

The 8,300,000 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 28 February 2014

The diluted net asset value per Ordinary share of 114 91p is calculated on the net assets attributable to Ordinary shares of £87,755,000 and on 76,371,550 Ordinary shares in issue