

Legal & General Equity Trust
**Interim Manager's
Short Report
for the period ended
15 February 2008**



Investment Objective and Policy

The investment objective of this Trust is to produce the optimum balance of good income and capital growth to offset the effects of inflation from a portfolio of mainly UK securities, which may be selected from all economic sectors.

The Manager will aim to identify those investments, primarily larger companies, which are expected to produce above average returns.

Risk Profile

Market Risk

Market risk arises mainly from uncertainty about future prices. The Manager adheres to the investment guidelines and in this way, monitors and controls the exposure to risk from any type of security, sector or issuer.

Trust Facts

Period End Dates for Distributions:	15 Feb, 15 Aug	
Distribution Dates:	15 Apr, 15 Oct	
Total Expense Ratios:	15 Feb 08	15 Aug 07
E-Class	1.04%	1.04%
R-Class	1.04%	1.04%
L-Class	0.02%	0.02%

The Total Expense Ratio is the ratio of the Trust's operating costs (excluding overdraft interest and transaction charges) and all costs suffered through holdings in underlying collective investment schemes, to the average net assets of the Trust.

Trust Performance

Accounting Date	Net Asset Value Of Trust	Net Asset Value Per Unit	Number Of Units In Issue
15 Aug 05**			
E-Class	£482,093,997	731.63p	65,893,358
R-Class	£3,017,709	731.63p	412,465
15 Aug 06			
E-Class			
Distribution Units	£60,771,772	795.36p	7,640,755
Accumulation Units	£46,514,200	1,977.99p	2,351,593
R-Class			
Distribution Units	£2,279,026	795.36p	286,539
Accumulation Units	£4,168,746	1,977.99p	210,757
L-Class*			
Distribution Units	£373,175,986	795.41p	46,916,136
15 Aug 07			
E-Class			
Distribution Units	£57,314,125	881.95p	6,498,586
Accumulation Units	£46,329,630	2,236.39p	2,071,626
R-Class			
Distribution Units	£3,325,127	881.95p	377,021
Accumulation Units	£6,457,598	2,236.39p	288,751
L-Class*			
Distribution Units	£366,325,246	881.99p	41,534,148
15 Feb 08			
E-Class			
Distribution Units	£52,349,809	847.08p	6,180,036
Accumulation Units	£42,614,044	2,158.13p	1,974,585
R-Class			
Distribution Units	£3,468,375	847.08p	409,451
Accumulation Units	£6,620,334	2,158.13p	306,763
L-Class*			
Distribution Units	£341,434,433	846.87p	40,316,997

* L-Class units became available from 16 August 2005. As a result there are no prior period comparative figures.

Under the requirements of the IMA SORP issued December 2005 the Trust's investments have been valued at their fair value, which for non-derivative securities is the bid market price.

** In this period the Trust's investments were valued at their mid market price.

Past performance is not a guide to future performance.

The price of units and income from them may go down as well as up.

Distribution Information

E-Class

The distribution payable on 15 April 2008 is 3.7089p net per unit for distribution units and 9.3132p net per unit for accumulation units.

R-Class

The distribution payable on 15 April 2008 is 3.7089p net per unit for distribution units and 9.3132p net per unit for accumulation units.

L-Class

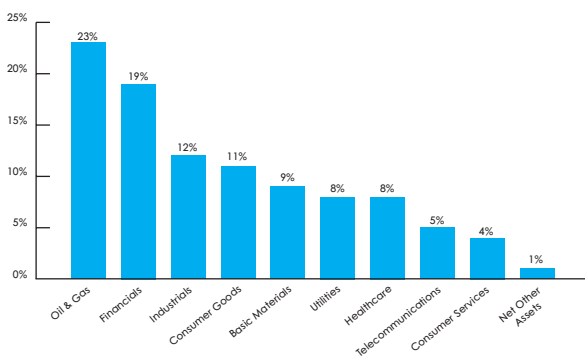
The distribution payable on 15 April 2008 is 8.3151p net per unit for distribution units.

Portfolio Information

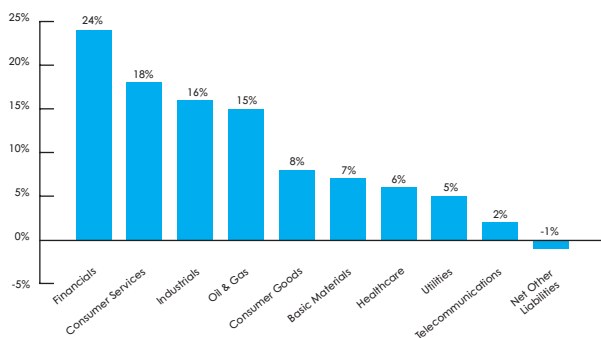
The top 10 holdings and their associated weighting for the current and preceding period are:

Top 10 Holdings at 15 February 2008		Top 10 Holdings at 15 August 2007	
Holding	Percentage of Net Asset Value	Holding	Percentage of Net Asset Value
HSBC Holdings	7.38%	HSBC Holdings	5.59%
BG Group	6.69%	Royal Bank of Scotland	4.75%
BP	6.03%	Anglo American	4.70%
Anglo American	5.79%	BG Group	4.09%
GlaxoSmithKline	5.10%	GlaxoSmithKline	3.58%
Vodafone Group	4.45%	Mecom Group	3.26%
British American Tobacco	4.12%	Prudential	2.87%
National Grid	3.68%	BP	2.83%
		Legal & General UK Smaller Companies Trust	2.78%
Imperial Tobacco	3.46%	Centrica	2.72%
Cadbury Schweppes	3.21%		

Trust Holdings as at 15 February 2008



Trust Holdings as at 15 August 2007



Unit Price Range and Net Income

E-Class Units

Year	Highest Offer	Lowest Bid	Net Income
Distribution Units			
2003	626.10p	460.50p	12.3995p
2004	664.60p	589.50p	13.3017p
2005	792.90p	657.80p	14.5834p
2006	908.40p	766.60p	15.6726p
2007	999.70p	843.60p	17.7303p
2008 ⁽³⁾	936.20p	786.70p	3.7089p
Accumulation Units			
2003	1,464.00p	1,059.00p	28.4871p
2004	1,588.00p	1,399.00p	31.2021p
2005	1,933.00p	1,573.00p	34.9925p
2006	2,258.00p	1,880.00p	38.9905p
2007	2,500.00p	2,140.00p	44.0711p
2008 ⁽³⁾	2,374.00p	1,996.00p	9.3132p

R-Class Units

Year	Highest Offer	Lowest Bid	Net Income
Distribution Units			
2004 ⁽¹⁾	697.80p	656.70p	—
2005	832.50p	657.80p	11.1503p
2006	953.80p	766.60p	15.6726p
2007	1,049.00p	843.60p	17.7303p
2008 ⁽³⁾	983.10p	786.70p	3.7089p
Accumulation Units			
2004 ⁽¹⁾	1,668.00p	1,570.00p	—
2005	2,030.00p	1,573.00p	27.2192p
2006	2,371.00p	1,880.00p	38.9905p
2007	2,625.00p	2,140.00p	44.0711p
2008 ⁽³⁾	2,493.00p	1,996.00p	9.3132p

L-Class Units

Year	Highest Offer	Lowest Bid	Net Income
Distribution Units			
2005 ⁽²⁾	800.20p	709.50p	—
2006	911.90p	767.30p	23.4649p
2007	1,011.00p	843.70p	27.1316p
2008 ⁽³⁾	939.90p	798.40p	8.3151p

⁽¹⁾ From 29 December 2004.

⁽²⁾ From 16 August 2005.

⁽³⁾ The above tables show highest offer and lowest bid prices to 15 February 2008 and net income per unit to 15 April 2008.

Past performance is not a guide to future performance.

The price of units and income from them may go down as well as up.

Manager's Investment Report

During the period under review, the bid price of the Trust's accumulation units fell by 3.4%, while the FTSE All-Share Index fell 5.1% on a total return basis (Source: Bloomberg).

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The value of investments and income from them may go down as well as up.

Market/Economic Review

Market volatility has been high during the period under review. After recovering strongly following the market correction in August 2007 (where the FTSE All-Share Index fell by 12.6% from 13 July 2007 to 16 August 2007), the market exhibited further fluctuations. In November 2007 a 10% fall was seen between 1 November 2007 and 21 November 2007, followed by a recovery, where the Index rose by 7% between 22 November 2007 and 12 December 2007. Following this, a further fall was seen between 27 December 2007 and 21 January 2008, where the Index fell 14% before recovering 8% between 22 January 2008 and 4 February 2008. Such fluctuations are likely to continue as market sentiment swings between fear over the extent of the crisis in the financial sector and associated risks to the real economy and optimism over the ability of government intervention and monetary easing to resolve the situation before the real economy is too badly impacted. However, recent economic data suggests that the real economy is beginning to suffer. Additionally, earnings momentum in a number of consumer facing sectors appears to be fading, with downgrades appearing amongst General Retailers, for example.

Aggressive monetary easing by the US Federal Reserve has also led to a substantial weakening of the US Dollar, thus adding further fuel to already booming commodity markets, with oil, gold, metals and 'soft' commodities such as wheat registering new highs. This in turn is creating an inflationary cycle in developed markets, as firms pass on higher input costs to customers. In industry sectors where pricing power is lower (typically consumer facing sectors), inability to pass on higher input costs has led to profit warnings. In this context, Premier Foods posted a profit warning, partly down to its inability to offset higher raw materials costs due to competitive pricing in the bread market.

Manager's Investment Report continued

Trust Review

We continue to focus our investments in companies where our conviction levels are highest. The investment process aims to identify companies where future returns are not discounted in the current share price. We also look for situations where the real market value of the underlying assets of the business is not reflected in the share price as well as turnaround situations where a new management team and/or a shift in corporate strategy signifies an improving trend in return on capital. We remain committed to analysing the fundamental drivers of value creation and invest considerable time in meeting management and assessing the value of the business. In light of recent macroeconomic trends, we are also taking a pragmatic view as to which companies are likely to meet expectations over coming months.

Over the last 6 months, there have been a number of additions to the Trust. New holdings added include Cadbury Schweppes, Hunting, Severn Trent, Pennon Group, Smith & Nephew and Shire Pharmaceuticals. Additionally, underweight positions in Vodafone Group, BP, BHP Billiton, Rio Tinto, Standard Chartered and GlaxoSmithKline were reduced. Positions in Inmarsat, EMAP, HBOS, Southern Cross Healthcare, Filtrona, Home Retail, Moneysupermarket.com, Centrica, A B Foods, Whitbread, Tui Travel, Royal Bank of Scotland, Experian Group, Bodycote, Burberry Group, UBM and Informa were sold.

From a sector perspective, we remain unconvinced on banks where low earnings multiples do not take into account the increasing risks of major capital write-offs combined with earnings risk from a weakening demand backdrop. We are overweight in the Energy sector where we see a robust backdrop for companies. Other overweights are Tobacco and Utilities which we believe should do well in a weaker macro environment.

Manager's Investment Report continued

Outlook

Trust activity over the last six months has been focused on selling holdings where risks to earnings are growing and reinvesting in more defensive names in a bid to preserve capital in a more difficult stock market environment. We are of the view that market volatility is likely to cast up interesting investment situations but are unconvinced as yet that market levels adequately reflect the risks to the real economy and hence company earnings. Until this point is reached, it is unlikely that we will seek to re-invest in consumer facing sectors. In light of this, we retain an overall defensive stance to the portfolio.

Legal & General Investment Management Limited

(Investment Adviser)

12 March 2008

Manager's Report and Accounts

Copies of the most recent Interim and Annual Long Form Manager's Reports are available free of charge by telephoning 0870 050 0955 or by writing to the Manager.

Call charges will vary. We may record and monitor calls.

Other Information

The information in this report is designed to enable unitholders to understand how the Trust has performed during the period under review and how it is invested at the period end. Further information on the activities and performance of the Trust can be obtained by telephoning 0870 050 0955 or by writing to the Manager.

Manager: Legal & General (Unit Trust Managers) Limited, Registered in England No. 1009418

Registered office:

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Authorised and regulated by the Financial Services Authority

Trustee: The Royal Bank of Scotland Plc, Trustee and Depositary Services, Waterhouse Square, 138-142 Holborn, London EC1N 2TH

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